

Leadership in banking through technology

22ND ANNUAL REPORT AND ACCOUNTS

2015-2016

ON THE MOVE



AT OUR PLACE



i **ICICI Bank**
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ICICI SECURITIES PRIMARY DEALERSHIP LIMITED

23RD ANNUAL REPORT AND ACCOUNTS 2015-2016

Directors

N. S. Kannan, *Chairman*
 Ashvin Parekh
 Dilip Karnik
 Radhakrishnan Nair
 Vishakha Mulye
 Shilpa Kumar
 Subir Saha
 B. Prasanna, *Managing Director & CEO*

Auditors

S.R. Batliboi & Co. LLP
Chartered Accountants

Registered Office

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

Prachiti D. Lalingkar
Company Secretary

directors' report

to the members,

Your Directors have pleasure in presenting the Twenty Third Annual Report of ICICI Securities Primary Dealership Limited (the Company) along with the audited financial statement of accounts for the year ended March 31, 2016.

INDUSTRY OVERVIEW

India's economic growth improved modestly in fiscal 2016. As per the Central Statistical Organization's advance estimate, the gross value added (GVA) was estimated to grow 7.3% year-on-year (YoY) in fiscal 2016 compared to 7.1% YoY in fiscal 2015 and 6.3% YoY in fiscal 2014. The industrial and agriculture sectors have contributed to improvement in GVA expansion in fiscal 2016 although services growth was weak.

Industrial sector GVA growth was stronger at 8.8% YoY in fiscal 2016 compared to 6.5% YoY in fiscal 2015. Manufacturing sector growth improved, even as expansion was weaker in mining and electricity segments. Lower commodity prices supported corporate margins but growth in gross fixed capital formation improved only marginally, at 5.3% YoY compared to 4.9% YoY in fiscal 2015. The moderation in services sector growth was broad-based. Slowdown was observed across construction, finance, retail trade and public administration segments. Despite growth improvement, output gap was negative. Thus, inflationary pressures continued to ease in fiscal 2016, following the sharp fall in the earlier fiscal. Retail inflation has averaged 4.9% YoY in April–February 2016 that compares favourably with 6% average in fiscal 2015. Deceleration was observed across food, housing and services segments. Moderation in food inflation despite a second consecutive year of poor rains indicates efficient supply management by the government. Core inflation as measured by non-food and fuel inflation has stayed at sub-5% for sixteen consecutive months. The fall in wholesale inflation was sharper, with inflation averaging -2.6% YoY in April–February 2016 compared to 2.1% YoY average in fiscal 2015.

The decline in inflationary pressures enabled the Reserve Bank of India (RBI) to adopt an easier monetary policy stance. As inflation significantly undershot the glide path targets as set by RBI, of 8% by January 2015 and 6% by January 2016, RBI has cut the benchmark repo rate by 75 basis points over fiscal 2016, to 6.75%, after easing by 50 basis points in fiscal 2015. RBI's stance remains accommodative.

Indicators of macro-stability in the economy continued to improve in fiscal 2016, and assisted the easier monetary policy stance. The Government successfully achieved the fiscal deficit target set for fiscal 2016 of 3.9% of GDP, from 4.1% in fiscal 2015. Expenditure modestly exceeded the budget estimates but was more than offset by higher tax and non-tax revenues. Higher tax revenues on account of increase in excise duties on petroleum products supported indirect tax collections even as direct tax collections fell short of budget estimates. In the budget for fiscal 2017, the Government targets further reduction in fiscal deficit to 3.5% of GDP, in line with the roadmap announced earlier.

On the external front, India's current account deficit (CAD) was stable at 1.5% of GDP in the first three quarters of fiscal 2016 compared to 1.4% in fiscal 2015. Trade deficit has declined in USD terms, compared to the same period last year, but lower nominal GDP growth has offset gains in trade balance as measured in as a percentage of GDP. Sharp decline in commodity prices over fiscal 2016 has led to contraction in both import and export growth, at -14.1% YoY and -16.4% YoY respectively in April – February 2016. Lower oil imports (-39.5% YoY in April – February 2016) has led the fall in imports, with 'core' imports, as measured by non-oil and gold imports, contracting by much less (at -3.7% YoY). Weak global growth has contributed to fall in exports. Region-wise dispersion of export demand indicates sharpest contraction in exports to Asia (-18% YoY), with shipments to US and Europe shrinking by ~11% YoY each over April – February 2016. Even as CAD has remained stable, capital account flows have been weaker, curtailing the surplus in the balance of payments.

FINANCIAL HIGHLIGHTS

The financial performance for fiscal 2016 is summarised in the following table:

	₹ in million	Fiscal 2015	Fiscal 2016
Gross income		13,088.2	13,619.4
Profit before tax		3,345.4	3,021.0
Provision for tax		1,171.7	1,066.3
Profit after tax		2,173.7	1,954.7

Appropriations

Profit after tax for the year ended March 31, 2016 was ₹ 1,954.7 million. The profit available for appropriation is ₹ 3,053.3 million, taking into account the balance of ₹ 1,098.6 million brought forward from the previous year.

In accordance with the guidelines prescribed by RBI and other applicable guidelines, primary dealers are permitted to have dividend payout ratio of more than 33.3% but less than 50% provided the capital to risk weighted assets ratio (CRAR) during all the four quarters of the previous year is at 20% or above. In view of the significant profits earned by the Company and the comfortable capital adequacy ratio, the Company had requested RBI to permit a higher dividend payout ratio. RBI has approved a dividend payout ratio of 70% for FY2016. Accordingly, your Directors have recommended a final dividend of 7.50% for the year and have appropriated the disposable profit as follows:

	₹ in million	Fiscal 2015	Fiscal 2016
To General Reserve		—	—
To Special Reserve		434.7	391.0
To Capital Reserve		88.1	123.7
Dividend for the year on equity shares			
- Interim Dividend @ 74.0%		1,184.3	1,156.9
- Proposed Dividend @ 7.5 %		62.5	117.3
- Corporate Dividend tax		243.5	259.4
Leaving balance to be carried forward to the next year		1,098.6	1,005.0

Debenture Trustees

As per SEBI circular no. CIR/IMD/DF/18/2013 dated October 29, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of Debenture Trustees are as under:

Name: IDBI Trusteeship Services Limited

Contact details – Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400 001. Tel No. 022-40807008

OPERATIONAL REVIEW

Fixed Income

The bullishness in repo rate cuts by RBI did not flow through to the bond markets as the benchmark 10 year bond closed almost flat for the year despite 75 basis points of easing during the financial year. Curve steepening had been the theme for fiscal year 2016, since RBI was easing monetary policy at a pace slower than market expectations and given the overhang of large duration supply. Foreign Portfolio Investors maintained a low profile given high volatility in currency markets and impending rate hike by the US Federal Reserve.

Falling inflation led to a surprise 50 basis points rate cut by RBI in September, which gave a fresh lease of life to an otherwise sluggish market. After a lacklustre first half of fiscal 2016, trading activity gained momentum in the second half of the fiscal to

directors' report

Continued

take advantage of falling interest rates. The year was also marked by low-risk spread trades which performed well with respect to capital utilization.

The excellent financial performance of the Company was achieved despite a year of low volatility. The range of yields in this year was about 50 basis points, much lower than about 150 basis points for the previous fiscal. This was achieved through a combination of active and nimble trading and also by going short interest rates using the Interest Rate swap (IRS) market and the recently introduced exchange traded Interest Rate Futures (IRF) market. The Company also made good use of the steepening in the yield curve by entering into steepening trades. Short maturity bonds (upto five years) provided a better risk-return profile by providing returns (higher carry) with less risk (lower duration) and the Company used its leverage to actively build positions in the shorter end. These bonds also proved to be relatively less prone to the upward movement in yields on account of the high duration supply.

The Company successfully met all its regulatory obligations like underwriting commitments for Government securities and Treasury Bills (T-Bills). The Company maintained its dominance in auction bidding and underwriting as well as in the secondary market trading activity. The Company has been the top underwriter and subscriber from the primary market in government securities. Primary market success in T-Bills was 42% of commitment in fiscal 2016 (as against regulatory requirement of 40%). Secondary market turnover in Government securities was 101 times the average stock in fiscal year 2016.

Corporate bond market volumes remained lacklustre with spreads on 10Y AAA PSU bonds remaining in the 50-75 basis points range in fiscal 2016. The increased issuance of state development loans (SDLs) impacted sentiment for corporate bonds as demand from investors such as provident funds /insurance companies shifted to SDLs where the spreads went up from 35 basis points at the beginning of the year to a high of 85 basis points. The credit quality of companies in the commodity and infrastructure sectors came under pressure thereby impacting the demand for high yield credits. Some of the issuers in these sectors witnessed sharp downgrades thereby impacting investor sentiment. Filis net sold ₹ 128,880.0 million of corporate bonds during fiscal 2016.

The Company reduced its activity in the corporate bond market due to the above mentioned concerns. This also helped us to scale up the activity in Government securities and SDLs. RBI has increased the Single Borrower Limit (SBL) for stand-alone primary dealers in AAA bonds from 25% of NOF to 50% of NOF with Group Borrower Limit (GBL) increasing from 40% to 65% in fiscal 2016. This should help us in increasing our presence in AAA bonds as and when the markets become more conducive.

Interest rates on Overnight Indexed Swaps (OIS) moved down gradually through the year as CPI undershot RBI's trajectory and policy rates came down. In the second half, while yields on Government securities inched up on concerns of supply from UDAY bonds, interest rates on OIS moved lower, showing greater confidence of OIS market on future policy rate cuts. The spread between the 1-year OIS and the 5-year OIS came down. By the end of the fiscal, the 1-year and 5-year were around same levels, possibly reflecting that market is expecting the easing cycle to last not beyond one more rate cut. The Company continued to be an active player in the interbank swap market throughout the year.

Volumes on IRF market have picked up. This year exchanges launched new contracts in the 5-year and the 15-year segment. There are now 7 active near month contracts on NSE – 2 in the 5-year segment, 3 in the 10-year, and 2 in the 15-year segment. While the futures market traded at premium during the first half of the year, it moved to discount as yields on Government securities moved higher in the second half. The Company was one of the most active players in IRF Market.

Private placement debt market volumes fell to ₹2,978 billion in fiscal 2016 from ₹3,567 billion in fiscal 2015. The main reasons for the drop in activity were heightened debt market volatility, fading Foreign Portfolio Investors demand and credit concerns arising out of defaults in corporate bonds held by mutual funds. The Company maintained its position in the Top-5 of PRIME League Tables (Ranked 5th in fiscal 2016 and 4th in fiscal 2015) while continuing with its strategy to prioritise fee income over placement volumes.

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

The Company was involved with the first ever reissuance of corporate bonds in Indian markets, as Lead Manager to International Finance Corporation's (IFC's) Maharaja Bond issue. Other notable sole mandates undertaken by the Company this year include ₹ 2.50 billion issuance by L&T Metro Rail (Hyderabad) Limited placed in an extremely credit uncertain environment and perpetual debt issuance by three NBFCs of the L&T Group.

Portfolio Management Services

During the year, the Company was re-appointed as one of the discretionary fund managers for managing the funds belonging to the Employees Provident Fund Organisation under the Ministry of Labour. The Company was also appointed as one of the discretionary fund managers for managing the funds belonging to the Coal Mines Provident Fund Organisation under the Ministry of Coal.

During the year, the Company was re-appointed as advisor to West Bengal State Electricity Distribution Company Limited (WBSEDCL) General Provident Fund, WBSEDCL Pension Fund, WBSEDCL Gratuity Fund, West Bengal State Electricity Board Employees Contributory Provident Fund and CESC Limited Provident Fund.

Overall, gross assets under management on a discretionary basis were at around ₹ 1,373.15 billion at March 31, 2016. 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 financial 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 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.

On the basis of the robust risk management framework and regular monitoring of all major risk areas within the Company, the Board is satisfied that there are no factors that could adversely affect the existence of the Company.

OUTLOOK

The outlook for bond markets in fiscal 2017 will be conditioned by the evolving inflation dynamics and the fiscal stance of the government. RBI has already settled into an accommodation stance, and further monetary easing is contingent on downward inflation surprises from already subdued levels. RBI is calibrating its actions to deliver on the 5% inflation target for January 2017. The status of the monsoons including the spatial distribution, government policy on food prices, timing of implementation of Pay Commission recommendations, trends in global crude prices and sequential moves in core inflation would be closely watched. The RBI will also be particularly watchful of the US Fed's monetary policy stance. Both Centre and State Governments are budgeting for fiscal consolidation. But, State Government budgets in particular have not made any provision for outgoes on account of implementation of Pay Commission recommendations. Risk of overshoot of state fiscal targets is thus high. Steps by RBI to inject liquidity into the banking system via open market purchase of government bonds can assuage concerns. Thus, in addition to uncertainties about the policy rates, government bond supply and liquidity management initiatives from the RBI will determine the behaviour of yield curve in fiscal 2017. The Company would remain watchful while capitalizing opportunistically on favourable developments during the year.

VIGIL MECHANISM

The Company has formulated a Whistle Blower Policy. The policy comprehensively provides an opportunity for any employee/Director of the Company to raise any issues concerning breaches of law, statute or regulation by the Company, accounting policies and procedures adopted for any area or item or any act resulting in financial or reputation loss and misuse of office or suspected/actual fraud and criminal offences. The policy provides for a mechanism to report such concerns to the Audit Committee through specified channels. The policy has been periodically communicated to the employees and also posted on the Company's intranet. The Whistle Blower Policy complies with the requirements of Vigil mechanism as stipulated under Section 177 of the Companies Act, 2013. The details of establishment of the Whistle Blower Policy/Vigil mechanism have been disclosed on the website of the Company.

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Company has adequate internal controls and processes in place with respect to its financial statements which provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements. These controls and processes are driven through various policies, procedures and certifications. The processes and controls are reviewed periodically. The Company has a mechanism of testing the controls at regular intervals for their design and operating effectiveness to ascertain the reliability and authenticity of financial information.

AUDITOR'S REPORT

There are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors in their report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR Committee of the Company consists of three directors viz., Dilip Karnik, B.

directors' report



Prasanna and Subir Saha.

The Company's primary focus areas for CSR activities are:

- Education
- Health Care
- Skill development and sustainable livelihoods
- Financial inclusion
- Support employee engagement in CSR activities
- Capacity building for corporate social responsibility
- Other areas

The Company partnered with ICICI Foundation for Inclusive Growth to support the cause of elementary education, primary health, sustainable livelihood and skill development to achieve the CSR objectives. The Company contributed to the Chief Ministers Public Relief fund - Chennai to work on relief activities for the flood affected areas of Chennai.

The Corporate Social Responsibility Policy as approved by the Board is uploaded on the Company's website.

The Annual Report on CSR activities is annexed herewith as Annexure A.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as Annexure B.

PUBLIC DEPOSITS

The Company has not accepted any deposit from the public during the year under review and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Pursuant to Section 186(11) of the Companies Act, 2013, the provisions of Section 186(4) of the Companies Act, 2013 requiring disclosure in the financial statements of the full particulars of the loans given, investment made or guarantee given or security provided and the purpose for which the loan or guaranteed or security is proposed to be utilised by the recipient of the loan or guarantee or security is not applicable to a non-banking financial company registered under Chapter III of the Reserve Bank of India Act, 1934 and whose principal business is acquisition of securities.

RELATED PARTY TRANSACTIONS

The Company undertakes various transactions with related parties in the ordinary course of business. The Company has a Board approved policy on Related Party Transactions and an arms' length policy which requires transactions with the group companies to be at arm's length. The transactions between the Company and its related parties, during fiscal 2016 were in the ordinary course of business and based on the principles of arm's length. The details of material related party transactions at an aggregate level for fiscal 2016 is annexed as Annexure C.

ACHIEVEMENTS DURING THE YEAR

The Company was ranked fourth in PRIME league tables on the basis of its performance as debt arranger and first for private placement of tax free bonds.

The Company was also adjudged one of the top 3 performers in IRF segment by BSE Limited.

Overall, this fiscal was the third best year in terms of profitability for the Company since its incorporation.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Changes in the composition of the Board of Directors and other Key Managerial Personnel

Uday Chitale (DIN: 00043268) retired from the Board of Directors of the Company as Independent Director with effect from October 10, 2015. The Board placed on record its appreciation for the valuable contribution made by Uday Chitale during his tenure as a Director. The Board of Directors and the shareholders approved the appointment of Radhakrishnan Nair (DIN: 07225354) as Independent Directors on the Board of Directors of the Company with effect from October 1, 2015 for a period of 5 years.

There was no appointment or cessation of appointment of key managerial personnel during the financial year. In April 2016, Sundaram G. H. (DIN: 02516202), Executive Director resigned from the Board of Directors of the Company. His resignation shall be effective from the date of receipt of regulatory approvals. While accepting his resignation, the Board placed on record its appreciation for the valuable contribution made by Sundaram G. H. during his tenure as the Executive Director of the Company.

Independent Directors

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. All independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 of the Companies Act, 2013 which has been relied on by the

Company and placed at the Board Meeting of the Company held on April 12, 2016.

Retirement by rotation

In terms of Section 152 of the Companies Act, 2013, Subir Saha would retire by rotation at the forthcoming AGM and is eligible for re-appointment. Subir Saha has offered himself for re-appointment.

PERFORMANCE EVALUATION OF THE BOARD, COMMITTEES AND DIRECTORS

The Company with the approval of its Nomination & Remuneration Committee has put in place an evaluation framework for evaluation of the Board, Directors and Chairperson. The Board also carries out an evaluation of the working of its Audit Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee. The evaluation of the Committees is based on the assessment of the compliance with the terms of reference of the Committees.

The evaluations for the Directors and the Board were done through circulation of two questionnaires, one for the Directors and the other for the Board which assessed the performance of the Board on select parameters related to roles, responsibilities and obligations of the Board and functioning of the Committees including assessing the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The evaluation criteria for the Directors was based on their participation, contribution and offering guidance to and understanding of the areas which are relevant to them in their capacity as members of the Board. The Nomination & Remuneration Committee has oversight over compensation. The Nomination & Remuneration Committee defines Key Performance Indicators (KPIs) for wholetime Directors and the organisational performance norms for bonus based on the financial and strategic plan approved by the Board. The KPIs include both quantitative and qualitative aspects. The Nomination & Remuneration Committee assesses organisational performance as well as the individual performance for wholetime Directors. Based on its assessment, it makes recommendations to the Board regarding compensation for wholetime Directors.

Remuneration Policy

The Company has in place the remuneration framework for the non-executive directors and the compensation policy for the whole-time directors, key managerial personnel and other employees. The Company also has in place the criteria for determining qualifications, positive attributes and independence of a director.

Meetings

The Board of Directors of the Company meet at regular intervals to discuss and decide on business policy and strategy apart from other board business. The Board met four times in the fiscal 2016 viz., on April 23, 2015, July 20, 2015, October 19, 2015 and January 21, 2016

Sr. No.	Name of the Director	Board meetings attended during the year
Independent Directors		
1	Uday Chitale (DIN: 00043268)	2/2#
2	Dilip Karnik (DIN: 06419513)	4/4
3	Ashvin Parekh (DIN: 06559989)	3/4
4	Radhakrishnan Nair (DIN: 07225354)	2/2*
Non-Executive Directors		
5	N. S. Kannan (DIN: 00066009)	4/4
6	Vishakha Mulye (DIN: 00203578)	3/4
7	Shilpa Kumar (DIN: 02404667)	3/4
8	Subir Saha (DIN: 00227049)	4/4
Wholetime Directors		
9	Prasanna B. (DIN: 02257744)	4/4
10	Sundaram G. H. (DIN: 02516202)	4/4#

Retired with effect from October 10, 2015.

* Appointed with effect from October 1, 2015.

** Resigned in April 2016. Resignation will be effective from the date of receipt of regulatory approvals.

COMMITTEES OF BOARD

(i) Audit Committee

During the year, Ashvin Parekh was inducted as a member of the Audit Committee in place of Uday Chitale who retired from the Board of Directors of the Company. The Audit Committee comprises of Ashvin Parekh, Dilip Karnik and N. S. Kannan as its members. Ashvin Parekh, 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.

The Audit Committee met four times in the fiscal 2016 viz., on April 23, 2015, July 20, 2015, October 19, 2015 and January 21, 2016.

directors' report

Continued

Attendance record of the Members:

Name of Member	Meetings attended during the year
Uday Chitale	2/2*
Dilip Karnik	4/4
Ashvin Parekh	1/2#
N. S. Kannan	4/4

* Retired with effect from October 10, 2015.

Inducted on the Audit Committee with effect from October 11, 2015.

(ii) Nomination and Remuneration Committee

During the year, Ashvin Parekh was inducted as a member of the Nomination and Remuneration Committee in place of Uday Chitale who retired from the Board of Directors of the Company. The Committee comprises of Dilip Karnik, Ashvin Parekh and N. S. Kannan as its members. Dilip Karnik, an independent Director, is Chairman of the Committee.

The Committee met five times in fiscal 2016 on April 13, 2015, July 20, 2015, October 19, 2015, December 17, 2015 and January 21, 2016.

Attendance record of the Members:

Name of Member	Meetings attended during the year
Uday Chitale	2/2*
Dilip Karnik	5/5
Ashvin Parekh	2/3#
N. S. Kannan	5/5

* Retired with effect from October 10, 2015.

Inducted on the Nomination and Remuneration Committee with effect from October 11, 2015.

(iii) Corporate Social Responsibility Committee

During the year, Dilip Karnik was inducted as a member of the Corporate Social Responsibility Committee in place of Uday Chitale who retired from the Board of Directors of the Company. Effective May 1, 2016, Subir Saha was inducted as a member of the Corporate Social Responsibility Committee in place of Sundaram G. H. The Corporate Social Responsibility Committee comprises of Dilip Karnik, B. Prasanna and Subir Saha as its members. Dilip Karnik, an independent Director, is Chairman of the Committee.

The Committee met thrice in fiscal 2016 on April 10, 2015, July 16, 2015 and October 19, 2015.

Attendance record of the Members:

Name of Member	Meetings attended during the year
Uday Chitale	2/2*
Dilip Karnik	1/1#
B. Prasanna	3/3
Sundaram G. H.	3/3**
Subir Saha	0/0##

* Retired with effect from October 10, 2015.

Inducted on the Corporate Social Responsibility Committee with effect from October 11, 2015.

** Ceased to be a member with effect from May 1, 2016.

Inducted on the Corporate Social Responsibility Committee with effect from May 1, 2016.

GENERAL MEETINGS

The particulars of all general meetings held during the last three years are as follows:

Particulars	Date
Extra Ordinary General Meeting	April 23, 2013
20 th Annual General Meeting	August 8, 2013
21 st Annual General Meeting	June 27, 2014
Extra Ordinary General Meeting	August 26, 2014
Extra Ordinary General Meeting	March 30, 2015
22 nd Annual General Meeting	June 25, 2015
Extra Ordinary General Meeting	October 1, 2015
Extra Ordinary General Meeting	December 29, 2015

AUDITORS

Statutory Auditors

At the AGM held on June 27, 2014 the Members approved the appointment of S. R. Batliboi & Co. LLP, Chartered Accountants as statutory auditors for a period of three years commencing from the twenty first AGM till the conclusion of the twenty fourth AGM subject to the ratification by the Members every year. As recommended by the Audit Committee, the Board has proposed the re-appointment of S. R. Batliboi & Co. LLP, Chartered Accountants as statutory auditors for fiscal 2017. The appointment is accordingly proposed in the Notice of the current AGM vide item no. 4 for ratification by Members. You are requested to consider their appointment.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company with the approval of its Board, appointed Jaiprakash R. Singh & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for FY2016. The Secretarial Audit Report is annexed herewith as Annexure D. There are no qualifications, reservation or adverse remark or disclaimer made by the auditor in the report save and except disclaimer made by them in discharge of their professional obligation.

FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

During fiscal 2016, expenditure in foreign currencies amounted to ₹ 3.6 million (previous year: ₹ 8.00 million) and earnings in foreign currencies amounted to ₹ Nil million (previous year: ₹ Nil million).

PERSONNEL

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in an annexure and forms part of this report. In terms of Section 136(1) of the Act, the Report and the Accounts are being sent to the shareholders excluding the aforesaid Annexure. Any shareholder interested in obtaining a copy of the Annexure may write to the Company Secretary at the Registered Office of the Company.

The ratio of the remuneration of each director to the median employee's remuneration and such other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in Annexure E.

ADDITIONAL INFORMATION

The Managing Director of the Company is granted stock options of the holding company i.e. ICICI Bank Limited (the Bank) which is issued pursuant to the Employee Stock Option Scheme of the Bank. The details of stock options granted by the Bank for fiscal 2016 are given below:

Name of Director	Number of Stock Options
B. Prasanna	600,250

In view of the nature of business activities of the Company, the information relating to conservation of energy and technology absorption, as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is not required to be given. The Company has, however, used information technology extensively in its operations.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of financial year of the Company to which the Balance Sheet relates and the date of this Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There are no significant and/or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company.

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, 2016 and of the profit of the Company for the year ended on that date;

directors' report



- 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, 2013 to safeguard the assets of the Company and to prevent and detect fraud and other irregularities;
- iv. that the annual accounts have been prepared on a 'going concern' basis; and
- v. that proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

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.

INFORMATION REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL), ACT, 2013

There were no complaints reported under the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

annexure a

ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

CSR has been a long-standing commitment at ICICI Securities Primary Dealership Limited (the Company) and the ICICI Group and forms an integral part of our activities. The ICICI Group's contribution to social sector development includes several pioneering interventions, and is implemented through the involvement of stakeholders within the Group and the broader community. ICICI Bank established the ICICI Foundation for Inclusive Growth (ICICI Foundation) in 2008 with a view to significantly expand the ICICI Group's activities in the area of CSR. Over the last few years ICICI Foundation has developed significant projects in specific areas, and has built capabilities for direct project implementation as opposed to extending financial support to other organisations.

The CSR Policy of the Company sets the framework guiding the Company's CSR activities. It outlines the governance structure, operating framework, monitoring mechanism, and CSR activities that would be undertaken. The CSR committee is the governing body that articulates the scope of CSR activities and ensures compliance with the CSR policy. The Company's CSR activities are largely focused in the areas of education, health, skill development and rural development and other activities as the Company may choose to select in fulfilling its CSR objectives.

The CSR policy was approved by the CSR Committee in October 2014, and subsequently was put up on the Company's website. Web-link to the Company's CSR policy:

<http://www.icicisecuritiespd.com/pdfs/CSR%20Framework%20for%20website.pdf>

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

Mumbai, May 18, 2016

2. The Composition of the CSR Committee:

The Company's CSR Committee Non-comprises one independent Director, the Managing Director & CEO and the Non-Executive Director, and is chaired by the Independent Director. The composition of the Committee is set out below:

- Dilip Karnik, Chairman
- B. Prasanna
- Subir Saha

The functions of the Committee include: review of CSR initiatives undertaken by the Company; formulation and recommendation to the Board of a CSR Policy indicating the activities to be undertaken by the Company and any amendments thereto; reviewing and recommending the annual CSR plan to the Board; monitoring the CSR activities, implementation of and compliance with the CSR Policy; and reviewing and implementing, if required, any other matter related to CSR initiatives as recommended/suggested by RBI or any other body.

3. Average net profit of the company for last three financial years:

The average net profit of the company for the last three financial years calculated as specified by the Companies Act 2013 was ₹ 2,381.3 million

4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above):

The prescribed CSR expenditure requirement for FY2016 is ₹ 47.6 million

5. Details of CSR spent during the financial year.

a. Total amount to be spent for the financial year:

Total amount spent towards CSR during FY2016 was ₹ 47.6 million

b. Amount unspent, if any: Nil

directors' report

Continued

c. Manner in which the amount spent during the financial year is detailed below:

(1) S.No	(2) CSR project or activity identified	(3) Sector in which the project is covered	(4) Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	(5) Amount outlay (budget) project or programs wise (₹ in million)	(6) Amount spent on the programs Sub-heads: (I) Direct expenditure on projects or programs (2) overheads (₹ in million)	(7) Cumulative expenditure up to the reporting period (₹ in million)	(8) Amount spent: Direct or through implementing agency
1	Contribution towards relief and welfare in calamity affected areas	Contribution to Prime Minister's/ Chief Minister's Relief Fund	Chennai	—	0.7	1.3	Chief Ministers Public relief fund
2	Projects of ICICI Foundation for Inclusive Growth	1. Promoting education, employment enhancing vocational skills, livelihood enhancement projects, 2. Eradication of hunger, poverty and malnutrition; promoting preventive healthcare	• 22 skill training centres located in Bangalore, Bhubaneswar, Chennai, Coimbatore, Delhi, Durg, Guwahati, Hyderabad, Indore, Jaipur, Kochi, Kolkata, Lucknow, Mumbai, Mysore, Nagpur, Narsobawadi, Patna, Pune, Trichy, Vijaywada and Zirakpur. • Elementary education projects in Rajasthan and Chhattisgarh • Healthcare programmes including in Baran (Rajasthan).	—	46.9	80.2	Amount spent through ICICI Foundation for Inclusive Growth
Total				-	47.6	81.5	

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report:

Not applicable

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

The CSR Committee hereby confirms that the implementation and monitoring of CSR activities is in compliance with CSR objectives and the CSR Policy of the Company.

Sd/-

B. Prasanna

Managing Director & CEO

Sd/-

Dilip Karnik

Chairman CSR Committee

annexure b

Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on March 31, 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN:- U72900MH1993PLC131900
- ii) Registration Date – February 22, 1993
- iii) Name of the Company- ICICI Securities Primary Dealership Limited
- iv) Category / Sub-Category of the Company – Public Unlisted Company
- v) Address of the Registered office and contact details - ICICI Centre, H. T. Parekh Marg, Churchgate, Mumbai – 400020. Tel (91 22) 2288 2460/70 Fax (91 22) 2288 2312/13
- vi) Whether listed company Yes / No – Yes, the non-convertible debentures of the Company are listed on the WDM segment of BSE Limited.
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any–

For equity shares- 3i Infotech Limited Tower # 5, 3rd to 6th Floor, International Infotech Park, Vashi, Navi Mumbai 400 703.

For Debentures- Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup West, Mumbai 400078.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Securities Trading & Underwriting	6599	97%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S. NO	Name and address of the company	CIN/GLN	Holding/ subsidiary/ associate	% of shares held	Applicable section
1.	ICICI Bank Limited, ICICI Bank Towers, Bandra Kurla Complex, Mumbai - 400 051	L65190GJ-1994PLC021012	Holding Company	100%	Section 2 (46)

directors' report



IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian										
a) Individual/HUF										
b) Central Govt										
c) State Govt(s)										
d) Bodies Corp.										
e) Banks / FI										
f) Any Other										
Sub-total (A) (1):-	15627	7	15634	100%	15627	7	15634	100%	—	
(2) Foreign										
a) NRIs -Individuals	—	—	—	—	—	—	—	—	—	
b) Other -Individuals										
c) Bodies Corp.										
d) Banks / FI										
e) Any Other										
Sub-total (A) (2):-	—	—	—	—	—	—	—	—	—	
Total share-holding of Promoter (A) = (A)(1)+(A)(2)	15627	7	15634	100%	15627	7	15634	100%	—	
B. Public Shareholding										
1. Institutions										
a) Mutual Funds	—	—	—	—	—	—	—	—	—	
b) Banks / FI										
c) Central Govt										
d) State Govt(s)										
e) Venture Capital Funds										
f) Insurance Companies										
g) FII's										
h) Foreign Venture Capital Funds										
i) Others (specify)										
Sub-total (B)(1):-	—	—	—	—	—	—	—	—	—	
2. Non-Institutions										
a) Bodies Corp.	—	—	—	—	—	—	—	—	—	
i) Indian										
ii) Overseas										
b) Individuals										
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh										
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh										
c) Others (specify)										
Sub-total (B)(2):-	—	—	—	—	—	—	—	—	—	
Total Public Shareholding (B)=(B)(1) + (B)(2)	—	—	—	—	—	—	—	—	—	
C. Shares held by Custodian for GDRs & ADRs										
	—	—	—	—	—	—	—	—	—	
Grand Total (A+B+C)	15627	7	15634	100%	15627	7	15634	100%	Nil	

directors' report

Continued

(ii) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	% change in share-holding during the year
ICICI Bank Limited (along with its nominees)	15634	100%	—	15634	100%	—	—
Total	15634	100%	Nil	15634	100%	Nil	Nil

(iii) Change in Promoters' Shareholding – No change in the promoters' shareholdings in the Company'

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	15634	100	15634	100
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				Not applicable
3	At the End of the year (or on the date of separation, if separated during the year)	15634	100	15634	100

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): -

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	For Each of the Top 10 Shareholders				
1	At the beginning of the year	—	—	—	—
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	—	—	—	—
3	At the End of the year (or on the date of separation, if separated during the year)	—	—	—	—

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Directors and KMP				
1	At the beginning of the year				
	B. Prasanna*	1	0.006396	1	0.006396
	Sundaram G. H.*	1	0.006396	1	0.006396
	Subir Saha*	1	0.006396	1	0.006396
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	—	—	—	—
3	At the End of the year				
	B. Prasanna*	1	0.006396	1	0.006396
	Sundaram G. H.*	1	0.006396	1	0.006396
	Subir Saha*	1	0.006396	1	0.006396

* as nominees of ICICI Bank Limited jointly with ICICI Bank Limited. The beneficial interest in these shares vests in ICICI Bank Limited.

directors' report



V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	106,883.5	24,409.3	—	131,292.8
ii. Interest due but not paid	—	—	—	—
iii. Interest accrued but not due	88.2	282.2	—	370.4
Total (i+ii+iii)	106,971.7	24,691.5	—	131,663.2
Change in Indebtedness during the financial year				
• Addition	26,133,583.0	1,621,200.5	—	27,754,783.5
• Reduction	26,133,654.0	1,616,424.6	—	27,750,078.6
Net Change	(71.0)	4,775.9	—	4,704.9
Indebtedness at the end of the financial year				
i. Principal Amount	106,793.5	29,150.0	—	135,943.5
ii. Interest due but not paid	—	—	—	—
iii. Interest accrued but not due	107.2	317.4	—	424.6
Total (i+ii+iii)	106,900.7	29,467.4	—	136,368.1

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in million)

Sl. no	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		B. Prasanna, Managing Director & CEO	Sundaram G. H., Executive Director	
1.	Gross salary a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b. Value of perquisites u/s 17(2) Income-tax Act, 1961 c. Profits in lieu of salary under section 17(3) Income-tax Act, 1961	42.8 0.6 —	32.0 — —	74.8 0.6 —
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission - as % of profit - others, specify...	—	—	—
5.	Others, please specify	—	—	—
Total (A)		42.8	32.0	74.8
Ceiling as per the Act				195.5

B. Remuneration to other directors

(₹ in million)

Sl. no	Particulars of Remuneration	Name of Directors				Total Amount
		Uday Chitale	Dilip Karnik	Ashvin Parekh	R. K. Nair	
1.	Independent Directors • Fee for attending board /committee meetings • Commission • Others, please specify	0.3 — —	0.6 — —	0.3 — —	0.2 — —	1.5 — —
Total (1)		0.3	0.6	0.3	0.2	1.5
2.	Other Non-Executive Directors • Fee for attending board /committee meetings • Commission • Others, please specify	—	—	—	—	—
Total (2)		—	—	—	—	—
Total (B)=(1+2)		0.3	0.6	0.3	0.2	1.5
Total Managerial Remuneration						74.8
Overall Ceiling as per the Act						195.5

directors' report

Continued

C. Remuneration to key managerial personnel other than MD/Manager/WTD

(₹ in million)

Sl. no.	Particulars of Remuneration	Company Secretary	CFO	Total
1.	Gross salary a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b. Value of perquisites u/s 17(2) Income-tax Act, 1961 c. Profits in lieu of salary under section 17(3) Income-tax Act, 1961	4.0 — —	11.0 — —	15.0 — —
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission - as % of profit -others, specify...	—	—	—
5.	Others, please specify	—	—	—
	Total	4.0	11.0	15.0

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	—	Not applicable	Not applicable	Not applicable	Not applicable
Punishment	—	Not applicable	Not applicable	Not applicable	Not applicable
Compounding	—	Not applicable	Not applicable	Not applicable	Not applicable
B. DIRECTORS					
Penalty	—	Not applicable	Not applicable	Not applicable	Not applicable
Punishment	—	Not applicable	Not applicable	Not applicable	Not applicable
Compounding	—	Not applicable	Not applicable	Not applicable	Not applicable
C. OTHER OFFICERS IN DEFAULT					
Penalty	—	Not applicable	Not applicable	Not applicable	Not applicable
Punishment	—	Not applicable	Not applicable	Not applicable	Not applicable
Compounding	—	Not applicable	Not applicable	Not applicable	Not applicable

For and on behalf of the Board

N. S. KANNAN
Chairman

directors' report



annexure c

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis
-- NIL

The details of material related party transactions at an aggregate level for year ended March 31, 2016:

Sr no	Nature of contracts/ transactions	Name of the related party	Nature of relationship	Duration of contracts	Salient terms of contracts/ transactions	₹ in million
1	Short-term borrowing by the Company	ICICI Bank Limited	Holding Company	Various maturities	Interest at market rate	148,100.0
2	Purchase of government securities, bonds/ debentures of third parties	ICICI Lombard General Insurance Company Limited	Fellow Subsidiary	—	At market price	2,051.7
		ICICI Prudential Life Insurance Company Limited	Fellow Subsidiary	—	At market price	1,105.2
3	Sale of government securities, bonds/debentures of third parties	ICICI Bank Limited	Holding Company	—	At market price	2,409.0
		ICICI Prudential Life Insurance Company Limited	Fellow Subsidiary	—	At market price	9,804.0
4	Notional principal amounts of interest rate swaps	ICICI Bank Limited	Holding Company	Various Maturities	At market price	1,520,000.0

For and on behalf of the Board

N. S. KANNAN
Chairman

annexure d

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016.

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
ICICI Securities Primary Dealership Limited
ICICI Centre, H.T. Parekh Marg
Mumbai- 400 020.

Dear Sirs,

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ICICI SECURITIES PRIMARY DEALERSHIP LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of **ICICI SECURITIES PRIMARY DEALERSHIP LIMITED**'s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **ICICI SECURITIES PRIMARY DEALERSHIP LIMITED ("The Company")** for the financial year ended on 31st March, 2016 according to the provisions of:
 - I. The Companies Act, 2013 (the Act) and the Rules made hereunder;
 - II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made hereunder;
 - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - IV. The Foreign Exchange Management Act, 1999 and FDI Regulations.
 - V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as amended till date to the extent applicable to the Company:-
 - a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - b) The Securities and Exchange Board of India (Merchant Bankers) Regualtions,1992;
 - c) The Securities and Exchange Board of India (underwriters) Regulations, 1993
 - d) Bye Laws of Stock exchange;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and Debt Listing Agreement. Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - f) The Securities and Exchange Board of India (Stockbrokers and Sub brokers) Regulations, 1992;
 - g) The Securities and Exchange Board of India (Certification of Associated Persons in Securities Markets) Regulations, 2007;
 - h) Circulars Issued by Association of Mutual Funds in India/ SEBI for Mutual Funds Distributors;
 - i) Prevention of Money Laundering Act 2002 and guidelines issued by SEBI/RBI/FIU
 - j) The Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993.
 - VI. Other applicable laws:
 - a) The Payment of Gratuity Act, 1972;
 - b) The Employees Provident Funds and Miscellaneous Provisions Act, 1952;
 - c) Equal Remuneration Act, 1976;
 - d) The Bombay Shops and Establishments Act, 1948;
 - e) Contract Labour (Regulation abolition) Act,1970;

- f) The Payment of Wages Act, 1936;
- g) The Maternity Benefit Act, 1961;
- h) The Payment of Bonus Act, 1965;
- i) The Employment Exchanges (Compulsory notification of Vacancies) Act,1959;
- j) Employees State Insurance Act, 1948.
- k) Non- Banking Finance Companies Regulations issued by the Reserve Bank of India (RBI)
- l) RBI's Operational Guidelines, Prudential Guidelines for the Primary Dealers in Government Securities Market, Capital Adequacy Standards and Risk Management Guidelines for Standalone Primary Dealers and other guidelines applicable to primary dealers.
- m) Interest Rate Futures (Reserve Bank) Directions, 2013.
- n) The Central Excise Act, 1944 and the Rules thereunder.
- o) The Accounting Standards
- p) The Negotiable Instruments Act, 1881 to the extent of Section 138.
- q) Sarbanes Oxley Act,2002 (to the extent applicable)
- r) Professional Tax Act
- s) The Indian Trust Act, 1882 and

I have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Debt Listing Agreements entered into by the Company with the BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I have relied on the representation made by the Company and its various heads for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

2. I further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:
 - a) maintenance of various statutory registers and documents and making necessary entries therein;
 - b) closure of the Register of Members;
 - c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
 - d) service of documents by the Company on its Members, Auditors and the Registrar of Companies;
 - e) notice of Board meetings and Committee meetings of Directors;
 - f) the meetings of Directors and Committees of Directors including passing of resolutions by circulation;
 - g) the 22nd Annual General Meeting held on June 25, 2015;
 - h) minutes of proceedings of General Meetings and of the Board and its Committee meetings;
 - i) approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
 - j) constitution of the Board of Directors/Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;
 - k) payment of remuneration to Directors including the Managing Director and Whole- time Directors;
 - l) appointment and remuneration of Auditors ;
 - m) declaration and payment of dividends;

directors' report



During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

3. I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and none of the members have expressed their dissent.

I further report that:

Based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place : Mumbai
Date : April 5, 2016

JAIPRAKASH SINGH
Jaiprakash R Singh & Associates
FCS No.:7391
C P No.:4412

ANNEXURE

To,

The Members
ICICI Securities Primary Dealership Limited
ICICI Centre, H.T. Parekh Marg
MUMBAI-400 020.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

JAIPRAKASH SINGH
Jaiprakash R Singh & Associates
FCS No.:7391
C P No.:4412

Place : Mumbai
Date : April 5, 2016

annexure e

Disclosures required with respect to Companies Act, Section 197(12)

The ratio of the remuneration of each director to the median employee's remuneration and such other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(i) **The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;**

MD & CEO	7.9:1
Executive Director	6.9:1

(ii) **The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;**

The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary ranges between 8.0% and 12.0%.

(iii) **The percentage increase in the median remuneration of employees in the financial year;**

The percentage increase in the median remuneration of employees in the financial year is around 10.00 %.

(iv) **The number of permanent employees on the rolls of company;**

The number of employees on permanent payrolls of the Company at March 31, 2016 is 76.

(v) **The explanation on the relationship between average increase in remuneration and company performance;**

The Company follows prudent remuneration practices under the guidance of the Board and the Nomination & Remuneration Committee (NRC). The Company's approach to remuneration is intended to drive meritocracy within the framework of prudent risk management. Remuneration is linked to corporate performance, business performance and individual performance.

The Company has a judicious and prudent approach to compensation and does not use compensation as the sole lever to attract and retain employees. Employee compensation takes into account a mix of external market pay and internal equity. The total compensation is a prudent mix of fixed pay and variable pay.

The increase in remuneration is a function of factors outlined above. The performance of the Company has bearing on the quantum of variable pay declared for employees across levels.

(vi) **Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;**

For the FY2016, the KMPs were paid around 2.3% of the Profit After Tax.

(vii) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;**

The average percentage increase made in the salaries of total employees other than the KMPs for FY2016 is around 13.8%, while the average increase in the remuneration of the KMPs is in the range of 8.0% to 12.0%. This increment is in line with the factors outlined in point (v) above.

(viii) **Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company;**

The ratio of the remuneration of each KMP to the PAT of the Company is given below:

MD & CEO	1.0%
Executive Director	0.9%
Chief Financial Officer	0.3%
Company Secretary	0.1%

(ix) **The key parameters for any variable component of remuneration availed by the directors;**

The Company undertakes an annual strategic planning exercise where the Key Performance Indicators (KPIs) are fixed for the Whole Time Directors (WTDs) by the NRC. These KPIs, in addition to financial parameters, include parameters related to risk and compliance. At the end of financial year, the performance of the Company as well as performance of each WTD based on their respective KPIs (including those pertaining to compliance and risk) is presented to the NRC. Based on the performance assessment by the NRC, the variable component of the remunerations for the WTDs is recommended to and approved by the Board.

(x) **The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;**

None

(xi) **Affirmation that the remuneration is as per the remuneration policy of the company.**

Yes

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, 2016, 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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and companies (Accounting Standards) Amendment Rules,2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view 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 the Company's 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 on the financial statements

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 of the state of affairs of the Company as at March 31, 2016, its profit, and its 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and 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 it 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 aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014; and Companies (Accounting Standards) Amendment Rule ,2016 ;
 - (e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2016, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" to this report ;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 30 to the financial statements
 - ii. The company has made provision , as required under the applicable law or accounting standards, for material foreseeable losses on long-term derivative contracts;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E

per JAYESH GANDHI

Partner

Membership Number: 37924

Place of Signature: Mumbai
Date: 12 April 2016

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 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) The Company does not have any immovable properties. Accordingly, the provisions of clause 3(i) (c) of the order are not applicable to the company and hence not commented upon.
- ii. The company's stock consisting of Treasury Bills and Government securities are held in the form of Subsidiary General Ledger Account ('SGL') maintained with the Reserve Bank of India ('RBI'). The said stocks in SGL are verified by the management with confirmation statement from the RBI at regular intervals. The stock of other securities are held by the company in demat form with the custodian and holding of the same is verified from confirmation received from custodian on a regular basis. In our opinion, the frequency of such verification is reasonable.
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 above) from custodian with book records.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iii) (a), (b) and (c) 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 are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- v. The Company has not accepted any deposits from the public.
- vi. To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, for the products and services of the Company. Therefore in our opinion, the provisions of clause 3(vi) of the order are not applicable to the company.

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

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-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 employees' state insurance, sales tax, duty of customs, duty of excise, value added tax and cess are not applicable to the company.

- (b) 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 the amount relates	Period to which	Forum where dispute is pending
Income Tax Act, 1961	Disallowance for provision for expenses	7.9	AY 2008-09	Income Tax Appellate Tribunal
Income Tax Act, 1961	Disallowance u/s 14A	1.2	AY 2009-10	Commissioner of Income Tax
Income Tax Act, 1961	Disallowance u/s 14A	0.9	AY 2010-11	Assessing Officer
Income Tax Act, 1961	Disallowance u/s 14A	1.1	AY 2011-12	Commissioner of Income Tax
Income Tax Act, 1961	Disallowance u/s 14A	0.5	AY 2012-13	Assessing Officer
Income Tax Act, 1961	Disallowance u/s 14A	2.6	AY 2013-14	Assessing Officer
Service Tax Act, 1994	Disallowance on Input credit	0.6	October 2000 to June 2002	Commissioner of Central Excise (Appeals)

The provision of employees' state insurance, sales tax, duty of customs, duty of excise, value added tax and cess are not applicable to the company.

annexure to the independent auditors' report



- viii. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to 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, debenture holders or government.
- ix. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management and on an overall examination of the balance sheet, we report that monies raised by way of debt instruments in the nature of debentures and commercial papers were applied for the purposes for which those were raised.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the year.
- xi. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- xiii. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

- xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
- xv. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi. According to the information and explanations given to us, we report that the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.

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

per JAYESH GANDHI
Partner
Membership Number: 37924

Place of Signature: Mumbai
Date: 12 April 2016

annexure a

To the independent Auditor's Report of even date on the standalone financial statements of ICICI Securities Primary Dealership Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of ICICI Securities Primary Dealership Limited

We have audited the internal financial controls over financial reporting of ICICI Securities Primary Dealership Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial

reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the standalone financial statements of ICICI Securities Primary Dealership Limited, which comprise the Balance Sheet as at March 31, 2016, and the related 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, and our report dated April 12, 2016 expressed an unqualified opinion thereon.

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

per JAYESH GANDHI
Partner
Membership Number: 37924

Place of Signature: Mumbai
Date: 12 April 2016

balance sheet

as at March 31, 2016

statement of profit and loss

for the year ended March 31, 2016

		(₹ in million)				(₹ in million)	
	Notes	As at March 31, 2016	As at March 31, 2015			For the year ended March 31, 2016	For the year ended March 31, 2015
I EQUITY AND LIABILITIES							
Shareholders' Funds							
A. Share Capital	2	1,563.4	1,563.4	(a) Interest & Dividend Income	19	10,315.3	9,111.1
B. Reserves and Surplus	3	7,105.2	6,543.0	(b) Profit/(Loss) on Securities (Net)	20	2,889.5	3,528.0
		8,668.6	8,106.4	(c) Income from Services	21	397.5	408.7
Non-Current Liabilities							
A. Long Term Borrowings	4	3,800.0	2,850.0			13,602.3	13,047.8
B. Deferred Tax Liabilities (Net)	12	76.0	-	Other Income	22	17.1	40.4
C. Long Term Provisions	5	86.8	59.3				
		3,962.8	2,909.3	Total Revenue		13,619.4	13,088.2
Current Liabilities							
A. Short Term Borrowings	6	132,143.5	127,642.8	Less : Operating Expenditure			
B. Current Maturities of Long Term Borrowings	4	-	800.0	(a) Interest Expenses	23	9,450.4	8,642.4
C. Trade Payables	7	12,367.6	2,881.0	(b) Operating Expenses	24	246.7	292.1
D. Other Current Liabilities	8	4,455.6	4,317.7	Total Operating Expenses		9,697.1	8,934.5
E. Short Term Provisions	9	135.7	223.8	Net Income from Operations		3,922.3	4,153.7
		149,102.4	135,865.3	Less : Administrative Expenditure			
		161,733.8	146,881.0	(a) Employee expenses	25	670.7	598.5
II ASSETS							
Non-Current Assets							
A. Fixed Assets	10			(b) Establishment and Other Expenses	26	214.6	196.0
(i) Tangible Assets		20.0	15.2	(c) Depreciation	10	16.0	13.8
(ii) Intangible Assets		23.4	31.5	Total Administrative Expenses		901.3	808.3
(iii) Capital Work-in-progress		-	0.9	Profit before Tax		3,021.0	3,345.4
B. Non-Current Investments	11	1,817.3	7,265.1	Tax Expense			
C. Deferred Tax Assets (Net)	12	-	22.3	(a) Current Tax		968.0	1,160.0
D. Long Term Loans and Advances	13	204.2	206.9	(b) Deferred Tax		98.3	11.7
		2,064.9	7,541.9	Total Tax		1,066.3	1,171.7
Current Assets				Profit after Tax		1,954.7	2,173.7
A. Inventories - Securities Held as Stock in Trade	14	137,141.0	121,715.6	Earnings per share (Basic & Diluted)	27	125,030.1	139,039.3
B. Trade Receivables	15	13,846.6	10,200.7	(Face value ₹1,00,000/- per share (Previous Year ₹1,00,000/- per share)			
C. Cash and Cash Equivalents	16	917.6	1,182.4	Significant Accounting Policies	1		
D. Short Term Loans and Advances	17	496.6	705.5				
E. Other Current Assets	18	7,267.1	5,534.9				
		159,668.9	139,339.1				
		161,733.8	146,881.0				
Significant Accounting Policies	1						

The accompanying notes are an integral part of the financial statements

The accompanying notes are an integral part of the financial statements

As per our report of even date.

For and on behalf of the Board of Directors

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

N. S. KANNAN
Chairman
DIN : 00066009

DILIP KARNIK
Director
DIN : 06419513

per JAYESH GANDHI
Partner
Membership No: 37924

ABHIJEET GUIN
Chief Financial Officer

PRACHITI LALINGKAR
Company Secretary

Mumbai, April 12, 2016

Mumbai, April 12, 2016

notes

**NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR
ENDED MARCH 31 2016**

BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with the 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 section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014, Companies (Accounting Standards) Amendment Rules, 2016 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 on accrual basis and under the historical cost convention except in case of assets for which provision for impairment is made and revaluation is carried out.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

1. SIGNIFICANT ACCOUNTING POLICIES

Change in Accounting Policy

Proposed Dividend

As per the requirements of pre-revised AS 4, the Company used to create a liability for dividend proposed/ declared after the balance sheet date if dividend related to periods covered by the financial statements. Going forward, as per revised AS 4, the Company is not required to create provision for any dividend proposed/ declared after the balance sheet date but before the date of finalization of financial statements unless required otherwise by a statute. The Company has to disclose the same in the notes to the financial statements.

There is no impact of this change on the profits for the year. Had the Company continued with creation of provision for proposed dividend, its Reserves and Surplus would have been lower by ₹141.2 million and current provision would have been higher by ₹141.2 million (including dividend distribution tax of ₹ 23.9 millions).

(i) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based on the 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 or liabilities in future periods.

(ii) 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 reporting date.
- (e) All other incomes are recognized on accrual basis.

(iii) 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 FIFO basis or market/ fair value, computed category-wise. 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 constant yield basis for the period of holding and recognized as Interest income.
- (d) Discounted instruments like commercial papers / certificate of deposits are valued at carrying cost. The difference between the acquisition cost

and the redemption value of discounted instruments is apportioned on a constant yield 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.

(iv) 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.

(v) 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 are reckoned for the next accounting period. The securities sold under repo transactions are continued to be marked to market as per the investment classification of the security.

(vi) 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) Tangible Assets

Depreciation on tangible assets is provided using the straight line method as per the useful life of the assets specified in Schedule II of the Companies Act, 2013.

Asset	Useful Life
Electrical Installations	10 Years
Office Equipment	5 Years
Computers – Servers & Networks	6 Years
Computers – End user devices	3 Years
Furniture & Fixtures	10 Years
Vehicles	8 Years

(c) Intangible Assets

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

Asset	Depreciation Rate (SLM)
Software	25.00%

(vii) 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.

(viii) 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 reporting date. Deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available against

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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 reporting 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.

(ix) 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.

(x) 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.

(xi) 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 sub standard 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.

(xii) 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 retranslated 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.
- (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.

(xiii) 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.

(xiv) 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.

(xv) 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.

(xvi) 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.

(xvii) Provisions

A provision is recognised when the Company has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These are reviewed at each reporting date and adjusted to reflect the current best estimates.

(xviii) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

	(₹ in million)	
	As at March 31, 2016	As at March 31, 2015
2. SHARE CAPITAL :		
Authorized:		
50,000 (Previous year 50,000) Equity Shares of ₹1,00,000/- each	5,000.0	5,000.00
Issued, Subscribed & Fully Paid Up		
15,634 (Previous year 15,634) Equity Shares of ₹1,00,000/- each	1,563.4	1,563.40

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 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, 2016		As at March 31, 2015	
	No of Shares	₹ in million	No of Shares	₹ in million
At the beginning of the year	15,634	1,563.4	15,634	1,563.4
Issued during the year	-	-	-	-
Outstanding at the end of the year	15,634	1,563.4	15,634	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 not bought back any equity shares.

	As at March 31, 2016	As at March 31, 2015
The board proposed dividend on equity shares after the balance sheet date		
Proposed dividend on equity shares for the year ended on 31 March 2016 :	117.3	62.5
₹ 7,500/- per share (March 31, 2015 : ₹ 4,000/- per share)		
DDT on proposed dividend	23.9	12.7
	141.2	75.2

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	(₹ in million)		(₹ in million)	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
3. RESERVES AND SURPLUS			Profit and Loss Account	
General Reserve			Balance as per last financial statements	1,098.6 938.1
Balance as per last financial statements	749.1	749.1	Profit for the year	1,954.7 2,173.7
Additions / transfer during the year	-	-	Less: Appropriations	
Closing balance	749.1	749.1	Transfer to Special Reserve	391.0 434.7
Special Reserve			Transfer to General Reserve	- -
(maintained under Section 45 IC of the Reserve Bank of India (RBI) Act, 1934)			Transfer to Capital Reserve	123.7 88.1
Balance as per last financial statements	3,898.3	3,463.6	Interim dividend	1,156.9 1,184.3
Additions / transfer during the year	391.0	434.7	Proposed Dividend	- 62.5
Closing balance	4,289.2	3,898.3	(Previous Year ₹ 4,000.00 per share)	
Capital Reserve*			Corporate Dividend Tax	235.5 243.6
Balance as per last financial statements	330.4	242.3	Closing balance	1,146.2 1,098.6
Additions / transfer during the year	123.7	88.1	TOTAL	7,105.2 6,543.0
Closing balance	454.1	330.4		
*Represents profit on sale of Held to Maturity (HTM) investments (net of tax)				
Capital Redemption Reserve				
Balance as per last financial statements	466.6	466.6		
Additions / transfer during the year	-	-		
Closing balance	466.6	466.6		
			As at March 31, 2016	
			As at March 31, 2015	
			Non-Current Maturities	Current Maturities
			Non-Current Maturites	Current Maturites
4. LONG TERM BORROWINGS:				
Unsecured				
Subordinated Bonds - Tier II Capital				
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 850) 9.20% Unsecured Bonds of ₹ 1 million each maturing on April 26, 2023			850.0	- 850.0
350 (Previous year 350) 9.35% Unsecured Bonds of ₹ 1 million each maturing on April 30, 2023			350.0	- 350.0
500 (Previous year 500) 9.35% Unsecured Bonds of ₹ 1 million each maturing on June 14, 2023			500.0	- 500.0
500 (Previous year 500) 9.80% Unsecured Bonds of ₹ 1 million each maturing on 17, May 2024			500.0	- 500.0
950 (Previous year Nil) 9.10% Unsecured Bonds of ₹ 1 million each maturing on April 29, 2025			950.0	- -
Total Subordinated Bonds issued as Tier II Capital			3,800.0	- 2,850.0
Subordinated Bonds - Tier III Capital				
Nil (previous year 35) 10.10% Unsecured Bonds of ₹ 10 million each maturing on 06th April 2015			- -	- 350.0
Nil (Previous year 45) 10.15% Unsecured Bonds of ₹ 10 million each maturing on 28th June 2015			- -	- 450.0
Total Subordinated Bonds issued as Tier III Capital			- -	- 800.0
Amount disclosed under the head "B. Current Maturities of Long Term Borrowings" under "Current Liabilities" in Balance Sheet			- -	- (800.0)
TOTAL			3,800.0	- 2,850.0

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	(₹ in million)		(₹ in million)							
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015						
5. LONG TERM PROVISIONS:			9. SHORT TERM PROVISIONS:							
TOTAL	86.8	59.3	Provision for Employee Benefits	1.8 1.5						
	86.8	59.3	Corporate Dividend Tax Payable	133.7 222.2						
6. SHORT TERM BORROWINGS:			Contingent Provision against Standard Assets	0.2 0.1						
Borrowings under Liquidity Adjustment Facility & Standing Liquidity Facility (Secured by pledge of Government securities of Face Value ₹ 78,638.0 million) (Previous year ₹ 62,995.0 million)	75,341.0	60,258.8								
Collateralised Borrowings (Secured by pledge of Government securities of Face Value ₹ 750.0 million) (Previous year ₹ 3,350.0 million)	699.4	2,636.3								
Repo Borrowings (Secured by pledge of Government securities of Face Value ₹ 30,228.1 million) (Previous year ₹ 43,088.3 million)	30,753.1	43,988.4								
TOTAL (A)	106,793.5	106,883.5	11. NON-CURRENT INVESTMENTS							
Unsecured			Investments in Government Securities (Quoted)	1,817.3 7,265.1						
Inter-Corporate Borrowings	3,500.0	250.0	(Market Value ₹ 1,808.8 million (Previous Year ₹ 7,539.0 million))							
Money at Call, Notice and Term	21,850.0	14,550.0								
Commercial Paper Borrowings	-	5,959.3								
TOTAL (B)	25,350.0	20,759.3	12. DEFERRED TAX ASSETS (NET)							
TOTAL (A) + (B)	132,143.5	127,642.8	The break-up of deferred tax (liabilities) / assets into major components as on the balance sheet date is as follows:-							
7. TRADE PAYABLES			Deferred Tax Assets							
Trades executed but not settled	12,367.6	2,881.0	Timing Difference on Depreciation on Fixed Assets	(1.4) 1.2						
	12,367.6	2,881.0	<u>Expenditure disallowed under Income Tax Act, 1961</u>							
8. OTHER CURRENT LIABILITIES			Provision for Doubtful Debtors	0.1 0.1						
Interest accrued but not due on loans	424.6	370.4	Provision for Employee Retirement Benefits	30.6 21.0						
Sundry Creditors for Expenses	83.9	62.4	Unrealised MTM Gains on derivatives not offered for tax as required by Income Computation & Disclosure Standards	(105.3) -						
TDS and Service Tax Payable	12.2	12.4		(76.0) 22.3						
MTM Payable on Interest Rate Swaps	3,293.9	2,244.5								
Other Liabilities	641.0	1,628.0								
(Includes securities short sold having Face Value ₹ 250.0 million (Previous year ₹ 1,150.0 million)										
	4,455.6	4,317.7								
10. FIXED ASSETS:			13. LONG TERM LOANS AND ADVANCES							
	Gross Block (at Cost)		Accumulated Depreciation/Amortisation							
	April 1, 2015	Additions	Sale/Adj	March 31, 2016	April 1, 2015	Additions	Sale/Adj	March 31, 2016	March 31, 2016	March 31, 2015
(i) TANGIBLE										
Plant & Machinery / Electrical Installation	5.1		1.0	4.1	4.3	0.4	1.0	3.7	0.4	0.8
Office Equipment	21.0	1.3	8.5	13.8	17.7	1.1	8.3	10.5	3.3	3.3
Computers	34.1	3.5	5.2	32.4	25.4	4.4	5.2	24.6	7.8	8.7
Furniture & Fixtures	12.0	0.4	2.4	10.0	9.9	0.3	2.4	7.8	2.2	2.1
Vehicles	4.8	6.7	3.6	7.9	4.5	0.4	3.3	1.6	6.3	0.3
(ii) INTANGIBLE										
Software	60.7	1.3	2.3	59.7	29.2	9.4	2.3	36.3	23.4	31.5
Total	137.7	13.2	23.0	127.9	91.0	16.0	22.5	84.5	43.4	46.7
(iii) Capital Work-in-Progress	0.9	8.0	8.9	-	-	-	-	-	-	0.9
Total	138.6	21.2	31.9	127.9	91.00	16.00	22.5	84.5	43.4	47.6
Previous Year	110.1	78.3	49.8	138.6	90.5	13.8	13.3	91.0	47.6	

notes

ICICI Securities
Primary Dealership Limited

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	For the year ended March 31, 2016	(₹ in million) year ended March 31, 2015
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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	87,235.9	86,543.2	122,131.6	120,879.7
	(19,396.9)	(18,312.2)	(87,235.9)	(86,543.2)
Treasury Bills	12,994.2	12,346.4	92.8	88.1
	(43,118.6)	(41,292.1)	(12,994.2)	(12,346.4)
Shares	25.3	987.5	72.5	154.9
	(659.9)	(808.8)	(25.3)	(987.5)
Debentures/Bonds & CPs / CDs	21,704.2	21,743.5	15,803.1	16,018.3
	(21,363.2)	(20,811.1)	(21,704.2)	(21,743.5)
Units	13.7	95.0	-	-
Total	121,973.3	121,715.6	138,100.0	137,141.0
	(84,538.6)	(81,224.2)	(121,973.3)	(121,715.6)

(b) Purchases and sales

Category	Purchases		Sales	
	Face Value	Value	Face Value	Value
Government Securities*	6,408,428.4	6,442,506.9	6,372,632.7	6,408,760.5
	(6,841,356.8)	(6,872,192.0)	(6,772,217.7)	(6,805,544.6)
Treasury Bills	292,615.6	285,188.5	305,517.1	297,475.5
	(329,913.0)	(317,399.5)	(360,037.3)	(346,413.4)
Shares	780.6	2,615.0	733.4	3,550.5
	(812.5)	(5,785.3)	(1,447.2)	(6,143.3)
Debentures/Bonds & CPs / CDs	115,281.0	115,543.3	121,182.0	121,332.1
	(187,070.1)	(188,489.8)	(186,729.1)	(188,200.3)
Units	5,698.0	17,850.0	5,711.7	17,948.4
	(23,713.5)	(54,650.0)	(23,699.8)	(54,576.5)
Total	6,822,803.6	6,863,703.7	6,805,776.9	6,849,067.0
	(7,382,865.9)	(7,438,516.6)	(7,344,131.1)	(7,400,878.1)

Note: Figures in parenthesis pertain to previous year.

* Includes deals executed on short sell segment

As at March 31, 2016	As at March 31, 2015
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15. TRADE RECEIVABLES

Considered good	72.8	48.9
Trades executed but not settled -	13,773.8	10,151.8
Considered Good		
Total	13,846.6	10,200.7

16. CASH AND CASH EQUIVALENTS

Cash & Cheques on hand	0.1	0.1
Balance In Current Accounts with Scheduled Banks	26.2	286.2
In Current Accounts with Reserve Bank of India	34.7	38.8
	61.0	325.1
Fixed Deposits with Scheduled Banks (Under Lien)	856.6	857.3
(Under Lien with ICICI Bank Nil, HDFC Bank Nil, Axis Bank ₹ 253.0 million, Bank of Baroda ₹ Nil, IDBI Bank ₹ 349.3 million and Yes Bank ₹ 254.3 million (previous year with ICICI Bank ₹ 80.0 million, HDFC Bank ₹ 30.0 million, Axis Bank ₹ 253.0 million, Bank of Baroda ₹ 299.2 million, IDBI Bank ₹ 170.1 million and Yes Bank ₹ 25.0 million)		
TOTAL	917.6	1,182.4

17. SHORT TERM LOANS AND ADVANCES

CBLO Lendings - Secured	-	249.70
Advances and Deposits*	496.6	455.80
Total	496.6	705.50

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

18. OTHER CURRENT ASSETS

Interest Accrued but not due	2,644.9	2,348.3
MTM Receivable on Interest Rate Swaps	4,622.2	3,186.6
Total	7,267.1	5,534.9

19. INTEREST & DIVIDEND INCOME

	For the year ended March 31, 2016	(₹ in million) year ended March 31, 2015
Interest On Securities Held As Stock in Trade	8,878.7	5,305.5
Interest On Securities Held As Held to Maturity	509.9	504.6
Income On Discounted Instruments	413.8	2,912.9
Interest On Repo and Call Lendings	397.8	311.4
Interest On Other Loans and Advances	105.1	68.1
Dividend Income from Mutual Funds / Companies	10.0	8.6
TOTAL	10,315.3	9,111.1

20. PROFIT ON SECURITIES (NET)

	Profit/(Loss) on Sale of Held to Maturity Securities	133.5
Profit/(Loss) on securities held as Stock in Trade	1,839.1	3,678.4
Net Gain/(Loss) from interest rate derivatives	861.2	(283.9)
TOTAL	2,889.5	3,528.0

21. INCOME FROM SERVICES

	Financial Advisory Services	5.4
Syndication Fees	306.0	297.7
Underwriting Commission	76.9	90.9
Brokerage and Commission	8.3	14.7
TOTAL	397.5	408.7

22. OTHER INCOME

	Miscellaneous Income	40.4
TOTAL	17.1	40.4

23. INTEREST EXPENSES

	Interest on Fixed Loans and Debentures	842.3
Interest on Other Borrowings	8,924.5	7,800.1
TOTAL	9,450.4	8,642.4

24. OPERATING EXPENSES

Procurement Expenses	43.4	28.7
Rating Agency Fees	4.0	3.7
Brokerage, Stamp Duty & Securities Transaction Tax	26.0	44.4
Bank Charges	7.2	6.3
Transaction, Custodial and Depository Charges	166.0	208.9
Doubtful Debts Written Off / Provided for the period	0.2	0.2
Less: Opening Provision as at April 1, 2015	0.1	0.1
TOTAL	0.1	0.1
TOTAL	246.7	292.1

25. EMPLOYEE EXPENSES

	Salaries, Wages and Incentives	545.6
Contribution to Provident and Other Funds	40.1	41.0
Staff Welfare Expenses	14.3	11.9
TOTAL	670.7	598.5

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	Year ended March 31, 2016	(₹ in million) Year ended March 31, 2015	Year ended March 31, 2016	(₹ in million) Year ended March 31, 2015	
26. ESTABLISHMENT AND OTHER EXPENSES			32. RELATED PARTY DISCLOSURES		
Rent and Amenities	34.7	39.6	Names of related parties where control exists irrespective of whether transactions have occurred		
Insurance	0.2	0.2	Holding Company	ICICI Bank Limited	
Business Promotion, Traveling and Conveyance Expenses	17.6	19.5	Names of other related parties with whom transactions have taken place during the year		
Repairs, Maintenance and Upkeep - Others	35.5	31.4	Fellow Subsidiaries	ICICI Securities Limited ICICI Securities Inc. ICICI Lombard General Insurance Company Limited ICICI Prudential Life Insurance Company Limited ICICI Home Finance Limited ICICI Venture Fund Management Company Limited	
Rates and Taxes	0.1	0.1	Associate	ICICI Foundation for Inclusive Growth	
Electricity Expenses	4.8	4.8	Key Management Personnel	B. Prasanna, Managing Director & CEO G. Sundaram, Executive Director Abhijeet Guin, CFO* Prachiti Lalingkar, Company Secretary*	
Loss on Sale of Fixed Assets	0.2	0.3		* Additional Related Party as per Companies Act, 2013	
Communication Expenses	6.1	5.6			
Printing and Stationery	2.8	3.6			
Subscription and Periodicals	38.6	35.4			
Professional Fees [Refer Note 28]	18.0	12.7			
Advertisement Expenses	0.1	0.6			
CSR Expenditure (Refer note below)	47.6	33.9			
Miscellaneous Expenses	8.3	8.3			
TOTAL	<u>214.6</u>	<u>196.0</u>			
Details of CSR expenditure					
(a) Gross amount required to be spent by the company during the year	47.6	33.8	Name of the Related Party / Type of Transaction	For the year ended March 31, 2016	For the year ended March 31, 2015
(b) Amount spent during the Year in cash			ICICI Bank Limited -The Holding Company		
i) Construction/acquisition of any asset	-	-	Income from Operations		
ii) On purposes other than (i) above	47.6	33.8	Income from Services	-	34.3
Yet to be paid in cash	-	-	Interest Income	5.6	30.5
TOTAL	<u>47.6</u>	<u>33.8</u>	Profit / (Loss) on Interest Rate Swaps	(6.6)	144.7
27. EARNINGS PER EQUITY SHARE (EPS)			Other income	0.1	0.4
Basic and Diluted EPS (₹)	125,030.1	139,039.3	Payment of financial charges & operating expenses	70.0	73.1
Nominal Value per share (₹)	100,000.0	100,000.0	Administrative Expenditure		
EPS has been calculated based on the net profit after taxation of ₹ 1,954.7 million (previous year ₹ 2,173.7 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.			Recoveries / (Payment) to and provisions for employees (Net)	(0.7)	(0.7)
28. AUDITOR' REMUNERATION* (included in Professional Fees)			Payment of Establishment & other expenses	46.9	48.4
(a) Audit Fees	2.8	2.8	Current Assets		
(b) Tax Audit Fees	0.2	0.2	Bank Balance	23.1	283.8
(c) Certification Fees	2.0	1.2	Fixed Deposits	Nil	80.0
(d) Out of Pocket Expenses	0.1	0.1	Trade Receivables	Nil	12.7
*Excluding service tax	5.1	4.3	Other Current Assets	Nil	2.5
29. EXPENDITURE IN FOREIGN CURRENCY (on accrual basis)			Stock-in-trade	Nil	111.5
(a) Others	3.6	8.0	Short Term Loans and Advances	15.6	15.6
30. CONTINGENT LIABILITIES & COMMITMENTS			MTM on Interest Rate Swaps Receivable / (Payable)	158.4	120.7
(a) Income tax and service tax matters disputed by the Company	67.7	177.1	Current Liabilities		
(b) Bank Guarantees	110.0	100.0	Short Term Borrowings	1,650.0	Nil
(c) Estimated amount of contracts to be executed on capital account	-	4.0	Other Current Liabilities	16.0	14.0
	<u>177.7</u>	<u>281.1</u>	Shareholders' Funds		
31. OPERATING LEASE			Share Capital	1,563.4	1,563.4
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 31st March 2016, there are no non-cancellable obligations in respect of the operating leases of the company.			Derivative		
Lease payments for the year	34.4	39.3	Notional Principal amount of Interest Rate Swaps outstanding	99,450.3	122,530.5
			Other transactions		
			Dividend paid	1,219.4	1,590.8
			Purchase of Investments	-	4,618.0

notes



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Continued

Name of the Related Party / Type of Transaction	For the year ended March 31, 2016	For the year ended March 31, 2015	(₹ in million)	Name of the Related Party / Type of Transaction	For the year ended March 31, 2016	For the year ended March 31, 2015	(₹ in million)	
Sale of Investments	2,936.7	5,886.8		Purchase of Investments	1,596.0	2,558.3		
Bank Guarantee	110.0	100.0		Sale of Investments	12,149.1	6,600.9		
ICICI Securities Limited - Fellow Subsidiary				ICICI Home Finance Limited - Fellow Subsidiary				
Income from Operations				Income from Operations				
Income from Services	5.3	8.6		Income from Services	0.2	0.3		
Other income	0.7	1.4		Other transactions				
Operating expenditure				Purchase of Investments	250.0	49.9		
Payment of financial charges & operating expenses	3.9	7.7		Sale of Investments	Nil	102.0		
Administrative Expenditure				ICICI Venture Fund Management Company Limited – Fellow Subsidiary				
Payment to and provisions for employees / (Recoveries) (Net)	1.0	1.6		Administrative Expenditure				
Establishment & other expenses - Recoveries / (Payment)(Net)	2.5	9.9		Payment of Establishment & other expenses	0.6	0.6		
Trade Receivables	0.9	10.9		Current Assets				
Current Assets				Short Term Loans and Advances	0.6	0.4		
Short Term Loans and Advances	0.9	3.2		ICICI Foundation for Inclusive Growth - Associate				
Trade Payables	0.5	39.2		Administrative Expenditure				
Other Current Liabilities	1.0	0.1		Donations	46.9	33.3		
Other transactions				Key Management Personnel Disclosures:				
Purchase of Investments	Nil	200.2		The Compensation (including contribution to Provident Fund) for the year ended March 31, 2016 to B. Prasanna, Managing Director & CEO, G. Sundaram, Executive Director, Abhiljeet Guin CFO and Prachiti Lalingkar Company Secretary was ₹ 42.8 million, ₹ 32.0 million, ₹ 11.0 million, ₹ 4.0 million *. (Previous year ₹ 36.1 million, ₹ 26.4 million, ₹ 7.3 million, ₹ 3.2 million *). 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.				
Sale of Investments	332.6	111.1		*The amounts stated above include bonus payments made on cash basis				
ICICI Securities Inc. - Fellow Subsidiary				33. DERIVATIVES				
Operating expenditure								
Procurement Expenses	3.0	Nil						
Other Current Liabilities	3.0	Nil						
ICICI Lombard General Insurance Company Limited - Fellow Subsidiary								
Administrative Expenditure								
Payment to and provisions for employees	3.3	2.9		Notional Principal amount of IRS Contracts				
Payment of Establishment & other expenses	0.2	0.2		a. Hedging Contracts	-	-		
Current Assets				b. Trading Contracts	2,139,007.1	1,671,861.0		
Short Term Loans and Advances	5.0	3.8		(i) Fair Value of Trading IRS	1,328.3	942.0		
Other transactions				(ii) Associated Credit Risk on Trading IRS*	1,585.9	1,246.0		
Purchase of Investments	2,316.9	878.5		(iii) Likely impact of one percentage change in interest rate (100*PV01)	32.7	8.2		
Sale of Investments	582.7	6,474.7		(iv) Collateral required by the NBFC upon entering into swaps	Nil	Nil		
ICICI Prudential Life Insurance Company Limited - Fellow Subsidiary				(v) Credit Risk Concentration@	819.6	712.0		
Operating expenditure				Interest Rate Futures Contracts				
Payment of financial charges & operating expenses	57.2	58.6		Open Quantity in units – Long	-	-		
Administrative Expenditure				Short	(29,726.0)	(67,963.0)		
Payment to and provisions for employees	0.3	0.4		Net Long / (Short)	(29,726.0)	(67,963.0)		
Non-Current Liabilities				Equity Derivatives – Trading Contracts				
Long Term Borrowings	600.0	600.0		a. Futures Contracts				
Current Assets				Open Quantity in units – Long	401,000.0	-		
Short Term Loans and Advances	0.1	0.1		Short	-	(1,055,000.0)		
Current Liabilities				Net Long / (Short)	401,000.0	(1,055,000.0)		
Other Current Liabilities	30.9	30.9		b. Option Contracts				
Other transactions				Open Quantity in units – Long	14,025.0	20,000.0		
				Short	(22,950.0)	(24,000.0)		
				Net Long / (Short)	(8,925.0)	(4,000.0)		
				MTM Gain / (Loss) on Trading Derivatives	(0.9)	(0.1)		

*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.

notes

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Continued

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)	
	For the Year ended March 31, 2016	For the Year ended March 31, 2015
Cost for the year		
Current Service cost	10.3	7.4
Interest cost	11.3	9.6
Expected return on plan assets	(9.2)	(1.8)
Actuarial (gain) / loss	11.5	11.9
Past Service Cost	0.0	0.0
Losses / (Gains) on "Acquisition / Divestiture"	0.0	0.0
Net cost	23.9	27.1
Present value of the defined benefit obligations at the end of the year	153.5	133.0
Less: Fair value of plan assets at the end of the year	(87.9)	(91.3)
Less: Unrecognised past Service Cost	0.0	0.0
Liability / (Asset)	65.6	41.7
Change in the present value of the defined benefit obligation liability		
Opening obligations	133.0	100.8
Service cost	10.3	7.4
Interest cost	11.3	9.6
Actuarial (gain) / loss	0.4	18.2
Liability extinguished on settlement	0.0	0.0
Benefits paid	(1.5)	(3.1)
Closing obligations	153.5	133.0
Change in fair value of plan assets		
Opening plans assets, at fair value	91.3	21.2
Expected return on plan assets	9.2	1.8
Actuarial gain / (loss)	(11.1)	6.3
Contributions	0.0	65.1
Assets Acquired on Acquisition / (Distributed on Divestiture)	0.0	0.0
Benefits paid	(1.5)	(3.1)
Closing plans assets at fair value	87.9	91.3
Expected employers contribution in next year	50.0	50.0
The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:		
Investments with insurer	100.00%	100.00%
Investment details of plan assets		
Assumptions		
Discount rate	8.05%	7.95%
Salary escalation rate	10.00%	10.00%
Estimated rate of return on plan assets	8.00%	8.00%

Experience Adjustment

Particulars	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Defined Benefit Obligation	153.5	133.0	100.8	95.9	81.0
Plan Assets	87.9	91.3	21.2	17.1	16.0
Surplus / (Deficit)	(65.6)	(41.7)	(79.7)	(78.7)	(65.0)
Exp. adj. on plan liabilities	2.4	(0.0)	2.6	(1.0)	0.8
Exp. adj. on plan assets	(11.1)	6.3	0.9	0.6	0.0

35. COMPOSITION OF INVESTMENT IN NON-GOVERNMENT SECURITIES AT MARCH 31, 2016

(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	10,162.7	4,973.2	Nil
	(11,495.3)	(11,446.4)	(Nil)
FIs	-	-	Nil
	(84.0)	(84.0)	(Nil)
Banks	-	-	Nil
	(1,988.2)	(1,988.2)	(Nil)
Other PDs	Nil	Nil	Nil
	(Nil)	(Nil)	(Nil)
Private corporates	-	-	Nil
	(1,836.1)	(1,836.1)	(Nil)
Subsidiaries/ Joint ventures	Nil	Nil	Nil
	(Nil)	(Nil)	(Nil)
Others	5,855.6	5,851.9	Nil
	(4,866.0)	(4,626.6)	(8.20)
Provision held towards depreciation	Nil	Nil	Nil
	(Nil)	(Nil)	(Nil)
Total	16,018.3	10,825.0	Nil
	(20,269.6)	(19,981.2)	(8.2)

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 ₹ Nil (Previous Year- ₹ 1,473.9 million) since the same are not covered by the above circular

Does not include equity and preference shares

36. DISCLOSURE PERSUANT TO RBI CIRCULARS NO RBI/2008-09/116 DNBS (PD). CC NO.125/03.05.002/2008-2009 DATED AUGUST 1, 2008 AND RBI/2015-16/12 DNBR (PD) CC.NO.053/03/10.119/2015-16 DATED JULY 1, 2015.

a. Capital to Risk Assets Ratio (CRAR)*

Items	As at March 31, 2016	As at March 31, 2015
i) CRAR (%)	61.1	40.7
ii) CRAR – Tier I Capital (%)	42.3	30.0
iii) CRAR – Tier II Capital (%)	18.9	10.6
iv) Amount of subordinated debt raised as Tier-II capital	950.0	Nil
v) Amount raised by issue of Perpetual Debt Instruments	Nil	Nil

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

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b. Exposure to Real Estate Sector

Category	(₹ in million)	
	As at March 31, 2016	As at March 31, 2015
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	Nil	Nil
(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, etc.). Exposure would also include non-fund based (NFB) limits	Nil	Nil
(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	2,701.0	1,773.0
Non-fund based – Notional Principal of IRS	Nil	Nil

c. Exposure to Capital Market

(₹ in million)		
Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	218.5	222.3
Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	Nil	Nil
Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	Nil	Nil
Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	Nil	Nil
Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	Nil	Nil
Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	Nil	Nil
Bridge loans to companies against expected equity flows / issues;	Nil	Nil
All exposures to Venture Capital Funds (both registered and unregistered)	Nil	Nil
Total Exposure to Capital Market	218.5	222.3

d. Asset Liability Management

Maturity pattern of certain items of assets and liabilities as at March 31, 2016****

	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	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Market Borrowings*	124,962.4 (120,212.6)	6,931.0 (3,022.5)	- (5,207.8)	250.0 -	- -	- -	- -	3,800.0 (2,850.0)	135,943.4 (131,292.9)
Assets									
Advances**	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Investments***	137,141.0 (121,715.6)	Nil	Nil	Nil	Nil	Nil	40.6	1,776.7 (7,265.1)	138,958.3 (128,980.7)

* 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 as per their residual maturity.

**** The Company does not have any foreign currency assets and liabilities in the above schedule

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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 ₹ 6,556.7 million; peak ₹ 25,700.0 million The securities held as stock-in-trade are valued at lower of cost or market value (LOCOM)
- ii) Leverage ratio: average 15.18 times; peak 19.02 times
- iii) CRAR (Quarterly)*

June 30, 2015	September 30, 2015	December 31, 2015	March 31, 2016
35.6%	24.4%	26.4%	25.2%

*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, 2015				
	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as at March 31, 2016
Securities sold under repos (Face Value)				
(i) Government Securities	21,193.0 (33,641.8)	127,546.0 (95,495.2)	84,642.4 (63,702.6)	30,228.0 (43,088.3)
(ii) Corporate debt securities	Nil Nil	Nil (1,000.0)	Nil (68.5)	Nil Nil
Securities purchased under reverse repos (Face Value)				
(i) Government Securities	Nil Nil	25,450.0 (9,850.0)	5,692.9 (3,531.8)	Nil Nil
(ii) Corporate debt securities	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)

Note: Figures in parenthesis pertain to previous year.

39. DISCLOSURE PURSUANT TO 53(f) of SEBI (LISTING OBLIGATIONS and DISCLOSURE REQUIREMENTS) Regulations, 2015

(₹ in million)			
Particulars	Outstanding as at March 31, 2016	Maximum amount outstanding during the year	
Loans and advances in the nature of loans to ICICI Bank Ltd, Holding Company - Amount lent in Inter-bank Call / Notice	Nil	Nil	
Loans and advances in the nature of loans to Associates	Nil	Nil	
Loans and advances in the nature of loans to firms/ companies in which directors are interested	Nil	Nil	

40. DISCLOSURES PURSUANT TO RBI CIRCULAR NO. RBI/2015-16/12 DNBR (PD) CC.NO.053/03.10.119/2015-16 DATED JULY 01, 2015

(a) Details of Investments

Equity Shares	As at March 31, 2016	As at March 31, 2015
---------------	----------------------	----------------------

1) Value of Investments

i) Gross Value of Investments		
a) In India	1,817.3	7,265.1
b) Outside India	Nil	Nil
ii) Provisions for Depreciation		
a) In India	Nil	Nil
b) Outside India	Nil	Nil
ii) Net Value of Investments		
a) In India	1,817.3	7,265.1
b) Outside India	Nil	Nil

2) Movement of provisions held towards depreciation on investments.

i) Opening balance	Nil	Nil
ii) Add : Provisions made during the year	Nil	Nil
(iii) Less : Write-off / write-back of excess provisions during iii) the year	Nil	Nil
(iv) Closing balance	Nil	Nil

(b) Exchange Traded Interest Rate (IR) Derivatives

Particulars	Amount
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year a) IRF on Government Securities	576,275.0
(ii) Notional principal amount of exchange traded IR derivatives outstanding as at March 31, 2016 a) IRF on Government Securities	5,945.2
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)*	Nil
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)*	Nil

* The company has not entered into IRF contracts for the purpose of hedging

(c) Disclosures on Risk Exposure in Derivatives

The Company has a Corporate Risk Management Group (CRMG) which has formulated effective risk management policies, addressing market and credit risks associated with trading in derivatives which involves taking interest rate views as well as for hedging against adverse interest rate movements. CRMG has implemented various risk measures to mitigate the risk arising out of derivative transactions such as VaR limit, PV01 limit and stop loss limit. The Company has an Risk Management Committee (RMC) comprising members of the Board of Directors of the Company. The RMC is responsible for analysing and monitoring the risks associated with such business activities and ensuring adherence to the risk and investment limits set by the Board of Directors. CRMG reports to the MD & CEO and the RMC. Further as required by RBI's Comprehensive Guideline on Derivatives dated April 20, 2007, the Company, being a market maker in interest rate derivatives, has adopted a 'Customer Appropriateness and Suitability Policy'.

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Quantitative Disclosures	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional Principal Amount)		
For hedging	Nil	Nil
(ii) Marked to Market Positions		
(a) Asset (+)	Nil	4,622.2
(b) Liability (-)	Nil	(3,293.9)
(iii) Credit Exposure	Nil	18,003.4
(iv) Unhedged Exposures	Nil	18,003.4

(d) Disclosures relating to Securitisation, financial assets sold to Securitisation Reconstruction Company for Asset Reconstruction, assignment transactions undertaken by NBFC and details of non-performing financial assets purchased / sold

The company does not undertake securitisation business and therefore has not sold any assets to securitisation / reconstruction company for asset reconstruction. The company has not undertaken any assignment transactions. The company does not have any non-performing assets and has also not sold /purchased any non-performing financial assets.

- (e) The company does not finance products of parent company.
- (f) The company does not grant loans and advances in the nature of loans. Hence it has not exceeded Single Borrower Limit (SGL) and Group Borrower Limit (GBL).

(g) Registrations obtained from other financial sector regulators

The Company is registered as a non deposit taking NBFC and holds license for carrying out Primary Dealership business from Reserve Bank of India. It is also registered as a Category I - Merchant Banker, Portfolio Manager and proprietary trading and self-clearing member of the currency derivatives segments of BSE Limited, National Stock Exchange of India Limited and Metropolitan Stock Exchange of India Limited for the limited purpose of trading in interest rate futures with the Securities and Exchange Board of India. Under the Merchant Banking license, the Company is also permitted to act as underwriters while the portfolio manager license permits the Company to also carry out investment advisory services

(h) Ratings assigned by credit rating agencies

The Company's Tier II borrowings have been rated as "CRISIL AAA" (rated amount ₹ 3,950 million) and 'CARE AAA' (rated amount ₹ 2,300 million) by credit rating agencies CRISIL and CARE respectively. Further, the company's short term debt program has been rated as A1+ (rated amount ₹ 10,000 million) by CRISIL.

(i) Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account

	For the year ended March 31, 2016	For the year ended March 31, 2015
Provisions for depreciation on Investment	Nil	Nil
Provision towards NPA	Nil	Nil
Provision made towards Income Tax	1,066.3	1,171.7
Other Provision and Contingencies (Provision for Standard Assets)	Nil	Nil
Provision for Standard Assets	0.1	0.1

(j) The company has not drawn down any amount from reserves.

- (k) The company does not grant any loans or advances in the nature of loans.
- (l) The Company does not have any joint ventures and subsidiaries and has not sponsored any special purpose vehicles.

(m) Customer Complaints

a) No. of complaints pending at the beginning of the year	Nil
b) No. of complaints received during the year	Nil
c) No. of complaints redressed during the year	Nil
d) No. of complaints pending at the end of the year	Nil

41. 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, 2016.

42. 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.

43. PREVIOUS YEAR FIGURES (REGROUPED/RESTATED)

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

As per our report of even date

For and on behalf of the Board of Directors

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

N. S. KANNAN
Chairman
DIN : 00066009

DILIP KARNIK
Director
DIN : 06419513

B. PRASANNA
Managing Director & CEO
DIN : 02257744

per JAYESH GANDHI
Partner
Membership No: 37924

ABHIJEET GUIN
Chief Financial Officer

PRACHITI LALINGKAR
Company Secretary

Mumbai, April 12, 2016

cash flow statement

for the year ended March 31, 2016

	Year ended March 31, 2016	₹ in million Year ended March 31, 2015
A Cash Flow From Operating Activities		
Profit Before Tax	3,021.0	3,345.4
- Loss on Sale of Fixed Assets	0.2	0.3
- Depreciation	16.0	13.8
- Income from investment	(699.1)	(638.1)
- Interest on Income Tax	16.7	-
- Bad and Doubtful Debts (Net)	0.1	0.1
Operating Profit before Changes in Operating Assets and Liabilities	<u>2,354.9</u>	<u>2,721.5</u>
Adjustments for net change in Operating Assets and Liabilities		
- Increase in current Assets excluding Cash and Cash equivalents	(19,367.9)	(42,449.7)
- Increase in Fixed Deposits under Lien	0.7	(414.3)
- Decrease in loans and Advances relating to Operations	(177.3)	1,692.5
- Decrease in current Liabilities relating to Operations	<u>8,602.9</u>	<u>(5,934.7)</u>
	<u>(10,941.6)</u>	<u>(47,106.2)</u>
Cash used in Operations	<u>(8,586.7)</u>	<u>(44,384.7)</u>
Payment of Taxes (Net)	(982.0)	(1,272.1)
Net Cash used in Operating Activities	<u>(9,568.7)</u>	<u>(45,656.8)</u>
B Cash Flow From Investment Activities		
- Purchase / Sale of Investments (Net)	5,447.8	2,368.0
- Income from investment	699.1	638.1
- Purchase of Fixed Assets (Including capital work in progress and capital advances)	(12.2)	(42.3)
- Sale of Fixed Assets	0.3	0.2
Net cash from Investment Activities	<u>6,135.0</u>	<u>2,964.0</u>
C Cash Flow From Financing Activities		
- Increase / Decrease in Borrowings (Net)	4,500.6	45,429.7
- Redemption of Debentures / Bonds	150.0	(800.0)
- Dividends & Dividend Tax paid	<u>(1,481.0)</u>	<u>(1,743.7)</u>
Net Cash from Financing Activities	<u>3,169.6</u>	<u>42,886.0</u>
Net Change in Cash & Cash Equivalents	(264.1)	193.2
Cash and Cash Equivalents at the beginning of the year	325.1	131.9
Cash and Cash Equivalents at the end of the year*	<u>61.0</u>	<u>325.1</u>
Components of cash and cash equivalents		
Cash & Cheques on hand	0.1	0.1
Balance In Current Accounts with Scheduled Banks	26.2	286.2
In Current Accounts with Reserve Bank of India	34.7	38.8
Total cash and cash equivalents (note 16)	<u>61.0</u>	<u>325.1</u>

Cash and cash equivalents at the end of the year does not include fixed deposits under Lien ₹ 856.6 million (Previous year ₹ 857.3 million)

*Please refer Significant Accounting Policies

As per our report of even date

For and on behalf of the Board of Directors

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

N. S. KANNAN
Chairman
DIN : 00066009

DILIP KARNIK
Director
DIN : 06419513

B. PRASANNA
Managing Director & CEO
DIN : 02257744

per JAYESH GANDHI
Partner
Membership No: 37924

ABHIJEET GUIN
Chief Financial Officer

PRACHITI LALINGKAR
Company Secretary

schedules



Schedule to the Balance Sheet as at March 31, 2016

(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			
Liabilities side :			
		Amount outstanding	Amount overdue
(1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:			
(a) Debentures : Secured : Unsecured		4,003.0	Nil
(Other than falling within the meaning of public deposits)			
(b) Deferred Credits		-	Nil
(c) Term Loans		-	Nil
(d) Inter-corporate loans and borrowing		3,512.3	Nil
(e) Commercial Paper		-	Nil
(f) Other Loans - CBLO - Secured		699.6	Nil
Borrowings under LAF & Refinance - Secured		75,350.0	Nil
Repo Borrowings - Secured		30,760.0	Nil
Call, Notice and Term Money - Unsecured		21,952.2	Nil
Assets side :			
(2) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :			Amount outstanding
(a) Secured (b) Unsecured			- 496.6
(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			Nil Nil
(ii) Stock on hire including hire charges under sundry debtors : (a) Assets on hire (b) Repossessed Assets			Nil Nil
(iii) Other loans counting towards AFC activities (a) Loans where assets have been repossessed (b) Loans other than (a) above			Nil Nil
(4) Break-up of Investments			
Current Investments			
1. Quoted			
(i) Shares : (a) Equity (b) Preference			56.7 98.3
(ii) Debentures and Bonds			16,018.3
(iii) Units of mutual funds			-
(iv) Government Securities			120,967.7
(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			1,817.3
(v) Others			-
2. Unquoted			
(i) Shares : (a) Equity (b) Preference			-
(ii) Debentures and Bonds			-
(iii) Units of mutual funds			-
(iv) Government Securities			-
(v) Others			-

schedules

(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	-	23.0	23.0
(c) Other related parties	-	-	-
2. Other than related parties			
Total		473.6	473.6
		496.6	496.6

(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	139,399.2	138,958.3
Total	139,399.2	138,958.3

(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
DIN : 00066009

ABHIJEET GUIN
Chief Financial Officer

DILIP KARNIK
Director
DIN : 06419513

PRACHITI LALINGKAR
Company Secretary

B. PRASANNA
Managing Director & CEO
DIN : 02257744

Mumbai, April 12, 2016

ICICI SECURITIES LIMITED

21ST ANNUAL REPORT AND ANNUAL ACCOUNTS 2015-2016

Directors

Chanda Kochhar, *Chairperson* (DIN: 00043617)
Uday Chitale (DIN: 00043268)
Vinod Kumar Dhall (DIN: 02591373)
Shilpa Kumar (DIN: 02404667)
Vishakha Mulye (DIN: 00203578)
Anup Bagchi, *Managing Director & CEO* (DIN: 00105962)
Ajay Saraf, *Executive Director* (DIN: 00074885)

Auditors

S. R. Batliboi & Co, LLP
Chartered Accountants
(Registration No. 301003E)

Executives

Subir Saha
Vaijayanti Naik
Raju Nanwani,
Company Secretary
Prashant Mohta,
Chief Financial Officer

Registered Office

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

Corporate Office

ICICI Securities Limited
Shree Sawan Knowledge Park
Plot No. D-507,
T.T.C. Industrial Area MIDC, Turbhe
Navi Mumbai 400 705

directors' report

to the members

The Directors are pleased to present the 21st Annual Report of ICICI Securities Limited (the Company) with the audited statements of accounts for the year ended March 31, 2016.

INDUSTRY OVERVIEW
Equities

India started fiscal 2016 on a positive note as the expectations of revival in earnings growth, capex revival and big bang reforms – GST and Land Acquisition Bill fuelled the rally. In reality, there was a delay in realisation of the above expectations along with global volatility leading to a fall of 9% in the Indian stock market during fiscal 2016. Towards the end of the last quarter of fiscal 2016, the optimism about Indian equities started rising around (a) pick-up in urban consumption with an expectation that rural consumption could revive due to forecast of normal monsoon in fiscal 2017; (b) Government's focus on infrastructure spending; (c) steady pace of reforms; (d) improvement in corporate performance; (e) continued channeling of domestic savings towards financial assets; and (f) improvement in FII flows towards Indian equities. During fiscal 2016, macroeconomic indicators were broadly stable. CPI measured inflation, which was on a downward trend in the first two quarters of the fiscal and hit its multi-month low of 3.7% in July 2015, started rising in the third quarter. It has again started dipping in the last quarter of fiscal 2016 and reached 4.7% in March 2016, allowing the central bank to further cut the repo rate by 25 bps in its April 2016 monetary policy. Industrial production growth, which hovered between 3-5% earlier in the year, turned into the negative territory in the last few months as floods in the key industrial state of Tamil Nadu hit manufacturing.

Globally, fiscal 2016 marked a few important developments. The US hiked interest rates by 25 basis points in December 2015 on improving health of US economy. However, lower-than-expected inflation and growth projections after the first hike induced prospects of much slower tightening cycle than was previously thought.

The rupee depreciated against the dollar on expectations of divergent monetary policies in the two countries. However, slower-than-expected growth in the US checked its downside. Due to sustained FPI selling since August 2015, Indian equity market is down 9% in fiscal 2016.

The institutional daily cash turnover in the equity market (NSE and BSE) decreased marginally by 0.27% (approx.) to ₹ 124.73 billion in fiscal 2016.

There has been no change in brokerage rates for trades done by mutual funds, however, direct trading has seen a marginal increase via the Direct Market Access route.

Corporate Finance

During fiscal 2016, the primary markets saw robust activity. There was a surge in the number of Initial Public Offerings (IPOs) for primary fund raising. Riding on the positive market sentiment, during fiscal 2016, the total fundraise through 24 IPOs amounted to over ₹ 145.00 billion and 18 Offers for Sale (OFS), amounting to ₹ 198.22 billion were executed, of which 7 were from public sector undertakings. There were no Institutional Private Placements (IPPs) in fiscal 2016.

On the consolidation front, 9 companies achieved successful delisting amounting to ₹ 54.79 billion. Further, 73 open offer deals of ₹ 117.95 billion and 16 buyback deals of ₹ 18.34 billion were also executed.

During fiscal 2016, activity in debt markets was driven by tax free issues and public issues by private sector non-banking finance companies. (Source: Prime Database)

During fiscal 2016, US\$ 16.72 billion was raised in private equity deals as compared to US\$ 12.85 billion raised in fiscal 2015. Information technology & information technology enabled services, banking, financial services & insurance, healthcare &

life sciences, FMCG, logistics, manufacturing and energy were the dominant sectors by deal value in fiscal 2016. (Source: Venture Intelligence)

Distribution of Retail Financial Products

The mutual fund industry's equity assets under management (AUM) continued to rise during the year. During fiscal 2016, the industry recorded a higher retention of Equity assets thereby resulting in a surge in assets by around 15%. This despite the markets correcting by around 22% from their peak levels in March 2015.

Effective April 1, 2015, in order to promote long term investments and limit frequent churning, the upfront commissions in Mutual Funds were capped to a maximum of 1% while total commission including trail commission had to be within the Total Expense Ratio of a particular fund. In addition to this, service tax on the commission to distributors was re-introduced. These changes had an impact on the current year's income from distribution of Mutual Funds.

Private Wealth Management

In the recent years, India has seen growth in wealth creation and a rise in High Net-worth Individual (HNI) families. The overall HNI wealth in India has grown by 28% as against a global HNI wealth growth of only 12% last year. The incremental allocation of wealth has moved significantly from physical assets to financial assets. In terms of allocation of assets, there is a trend of improved allocation towards equities (seeing renewed interest and participation) and alternate investment opportunities such as high yield debt, real estate funds, etc. The industry saw clients focus on performance management and risk management.

FINANCIAL HIGHLIGHTS

The financial performance for fiscal 2016 is summarised in the following table:

	Fiscal 2015	Fiscal 2016
	(₹ in million)	
Gross income	12,094.6	11,235.6
Profit before tax	3,996.4	3,710.4
Provision for tax	1,556.8	1,353.0
Profit after tax	2,439.6	2,357.4

APPROPRIATIONS

Profit after tax for the year ended March 31, 2016 stood at ₹ 2,357.4 million from ₹ 2,439.6 million in the previous year.

After taking into account the balance of ₹ 983.2 million (previous year: ₹ 640.3 million) brought forward from the previous year, the profit available for appropriation is ₹ 3,340.6 million (previous year: ₹ 3,079.9 million), of which Nil (previous year: ₹ 182.0 million) has been transferred to General Reserve.

DIVIDEND

During the year, the Company declared four interim dividends on the equity share capital, aggregating to 100% (approximately) and amounting to ₹ 1,610.7 million (previous year ₹ 1,610.7 million). The Directors are pleased to recommend the aggregate of interim dividends at ₹ 1,610.7 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 maintaining the business performance despite the volatility in the equity markets for most part of the year. 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.

During the year, the Company announced the launch of 'Insta Account', a completely online and paperless investment account. A Resident Indian, who is KYC compliant as stipulated by SEBI, can open an Insta Account on www.icicidirect.com to invest in Indian Mutual Funds.

Fiscal 2016 also saw the launch of StockMIND- Season 4, India's biggest virtual stock market competition for college students by ICICIdirect Centre for Financial Learning (ICFL). The competition also featured in the Limca Book of Records as the 'Largest Competition on Stock Investments' under Business section of 2016 edition.

Investment Technology Group, Inc. (ITG), a leading independent broker and financial technology provider partnered with the Company to offer ITG's POSIT Alert which would provide superior services in the Algorithmic Trading/DMA sphere to the Company clients.

ICICIdirect, the Company's retail division designed and launched several initiatives to help retail customers to plan their investments in a disciplined manner. Based on the popularity of 'I-Gain' which was launched in fiscal 2015, "Bullet Trade" was launched during the year with an aim to help customers a brokerage plan where customers will pay zero brokerage for trades squared-off in 5 minutes.

The Company also announced the launch of "Track & Act", a first-of-its-kind Robo advisory platform on ICICIdirect aimed at effortless tracking and investing for its customers.

Equities

The institutional research team increased its coverage to 167 companies, spread across 17 diversified sectors and large and mid-cap stocks. The research team is dedicated to servicing clients around the world through its differentiated approach and commitment to address client queries well within deadlines. The research team has published a variety of sector thematic reports which have been highly appreciated by clients for insight, value and differentiation.

During fiscal 2016, the Company hosted several conferences and delegations to provide its clients an opportunity for interaction with policy makers and corporate leaders. The 14th India Unlimited conference held during fiscal 2016 attracted over 26 corporates and 8 speakers/sector experts with participation of about 113 funds. Overall, the conference saw more than 850 investor meetings.

The Company has a retail research team covering 236 companies spread across sectors in detail. A strong mutual fund, technical and derivatives desk delivers quality research to over 3.8 million customers of ICICIdirect.com. In addition to the quarterly earnings reports and regular event updates, the team published various sector reports, thematic reports, Model portfolio, IPO recommendations, 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.

The Company introduced new website with customer friendly innovative tools for better decision making such as F&O at finger tips, alerts on corporate actions, portfolio x-ray, portfolio drill down, what's hot on ICICIdirect.com, news on stocks, capital gain status on stocks, cloud order, re-order facility, etc. The Company continued its rigorous focus on client acquisition and has the largest retail customer account base of 3.8 million with one of the largest pan-India distribution networks of over 201 ICICIdirect offices, over 782 sub-brokers, a team of over 3300 Investment Associates/ Independent Financial Associates across 573 cities & towns in India.

Corporate Finance

During fiscal 2016, we saw a mix of fund raising exercises through IPOs, debt public issues & OFS and consolidation exercises through open offers.

The amount raised through equity public issuances managed by the Company during fiscal 2016 was ₹ 27.23 billion, which included the IPOs by VRL Logistics Limited, PNC Infratech Limited, Manpasand Beverages Limited, Sadbhav Infrastructure Project Limited, Teamlease Services Limited and Quick Heal Technologies Limited. These IPOs received positive response from the market.

The Company successfully managed the OFS issues for Engineers India Limited, NTPC Limited and Container Corporation of India Limited. The Company handled 6 open offers in fiscal 2016 – GMM Pfaudler Limited, Mangalore Chemicals and Fertilizers Limited, DISA India Limited, Tasty Bite Eatables Limited, IIFL Holdings Limited and ADI Finechem Limited. During the year, the company also managed the Rights Issue of ₹ 74.98 billion of Tata Motors Limited.

The Company managed 10 debt public issuances with aggregate fund raising to the tune of ₹ 283.84 billion in fiscal 2016. The debt issuances during the year included NCDs for private sector NBFCs (Muthoot Finance Limited and SREI Infrastructure Finance Limited), as well as Tax Free Issues (National Highway Authority of India, Indian Railway Finance Corporation, Housing and Urban Development Corporation

Limited and NABARD. (*Source: Prime Database*)

The Company was ranked seventh among all financial advisors for M&A deals for the calendar year 2015 (*Source: Mergermarket*). The Company rendered advisory services in several transactions during the year in sectors ranging across Pharmaceuticals, Energy, Cement, Healthcare, Consumer, Logistics, Financial Services, etc.

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

- Advisor to Emami Limited for its acquisition of 'Kesh King' brand from SBS Biotech Limited;
- Advisor to Jaiparakash Associates Limited for sale of cement units to Ultra Tech Cement Limited;
- Exclusive advisor to Texmaco Rail and Engineering Limited for its acquisition of a majority stake in Bright Power Projects (India) Private Limited;
- Advisor to ReNew Power Ventures Private Limited for fund raise from Abu Dhabi Investment Authority (ADIA);
- Advisor to IHH Healthcare Bhd. on acquisition of controlling stake in India's Ravindranath GE Medical Services Private Limited ("Global Hospitals");
- Advisor to Holisol Logistics Private Limited on private equity fund raise from CLSA Capital Partners;
- Exclusive advisor to Mahindra and Mahindra Limited for sale of its majority stake in Swaraj Automotives Limited to b4S Solutions Private Limited;
- Advisor to ONGC Tripura Power Corporation for Private Equity placement with IDFC PE & Apollo Global;
- Advisor to Satin Creditcare Network Limited (SCNL) for its equity fund raise from SBI FMO Emerging Asia Financial Sector Fund;
- Advisor to National Payments Corporation of India for the private placement of its equity shares;
- Advisor to Zuari Agro Chemical Limited on proposed amalgamation of Zuari Fertilisers and Chemical Limited, Zuari Rotem Speciality Fertilisers Limited and Zuari Agri Sciences Limited;
- Advisor to Blue Star Infotech Limited for Fairness Opinion on its proposed merger with Blue Star Limited; and
- Sole Advisor to L Capital for the stake monetization in PVR Limited.

Distribution of Retail Financial Products

In fiscal 2016, the Company continued its focus on mutual funds and further consolidated its position among the leading mutual fund distributors. The Company was amongst the top mobilisers for Sovereign Gold and Tax Free bonds. In the life insurance space, the Company continued its focus on improving persistency.

Financial Learning

The Company continued its activities towards investment education through its initiative ICICIdirect Centre for Financial Learning (ICFL) through classroom workshops and online training. The classroom workshops are conducted in all major cities of the country by capital market practitioners. ICFLs online portfolio includes programs on equities, derivatives, currency, charting, mutual funds, personal finance and finance for non-finance people. During the year, ICFL introduced new classroom programs for investors and categorized its programs under Beginner, Advance and Pro-series based on the existing skill of investors. ICFL also introduced two new programs with National Institute of Securities Markets (NISM) and also associated with Indian Institute of Management (IIM), Indore, Xavier School of Management (XLRI), Jamshedpur, Frankfurt School and All India Management Association (AIMA) for promoting financial training and certificate courses.

StockMIND

The Company continued its initiatives of educating college students about the importance of stock markets and investments through StockMIND Season 4, a national contest on stock markets. StockMIND Season 4 created further excitement by addition of a learning section on money management basics, an opportunity to trade in derivatives through the optional derivative accelerator and separate rewards for female participants to encourage their engagement. StockMIND Season 4 reached out to over 181,000 students from 599 colleges.

Private Wealth Management

In fiscal 2016, the Company maintained its focus on strengthening its Private Wealth Management business. The Company continued to focus on core competence in financial services and ensured de-risked business through multiple products and diverse revenue streams. The Company built on strong relationship driven people along with a robust product and advisory platform which aimed to offer best in class financial solutions to its clients and maintained the organisation'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.

directors' report



I-Sec

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. Towards this, the Committee is assisted by the Corporate Risk Management Group of the Company for framing and monitoring the various risk management policies, defining the prudential limits such as VaR limits, exposure limits and concentration limits for the Company's own investments as well as 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.

The Corporate Risk Management Group of the Company also analyses the results of various stress testing scenarios from the perspective of ensuring Company's capital adequacy under any unfavourable/unforeseen market circumstances and ensuring timely actions, wherever required, towards ensuring avoidance of situation that could threaten the existence of the Company.

On the basis of the robust risk management framework and regular monitoring of all major risk areas within the Company, the Board is satisfied that there are no factors that could threaten the existence of the Company.

OUTLOOK

Equities

The Government presented a prudent and credible budget for fiscal 2017 which is expected to bode very well for the market in the coming months. However, unlike fiscal 2016 India may not benefit from the oil bounty in fiscal 2017 as oil prices are expected to inch up marginally in the current fiscal. Growth in the US and the Fed's response to it, hard-landing in China and the geo-politics concerning oil prices are likely to be key global triggers for Indian markets going ahead. Earnings growth of Indian corporates is expected to revive in fiscal 2017 and as volatility in global markets dip, FPI interest in Indian equities should revive. DII inflows have been robust in fiscal 2016 and we expect this trend to continue in fiscal 2017 as retail investor interest in Indian equities appear structural in nature.

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

Corporate Finance

There is an expectation of many companies looking to raise funds through the capital markets route. The Company is also liaising with stakeholders and regulators to develop new and innovative products like Infrastructure Investment Trusts (INVITs) and Real Estate Investment Trusts (REITs).

Distribution of Retail Financial Products

During fiscal 2016, the mutual fund equity inflows remained net positive due to retail participation mainly through Systematic Investment Plans, despite the negative undercurrent in the equity market. Going forward, we expect more simplification of the process by use of electronic Know-Your-Customer (e-KYC) using Aadhaar for on-boarding process for prospective investors and the Unified Payment Interface from NPCI to facilitate ease of payments. Inflows and asset under management (AUM) would depend upon the market conditions.

Private Wealth Management

Despite recent volatility, the Indian market offers a good scope for growth, given its long-term economic prospects, positive demographics and current low penetration. The long term fundamentals of the Indian economy, based on a positive demographic divide, are intact which will lead to increase in consumption and savings. We expect the growth trajectory to pick up in the future which is likely to lead to increase in the overall HNI population in India which in turn is likely to increase the addressable market for 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 and improving its client base through a wider geographical reach and by acquiring large family office relationships.

SUBSIDIARY COMPANIES

The Company has two subsidiaries in the United States of America (USA), namely, ICICI Securities Holdings, Inc. (ISHI) and ICICI Securities, Inc. (I-Sec. Inc.). A report on the performance and financial position of the subsidiaries is given in Annexure A.

During fiscal 2016, 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, Canada and Singapore. I-Sec. Inc. is registered with the Securities and Exchange Commission ("SEC") and is a Member of the Financial Industry Regulatory Authority ("FINRA"). I-Sec. Inc. holds an International Dealer registration with the Canadian Securities Regulatory Authority

("CSRA") which enables the Company to expand its reach to institutional investors in three provinces of Canada. I-Sec. Inc. has its main office in New York, USA and branch office in Singapore where it holds a Capital Market Services ("CMS") license granted by the Monetary Authority of Singapore ("MAS") for the purpose of Dealing in Securities in Singapore.

During fiscal 2016, I-Sec. Inc. has strengthened its positioning among its US, Canada and Singapore based institutional investors. I-Sec. Inc. conducted several investors' conferences in the US and its flagship annual event in Singapore along with numerous road shows in both geographies during fiscal 2016. These activities, coupled with the increased demand for Indian securities, I-Sec. Inc. has experienced an upward trend of client participation in terms of the quantity and quality of clients. I-Sec. Inc.'s corporate access activities add value to the decision-making process of its clients by providing differentiated research, access to corporate managements and experts from various fields which helps I-Sec. Inc. to penetrate new clients as well as strengthen its positioning among existing clients.

During the year under review, there were no new subsidiaries formed by the Company and none of the current subsidiaries ceased to exist.

VIGIL MECHANISM

The Company has in place a Whistleblower Policy ('the Policy') which aims to set up a mechanism that enables employees to report about potentially illegal and/or unacceptable practices. It seeks to enable employees to report such practices without fear of victimisation and reprisal. The Policy aims to administer good governance practices in the Company and to ensure that serious concerns are properly raised and addressed.

The purpose of the Policy is to enable a person who observes an unethical practice (whether or not a violation of law) to approach Head – Human Resources / Head – Internal Controls / Audit Committee without necessarily informing his supervisors and without revealing his identity, if he chooses to do so. The Policy governs reporting and investigation of allegations of suspected improper activities.

The employees of the Company are encouraged to use guidance provided in the Policy for reporting all allegations of suspected improper activities. In all instances, the Company retains the prerogative to determine when circumstances warrant an investigation and in conformity with the Policy and applicable laws and regulations, the appropriate investigative process is employed. The Policy complies with the requirements of Vigil mechanism as stipulated under Section 177 of the Companies Act, 2013. The details of establishment of the Whistle Blower Policy/Vigil mechanism have been disclosed on the website of the Company.

INTERNAL CONTROL AND ITS ADEQUACY

The Company has established and maintained internal financial controls based on the criteria of essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements. These controls and processes are driven through various policies, procedures and certifications. The processes and controls are reviewed periodically. The Company has a mechanism of testing the controls at regular intervals for their design and operating effectiveness to ascertain the reliability and authenticity of financial information.

AUDITOR'S REPORT

There are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors in their report.

EXTRACT OF ANNUAL RETURN

An extract of the annual return as required under Section 92 (3) of the Companies Act, 2013 in Form No. MGT-9 is attached as Annexure B.

PUBLIC DEPOSITS

Your Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in Annexure C.

RELATED PARTY TRANSACTIONS

The Company undertakes various transactions with related parties in the ordinary course of business. The Company has a Board approved framework on Related Party Transactions. The Company also has a Board approved Group Arms' Length Policy which requires transactions with the group companies to be at arm's length. The transactions between the Company and its related parties, during the year ended March 31, 2016, were in the ordinary course of business and based on the principles of arm's length. The details of material related party transactions at an aggregate level for year ended March 31, 2016 are given as Annexure D.

directors' report

Continued

ACHIEVEMENTS

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

The Company won the prestigious 2015 Finance Asia Achievement Awards for Best India Deal. The Company won this award for the deal that involved Sun Pharmaceutical Industries Limited's \$ 4 billion acquisition of Ranbaxy Laboratories Limited.

During the year, The Company launched 'I Network' & 'Mobile App' to encourage engagement, communication & learning of best of practices among employees. For both the initiatives, the Company won the 'Best Knowledge Management Sharing Initiatives'.

The award was conferred by World HRD Congress in association with Times Ascent.

ICICI direct.com was selected one of India's most outstanding Consumer Superbrands and has been conferred the prestigious 'Superbrand India' award for the year 2015.

The Company won the World Franchise Congress 2015 for Excellence in Relationship Management.

I-Pledge, a cause based initiative aimed at creating awareness about systematic investments launched by the Company won The Responsible Business Awards. The awards are supported by the World CSR Day & World Federation of CSR Professionals.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year, Zarin Daruwala (DIN: 00034655) ceased to be Director of the Company and Vishakha Mulye (DIN: 00203578) was appointed as a Director on the Board of the Company. As per the regulatory requirements, any change in the Directors of the Company requires prior approval of stock exchanges. The stock exchanges approved cessation of Zarin Daruwala (DIN: 00034655) from the Board of the Company and the appointment of Vishakha Mulye (DIN: 00203578) as a Director on the Board of the Company w.e.f. February 24, 2016. The Board places on record its appreciation of the valuable contribution and guidance provided by Zarin Daruwala (DIN: 00034655).

In terms of Section 152 of the Companies Act, 2013, Anup Bagchi (DIN: 00105962), Managing Director & CEO would retire by rotation at the forthcoming AGM and is eligible for re-appointment. Anup Bagchi (DIN: 00105962) has offered himself for re-appointment.

There was no other appointment or cessation of key managerial personnel during the financial year.

PERFORMANCE EVALUATION OF THE BOARD, COMMITTEES AND DIRECTORS

The Company has in place an evaluation framework for evaluation of the Board, Directors and Chairperson. The Board also carries out an evaluation of the working of its Audit Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee. The evaluation of the Committees is based on the assessment of the compliance with the terms of reference of the Committees.

The evaluations for the Directors and the Board were done through circulation of two questionnaires, one for the Directors and the other for the Board which assessed the performance of the Board on selected parameters related to roles, responsibilities and obligations of the Board and functioning of the Committees including assessing the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The evaluation criteria for the Directors was based on their participation, contribution and offering guidance to and understanding of the areas which are relevant to them in their capacity as members of the Board.

With respect to the Whole-time Directors, the Nomination & Remuneration Committee has oversight over compensation. The Nomination & Remuneration Committee defines Key Performance Indicators (KPIs) for Whole-time Directors and the organisational performance norms based on the financial and strategic plan approved by the Board. The KPIs include both quantitative and qualitative aspects. The Nomination & Remuneration Committee assesses organisational performance as well as the individual performance for Whole-time Directors.

Policy/Criteria for Directors' Appointment & Compensation Policy

The Company with the approval of its Nomination and Remuneration Committee ('the NRC') has put in place a policy on Directors' appointment and remuneration including the criteria for determining qualifications, positive attributes and independence of a Director. The policy has been framed based on the broad principles as outlined hereinafter. The NRC would evaluate the composition of the Board and vacancies arising in the Board from time to time. The NRC as and when required while recommending candidature of a Director would consider the requisite special knowledge or expertise possessed by candidate. The NRC would assess the fit and proper credentials of the candidate. The NRC would also evaluate the prospective candidate for the position of Director from the perspective of the criteria for independence prescribed under the Companies Act, 2013.

The NRC based on the above assessment will make suitable recommendations on the appointment of Directors to the Board. The NRC evaluates the performance of the Executive Directors of the Company on annual basis.

The remuneration payable to all the Directors is governed by the provisions of the Companies Act, 2013 and the Rules thereunder. The permitted modes of remuneration for the Independent Directors would be sitting fee for attending each Meeting of the Committee/Board as approved by the Board from time to time within the limits as provided under the Companies Act, 2013 and rules thereunder.

Meetings

The Board of Directors of the Company meet at regular intervals to discuss and decide on business policy and strategy apart from other board business. The Board met five times in the fiscal 2016 viz., on April 17, 2015, July 27, 2015, September 30, 2015, October 26, 2015 and January 14, 2016.

Name of the Director	Number of Board Meetings Held	Number of Board Meetings Attended
Chanda Kochhar (DIN: 00043617)	5	4
Anup Bagchi (DIN: 00105962)	5	5
Ajay Saraf (DIN: 00074885)	5	5
Uday Chitale (DIN: 00043268)	5	5
Vinod Kumar Dhall (DIN: 02591373)	5	5
Zarin Daruwala (DIN: 00034655)	4*	4
Shilpa Kumar (DIN: 02404667)	5	4
Vishakha Mulye (DIN: 00203578)	0*	0

* Zarin Daruwala (DIN: 00034655) ceased to be the Director of the Company and Vishakha Mulye (DIN: 00203578) was appointed in her place w.e.f. February 24, 2016.

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 Independent Directors have submitted a declaration pursuant to Section 149 (6) of the Companies Act, 2013.

COMMITTEES OF BOARD

- (i) Audit Committee
Four meetings were held on April 17, 2015, July 27, 2015, October 26, 2015 and January 14, 2016.
- (ii) Nomination and Remuneration Committee
One meeting was held on April 17, 2015.
- (iii) Corporate Social Responsibility Committee (constituted on April 16, 2014)
Three meetings were held on April 16, 2015, July 15, 2015 and October 26, 2015.

Audit Committee

The Audit Committee comprises of Uday Chitale (DIN: 00043268), Vinod Kumar Dhall (DIN: 02591373) and Shilpa Kumar (DIN: 02404667) as its members. Uday Chitale (DIN: 00043268), 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.

Nomination & Remuneration Committee (NRC)

The Nomination and Remuneration Committee of the Company ("the NRC") consists of three Directors viz., Uday Chitale (DIN: 00043268), Chanda Kochhar (DIN: 00043617) and Vinod Kumar Dhall (DIN: 02591373), Uday Chitale (DIN: 00043268), an Independent Director, is Chairman of the NRC.

The NRC meets, *inter alia*, to fill up of vacancies in the Board, evaluate the performance of the Whole-time Directors of the Company, the Board and its individual Members. The NRC recommends to the Board from time to time the amount of remuneration payable to the Whole-time Directors of the Company and the framework relating to the remuneration for the Directors, Key Managerial Personnel, Senior Manager and other employees.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR Committee of the Company consists of three directors viz., Uday Chitale (DIN: 00043268), Anup Bagchi (DIN: 00105962) and Ajay Saraf (DIN: 00074885). The Company's primary focus areas for CSR activities are Education, Health Care, Skill development and sustainable livelihoods, Rural Development, Support employee engagement in CSR activities, Capacity building for corporate social responsibility and other areas.

The Company continued to partner with ICICI Foundation for Inclusive Growth to support the cause of sustainable livelihood and skill development, elementary education, primary health to achieve the CSR objectives. The Company also contributed to DilasaSanstha, an NGO engaged in drought relief work in the districts of Marathwada and Vidarbha. The contribution will be utilised for providing emergency financial help to distressed farmers to set up or start small businesses to earn their livelihood, e.g. dairy farm, juice centre, small flour mill, provision shop, etc. The Company has contributed towards the research project of India Venture Capital and Private Equity Study advisory board. The Company has also conducted various Investor Awareness Programmes viz. Pragati Ki Neey, I – Pledge and Vision for Wealth. These workshops/activities were to create awareness and educate various start-ups of the society about goal based financial planning and investments.

directors' report



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The Corporate Social Responsibility Policy as approved by the Board is uploaded on the Company's website.

The Annual Report on Corporate Social Responsibility is given in Annexure E.

GENERAL MEETINGS

The particulars of all general meetings held during the last three years are as follows:

Particulars	Date
Annual General Meeting	July 31, 2013
Annual General Meeting	June 27, 2014
Extra Ordinary General Meeting	September 4, 2014
Extra Ordinary General Meeting	March 12, 2015
Annual General Meeting	June 26, 2015

STATUTORY AUDITORS

The Statutory Auditors, S. R. Batliboi & Co. LLP, ICAI Firm Registration Number: 301003E (formerly known as S. R. Batliboi & Co.), Chartered Accountants, Mumbai, were appointed for a period of three years in June 2014 subject to ratification by the shareholders at every Annual General Meeting. The Board has proposed their ratification as Statutory Auditors to audit the accounts of the Company for fiscal 2017. The Auditors have indicated their willingness to get their appointment ratified by the members. You are requested to ratify their appointment.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company re-appointed M/s. Jaiprakash R. Singh & Associates, a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company for fiscal 2016. The report of the Secretarial Audit Report is annexed herewith as Annexure F. There are no qualifications, reservation or adverse remark or disclaimer made by the auditor in the report.

FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

During fiscal 2016, expenditure in foreign currencies amounted to ₹ 271.9 million (previous year: ₹ 277.3 million) and earnings in foreign currencies amounted to ₹ 112.7 million (previous year: ₹ 113.5 million).

PERSONNEL

As required pursuant to the provisions of Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of the employees are set out in the Annexure to the Directors' Report. The Directors' Report is being sent to the shareholders excluding the Annexure. Any shareholder interested in obtaining a copy of the Annexure may write to the Company Secretary at the Registered Office of the Company.

ADDITIONAL INFORMATION

The Managing/Whole-time Directors of the Company are granted stock options of the holding company i.e. ICICI Bank Limited ("the Bank") which are issued pursuant to the Employee Stock Option Scheme of the Bank. The details of stock options granted by the Bank for fiscal 2016 are as given below:

Name of Director	Number of Stock options
Anup Bagchi (DIN: 00105962), Managing Director & CEO	1,195,000
Ajay Saraf (DIN: 00074885), Executive Director	446,500

In view of the nature of business activities of the Company, the information relating to conservation of energy and technology absorption, as required under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is not required to be given. The Company has, however, used information technology extensively in its operations.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of financial year of the Company to which the Balance Sheet relates and the date of this Report.

SIGNIFICANT AND MATERIAL ORDERS

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

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, 2016 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, 2013 to safeguard the assets of the Company and to prevent and detect fraud and other irregularities;
- iv. that the annual accounts have been prepared on a 'going concern' basis; and
- v. that proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

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.

INFORMATION REQUIRED UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

There were no complaints reported during the year under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

Mumbai, April 28, 2016

CHANDA KOCHHAR
DIN: 00043617
Chairperson

directors' report

Continued

annexure a

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ 000's)

Sl. No.	Particulars	Subsidiary	Step Down Subsidiary
1	Name of the subsidiary	ICICI Securities Holding, Inc.	ICICI Securities, Inc.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31-03-2016	31-03-2016
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	₹ US\$ 1=₹ 66.2550	₹ US\$ 1=₹ 66.2550
4	Share capital	728,206	571,667
5	Reserves & surplus	(600,542)	(442,826)
6	Total assets	127,985	201,644
7	Total Liabilities (excluding capital and reserves)	321	72,803
8	Investments	94,498	-
9	Turnover	141	170,405
10	Profit before taxation	(477,175)	28,807
11	Provision for taxation	317	492
12	Profit after taxation	(477,492)	28,315
13	Proposed Dividend	-	-
14	% of shareholding	100% held by ICICI Securities Limited	100% held by ICICI Securities Holding, Inc.

Notes:

- Names of subsidiaries which are yet to commence operations.: **NA**
- Names of subsidiaries which have been liquidated or sold during the year.: **NA**

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: **NA**

Name of Associates/Joint Ventures	Name 1	Name 2
1. Latest audited Balance Sheet Date		
2. Shares of Associate/Joint Ventures held by the company on the year end No.		
Amount of Investment in Associates/Joint Venture Extend of Holding %		
3. Description of how there is significant influence		
4. Reason why the associate/joint venture is not consolidated		
5. Networth attributable to Shareholding as per latest audited Balance Sheet		
6. Profit / Loss for the year i. Considered in Consolidation		
i. Not Considered in Consolidation		

- Names of associates or joint ventures which are yet to commence operations.: **NA**
- Names of associates or joint ventures which have been liquidated or sold during the year.: **NA**

For and on behalf of the Board of Directors

CHANDA KOCHHAR
DIN: 00043617
Chairperson

ANUP BAGCHI
DIN: 00105962
Managing Director & CEO

RAJU NANWANI
Company Secretary

UDAY CHITALE
DIN: 00043268
Director

AJAY SARAF
DIN: 00074885
Executive Director

PRASHANT MOHTA
Chief Financial Officer

directors' report

ICICI Securities

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annexure b

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I REGISTRATION AND OTHER DETAILS:

i) CIN	U67120MH1995PLC086241
ii) Registration Date	March 19, 1995
iii) Name of the Company	ICICI Securities Limited
iv) Category / Sub-Category of the Company	Public Unlisted Company
v) Address of the Registered office and contact details	ICICI Centre, H. T. Parekh Marg, Churchgate, Mumbai - 400020
vi) Whether listed company (Yes / No)	No
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	3i Infotech Limited, Tower # 5, 3rd to 6th Floor, International Infotech Park, Vashi, Navi Mumbai 400 703

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
Broking	66120	58.8
Merchant Banking and distribution of financial products	66190	31.1

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
ICICI Bank Limited, ICICI Bank Towers, Bandra Kurla Complex, Mumbai - 400 051	L65190GJ1994PLC021012	Holding Company	100%	Section 2(46)
ICICI Securities Holdings, Inc., 2711 Centerville Road Suite 400 Wilmington, DE 19808 United States of America	NA	Wholly owned Subsidiary	100%	Section 2 (87)
ICICI Securities, Inc., 2711 Centerville Road Suite 400 Wilmington, DE 19808 United States of America	NA	Step down Subsidiary	100%	Section 2 (87)

IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

SI. NO	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoters									
(1)	Indian									
a)	Individual/HUF									
b)	Central Govt									
c)	State Govt(s)									
d)	Bodies Corp.	805350000	3500	805353500	100	805350000	3500	805353500	100	NIL
e)	Banks / FI									
f)	Any Other....									
	Sub-total (A) (1)	805350000	3500	805353500	100	805350000	3500	805353500	100	Nil
(2)	Foreign									
a)	NRIs -Individuals									
b)	Other -Individuals									
c)	Bodies Corp.									
d)	Banks / FI									

directors' report

Continued

Sl. No	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e)	Any Other									
	Sub-total (A) (2)									
	Total shareholding of Promoter (A) = (A) (1)+(A)(2)	805350000	3500	805353500	100	805350000	3500	805353500	100	Nil
B.	Public Shareholding									
(1)	Institutions									
a)	Mutual Funds									
b)	Banks /FI									
c)	Central Govt									
d)	State Govt(s)									
e)	Venture Capital Funds									
f)	Insurance Companies									
g)	FIs									
h)	Foreign Venture Capital Funds									
i)	Others (specify)									
	Sub-total (B)(1)									
(2)	Non-Institutions									
a)	Bodies Corp.									
i)	Indian									
ii)	Overseas									
b)	Individuals									
i)	Individual shareholders holding nominal share capital upto ₹ lakh									
ii)	Individual shareholders holding nominal share capital excess of ₹1 lakh									
c)	Others (specify)									
	Sub-total (B) (2)									
	Total Public Shareholding (B) = (B)(1)+(B)(2)									
C.	Shares held by Custodian for GDRs & ADRs									
	Grand Total (A+B+C)	805350000	3500	805353500	100	805350000	3500	805353500	100	Nil

(ii) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
ICICI Bank Limited (along with others holding jointly with and as a nominee of ICICI Bank)	805353500	100%	NA	805353500	100%	NA	Nil
Total	805353500	100%	NA	805353500	100%	NA	Nil

(iii) Change in Promoters' Shareholding (please specify, if there is no change)- NA

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year				
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
At the End of the year (or on the date of separation, if separated during the year)				

directors' report



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iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): - Same as given in point no. (ii)

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year				
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
At the End of the year (or on the date of separation, if separated during the year)				

v) Shareholding of Directors and Key Managerial Personnel:

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year				
Anup Bagchi (DIN: 00105962)*	500	0	500	0
Ajay Saraf (DIN: 00074885)*	500	0	500	0
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
At the End of the year				
Anup Bagchi (DIN: 00105962)*	500		500	
Ajay Saraf (DIN: 00074885)*	500		500	

* Jointly with ICICI Bank Limited and its nominee

(IV) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ millions)

	Secured Loans excluding deposit	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount			2,241.8	2,241.8
ii) Interest due but not paid				
iii) Interest accrued but not due		23.5		23.5
Total (i+ii+iii)		2,265.3		2,265.3
Change in Indebtedness during the financial year				
- Addition		17,358.5		17,358.5
- Reduction		17,883.9		17,883.9
Net Change		(525.4)		(525.4)
Indebtedness at the end of the financial year				
i) Principal Amount		1,716.4		1,716.4
ii) Interest due but not paid				
iii) Interest accrued but not due		12.2		12.2
Total (i+ii+iii)		1,728.6		1,728.6

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ millions)

Sl. no	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount	
		Anup Bagchi (DIN: 00105962) Ajay Saraf DIN: 00074885		
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	39.1 2.5	26.4 0.1	65.5 2.6
2.	Stock Option*	17.6	-	17.6
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-
5.	Others, please specify Others (Medical Allowance)	0.0	0.0	0.0
Total (1+2+3+4+5)		41.6	26.5	68.1
Ceiling as per the Act		186.1	186.1	372.2

Note: *The holding company (ICICI Bank Limited) has granted stock options to the Managing Director and Executive Director. The stock options exercised by the Managing Director, Anup Bagchi (DIN: 00105962), during FY2016 are 75,000. The perquisite value of the same is mentioned in point 2 above.

₹0 million indicates values are lower than ₹1million

directors' report

Continued

B Remuneration to other directors

₹ millions

Sl. no	Particulars of Remuneration	Name of Directors		Total Amount
		Uday Chitale (DIN: 00043268)	Vinod Kumar Dhall (DIN: 02591373)	
1.	Independent Directors - Fee for attending board /committee meetings - Commission - Others, please specify	0.7 - -	0.6 - -	1.3 - -
	Total (1)	0.7	0.6	1.3
2.	Other Non-Executive Directors - Fee for attending board /committee meetings - Commission - Others, please specify	- - -	- - -	- - -
	Total (2)			
	Total (B)=(1+2)	0.7	0.6	1.3
	Total Managerial Remuneration Overall Ceiling as per the Act			69.4 372.2

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

₹ millions

Sl. no	Particulars of Remuneration	Key Managerial Personnel	Total Amount
		Company Secretary	
		CFO	
		Raju Nanwani	Prashant Mohta
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	7.7 0.1	8.4 0.3 16.1 0.4
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify...	-	-
5.	Others (Medical Allowance)	0.0	0.0
	Total	7.8	8.7
			16.5

₹0 million indicates values are lower than ₹1million

VII PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: Nil

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board

CHANDA KOCHHAR
DIN: 00043617
Chairperson

directors' report

ICICI Securities

I-SEC

annexure c

LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees or investment under Section 186 of the Companies Act, 2013 are as under:

Sr. No	Particulars of the loans given, investments made or guarantees given or security provided	Purpose for which the loans or guarantees or security is proposed to be utilised by the recipient of the loans or guarantees or security	Amount ₹millions
A	Investments made		
1	Subsidiary – ICICI Securities Holding, Inc.	Strategic Investment	122.7*
2	Parabolic Drugs Limited	Strategic Investment	2.8*
3	Bombay Stock Exchange	Strategic Investment	0.0#
4	Universal Trustees Private Limited	Strategic Investment	9.4
B	Guarantees		
	Corporate Guarantee and Standby Letter of Credit in favour of US Bank National Association	To secure ICICI Securities, Inc.'s performance on its lease obligations	165.6

Note:

- 1) *Amount net of provisions
- 2) Securities held as stock in trade are not included in the above.
- 3) # ₹ 0 million indicates value lower than ₹1million.

For and on behalf of the Board

CHANDA KOCHHAR
DIN: 00043617
Chairperson

annexure d

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis -- **NIL**

2. Details of material contracts or arrangement or transactions at arm's length basis:

The details of material related party transactions at an aggregate level for the year ended March 31, 2016

Sr. No.	Nature of contracts/ transactions	Name of the related party	Nature of relationship	Duration of contract	Salient term of contract/ transaction	₹ in million
1	Bank Balance lying in ICICI bank accounts	ICICI Bank Limited	Holding Company	–	Outstanding balance at March 31, 2016 in current accounts maintained for normal banking transactions	104.5 (Net of Current liabilities of ₹ 4.5 million)
2	Income from services and brokerage (commission and fees) Commission and marketing fees received during the year for normal business transactions	ICICI Prudential Life Insurance Company Limited	Fellow Subsidiary	Ongoing	Commission and marketing fees received during the year for normal business transactions	595.7

For and on behalf of the Board

CHANDA KOCHHAR
DIN: 00043617
Chairperson

annexure e

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

Corporate Social Responsibility (CSR) has been a long-standing commitment at ICICI Group long before it was statutorily mandated under the Companies Act, 2013. Our CSR initiatives are to a large extent, driven through ICICI Foundation for Inclusive Growth (ICICI Foundation), founded in 2008 to make India's growth more inclusive and sustainable by empowering the lower income sections of our society to participate in India's growth process. Whereas a significant part of the Company's CSR spend is by way of regular contribution to the ICICI Foundation, the company also supports deserving social / public initiatives on case to case basis.

The CSR Policy of the Company sets out the framework guiding its CSR activities. It outlines the governance structure, operating framework, monitoring mechanism and nature of CSR activities that would be undertaken by the company. The CSR committee of the Board is the governing body that articulates the scope of CSR activities and ensures compliance with the CSR policy. The Company's CSR activities are largely focused in the areas of education, health care, skill development and rural development and other activities as the Company may choose to select in fulfilling its CSR objectives.

The CSR policy was approved by the Committee on August 26, 2014 and subsequently hosted on the Company's website. Web-link to the CSR policy:

http://www.icicisecurities.com/ResearchAttachments/CSR_Policy.pdf

2. **Composition of the CSR Committee.**

The CSR Committee of the Company comprises of three Directors including one Independent Director who chairs the Committee. The composition of the Committee is set out below:

- Uday Chitale (DIN: 00043268), Chairman
- Anup Bagchi (DIN: 00105962), Managing Director & CEO
- Ajay Saraf (DIN: 00074885), Executive Director

The functions of the Committee include: review of CSR initiatives undertaken by the Company and ICICI Foundation, formulation and recommendation to the Board of a CSR Policy indicating the activities to be undertaken by the Company and the amendments, thereto and recommendation of the amount of the expenditure to be incurred on such activities, reviewing and recommending the annual CSR plan to the Board, monitoring the CSR activities and implementation of and compliance with the CSR Policy.

Particulars of CSR spending by the company during the year ended March 31, 2016:

3. **Average net profit of the Company for last three financial years**

The average net profit of the Company for the last three financial years calculated as specified by the Companies Act, 2013 was ₹ 2,349.7 million.

4. **Prescribed CSR Expenditure: 2% of average net profit of last 3 years, i.e. 2% of ₹. 2,349.7 million = ₹ 47 million**

5. **Details of CSR spending during the financial year 2015-16:**

(a) Total amount to be spent for the financial year	₹. 47.0 million
(b) Amount actually spent	₹. 47.0 million
(c) Amount unspent, if any	NIL

6. **Manner in which the amount was spent during the financial year is detailed below:**

directors' report

ICICI Securities

I-SEC

Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs 1. Local area or other 2. Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or program-wise (₹ in million)	Amount spent on the projects or programs Sub-heads 1. Direct expenditure on projects or programs 2. Overheads (₹ in million)	Cumulative expenditure upto the reporting period (₹ in million)	Amount spent direct or through implementing agency
1.	Projects of ICICI Foundation for Inclusive Growth	1. Promoting education, employment enhancing vocational skills and livelihood enhancement projects, 2. Eradication of hunger, poverty and malnutrition as well as promoting preventive healthcare	<ul style="list-style-type: none"> 22 skill training centres located in Bangalore, Bhubaneswar, Chennai, Coimbatore, Delhi, Durg, Guwahati, Hyderabad, Indore, Jaipur, Kochi, Kolkata, Lucknow, Mumbai, Mysore, Nagpur, Narsobawadi, Patna, Pune, Trichy, Vijaywada and Zirakpur. Elementary education projects in Rajasthan and Chhattisgarh. Healthcare programmes in Baran (Rajasthan). 	36.0	36.0	47.5	Amount spent through ICICI Foundation for Inclusive Growth
2.	Investor Education Programs	Promoting Education	All India	10.7	10.7	10.7	Direct
3.	Projects of DilasaSanstha	Preventive Healthcare and Rural Development	Marathwada and Vidarbha	0.2	0.2	0.2	DilasaSanstha
4.	Research projects undertaken by the India Venture Capital and Private Equity Study Advisory Board (IIT Madras)	Promoting Education	All India	0.1	0.1	0.1	IIT Madras

The CSR Committee hereby confirms that the implementation and monitoring of CSR activities is in compliance with CSR objectives and the CSR Policy of the Company.

Anup Bagchi
DIN: 00105962
Managing Director & CEO

Uday Chitale
DIN: 00043268
Chairman, CSR Committee

directors' report

Continued

annexure f

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016.

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To,
The Members
ICICI Securities Limited
ICICI Centre, H.T. Parekh Marg.
MUMBAI- 400 020.

Dear Sirs,

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ICICI SECURITIES LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by ICICI SECURITIES LIMITED ("the Company") for the financial year ended on March 31, 2016, according to the provisions of:
 - (i) The Companies Act, 2013 ("the Act") and the Rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as amended till date to the extent applicable to the Company :-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992;
 - e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - g) The Securities and Exchange Board of India (Underwriters) Regulations, 1993;
 - h) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013;
 - j) The Securities and Exchange Board of India (Stockbrokers and Sub-brokers) Regulations, 1992;
 - k) The Securities and Exchange Board of India {KYC (Know Your Client)

Registration Agency} Regulations, 2011;

- l) The Securities and Exchange Board of India (Investment Advisers) Regulations, 2013;
- m) The Securities and Exchange Board of India (Certification of Associated Persons in the Securities Markets) Regulations, 2007;
- n) The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996;
- o) The Securities and Exchange Board of India (Alternate Investment Funds) Regulations, 2012;
- p) The IRDA (Licensing of Corporate Agents) Regulations, 2002; and
- q) SEBI (Research Analyst) Regulations, 2014.

Note: The Company has been granted the license for Research Analyst by SEBI bearing Registration Number:1NH000000990.

(v) Other applicable laws :-

- a) The Payment of Gratuity Act, 1972;
- b) The Employees Provident Funds and Miscellaneous Provisions Act, 1952;
- c) The Bombay Shops and Establishments Act, 1948;
- d) The Contract Labour (Regulation and Abolition) Act, 1970;
- e) The Payment of Bonus Act, 1965;
- f) Negotiable Instrument Act, 1881 (to the extent applicable); and
- g) Regulations issued by the Capital Markets Authority of Oman.

2. I have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with the BSE Limited, National Stock Exchange of India Limited. (Not applicable – not a listed Company)

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

3. I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

4. I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place : Mumbai
Date : April 5, 2016

JAIPRAKASH SINGH
Jaiprakash R. Singh & Associates
FCS No.:7391
C P No.:4412

independent auditors' report



to the Members of ICICI Securities Limited

I-SEC

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of ICICI Securities Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, 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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view 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 the Company's 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 on the standalone financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the standalone 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 of the state of affairs of the Company as at March 31, 2016, its profit, and its 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - (a) We have sought and 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 it 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 aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of written representations received from the directors as on 31 March 2016, and taken on record by the Board of Directors, none of the directors is disqualified as March 31, 2016, from being appointed as a director in terms of section 164(2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements, refer Note 33 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

ICAI Firm Registration Number: 301003E

Per SHRAWAN JALAN
Partner
Membership No.: 102102

Place of Signature: Mumbai
Date: April 28, 2016

annexure to the independent auditors' report

Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Report of even date RE: ICICI Securities Limited (the Company)

- (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 program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) As informed, the Company does not have any immovable properties. Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable to the Company and hence not commented upon.
- (ii) 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 by the management from the custodian at regular intervals.
- 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/books of account.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to or from companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 the Act and hence clause (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 are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Act for the services provided by the Company.
- (vii) (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, value added tax and other material statutory dues applicable to it.
- The provisions of customs duty and excise duty 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, wealth-tax, service tax, sales-tax, value added 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.
- The provisions of customs duty and excise duty 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.	1,471.9	FY 1998-1999 to FY 2012-2013	CIT (Appeals) and ITAT
Service Tax Act, 1994	Disallowance of Input credit	154.4	FY 2005-2006 to 2014-2015	Commissioner of Service Tax and CESTAT
Maharashtra Value Added Tax, 2002	Disallowance of VAT Refund	1.7	FY 2008-2009	Commission of VAT 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.

Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to 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 or government.

Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management and on an overall examination of the balance sheet, we report that monies raised by way of debt instruments in the nature of commercial paper were applied for the purposes for which those were raised.

Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or on the company by the officers and employees of the Company has been noticed or reported during the year.

Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.

Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.

According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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

Place of Signature: Mumbai
Date: April 28, 2016

Per SHRAWAN JALAN
Partner
Membership No.: 102102

annexure to the independent auditors' report



Annexure 2 to the Independent Auditors' Report of even date on the Standalone Financial Statements
of ICICI Securities Limited

I-SEC

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of ICICI Securities Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ('the Act').

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of

unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

EXPLANATORY PARAGRAPH

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the standalone financial statements of ICICI Securities Limited which comprise the Balance Sheet as at March 31, 2016, and the related 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, and our report dated April 28, 2016 expressed an unqualified opinion.

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

ICAI Firm Registration Number: 301003E

Per SHRAWAN JALAN
Partner
Membership No.: 102102

Place of Signature: Mumbai
Date: April 28, 2016

balance sheet

at March 31, 2016

profit and loss account

for the year ended March 31, 2016

	Notes	As at March 31, 2016	As at March 31, 2015	(₹ in million)	Notes	For the year ended March 31, 2016	For the year ended March 31, 2015	(₹ in million)
I EQUITY AND LIABILITIES								
(1) Shareholder's funds								
(a) Share capital	3	1,610.7	1,610.7		(a) Brokerage income	6,604.4	7,554.1	
(b) Reserves and surplus	4	2,331.6	1,910.6		(b) Income from services	3,492.0	3,363.1	
		3,942.3	3,521.3		(c) Interest and other operating income	21	956.9	909.6
(2) Non-current liabilities								
(a) Other long term liabilities	5	618.2	506.4		(d) Profit/(loss) on securities (net)	22	182.3	267.8
(b) Long-term provisions	6	267.6	160.7					
		885.8	667.1		Total revenue		11,235.6	12,094.6
(3) Current liabilities								
(a) Short-term borrowings	7	1,728.6	2,265.3		II Expenses:			
(b) Trade payables	8	5,947.3	5,601.0		(a) Employee benefits expense	23	3,923.4	3,848.5
(c) Other current liabilities	9	1,374.3	1,515.7		(b) Operating expenses	24	1,171.7	1,191.6
(d) Short-term provisions	10	41.9	41.0		(c) Finance costs	25	253.7	306.1
		9,092.1	9,423.0		(d) Depreciation and amortization expense	11	159.4	162.7
		13,920.2	13,611.4		(e) Other expenses	26	2,017.0	2,589.3
II ASSETS								
(1) Non-current assets								
(a) Fixed assets	11				Total expenses		7,525.2	8,098.2
(i) Tangible assets		250.6	252.4		III Profit before tax			3,710.4
(ii) Intangible assets		103.2	95.7					3,996.4
(iii) Capital work-in-progress		3.8	6.9		IV Tax expense:			
(iv) Intangible assets under development		20.3	30.1		(a) Current tax		1,474.5	1,629.4
		377.9	385.1		(b) Deferred tax		(121.5)	(72.6)
(b) Non-current investments	12	134.9	134.9		Total tax expense		1,353.0	1,556.8
(c) Deferred tax assets (Net)	13	508.6	387.1		V Profit after tax			2,357.4
(d) Long-term loans and advances	14	1,255.6	1,109.7					2,439.6
(e) Other non-current assets	15	270.1	161.6		VI Earnings per equity share:			
		2,547.1	2,178.4		Basic & Diluted		2.93	3.03
(2) Current assets					(Face value ₹ 2/- per share)			
(a) Stock-in-trade	16	1,412.7	338.1		Summary of significant accounting policies			
(b) Trade receivables	17	2,920.4	1,731.3		2			
(c) Cash and bank balances	18	6,271.6	8,432.7					
(d) Short-term loans and advances	19	249.1	305.7					
(e) Other current assets	20	519.3	625.2					
		11,373.1	11,433.0					
		13,920.2	13,611.4					
Summary of significant accounting policies	2							

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

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

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 28, 2016

For and on behalf of the Board of Directors

CHANDA KOCHHAR
Chairperson

ANUP BAGCHI
Managing Director & CEO

RAJU NANWANI
Company Secretary

UDAY CHITALE
Director

AJAY SARAF
Executive Director

PRASHANT MOHTA
Chief Financial Officer

notes



forming part of the accounts

Continued I-SEC

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 section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. 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 in India requires the management to make judgements, 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 based on the 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 or liabilities in future periods.

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 etc., 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 and stock in trade

Investments that are acquired with the intention of holding for not more than one year from the date on which such investments are made, are classified as current investments and are reported as stock-in-trade. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost inclusive of direct acquisition costs, if any. The securities held as stock- in- trade are carried at cost arrived at on first in first out (FIFO) basis or market value, determined on an individual investment basis, whichever is lower.

Long term investments are carried at acquisition cost. 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.

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.

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The Company has used the following rates to provide depreciation on its fixed assets.

Asset	Useful Life
Tangible	
Leasehold improvements	Over the lease period
Office equipments comprising air conditioners, photo-copying machines, etc.	5 years
Computers	3 years
Servers & Network	6 years
Furniture and fixtures	6.67 years
Motor vehicles	5 years

The management has estimated the useful lives of the following classes of assets, which is lower than that indicated in Schedule II of the Companies Act, 2013. .

- I) The motor vehicles are depreciated over the estimated useful lives of 5 years.
- II) The Furniture and fixture are depreciated over the estimated useful lives of 6.67 years.

(ii) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, 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 amortization rates used are:

Intangible asset	Useful life
Computer software	25%
CMA Membership rights	20%

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

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 determined on transaction date.

Income and expenditure of non-integral foreign operations are translated at monthly average rates. The assets and liabilities of non-integral foreign operations other than share capital and fixed assets 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

Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. 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 statement of profit and loss.

Gratuity

The Company pays gratuity, a 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.

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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

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.

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 certain assumptions regarding rate of interest and staff attrition as per the projected unit credit method made at the end of each financial year. 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 tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

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. The Company writes-down the carrying amount of 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 realized. 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. 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.

3. SHARE CAPITAL

Authorised:

1,000,000,000 (March 31, 2015: 1,000,000,000 of ₹ 2/- each) equity shares of ₹ 2/- each
5,000,000 (March 31, 2015 : 5,000,000 of ₹ 100/- each) 13.75% Cumulative non-convertible redeemable preference shares of ₹ 100/- each

Issued, subscribed and fully paid-up shares:

805,353,500 (March 31, 2015 : 805,353,500 of ₹ 2 each) equity shares of ₹ 2/- each fully paid

Total issued, subscribed and fully paid-up share capital

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 statement of profit and loss and shown as MAT credit entitlement in the year in which MAT credit becomes eligible to be recognized as an asset. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

j) Impairment of fixed assets

Fixed assets are reviewed at each reporting date 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 statement of profit and loss and is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

k) 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.

l) 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.

m) 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.

Diluted earnings per share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

n) 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 recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

o) 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.

	As at March 31, 2016	(₹ in million) As at March 31, 2015
Cash	2,000.0	2,000.0
Bank Balances	500.0	500.0
Total Cash and Bank Balances	2,500.0	2,500.0
 Lessors of cash and bank balances		
Interest Income	1,610.7	1,610.7
Total lessors of cash and bank balances	1,610.7	1,610.7
 Net Cash and Bank Balances	889.3	889.3

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

Equity shares

	As at March 31, 2016 Nos.	As at March 31, 2015 Nos.	(₹ in million)
At the beginning of the year	805,353,500	1,610.7	805,353,500
Issued during the period - Bonus issue	-	-	-
Issued during the period - ESOP	-	-	-
Outstanding at the end of the year	805,353,500	1,610.7	805,353,500
			1,610.7

All the above, 805,353,500 (March 31, 2015: 805,353,500) Equity Shares of ₹ 2/- each are held by ICICI Bank Limited (Holding Company) and its nominees.

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 period ended March 31, 2016, the amount of per share dividend recognized as distribution to equity shareholders was ₹2/- (March 31, 2015: ₹2/-).

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.

4. RESERVES AND SURPLUS

	(₹ in million)	(₹ in million)	
	As at March 31, 2016	As at March 31, 2015	
Reserves and surplus consist of the following:			
(a) Securities premium account	244.0	244.0	
(b) Translation reserve			
Opening balance	16.6	15.9	
Add: Additions during the year (net)	2.2	0.7	
Closing balance	<u>18.8</u>	<u>16.6</u>	
(c) General reserve			
Opening balance	666.8	484.8	
Add: Additions during the year (net)	0.0	182.0	
Closing balance	<u>666.8</u>	<u>666.8</u>	
(d) Surplus/deficit in profit & loss			
Opening balance	983.2	640.3	
Add: profit for the year	2,357.4	2,439.6	
	<u>3,340.6</u>	<u>3,079.9</u>	
Less: Appropriations			
Interim dividend on equity shares	1,610.7	1,610.7	
Tax on equity dividend	327.9	304.0	
Transfer to general reserve	0.0	182.0	
Closing balance	<u>1,402.0</u>	<u>983.2</u>	
TOTAL	<u>2,331.6</u>	<u>1,910.6</u>	
5. OTHER LONG TERM LIABILITIES			
Other long term liabilities consist of the following:			
Other liabilities	618.2	506.4	
TOTAL	<u>618.2</u>	<u>506.4</u>	
6. LONG TERM PROVISION			
Long-term provisions consist of the following:			
Provision for employee benefits			
(a) Provision for gratuity	247.8	151.7	
(b) Provision for compensated absence	19.8	9.0	
TOTAL	<u>267.6</u>	<u>160.7</u>	
7. SHORT TERM BORROWINGS			
Short-term borrowings consist of the following:			
(a) Unsecured loans			
Commercial paper	1,728.6	2,265.3	
(repayable within one year)			
TOTAL	<u>1,728.6</u>	<u>2,265.3</u>	
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	5,947.3	5,601.0	
TOTAL	<u>5,947.3</u>	<u>5,601.0</u>	
9. OTHER CURRENT LIABILITIES			
Other current liabilities consist of the following:			
Income received in advance		69.6	257.8
Other payables to (a) Micro, small and medium enterprises		—	—
(Refer note 34 for details of dues to micro and small enterprises)			
(b) Others		—	—
1) Statutory liabilities	271.0	243.5	
2) Employee related liabilities	974.7	941.2	
3) Other liabilities	59.0	73.2	
TOTAL	<u>1,374.3</u>	<u>1,515.7</u>	
10. SHORT TERM PROVISION			
Short-term provision consist of the following:			
Provision for employees benefits			
i) Provision for gratuity	28.8	31.4	
ii) Provision for compensated absence	13.1	9.6	
TOTAL	<u>41.9</u>	<u>41.0</u>	

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11. FIXED ASSETS

Fixed assets consist of the following:

	TANGIBLE						INTANGIBLE		
	Computers	Furniture and fixtures	Office equipment	Vehicles	Lease hold improvements	Total (A)	Software	CMA membership right	Total (B) TOTAL (A+B)
Gross Block (At Cost)									
At April 1, 2014	154.6	17.1	28.1	94.4	207.2	501.4	518.7	23.2	541.9 1,043.3
Additions	68.8	9.2	22.0	24.6	29.4	154.0	26.4	0.0	26.4 180.4
Sale / Adjustment *	17.9	4.2	(0.1)	11.6	15.3	48.9	144.2	(0.9)	145.3 192.2
At March 31, 2015	205.5	22.1	50.2	107.4	221.3	606.5	400.9	24.1	425.0 1,031.5
Additions	42.7	9.1	18.2	28.2	15.9	114.1	71.8	-	71.8 185.9
Sale / Adjustment *	(0.1)	(0.1)	0.6	18.9	27.5	46.8	243.7	(1.7)	242.0 288.8
At March 31, 2016	248.3	31.3	67.8	116.7	209.7	673.8	229.0	25.8	254.8 928.6
Depreciation									
At April 1, 2014	94.6	10.2	8.2	40.2	154.7	307.9	364.6	23.2	387.8 695.7
Additions	39.7	6.6	11.0	19.7	15.3	92.3	70.4	0.0	70.4 162.7
Sale / Adjustment *	17.5	4.3	(0.1)	9.5	14.9	46.1	129.8	(0.9)	128.9 175.0
At March 31, 2015	116.8	12.5	19.3	50.4	155.1	354.1	305.2	24.1	329.3 683.4
Additions	49.6	4.4	13.4	22.0	15.3	104.7	54.7	-	54.7 159.4
Sale / Adjustment *	0.0	(0.2)	0.2	11.7	23.9	35.6	234.1	(1.7)	232.4 268.0
At March 31, 2016	166.4	17.1	32.5	60.7	146.5	423.2	125.8	25.8	151.6 574.8
Net Block									
At March 31, 2015	88.7	9.6	30.9	57.0	66.2	252.4	95.7	0.0	95.7 348.1
At March 31, 2016	81.9	14.2	35.3	56.0	63.2	250.6	103.2	0.0	103.2 353.8

* Fixed assets sale / adjustments includes effect of foreign currency translation amounting to ₹ 0.3 million (Previous year ₹ 0.2 million).

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		As at March 31, 2016	(₹ in million) As at March 31, 2015		As at March 31, 2016	(₹ in million) As at March 31, 2015
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, 2016	As at March 31, 2015		
Trade Investments						
In equity shares (valued at cost)						
Subsidiary Company:						
(a) ICICI Securities Holding Inc.(unquoted)	1,664 (1,664)	-	728.2	728.2		
Less :Provision for investment			(605.5)	(605.5)		
			122.7	122.7		
Others:						
(a) Bombay Stock Exchange Limited (unquoted)	22,828 (22,828)	₹ 1	0.0	0.0		
(b) Universal Trustees Private Limited (unquoted)	180,000 (180,000)	₹ 10	9.4	9.4		
(c) Parabolic Drugs Limited (quoted)	794,000 (794,000)	₹ 10	45.5	45.5		
Less :Provision for investment			(42.7)	(42.7)		
			12.2	12.2		
			134.9	134.9		
Non Trade Investments						
In equity shares (valued at cost)						
Others:						
(a) First Source Solutions Limited (quoted)	Nil (100)	₹ 10	-	0.0		
			134.9	134.9		
TOTAL						
1) Aggregate amount of quoted investments (market value ₹ 4.3 million , previous year ₹ 7.0 million)			2.8	2.8		
2) Aggregate amount of unquoted investments (₹ 0 million indicates values are lower than ₹ 1 million)		132.1	132.1			
3) Previous year's quantities are given in parenthesis.						
13. DEFERRED TAX ASSETS (NET)						
The break-up of deferred tax assets and liabilities is given below:						
Deferred tax asset						
(a) Provision for doubtful debtors	32.5		39.7			
(b) Provision for gratuity	95.7		63.4			
(c) Provision for compensated absence	11.4		6.4			
(d) Provision for lease rent escalation	52.4		27.7			
(e) Depreciation	38.2		36.5			
(f) Provision for investments	4.9		4.9			
(g) Provision for FCTR	0.8		-			
(h) Provision for Employee Benefits	258.9		208.5			
(i) Revenue recognition	13.6		-			
(j) MTM loss	0.2		-			
Total Deferred tax assets	508.6		387.1			
Total deferred tax liability	-		-			
TOTAL	508.6		387.1			
14 LONG TERM LOANS AND ADVANCES						
Long-term loans and advances consist of the following:						
Unsecured, considered good						
i) Security deposit for leased premises and assets				317.1	255.3	
ii) Security deposit with stock exchanges				25.8	25.8	
iii) Advance tax (net of provision for tax)				889.7	811.7	
iv) Loans and advances to related parties				0.1	0.1	
v) Other loans and advances				-	-	
a) Prepaid expenses				2.3	1.2	
b) Other security deposit				7.8	10.3	
c) Others				12.8	5.3	
vi) Capital advances				-	0.0	
TOTAL				1,255.6	1,109.7	
Loans and advances to related parties pertain 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				0.6	3.0	
(b) Fixed deposits with banks *						
i) In India				260.9	150.5	
ii) Outside India				8.6	8.1	
				269.5	158.6	
TOTAL				270.1	161.6	
*1) Fixed deposits under lien with stock exchanges amounted to ₹ 208.0 million (Previous year: ₹ 99.8 million) and kept as collateral security towards bank guarantees issued amounted to ₹ 9.1 million (Previous year: ₹ 8.2 million) and others ₹ 52.4 million (Previous year: ₹ 50.6 million)						
2) Fixed deposits having maturity more than 3 months ₹ Nil (Previous year: ₹ Nil)						
16. STOCK-IN-TRADE						
Stock-in-trade consist of the following:						
	Name of the Company			As at March 31, 2016	(₹ in million) As at March 31, 2015	
(a) Equity shares (quoted)	HDFC Bank Limited			-	235.2	
				-	235.2	
(b) Non-convertible debentures						
1.43 % HDFC NCD 28 Mar 2017				1,412.7	-	
				1,412.7	-	
(c) Bond						
8.82% REC LIMITED				-	102.9	
				-	102.9	
TOTAL				1,412.7	338.1	
1) Stock in trade 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, 2016 is ₹1,412.7 million (previous year: ₹ 338.1 million) and ₹ 1,412.8 million (previous year ₹ 338.3 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.						

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	As at March 31, 2016	₹ in million)	As at March 31, 2015	As at March 31, 2016	₹ in million)	As at March 31, 2015
17. 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) exceeding six months: Others						
i) Considered good	2,362.5		1,375.0			
ii) Considered doubtful	-		-			
Less: Provision for doubtful debt	-		-			
TOTAL (A)	2,362.5		1,375.0			
Unsecured						
(a) Receivables outstanding for a period exceeding six months:						
i) Considered good	9.3		11.2			
ii) Considered doubtful	77.6		87.6			
(b) Others						
i) Considered good	548.6		345.1			
ii) Considered doubtful	7.1		15.8			
Less: Provision for doubtful debt	(84.7)		(103.4)			
TOTAL (B)	557.9		356.3			
TOTAL (A) + (B)	2,920.4		1,731.3			
Dues from directors & officers ₹ Nil (Previous year ₹ Nil)						
18. CASH AND BANK BALANCE:						
Cash and bank balances consist of the following:						
Cash and cash equivalents						
Cash and cheques on hand	19.3		0.5			
Balances with Banks						
(a) In current accounts with banks						
i) In India with scheduled banks	114.8		691.7			
ii) Outside India	7.4		31.3			
(b) Fixed Deposit with maturity less than 3 months	-		-			
	141.5		723.5			
Other bank balances						
Fixed deposits in India*	6,130.1		7,709.2			
TOTAL	6,271.6		8,432.7			
* Fixed deposits under lien with stock exchanges amounted to ₹ 6,100.5 million (Previous year : ₹ 7,679.9 million) and kept as collateral security towards bank guarantees issued amounted to ₹ 0.5 million (Previous year : ₹ 0.8 million) and others ₹ 29.1 million (Previous year ₹ 28.5 million)						
* Fixed deposits having maturity more than 3 months ₹ Nil (Previous year ₹ Nil million)						
19. SHORT-TERM LOANS AND ADVANCES:						
Short term loans and advances consist of the following:						
Unsecured, considered good						
i) Security deposit for leased premises and assets				37.7		80.3
ii) Other loans and advances						
a) Prepaid expenses				33.7		24.0
b) Advance to creditors				33.7		59.3
c) Other advances				144.0		142.1
TOTAL				249.1		305.7
20. OTHER CURRENT ASSETS						
Other current assets consist of the following:						
(a) Accrued income				306.7		332.9
(b) Interest receivable				212.6		292.3
TOTAL				519.3		625.2
21. INTEREST AND OTHER OPERATING INCOME						
Interest and other operating income consist of the following:						
	<i>For the year ended March 31, 2016</i>			<i>For the year ended March 31, 2015</i>		
(a) Interest						
i) Fixed deposits and application money				724.6		712.9
ii) Securities held as stock-in-trade				64.7		12.2
iii) Other advances and deposits				0.3		0.2
iv) Interest on late payment				156.3		179.6
(b) Dividend Income				0.2		1.0
(d) Other income				10.8		3.7
TOTAL				956.9		909.6
22. PROFIT / (LOSS) ON SECURITIES (NET)						
Profit/ (Loss) on securities consist of the following:						
	<i>For the year ended March 31, 2016</i>			<i>For the year ended March 31, 2015</i>		
(a) Profit/(loss) on securities (net)				182.3		267.8
(b) Profit / (loss) on sale of investments				0.0		-
TOTAL				182.3		267.8
₹ 0 million indicates values are lower than ₹ 1 million.						
23. EMPLOYEE BENEFITS EXPENSE						
Employee benefits expense consist of the following:						
	<i>For the year ended March 31, 2016</i>			<i>For the year ended March 31, 2015</i>		
(a) Salaries , wages and bonus				3,487.4		3,477.0
(b) Contribution to provident and other funds				233.3		181.5
(c) Staff welfare expenses				202.7		190.0
TOTAL				3,923.4		3,848.5

notes



forming part of the accounts

Continued I-SEC

24 OPERATING EXPENSES

Operating expenses consist of the following:

	For the year ended March 31, 2016	For the year ended March 31, 2015
(a) Brokerage and Commission (Net of recoveries ₹ 1.0 million, previous year ₹ Nil)	551.3	559.2
(b) Transaction charges	69.5	38.5
(c) Turnover fees and stamp duty	3.0	2.5
(d) Custodial and depository charges	300.7	383.0
(e) Call centre charges	98.6	105.5
(f) Franking charges (Net of recoveries ₹ 43.0 million, previous year ₹ 49.9 million)	70.0	14.8
(g) Rating agency fees	2.0	2.0
(h) Scanning Expenses	36.3	36.5
(i) Other operating expenses	40.3	49.6
TOTAL	1,171.7	1,191.6

25. FINANCE COST

Finance cost consist of the following:

(a) Interest expense	251.2	303.5
(b) Bank charges	2.5	2.6
TOTAL	253.7	306.1

26. OTHER EXPENSES

Other expenses consist of the following:

(a) Rent and amenities	737.2	849.4
(b) Insurance	3.8	3.4
(c) Business promotion, traveling and conveyance expenses	276.0	275.2
(d) Repairs, maintenance, upkeep and others	328.1	354.7
(e) Rates and taxes	109.8	88.1
(f) Electricity expenses	85.4	84.1
(g) Communication expenses	123.6	128.9
(h) (Profit) / Loss on sale of fixed assets (net)	12.6	15.2
(i) Advertisement and publicity	69.9	73.6
(j) Printing and stationery	28.8	31.9
(k) Subscription and periodicals	67.3	62.7
(l) Professional fees	92.0	75.9
(m) Auditors' remuneration	7.0	6.9
(n) Corporate Social Responsibility (CSR) Expenses	47.0	14.7
(o) Recruitment expenses	20.3	40.1
(p) Foreign exchange (gain) / loss (net)	3.4	1.9
(q) Donation	2.9	0.6
(r) Miscellaneous expenses	1.9	2.0
(s) Provision for diminution in value of subsidiary (Other than temporary)	-	480.0
TOTAL	2,017.0	2,589.3

27. EARNINGS PER SHARE

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

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Basic & Diluted earnings per share		
Net profit after tax, before preference dividend (₹ in million) (A)	2,357.4	2,439.6
Net profit after tax, and preference dividend (₹ in million) (A)	2,357.4	2,439.6
Weighted average no. of equity shares outstanding (in millions) (B)	805.4	805.4
Basic & diluted earnings per share (₹) (A) / (B)	2.93	3.03
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 Accounts Rules 2014, 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 Bank UK PLC; ICICI Venture Funds Management Company Limited; ICICI Prudential Trust Limited; ICICI Investment Management Company Limited.

C. Associate of Holding Company : ICICI Foundation for Inclusive Growth.

D. 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.

Nature of Transaction	Holding Company		Subsidiary Company		Fellow Subsidiary Company	
	March 31,		March 31,		March 31,	
	2016	2015	2016	2015	2016	2015
Income from services and brokerage (commission and fees)	108.7	115.1			30.6	36.9
ICICI Home Finance Company Limited					595.7	475.8
ICICI Prudential Life Insurance Company Limited					3.0	5.2
ICICI Securities Primary Dealership Limited					8.7	12.0
ICICI Lombard General Insurance Company Limited					5.3	24.9
ICICI Prudential Asset Management Company Limited					-	0.4
ICICI Prudential Trust Limited					0.0	0.5
ICICI Securities Inc					-	0.2
ICICI Venture Funds Management Company Limited					1.0	0.1
ICICI Investment Management Company Limited						
ICICI Bank UK PLC						
Interest income	353.4	371.3				
Staff expenses	13.1	13.9				
ICICI Securities Primary Dealership Limited					(1.0)	(1.8)
ICICI Prudential Life Insurance Company Limited					2.4	2.2
ICICI Lombard General Insurance Company Limited					84.2	70.0
Operating expenses	431.1	545.4			5.3	8.6
ICICI Securities Primary Dealership Limited					157.9	147.1
ICICI Securities Inc					7.3	8.7
Other expenses	134.0	155.3			3.4	2.9
ICICI Lombard General Insurance Company Limited					4.3	12.4
ICICI Securities Primary Dealership Limited					(0.1)	0.1
ICICI Securities Inc						
Finance cost	3.9	5.4				
Proposed dividend						
Dividend paid	1,610.7	1,610.7				

notes

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Continued

Nature of Transaction	(₹ in million)					
	Holding Company		Subsidiary Company		Fellow Subsidiary Company	
	March 31, 2016	2015	March 31, 2016	2015	March 31, 2016	2015
Share capital	1,610.7	1,610.7				
Payables	102.0	94.6			0.4	0.3
ICICI Lombard General Insurance Company Limited					0.4	0.3
ICICI Securities Primary Dealership Limited					0.4	3.1
ICICI Securities Inc			26.5	33.2		
Investment						
ICICI Securities Holding Inc			122.7	122.7		
Fixed deposits	3,779.1	3,969.0				
Accrued interest income	138.6	170.3				
Bank balance	104.5	685.7				
(Net of current liabilities of ₹ 4.5 million (Previous year ₹ 3.2million))						
Deposit					0.1	0.1
ICICI Lombard General Insurance Company Limited					0.1	0.1
Loans & advances (including prepaid expenses)	0.1	0.2				
ICICI Lombard General Insurance Company Limited					3.4	4.7
ICICI Prudential Life Insurance Company Limited					1.8	1.9
ICICI Securities Primary Dealership Limited					0.1	0.0
Receivables						
ICICI Prudential Life Insurance Company Limited					114.7	1.1
ICICI Lombard General Insurance Company Limited					0.0	-
ICICI Prudential Asset Management Company Limited					1.2	1.6
ICICI Home Finance Company Limited					4.7	9.5
ICICI Securities Primary Dealership Limited					0.5	28.4
Accrued income	17.8	11.4				
ICICI Lombard General Insurance Company Limited					0.6	0.7
ICICI Prudential Life Insurance Company Limited					19.1	12.3
ICICI Prudential Asset Management Company Limited					-	2.4
ICICI Home Finance Company Limited					4.3	14.6

(₹ in million)

Nature of Transaction	Holding Company		Subsidiary Company		Fellow Subsidiary Company	
	March 31,		March 31,		March 31,	
	2016	2015	2016	2015	2016	2015
ICICI Securities Primary Dealership Limited					332.6	111.0
Sale value of Bond					-	200.2
ICICI Securities Primary Dealership Limited						
Corporate guarantee						
ICICI Securities Inc			99.4	93.8		

The Company has contributed ₹ 36.0 million (Previous year ₹ 11.5 million) to the corpus of ICICI Foundation for Inclusive Growth as part of the CSR expenditure.

Key Management Personnel

The compensation for the year ended March 31, 2016 to (1) Anup Bagchi, Managing Director & CEO and (2) Ajay Saraf, Executive Director is (1) ₹ 44.6 million (Previous year ₹ 45.1 million) and (2) ₹ 29.1 million (Previous year ₹ 23.2 million) respectively.

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

The company has received brokerage amounting to ₹ 0.3 million (Previous year ₹ 0.3 million) from the key management personnel. There are no transactions with relatives of the key management personnel (Previous year ₹ Nil).

During the year ended March, 2009, the Company had incurred managerial remuneration which was in excess of the limits specified by the relevant provisions of the Companies Act, 1956. The Company has made an application to the appropriate regulatory authorities in this regard, for payment of such excess remuneration paid to managerial personnel. The limits specified by the Companies Act, 1956 would be ₹ 4.4 million.

The Company has received correspondence in respect of Mr. A Murugappan from the Ministry of Corporate Affairs on April 21, 2011 and has sought clarifications on the same vide letter dated May 24, 2011 and letter dated February 8, 2012.

29. EMPLOYEE BENEFITS

a) Gratuity

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

Particulars	(₹ in million)	
	Year ended March 31, 2016	Year ended March 31, 2015
Change in Defined Benefit Obligation		
Opening obligations	240.8	182.5
Service cost	29.7	23.4
Interest cost	18.2	15.0
Actuarial (gain) / loss	42.7	28.6
Past service cost	-	-
Liabilities assumed on acquisition / (settled on divestiture)	-	-
Benefits paid	(18.9)	(8.7)
Total Obligation	312.5	240.8
Defined benefit obligation liability	312.5	240.8
Change in Fair Value of Assets		
Opening plan assets, at fair value	60.3	55.7
Expected return on plan assets	2.1	2.6
Actuarial gain / (loss)	(4.9)	10.6
Contributions by employer	-	-
Assets acquired on acquisition / (settled on divestiture)	-	-
Benefits paid	(18.9)	(8.7)
Plan assets		
Fair value of plan assets at the end of the year	(38.5)	(60.3)
Present value of the defined benefit obligations at the end of the period	312.5	240.8
Unrecognised Past Service Cost	-	-
Asset / (liability)	(274.0)	(180.5)
Cost for the period		
Service cost	29.7	23.4
Interest cost	18.2	15.0
Expected return on plan assets	(2.1)	(2.6)
Actuarial (gain) / loss	47.6	17.9
Past Service Cost	-	-
Net cost	93.4	53.7
Investment details of plan assets		
Insurer Managed Funds	96.00%	99.00%
Others	4.00%	1.00%
Assumptions		
Interest rate (p.a.)	7.65%	8.05%
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 ₹ 20.0 million (Previous year ₹ 20.0 million) to Gratuity in 2016 - 2017.		
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		

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estimated term of the obligation.

The following table summarizes the experience adjustments

Particulars	Year ended				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Defined benefit obligation	312.5	240.8	182.5	146.1	107.8
Plan assets	38.5	60.3	55.7	41.4	45.0
Surplus/(deficit)	(274.0)	(180.5)	(126.8)	(104.7)	(62.8)
Experience adjustments on plan liabilities	24.8	24.1	21.0	13.3	(16.9)
Experience adjustments on plan assets	(4.9)	10.6	1.0	(1.3)	(0.5)

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, 2016	March 31, 2015
Discount rate	7.45%	7.85%
Increase in Incentive amount	0.00%	0.00%

30. AUDITORS REMUNERATION

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

Particulars	For the year ended	
	March 31, 2016	March 31, 2015
Audit fees	5.3	5.3
Tax audit	0.7	0.7
Certification fees	3.0	1.5
Out of pocket expenses	0.2	0.1
Total	9.2	7.6

The certification fees of ₹ 3.0 million (Previous year ₹ 1.5 million) is recorded under the head professional fees (refer note 26 (l))

31. 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

Particulars	For the year ended	
	March 31, 2016	March 31, 2015
Earnings:		
Income from services	112.7	113.5
Expenditure:		
Procurement & other expenses	271.9	277.3

32. CAPITAL COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for is ₹ 4.6 million (Previous year ₹ 27.7 million).

33. CONTINGENT LIABILITIES

The following are details of contingent liabilities.

- a. Direct tax matters disputed by the Company are ₹ 1,471.9 million (Previous year - ₹ 1,247.4 million).
- b. Indirect tax matters disputed by the Company are ₹ 156.1 million (Previous year - ₹ 157.7 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.

34. 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, 2016. 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.

35. DERIVATIVE INSTRUMENTS

The following are the details of derivative position, for the periods indicated. (₹ in million)

Particulars	For the year ended March 31, 2016		For the year ended March 31, 2015		
	Type	Quantity	Market Value	Quantity	Market Value
Type					
Futures (net)	49,650	386.5	(215,000)	(230.2)	
Options (net)	(150,600)	7.1	(102,250)	6.4	
Interest rate futures	-	-	-	-	

36. 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\$ = ₹ 66.26 (Previous year US \$ 0.2 million @ closing rate of 1 US\$ = ₹ 62.50), JPY Nil (Previous year JPY 25 million @ closing of 1 JPY = ₹ 0.52)

37. 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)

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Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Lease payments recognized in the Statement of Profit and Loss during the year		
- Minimum lease payments	631.2	808.7
- Contingent Rent		
Sub-lease payments received/receivable recognized in the Statement of Profit and Loss during the year	25.9	27.8
Minimum Lease Payments :		
- Not later than one year	204.6	218.9
- Later than one year but not later than five years	462.2	288.6
- Later than five years	389.3	-
- Total of future minimum sublease payments expected to be received as at balance sheet date	-	-

determining the cost of investments and securities held as stock in trade from weighted average basis to FIFO (First in First Out) basis. The change does not have a material impact on the financial results for the year ended March 31, 2016.

39. 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.

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

38. CHANGE IN ACCOUNTING POLICY

With effect from April 1, 2015, the Company has changed the method of As per our report attached

For and on behalf of the Board

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

CHANDA KOCHHAR
Chairperson

UDAY CHITALE
Director

Per SHRAWAN JALAN
Partner
Membership No.: 102102

ANUP BAGCHI
Managing Director & CEO

AJAY SARAF
Executive Director

Mumbai, April 28, 2016

RAJU NANWANI
Company Secretary

PRASHANT MOHTA
Chief Financial Officer

cash flow statement



for the year ended March 31, 2016

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	₹ in million)	For the year ended March 31, 2016	For the year ended March 31, 2015
A Cash flow from operating activities			
Profit before tax	3,710.4	3,996.4	
Add / (less adjustments):			
- (Profit)/loss on sale of fixed assets	12.6	15.2	
- Depreciation	159.4	162.7	
- (Profit)/loss on sale of Investment	(0.0)	(97.5)	
- Interest expense	251.2	303.5	
- Provision for diminution in value of investment	-	480.0	
- Foreign exchange (gain) / loss (net)	3.4	1.9	
- Exchange adjustments	2.2	0.7	
Operating profit before changes in operating assets and liabilities		4,139.2	4,862.9
Adjustments for net change in operating assets and liabilities			
- Current assets excluding cash and cash equivalents	(698.5)	929.8	
- Current liabilities relating to operations	409.0	(2,023.0)	
Cash generated from operations		(289.5)	(1,093.2)
Payment of taxes (net)	3,849.7	3,769.7	
Net cash from operating activities	(1,552.5)	(1,576.7)	
B Cash flow from investment activities		2,297.2	2,193.0
- (Purchase) / sale of investments (net)	0.0	1,088.1	
- (Purchase) / sale of fixed assets (net)	(164.8)	(199.2)	
Net cash used in investment activities	(164.8)	888.9	
C Cash flow from financing activities			
- Increase/ (decrease) in borrowings (net)	(536.7)	(906.0)	
- Interest paid	(251.2)	(303.5)	
- Dividends and dividend tax paid	(1,926.5)	(2,105.4)	
Net cash used in financing activities	(2,714.4)	(3,314.9)	
Net change in cash & cash equivalents (A + B + C)	(582.0)	(233.0)	
Cash and cash equivalents at the beginning of the year	723.5	956.5	
Cash and cash equivalents at the end of the year	141.5	723.5	
Components of cash and cash equivalents			
Cash and cheques on hand	19.3	0.5	
In Current account with banks			
- In India with scheduled banks	114.8	691.7	
- Outside India	7.4	31.3	
- Fixed deposit with maturity less than 3 months	-	-	
Total cash & cash equivalents (Note 18)	141.5	723.5	

Cash and cash equivalents at the end of the period excludes:

- Fixed deposits under lien ₹ 6,399.6 millions (March 31, 2015 ₹ 7,867.8 millions) and
- Fixed deposits having maturity more than 3 months ₹ Nil (March 31, 2015 ₹ Nil).

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

Mumbai, April 28, 2016

For and on behalf of the Board of Directors

CHANDA KOCHHAR
Chairperson

ANUP BAGCHI
Managing Director & CEO

RAJU NANWANI
Company Secretary

UDAY CHITALE
Director

AJAY SARAF
Executive Director

PRASHANT MOHTA
Chief Financial Officer



ICICI Securities Holdings Inc

ICICI SECURITIES HOLDINGS, INC.

16TH ANNUAL REPORT AND ACCOUNTS 2015-2016

Directors

Sriram H. Iyer (*Chairman of the Board*)
 Warren Law
 Bishen Pertab

Auditors

S. R. Batliboi & Co. LLP,
 Chartered Accountants
 (Registration No. 301003E)

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 16th Annual Report of ICICI Securities Holdings, Inc. with the audited statement of accounts for the financial year ended March 31, 2016.

OPERATIONAL REVIEW

During fiscal 2016, 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 activities in the U.S. The Company will continue to grow its wholly-owned subsidiary, *viz.*, ICICI Securities, Inc., in its efforts to increase business from the institutional segment in US, Canada and Singapore.

FINANCIAL HIGHLIGHTS

	(₹ in '000s)	
	<i>Fiscal 2015</i>	<i>Fiscal 2016</i>
Gross income	403	141
Profit /(Loss) before tax	119	(477,175)
Provision for tax	781	317
Profit /(Loss) after tax	(662)	(477,492)

The Company has provisioned for the impairment of its investment in its subsidiary ICICI Securities, Inc. to the extent of accumulated losses in the subsidiary.

SUBSIDIARY COMPANY

The Company's wholly-owned subsidiary, ICICI Securities, Inc., is registered 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, USA and 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. also received the International Dealer registration exemption from the Canadian Securities Regulatory Authorities ("CSRA") that enables it to expand its reach to institutional investors in the provinces of British Columbia, Ontario and Quebec. ICICI Securities, Inc. refers institutional investors in the US, Canada and Singapore, who propose to deal in securities listed on the Indian Stock Exchanges, to its parent company *viz.*, ICICI Securities Limited.

During fiscal 2016, ICICI Securities, Inc. has strengthened its positioning among its US, Canadian and Singapore based institutional investors. It conducted several investors' conferences in the US and its flagship annual event in Singapore, along with numerous road shows in both geographies during fiscal 2016. These activities, coupled with the increased demand for Indian securities, ICICI Securities, Inc. has experienced an upward trend of client participation in terms of the quantity and quality of clients. ICICI Securities, Inc.'s corporate access activities add value to the decision-making process of its clients by providing differentiated research, access to corporate managements and experts from various fields which helps it to penetrate new clients, as well as strengthen its positioning among existing clients.

SHARE CAPITAL

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

DIRECTORS

During fiscal 2016, the Board of Directors accepted the resignation of Mr. Sanker Parameshwaran as Director from the Board of Directors of the Company effective July 10, 2015. The Board of Directors of the Company appointed Mr. Sriram H. Iyer as the new Chairman in place of Mr. Sanker Parameshwaran. The Board of Directors also approved the appointment of Mr. Bishen Pertab as Director of the Company effective July 17, 2015. The Board places on its record, its appreciation for the valuable services and leadership rendered by Mr. Sanker Parameshwaran during his tenure as Director of the Company.

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

Sriram H. Iyer (Chairman)

Warren Law

Bishen Pertab

AUDITORS

The Auditors, S. R. Batliboi & Co. LLP, Chartered Accountants, (Registration Number - 301003E) will retire at the ensuing Annual General Meeting and offer themselves for re-appointment. The Board, at its Meeting held on April 21, 2016, proposed their re-appointment as Auditors to audit the accounts of the Company, as per Indian GAAP, for the year ended March 31, 2017. You are requested to consider the re-appointment of the aforementioned retiring 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, 2016 and of the loss 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 to safeguard the assets of the Company and to prevent and detect fraud and other irregularities;
- iv. that the annual accounts have been prepared on a 'going concern' basis; and
- v. that proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

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

April 21, 2016

SRIRAM H. IYER
Chairman

Independent auditors' report

 **ICICI Securities Holdings Inc**

to the Members of ICICI Securities Holdings Inc.

TO

THE MEMBERS OF ICICI SECURITIES HOLDINGS INC.

We have audited the accompanying standalone financial statements of ICICI Securities Holdings Inc., which comprise the Balance Sheet as at March 31, 2016 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 standalone financial statements of ICICI Securities Holdings Inc. for the year ended March 31, 2016 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

per SHRAWAN JALAN

Partner

Membership Number: 102102

Place: Mumbai

Dated: April 25, 2016

balance sheet

profit and loss account

at March 31, 2016

for the year ended March 31, 2016

	Note	(₹ in 000's)		(US\$ in 000's)	
		As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
I. EQUITY AND LIABILITIES					
1 Shareholders' funds					
(a) Share capital	3	728,206	728,206	16,640	16,640
(b) Reserves & surplus	4	(600,542)	(124,943)	(14,626)	(3,154)
		127,664	603,263	2,014	13,486
2 Current liabilities					
Other current liabilities	5	321	338	5	5
		127,985	603,601	2,019	13,491
II. ASSETS					
1 Non-current assets					
(a) Non-current investments	6	94,498	571,667	1,514	12,980
(b) Long-term loans and advances	7	30,088	28,383	454	454
		124,586	600,050	1,968	13,434
2 Current assets					
Cash and bank balances	8	3,399	3,551	51	57
		127,985	603,601	2,019	13,491
Summary of significant accounting policies	2				

	Note	(₹ in 000's)		(US\$ in 000's)	
		For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2016	For the year ended March 31, 2015
I. Revenue from operations					
Other income		141	403	2	7
II. Total Revenue					
		141	403	2	7
III. Expenses:					
(a) Other expenses	9	-	-	143	-
(b) Finance costs	10	147	141	2	2
(c) Provision for investment in subsidiary		477,169	-	11,466	-
		477,316	284	11,468	5
IV Profit before tax					
		(477,175)	119	(11,466)	2
V Tax expense:					
		317	781	5	13
VI Profit (Loss) for the period (IV - V)					
Earnings per share (basic & diluted)	13	(286,954)	(398.12)	(6,894)	(6.62)
Summary of significant accounting policies	2				

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

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

As per our report of even date

For and on behalf of the Board of Directors

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

SRI RAM IYER
Chairman

Per SHRAWAN JALAN
Partner
Membership No: 102102

BISHEN PERTAB
Director

Mumbai, April 25, 2016

Canada, April 21, 2016

WARREN LAW
Director

notes

1. CORPORATE INFORMATION

ICICI Securities Holdings, Inc. ("the Company"), a wholly owned subsidiary of ICICI Securities Ltd., was incorporated in the United States in 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. The Financial statements have been prepared in accordance with generally accepted accounting principles in India. The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013 read together with Para 7 of the Companies (Account) Rules 2014. 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 that are acquired with the intention of holding for not more than one year from the date on which such investments are made, are classified as current investments and are reported as stock-in-trade. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost inclusive of direct acquisition costs, if any. The securities held as stock- in- trade are carried at cost arrived at on FIFO basis or market value, determined on an individual investment basis, whichever is lower.

Long term investments are carried at acquisition cost. 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) 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 mentioned below. 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 are given below:-

Asset	Estimated life
Tangible	
Leasehold improvements	10 years
Plant and machinery like air conditioners, photo-copying machines, etc.	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.

l) Impairment of Fixed 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.

notes

forming part of the financial statements

Continued

	(₹ in 000's)		(US\$ in 000's)	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015

3. SHARE CAPITAL :

Authorised:

3000 Equity shares of no par value

(As at March 31, 2015 3000 Equity shares of no par value)

Issued subscribed & Paid Up:

Common stock no par value; 1,664 shares

(As at March 31, 2015 1664 Equity shares of no par value)

(All the above 1,664 (March 2015: 1664) equity shares of no par value are held by holding company ICICI Securities Ltd.)

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

Equity shares

At the beginning of the year

Issued during the year

Issued during the year - ESOP

Outstanding at the end of the year

728,206

728,206

16,640

16,640

As at March 31, 2016

As at March 31, 2015

Nos.

₹

1,664

728,206

1,664

728,206

1,664

728,206

1,664

728,206

Terms /rights attached to equity shares

The Company has only one class of equity shares having no par value. Each holder of equity shares is entitled to one vote per share.

4. RESERVES & SURPLUS

Profit and loss account debit balance

Balance as on April 1, 2015

(₹ in 000's)

(US\$ in 000's)

**As at March
31, 2016**

**As at March
31, 2015**

**As at March
31, 2016**

**As at March
31, 2015**

(146,758)

(146,096)

(3,155)

(3,143)

Add: Additions during the year

(477,492)

(662)

(11,471)

(11)

(Less): deductions during the year

(624,250)

(146,758)

(14,626)

(3,154)

Balance as on March 31, 2016

Translation reserve

21,815

20,630

-

-

Balance as on April 1, 2015

1,893

1,185

-

-

Add: Additions during the year

23,708

21,815

-

-

Balance as on March 31, 2016

(600,542)

(124,943)

(14,626)

(3,154)

TOTAL

5. OTHER CURRENT LIABILITIES

Other current liabilities consist of the following:

Other liabilities

-

-

Taxes payable

321

338

5

5

TOTAL

321

338

5

5

6. NON CURRENT INVESTMENT

Non-current investments consist of the following

Name of the company	Quantity				
Trade Investments					
In equity shares (valued at cost)					
Subsidiary Company:					
ICICI Securities Inc.(Unquoted)*	1,298 (1,298)	571,667	571,667	12,980	12,980
* No par value					
Less : Provision for Dimunition	(477,169)	-	(11,466)	-	
TOTAL	94,498	571,667	1,514	12,980	

notes

ICICI Securities Holdings Inc

forming part of the financial statements

Continued

	(₹ in 000's)		(US\$ in 000's)	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
7. LONG TERM LOANS AND ADVANCES <i>(Unsecured, considered good unless otherwise stated)</i>				
Due from Subsidiary	<u>30,088</u>	<u>28,383</u>	<u>454</u>	<u>454</u>
TOTAL	<u><u>30,088</u></u>	<u><u>28,383</u></u>	<u><u>454</u></u>	<u><u>454</u></u>
8. CASH AND BANK BALANCES				
In current accounts with banks	<u>3,399</u>	<u>3,551</u>	<u>51</u>	<u>57</u>
TOTAL	<u><u>3,399</u></u>	<u><u>3,551</u></u>	<u><u>51</u></u>	<u><u>57</u></u>
9. OTHER EXPENSES	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2016	For the year ended March 31, 2015
Record Storage Charges	-	37	-	1
Professional fees	-	106	-	2
TOTAL	<u><u>-</u></u>	<u><u>143</u></u>	<u><u>-</u></u>	<u><u>3</u></u>
10. FINANCE COST	147	141	2	3
Bank charges	147	141	2	3
TOTAL	<u><u>147</u></u>	<u><u>141</u></u>	<u><u>2</u></u>	<u><u>3</u></u>
11. 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.				
12. Related Party Disclosures				
As per accounting standard on related party disclosures (AS18), 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. Sriram Iyer
 - b. Warren law
 - c. Bishen Pertab

notes

forming part of the financial statements

Continued

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

Nature of Transaction	Subsidiary Company		Holding company	
	(₹ in 000's)	(US\$ in 000's)	(₹ in 000's)	(US\$ in 000's)
Investment				
ICICI Securities Inc. (net of provision)	94,498	12,980		
	(571,667)	(12,980)		
Receivables				
	30,088	45 (454)		
	(28,383)	(454)		
Share Capital				
			728,206	16,640
			(728,206)	(16,640)

Amounts in parenthesis represent previous year figure

Key Management Personnel

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

notes

13 Earnings per equity share (EPS)

Basic & Diluted	(₹ in 000's)		(US\$ in 000's)	
	Year ended		Year ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Weighted average no. of equity shares outstanding	1,664	1,664	1,664	1,664
Net profit / (loss)	(477,492)	(662)	(11,471)	(11)
Basic earnings per share (Rs.)/ (US\$)	(286,954)	(398.12)	(6,894)	(6.62)

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

15 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.

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

Signatures to Notes 1 to 16

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 25, 2016

For and on behalf of the Board of Directors

SRIRAM IYER
Director

BISHEN PERTAB
Director

WARREN LAW
Director

Canada, April 21, 2016

cash flow statement

for the year ended March 31, 2016

	(₹ in 000's)		(US\$ in 000's)	
	For the year ended March 31,2016	For the year ended March 31,2015	For the year ended March 31,2016	For the year ended March 31,2015
A Cash flow from operating activities				
Profit /(Loss) before tax	(477,175)	119	(11,466)	2
- Depreciation /Amortisation/Impairment	477,169	-	11,466	-
- Exchange adjustments	1,893	1,185	-	-
Operating profit before changes in operating assets and liabilities	1,887	1,304	0	2
Adjustments for net change in operating assets and liabilities				
- Current assets excluding cash and cash equivalents				-
- Loans and advances relating to operations	(1,705)	(1,174)	(1)	-
- Current liabilities relating to operations	-	(3)	-	-
	(1,705)	(1,177)	(1)	-
Cash generated from operations	182	127	(1)	2
Payment of taxes (net)	(334)	(793)	(5)	(15)
Net cash from operating activities	(152)	(666)	(6)	(13)
B Cash flow from investment activities	-	-	-	-
C Cash flow from financing activities	-	-	-	-
Net change in cash and cash equivalents	(152)	(666)	(6)	(13)
Cash and cash equivalents at the beginning of the year	3,551	4,217	57	70
Cash and cash equivalents at the end of the year	3,399	3,551	51	57

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

As per our report of even date.

For and on behalf of the Board of Directors

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

SRIRAM IYER
Chairman

Per SHRAWAN JALAN
Partner
Membership No.: 102102

BISHEN PERTAB
Director

WARREN LAW
Director

Mumbai, April 25, 2016

Canada, April 21, 2016

ICICI SECURITIES, INC.

16TH ANNUAL REPORT AND ACCOUNTS 2015-2016

Directors

Subir Saha (Chairman of the Board)
 Jaideep Goswami
 Robert Ng
 Bishen Pertab

Auditors

S. R. Batliboi & Co. LLP,
Chartered Accountants
 (Registration No. 301003E)

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 16th Annual Report of ICICI Securities, Inc. with the audited statement of accounts for the year ended March 31, 2016.

OPERATIONAL REVIEW

The Company is registered 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, USA and 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. also received the International Dealer registration exemption from the Canadian Securities Regulatory Authorities ("CSRA") that enables it to expand its reach to institutional investors in the provinces of British Columbia, Ontario and Quebec. ICICI Securities, Inc. refers institutional investors in the US, Canada and Singapore, who propose to deal in securities listed on the Indian Stock Exchanges, to its parent company *viz.*, ICICI Securities Limited.

During fiscal 2016, the Company has strengthened its positioning among its US, Canada and Singapore based institutional investors. The Company in association with ICICI Securities Limited, conducted several investors' conferences in the US and its flagship annual event in Singapore, along with numerous road shows in both geographies during fiscal 2016. These activities, coupled with the increased demand for Indian securities, the Company has experienced an upward trend of client participation in terms of the quantity and quality of clients. The Company's corporate access activities add value to the decision-making process of its clients by providing differentiated research, access to corporate managements and experts from various fields which helps it to penetrate new clients as well as strengthen its positioning among existing clients.

FINANCIAL HIGHLIGHTS

(₹ in '000s)

Fiscal 2015 Fiscal 2016

	<i>Fiscal 2015</i>	<i>Fiscal 2016</i>
Gross income	146,795	170,405
Profit/(loss) Loss before tax	21,064	28,807
Provision for tax	489	492
Profit /(Loss) after tax	20,575	28,315

OUTLOOK FOR INDIAN EQUITIES

The Government of India presented a prudent and credible budget for fiscal 2017 which is expected to bode very well for the market in the coming months. However, unlike fiscal 2016, India may not benefit from the oil bounty in fiscal 2017 as oil prices are expected to inch up marginally in the current fiscal. Growth in the US and the Fed's response to it, hard-landing in China and the geo-politics concerning oil prices are likely to be key global triggers for Indian markets going ahead. Earnings growth of Indian corporates is expected to revive in fiscal 2017 and as volatility in global markets dip, FPI interest in Indian equities should revive. Domestic Institutional Investors inflows have been robust in fiscal 2016 and we expect this trend to continue in fiscal 2017 as retail investor interest in Indian equities appear structural in nature.

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:
 Subir Saha (Chairman of the Board)

Jaideep Goswami
 Robert Ng
 Bishen Pertab

AUDITORS

The Auditors, S. R. Batliboi & Co. LLP, Chartered Accountants, (Registration Number - 301003E) will retire at the ensuing Annual General Meeting and offer themselves for re-appointment. The Board, at its Meeting held on April 15, 2016, proposed their re-appointment as Auditors to audit the accounts of the Company, as per Indian GAAP, for the year ended March 31, 2017. You are requested to consider the re-appointment of the aforementioned retiring 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, 2016 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 to safeguard the assets of the Company and to prevent and detect fraud and other irregularities;
- iv. that the annual accounts have been prepared on a 'going concern' basis; and
- v. that proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

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

April 15, 2016

SUBIR SAHA
Chairman

independent auditors' report

To, The members of ICICI Securities Inc.

We have audited the accompanying standalone financial statements of ICICI Securities Inc., which comprise the Balance Sheet as at March 31, 2016 and also the Statement of 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 standalone financial statements of ICICI Securities Inc. for the year ended March 31, 2016 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 Number: 301003E

Per SHRAWAN JALAN

Partner

Membership Number 102102

Mumbai, April 18, 2016

balance sheet

profit and loss account

at March 31, 2016

for the year ended March 31, 2016

	Note	(₹ in 000's)		(US\$ in 000's)			Note	(₹ in 000's)		(US\$ in 000's)		
		As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015			For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2016	For the year ended March 31, 2015	
I EQUITY AND LIABILITIES												
1 Shareholders' funds												
(a) Share capital	3	5,71,667	5,71,667	12,980	12,980			1,60,044	1,46,795	2,445	2,400	
(b) Reserves and surplus	4	(4,42,826)	(4,77,169)	(11,035)	(11,466)			9,857	-	151	-	
		1,28,841	94,498	1,945	1,514			504	-	8	-	
								Total revenue	1,70,405	1,46,795	2,604	2,400
2 Non-current liabilities												
Other long term liabilities	5	39,279	45,720	593	731							
3 Current liabilities												
Other current liabilities	6	33,524	31,107	506	497			3,634	1,047	56	17	
		2,01,644	1,71,325	3,044	2,742			184	333	3	5	
								(c) Depreciation	4,481	4,763	69	78
								(d) Finance costs	43,889	47,500	671	777
								(e) Other expenses	141,598	1,25,731	2,165	2,055
II. ASSETS												
1 Non-current assets								III Profit before tax	28,807	21,064	439	345
(a) Fixed assets									492	489	8	8
Tangible assets	7	300	306	5	5							
(b) Long-term loans and advances	8	38,337	38,414	579	615			V Profit (Loss) for the year	28,315	20,575	431	337
		38,637	38,720	584	620							
2 Current assets								VI Earnings per share (Basic and Diluted)	21,814	15,851	332	260
(a) Trade receivables	9	39,462	33,810	596	541							
(b) Cash and bank balances	10	1,19,155	94,348	1,798	1,510			Summary of significant accounting policies	2			
(c) Short-term loans and advances	11	4,390	4,447	66	71							
		163,007	1,32,605	2,460	2,122							
		204,644	1,71,325	3,044	2,742							
Summary of significant accounting policies	2											

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

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 18, 2016

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

For and on behalf of the Board of Directors

SUBIR SAHA
Chairman

BISHEN PERTAB
President

ROBERT NG
Director

Singapore, April 15, 2016

notes

forming part of the financial statements

Continued

1 Corporate Information

"ICICI Securities, Inc. ("the Company"), a wholly owned subsidiary of ICICI Securities Holdings, Inc., is incorporated in the United States in June 2000. The Company is a registered broker dealer with the Securities and Exchange Commission ("SEC") and member of the Financial Industry Regulatory Authority ("FINRA"). The Company has a branch office in Singapore that is registered with the Monetary Authority of Singapore (the "MAS") where it holds the Capital Markets Services ("CMS") license for Dealing in Securities in Singapore. The Company is also registered as an International Dealer in Canada in the provinces of British Columbia, Ontario, and Quebec."

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. The financial statements have been prepared in accordance with generally accepted accounting principles in India. The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013 read together with Para 7 of the Companies (Account) Rules 2014. 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 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 that are acquired with the intention of holding for not more than one year from the date on which such investments are made, are classified as current investments and are reported as stock-in-trade. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost inclusive of direct acquisition costs, if any. The securities held as stock- in- trade are carried at cost arrived at on FIFO basis or market value, determined on an individual investment basis, whichever is lower.

Long term investments are carried at acquisition cost. 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) 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. 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 are given below:-

Asset	Estimated life
Tangible	
Leasehold improvements	10 years
Plant and machinery like air conditioners, photo-copying machines, etc.	3 Years
Computers	3 Years
Furniture & 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 various jurisdictions in which the Company operates. 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.

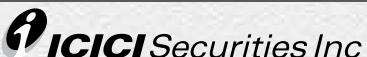
j) Lease transactions

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.

notes



forming part of the financial statements

Continued

	(₹ in 000's)		(US\$ in 000's)	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015

3. SHARE CAPITAL :

Authorised:

1500 Common stock of no par value

(As at March 31, 2015 1500 Common stock of no par value)

Issued subscribed & paid up:

Common stock 1298 shares

(As at March 31, 2015 1298 shares of no par value)

(All shares mentioned above are held by holding company
ICICI Securities Holding Inc.)

Total issued, subscribed and fully paid-up share capital

5,71,667 **5,71,667** **12,980** **12,980**

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

Equity shares

At the beginning of the year

Issued during the year

Issued during the year - ESOP

Outstanding at the end of the year

As at March 31, 2016	As at March 31, 2015		
Nos.	₹	Nos.	₹
1,298	5,71,667	1,298	5,71,667
1,298	5,71,667	1,298	5,71,667

Terms /rights attached to equity shares

The Company has only one class of equity shares having no par value. Each holder of equity shares is entitled to one vote per share.

4. RESERVES & SURPLUS

Reserves and surplus consist of the following:

Profit and loss account debit balance:

Balance as on April 1, 2015

Add: Additions during the year

Less: deductions during the year

Balance as on March 31, 2016

(4,98,688)	(5,19,263)	(11,511)	(11,848)
28,315	20,575	431	337
(4,70,373)	(4,98,688)	(11,080)	(11,511)

Translation reserve:

Balance as on April 1, 2015

Add: Additions during the year

Less: deductions during the year

Balance as on March 31, 2016

21,519	17,964	45	45
6,028	3,555	-	-
27,547	21,519	45	45
(4,42,826)	(4,77,169)	(11,035)	(11,466)

5. OTHER LONG TERM LIABILITIES

Other long term liabilities consist of the following:

Due to Parent

Liabilities for sublease

30,088	28,383	454	454
9,191	17,337	139	277
39,279	45,720	593	731

6. OTHER CURRENT LIABILITIES

Other current liabilities consist of the following:

Other liabilities

Provision for taxes

TOTAL

32,732	30,320	494	485
792	787	12	12
33,524	31,107	506	497

7. FIXED ASSETS

(₹ in 000's) (US\$ in 000's)

	GROSS BLOCK (at Cost)				ACCUMULATED DEP				NET BLOCK			
	Apr 1, 2,015	Addition	Sale/Adj*	March 31, 2016	April 1, 2,015	Addition	Sale /Adj*	March 31, 2016	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Computers	6,897	163	(414)	7,474	6,618	184	(401)	7,203	271	279	5	5
Software	933	-	(56)	989	933		(56)	989	-	0	-	-
Leasehold Improvement	11,557	-	(695)	12,252	11,530	0	(693)	12,223	29	27	0	0
Leasehold Improvement	1,805	-	(108)	1,913	1,805		(108)	1,913	-	-	-	-
TOTAL	21,192	163	(1,273)	22,628	20,886	184	(1,258)	22,328	300	306	5	5

	GROSS BLOCK (at Cost)				ACCUMULATED DEP				NET BLOCK			
	Apr 1, 2,014	Addition	Sale/Adj*	March 31, 2015	April 1, 2,014	Addition	Sale /Adj*	March 31, 2015	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Computers	6,457	161	(278)	6,897	6,197	141	(279)	6,618	279	260	5	4
Software	894	-	(39)	933	894		(39)	933	-	0	-	0
Leasehold Improvement	11,078	-	(479)	11,557	10,866	192	(473)	11,530	27	212	-	4
Leasehold Improvement	1,730	-	(75)	1,805	1,728		(77)	1,805	-	2	-	-
TOTAL	20,159	161	(871)	21,192	19,685	333	(868)	20,886	306	474	5	8

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

* Includes translation reserve of Rs. 16 thousand (previous year Rs.14 thousand)

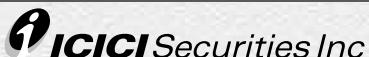
notes

forming part of the financial statements

Continued

		(₹ in 000's)		(US\$ in 000's)
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
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	4,897	6,874	74	110
Security deposit for leased premises	33,440	31,540	505	505
TOTAL	38,337	38,414	579	615
Other advances and deposits include				
Security Deposit	4,897	4,548	74	73
Prepaid expenses	-	2,326	-	37
9. TRADE RECEIVABLES				
Unsecured, considered good				
Due from ICICI Securities Limited (Ultimate Holding Company)	26,504	33,810	400	541
Other Receivables	12,958	-	196	-
TOTAL	39,462	33,810	596	541
10. CASH AND BANK BALANCES				
In current accounts with banks	1,19,155	94,348	1,798	1,510
TOTAL	1,19,155	94,348	1,798	1,510
11. SHORT TERM LOANS AND ADVANCES (Unsecured, considered good unless otherwise stated)				
Short-term loans and advance consist of the following:				
Other advances and deposits	4,390	4,447	66	71
Total	4,390	4,447	66	71
Other advances and deposits include:				
Prepaid Expenses	3,789	3,432	57	57
	<i>For the year ended March 31, 2016</i>	<i>For the year ended March 31, 2015</i>	<i>For the year ended March 31, 2016</i>	<i>For the year ended March 31, 2015</i>
12. BROKERAGE, COMMISSION & INCOME FROM SERVICES				
Brokerage and commission	1,60,044	1,46,795	2,445	2,400
Financial advisory services	9,857	-	151	-
TOTAL	1,69,901	1,46,795	2,596	2,400
13. OTHER INCOME				
Foreign exchange translation	504	-	8	-
TOTAL	504	-	8	-
14. EMPLOYEE BENEFITS EXPENSE				
Employee benefits expense consist of the following:				
Salaries, wages and incentive	84,129	67,861	1,285	1,109
Staff welfare expenses	5,281	4,227	81	69
TOTAL	89,410	72,088	1,366	1,178
15. OPERATING EXPENSES				
Other operating expenses	1,170	1,047	18	17
Commission expenses and transaction charges	2,464	-	38	-
TOTAL	3,634	1,047	56	17
16. FINANCE COST				
Finance cost consist of the following:				
Bank charges	4,481	4,763	69	78
TOTAL	4,481	4,763	69	78
17. OTHER EXPENSES				
Other expenses consist of the following:				
Rent and amenities	6,992	6,001	107	98
Rates and taxes	283	216	5	4
Insurance	269	496	4	8
Business promotion, travelling and conveyance expenses	13,887	12,206	212	200
Subscription and periodicals	6,094	5,345	93	87
Printing and stationery	472	317	7	5
Communication expenses	2,111	2,239	32	37
Professional fees	6,424	7,178	98	117
Auditors' remuneration (statutory audit fee)	4,774	3,741	73	61
Repairs, maintenance, upkeep and others	2,583	2,641	40	44
Foreign exchange translation	-	7,120	-	116
TOTAL	43,889	47,500	671	777

notes



forming part of the financial statements

Continued

18. 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.

19. AUDITORS REMUNERATION

The details regarding the remuneration paid to the auditors are given in the table below

	(₹ in 000's)		(US\$ in 000's)	
	Year ended		Year ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Audit fees	3,810	3,438	58	56
Certification fees	491	-	8	-
Out of pocket expenses	460	306	7	5
Total	4,761	3,744	73	61

20. EARNINGS PER EQUITY SHARE (EPS)

	(₹ in 000's)		(US\$ in 000's)	
	Year ended		Year ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Basic & Diluted				
Weighted average no. of equity shares outstanding	1,298	1,298	1,298	1,298
Net profit / (loss)	28,315	20,575	431	337
Basic earnings per share (Rs.)/(US\$)	21,814	15,851	332	260

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, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Lease payments for the year	34,562	32,298	528	528
Minimum lease payments:				
Not later than one year	31,681	32,298	484	528
Later than one year but not later than five years	-	29,606	-	484
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 Standby 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 Rs.26,617 thousand (US\$ 407 thousand) as basic sub-lease rentals from US Bank National Association and paid Rs.34,562 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) 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:
ICICI Securities Primary Dealership Limited
- C. Key Management Personnel
a) Bishen Pertab President & CEO
b) Robert NG 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		Fellow Subsidiary	
	(₹ in 000's)	(US\$ in 000's)	(₹ in 000's)	(US\$ in 000's)
Income from Services				
ICICI Securities Limited	1,57,098 (1,46,795)	2,400 (2,400)	-	-
ICICI Securities Primary Dealership Limited	-	-	2,946	45
Operating expenses				
ICICI Securities Limited	2,464	38		
Reimbursement of expenses				
ICICI Securities Limited	7,462 (8,564)	114 (140)		
Finance charges				
ICICI Bank Limited	3,267 (3,670)	50 (60)	-	-
ICICI Securities Limited	589 (570)	9 (9)	-	-

The balances payable to/receivable from related parties included in the balance sheet as on March 31, 2016 are given below:

Nature of Transaction	Ultimate Holding Company		Fellow Subsidiary	
	(₹ in 000's)	(US\$ in 000's)	(₹ in 000's)	(US\$ in 000's)
Receivables				
ICICI Securities Limited	26,504 (33,810)	400 (541)	-	-
ICICI Securities Primary Dealership Limited			2,981	45
Payables				
ICICI Securities Holdings Inc.	30,088 (28,383)	454 (454)		
Share Capital				
ICICI Securities Holdings Inc.	571,667 (571,667)	12,980 (12,980)		

notes

forming part of the financial statements

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)	99,383 (93,750)	1,500 (1,500)	-	-
ICICI Securities Limited, (Standby Bank letter of credit)	66,255 (62,500)	1,000 (1,000)	-	-

Amount in parenthesis represent previous year figures

Key Management Personnel

The compensation for the year ending March 31, 2016 to Bishen Pertab, President & CEO was ₹ 14,842 thousand (US\$ 230 thousand) March 2015 ₹ 10,919 thousand (US\$ 179 thousand), Robert Ng, CEO Singapore Branch ₹ 11,622 thousand (US\$ 178 thousand) March 2015 ₹ 9,847 thousand (US\$ 161 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\$ (USD) given in the financial statements are stated only for the purpose of conversion.

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

As per our report attached

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

Per SHRAWAN JALAN
Partner
Membership No.: 102102

Mumbai, April 18, 2016

Signature to Note 1 to 25

For and on behalf of the Board of Directors

SUBIR SAHA
Chairman

BISHEN PERTAB
President

ROBERT NG
Director

Singapore, April 15, 2016

cash flow statement

ICICI Securities Inc for the year ended March 31, 2016

	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015
	₹ in 000's	₹ in 000's	(US\$ in 000's)	(US\$ in 000's)
A Cash flow from operating activities				
Profit/ (Loss) before tax	28,807	21,064	439	345
- (Profit)/Loss on sale of fixed assets	-	-	-	-
- Depreciation	184	333	3	5
- Lease abandonment expenses	-	-	-	-
- Exchange adjustments	6,028	3,551	-	-
- Bad and doubtful debts (Net)	-	-	-	-
Operating profit before changes in operating assets and liabilities	35,019	24,948	442	350
Adjustments for net change in operating assets and liabilities				
- Current assets excluding cash and cash equivalents	(5,652)	(11,212)	(55)	(163)
- Loans and advances relating to operations	133	6,632	40	139
- Current liabilities relating to operations	(4,040)	1,002	(129)	(34)
	<u>(9,559)</u>	<u>(3,578)</u>	<u>(144)</u>	<u>(58)</u>
Cash generated from operations	25,460	21,370	298	292
Payment of taxes (net)	(487)	(1,104)	(7)	(18)
Net cash used in operating activities	<u>24,973</u>	<u>20,266</u>	<u>291</u>	<u>274</u>
B Cash flow from investment activities				
- Acquisition of equity investments in subsidiary companies	-	-	-	-
- (Purchase) / Sale of investments	-	-	-	-
- (Purchase) / Sale of fixed assets (net)	(166)	(161)	(3)	(3)
Net cash used in investment activities	<u>(166)</u>	<u>(161)</u>	<u>(3)</u>	<u>(3)</u>
C Cash flow from financing activities				
Net change in cash and cash equivalents	24,807	20,105	288	271
Cash and cash equivalents at the beginning of the year	94,348	74,243	1,510	1,239
Cash and cash equivalents at the end of the year	<u>1,19,155</u>	<u>94,348</u>	<u>1,798</u>	<u>1,510</u>

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

As per our report of even date

For and on behalf of the Board of Directors

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

SUBIR SAHA
Chairman

Per SHRAWAN JALAN
Partner
Membership No.: 102102

BISHEN PERTAB
President

ROBERT NG
Director

Mumbai, April 18, 2016

Singapore, April 15, 2016

ICICI SECURITIES LIMITED - CONSOLIDATED FINANCIALS

independent auditors' report

To the Members of ICICI Securities Limited

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of ICICI Securities Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2016, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. 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 consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view 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 the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph (a) of the Other Matters below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the consolidated 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 of the consolidated state of affairs of the Group, as at March 31, 2016, their consolidated profit and their consolidated cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements; and
- (b) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (c) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary company, since the subsidiary company is not incorporated in India, no separate report on internal financial controls over financial reporting of the Holding Company is being issued.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E

per SHRAWAN JALAN

Partner

Membership No.: 102102

Mumbai, April 28, 2016

consolidated balance sheet

consolidated profit and loss account

at March 31, 2016

for the year ended March 31, 2016

	Notes	As at March 31, 2016	(₹ in million)	As at March 31, 2015		Notes	For the year ended March 31, 2016	(₹ in million)	For the year ended March 31, 2015
I EQUITY AND LIABILITIES									
1 Shareholders' funds									
(a) Share capital	3	1,610.7		1,610.7		(a) Brokerage income		6,607.3	7,554.1
(b) Reserves and surplus	4	2,370.9		1,912.4		(b) Income from services		3,499.3	3,363.1
		3,981.6		3,523.1		(c) Interest and Other operating income	21	956.9	910.1
2 Non-current liabilities									
(a) Other long term liabilities	5	627.5		525.0		(d) Profit/(loss) on securities (net)	22	182.3	267.8
(b) Long-term provisions	6	267.6		160.7					
		895.1		685.7					
3 Current liabilities									
(a) Short-term borrowings	7	1,728.6		2,265.3		II Total revenue		11,245.8	12,095.1
(b) Trade payables	8	5,920.8		5,567.8		III Expenses:			
(c) Other current liabilities	9	1,406.9		1,545.8		(a) Employee benefits expense	23	4,012.7	3,920.7
(d) Short-term provisions	10	41.9		40.9		(b) Operating expenses	24	1,015.0	1,045.4
		9,098.2		9,419.8		(c) Finance costs	25	258.4	311.0
		13,974.9		13,628.6		(d) Depreciation and amortization expense		159.6	163.0
II ASSETS									
1 Non-current assets									
(a) Fixed assets	11					(e) Other expenses	26	2,059.1	2,158.2
(i) Tangible assets		250.9		252.7				7,504.8	7,598.3
(ii) Intangible assets		103.2		95.7		Total expenses			
(iii) Capital work-in-progress		3.8		6.9		IV Profit before tax		3,741.0	4,496.8
(iv) Intangible assets under development		20.3		30.1		V Tax expense:			
		378.2		385.4		(a) Current tax		1,475.3	1,630.7
(b) Non-current investments	12	12.2		12.2		(b) Deferred tax		(121.5)	(72.6)
(c) Deferred tax assets (Net)	13	508.6		387.1		Total tax expense		1,353.8	1,558.1
(d) Long-term loans and advances	14	1,292.7		1,147.0		VI Profit after tax		2,387.2	2,938.7
(e) Other non-current assets	15	270.1		161.6		VII Earnings per equity share:			
		2,461.8		2,093.3		Basic & Diluted	27	2.96	3.65
		13,974.9		13,628.6		(Face value ₹ 2/- per share)			
Summary of significant accounting policies	2					Summary of significant accounting policies	2		

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

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

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 28, 2016

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

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1 OVERVIEW

Basis of preparation

The consolidated 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 section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies have been consistently applied by the Company and except where otherwise stated are consistent with those used in the previous year.

The Company consolidates entities in which it holds, directly or indirectly, more than 50% of the voting rights or where it exercises control. The Company does not consolidate entities where the control is intended to be temporary. All significant intercompany accounts and transactions are eliminated on consolidation.

The consolidated financial results include results of ICICI Securities Limited and its subsidiaries ICICI Securities Holdings Inc. and ICICI Securities Inc. The financial results of the subsidiaries have been consolidated considering the operations as non integral foreign operations.

2 SIGNIFICANT ACCOUNTING POLICIES

a) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India, requires the management to make judgements, 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 based on the 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 or liabilities in future periods.

b) 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 etc., 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 dividend is recognised when the shareholder's right to receive the dividend is established.
- vii) Training fee income from financial educational programs is recognized on accrual basis.

c) Investments and stock-in-trade

Investments that are acquired with the intention of holding for not more than one year from the date on which such investments are made, are classified as current investments and are reported as stock-in-trade. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost inclusive of direct acquisition costs, if any. The securities held as stock- in- trade are carried at cost arrived at on first in first out (FIFO) basis or market value, determined on an individual investment basis, whichever is lower.

Long term investments are carried at acquisition cost. 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 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.

d) Fixed assets and depreciation

(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.

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.

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The Group has used the following rates to provide depreciation on its fixed assets.

Asset	Holding Company Useful Life	Subsidiaries Useful Life
Tangible		
Leasehold improvements	Over the lease period	10 years
Office equipment's comprising air conditioners, photo-copying machines, etc.	5 years	3 years
Computers	3 years	3 years
Servers & Network	6 years	-
Furniture and fixtures	6.67 years	7 years
Motor vehicles	5 years	-

The management has estimated, the useful lives of the following classes of assets, which is lower than that indicated in schedule II of the Companies Act, 2013.

- I) The motor vehicles are depreciated over the estimated useful lives of 5 years.
- II) The Furniture and fixture are depreciated over the estimated useful lives of 6.67 years.

(ii) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, 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 amortization rates used are:

Intangible asset	Holding Company Depreciation rate	Subsidiaries Depreciation rate
Computer software	25%	33.33%
CMA Membership rights	20%	-

e) 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. Exchange differences arising on the settlement or restatement of monetary items of integral foreign operations are recognised as exchange gain / loss in the Statement of profit and loss.

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 determined on transaction date.

Income and expenditure of non-integral foreign operations are translated at monthly average rates. The assets and liabilities of non-integral foreign operations other than the share capital and fixed assets 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.

f) Accounting for derivative transactions

The Group 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 statement of profit and loss. Gains are recognised only on settlement / expiry of the derivative contract.

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

g) Staff retirement and other benefits

Provident fund

Retirement benefit in the form of provident fund is a defined contribution scheme. 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 statement of profit and loss.

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Gratuity

The Company pays 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

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 expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Long term incentives

The Group has a long term incentive plan which is paid in three annual tranches. The Group accounts for the liability as per an actuarial valuation. The actuarial valuation of the long term incentives liability is calculated based on certain assumptions regarding rate of interest and staff attrition as per the projected unit credit method made at the end of each financial year. The actuarial losses/ gains are recognised in the statement of profit and loss in the year in which they arise.

h) Income taxes

Income tax expense is the aggregate amount of current tax and deferred tax borne by the Group. The current tax expense and deferred tax expense is determined in accordance with the provisions of the Income Tax Act, 1961 and tax laws prevailing in the respective tax jurisdictions where the Group operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

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. 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. The Group writes-down the carrying amount of 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 realized. 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. 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.

3. SHARE CAPITAL

Authorized:

1,00,00,00,000 (March 31, 2015: 1,00,00,00,000 of ₹ 2/- each) equity shares of ₹ 2/- each
5,00,00,000 (March 31, 2015 : 5,00,00,000 of ₹ 100/- each) 13.75% Cumulative non-convertible redeemable preference shares of ₹ 100/- each

Issued, subscribed and fully paid-up shares:

805,353,500 (March 31, 2015 : 805,353,500 of ₹ 2 each) equity shares of ₹ 2/- each fully paid
TOTAL

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 Group 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 statement of profit and loss and shown as MAT credit entitlement in the year in which MAT credit becomes eligible to be recognized as an asset. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

i) Impairment of fixed assets

Fixed assets are reviewed at each reporting date, 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 to the statement of profit and loss and is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

j) 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.

k) 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 Group 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.

Diluted earnings per share are 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 leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

n) Cash and cash equivalents

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

o) Segment reporting

The group has prepared its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements. The segments are identified based on the nature of services provided by the Group.

	₹ in million) As at March 31, 2016	As at March 31, 2015
2,000.0	2,000.0	
500.0	500.0	
2,500.0	2,500.0	
1,610.7	1,610.7	
1,610.7	1,610.7	

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

a. Equity shares

	Nos.	(₹ in million)	Nos.	(₹ in million)
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	-	-	-	-
Redeemed during the year	-	-	-	-
Outstanding at the end of the year	805,353,500	1,610.7	805,353,500	1,610.7

All the above, 805,353,500 (March 31,2015: 805,353,500) Equity Shares of ₹ 2/- each are held by ICICI Bank Limited (Holding Company) and its nominees.

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, 2016, the amount of per share dividend recognized as distributions to equity shareholders was ₹ 2/- (March 31, 2015: ₹ 2/-).

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.

4. RESERVES AND SURPLUS

Reserves and surplus consist of the following:

	As at March 31, 2016	(₹ in million) As at March 31, 2015		As at March 31, 2016	(₹ in million) As at March 31, 2015
(a) Securities premium account	244.0	244.0	7. SHORT TERM BORROWINGS		
(b) Translation reserve			Short-term borrowings consist of the following:		
Opening balance	60.2	54.7	(a) Unsecured loans		
Add : Additions during the year (net)	9.9	5.5	Commercial paper	1,728.6	2,265.3
Closing balance	70.1	60.2	(All commercial papers are payable within one year)		
(c) General reserve			TOTAL	1,728.6	2,265.3
Opening balance	666.8	484.7			
Add : Additions during the year (net)	-	182.1			
Closing balance	666.8	666.8			
(d) Surplus/(Deficit) in statement of profit & loss			8. TRADE PAYABLES		
Opening balance	941.4	99.5	Trade payables consist of the following:		
Add: profit for the year	2,387.2	2,938.7	a) Trade Payables		
	3,328.6	3,038.2	i) Micro, small and medium enterprises		
Less: Appropriations			ii) Others	5,920.8	5,567.8
Interim dividend on equity shares	1,610.7	1,610.7	TOTAL	5,920.8	5,567.8
Tax on equity dividend	327.9	304.0			
Transfer to general reserve	-	182.1			
Closing balance	1,390.0	941.4			
TOTAL	2,370.9	1,912.4			
5. OTHER LONG TERM LIABILITIES			9. OTHER CURRENT LIABILITIES		
Other long-term liabilities consist of the following:			Other current liabilities consist of the following:		
Other liabilities	627.5	525.0	a) Income received in advance	69.6	257.8
TOTAL	627.5	525.0	(b) Other payables		
6. LONG TERM PROVISION			i) Micro, small and medium enterprises		
Long-term provisions consist of the following:			ii) Others		
a) Provision for employee benefits			1) Statutory liabilities	271.0	243.5
i) Provision for gratuity	247.8	151.7	2) Employee related liabilities	974.7	941.0
ii) Provision for compensated absence	19.8	9.0	3) Other liabilities	91.6	103.5
TOTAL	267.6	160.7	TOTAL	1,337.3	1,288.0
				1,406.9	1,545.8
10. SHORT TERM PROVISION					
Short-term provision consist of the following:					
a) Provision for employees benefits			a) Provision for employees benefits	28.8	31.4
i) Provision for gratuity			i) Provision for gratuity	13.1	9.5
ii) Provision for compensated absence			ii) Provision for compensated absence		
			TOTAL	41.9	40.9

notes

11. FIXED ASSETS
Fixed assets consist of the following:

	TANGIBLE						INTANGIBLE		(₹ million)
	Computers	Furniture & fixtures	Office equipment	Vehicles	Lease hold improvements	Total (A)	Software	CMA membership right	
Gross Block (At Cost)									
At April 1, 2014	161.0	20.6	37.7	94.4	210.8	524.5	519.3	23.4	542.7
Additions	69.0	9.2	22.0	24.6	29.4	154.2	26.4	-	26.4
Sale / Adjustment *	17.7	(0.4)	3.8	11.7	15.2	48.0	144.0	(0.9)	143.1
At March 31, 2015	212.3	30.2	55.9	107.3	225.0	630.7	401.7	24.3	426.0
Additions	42.9	9.1	18.2	28.2	15.9	114.3	71.8	-	71.8
Sale / Adjustment *	(0.2)	(0.6)	0.2	18.8	27.2	45.4	243.5	(1.7)	241.8
At March 31, 2016	255.4	39.9	73.9	116.7	213.7	699.6	230.0	26.0	256.0
Depreciation									
At April 1, 2014	93.4	19.1	9.8	40.1	168.1	330.5	365.2	23.4	388.6
Additions	31.5	3.1	10.4	19.6	28.3	92.9	70.1	-	70.1
Sale / Adjustment *	1.4	(1.9)	(1.2)	9.5	37.6	45.4	129.3	(0.9)	128.4
At March 31, 2015	123.5	24.1	21.4	50.2	158.8	378.0	306.0	24.3	330.3
Additions	49.8	4.4	13.4	22.0	15.3	104.9	54.7	-	54.7
Sale / Adjustment *	(0.1)	(0.9)	0.1	11.5	23.6	34.2	233.9	(1.7)	232.2
At March 31, 2016	173.4	29.4	34.7	60.7	150.5	448.7	126.8	26.0	152.8
Net Block									
At March 31, 2015	88.8	6.1	34.5	57.1	66.2	252.7	95.7	(0.0)	95.7
At March 31, 2016	82.0	10.5	39.2	56.0	63.2	250.9	103.2	(0.0)	103.2

* Fixed assets sale/adjustments includes effect of foreign currency translation amounting to ₹ 0.3 million (Previous year ₹ 0.2 million).

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		As at March 31, 2016	(₹ in million) As at March 31, 2015		As at March 31, 2016	(₹ in million) As at March 31, 2015
12. NON-CURRENT INVESTMENTS				14 LONG TERM LOANS AND ADVANCES		
Non-current investments consist of the following:			(₹ in million)	Long-term loans and advances consist of the following:		
		Quantity Nos.	Face value per unit	As at March 31, 2016	As at March 31, 2015	
Name of the Company						
a) Trade Investments				Unsecured, considered good		
In equity shares (valued at cost)				i) Security deposit for leased premises and assets	350.5	286.8
Others:				ii) Security deposit with stock exchanges	30.6	30.3
i) Bombay Stock Exchange Limited (unquoted)	22,828 (22,828)	₹ 1	0.0	iii) Advance tax (net provision for tax)	888.6	810.6
ii) Universal Trustees Private Limited (unquoted)	180,000(180000)	₹ 10	9.4	iv) Loans and advances to related parties	0.1	0.1
iii) Parabolic Drugs Limited (quoted)	794,000(794,000)	₹ 10	45.5	v) Other loans & advances		
			54.9	a) Prepaid expenses	2.3	3.6
Less : Provision for investment				b) Other security deposit	7.8	10.4
			42.7	c) Others	12.8	5.2
			12.2	vi) Capital advances	-	0.0
				TOTAL	<u>1,292.7</u>	<u>1,147.0</u>
b) Non Trade Investments				Loans and advances to related parties pertain to:		
In equity shares (valued at cost)				ICICI Lombard General Insurance Co. Limited ₹ 0.1 million (Previous year: ₹ 0.1 million)		
Others:						
i) First Source Solutions Limited (quoted)	NIL (100)	₹ 10	-			
TOTAL			12.2	0.0		
1) Aggregate amount of quoted investments (market value ₹ 4.3 million, Previous year ₹ 7.0 million)			2.8	2.8		
2) Aggregate amount of unquoted investments			9.4	9.4		
3) ₹ 0 million indicates values are lower than ₹ 1 million)						
4) Previous year's quantities are given in parenthesis.						
13. DEFERRED TAX ASSETS (NET)						
Deferred tax asset (net) consist of the following						
a) Deferred tax asset						
i) Provision for doubtful debts	32.5		39.7			
ii) Provision for gratuity	95.7		63.4			
iii) Provision for compensated absence	11.4		6.4			
iv) Provision for lease rent escalation	52.4		27.7			
v) Depreciation	38.2		36.5			
vi) Provision for investments	4.9		4.9			
vii) Provision for FCTR	0.8		-			
viii) Provision for Employee Benefits	258.9		208.5			
ix) Revenue Recognition	13.6		-			
x) MTM Loss	0.2		-			
Total Deferred tax assets	<u>508.6</u>		<u>387.1</u>			
b) Deferred tax liability						
Total	<u>508.6</u>		<u>387.1</u>			
15. OTHER NON-CURRENT ASSETS						
Other non-current assets consist of the following:						
(a) Interest receivable					0.6	3.0
(b) Fixed Deposits with banks (under lien)*						
i) In India					260.9	150.5
ii) Outside India					8.6	8.1
					<u>269.5</u>	<u>158.6</u>
TOTAL					<u>270.1</u>	<u>161.6</u>
* Fixed deposits under lien with stock exchanges amounted to ₹ 208.0 million (Previous year : ₹ 99.8 million) and kept as collateral security towards bank guarantees issued amounted to ₹ 9.1 million (Previous year : ₹ 8.2 million) and others ₹ 52.4 million (Previous year ₹ 50.6 million)						
16. STOCK-IN-TRADE						
Stock-in-trade consist of the following:						(₹ in million)
(a) Equity shares (quoted)						
a) HDFC Bank Ltd					-	235.2
(b) Non Convertible Debentures (quoted)						
i) 1.43 % HDFC NCD 28 MAR 2017					1,412.7	-
(c) Bond					-	102.9
i) 8.82% REC LIMITED (quoted)					<u>1,412.7</u>	<u>338.1</u>
TOTAL						
1. Stock in trade 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, 2016 is ₹ 1,412.7 million (Previous year: ₹ 338.1 million) and ₹ 1,412.8 million (Previous year ₹ 338.3 million) respectively.						
3. The above include securities on the Company's account due to trading errors on behalf of the customers.						

notes



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	As at March 31, 2016	(₹ in million)	As at March 31, 2015	As at March 31, 2016	(₹ in million)	As at March 31, 2015
17. 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						
(1) Considered good	2,362.4		1,375.0			
(2) Considered doubtful	0.3		0.3			
Less: Provision for doubtful debt	-		(0.3)			
TOTAL (A)	2,362.4		1,375.0			
Unsecured						
(a) Receivables outstanding for a period exceeding six months:						
(1) Considered good	9.3		11.2			
(2) Considered doubtful	77.8		87.6			
(b) Others						
(1) Considered good	561.6		345.1			
(2) Considered doubtful	7.1		15.8			
Less: Provision for doubtful debt	(84.9)		(103.4)			
TOTAL (B)	570.9		356.3			
TOTAL (A) + (B)	2,933.3		1,731.3			
Dues from directors and officers ₹ NIL (Previous year ₹ NIL)						
18. CASH AND BANK BALANCE:						
Cash and bank balances consist of the following:						
Cash and cash equivalents						
Cash and cheques on hand	19.3		0.5			
Balances with Banks						
(a) In Current accounts with banks						
i) In India	114.8		691.7			
ii) Outside India	130.0		129.2			
(b) Fixed Deposit with maturity less than 3 months	-		-			
	264.1		821.4			
Other bank balances						
Fixed deposits in India*	6,130.1		7,709.2			
TOTAL	6,394.2		8,530.6			
* Fixed deposits under lien with stock exchanges amounted to ₹ 6,100.5 million (Previous year : ₹ 7,679.9 million) and kept as collateral security towards bank guarantees issued amounted to ₹ 0.5 million (Previous year : ₹ 0.8 million) and others ₹ 29.1 million (Previous year ₹ 28.5 million)						
* Fixed deposits having maturity more than 3 months ₹ Nil (Previous year ₹ Nil million)						
19. SHORT-TERM LOANS AND ADVANCES:						
Short term loans and advances consist of the following:						
(a) Unsecured, considered good						
i) Security deposit for leased premises and assets	37.7		80.3			
ii) Other loans & advances						
a) Prepaid expenses	37.5		27.9			
b) Advance to creditors	34.2		59.5			
c) Other advances	144.2		142.4			
TOTAL	253.6		310.1			
20. OTHER CURRENT ASSETS						
Other current assets consist of the following:						
(a) Accrued income				306.7		332.9
(b) Interest receivable				212.6		292.3
TOTAL				519.3		625.2
21. INTEREST AND OTHER OPERATING INCOME						
Interest and other operating income consist of the following:						
				For the year ended March 31, 2016		For the year ended March 31, 2015
(a) Interest Income on						
i) Fixed deposits and application money				724.6		712.9
ii) Securities held as stock-in-trade				64.7		12.3
iii) Other advances and deposits				0.3		0.2
iv) Interest on late payments				156.3		179.6
(b) Dividend income				0.2		1.0
(c) Other income				10.8		4.1
TOTAL				956.9		910.1
22. PROFIT / (LOSS) ON SECURITIES (NET)						
Profit / (Loss) on securities (net) consist of the following:						
				(₹ in million)		
(a) Profit/(loss) on securities (net)				For the year ended March 31, 2016		For the year ended March 31, 2015
(b) Profit / (loss) on sale of investments				182.3		267.8
TOTAL				182.3		267.8
(₹ 0 million indicates values are lower than ₹ 1 million)						
23. EMPLOYEE BENEFITS EXPENSE						
Employee benefits expense consist of the following:						
(a) Salaries, wages and bonus				3,571.4		3,544.9
(b) Contribution to provident and other funds				233.3		181.5
(c) Staff welfare expenses				208.0		194.3
TOTAL				4,012.7		3,920.7
24. OPERATING EXPENSES						
Operating expenses consist of the following:						
(a) Brokerage and Commission (Net of recoveries ₹ 1.0 million, Previous year ₹ NIL million)				393.4		412.0
(b) Transaction charges				69.5		38.5
(c) Turnover fees and stamp duty				3.0		2.5
(d) Custodial and depository charges				300.7		383.0
(e) Call centre charges				98.6		105.5
(f) Franking charges (Net of recoveries ₹ 43.0 million, Previous year ₹ 49.9 million)				70.0		14.8
(g) Rating agency fees				2.0		2.0
(h) Scanning expenses				36.3		36.5
(i) Other operating expenses				41.5		50.6
TOTAL				1,015.0		1,045.4
25. FINANCE COST						
Finance cost consist of the following:						
(a) Interest expense				251.2		303.5
(b) Bank charges				7.2		7.5
TOTAL				258.4		311.0

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Continued

26. OTHER EXPENSES

Other expenses consist of the following:

	For the year ended March 31, 2016	For the year ended March 31, 2015	(₹ in million)
(a) Rent and amenities	744.1	855.4	
(b) Insurance	4.1	4.0	
(c) Business promotion, traveling and conveyance expenses	290.0	287.4	
(d) Repairs, maintenance, upkeep and others	330.7	357.3	
(e) Rates and taxes	110.1	88.3	
(f) Electricity expenses	85.4	84.1	
(g) Communication expenses	125.7	131.2	
(h) (Profit) / loss on sale of fixed asset (net)	12.6	15.2	
(i) Advertisement and publicity	69.9	73.7	
(j) Printing and stationery	29.3	32.3	
(k) Subscription and periodicals	73.4	68.1	
(l) Professional fees	98.4	83.2	
(m) Auditors' remuneration	11.8	10.6	
(n) Corporate social responsibility expenses	47.0	14.7	
(o) Recruitment expense	20.3	40.1	
(p) Foreign exchange (gain) / loss (net)	1.7	10.0	
(q) Donation	2.9	0.6	
(r) Miscellaneous expenses	1.7	2.0	
TOTAL	2,059.1	2,158.2	

27. EARNINGS PER SHARE

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

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Basic & diluted earning per share		
Net profit after tax, before preference dividend (₹ million)	2,387.2	2,938.7
Net profit after tax and preference dividend (₹ million)	2,387.2	2,938.7
Weighted average no. of equity shares outstanding (in million)	805.4	805.4
Basic & diluted earnings per share (₹)	2.96	3.65
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 Accounts Rules 2014, 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 Home Finance Company Limited, ICICI Investment Management Company Limited, ICICI Lombard General Insurance Company Limited, ICICI Prudential Asset Management Company Limited, ICICI Prudential Life Insurance Company Limited, ICICI Securities Primary Dealership Limited, ICICI Venture Funds Management Company Limited, ICICI Bank UK PLC, ICICI Prudential Trust Limited

C. Associate of Holding Company : ICICI Foundation for Inclusive Growth.

D. 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.

Nature of Transaction	Holding Company		Fellow Subsidiary Company	
	March 31, 2016	2015	March 31, 2016	2015
Income from services and brokerage (commission and fees)	108.7	115.1	30.6	36.9
ICICI Home Finance Company Limited			595.7	475.8
ICICI Prudential Life Insurance Company Limited			5.9	5.2
ICICI Securities Primary Dealership Limited			8.7	12.0
ICICI Lombard General Insurance Company Limited			5.3	24.9
ICICI Prudential Asset Management Company Limited			0.4	0.4
ICICI Prudential Trust Limited			0.0	0.5
ICICI Venture Funds Management Company Limited			-	0.2
ICICI Investment Management Company Limited			1.0	0.1
ICICI Bank UK PLC				
Interest income	353.4	371.3		
Staff expenses	13.1	13.9		
ICICI Securities Primary Dealership Limited			(1.0)	(1.8)
ICICI Prudential Life Insurance Company Limited			2.4	2.2
ICICI Lombard General Insurance Company Limited			84.2	70.0
Operating expenses	431.1	545.4		
ICICI Securities Primary Dealership Limited			5.3	8.6
Other expenses	134.0	155.3		
ICICI Lombard General Insurance Company Limited			3.4	2.9
ICICI Securities Primary Dealership Limited			4.3	12.4
ICICI Prudential Life Insurance Company Limited			(0.1)	0.1
Finance cost	7.8	9.7		
Dividend paid	1,610.7	1,610.7		

Nature of Transaction	Holding Company		Fellow Subsidiary Company	
	March 31, 2016	2015	March 31, 2016	2015
Share capital	1,610.7	1,610.7		
Payables	102.0	94.6	0.4	0.3
ICICI Lombard General Insurance Company Limited			0.4	3.1
ICICI Securities Primary Dealership Limited				
Fixed deposits	3,779.1	3,969.0		
Accrued interest Income	138.6	170.3		
Bank balance	104.5	685.7		
(Net of Current liabilities of ₹ 4.5 million (Previous year ₹ 3.2 million))				
Deposit			0.1	0.1
ICICI Lombard General Insurance Company Limited				
Loans & advances (including prepaid expenses)	0.7	1.3	3.4	4.7
ICICI Lombard General Insurance Company Limited			1.8	1.9
ICICI Prudential Life Insurance Company Limited			0.1	0.0
ICICI Securities Primary Dealership Limited				
Receivables	0.0	-		
ICICI Prudential Life Insurance Company Limited			114.7	1.1
ICICI Lombard General Insurance Company Limited			0.0	-
ICICI Prudential Asset Management Company Limited			1.2	1.6
ICICI Home Finance Company Limited			4.7	9.5
ICICI Securities Primary Dealership Limited			3.4	28.4
Accrued income	17.8	11.4		
ICICI Lombard General Insurance Company Limited			0.6	0.7
ICICI Prudential Life Insurance Company Limited			19.1	12.3
ICICI Prudential Asset Management Company Limited			-	2.4
ICICI Home Finance Company Limited			4.3	14.6

Nature of Transaction	Holding Company		Fellow Subsidiary Company	
	March 31, 2016	2015	March 31, 2016	2015
Purchase value of bond	1,358.0	72.8		
ICICI Securities Primary Dealership Limited			332.6	111.0
Sale value of bond	-	-		
ICICI Securities Primary Dealership Limited			200.2	

The Company has contributed ₹ 36.0 million (Previous Year ₹ 11.5 million) to the corpus of ICICI Foundation for Inclusive Growth as part of the CSR expenditure.

Key Management Personnel

The compensation for the year ended March 31, 2016 to (1) Anup Bagchi, Managing Director & CEO and (2) Ajay Saraf, Executive Director is (1) ₹ 44.6 million (Previous year ₹ 45.1 million) and (2) ₹ 29.1 million (Previous year ₹ 23.2 million) respectively.

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

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The company has received brokerage amounting to ₹ 0.3 million (Previous year ₹ 0.3 million) from the key management personnel. There are no transactions with relatives of the key management personnel (Previous year ₹ Nil).

During the year ended March, 2009, the Company had incurred managerial remuneration which was in excess of the limits specified by the relevant provisions of the Companies Act, 1956. The Company has made an application to the appropriate regulatory authorities in this regard, for payment of such excess remuneration paid to managerial personnel. The limits specified by the Companies Act, 1956 would be ₹ 4.4 million.

The Company has received correspondence in respect of Mr. A Murugappan from the Ministry of Corporate Affairs on April 21, 2011 and has sought clarifications on the same vide letter dated May 24, 2011 and letter dated February 8, 2012.

29. EMPLOYEE BENEFITS (AS 15 REVISED)

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

(₹ in million)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Change in Defined Benefit Obligation		
Opening obligations	240.8	182.5
Service cost	29.7	23.4
Interest cost	18.2	15.0
Actuarial (gain) / loss	42.7	28.6
Past service cost	-	-
Liabilities assumed on acquisition / (settled on divestiture)	-	-
Benefits paid	(18.9)	(8.7)
Total Obligation	312.5	240.8
Defined benefit obligation liability	312.5	240.8
Change in Fair Value of Assets		
Opening plans assets, at fair value	60.3	55.7
Expected return on plan assets	2.1	2.6
Actuarial gain / (loss)	(4.9)	10.6
Contributions by employer	-	-
Assets acquired on acquisition / (settled on divestiture)	-	-
Benefits paid	(18.9)	(8.7)
Plan assets		
Fair value of plan assets at the end of the year	(38.5)	(60.3)
Present value of the defined benefit obligations at the end of the period	312.5	240.8
Asset / (liability)	(274.0)	(180.5)
Cost for the period		
Service cost	29.7	23.4
Interest cost	18.2	15.0
Expected return on plan assets	(2.1)	(2.6)
Actuarial (gain) / loss	47.6	17.9
Past Service Cost	-	-
Net cost	93.4	53.7
Investment details of plan assets		
Insurer Managed Funds	96.00%	99.00%
Others	4.00%	1.00%
Assumptions		
Interest rate (p.a.)	7.65%	8.05%
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 ₹ 20.0 million (Previous year - ₹ 20.0 million) to Gratuity in 2016 - 2017

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

The following table summarizes the experience adjustments

(₹ in million)

Particulars	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Defined benefit obligation	312.5	240.8	182.5	146.1	107.8
Plan assets	38.5	60.3	55.7	41.4	45.0
Surplus/(deficit)	(274.0)	(180.5)	(126.8)	(104.7)	(62.8)
Experience adjustments on plan liabilities	24.8	24.1	21.0	13.3	(16.9)
Experience adjustments on plan assets	(4.9)	10.6	1.0	(1.3)	(0.5)

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, 2016	March 31, 2015
Discount rate	7.45%	7.85%
Increase in Incentive amount	0.00%	0.00%

30. DERIVATIVE INSTRUMENTS

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

(₹ in million)

Particulars	For the year ended March 31, 2016		For the year ended March 31, 2015	
	Quantity	Market Value (₹)	Quantity	Market Value (₹)
Type				
Futures (net)	49,650	386.5	(215,000)	(230.2)
Options (net)	(150,600)	7.1	(102,250)	6.4

31. 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, 2016		Year ended March 31, 2015	
Lease payments recognized in the Statement of Profit and Loss during the year				
- Minimum lease payments	663.4		841.0	
- Contingent Rent	-		-	
Sub-lease payments received/receivable recognized in the Statement of Profit and Loss during the year	50.1		52.0	
Minimum Lease Payments :				
- Not later than one year	236.3		251.2	
- Later than one year but not later than five years	462.2		318.3	
- Later than five years	389.3		-	
- Total of future minimum sublease payments expected to be received as at balance sheet date	-		-	

32. CAPITAL COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for is ₹ 4.6 million (Previous year ₹ 27.7 million).

33. CONTINGENT LIABILITIES

The following are details of contingent liabilities.

- Direct tax matters disputed by the Company are ₹ 1,471.9 million (Previous year - ₹ 1,247.4 million).
- Indirect tax matters disputed by the Company are ₹ 156.1 million (Previous year - ₹ 157.7 million).
- 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.

notes

forming part of the accounts

Continued

- 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.

34. CHANGE IN ACCOUNTING POLICY

With effect from April 1, 2015, the Company has changed the method of determining the cost of investments and securities held as stock in trade from weighted average basis to FIFO (First in First Out) basis. The change does not have a material impact on the financial results for the year ended March 31, 2016.

35. 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.

The Company's business is organised into three segments as mentioned below. Segments have been identified and reported taking into account the nature

Following are the disclosures for the three identified segments

of services, the differing risks and returns and internal financials reporting. Segment revenues, results, assets and liabilities have been accounted for on the basis of their relationship to the operating activities of the segment and amounts allocated on a reasonable basis. The Company generally accounts for Inter-segment transfers based on the revenue sharing arrangement agreed between the segments.

Business Segment	Principle activities
Investment & trading	Income from treasury, investment income
Broking & commission	Broking and other related activities including distribution of third party products like Mutual Fund, Life Insurance, etc. and sales credit for referred business
Advisory services	Financial advisory services such as equity-debt issue management services, merger and acquisition advice and other related activities

(₹ in million)

Particulars	Investment & trading		Broking & commission		Advisory services		Unallocated		Total	
	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
1 Segment Revenue	371.6	385.5	10,040.6	11,071.2	833.6	638.4	-	-	11,245.8	12,095.1
2 Segment Results	137.0	169.7	3,463.0	4,211.2	141.0	115.9	-	-	3,741.0	4,496.8
3 Income Tax expenses (net of deferred tax credit)	-	-	-	-	-	-	1,353.8	1,558.1	1,353.8	1,558.1
4 Net profit (2) - (3)									2,387.2	2,938.7
5 Segment Assets	2,172.8	2,412.6	10,048.7	9,811.1	356.2	207.2	1,397.2	1,197.7	13,974.9	13,628.6
6 Segment Liabilities	1,029.6	1,111.0	8,389.8	8,579.4	459.8	313.0	114.1	102.1	9,993.3	10,105.5
7 Cost of Acquisition of segment assets	0.4	0.6	178.9	171.4	6.8	8.6	-	-	186.1	180.6
8 Depreciation	0.4	0.5	151.8	155.3	7.4	7.2	-	-	159.6	163.0

36. SUBSIDIARY PROPORTION IN ASSETS AND STATEMENT OF PROFIT AND LOSS

The Company is presenting consolidated financial statements and hence in accordance with Schedule III of Companies Act 2013 – subsidiaries proportion information is disclosed in the consolidated financial statements.

(₹ in million)

Name of the Entity	Type	Residential Status	Net Assets (Value)		As (%) of consolidated Net Assets		Share in Statement of Profit and Loss		As (%) of consolidated Statement of Profit and Loss	
			As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2016	For the year ended March 31, 2015
1 ICICI Securities Ltd.	Parent	Indian	3,816.9	3,397.0	96%	96%	2,517.1	3,065.6	105%	104%
2 ICICI Securities Holding Inc.	Subsidiary	Foreign	38.7	31.6	1%	1%	0.9	(0.7)	0%	0%
3 ICICI Securities Inc.	Step-down Subsidiary	Foreign	126.0	94.5	3%	3%	(130.8)	(126.2)	-5%	-4%
Total			3,981.6	3,523.1	100%	100%	2,387.2	2,938.7	100%	100%

37. ADDITIONAL DISCLOSURE

Additional statutory information disclosed in separate financial statements of the parent and subsidiaries having no material bearing on the true and fair view of the consolidated financial statements and the information pertaining to the items which are not material have not been disclosed in the consolidated financial statements.

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

As per our report attached

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

Per SHRAWAN JALAN
Partner
Membership No.: 102102

Mumbai, April 28, 2016

For and on behalf of the Board

CHANDA KOCHHAR
Chairperson

ANUP BAGCHI
Managing Director & CEO

RAJU NANWANI
Company Secretary

UDAY CHITALE
Director

AJAY SARAF
Executive Director

PRASHANT MOHTA
Chief Financial Officer

consolidated cash flow statement



for the year ended March 31, 2016

I-SEC

	For the year ended March 31, 2016	For the year ended March 31, 2015
A Cash flow from operating activities		
Profit before tax	3,741.0	4,496.8
- (Profit)/loss on sale of fixed assets	12.6	15.2
- (Profit)/loss on sale of Investment	(0.0)	(97.5)
- Depreciation	159.6	163.0
- Interest expense	251.2	303.5
- Foreign currency translation reserve	9.9	5.5
- Foreign exchange (gain) / loss (net)	1.7	10.0
- Bad and doubtful debts (net)	-	-
Operating profit before changes in operating assets and liabilities	<u>4,176.0</u>	<u>4,896.5</u>
Adjustments for net change in operating assets and liabilities		
- Current assets excluding cash and cash equivalents	(711.4)	937.2
- Current Liabilities relating to operations	<u>410.9</u>	<u>(2,042.6)</u>
Cash generated from operations	<u>(300.5)</u>	<u>(1,105.4)</u>
Payment of taxes (net)	<u>3,875.5</u>	<u>3,791.1</u>
Net cash from operating activities	<u>(1,553.3)</u>	<u>(1,578.6)</u>
B Cash flow from investment activities		
- (Purchase) / sale of investments (net)	0.0	1,088.1
- (Purchase) / sale of fixed assets (net)	<u>(165.0)</u>	<u>(199.3)</u>
Net cash used in investment activities	<u>(165.0)</u>	<u>888.8</u>
C Cash flow from financing activities		
- Increase/ (decrease) in borrowings (net)	(536.7)	(906.0)
- Interest paid	(251.2)	(303.5)
- Dividends and dividend tax paid	<u>(1,926.6)</u>	<u>(2,105.4)</u>
Net cash used in financing activities	<u>(2,714.5)</u>	<u>(3,314.9)</u>
Net change in cash & cash equivalents	<u>(557.3)</u>	<u>(213.6)</u>
Cash and cash equivalents at the beginning of the year	<u>821.4</u>	<u>1,035.0</u>
Cash and cash equivalents at the end of the year	<u>264.1</u>	<u>821.4</u>
Components of cash and cash equivalents (Note 18)		
Cash and cheques on hand	19.3	0.5
In current account with banks		
- In India with scheduled banks	114.8	691.7
- Outside India	130.0	129.2
Fixed deposit with maturity less than 3 months	-	-
Total Cash and cash equivalents	<u>264.1</u>	<u>821.4</u>

Cash and cash equivalents at the end of the period excludes:

- Fixed deposits under lien ₹ 6,399.6 millions (March 31, 2015 ₹ 7,867.8 millions) and
- Fixed deposits having maturity more than 3 months ₹ Nil (March 31, 2015 ₹ Nil million).

This is the Consolidated 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

Mumbai, April 28, 2016

For and on behalf of the Board of Directors

CHANDA KOCHHAR
Chairperson

ANUP BAGCHI
Managing Director & CEO

RAJU NANWANI
Company Secretary

UDAY CHITALE
Director

AJAY SARAF
Executive Director

PRASHANT MOHTA
Chief Financial Officer

ICICI VENTURE FUNDS MANAGEMENT COMPANY LIMITED

28TH ANNUAL REPORT AND ANNUAL ACCOUNTS 2015-2016

Directors

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

Auditors

B S R & Co. LLP
Chartered Accountants

Registered Office

ICICI Venture House
 Appasaheb Marathe Marg
 Prabhadevi
 Mumbai – 400 025

Madhusudhan Nair
Company Secretary

Regional Office

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

directors' report

to the members

Your Directors have pleasure in presenting the Twenty Eighth Annual Report of ICICI Venture Funds Management Company Limited (the "Company") together with the audited financial statements of accounts for the financial year ended March 31, 2016.

1. FINANCIAL HIGHLIGHTS:

The financial performance for Financial Year 2015-2016 is summarized in the following table:

Particulars	(₹ million)	Fiscal 2016	Fiscal 2015
Profit before taxation	(205.1)	69.5	
Profit after taxation	(212.3)	8.7	
Appropriations :			
General Reserve	Nil	Nil	
Interim Dividend	-	1.0	
Corporate tax on Dividend	-	0.2	
Balance carried forward to next year	1,282.5	1,494.8	

The Company incurred a loss of ₹ 212.3 million for the year. After taking into account profit of ₹ 1,494.8 million brought forward, the Company's disposable profit stands at ₹ 1,282.5 million. During the financial year 2015-2016, your Company has not paid dividend.

Analysis of Financial Performance:

During the year, your Company earned a total income of ₹ 699.1 million as compared to ₹ 1,186.4 million in the previous year. Of the total income, income from investments in venture capital funds was ₹ 56.7 million during the year, as compared to the previous year's income of ₹ 10.6 million. Fee income from funds under management was ₹ 391.2 million during the year, as compared to the previous year's income of ₹ 804.9 million. Operating expenses were at ₹ 860.2 million as compared to ₹ 1,070.2 million in the previous year. Consequently, your Company's profit/ (loss) before tax for the year under review was ₹ 205.1 million, as compared to the previous year's profit before tax of ₹ 69.5 million. After providing for tax, including deferred tax, for the current year, profit / (loss) after tax was ₹ (212.3) million as compared to the previous year's profit after tax of ₹ 8.7 million.

As required under section 134 (3) of the Companies Act, 2013, there were 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 financial statements relate and the date of the report.

2. OPERATIONAL REVIEW :

YEAR IN RETROSPECT:

Despite global macro-economic headwinds, India is now expected to be the fastest growing major economy over the next few years, as per recent World Bank projections. An indication of improvement in sentiment is the increase in inflows from Foreign Institutional Investors (FIIs) (now Foreign Portfolio Investors) who have invested around ₹ 982 billion and ₹ 130 billion in Indian equity in 2014 and 2015. Strong improvement in domestic sentiment is also visible in increased domestic flows in equity markets with mutual funds investing ₹ 710 billion in Indian equity in CY2015 which was a record high.

Decline in inflation rates leading to softening of interest rates is expected to play a positive role in Indian growth over the next few years. The Consumer Price Index and Wholesale Price Index declined to 5.4% and -2.0% respectively in November 2015 driven partly by declining global commodity prices. Prevalence

of high inflation rates had prevented India from softening interest rates in the period since the recent slowdown which is believed to have been one of the factors resulting in a depressed private investment environment in the country. Therefore the recent softening of interest rates, wherein the RBI has reduced the repo rate in stages to a level of 6.75% in September 2015 from a level of 8% in July 2014, has been welcomed by the industry. This is expected to give a boost to investment demand. Furthermore, a decline in inflation has led to positive real rates and is expected to lead to an increase in household financial savings as well. These trends, coupled with a reduction in Incremental Capital Output Ratio (ICOR) (reducing due to an increase in project completion rates), are expected to be a major driver of Gross Domestic Product (GDP) growth going forward.

The current account deficit has also begun to show signs of improvement. In FY 2014 the current account deficit reduced to 1.7% of GDP from 4.7% in FY 2013. This improvement was primarily driven by a policy-induced correction in gold imports. This has further improved to 1.4% of GDP in FY 2015 and is expected to remain at similar levels in FY 2016 aided by the sharp reduction in global commodity prices. A period of low commodity prices is expected to lead to a period of low inflation and low current account deficit.

In conjunction with the expected improvements in the Indian macroeconomic and business environments, the Indian private equity industry has matured over the last few years in several important ways. The domestic private equity conditions, such as the availability of bigger ownership stakes and a greater talent pool for management teams, have improved. With a general maturing of the industry and a greater number of players at size ranges within the market, India has seen an opening up of exit options as well as a steady increase in the number of secondary transactions, creating an opportunity for experienced managers with a longstanding reputation and deep roots within the market. Also there has been significant deal activity in the mid-market private equity space across sectors during the last few years. CY2015 was a record year for the Indian alternative asset management industry with aggregate investments estimated at US\$ 19 billion and aggregate exit realizations of over US\$ 9 billion.

PORTFOLIO AND FUND STRATEGY:

As on March 31, 2016, your Company had seven funds under management and an eighth fund under raise across 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 exited with only one investment pending to be exited. The Fund has achieved a realized gross Internal Rate of Return (IRR) of approximately 47.8% 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 FY 2015-2016, your Company concluded full exits from five portfolio companies of IAF Series 2 which resulted in aggregate realizations of over ₹ 1.99 billion to the Fund. Investor consent was obtained for maintaining status quo in operations of the funds after October, 2015 as per Fund Documents till disposal of all residual investments.

India Advantage Fund Series 3 (IAF Series 3)

Having concluded its investments in nine portfolio companies (eight of them being unlisted at the time of making investments) in previous years, your Company has been focused on initiating exits from the portfolio by creating

directors' report



liquidity pathways in various companies. Having initiated exits from two portfolio companies and having created a liquidity pathway in a third company in the previous year, your Company successfully initiated an exit from a third company during FY2015-2016 which resulted in aggregate realizations of over ₹ 1.30 billion to the Fund at attractive returns, taking the overall realizations in this fund to over ₹ 4.15 billion. Your Company also commenced work on creating liquidity pathways in another two portfolio companies during the year.

India Advantage Fund S4 I (IAF S4 I)

During the year, your Company concluded the first closing of the fourth Private Equity fund, India Advantage Fund Series 4. The closing saw strong support from the existing investors as well as first time investors, including a large global LP.

(B) REAL ESTATE:

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

During the year, your Company continued to focus on project progress and exits from the Funds' investments. Your Company was able to conclude exits from two portfolio companies of the Funds during the year, which resulted in aggregate realizations of ₹ 2.61 billion to the Funds. Your Company is at an advanced stage of negotiating an exit from another portfolio company of the Funds. Your Company implemented a voluntary liquidity option for investors in the Funds during June – July 2014, which resulted in your Company making an investment of ₹ 2.67 billion in acquiring units of IAF III and IAF IV and certain direct investments in portfolio companies of these Funds. This was partially funded through loan facilities availed of from Kotak Mahindra Bank and ICICI Bank. The outstanding investment against these units of IAF III and IAF IV and direct investments in portfolio companies of these Funds was ₹ 1.73 billion as at March 31, 2016.

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

During the year, your Company concluded exits from three investments made by this Fund, thus cumulatively concluding exits from five out of the eight investments made by this Fund. The Fund has cumulatively distributed ₹ 2.25 billion to its investors as at March 31, 2016, which works out to ~ 88 % of the drawn down amount.

(C) INFRASTRUCTURE:

Co-sponsored Power Platform with Tata Power

Further to the Memorandum of Understanding (MOU) executed with The Tata Power Company Limited (TPC) last year to set up a platform company to facilitate investments in power sector in India, during the current financial year, your Company along with TPC secured commitments from some of the largest global blue-chip investors for the Platform. The Platform is expected to have an initial capital aggregating US\$ 843 million which can be upsized going forward in sync with market opportunities. The documentation for the Platform are in the final stages of discussion and expected to be executed early in FY 2017. The Platform's investment thesis targets acquisition of controlling stakes of power generation (thermal & hydro power) and transmission assets in India.

(D) SPECIAL SITUATIONS FUND:

AION PE 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 US\$ 160 billion. AION is one of the largest India focused alternative funds raised in recent years and has a number of highly reputed international investors.

The Fund had a very active year both in terms of fresh investments as well as exits from portfolio companies. During the year, two new investments were successfully concluded (one of which is currently awaiting regulatory approvals) from the Fund taking its overall portfolio to six companies. The first is in a bottling company for one of the largest global beverage companies. The second deal is a control transaction in a franchise financial services business.

In addition the Fund fully exited one of its early investments in an electrical goods manufacturing and marketing companies. The investment was a very successful one for the Fund, where it was able to show high quality returns to its investors very early in the life cycle of the Fund. The Fund has a strong pipeline of deals and is actively evaluating a number of potential new investment opportunities across various sectors.

(E) FUND RAISING:

During the year, your Company concluded the first closing of the fourth Private Equity fund, India Advantage Fund Series 4. The closing saw strong support from the existing investors as well as first time investors, including a large global LP. The fund was able to attract many investors with its growth oriented investment thesis in mid-market companies in India combined with the strong track record of your Company in investing and exiting from such investments, especially during the post Global Financial Crisis (GFC) era. Since 2009, your Company has concluded exits worth over US\$ 1.3 billion across 51 exit deals across various funds managed or advised by the Company (including US\$ 845 million across 33 exit transactions in the PE vertical alone), using diverse exit strategies. This exit track record continues to remain unbeaten in the Indian mid-market space. Consequently, your Company has raised fresh commitments aggregating to over US\$ 1 billion across the different offerings during FY2015-2016. Whereas documentation has been concluded for some of these commitments, it is currently at advanced stages in the remaining cases. Your Company has also commenced work on identifying potential new alternative investment offerings relevant to the urban housing and commercial office development segments of the Indian market.

(F) OUTLOOK:

The political and regulatory environment is expected to favour private equity to a greater extent going forward. Initial actions taken by the government suggest that it will focus on activities that deliver broad and deep growth, which in turn could create significant investment opportunities. It is expected that such structural reforms proposed by the government in areas of infrastructure and foreign investment, as well as the ease of conducting business in general, is expected to improve business sentiment resulting in a more robust business environment for India's corporate sector. Given the significant capital available with your Company across various capital pools, your Company is well placed to leverage on a wide array of investment opportunities across various segments of the Indian alternative investment market during the coming years.

3. PUBLIC DEPOSITS :

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

4. DIRECTORS :

During the year under review, Lalita D. Gupte, K. N. Memani, H. N. Sinor, S. Mukherji and Sridar Iyengar (existing Independent Directors of the Company) were formally appointed as the Independent Directors as per the provisions of Companies Act, 2013 w.e.f. April 01, 2015 till the expiry of the residual term of their respective tenure as per the norms governing the Board of Directors of the Company. The Independent Directors are not liable to retire by rotation as per the Companies Act, 2013.

Declaration by Independent Directors: Section 149 of the Companies Act, 2013 (CA 2013) prescribes the criteria for independence of a director and the requirement of taking an annual declaration from the directors confirming their adherence to the criteria. In order to ensure compliance with the aforesaid provision, declaration of independence has been taken in accordance with Section 149 of the CA 2013 from Independent Directors and has been placed before the Board at its Meeting held on April 21, 2016.

The Board of Directors of ICICI Bank Limited, had, at its meeting held on November 16, 2015, decided to appoint Vishakha Mulye, Ex. Managing Director & CEO of the Company, as Executive Director of ICICI Bank, subject to the approval of Reserve Bank of India (RBI).

On December 01, 2015, the Board of Directors of the Company had accepted Vishakha Mulye's cessation as Director on the Board of ICICI Venture with effect from December 1, 2015. Since December 01, 2015, Prashant Purker took over as the Managing Director & CEO of ICICI Venture in place of Mulye.

The shareholders of the Company had at their Extra-Ordinary General Meeting held on March 18, 2016, re-appointed Prashant Purker and Mohit Batra as Executive Directors (Whole-Time Directors) of the Company with effect from August 13, 2015 for a period of five years or till date of retirement, whichever is earlier, at such remuneration as may be decided by Nomination & Remuneration Committee ("NRC" or "Committee") and approved by the Board from time to time, subject to the approval of central government, if required.

directors' report

At the same Meeting the shareholders also approved appointment of Prashant Purker as the Managing Director and CEO of the Company with effect from December 01, 2015 for a period of five years or till date of retirement, whichever is earlier, at such remuneration as may be decided by NRC and approved by the Board from time to time, subject to the approval of central government, if required.

As per Section 152 of the Companies Act, 2013, Mohit Batra retires by rotation at the ensuing AGM of the Company and, being eligible, offers himself for re-appointment.

5. AUDITORS :

At the Annual General Meeting (AGM) held on June 24, 2015, the Members approved appointment of M/s. B S R & Co LLP, Chartered Accountants, Bangalore (Firm Registration Number: 101248W/W-100022), as statutory auditors of the Company, for a period of five (5) years from the Twenty Seventh AGM until the conclusion of the Thirty Second AGM of the Company subject to ratification by the Members every year. As recommended by the Audit Committee, the Board has proposed re-appointment of M/s. B S R & Co LLP, Chartered Accountants, Bangalore (Firm Registration Number: 101248W/W-100022), as statutory auditors of the Company for fiscal 2017. The re-appointment is accordingly proposed in the Notice convening the current AGM vide item no. 4 for ratification by the Members.

6. FOREIGN EXCHANGE EARNINGS AND OUTGO :

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows is given below:

Sr. No.	Particulars	Foreign Exchange earned in terms of actual inflows during the year	Foreign Exchange outgo during the year in terms of actual outflows
1	Foreign Currency Inflow	144.4	-
2	Foreign Currency outflow	-	64.9

(₹ million)

7. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION :

Since your Company does not own any manufacturing facility, the disclosure of information on other matters required to be disclosed in terms of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, are not applicable and hence have not been given.

8. PERSONNEL :

Information required to be disclosed in accordance with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forming part of the Directors' Report for the year ended March 31, 2016 is not applicable to the Company.

9. EMPLOYEE STOCK OPTION SCHEME :

The Company has not issued any Employee Stock Options during the year under review.

10. AUDIT COMMITTEE :

The Audit Committee comprises of K. N. Memani as Chairman, H. N. Sinor and S. Mukherji as Members of the Committee.

During the Financial Year 2015-2016, the Audit Committee met on April 21, 2015, June 16, 2015, July 22, 2015, October 14, 2015, December 11, 2015 and January 21, 2016 i.e. six (6) times. The Committee meets, inter alia, to review the accounts of the Company, to discuss the audit findings and recommendations of the internal and statutory auditors. The recommendation(s), if any, made by the Audit Committee had been accepted by the Board.

11. CORPORATE SOCIAL RESPONSIBILITY :

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

During the Financial Year 2015-2016, the CSR Committee met twice i.e. on July 22, 2015 and January 21, 2016.

The CSR Policy of the Company has been put up on the website of the Company. The disclosure of contents of the CSR Policy as per Rule 9 of the Companies (Accounts) Rules and annual report on CSR activities as required under Section 135 of the Companies Act, 2013 read with Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014, as amended, forming part of the Directors' Report for the year ended March 31, 2016 is enclosed as an "Annexure 1" to this Report.

12. NOMINATION AND REMUNERATION COMMITTEE :

The NRC comprises of H. N. Sinor as Chairperson, Lalita D. Gupte, Member, K. N. Memani, Member, S. Mukherji, Member, Sridar Iyengar, Member and K. Ramkumar, Member. During the Financial Year 2015-2016, the NRC met thrice i.e. on April 21, 2015, October 14, 2015 and December 01, 2015.

Your Company has formulated a Remuneration Policy for its Directors, Senior Management and other employees containing the criteria / basis of their appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Section 178 of the Companies Act, 2013.

13. NUMBER OF MEETINGS OF THE BOARD :

During the Financial Year 2015-2016, the Board of your Company met nine (9) times on April 21, 2015, June 16, 2015, June 29, 2015, July 22, 2015, October 14, 2015, October 14, 2015 (Strategy Meeting), December 01, 2015, December 11, 2015 and January 21, 2016.

14. EXTRACT OF ANNUAL RETURN :

The extract of the annual return in Form MGT-9 as required under Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, as amended, forming part of the Directors' Report for the year ended March 31, 2016 is enclosed as an "Annexure 2" to this Report.

15. VIGIL MECHANISM :

As required under Section 177 of the Companies Act, 2013, the Company has established the vigil mechanism for directors and employees to report genuine concerns through the Whistle Blower Policy of the Company and the same has been disclosed by the Company on its website.

The Whistle Blower Policy of the Company provides for adequate safeguards against victimisation of persons who use such vigil mechanism and makes provision for direct access to the chairperson of the Audit Committee of the Company in appropriate or exceptional cases.

16. AUDITORS' REPORT :

There are no qualifications, reservations, adverse remarks or disclaimers made by the Statutory Auditors in their report.

17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013 :

There were no Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 during the year under review.

18. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES :

The particulars of contracts or arrangements with related parties in Form AOC-2 under sub-section (1) of Section 188 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, as amended, forming part of the Directors' Report for the year ended March 31, 2016 is enclosed as an "Annexure 3" to this Report.

19. RISK MANAGEMENT:

Your Company has an operational risk management policy which provides for identification of operational risks and related controls. It has carried out self risk assessment to identify the operational risks faced by the Company and has put in place a mechanism to monitor the same.

20. INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY :

Your Company has an Internal Control System commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit (IA) function is defined in the Group Internal Audit Charter. To maintain its objectivity and independence, the IA function reports to the Chairperson of the Audit Committee of the Board.

The Internal Audit department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies. Key audit findings and corrective actions thereon are presented to the Audit Committee of the Board.

21. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY :

There are no significant and / or material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company.

22. HOLDING AND SUBSIDIARIES - RULE 8(5)(IV) OF COMPANIES (ACCOUNTS) RULES, 2014

Your Company continues to be the Subsidiary of ICICI Bank Limited. There are no subsidiaries, associates and joint venture companies of the Company which need to be reported.

directors' report



23. CHANGE IN NATURE OF BUSINESS

During the year, there was no change in nature of business of the company.

24. INFORMATION REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013 :

There were no complaints reported under the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

25. DIRECTORS RESPONSIBILITY STATEMENT :

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

- a) that in the preparation of the annual financial statements for the financial year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanation and that there are no material departures;
- b) that such accounting policies as mentioned in Note 2 of the Notes to the Financial Statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit / loss of the Company for that financial year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d) that the annual financial statements have been prepared on a going concern basis; and
- e) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

26. 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 places on record its appreciation for the valuable services and guidance given by Vishakha Mulye to the Company during her tenure as the Managing Director & CEO of the Company.

The Board also wishes to thank ICICI Bank Limited - its parent company, other group companies, 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
ICICI Venture Funds Management Company Limited

LALITA D. GUPTA
Chairperson

Mumbai, April 21, 2016

Annexure 1

Annual Report on Corporate Social Responsibility (CSR) Activities:

1. A BRIEF OUTLINE ON THE COMPANY'S CSR POLICY, INCLUDING OVERVIEW OF PROJECTS OR PROGRAMS PROPOSED TO BE UNDERTAKEN AND A REFERENCE TO THE WEB-LINK TO THE CSR POLICY AND PROJECTS OR PROGRAMS:

Corporate Social Responsibility (CSR) has been a long-standing commitment at ICICI Venture and the ICICI Group and forms an integral part of our activities. The Group's contribution to social sector development includes several pioneering interventions, and is implemented through the involvement of stakeholders within the Group and the broader community. ICICI Bank Limited (parent company) established the ICICI Foundation for Inclusive Growth (ICICI Foundation) in 2008 with a view to significantly expand the ICICI Group's activities in the area of CSR. Over the last few years ICICI Foundation has developed significant projects in specific areas, and has built capabilities for direct project implementation as opposed to extending financial support to other organizations.

The CSR Policy of ICICI Venture sets out the framework guiding the CSR activities. The CSR Policy also sets out the rules that need to be adhered to while taking up and implementing CSR activities.

The CSR Committee is the governing body that will articulate the scope of CSR activities for ICICI Venture and ensure compliance with the CSR Policy.

The CSR Committee would comprise of three or more Directors including at least one Independent Director.

The Company's CSR activities are largely focused in the areas of education, health, skill development & sustainable livelihoods and financial inclusion, support employee engagement in CSR activities, any specific needs such as natural disasters, through financial and logistical support and other activities as the Company may choose to select in fulfilling its CSR objectives.

The CSR policy was approved by the Committee in October 2014, and subsequently was posted to the Company's website. Web-link to the Company's CSR policy: http://www.iciciventure.com/about_social.php

2. THE COMPOSITION OF THE CSR COMMITTEE:

The Company's CSR Committee comprises of five independent Directors as follows:

- Sridar Iyengar, Chairperson
- Lalita D. Gupte, Member
- K. N. Memani, Member
- H. N. Sinor, Member
- S. Mukherji, Member

The Terms of Reference of CSR Committee include the following:

- Formulate and recommend to the Board the CSR Policy and any amendments thereto;
- Indicate the activities to be undertaken by ICICI Venture as specified in the Act;
- Review and recommend the CSR plan to the Board;
- Monitor the CSR activities and compliance with the Corporate Social Responsibility Policy (CSR Policy).

3. AVERAGE NET PROFIT OF THE COMPANY FOR LAST THREE FINANCIAL YEARS:

The average net profit of the Company for the last three financial years calculated as specified by the Companies Act, 2013 was approximately ₹ 180 million.

4. PRESCRIBED CSR EXPENDITURE (TWO PERCENT OF THE AMOUNT AS IN ITEM 3 ABOVE)

The prescribed CSR expenditure requirement for FY 2016 was approximately ₹ 3.6 million.

5. DETAILS OF CSR SPENT DURING THE FINANCIAL YEAR.

(a) Total amount to be spent for the financial year:

Total amount spent towards CSR during FY 2016 was approximately ₹ 0.9 million.

(b) Amount unspent, if any – ₹ 2.7 million.

directors' report



(c) Manner in which the amount spent during the financial year is detailed below:

(Amount - ₹)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (Budget) project or programs wise	Amount spent on the projects or programs Sub heads: (1) Direct expenditure on project or programs (2) Overheads	Cumulative Expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	Projects of ICICI Foundation for Inclusive Growth	1. Promoting education, employment enhancing vocational skills, livelihood enhancement projects; 2. Eradication of hunger, poverty and malnutrition, promoting preventive healthcare	<ul style="list-style-type: none"> 22 skill training centres located in Bangalore, Bhubaneswar, Chennai, Coimbatore, Delhi, Durg, Guwahati, Hyderabad, Indore, Jaipur, Kochi, Kolkata, Lucknow, Mumbai, Mysore, Nagpur, Narsobawadi, Patna, Pune, Trichy, Vijaywada and Zirakpur. Elementary education projects in Rajasthan and Chhattisgarh. Healthcare programmes including in Baran (Rajasthan). 	412,000	412,000	7,458,333	Amount spent through ICICI Foundation for Inclusive Growth. The Foundation was set up in 2008 to focus on activities in the area of CSR.
2	Contribution towards relief and welfare in calamity affected areas	Contribution to Prime Minister's / Chief Minister's Relief Fund	Chennai Flood Relief during FY 2015-16	459,885	459,885	1,489,552	Direct
Total				871,885	871,885	8,947,885	

* Give details of implementing agency.

6. IN CASE THE COMPANY HAS FAILED TO SPEND THE TWO PERCENT OF THE AVERAGE NET PROFIT OF THE LAST THREE FINANCIAL YEARS OR ANY PART THEREOF, THE COMPANY SHALL PROVIDE THE REASONS FOR NOT SPENDING THE AMOUNT IN THE BOARD REPORT.

Considering that the Company has reported losses during the FY 2015-2016, the Board of Directors of the Company had decided not to spend an amount of ₹ 2.7 million for the year.

7. A RESPONSIBILITY STATEMENT OF THE CSR COMMITTEE THAT THE IMPLEMENTATION AND MONITORING OF CSR POLICY, IS IN COMPLIANCE WITH CSR OBJECTIVES AND POLICY OF THE COMPANY.

The CSR Committee hereby confirms that the implementation and monitoring of CSR activities is in compliance with CSR objectives and the CSR Policy of the company.

Sd/-

Sd/-

PRASHANT PURKER
MD & CEO

SRIDAR IYENGAR
Chairperson - CSR Committee

directors' report

Annexure 2

FORM NO. MGT - 9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	U72200MH1989PLC166901
Registration Date	January 5, 1988
Name of the Company	ICICI Venture Funds Management Company Limited
Category / Sub-Category of the Company	Company having Share Capital
Address of the Registered office and contact details	ICICI Venture House, Ground Floor, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025. Tel. No. 022 – 6655 5050
Whether listed company	No
Name, Address and Contact details of Registrar and Transfer Agent, if any	3i Infotech Limited, Tower # 5, 3rd to 6th Floor, International Infotech Park, Vashi, Navi Mumbai - 400 703. Tel. No. 022 - 6792 8070

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Asset Management Services	65999	75.2%
2	Others	74999	24.8%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
ICICI Bank Limited, Landmark Race Course Circle, Alkapuri, Baroda, Gujarat – 390 015	L65190GJ1994PLC021012	Holding	100%	2(46)

directors' report



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF									
b) Central Govt									
c) State Govt (s)									
d) Bodies Corp.									
e) Banks / FI	999,994	6	1,000,000	100%	999,994	6	1,000,000	100%	-
f) Any Other									
Sub-total (A) (1):-	999,994	6	1,000,000	100%	999,994	6	1,000,000	100%	-
(2) Foreign									
a) NRIs - Individuals									
b) Other – Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other....									
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A) (1)+(A)(2)	999,994	6	1,000,000	100%	999,994	6	1,000,000	100%	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FII's									
h) Foreign Venture Capital Funds									
i) Others (specify) – unlisted public companies									
Sub-total (B)(1):-									
2. Non-Institutions									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh									
c) Others (specify)									
Sub-total (B)(2):-									
Total Public Shareholding (B)=(B)(1)+(B)(2)									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	999,994	6	1,000,000	100%	999,994	6	1,000,000	100%	NIL

directors' report

ii) Shareholding of Promoters :

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	% change in share holding during the year
1	ICICI Bank Limited (along with its nominees)	1,000,000	100%	-	1,000,000	100%	-	-
	Total	1,000,000	100%	-	1,000,000	100%	-	-

iii) Change in Promoters' Shareholding (please specify, if there is no change) – No change in the Promoters' Shareholding in the Company

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1,000,000	100%	1,000,000	100%
	Date wise Increase / Decrease in Promoters Share Holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			Not Applicable	
	At the End of the year	1,000,000	100%	1,000,000	100%

Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.		For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the Year		—	—	—	—
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)		—	—	—	—
	At the End of the year (or on the date of separation, if separated during the year)		—	—	—	—

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year					
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):					
	At the End of the year					

None of the Directors hold shares in the Company.
KMP is not applicable to the Company.

directors' report



V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ Million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year				
• Addition	969.0	Nil	Nil	969.0
• Reduction	1,579.9	Nil	Nil	1,579.9
Net Change	610.9	Nil	Nil	610.9
Indebtedness at the end of the financial year				
i) Principal Amount	1,567.7	Nil	Nil	1,567.7
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	4.2	Nil	Nil	4.2
Total (i+ii+iii)	1,571.9	Nil	Nil	1,571.9

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ Million)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Vishakha Mulye, MD & CEO	Prashant Purker, Executive Director (WTD)	Mohit Batra, Executive Director (WTD)	
1.	Gross salary	29,242,149	26,136,257	20,421,695	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	528,911	396,715	1,478,189	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL
4	Commission - as % of profit - others, specify...	NIL	NIL	NIL	NIL
5	Others, please specify – (Retirals & Other benefits)	NIL	NIL	NIL	NIL
Total (A)					
	Ceiling as per the Act	As per Schedule V of the Act	As per Schedule V of the Act	As per Schedule V of the Act	

B. Remuneration to other directors:

(₹ Million)

Sl. No.	Particulars of Remuneration	Name of the Director					Total Amount
		Lalita Gupte	H. N. Sinor	K. N. Memani	S. Mukherji	Sridar Iyengar	
1.	Independent Directors ➤ Fee for attending board / committee meetings ➤ Commission ➤ Others, please specify	0.86	0.98	0.84	0.98	0.64	4.3
	Total (1)	0.86	0.98	0.84	0.98	0.64	4.3
2.	Other Non-Executive Directors ➤ Fee for attending board / committee meetings ➤ Commission ➤ Others, please specify				NIL		
	Total (2)				NIL		
	Total (B)=(1+2)						4.3

directors' report

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD – Not Applicable

Sl. No.	Particulars of Remuneration	Key Managerial Personnel				Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—	—	—	—
2	Stock Option	—	—	—	—	—
3	Sweat Equity	—	—	—	—	—
4	Commission - as % of profit - others, specify...	—	—	—	—	—
5	Others, please specify	—	—	—	—	—

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: - NIL

Type	Name of the Act and section under which penalized / punished	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	—	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Punishment	—	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Compounding	—	Not Applicable	Not Applicable	Not Applicable	Not Applicable
B. DIRECTORS					
Penalty	—	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Punishment	—	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Compounding	—	Not Applicable	Not Applicable	Not Applicable	Not Applicable
C. OTHER OFFICERS IN DEFAULT					
Penalty	—	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Punishment	—	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Compounding	—	Not Applicable	Not Applicable	Not Applicable	Not Applicable

annexure 3

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3)of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: - NIL

2. Details of material contracts or arrangement or transactions at arm's length basis:

ICICI Venture Funds Management Company Limited ("Company" or "ICICI Venture") undertakes various transactions with related parties in the ordinary course of business. The Company has a Board approved policy on related party transactions. ICICI Venture, being a subsidiary of ICICI Bank Limited, also adheres to the Group's Arms' Length Policy which requires all the transactions with the Group companies to be at arm's length. The transactions between ICICI Venture and its related parties, during the year ended March 31, 2016, were based on the principles of arm's length.

The details of material related party transactions at an aggregate level for year ended March 31, 2016 are as follows:

Sr. no	Nature of contracts / transactions	Name of the related party	Nature of relationship	Duration of contracts	Salient terms of contracts/actions	(₹ million)
1.	Repayment of borrowings	ICICI bank Limited	Holding Company	5 years	Pre-payment of term loan	721.9
2.	Interest on term loan	ICICI bank Limited	Holding Company		Interest paid at contractual interest rate	161.2
3.	Redemption of units	India Advantage Fund IV	Associate	Not applicable	Redemption of units by the Fund	351.3

For and on behalf of the Board of Directors
ICICI Venture Funds Management Company Limited

Sd/-

Place: Mumbai
Date: April 21, 2016

LALITA D. GUPTA
Chairperson

independent auditors' report



to the members of ICICI Venture Funds Management Company Limited

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of ICICI Venture Funds Management Company Limited ("the Company"), which comprise the balance sheet as at March 31, 2016, 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 standalone financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone 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 specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 financial control relevant to the Company's preparation and presentation of the financial statements that give a true and fair view 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 the Company's 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 on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at March 31, 2016, and its loss and its cash flows for the year ended on the date.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) we have sought and 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 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 aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) on the basis of the written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act;
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer note 25.2 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration Number: 101248W / W-100022

Sd/
Supreet Sachdev
Partner
Membership Number: 205385

Bengaluru, April 21, 2016

annexure - a to the independent auditors' report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2016, we report that:

- 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 fixed assets are verified in a phased manner over a period of two years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
 - ii The Company is an Asset Management Company ('AMC') and manages and advises Venture Capital and Private Equity Funds. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
 - iii The Company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act').
 - iv In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made.
- v The Company has not accepted any deposits from the public.
 - vi The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered by the Company.
 - vii
 - 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 provident fund, income-tax, sales tax, value added tax, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance, customs duty and excise duty.
 - According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, sales tax, value added tax, service tax, cess and other material statutory dues were in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.
 - According to the information and explanations given to us, there are no dues of sales tax, customs duty, excise duty, value added tax and cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax and service tax have not been deposited by the Company on account of disputes:

annexure - a to the independent auditors' report

Name of the statute	Nature of the dues	Amount (₹ in millions)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax dues	13.3(#)	2012-2013 (Financial year)	Commissioner of Income-tax (Appeals)
The Finance Act, 1994	Service tax and interest	226.0(*)	2007-2008 to 2012-2013 (Financial year)	Customs, Excise and Service Tax Appellate Tribunal, Bangalore (CESTAT)

Represents reduction in income tax refund claimed by the Company due to disallowances made by the Income Tax department.

* Entire amount of ₹ 226.0 million has been paid under protest with CESTAT, Bangalore.

- viii In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to its bankers. The Company did not have any outstanding loans or borrowings to any financial institution or government or any dues to debenture holders during the year.
- ix In our opinion and according to information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments).
- x According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi According to the information and explanations given to us and based on our examination of the records, the Company has paid remuneration aggregating to Rs. 40.6 million to the managing director and executive directors in excess of the limits prescribed by Section 197 read with Schedule V of the Act for the year ended March 31, 2016, without the requisite approvals. The Company has reported this excess amount as recoverable from the Directors as at March 31, 2016. Further, the Company is in the process of filing an application with the Central Government for approval of waiver of the excess managerial remuneration paid.

- xii In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- xv According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration Number: 101248W / W-100022

Sd/-
Supreet Sachdev
Partner
Bengaluru, April 21, 2016
Membership Number: 205385

annexure - b to the auditors' report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of ICICI Venture Funds Management Company Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ('the Act').

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration Number: 101248W / W-100022

Bengaluru, April 21, 2016

Sd/-
Supreet Sachdev
Partner
Membership Number: 205385

balance sheet

statement of profit and loss account

ICICI Venture

as at March 31, 2016

for the year ended March 31, 2016

Particulars	Note No.	As at March 31, 2016	(₹ in million)	As at March 31, 2015	Particulars	Note No.	For the Year Ended March 31, 2016	(₹ in million)	For the Year Ended March 31, 2015
A EQUITY & LIABILITIES					1 Revenue from operations	20	391.2		804.9
1 Shareholders' funds					2 Other income	21	307.9		381.5
(a) Share capital	3	10.0		10.0	3 Total revenue (1+2)		699.1		1,186.4
(b) Reserves and surplus	4	1,965.6		2,177.9					
		1,975.6		2,187.9					
2 Non-current liabilities					4 Expenses				
(a) Long-term borrowings	5	1,308.9		1,705.8	(a) Employee benefits expense	22	428.2		586.7
(b) Other long-term liabilities	6	5.0		3.2	(b) Finance costs	23	239.7		226.3
(c) Long-term provisions	7	160.7		184.9	(c) Depreciation and amortisation expense	12	44.0		46.7
		1,474.6		1,893.9	(d) Other expenses	24	192.3		257.2
3 Current liabilities					Total expenses		904.2		1,116.9
(a) Short- term borrowings	8	176.3		449.2					
(b) Trade payables	9				5 (Loss)/Profit before tax (3-4)		(205.1)		69.5
- Total outstanding dues of micro enterprises and small enterprises		—		—					
- Total outstanding dues of creditors other than micro enterprises and small enterprises		290.4		357.0					
(c) Other current liabilities	10	261.3		241.8	6 Tax expense :				
(d) Short-term provisions	11	29.5		10.7	(a) Tax expense for current year		—		62.2
		757.5		1,058.7	(b) Tax expense for prior year		—		4.3
		4,207.7		5,140.5	(c) Deferred tax		7.2		(5.7)
Total							7.2		60.8
B ASSETS					7 (Loss)/Profit for the year(5-6)		(212.3)		8.7
1 Non-current assets									
(a) Fixed assets					Earnings per equity share (of ₹10/- each)				
(i) Tangible assets	12	830.2		871.8	Basic and Diluted (₹)	25.11			
(ii) Intangible assets	12	0.1		0.6					
		830.3		872.4					
(b) Non-current investments	13	1,740.4		2,283.1	Corporate information & significant accounting policies	1 & 2			
(c) Deferred tax assets (net)	25.7	42.7		49.9					
(d) Long-term loans and advances	14	352.6		123.4	Notes forming part of the financial statements	3 — 25			
(e) Other non-current assets	15	20.1		—					
		2,155.8		2,456.4					
2 Current assets									
(a) Current investments	16	1,121.1		1,769.2					
(b) Trade receivables	17	—		10.0					
(c) Cash and bank balances	18	0.7		10.6					
(d) Short-term loans and advances	19	99.8		21.9					
		1,221.6		1,811.7					
Total									
Corporate information and significant accounting policies	1 & 2	4,207.7		5,140.5					
Notes forming part of the financial statements	3 - 25								

As per our report of even date attached

For B S R & CO. LLP
Chartered Accountants
Firm registration no : 101248W/W-100022

SUPREET SACHDEV
Partner
Membership no : 205385

Bengaluru, April 21, 2016

For and on behalf of Board of Directors ICICI Venture Funds Management Limited

LALITA D GUPTE
Chairperson

PRASHANT PURKAR
Managing Director & CEO

MADHUSUDHAN NAIR
Company Secretary

BEENA M CHOTAI
Chief Financial Officer

Mumbai, April 21, 2016

notes

forming part of the financial statements

Continued

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. The Company is registered in Mumbai and has regional office in Bangalore.

2 SIGNIFICANT ACCOUNTING POLICIES:

2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared and presented in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the mandatory Accounting Standards prescribed under Section 133 of the Companies Act ,2013 ("the 2013 Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the 2013 Act (to the extent notified and applicable).

The financial statements have been prepared and presented 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.

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.

2.2 Use of estimates

The preparation of the financial statements 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. Any revision to accounting estimates is recognised in the financial statements in the period in which the changes are made, and, if material, their effects are disclosed in the notes to the financial statements.

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 bank balances

Cash comprises cash on hand and demand deposits with banks. Cash and bank balances 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 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.

2.6 Capital work-in-progress

Capital work-in-progress comprises of the cost of fixed assets that are not yet ready for their intended use at the reporting date. Capital work-in-progress is carried at cost, comprising direct cost and related incidental expenses. Upon completion, these costs are transferred to the appropriate category of fixed assets.

2.7 Intangible assets

Intangible assets comprising software purchased or developed are depreciated on a straight-line basis over the useful life of the software up to maximum of two and half years commencing from the month in which such software is first utilised.

2.8 Depreciation and amortisation

Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets estimated by the Management. Depreciation for assets purchased / sold during a period is proportionately charged.

(a) Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use.

(b) In respect of assets taken on lease and any improvements thereto, depreciation is provided over the balance lease period on straight line basis.

The Management estimates the useful lives for the other fixed assets as follows:

Nature of assets	Estimated useful life (in years)	Estimated useful life (in years) (As envisaged by Schedule II)
Building	60	60
Furniture & fixtures*	5 to 7	10
Vehicles*	5	8
Office equipment		
- Cell phone	3	3
- Others	10	10
Computers	3	3
Intangibles - software*	2.5	3

*For these class of assets, based on internal technical assessment, the management believes that useful lives as given above best represent the period over which management expects to use the assets. Hence the useful life of these assets is different from the useful lives prescribed under Part C of Schedule II of the Companies Act,2013.

Assets individually costing less than ₹ 5,000/- are fully depreciated in the year of purchase, except assets covered under Furniture Policy.

2.9 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 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) Gain on sale of investments is recorded on transfer of title from the Company and is determined as the difference between the sale price and carrying value of the investment.
- (v) Rental income and other income is recognized as per contractual terms.
- (vi) Interest income is recognised on time proportion basis taking into account the amount outstanding and the interest rate applicable.

2.10 Foreign currency transactions

Initial recognition:

Transactions in foreign currencies entered into by the Company are recorded 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 reporting date:

Foreign currency monetary items (other than derivative contracts) of the Company outstanding at the reporting 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.

Revenue, expense and cash-flow items denominated in foreign currencies are translated using the exchange rate in effect on the date of the transaction. Transaction gains or losses realised upon settlement of foreign currency transactions are included in determining net profit for the period in which transaction is settled.

2.11 Investments

Investments are classified as long-term or current based on the intention of the management at the time of purchase.

Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments determined separately for each individual investment.

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.

notes

a. Defined contribution plans

The Company's contribution to superannuation fund is 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 period 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.

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 reporting date less the fair value of the plan assets out of which the obligations are expected to be settled. The expected cost is determined by actuarial valuation using the projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the Balance sheet date.

2.13 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.

2.14 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. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. In computing diluted earnings per share only potential equity shares that are dilutive are included.

2.15 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 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 reporting date and written down or written up to reflect the amount that is reasonable /virtually certain (as the case may be) to be realised. Deferred tax assets and deferred tax liabilities have been offset wherever the Company has legally enforceable right to set-off current tax assets against current tax liabilities.

2.16 Impairment of assets

The carrying values of assets / cash generating units at each reporting 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, provided that this amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

2.17 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 reporting date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

Contingent assets are not recognised in the financial statements.

2.18 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.

3 SHARE CAPITAL

Particulars	March 31, 2016		March 31, 2015	
	No. of shares	₹ in million	No. of shares	₹ in million
(a) Authorised				
Equity shares of ₹10/- each	20,000,000	200.0	20,000,000	200.0
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:				

notes

forming part of the financial statements

Continued

Particulars	March 31, 2016		March 31, 2015	
	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 shares, 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 amounts. 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, 2016		March 31, 2015	
	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%

- (iv) The Company has not allotted any fully paid up equity shares by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the reporting date.

4 RESERVES AND SURPLUS

Particulars	(₹ in million)	
	March 31, 2016	March 31, 2015
(a) Capital reserve	7.8	7.8
(b) General reserve	675.3	675.3
(c) Surplus in Statement of Profit and Loss		
Opening balance	1,494.8	1,487.3
Add/less : (Loss)/Profit for the year	(212.3)	8.7
Less: Appropriation	—	1.0
Interim dividend paid to equity shareholders (₹ Nil per share) (Year Ended March 31, 2015 - ₹ 1/- per share)	—	—
Tax on dividend	—	0.2
Closing balance	1,282.5	1,494.8
Total	1,965.6	2,177.9

5 NON-CURRENT LIABILITIES

(i) Long-term borrowings

Particulars	(₹ in million)	
	March 31, 2016	March 31, 2015
(a) Term Loan:		
From banks		
- From related parties	723.5	1,445.40
- Secured		
- From others		
- Secured	585.4	260.4
Total	1,308.9	1,705.8

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

Particulars	Rate of Interest	No. of Instalments due after 12 months	(₹ in million)			
			March 31, 2016 (₹ In Millions)	Rate of Interest	No. of Instalments due after 12 months	March 31, 2015 (₹ In Millions)
Term loans from Bank:						
(a) ICICI Bank Limited ¹	13.35%	3	723.5	14.00%	3	1,445.4
(b) Kotak Mahindra Bank Limited ²	10.35%	69	226.6	12.00%	81	260.4
(c) Kotak Mahindra Bank Limited ³	10.35%	14	196.9	-	-	-
(d) Kotak Mahindra Bank Limited ⁴	10.35%	14	161.9	-	-	-
Total term loans			1,308.9			1,705.8
- Average rate of interest	11.91%			13.69%		

¹ Payable at the end of third, fourth and fifth year 40%, 40% & 20% from the year of disbursement i.e. June 30, 2014.

² ₹ 4.7 Mn payable on equated monthly instalments till June 30, 2022.

³ ₹14.1 Mn Payable in 16 equated quarterly instalments from December 30, 2016.

⁴ ₹11.6 Mn Payable in 16 equated quarterly instalments from December 30, 2016.

(iii) Details of security given for borrowings :

- A (a) During the previous year ended March 31, 2015, the company had availed Term Loan of ₹ 300 Million from Kotak Mahindra Bank Limited. The loan was secured by a charge created over the lease rental income earned from 3rd and 4th Floor of ICICI Venture House, Mumbai. The Company had also availed Bank Guarantee of ₹ 520.6 Million and Overdraft facility of ₹ 450 Million from Kotak Mahindra Bank Limited. The Company had provided first pari-passu mortgage charge for basement, ground-floor, first floor, second floor, third -floor, fourth floor, fifth-floor(part), terrace(part) and all parking lots situated at corporate office at ICICI Venture House, Appasaheb Marathe Marg, Mumbai to secure the above loans and Bank Guarantee. During the current year the charge created on first-floor, fifth floor(part), terrace (part),12 parking lots is released by Kotak Mahindra Bank. The Bank Guarantee has been surrendered during the year ended March 31, 2016 and the Company is in the process of releasing the charge created on the second-floor.

- (b) During the current year ended March 31, 2016, the Company has availed Term Loans of ₹ 185 Million and ₹ 225 Million from Kotak Mahindra Bank Limited. The Company is in the process of creating mortgage over ground-floor, third -floor, fourth floor and allotted parking lots to these floors, situated at corporate office at ICICI Venture House, Appasaheb Marathe Marg, Mumbai.

- (B) The Term Loan availed from ICICI Bank Limited. is secured by first charge on units of India Advantage Fund III, India Advantage Fund IV purchased through the proceeds of the borrowing, escrow Account and Debt Service Reserve Account (DSRA) of the Company maintained for the purpose of this loan. As on March 31, 2015, the Company has created a charge on 2,295,875 units of India Advantage Fund III & 12,919,495 India Advantage Fund IV and 139,027 units of mutual funds towards DSRA.

6 OTHER LONG-TERM LIABILITIES

Particulars	(₹ in million)	
	March 31, 2016	March 31, 2015
(a) Others		
- Accrued salaries and benefits		
Total	5.0	3.2

notes



forming part of the financial statements

Continued

7 LONG-TERM PROVISIONS

Particulars	(₹ in million)	
	March 31, 2016	March 31, 2015
Provision for employee benefits:		
-Gratuity (net)	115.1	130.3
(Refer Note 25.8.2)		
- Compensated absences	45.6	54.6
Total	160.7	184.9

CURRENT LIABILITIES

8 SHORT-TERM BORROWINGS

Particulars	(₹ in million)	
	March 31, 2016	March 31, 2015
Loans Repayable on demand		
- Overdraft facilities from bank (Secured)	176.3	449.2
Total	176.3	449.2

Over draft facility from Kotak Mahindra Bank carry interest of Base rate +1.10% p.a. for the current year (year ended March 31, 2015 - Base rate +2% p.a.), computed on the actual amount utilized and is repayable on demand. The facility is secured by first pari-pasus charge for basement, ground-floor, first floor, second floor, third -floor, fourth floor, fifth -floor(part), terrace(part) and all parking lots situated at corporate office at ICICI Venture House, Appasaheb Marathe Marg, Mumbai. During the current year, the charge created on first-floor, fifth-floor(part), terrace(part),12 parking lots is vacated. The Company is in the process of releasing the charge created on the second-floor.

9 TRADE PAYABLES

Particulars	(₹ in million)	
	March 31, 2016	March 31, 2015
Trade payables:		
- Other than Acceptances	290.4	357.0
(Refer Note 25.13 for details on due to Micro, Small & Medium Enterprises)		
Total	290.4	357.0

12 FIXED ASSETS

Particulars	Gross block			Accumulated depreciation/amortisation			Net block		
	Balance As at April 01, 2015	Additions during the year	Deletions during the year	Balance As at March 31, 2016	Balance As at April 01, 2015	Additions during the year	Deletions during the year	Balance As at March 31, 2016	Balance As at March 31, 2016
Tangible assets:									
Land - Freehold	108.3	—	—	108.3	—	—	—	—	108.3
Building (Refer Note1 & 2)	1,364.9	—	—	1,364.9	654.8	26.2	—	681.0	683.9
Furniture and fixtures	45.4	1.7	4.1	43.0	39.1	1.5	2.3	38.3	4.7
Vehicles	43.8	2.5	11.8	34.5	27.4	5.6	9.9	23.1	11.4
Office equipment	87.6	0.5	0.6	87.5	62.2	7.4	0.4	69.2	18.3
Computers	29.3	1.1	2.1	28.3	24.0	2.7	2.0	24.7	3.6
Total (A)	1,679.3	5.8	18.6	1,666.5	807.5	43.4	14.6	836.3	830.2
Previous year (A)	(1,702.5)	(13.4)	(36.6)	(1,679.3)	(789.2)	(45.9)	(27.6)	(807.5)	(871.8)
Intangible assets: Others									
Software	3.1	0.1	—	3.2	2.5	0.6	—	3.1	0.1
Total (B)	3.1	0.1	—	3.2	2.5	0.6	—	3.1	0.1
Previous year (B)	(3.1)	—	—	(3.1)	(1.7)	(0.8)	—	(2.5)	(0.6)
Total (A+B)	1,682.4	5.9	18.6	1,669.7	810.0	44.0	14.6	839.4	830.3
Previous year (A+B)	(1,705.6)	(13.4)	(36.6)	(1,682.4)	(790.9)	(46.7)	(27.6)	(810.0)	(872.4)

(Previous years figures are given in brackets.)

Note:

- 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. Tangible assets also 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.
- Term Loan (Lease Rental Discounting). Overdraft and Term Loan availed from Kotak Mahindra Bank are secured against the first mortgage charge over ground-floor, first floor, second floor, third -floor, fourth floor and all parking lots situated at corporate office at ICICI Venture House, Appasaheb Marathe Marg, Mumbai. During the current year the charge created on first-floor, fifth-floor(part), terrace(part),12 parking lots is vacated. The Company is in the process of releasing the charge created on the second-floor.

10 OTHER CURRENT LIABILITIES

Particulars	(₹ in million)	
	March 31, 2016	March 31, 2015
(a) Current maturities of long term debt (Refer Note (i) below)		
From Banks		
(i) Term loans		
-From related parties	—	—
-From others	82.5	23.6
Total	82.5	23.6
(b) Interest accrued but not due on term loans	4.2	0.7
(c) Income received in advance	1.0	—
(d) Advance received from customer	1.3	—
(e) Other liabilities		
(i) Security deposits		
-Related parties (Refer Note 25.9)	28.7	28.5
-Others	—	0.4
(ii) Statutory dues	9.9	12.4
(iii) Accrued salaries and benefits	101.9	144.4
(iv) Cash reserve (Refer Note(ii) below)	27.5	27.5
(v) Others	4.3	4.3
Total	178.8	218.2
Total	261.3	241.8

Note:

- Current maturities of long term debts, Refer Note 5 (iii) - Long-term borrowing for details of security.
- In accordance with the Liquidity Option offered to domestic Investors of India Advantage Fund III, ₹ 27.5 Million is held as Cash reserve to provide adequate cover to the Company for any potential tax related liabilities or any other unfunded liability which may arise in India Advantage Fund III.

11 SHORT-TERM PROVISIONS

Particulars	(₹ in million)	
	March 31, 2016	March 31, 2015
Provision for employee benefits		
- Gratuity (Refer Note 25.8.2)	20.8	—
- Compensated absences	8.7	10.7
Total	29.5	10.7

notes

forming part of the financial statements

Continued

12 FIXED ASSETS (CONTINUED)

Particulars	Gross block			Accumulated depreciation/amortisation			(₹ in million)	
	Balance As at April 01, 2014	Additions during the year	Deletions during the year	Balance As at March 31, 2015	Balance As at April 01, 2014	Additions during the year	Deletions during the year	Balance As at March 31, 2015
Tangible assets:								
Land - Freehold	108.3	—	—	108.3	—	—	—	108.3
Building (Refer Note 1 & 2)	1,364.9	—	—	1,364.9	628.2	26.6	—	654.8
Furniture & fixtures	50.2	1.6	6.4	45.4	39.6	2.8	3.3	39.1
Vehicles	51.7	4.2	12.1	43.8	27.2	6.7	6.5	27.4
Office equipment	91.0	3.3	6.7	87.6	61.0	7.7	6.5	62.2
Computers	36.4	4.3	11.4	29.3	33.2	2.1	11.3	24.0
Total (A)	1,702.5	13.4	36.6	1,679.3	789.2	45.9	27.6	807.5
Previous Year (A)	(1,705.5)	(16.5)	(19.5)	(1,702.5)	(694.7)	(110.5)	(16.0)	(789.2)
Intangible assets:Others								
Software	3.1	—	—	3.1	1.7	0.8	—	2.5
Total (B)	3.1	—	—	3.1	1.7	0.8	—	2.5
Previous Year (B)	(1.0)	(2.1)	—	(3.1)	(1.0)	(0.7)	—	(1.7)
Total (A+B)	1,705.6	13.4	36.6	1,682.4	790.9	46.7	27.6	810.0
Previous Year (A+B)	(1,706.5)	(18.6)	(19.5)	(1,705.6)	(695.7)	(111.2)	(16.0)	(790.9)

(Previous years figures are given in brackets.)

Note:

- 1) The Company has given on lease, 3rd and 4th Floor of ICICI Venture House, Appasaheb Maratha Marg, Prabhadevi, Mumbai (Office building). Accordingly the mentioned floors in the Office building are owned by the Company but not used by the Company. Tangible assets also 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.
- 2) Term Loan, Overdraft facility, Bank Guarantee availed from Kotak Mahindra Bank are all secured against the first pari-passu inter se' charge over basement, ground floor, first floor, second floor, third floor, fourth floor, fifth floor (part), Terrace (part) and all parking lots situated at registered office at ICICI Venture House, Appasaheb Maratha Marg, Prabhadevi, Mumbai.

13 NON-CURRENT INVESTMENTS (AT COST)

Particulars	March 31, 2015			Addition			Realisation			March 31, 2016		
	Quantity	Face Value ₹ (per unit / Share)	Amount	Quantity	Amount	Quantity	Amount	Quantity	Face Value ₹ (per unit / Share)	Amount		
A Trade investment - Investment in units of venture capital funds, long-term, unquoted, fully paid up												
-In related parties - Associate {refer note (i) below}#												
1 India Advantage Fund IV Class A Units	18,439,803	100	1,469.7	—	—	4,506,303	359.2	13,933,500	100	1,110.5		
2 India Advantage Fund IV Class B Units #	6,000	100	0.6	—	—	—	—	6,000	100	0.6		
-In others {refer note (i) below}#												
3 India Advantage Fund III Class A Units	6,358,735	100	572.6	—	—	2,037,191	183.5	4,321,544	100	389.1		
4 India Advantage Fund III Class B Units #	6,000	100	0.6	—	—	—	—	6,000	100	0.6		
5 India Advantage Fund S3 I-Class C units	5,000	100	0.5	—	—	—	—	5,000	100	0.5		
6 India Advantage Fund RES2	5,000	100	0.5	—	—	—	—	5,000	100	0.5		
Total (A)			2,044.5					542.7				1,501.8
B Other Investments - Investment in equity instruments, long-term, Unquoted, fully paid up												
1 Microland Limited	2,976,811	100	3.5	—	—	—	—	2,976,811	100	3.5		
2 Shri Renuga Textiles Limited*	48,674	100	—	—	—	—	—	48,674	100	—		
3 ICICI Home Finance Company Limited**	100	10	—	—	—	—	—	100	10	—		
4 ICICI Investment Management Company Limited **	100	10	—	—	—	—	—	100	10	—		
5 ICICI Trusteeship Services Limited **	100	10	—	—	—	—	—	100	10	—		
Total (B)			3.5									3.5
C Investment in Compulsory Convertible Debentures												
1 Tellapur Technocity Private Limited {refer note (ii) below}	471,440,277	1	235.1	—	—	—	—	471,440,277	1	235.1		
Total (C)			235.1									235.1
Total - (A+B+C)			2,283.1					542.7				1,740.4

Notes:

- (i) The Company has created a charge on 2,295,875 units of India Advantage Fund III and 12,919,495 units of India Advantage Fund IV which are purchased from the proceeds of the loan facility availed from ICICI Bank Limited.
- (ii) Investments include an amount of ₹ 235.1 Million paid for acquiring 471,440,277 Compulsory Convertible Debentures in Tellapur Technocity Private Limited; the process for transfer of the CCDs in the name of the Company is in progress at the reporting date.

* Shri Renuga Textiles Limited - The cost of shares held is ₹ 1.

** These shares are received in capacity as a nominee shareholder for Nil consideration.

The Fund life of India Advantage Fund III and India Advantage Fund IV is coming to end on April 17, 2017.

notes

14 LONG-TERM LOANS AND ADVANCES

Particulars	(₹ in million)	
	March 31, 2016	March 31, 2015
Unsecured, considered good		
(a) Security deposits	14.3	14.3
(b) Prepaid expenses		
-To related parties (Refer note no.25.9)	—	—
-To others	4.9	5.9
(c) Balance with government authorities:		
Pre-deposit (Service tax)	226.0	16.9
(d) Advance income tax		
(net of Provision for taxation ₹Nil; previous year ₹ 1,171.4 Million)	107.4	86.3
Total	352.6	123.4

15 OTHER NON-CURRENT ASSETS

Particulars	(₹ in million)	
	March 31, 2016	March 31, 2015
Other asset	20.1	—
Total	20.1	—

Represents amount contributed by the Company to ICICI Venture Employee Welfare Trust ("The Trust") in Lieu of the contributed agreement dated April 28, 2015.

16 CURRENT INVESTMENTS

	March 31, 2015						March 31, 2016					
	Quantity	Face value ₹ (per unit)	Amount	Addition			Realisation			Quantity	Face value ₹ (per unit)	Amount
				Quantity	Face value ₹ (perunit)	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 up:												
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	0.2	—	—	—	177	100	0.1	747	100	0.1
3 India Advantage Fund I-Class 'B' & 'B1' units	438	100	0.1	—	—	—	224	100	—	214	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	—	—	—
6 India Advantage Fund V - Class B Units	9,390	100	0.9	—	—	—	4,555	100	0.5	4,835	100	0.4
7 India Advantage Fund VI-Class B units	10,689	100	0.9	—	—	—	4,234	100	0.4	6,455	100	0.5
8 India Advantage Fund VII	23	100	—	—	—	—	—	—	—	23	100	—
Subtotal			<u>3.2</u>							<u>1.6</u>		<u>1.6</u>
Less: Provision for diminution in value of unquoted investments												0.5
Total (A)			<u>3.2</u>							<u>1.6</u>		<u>1.1</u>
B Other Current Investments												
Investment in mutual funds (unquoted):												
1 Birla Sun Life Cash Plus-IP-Growth-Direct Plan *	714,713	100	140.6	—	—	—	—	—	—	714,713	100	140.6
2 DSP Black Rock-Liquidity Fund-IP Growth	46,582	1,000	74.6	—	—	—	7,127	1,000	11.2	39,455	1,000	63.3
3 DSP BlackRock Liquidity Fund - Direct Plan - Growth	45,662	1,000	85.4	28,254	1,000.0	59.7	52,719	1,000	106.0	21,196	1,000	39.1
4 HDFC Cash Management Fund - Savings	3,118,232	10	73.8	—	—	—	—	—	—	31,182	1,000	73.8
5 HDFC CM Savings -Direct Plan - Growth Option	4,032,531	10	116.3	2,473,825	10.0	93.2	6,506,355	10	209.6	—	—	—
6 ICICI Prudential Liquid-Regular Plan-Growth	538,450	100	87.3	—	—	—	129,843	100	21.1	408,607	100	66.3
7 ICICI Prudential Liquid - Direct Plan - Growth **	837,414	100	166.6	465,632	100.0	101.1	910,383	100	191.0	392,663	100	76.7
8 IDFC Cash Fund -Direct Plan -Growth	24,770	1,000	36.9	—	—	—	—	—	—	24,770	1,000	36.9
9 Kotak Liquid Plan A-Growth Direct	90,732	1,000	238.9	—	—	—	28,588	1000	72.9	62,143	1,000	166.0
10 Reliance Liquidity Fund - Direct Plan Growth	101,742	1,000	189.1	—	—	—	11,233	1000	20.7	90,510	1,000	168.3
11 SBI Premier Liquid Fund - Direct Plan -Growth	116,116	1,000	238.2	—	—	—	35,161	1000	71.0	80,955	1,000	167.2
12 Tata Liquid Fund- Direct Plan- Growth	28,052	1,000	63.1	—	—	—	—	—	—	28,052	1,000	63.1
13 TATA Liquid Fund-Plan A-Growth	10,684	1,000	21.8	—	—	—	—	—	—	10,684	1,000	21.8
14 UTI Liquid Cash Plan Institutional - Growth	105,787	1,000	233.4	31,346	1,000.0	77.0	120,700	1000	273.5	16,433	1,000	36.9
Total (B)			<u>1,766.0</u>				<u>331.0</u>			<u>977.0</u>		<u>1,120.0</u>
Total (A) + (B)			<u>1,769.2</u>				<u>331.0</u>			<u>978.6</u>		<u>1,121.1</u>
Aggregate Value of Investments :												
Aggregate amount of unquoted investments			1,769.2				331.0			978.6		1,121.1
NAV of investments in mutual funds			1,951.0									1,368.2

*During the year ended 31 March 2016, India Advantage Fund I & India Advantage Fund II (the Funds) has revised the collateral requirement to ₹ 37.4 Million from earlier amount of ₹ 592.5 Million. Consequently the Bank Guarantee of ₹ 520.6 Million has been surrendered and the Funds have released balance collateral of ₹34.5 Million by releasing lien on mutual funds units. Further, India Advantage Fund VII has revised the collateral requirement to ₹ 0.1 Million from ₹13.9 Million. The Fund has released balance collateral of ₹13.8 million by releasing lien on mutual fund units.

** As on March 31, 2016, Investment includes 139,027.37 units, lien marked towards Debt-Service Reserve Account, which is required as per the terms of credit arrangement with ICICI Bank Limited. and an amount of ₹ 27.5 Million held as Cash reserve in accordance with the Liquidity Option offered to domestic Investors of India Advantage Fund III, to provide adequate cover to the Company for any potential tax related liabilities or any other unfunded liability which may arise in India Advantage Fund III.

notes

forming part of the financial statements

Continued

17 TRADE RECEIVABLES

Particulars	March 31, 2016	March 31, 2015	(₹ in million)
Unsecured, considered good - Less than six months	—	10.0	
Total	—	10.0	

18 CASH AND BANK BALANCES

Particulars	March 31, 2016	March 31, 2015	(₹ in million)
(a) Cash on hand	—	0.1	
(b) Balance with banks:			
(i) In current accounts	0.7	10.5	
Total	0.7	10.6	

Note: Of the above, the balances that meet the definition of cash and bank Balances as per AS 3 Cash Flow Statements is ₹ 0.7 Million (previous year : ₹ 10.6 Million)

19 SHORT-TERM LOANS AND ADVANCES

Particulars	March 31, 2016	March 31, 2015	(₹ in million)
Secured, considered good			
(a) Short Term Loan	—	—	
Unsecured, considered good			
(a) Security deposits	0.1	0.6	
(b) Prepaid expenses			
-To related parties (Refer note no.25.9)	6.1	5.8	
-To others	5.0	4.2	
(c) Balance with government authorities	11.1	10.0	
(d) Recoverable from Directors #	40.8	—	
(e) Other receivables	47.1	9.0	
Total	99.8	21.9	

The same represents due from directors for recovery of managerial remuneration paid in excess of limits mandated by the provisions of Section 197 read with Schedule V of the Act. As permitted by Section 197 (9), pending refund, the excess funds are being held in trust by the directors for the Company. The Company is in process of filing an application to Central Government for waiver of the same.

20 REVENUE FROM OPERATIONS

Particulars	March 31, 2016	March 31, 2015	(₹ in million)
Fee income	391.2	804.9	
Total	391.2	804.9	

21 OTHER INCOME

Particulars	March 31, 2016	March 31, 2015	(₹ in million)
(a) Income from long-term investments (Net)			
Distribution from investment in units of venture capital funds (including gain on sale of such units)	56.7	10.6	
(b) Interest income	—	27.5	
(c) Dividend income	—	5.2	
(d) Net gain on sale of current investments (others)	56.4	127.2	
(e) Rental income from operating leases (Refer Note - 25.6.2)	60.3	60.2	
(f) Miscellaneous income	1.5	25.8	
(g) Provisions no longer required written back	132.2	125.0	
(h) Profit on sale of fixed assets (net)	0.8	—	
Total	307.9	381.5	

22 EMPLOYEE BENEFITS EXPENSE

Particulars	March 31, 2016	March 31, 2015	(₹ in million)
Salaries and wages	375.8	510.3	
Contributions to provident and other funds (Refer Note - 25.8)	31.4	56.1	
Staff welfare	21.0	20.3	
Total	428.2	586.7	

23 FINANCE COSTS

Particulars	March 31, 2016	March 31, 2015	(₹ in million)
Interest expense on borrowings	237.7	216.1	
Other borrowing cost	2.0	10.2	
Total	239.7	226.3	

24 OTHER EXPENSES

Particulars	March 31, 2016	March 31, 2015	(₹ in million)
Power charges	7.6	8.4	
Rent including lease rentals (Refer Note - 25.6.1)	14.0	13.1	
Repairs and maintenance - Building	15.8	19.4	
Repairs and maintenance - Others	12.2	8.1	
Insurance	2.0	2.2	
Rates and taxes	1.4	4.0	
Communication expenses	4.4	5.6	
Travelling and conveyance	6.1	16.6	
Printing and stationery	0.7	0.8	
Advertisement and business promotion	4.8	5.6	
Seminar expenses	1.5	1.1	
Marketing and distribution expenses	54.8	50.4	
Legal and professional charges	35.9	70.5	
Payment to auditors:			
- statutory audit	0.4	0.4	
- tax audit	0.1	—	
- Other services	0.5	0.4	
- Reimbursement of expenses	0.1	0.2	
Recruitment and training	0.3	2.7	
Memberships and subscriptions	15.3	14.7	
Loss on sale of fixed assets	—	0.1	
Loss on sale of investments - non- current	—	0.2	
Provision for diminution in value of unquoted investments	0.5	—	
Loss on foreign exchange fluctuation (net)	0.1	8.3	
CSR expenditure (Refer Note - 25.14)	0.9	8.1	
Miscellaneous expenses	12.9	16.3	
Total	192.3	257.2	

25 OTHER NOTES

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

A Contingent liabilities

(i) Disputed Statutory Dues

As at March 31, 2016, 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 ₹13.3 Million (Year ended March 31, 2015 – ₹ 7.6 Million) and ₹ 226.0 Million (previous year: ₹ 226.0 Million) respectively. During the year, the disputed tax liability towards service tax authorities for ₹ 226.0 million has been paid under protest.

B Commitments

- (i) During the year ended March 31, 2016, India Advantage Fund I & India Advantage Fund II (the Funds) have revised the collateral requirement from ₹ 592.5 Million to ₹ 37.4 Million. Consequently the Bank Guarantee of ₹ 520.6 Million has been surrendered and the Fund has released balance collateral of ₹34.5 Million by releasing lien on mutual funds units. A General Indemnity has been furnished by the Company in favour of the Trustees of the Fund and the Fund has released the balance collateral.
- (ii) During the year ended March 31, 2016, India Advantage Fund VII has revised the collateral requirement from ₹ 13.9 Million to ₹ 0.1 Million. A General Indemnity has been furnished by the Company in favour of the Trustees of the Fund and the Fund has released the balance collateral.
- (iii) The Company has in the current year entered into an agreement for capital commitment towards the Class A units of ICICI Venture Employee Welfare Trust, amounting to ₹ 77.2 Million (US\$ 1,175,000). The unfunded capital commitments as at the year end aggregates to ₹ 49.0 Million (US\$ 739,395).
- (iv) The Company has in the current year entered into an agreement for capital commitment as per Alternate Investment Fund Regulations, 2012 of India Advantage Fund PE S4 I, amounting to ₹ 50.0 Million. The outstanding capital commitments as at the year end aggregates to ₹ 50.0 Million.

notes

ICICI Venture forming part of the financial statements

Continued

25.2 The Company, Dynamic India Fund III (DIF III) and 3 other entities has been served with a Plaintiff filed by 69 investors of DIF III for US\$ 103.6 Million before the Supreme Court of Mauritius. DIF III is an investor in India Advantage Fund III, a Fund managed by the Company. DIF III has filed an application for stay before the Bankruptcy Division of the Supreme Court of Mauritius on the grounds that the Suit is procedurally defective and the Original Civil Suit Division of the Supreme Court is not the appropriate forum for hearing the Plaintiff. The Company along with the other defendants have supported DIF III's application. The Company's legal advisers are of the opinion that the Company has a strong defense to the plaintiff and the possibility of the liability crystallizing on the Company is remote.

25.3 Earnings in Foreign Currency

Particulars	(₹ in million)	
	March 31, 2016	March 31, 2015
Fee income	144.4	362.4
Miscellaneous income	—	24.6
Total	144.4	387.0

25.4 Expenditure in Foreign Currency

Particulars	(₹ in million)	
	March 31, 2016	March 31, 2015
Advertisement and business promotion	1.3	2.4
Seminar expenses	—	0.3
Travelling expenses	0.3	0.2
Marketing and distribution expenses	39.8	32.6
Legal and professional charges	40.2	35.8
Membership and subscription expenses	4.4	3.3
Others	—	—
Total	86.0	74.6

25.5 Miscellaneous expenses include ₹ 1.7 Million (Year ended March 31, 2015 – ₹ 2.6 Million), being the Company's share of various common corporate expenses incurred by ICICI Bank Limited, the holding company.

25.6.1 Lease Rental expense

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 2014, the lease is renewed for a further year of 3 years. The lease rentals charged to the Statement of Profit and Loss in respect of these leases amount to ₹ 14.0 Million (previous year: ₹ 13.1 Million).

25.6.2 Lease Rental Income

During the year ended March 31, 2014, the Company leased under operating lease agreements the 3rd and the 4th floor of the office premises known as ICICI Venture House situated at A.M Marg,Prabhadevi,Mumbai.

Particulars	(₹ in million)	
A (I) Gratuity	March 31, 2016	March 31, 2015
Components of employer expense		
Current service cost	13.3	13.2
Interest cost	12.7	14.5
Expected return on plan assets	(1.6)	(3.9)
Actuarial losses/(gains)	(13.7)	11.3
Total expense recognised in the Statement of Profit and Loss	10.7	35.1
Actual contribution and benefit payments for the year	(17.0)	(19.3)
Actual benefit payments	5.1	—
Actual contributions		
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	148.3	151.5
Fair value of plan assets	12.4	21.2
Funded status [Surplus / (Deficit)]	(135.9)	(130.3)
Net asset / (liability) recognised in the Balance Sheet	(135.9)	(130.3)
Net liability is bifurcated as follows		
Current	(20.8)	—
Non-current	(115.1)	(130.3)
Total	(135.9)	(130.3)
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	151.5	145.4
Current service cost	13.3	13.2
Interest cost	12.7	14.5
Acquisitions	—	(13.6)
Actuarial (gains) / losses	(12.2)	11.3
Benefits paid	(17.0)	(19.3)
Present value of DBO at the end of the year	148.3	151.5
Change in fair value of assets during the year	21.2	50.2
Plan assets at beginning of the year	—	(13.6)
Acquisition adjustment		

Particulars	(₹ in million)	
	March 31, 2016	March 31, 2015
Gross book value	414.1	414.1
Accumulated depreciation	210.5	202.8
Depreciation expense	7.7	7.7

Particulars	(₹ in million)	
	March 31, 2016	March 31, 2015
Due not later than one year	28.0	56.2
Due later than one year but not later than five years	—	28.0
Later than five years	—	—
Total	28.0	84.2

A charge has been created on the 3rd and the 4th Floor of ICICI Venture House, Appasahib Marathe Marg, Prabhadevi, Mumbai, in favour of Kotak Mahindra Bank Limited for the Term Loan obtained from the bank. Furthermore, a charge has been created in favour of Kotak Mahindra Bank Limited over the Lease Rental Income earned from the above.

25.7 Deferred tax (Liability)/asset

Particulars	(₹ in million)	
	March 31, 2016	March 31, 2015
Tax effect of items constituting deferred tax liability		
Excess of depreciation/amortization on fixed assets under the income tax law over depreciation/amortization provided in accounts	(66.8)	(48.7)
Tax effect of item constituting deferred tax asset		
Provision for compensated absences and gratuity	190.2	195.6
Net	123.4	146.9
Net Deferred tax asset on above	42.7	49.9

25.8 Employee benefit plans

25.8.1 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 ₹ 3.6 Million (year ended March 31, 2015 - ₹ 3.4 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.

25.8.2 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:

Particulars	(₹ in million)	
	March 31, 2016	March 31, 2015
Current service cost	13.3	13.2
Interest cost	12.7	14.5
Expected return on plan assets	(1.6)	(3.9)
Actuarial losses/(gains)	(13.7)	11.3
Total expense recognised in the Statement of Profit and Loss	10.7	35.1
Actual contribution and benefit payments for the year	(17.0)	(19.3)
Actual benefit payments	5.1	—
Actual contributions		
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	148.3	151.5
Fair value of plan assets	12.4	21.2
Funded status [Surplus / (Deficit)]	(135.9)	(130.3)
Net asset / (liability) recognised in the Balance Sheet	(135.9)	(130.3)
Net liability is bifurcated as follows		
Current	(20.8)	—
Non-current	(115.1)	(130.3)
Total	(135.9)	(130.3)
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	151.5	145.4
Current service cost	13.3	13.2
Interest cost	12.7	14.5
Acquisitions	—	(13.6)
Actuarial (gains) / losses	(12.2)	11.3
Benefits paid	(17.0)	(19.3)
Present value of DBO at the end of the year	148.3	151.5
Change in fair value of assets during the year	21.2	50.2
Plan assets at beginning of the year	—	(13.6)
Acquisition adjustment		

notes

forming part of the financial statements

Continued

(₹ in million)

Particulars	March 31, 2016	March 31, 2015
A (I) Gratuity (Contd.)		
Expected return on plan assets	1.5	3.9
Actual company contributions	5.1	—
Actuarial gains / (losses)	1.6	(0.0)
Benefits paid	(17.0)	(19.3)
Plan assets at the end of the year	12.4	21.2
Actual return on plan assets	3.0	3.9
As at March 31, 2016 and March 31, 2015, the plan assets have been primarily invested in insurer managed Funds.		
Actuarial assumptions:		
Discount rate	8.0%	7.8%
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 Millions)		
Attrition rate : Age in years - 21-30: 15%, 31-34: 10%, 35-44: 5%, 45-50: 3%, 51-54: 2%, 55-57: 1%	5.0	5.0

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

Experience adjustments	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Present value of DBO	(148.3)	(151.5)	(145.4)	(143.8)	(116.6)
Fair value of plan assets	12.4	21.2	50.1	52.8	46.9
Funded status (Surplus / Deficit)	(135.9)	(130.3)	(95.3)	(91.0)	(69.7)
Experience gain / (loss) adjustments on plan liabilities	(10.6)	(8.8)	3.0	(3.3)	20.0
Experience gain / (loss) adjustments on plan assets	1.6	(0.0)	0.6	0.8	0.6

B Actuarial assumptions for long-term compensated absences

Particulars	March 31, 2016	March 31, 2015
Discount rate	8.0%	7.8%
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 reporting 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.

25.8.3 Provident Fund

Particulars	March 31, 2016	March 31, 2015
Components of employer expense		
Current service cost	14.6	16.2
Interest cost	33.6	34.5
Expected return on plan assets	(38.4)	(34.0)
Actuarial losses/(gains)	4.8	(0.5)
Total expense recognised in the Statement of Profit and Loss	14.6	16.2
Present value of defined benefit obligation	443.7	427.9
Fair value of plan assets	443.7	427.9
Net asset / (liability) recognised in the Balance Sheet		
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	427.9	361.5
Current service cost	14.6	16.2
Interest cost	33.6	34.5
Actuarial (gains) / losses	3.0	(2.1)
Employee contribution	23.1	27.0
Liabilities assumed on acquisition / (settled on divestiture)	(34.1)	5.0
Benefits paid	(24.4)	(14.2)
Present value of DBO at the end of the year	443.7	427.9
Change in fair value of assets during the year:		
Plan assets at beginning of the year	427.9	361.5
Expected return on plan assets	38.4	34.0
Actuarial gains / (losses)	(1.8)	(1.6)
Employer contributions during the year	14.6	16.2
Employee contributions during the year	23.1	27.0
Assets assumed on acquisition / (distributed on divestiture)	(34.1)	5.0
Benefits paid	(24.4)	(14.2)
Plan assets at the end of the year	443.7	427.9
Actual return on plan assets	36.6	32.4
Expected contribution next year	16.0	15.0
Composition of the plan assets is as follows:		
Government of India securities	212.5	193.5
Corporate bonds	205.9	212.1
Special deposit scheme	2.5	2.5
Others	22.8	19.8
Plan assets at the end of the year	443.7	427.9
Actuarial assumptions:		
Discount rate	8.0%	7.8%
Expected return on plan assets	9.1%	8.8%
Discount rate for the remaining term to maturity of the investments	7.8%	7.8%
Average historic yield on the investments	8.8%	8.8%
Guaranteed rate of returns	8.8%	8.8%

notes



forming part of the financial statements

Continued

Experience adjustments	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Present value of DBO	443.7	427.9	361.5	326.3
Fair value of plan assets	443.7	427.9	361.5	326.3
Experience gain / (loss) adjustments on plan liabilities	3.0	(2.1)	3.7	6.2
Experience gain / (loss) adjustments on plan assets	(1.8)	(1.5)	0.2	4.9

25.9 Related Party Transactions

List of Related Parties

(a) Parties where control exists:

ICICI Bank Limited (Holding Company) India Advantage Fund IV (Associate) (related party with effect from July 17, 2014)

(b) Entities having common control :

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, ICICI Trusteeship Services Limited, ICICI International Limited, ICICI Bank UK PLC, ICICI Prudential Trust Limited, ICICI Prudential Pension Funds Management Company Limited, ICICI Equity Fund, ICICI Strategic Investments Fund, I-Ven Biotech Limited (upto March 31, 2016).

(c) Executive Directors:

Prashant Purker

Mohit Batra

Vishakha Mulye (up to December 01, 2015)

(d) Independent Directors:

Lalita Gupte (Chairperson)

H.N Sinor

K.N. Memani

Sridar Iyengar

S. Mukherji

(e) Non Executive Directors:

K Ramkumar

Rakesh Jha

(f) Executive Directors and Key Managerial Persons of the Holding Company

Chanda Kochhar

N.S Kannan

Rajiv Sabharwal

Sanker Parmeswaran

K Ramkumar

Rakesh Jha

The transactions and balances outstanding as at March 31, 2016, are as follows :

(g) Relatives of Directors

Dileep Madhukar Gupte, Nishad Dileep Gupte, Asheeta Dileep Gupte, Anupam Bokil, Ashok D. Joshi, Nekchecher Hoshang Sinor, Dara Noshirwan Sinor, Dinoo Rusi Unwala, Peshotan Noshirwan Sinor, Kiran Memani, Rajiv Memani, Shilpa Memani, Ritu Memani, Nina Iyengar, Viji Iyengar, Rama Iyengar, Reena Mukherji, Nakul Chandra Mukherji, Barunava Mukherji, Aditya Mukherji, Anita Madaleena Iyengar, Ritankar Chatterjee, R. Krishnaswamy, J. Krishnaswamy, R. Shyam, R. Suchithra, K. Jayakumar, Shanthi Venugopal, Pushpa Muralidharan, Malathy Vinod, Narendra Kumar Jha, Pushpa Jha, Sachchit Jha, Rajesh Jha, Aparna Jha, Manisha M. Palekar, Vignesh Mulye, Vriddhi Mulye, Gauresh M. Palekar, Shalaka S. Gadekar, Bharati Purker, Kamla Purker, Amiya Purker, Sanjana Purker, Shrikant Purker, Nishikant Purker, Vandana Batra, R.N.Batra, Usha Batra, Neel Batra, Ishita Baijal, Jaya Ram Kumar, Swati Jha, Vivek Mulye, Deepak Kochhar, Arjun Kochhar, Aarti Kochhar, Mahesh Advani, Varuna Karna, Rangarajan Kumudalakshmi, Aditi Kannan, Narayanan Raghunathan, Narayanan Rangarajan, Narayanan Sudha, Sangeeta Sabharwal, Kartik Sabharwal, Arnav Sabharwal, Sanjiv Sabharwal, Sarla Sabharwal, Chitra Sanker, Parmesh Sanker, P. Subramaniam, Vasanthi Subramaniam.

(h) Other related parties:

KNM Advisory Private Limited
Tuksai Agri Partners
Swadhaar Finserve Private Limited
East West Ethnic Foods Private Limited
3i Infotech Holdings Private Limited (Mauritius)
JM Financial asset Reconstruction Private Limited
Crest Geartech Private Limited
Walkwater Properties Private Limited
BTI Payments Private Limited
Raheja Princess Apartments Private Limited
ICICI Foundation for Inclusive Growth
AION India Investment Advisors Private Limited

Sl. No.	Name of the related party	Particulars	(₹ in million)	
			March 31, 2016	March 31, 2015
(a)	Parties where control exists :			
	ICICI Bank Limited	Share capital	10.0	10.0
		Loans availed during the year	—	1,844.6
		Repayment of borrowings	721.9	399.2
		Loans outstanding	723.5	1,445.4
		Interest on term loan	161.2	167.2
		Loan processing fees	—	8.3
		Interest accrued but not due	0.3	0.5
		Loan prepayment charges	2.0	
		Sale of investments	—	917.0
		Reimbursement for electricity costs	3.4	—
		Reimbursement for property tax	2.5	—
		Reimbursement for water charges	0.3	
		Expense recoverable	3.1	—
		Security deposit towards lease rentals	28.1	28.1
		Rental income	59.7	59.7
		Common corporate expense	1.7	2.6
		Payable towards common corporate expense	0.4	0.7
		Custodial charges	0.1	0.1
		Payable towards custodial charges	—	0.1
		Bank charges	0.1	0.2
		Purchase of tangible assets	—	0.7
		Sale of tangible assets	0.3	—
		Marketing and distribution expense	—	0.7
		Referral fees payable	—	1.5
		Dividend paid	—	1.0

notes

forming part of the financial statements

Continued

Sl. No.	Name of the related party	Leave encashment transferred	2.5	—
	India Advantage Fund IV (IAF IV)	Fee income Investments in units Redemption of units Investments outstanding	— — 351.3 1,111.1	10.2 1,552.4 80.2 1,470.3
(b)	Entities under common control :			
	ICICI Prudential Life Insurance Company Limited	Insurance charges	0.7	1.3
	ICICI Lombard General Insurance Company Limited	Prepaid insurance Insurance charges Prepaid Insurance Insurance premium refund due Insurance claims received	0.2 10.9 5.9 — 0.1	0.2 10.1 5.6 0.1 0.1
	ICICI Securities Primary Dealership Limited	Other income -Rent	0.6	0.5
	ICICI Equity Fund VCF	Security deposit received towards lease rentals Fee income	0.6 0.6	0.4 38.4
	ICICI Strategic Investment Fund	Fee income receivable	0.1	—
	ICICI Home Finance Co. Limited	Fee income	5.5	10.4
	ICICI Investment Management Co. Limited	100 Shares held as nominee of Holding Company	—	—
	ICICI Trusteeship Services Limited	100 Shares held as nominee of Holding Company	—	—
(c)	Executive Directors :			
	Prashant Purker	Remuneration to Executive director (until December 1, 2015)	11.5	24.9
		Remuneration to Managing director (w.e.f. December 2, 2015)	—	—
	Vishakha Mulye	Recoverable from Director Remuneration to Managing director (Managing Director upto December 1, 2015)	9.1 8.5	— 35.3
	Mohit Batra	Recoverable from Director Remuneration to Executive director Recoverable from Director	23.5 8.3 8.2	— 21.7 —
(d)	Independent Directors			
	Lalita Gupte	Sitting fees	0.9	0.7
	H.N Sinor	Sitting fees	1.0	0.6
	K.N. Memani	Sitting fees	0.8	0.5
	Sridar Iyengar	Sitting fees	0.6	0.6
	S. Mukherji	Sitting fees	1.0	0.8
(e)	Other Related Parties			
	AION India Investment Advisors Private Limited	Repayment of advances	—	22.3
	ICICI Foundation for Inclusive Growth	Sale of fixed assets Donation	— 0.4	5.4 6.5
	Sanjana Purker	Scholarship as per HR policy	—	0.5
	KNM Advisory Private Limited	Directors expenses	—	0.5

25.10 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 operates only in one geography, i.e., India, hence geographical segment disclosure is not applicable.

notes

(₹ in million)

Particulars	March 31, 2016	March 31, 2015
Segment revenue		
Asset management services	525.7	954.5
Others	173.4	204.4
Unallocable revenue	—	27.5
Total revenue	699.1	1,186.4
Segment results		
Asset management services	(152.6)	71.6
Others	(27.0)	(5.8)
Unallocable revenue	—	27.5
Total operating profit	(179.6)	93.3
Less: Finance cost	(25.5)	(23.8)
Profit before tax	(205.1)	69.5
Less: Income taxes	(7.2)	(60.8)
Net profit for the year	(212.3)	8.7
Segment assets:		
Asset management services	989.3	740.6
Others	3,068.3	4,263.7
Unallocable Assets :		
Deferred tax assets	42.7	49.9
Advance tax and TDS (Net of provision for taxation)	107.4	86.3
Total assets	4,207.7	5,140.5
Segment liabilities:		
Asset management services	1,045.9	774.0
Others	1,009.9	1,729.4
Unallocable Liabilities :		
Borrowings	176.3	449.2
Total liabilities	2,232.1	2,952.6
Capital Expenditure :		
Asset management services	5.9	13.4
Depreciation :		
Asset Management Services	36.3	39.0
Others	7.7	7.7

notes

forming part of the financial statements

Continued

25.11 Earnings per share

Particulars	March 31, 2016	March 31, 2015
Basic		
Weighted average no. of equity shares outstanding (of ₹ 10/- each)	1,000,000	1,000,000
Par value per share (₹)	10	10
Net (loss)/profit (₹ In Millions)	(212.3)	8.7
Basic (loss)/earnings per share	(212.3)	8.7

The Company does not have potentially dilutive equity shares outstanding during the year ended March 31, 2016 and the year ended March 31, 2015.

25.12 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, 2016			March 31, 2015
	Amount (Foreign currency)	₹ In million	Amount (Foreign currency)	₹ In million

Liabilities:

Payables towards various expenses	US\$ 2,562,938	170.0	US\$ 3,000,173	190.5
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25.13 The Company has no dues to micro and small enterprises covered under the Micro, Small and Medium Enterprises Development Act, 2006, as at March 31, 2016 and as at March 31, 2015. This information is required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, and has been determined to the extent such parties have been identified on the basis of information available with the Company.

25.14 As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the company as per the Act.

- a) Gross amount required to be spent by the company during the year is ₹3.6 Million.
- b) Amount spent during the year on:

CSR Activities	In cash	Yet to be paid in cash	(₹ In Millions)	Total
Construction / acquisition of any asset	—	—	—	—
On purpose other than (i) above	0.9	—	0.9	0.9
c) Amount spent during the year includes ₹0.4 Million. (previous year ₹6.5 Million) has been donated to ICICI Foundation for Inclusive Growth.				

25.15 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 within the prescribed time-frame. 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.

As per our report of even date attached

For B S R & CO. LLP
Chartered Accountants
Firm registration no : 101248W/W-100022

SUPREET SACHDEV
Partner
Membership no : 205385

Bengaluru, April 21, 2016

For and on behalf of Board of Directors ICICI Venture Funds Management Limited

LALITA D GUPTA
Chairperson

MADHUSUDHAN NAIR
Company Secretary

PRASHANT PURKAR
Managing Director & CEO

BEENA M CHOTAI
Chief Financial Officer

Mumbai, April 21, 2016

cash flow statement

ICICI Venture for the year ended March 31, 2016

	For the Year Ended March 31, 2016	₹ in Millions) For the Year Ended March 31, 2015
A. Cash flows from operating activities		
Net (loss) / profit before taxation	(205.1)	69.5
Adjustments for:		
Depreciation and amortisation	44.0	46.7
Profit on sale of current investments	(56.4)	(127.2)
Distribution from investment in units of venture capital funds	(56.7)	(10.6)
Provisions no longer required written back	(132.2)	(125.0)
Rental income	(60.3)	(60.2)
Dividend income	-	(5.2)
Finance charges	239.7	226.3
Unrealised loss on account of foreign exchange fluctuation	-	8.1
Adjustment to carrying amount of investment	0.5	-
(Profit) / loss on sale of fixed assets	(0.8)	0.1
Operating (loss)/profit before working capital changes (i)	<u>(227.3)</u>	<u>22.5</u>
Changes in working capital:		
Adjustment for (increase)/ decrease in operating assets:		
Trade receivables	10.0	52.9
Loans and advances	(286.0)	5.6
Other assets	(20.1)	85.8
Adjustment for increase/ (decrease) in operating liabilities:		
Trade payables	65.6	87.8
Other liabilities	(41.1)	63.0
Provisions	(5.4)	40.7
Changes in working capital (ii)	<u>(277.0)</u>	<u>335.8</u>
Cash generated from operations (i+ii)	<u>(504.3)</u>	<u>358.3</u>
Income taxes (paid)	(21.1)	(5.5)
Net cash flow (used in) / from operating activities	<u>(525.4)</u>	<u>352.8</u>
B. Cash flows from investing activities		
Purchase of fixed assets	(5.9)	(13.4)
Proceeds from sale of fixed assets	4.8	8.9
Distribution from investment in units of venture capital funds	55.3	7.3
Rental income	60.3	60.2
Dividend income	-	5.2
Purchase of current investments	(331.0)	(1,696.5)
Sale of current investments	1,035.1	1,600.5
Purchase of non-current investment	-	(4,906.1)
Sale of non-current investments	544.0	2,636.0
Net cash flow (used in) / from investing activities	<u>1,362.6</u>	<u>(2,297.9)</u>
C. Cash flows from financing activities		
Proceeds from borrowings	969.0	2,593.8
Repayment of borrowings	(1,579.9)	(415.2)
Finance cost	(236.2)	(224.9)
Dividends paid (including dividend tax)	-	(1.2)
Net cash flow (used in) / from financing activities	<u>(847.1)</u>	<u>1,952.5</u>
Net increase in cash & bank balances (A+B+C)	<u>(9.9)</u>	<u>7.4</u>
Cash & bank balances at the beginning of the year	10.6	3.2
Cash and bank balances at the end of the year*	0.7	10.6
* Comprises :		
(a) Cash on hand	-	0.1
(b) Balances with banks in current accounts	0.7	10.5
	<u>0.7</u>	<u>10.6</u>

Corporate Information and Significant accounting Policies 1 & 2
Notes forming part of the financial statements 3-25

As per our report of even date attached

For B S R & CO. LLP
Chartered Accountants
Firm registration no : 101248W/W-100022

SUPREET SACHDEV
Partner
Membership no : 205385

Bengaluru, April 21, 2016

For and on behalf of Board of Directors ICICI Venture Funds Management Limited

LALITA D GUPTE
Chairperson

MADHUSUDHAN NAIR
Company Secretary

PRASHANT PURKAR
Managing Director & CEO

BEENA M CHOTAI
Chief Financial Officer

Mumbai, April 21, 2016

ICICI INTERNATIONAL LIMITED

21ST ANNUAL REPORT AND ACCOUNTS 2015-2016

Directors	Date of appointment	Date of resignation	Auditors	Bankers	Registered Office
Suresh Kumar	23 July 2001	17 April 2015	Crowe Horwath (Mur) Co. Member of Crowe Horwath International 2nd Floor, Ebene Esplanade 24 Bank Street, Cybercity Ebene 72201 Mauritius	Deutsche Bank (Mauritius) Limited Fourth Floor Barkly Wharf East Le Caudan Waterfront Port Louis Mauritius	IFS Court Bank Street TwentyEight Cybercity Ebene 72201 Mauritius
Ranjit Michael Samuel Fernando	30 July 2007	-	Administrator, Secretary and Mauritian Tax Agent: International Financial Services Limited IFS Court Bank Street TwentyEight Cybercity Ebene 72201 Mauritius	SBI (Mauritius) Limited 7th Floor, Wing 2 SBI Tower Mindspace Building 45, Ebene Cybercity Mauritius	
Sanker Parameswaran	22 January 2014	-		ICICI Bank Limited Securities Market Services Empire Complex, 1st Floor 414 Senapati Bapat Marg Lower Parel (West) Mumbai 400013 India	
Zakir Hussein Niamut	30 April 2014	-			
Yashwant Kumar Beeharee	25 August 2014	-			

commentary of the directors

for the year ended March 31, 2016

The directors present the audited financial statements of ICICI INTERNATIONAL LIMITED (the "Company") for the financial year ended 31 March 2016.

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. Mr Suresh Kumar has resigned as director of the Company on 17 April 2015.

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 of ICICI INTERNATIONAL LIMITED under the Mauritius Companies Act 2001 during the financial year ended 31 March 2016.

for International Financial Services Limited
Secretary

Registered office:

IFS Court Bank Street Twenty Eight
Cybercity Ebene 72201 Mauritius

Date: April

independent auditors' report

to the shareholders 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 31 March 2016, 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 7 to 10, and a summary of significant accounting policies and other explanatory information as set out on pages 11 to 25.

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 shareholders those matters we are required to state to them 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.

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 31 March 2016 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.

We do not express any opinion on the INR figures as they are shown as additional information for the sole purpose of the holding company which prepares consolidated financial statements.

Crowe Horwath (Mur) Co.
Public Accountants
April
Ebene, Mauritius

K. S. Sewraz, FCCA
Signing Partner
Licensed by FRC

statement of profit

statement of financial

or loss and other comprehensive income for the year ended 31 march 2016

position as at 31 march 2016

	Notes	31 March 2016 US\$	March 31, 2016 ₹*	March 31, 2015 US\$	March 31, 2015 ₹*		Notes	March 31, 2016 US\$	March 31, 2016 ₹*	March 31, 2015 US\$	March 31, 2015 ₹*
		(₹ in 000's)						(₹ in 000's)			
Income											
Management fee	6 (a)	163,980	10,864,495	195,235	11,941,471	ASSETS					
Sub account income	6 (b)	38,277	2,536,039	41,150	2,516,923	Non-current asset					
Bank interest income		18,501	1,225,784	21,061	1,288,188	Investments	7	34	2,253	93	5,813
Total income		220,758	14,626,318	257,446	15,746,582						
Expenses						Current assets					
Licence fees		4,300	284,897	4,100	250,775	Receivables and prepayments	8	47,575	3,152,081	60,870	3,804,375
Professional fees	6 (d)	32,930	2,181,771	43,897	2,684,942	Cash at bank	9	102,209	6,771,857	157,262	9,828,875
Bank charges		1,856	122,969	1,643	100,493	Short term bank deposits	9	1,300,000	86,131,500	1,300,000	81,250,000
Audit fees		7,025	465,441	6,900	422,036	Total current assets		1,449,784	96,055,438	1,518,132	94,883,250
Salaries		117,937	7,813,916	154,510	9,450,542	TOTAL ASSETS		1,449,818	96,057,691	1,518,225	94,889,063
General expenses		31,821	2,108,300	39,973	2,444,933						
Advisory fees	6 (e)	35,733	2,367,490	51,443	3,146,490						
Trailer fees	6 (f)	48,751	3,229,998	51,821	3,169,611						
Insurance fees		14,105	934,527	15,085	922,668						
Loss on exchange		82	5,433	12,842	785,477						
Total expenses		294,540	19,514,742	382,214	23,377,967						
Loss from operations		(73,782)	(4,888,424)	(124,768)	(2,725,378)						
Receivable written off	4	-	-	(5,000)	(305,823)						
Investment written off	7	-	-	(1)	(61)						
Payable written back		-	-	1	61						
Loss before taxation		(73,782)	(4,888,424)	(129,768)	(7,937,208)						
Taxation											
Taxation	5	-	-	-	-						
Loss for the year		(73,782)	(4,888,424)	(129,768)	(7,937,208)						
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 loss for the year		(73,782)	(4,888,424)	(129,768)	(7,937,208)						

*The corresponding amounts in Indian rupee ("INR") are shown as additional information for the sole purpose of the holding company which prepares consolidated financial statements.

The notes on pages 11 to 25 form an integral part of these financial statements.

*The corresponding amounts in Indian rupee ("INR") are shown as additional information for the sole purpose of the holding company which prepares consolidated financial statements.

Approved and authorised for issue by the Board of directors on and signed on its behalf by:

Director

Director

statement of changes in equity

for the year ended March 31, 2016

At 1 April 2014

Total comprehensive loss for the year

At 31 March 2015

Total comprehensive loss for the year

At 31 March 2016

	Stated capital US\$	Retained earnings US\$	Total US\$
	900,000	718,093	1,618,093
	—	(129,768)	(129,768)
	900,000	588,325	1,488,325
	—	(73,782)	(73,782)
	900,000	514,543	1,414,543

cash flow statement

for the year ended March 31, 2016

	March 31, 2016 US\$	March 31, 2015 US\$
Cash flows from operating activities		
Loss before taxation	(73,782)	(129,768)
Adjustment for:		
Bank interest income	(18,501)	(21,061)
Foreign exchange loss	82	-
Investment written off	-	1
Operating loss before working capital changes	(92,201)	(150,828)
Decrease in receivables and prepayments	10,738	7,447
Increase/(decrease) in payables	5,376	(19,634)
Net cash used in operating activities	(76,087)	(163,015)
Cash flows from investing activities		
Interest received	21,061	21,061
Net cash from investing activities	21,061	21,061
Net decrease in cash and cash equivalents	1,457,262	1,599,216
Cash and cash equivalents at beginning of the year	(82)	-
Cash and cash equivalents at end of the year (note 9)	1,402,209	1,457,262

notes to the financial statements

for the year ended March 31, 2016

1. GENERAL

The Company was incorporated in Mauritius on 18 January 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, Bank Street, TwentyEight, Cybercity, Ebene 72201, Mauritius.

The Company has subscribed to non-redeemable management shares of India Optima Fund (IOF) (Mauritius) and India Opportunities Fund Limited (Jersey). The Company also provides investment management services to IOF and acts as 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 US\$, the currency of the primary economic environment in which the Company operates. The corresponding amounts in Indian rupee ("INR") 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.

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instruments.

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 transaction costs, where appropriate.

Financial instruments carried on the statement of financial position include investments, receivables, cash at bank, short term bank deposits 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.

(a) 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.

notes to the financial statements



for the year ended March 31, 2015

The investments are 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.

(b) 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.

(c) Cash and cash equivalents

Cash comprises of cash at banks and short term bank deposits. 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.

(d) Payables

Payables are stated at their nominal value.

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.

Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated to US\$ at the foreign exchange rate ruling at the date of the transaction. Differences on exchange are dealt with in equity as 'Translation reserve'.

Deferred tax

Deferred tax is provided, using the liability method, on 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.

Stated capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in the equity as a deduction, net of tax, from proceeds.

Revenue recognition

Interest income, management fee, sub account income and consultancy fee are recognised as they accrue unless collectibility is in doubt.

Expense recognition

All expenses are accounted for in the profit or loss on an accrual basis.

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.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

(i) New and amended standards and interpretations

The Company applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2015.

Annual Improvements 2010-2012 Cycle

IAS 24 Related Party Disclosures

The amendment is applied retrospectively and clarifies that a management entity (an entity that provides key management personnel services) is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services.

(ii) Standards issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 April 2015 and earlier application is permitted; however, the Company has not early applied the following new or amended standards in preparing these financial statements.

IFRS 9 Financial Instruments

IFRS 9, published in July 2014, replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.

IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.

IFRS 14 Regulatory Deferral Accounts

IFRS 14 is an optional standard that allows an entity, whose activities are subject to rate-regulation, to continue applying most of its existing accounting policies for regulatory deferral account balances upon its first-time adoption of IFRS. Entities that adopt IFRS 14 must present the regulatory deferral accounts as separate line items on the statement of financial position and present movements in these account balances as separate line items in the statement of profit or loss and other comprehensive income. The standard requires disclosure of the nature of, and risks associated with, the entity's rate-regulation and the effects of that rate-regulation on its financial statements. IFRS 14 is effective for annual periods beginning on or after 1 January 2016.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes.

notes to the financial statements

for the year ended March 31, 2015

IFRS 15 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.

Amendments to IAS 27: Equity method in Separate Financial Statements

The amendments will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. Entities already applying IFRS and electing to change to the equity method in its separate financial statements will have to apply that change retrospectively. For first-time adopters of IFRS electing to use the equity method in its separate financial statements, they will be required to apply this method from the date of transition to IFRS. The amendments are effective for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments will not have any impact on the Company's financial statements.

Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments address the conflict between IFRS 10 and IAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that the gain or loss resulting from the sale or contribution of assets that constitute a business, as defined in IFRS 3, between an investor and its associate or joint venture, is recognised in full. Any gain or loss resulting from the sale or contribution of assets that do not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture. These amendments must be applied prospectively and are effective for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments are not expected to have any impact on the Company.

Annual Improvements 2012-2014 Cycle

IFRS 5 Non-current Assets Held for Sale and Discontinued Operations

Assets (or disposal groups) are generally disposed of either through sale or distribution to owners. The amendment clarifies that changing from one of these disposal methods to the other would not be considered a new plan of disposal, rather it is a continuation of the original plan. There is, therefore, no interruption of the application of the requirements in IFRS 5. This amendment must be applied prospectively.

IFRS 7 Financial Instruments: Disclosures

(a) Servicing contracts

The amendment clarifies that a servicing contract that includes a fee can constitute continuing involvement in a financial asset. An entity must assess the nature of the fee and the arrangement against the guidance for continuing involvement in IFRS 7 in order to assess whether the disclosures are required. The assessment of which servicing contracts constitute continuing involvement must be done retrospectively. However, the required disclosures would not need to be provided for any period beginning before the annual period in which the entity first applies the amendments.

(b) Applicability of the amendments to IFRS 7 to condensed interim financial statements

The amendment clarifies that the offsetting disclosure requirements do not apply to condensed interim financial statements, unless such disclosures provide a significant update to the information reported in the most recent annual report. This amendment must be applied retrospectively.

Amendments to IAS 1 Disclosure Initiative

The amendments to IAS 1 Presentation of Financial Statements clarify, rather than significantly change, existing IAS 1 requirements. The amendments clarify:

- The materiality requirements in IAS 1;
- That specific line items in the statement(s) of profit or loss and other comprehensive income and the statement of financial position may be disaggregated;
- That entities have flexibility as to the order in which they present the notes to financial statements; and
- That the share of other comprehensive income of associates and joint ventures accounted for using the equity method must be presented in aggregate as a single line item, and classified between those items that will or will not be subsequently reclassified to profit or loss.

Furthermore, the amendments clarify the requirements that apply when additional subtotals are presented in the statement of financial position and the statement(s) of profit or loss and other comprehensive. These amendments are effective for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments are not expected to have any impact on the Company.

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(i), the directors have considered those factors therein and have determined that the functional currency of the Company is the United States dollar (US\$).

Impairment of financial assets

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. There are no such indications of events having impact on future cash flows of the Company. Therefore, no impairment provision is required to be made by the Company.

Receivable written off

Receivable amounting to US\$ 5,000 was written off during the previous year as this amount had been brought forward since long and it was not expected to recover the amount.

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 31 March 2016 amounted to US\$ NIL (31 March 2015: US\$ NIL).

Tax loss of US\$ 293,186 will be carried forward to be netted off against future taxable income as follows:

	US\$
Up to the year ending 31 March 2019	66,110
Up to the year ending 31 March 2020	134,961
Up to the year ending 31 March 2021	92,115
	<hr/> <hr/> <hr/>
	293,186

Deferred taxation

Deferred income taxes are calculated on all temporary differences under the liability method at the rate of 3%. At 31 March 2016, 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.

notes to the financial statements



for the year ended March 31, 2015

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, 2016 US\$	March 31, 2015 US\$
Loss for the year before tax	<u>(73,782)</u>	<u>(129,768)</u>
Income tax at 15%	(11,067)	(19,465)
Tax effect of:		
Non allowable expenses	13	84
Exempt income	(2,775)	(3,159)
Receivable written off	-	750
Outside scope of taxation	12	1,546
Deemed tax credit	<u>13,817</u>	<u>20,244</u>
Income tax expense	-	-

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 recognised in the financial statements as per amounts agreed and included in the investment management agreements. Where the companies under management are not activated, investment management fee is not 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. The total administration fees for the year under review amount to US\$ 32,930.

(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

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 ("IOF"), a company incorporated in Mauritius, for a consideration of US\$ 12.
- (b) 49% of management shares in India Opportunities Fund Limited, a company incorporated in Jersey, for a consideration of US\$ 13.
- (c) 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, 2016 US\$	March 31, 2015 US\$
At directors' valuation		
Available for sale investments:		
India Optima Fund	12	71
India Opportunities Fund Limited	13	13
	<u>25</u>	<u>84</u>
Other investment:		
The Emerging India Fund Trust	9	9
Total investments	<u>34</u>	<u>93</u>
Investments at cost and fair value		March 31, 2016
	<u>34</u>	<u>93</u>

The Company had investment of 10% management shares in Emerging India Fund Company Limited ("EIFCL"), a company incorporated in Mauritius, for a consideration of US\$1.

The shareholders of Emerging India Fund Company Limited had on 29 June 2012 approved the winding up of the company. EIFCL has wound up on 10 October 2014 and the investment of US\$1 has been written off.

There has been a buyback of 58 management shares of US\$1 each at IOF level on 23 March 2016. The amount of US\$ 58 is receivable from IOF as at 31 March 2016.

8. RECEIVABLES AND PREPAYMENTS

	March 31, 2016 US\$	March 31, 2015 US\$
Sundry debtors	-	5,000
Receivable written off (note 4)	-	(5,000)
Deposit	4,909	6,925
Management fees receivable	12,055	15,217
Sub account income receivable	7,353	7,539
Interest receivable on short term bank deposits (see note 9)	16,683	19,298
Receivables from IOF	608	-
Other prepayments	5,967	11,891
	<u>47,575</u>	<u>60,870</u>

The directors believe that receivables approximate to their fair values.

9. CASH AT BANK AND SHORT TERM BANK DEPOSITS

Details for cash at bank and short term bank deposits are as follows:

	March 31, 2016 US\$	March 31, 2015 US\$
Cash at bank	102,209	157,262
Short term bank deposits (see note below)	1,300,000	1,300,000
	<u>1,402,209</u>	<u>1,457,262</u>

The short term bank deposits comprise of a fixed deposit of US\$ 1,300,000 held by the Company with SBI (Mauritius) Limited, with an interest rate of 1.40% per annum and maturity date of 7 May 2016.

10. STATED CAPITAL

	March 31, 2016 US\$	March 31, 2015 US\$
Issued and fully paid		
90,000 Ordinary shares of US\$ 10 each	<u>900,000</u>	<u>900,000</u>

The fully paid ordinary shares carry voting rights and the holders are entitled to receive dividends.

notes to the financial statements

for the year ended March 31, 2015

11. PAYABLES

	March 31, 2016 US\$	March 31, 2015 US\$
Sundry creditors	9	9
Accruals	6,626	7,799
Trailer fees	21,018	11,235
Advisory fees	7,622	10,857
	35,275	29,900

The directors believe payables to approximate to their fair values.

12. FINANCIAL INSTRUMENTS

Fair values

The carrying amounts of investments, receivables, cash at bank, short term bank deposits and payables approximate their fair values due to their short-term nature.

Categories of financial instruments:	March 31, 2015 US\$	March 31, 2015 US\$
Financial assets		
Investments	34	93
Receivables	41,608	48,979
Cash at bank	102,209	157,262
Short term bank deposits	1,300,000	1,300,000
	1,443,851	1,506,334

Financial liability

Payables	35,275	29,900
	35,275	29,900

Currency profile

The currency profile of the Company's financial assets and liabilities is summarized as follows:

	Financial assets March 31, 2015 US\$	Financial liabilities March 31, 2015 US\$	Financial assets March 31, 2014 US\$	Financial liabilities March 31, 2014 US\$
Indian rupee (INR)	349	-	370	-
Mauritian rupee (MUR)	5,856	-	13,881	-
United States dollar (US\$)	1,437,646	35,275	1,492,083	29,900
	1,443,851	35,375	1,506,334	29,900

Prepayments amounting US\$ 5,967 (31 March 2015: US\$ 11,891) 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). Concentration risk

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's financial assets.

	Carrying amount March 31, 2016 US\$	Carrying amount March 31, 2015 US\$
Notes	Notes	Notes
Investments	7	34
Receivables	8	41,608
Cash at bank	9	102,209
Short term bank deposits	9	1,300,000
		1,443,851
		1,506,334

The Company's credit risk is primarily attributable to its investments, receivables, cash at bank and short term bank deposits. 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, 2016 US\$	March 31, 2015 US\$	Remaining contractual maturity
Financial liability			
Payables (note 11)	35,275	29,900	Less than 1year
	35,275	29,900	

(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, 2016 US\$	5% decrease March 31, 2016 US\$	5% increase March 31, 2015 US\$	5% decrease March 31, 2015 US\$
US\$ denominated				
Bank interest income	925	(925)	1,053	(1,053)
Effect on profit before tax	925	(925)	1,053	(1,053)

(vi) Concentration risk

The Company invests mainly in Funds which in turn invests in Indian equities which involve certain considerations and risks not typically associated with investments in other developed markets. Future economic and political developments in India could adversely affect the liquidity and/or the value of such securities in which the Funds have invested.

Fair value measurement

A number of assets and liabilities included in the Company's financial statements require measurement at, and/or disclosure of, fair value.

The fair value measurement of the Company's financial and non-financial assets and liabilities utilises market observable inputs and data as far

notes to the financial statements



for the year ended March 31, 2015

as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

- Level 1: Quoted prices in active markets for identical items (unadjusted);
- Level 2: Observable direct or indirect inputs other than Level 1 inputs; and
- Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the year they occur.

The following tables set out the fair values of financial instruments that are analysed by the level in the fair value hierarchy into which each fair value measurement is categorised:

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total/ US\$
Assets				
Investments	-	-	34	34
Receivables	-	-	41,608	41,608
Cash at bank	-	-	102,209	102,209
Short term bank deposits	-	-	1,300,000	1,300,000
Total	-	-	1,443,851	1,443,851
Liabilities				
Payables	-	-	35,275	35,275
Total	-	-	35,275	35,275

The fair values of receivables, cash at bank, short term bank deposits and payables approximate their carrying values due to their short term nature.

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 31 March 2016, 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	Balance as at 31 March 2015 US\$	Volume of transactions US\$	Balances as at 31 March 2016 US\$	Payable (P)/ Receivable (R)
Parent company	Trailer fees	(11,235)	7,215	(18,450)	P

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 31 March 2016.

ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED

16TH ANNUAL REPORT AND ACCOUNTS 2015-2016

Directors

Chanda Kochhar, <i>Chairperson</i> <i>DIN: 00043617</i>	Adrian O'Connor <i>DIN: 02417554</i>
N. S. Kannan <i>DIN: 00066009</i>	Keki Dadiseth ³ <i>DIN: 00052165</i>
K. Ramkumar <i>DIN: 00244711</i>	Marti G. Subrahmanyam <i>DIN: 00306761</i>
Rajiv Sabherwal <i>DIN: 00057333</i>	Rama Bijapurkar <i>DIN: 00001835</i>
Barry Stowe ¹ <i>DIN: 00953024</i>	Vinod Kumar Dhall <i>DIN: 02591373</i>
Tony Wilkey ² <i>DIN: 02337488</i>	S. Sridar <i>DIN: 02241339</i>
	Sandeep Bakhshi <i>DIN: 03620913</i>

Managing Director & CEO

<i>DIN: 00109206</i>
Puneet Nanda,
<i>Executive Director</i>
<i>DIN: 02578795</i>

Sandeep Batra,
<i>Executive Director</i>
<i>DIN: 03620913</i>

Auditors

S.R. Batliboi & Co. LLP
<i>Chartered Accountants</i>

(registration no. 301003E)

Registered & Corporate Office
1089, Appasaheb Marathe Marg,
Prabhadevi, Mumbai – 400 025.

¹Barry Stowe ceased to be a nominee director with effect from July 28, 2015
²Tony Wilkey was appointed as the nominee director with effect from July 29, 2015

³Keki Dadiseth was an independent director of the Company up to April 25, 2016

directors' report

to the members

ICICI Prudential Life Insurance Company Limited

Your Directors have pleasure in presenting the 16th Annual Report of ICICI Prudential Life Insurance Company Limited (the Company) with the audited statement of accounts for the year ended March 31, 2016.

PERFORMANCE

Industry in FY2016

The new business premiums of life insurance industry increased by 8.1% in FY2016 in terms of retail weighted received premium (RWRP). Some of the key industry trends were:

- Post September 2010 guidelines, the market share of private players dropped from 52.3% in FY2010 to 38.0% in FY2014 on retail weighted received premium basis. However FY2016 has seen private players' market share increasing back to over half way mark at 51.5%.
- Steady increase in bancassurance mix: During the past 5 years, bancassurance has grown steadily from 13 % in FY2011 to 25% till 9MFY2016 on the basis of retail new business premium. Contribution by bancassurance channel to the retail new business premium of the private players has increased to 51% for 9MFY2016 compared to 47% for FY2015.

Company in FY2016

The Company achieved a market share of 11.3% in FY2016 based on RWRP. The Company's RWRP grew 8.1% from ₹ 45.96 billion in FY2015 to ₹ 49.68 billion in FY2016. The Company continues to retain its market leadership among the private players and achieved market share of 21.9% amongst private players in FY2016. The Company focussed on improving its protection business and there was a 29.4% increase in sum assured for new business.

Total gross premium collected by the Company grew 25.2% from ₹ 153.07 billion in FY2015 to ₹ 191.64 billion in FY2016. Our continued focus on customer retention has resulted in increase in retail renewal premium by 25.3% from ₹ 95.71 billion in FY2015 to ₹ 119.95 billion in FY2016. The 13th month persistency ratio also improved from 79.0% in FY2015¹ to 82.4% in FY2016. The Company's assets under management as at March 31, 2016 was ₹ 1,039.39 billion.

Total expenses increased to ₹ 25.45 billion in FY2016 as compared to ₹ 22.58 billion in FY2015. However total cost to total weighted received premium (TWRP)² ratio improved from 15.4% in FY2015 to 14.5% in FY2016. Profit after tax (PAT) for the Company stood at ₹ 16.50 billion in FY2016 compared to ₹ 16.34 billion in FY2015.

A summary of key parameters is as set out below:

	(₹ billion)	
Particulars	FY2015	FY2016
RWRP	45.96	49.68
Retail renewal premium	95.71	119.95
Total premium	153.07	191.64
Expenses	22.58	25.45
Standalone profit after tax	16.34	16.50

¹ As per IRDAI circular IRDA/ACT/CIR/035/01/2014 dated January 23, 2014

² TWRP: Total premium – 90% of single premium

³ Cost/(Total premium – 90% of single premium)

Particulars	FY2015	FY2016
Sum assured for new business	1,195.34	1,546.25
Assets held	1,001.83	1,039.39
Cost to TWRP ³	15.4%	14.5%

Financials			
	Standalone		Consolidated
Particulars	FY2015	FY2016	FY2015
Profit after tax (PAT)	16.34	16.50	16.34
Balance brought forward from previous year	(10.33)	0.48	(10.34)
Profit available for appropriations	6.07	16.98	6.00
Appropriations:			
Interim Equity Dividend	(5.36)	(9.02)	(5.36)
Proposed Final Dividend	(3.01)	(3.01)	(3.01)
Tax on Equity Dividends	(1.61)	(2.44)	(1.61)
General Reserve	4.45	—	4.45
Surplus carried to next year's account	0.48	2.51	0.47

The solvency margin of the Company is 320.0% in FY2016 compared to regulatory requirement of 150.0%.

Our Reach

The Company reaches its customers through 521 offices in 456 locations at March 31, 2016. On March 31, 2016, the Company had 10,663 employees and 121,016 advisors to cater to the needs of customers. The Company distributes its products through agents, corporate agents, banks, brokers, proprietary sales force (PSF) and online channels.

Products

The Company offers a range of life, pension and savings products across traditional and unit-linked platforms to provide a range of long term savings and protection solutions. In order to strengthen our Protection offerings, we have launched new products on retail, mortgage and group platforms.

Dividend

The operations have resulted in a profit after tax of ₹ 16.50 billion as compared to a profit after tax of ₹ 16.34 billion for the previous year. The Board had approved payment of interim dividend of ₹ 1.10 per share and a special dividend of ₹ 1.00 per share, for each quarter, at its Board meetings held on January 19, 2016, October 27, 2015 and July 28, 2015 respectively. The Board at its Meeting held on April 26, 2016 has recommended a final dividend of ₹ 1.10 per share and a special dividend of ₹ 1.00 per share. Total dividend for the year is ₹ 8.40 per share aggregating to ₹ 12.03 billion for FY2016.

directors' report



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Claims

The Company has settled over 10,600 individual mortality claims in FY2016. The claims settlement ratio for the Company in FY2016 is 96.20%. For non-investigated claims, the settlement was completed within an average turnaround time of 3.3 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 pension fund manager under the National Pension System (NPS).

During the year ended March 31, 2016, the subscribers' funds managed by PFM have increased by 90.0% from ₹ 3,690.0 million at March 31, 2015 to ₹ 7,011.4 million at March 31, 2016. The inflows for the year increased by 122.3% from ₹ 1,426.3 million in FY2015 to ₹ 3,170.1 million in FY2016. PFM's subscriber base increased from 30,158 at March 31, 2015 to 66,182 at March 31, 2016. PFM registered a loss of ₹ 3.1 million (previous year: profit of ₹ 1.0 million).

On the regulatory front, the Finance Bill 2016 exempted from income tax 40% of the total amount paid to a subscriber on account of closure or his opting out of the NPS scheme.

Auditors

B S R & Co. LLP and S. R. Batliboi & Co. LLP, Chartered Accountants, were appointed as joint statutory auditors of the Company at the Fifteenth Annual General Meeting to hold office upto the conclusion of the ensuing Annual General Meeting. The Board has proposed the appointment of the Auditors, as mentioned in the notice enclosed with the Annual Report, based on the recommendation of the Board Audit Committee.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Dr. K. R. Chandratre, Company Secretary in Practice to undertake Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as Annexure A.

Admission of equity shares

The Company's equity shares are admitted on the records of the National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL").

Extract of Annual Return

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as Annexure B.

Particulars of Employees

As required by the provisions of Section 197 of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment & Remuneration) Rules, 2014, the names and relevant particulars of the employees are set out in the Annexure to the Directors' Report.

Rural and Social Business

183,695 policies were issued in rural areas, constituting 31.6% of total policy issuances. The Company also covered more than 65,000 lives falling within the norm of 'social sector' business.

Increase in Share Capital

The paid-up capital of the Company increased by ₹ 6.02 million pursuant to exercise of stock options granted under the Employee Stock Option Scheme taking the paid-up capital to ₹ 14.32 billion at March 31, 2016.

Public Deposits

During the year under review, the Company has not accepted any deposits under Section 73 of the Companies Act, 2013.

Corporate Social Responsibility Initiatives

The Corporate Social Responsibility policy as approved by the Board is uploaded on the Company's website.

The Annual Report on Corporate Social Responsibility is annexed herewith as Annexure C.

Particulars of contracts or arrangements with related parties

The particulars of contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto are disclosed in Form No. AOC -2 appended as Annexure D.

Statement in respect of adequacy of internal financial controls with reference to the Financial Statements

The Company has established an internal control framework comprising a robust governance framework and a control environment, commensurate with the size,

scale and complexity of its operations. The framework comprises the following key components:

Entity level controls: The control environment of the Company relies on a set of Entity level controls (ELCs) which operate at an organization level and may not be embedded in any single process of the Company. The ELCs set up by the Company include:

1. Corporate governance framework comprising Board and executives committees for oversight on the management of the Company
2. Policies commensurate with the Company's size and level of complexity to establish standards of conduct including code of conduct, whistle blower policy, work place harassment, conflict of interest, information security etc.
3. Risk management framework to identify, measure, monitor and control various risks including operational risk (including fraud risk).
4. Independent Internal Audit department with oversight from the Audit Committee
5. Employee management framework comprising hiring, retention, training, performance evaluation and remuneration structure of the employees
6. Framework to ensure compliance to regulations, laws including compliance certification, communication of changes in regulations/ laws etc.
7. Framework for identifying, monitoring of and control over outsourced activities
8. Framework for internal and external communication

Review controls: Review control comprises multiple levels of oversight over financial reporting by way of a strong reporting and review framework as follows:

1. Quarterly reporting and review of audited financials and investment returns to regulator and shareholders. The financials prepared are audited by joint statutory auditors, and are reviewed by Audit Committee. They are also submitted to IRDAI.
2. Internal audit team exercises independent oversight over operational and financial processes and significant observations and recommendations are presented to the Audit Committee. Investment operations is subject to concurrent audit certification on a daily basis and an investment risk management systems (IRMS) audit on a bi-annual basis. Any significant findings in the concurrent audit or IRMS audit are presented to the Audit Committee.
3. Management exercises review control by way of in depth reviews on financials, GL balances, liability assumptions, information security etc. conducted by CFO, Appointed Actuary and Chief of IT and operations.

Operating controls: comprise IT and process controls operating at a system/process level with the objective of providing assurance at a transaction recording stage. Salient aspects include:

1. The Company has implemented the COSO 2013 framework for ensuring compliance with Sarbanes Oxley Act, 2002. All business processes having implication on financial results are subject to quarterly reviews. Any material deficiency is discussed at Audit Committee.
2. The Company has deployed automation in most aspects of the transaction processing including policy administration, investment management, actuarial computations, expense processing, claims management, human resource processes and accounting to ensure greater control over financial reporting.
3. The Company has in place a robust IT control environment over the tools, applications, spreadsheets and information resources used for preparation of financial statements.
4. Control over third party service providers relevant from the financial reporting perspective.

Self-assessment mechanism: Supports the internal control framework by a continuous loop of self-assessment and testing of controls by the process owners

1. Self-assessment of compliance with applicable regulations is conducted quarterly through a detailed compliance checklist by process owners and certification by MD.
2. A Risk And Control Self- assessment is carried out to identify and assess operational risk in respect of all aspects related to controls over reporting process. Appropriate mitigation plans are in place for any identified risks.
3. Assessment of controls in light of any audit findings, compliance self-disclosures or fraud incidents

Auditor's Report

There is no qualification, reservation, adverse remark or disclaimer made by the auditors in their report.

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

directors' report

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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.

Risk Management

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. The Board approved risk policy details identification, measurement, monitoring and control standards relating to the various individual risks, namely investment (market, credit and liquidity), insurance and operational risks.

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 IRDAI guidelines and the Company's internal Investment Policy. The Company restricts investments primarily to securities rated AA and above.
- (d) The Company has a liquidity contingency plan in place.

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 reinsurance 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.

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 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, loss events and/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. It further engages with the law enforcement agencies to create awareness on various insurance frauds and emerging issues.
- (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. It also initiates actions through law enforcement authorities based on severity of the incident.
- (e) Outsourcing Risk: Processes of the Company are outsourced as permitted under the regulatory guidelines. The Company carries out required due-diligence for any new activity or vendor empanelment.
- (f) 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.
- (g) Information Security: The Company has an information security framework that ensures all information assets are safeguarded by establishing comprehensive management processes throughout the organization.
- (h) Whistle-blower policy that facilitates reporting of observed breaches. Employee Code of Conduct that is laid out with a malpractice matrix prescribing disciplinary action including caution, deterrent action and termination based on the nature and seriousness of non-compliant behavior.

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 Prevention of Insider Trading

The Company has a Code of Conduct for Prevention of Insider Trading. The objective of the Code is to prohibit insider trading in any manner by the Designated 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 "Designated Persons" and their "Immediate Relatives" as defined in the Code.

directors' report



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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 a laid down policy on sexual harassment at work place and has communicated to all its employees about the same. The Company believes in providing a safe working environment at the workplace. On an ongoing basis, the Company creates education & awareness amongst employees through training program/seminars, e-mail campaigns.

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.

Board of Directors

The Company has a broad-based Board of Directors, constituted in compliance with the Companies Act, 2013 and in accordance with IRDAI Corporate governance guideline, 2009. The Board comprises four Directors nominated by ICICI Bank Limited, two nominated by Prudential Plc, four 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 IRDAI 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. None of the Directors are related to any other Director or employee of the Company.

All independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 of the Companies Act, 2013 which has been relied on by the Company and placed at its Board Meeting held on April 26, 2016.

The Board functions either as a full Board or through various Committees constituted to oversee specific 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, Board Corporate Social Responsibility Committee, Stakeholders Relationship Committee (earlier known as Share Transfer Committee) and With Profits Committee.

There were six Meetings of the Board during FY2016 - on April 24, 2015, July 28, 2015, September 30, 2015, October 27, 2015, December 16, 2015 and January 19, 2016. The maximum interval between any two meetings did not exceed 120 days. The names of the Directors with their qualification and field of specialisation are set out in the following table:

Name of the Director	Directors Identification Number (DIN)	Qualification	Field of specialisation
Nominee Directors			
Chanda Kochhar, Chairperson	00043617	MMS - Finance, ICWA	Banking, Financial Services
N. S. Kannan	00066009	Bachelor of Engineering (Honours) PGDM, Chartered Financial Analyst (CFA)	Banking, Financial Services
K. Ramkumar	00244711	B. Sc, PG Diploma in Personnel & Industrial Relations Management	Human Resources Management, Customer Service and Operations
Rajiv Sabharwal	00057333	B.Tech. (IIT Delhi), PGDM	Banking, Financial Services
Barry Stowe ¹	00953024	BA – Politics	Life Insurance, fund management
Tony Wilkey ²	02337488	MBA	Insurance, asset management

Name of the Director	Directors Identification Number (DIN)	Qualification	Field of specialisation
Adrian O'Connor	02417554	Fellow of the Institute of Actuaries and Fellow of Society of Actuaries	Financial management, strategic planning
Independent Directors			
Keki Dadiseth ³	00052165	B. Com, F.C.A (England and Wales)	Finance
Prof. Marti G. Subrahmanyam	00306761	B.Tech, PGDM, Ph.D.	Corporate finance, capital markets and international finance
Rama Bijapurkar	00001835	B.Sc (Hon.), PGDM	Market strategy
Vinod Kumar Dhall	02591373	LLB , M.Sc, Masters degree in Mathematics	Corporate Affairs, Law and Insurance
V. Sridar	02241339	B. Com (Hons), FCA	Banking, Finance and Accountancy
Executive Directors			
Sandeep Bakhshi, Managing Director & CEO	00109206	B.E (Mech), PGDM	Banking, Insurance, Financial Services
Puneet Nanda	02578795	B.E, PGDM	Insurance, Financial Services
Sandeep Batra	03620913	B.Com, F.C.A., A.C.S.	Banking, Insurance, Financial Services

1. Barry Stowe ceased to be a Nominee Director with effect from July 28, 2015.

2. Tony Wilkey was appointed as the Nominee Director with effect from July 29, 2015.

3. Keki Dadiseth was an Independent Director of the Company up to April 25, 2016.

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	6/6	4	3	—
N. S. Kannan	5/6	4	2	1
K. Ramkumar	3/6	2	—	—
Rajiv Sabharwal	5/6	2	—	—
Tony Wilkey ⁴	2/4	—	1	—
Barry Stowe ⁵	1/2	N. A.		
Adrian O'Connor	3/6	—	—	—
Independent Directors				
Keki Dadiseth ⁶	6/6	9	1	8
Prof. Marti G. Subrahmanyam	4/6	—	3	—
Rama Bijapurkar	6/6	3	1	2
Vinod Kumar Dhall	5/6	6	—	6
V. Sridar	6/6	7	—	9
Executive Directors				
Sandeep Bakhshi, Managing Director & CEO	5/6	2	—	—
Puneet Nanda	5/6	1	—	—
Sandeep Batra	5/6	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 8 companies and not for profit foreign companies.

3. Comprises only Audit Committee and Shareholders'/Investors' Grievance Committee of Indian public companies.

4. Tony Wilkey was appointed as the Nominee Director with effect from July 29, 2015.

5. Barry Stowe resigned as the Nominee Director with effect from July 28, 2015.

6. Keki Dadiseth was an Independent Director of the Company up to April 25, 2016.

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In accordance with the provision of section 152 of the Companies Act, 2013 Mr. K. Ramkumar (DIN: 00244711) and Sandeep Batra (DIN: 03620913) would retire by rotation at the ensuing AGM. Sandeep Batra, being eligible has offered himself for re-appointment.

Annual evaluation by the Board

There is a well defined framework for performance evaluation of the Board/Chairperson/ whole-time directors and Independent Directors. The evaluation of the Board/Chairperson/ whole-time directors and Independent Directors for FY2016 was completed through an online survey portal.

Meeting of Independent Directors

During FY2016, the meeting of the Independent Directors was held on April 24, 2015. The names of the Independent Directors and their attendance at Independent Directors Meeting during the year are set out in the following table:

Name of the member	Number of meetings attended/held
Keki Dadiseth	1/1
Prof. Marti G. Subrahmanyam	1/1
Rama Bijapurkar	1/1
Vinod Kumar Dhall	1/1
V. Sridar	1/1

Board Committees

The details of Board Committees are as follows:

a) Board Audit Committee

The primary objective of the Committee is to monitor and provide an effective supervision of the financial reporting process, with high levels of transparency, integrity and quality of financial reporting. The Committee shall oversee the work of internal audit & compliance functions and ensure deployment of policies for an effective control mechanism including mechanism to address potential conflict of interest among stakeholders. The Committee has the authority and responsibility to select, evaluate and recommend the statutory auditors in accordance with law. The Committee shall ensure independence of control functions demonstrated by a credible reporting arrangement.

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) and to review and monitor the auditor's independence and performance, and effectiveness of audit process.
- 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 including evaluation of risk management systems.
- 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.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - 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.
 - Approval or any subsequent modification and disclosure of any related party transactions of the Company.
 - Qualifications in the draft audit report.
- 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, etc.), 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.

- Review of housekeeping items, particularly review of suspense balances, reconciliations (including Subsidiary General Ledger (SGL) accounts) and other outstanding assets & liabilities.

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 Company's AML/CFT programme.
- Review compliance of Insurance Regulatory & Development Authority of India (IRDAI) 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

There were five Meetings of the Board Audit Committee held during FY2016 - on April 23, 2015, June 25, 2015, July 27, 2015, October 26, 2015 and January 18, 2016. 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 ¹	5/5
K. Ramkumar	3/5
Adrian O'Connor	0/5
V. Sridar ²	5/5
Vinod Kumar Dhall	4/5
Prof. Marti G. Subrahmanyam ³	-

1. Was an Independent Director and Chairman of Audit Committee up to April 25, 2016
2. Appointed as a Chairman of the Audit Committee with effect from April 26, 2016
3. Appointed as a Member of the Audit Committee with effect from April 26, 2016

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b) Board Risk Management Committee

The Committee reviews the Risk Management policy of the Company, including Asset Liability Management (ALM), to monitor all risks across the various lines of business of the Company and establish appropriate systems to mitigate such risks. The Committee also reviews the risk appetite and risk profile of the Company. The Committee oversees the effective operation of the risk management system and advises the Board on key risk issues.

Terms of reference:

A. Risk Management

- i. Assisting the Board in effective operation of the risk management system by performing specialised analysis and quality reviews;
- ii. Maintaining a group wide and aggregated view of the risk profile of the Company in addition to the individual risk profiles;
- iii. Reporting to the Board details of the risk exposures and the actions taken to manage the exposures;
- iv. Advising the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy, acquisitions and related matters;

B. Asset Liability Management (ALM)

- i. Formulating and implementing optimal ALM strategies, both at the product and enterprise level and meeting risk versus reward objectives;
- ii. Reviewing the Company's overall risk appetite and laying down the risk tolerance limits;
- iii. Monitoring risk exposures at periodic intervals and revising strategies as appropriate including those for ALM; and
- iv. Placing information pertaining to ALM before the Board at periodic intervals.
- v. Setting the risk/reward objectives i.e. the risk appetite of the Company informed by assessment of policyholder expectations
- vi. Quantifying the level of risk exposure

Composition

There were four Meetings of the Board Risk Management Committee held during FY2016 - on April 23, 2015, July 27, 2015, October 20, 2015 and January 18, 2016. 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
Prof. Marti G. Subrahmanyam – Chairman	4/4
Rama Bijapurkar	3/4
N. S. Kannan	2/4
Adrian O'Connor	0/4

c) Board Investment Committee

The Investment Committee assists the Board in fulfilling its oversight responsibility for the investment assets of the Company. The Committee is responsible for formulating the overall investment policy and establishing a framework for its investment operations with adequate controls. The Committee also monitors investment performance against the applicable benchmarks and provide guidance for protection of shareholders' and policyholders' funds.

Terms of reference:

- Responsible for the statement and review of the Investment Policy and operational framework for the investment operations of the Company. 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 in line with policyholders' reasonable expectations and above all protection of policyholders' funds.
- Put in place an effective reporting system to ensure compliance with the Investment Policy set out by it apart from Internal/Concurrent Audit mechanisms for a sustained and on-going monitoring of Investment Operations.
- To furnish a report to the Board on the performance of Investments atleast on a quarterly basis and provide an analysis of its Investment portfolio and on the future outlook.

Composition

There were four Meetings of the Board Investment Committee held during FY2016 - on April 23, 2015, July 27, 2015, October 20, 2015 and January 18, 2016. 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
Prof. Marti G. Subrahmanyam - Chairman	4/4
N. S. Kannan	2/4
Adrian O'Connor	0/4
Sandeep Bakhshi	4/4
Sandeep Batra	4/4
Satyam Jambunathan*	4/4
Manish Kumar*	4/4
Binay Agarwala*	4/4

* As per IRDAI regulation Board Investment Committee shall also have Appointed Actuary, Chief Investment Officer and Chief Financial Officer as members.

d) Board Customer Service & Policyholders' Protection Committee

The Board Customer Service & Policyholders' Protection Committee will assist the Board to protect the interests of the policyholders and improve their experiences in dealing with the Company at all stages and levels of their relationship with the Company. In this connection, the Committee aims to upgrade and monitor policies and procedures for grievance redressal and resolution of disputes, disclosure of "material information" to the policyholders, and compliance with the regulatory requirements

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

The Company has a Grievance Redressal Committee (GRC). The key discussions of the GRC Meeting are put up at the Board Customer Service & Policyholders' Protection Committee for information. The GRC is formed to provide effective grievance redressal to the policyholders. The GRC consists of two external members and three members from senior management team of the Company. R. Narayanan, an external member, chairs the GRC. As part of the grievance redressal mechanism, the GRC constituted as the final authority to address the policyholders' grievances before approaching the Regulator and the Ombudsman office. The GRC 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.

Composition

There were four Meetings of the Board Customer Service & Policyholders' Protection Committee held during FY2016 - on April 23, 2015, July 27, 2015, October 26, 2015 and January 18, 2016. 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
Vinod Kumar Dhall - Chairman	4/4
K. Ramkumar	4/4
Adrian O'Connor	0/4

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e) Board Nomination and Remuneration Committee

The Board Nomination & Remuneration Committee shall assist the Board to formulate policies relating to the composition & remuneration of the directors, key managerial personnel, other employees consistent with criteria approved by the Board. The Committee shall coordinate and oversee the self-evaluation of the performance of the Board and succession planning for senior management. The Committee shall ensure that the Board comprises competent and qualified Directors.

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

There were three Meetings of the Board Nomination & Remuneration Committee held during FY2016 - on April 24, 2015, July 28, 2015 and January 18, 2016. 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
Rama Bijapurkar - Chairperson	3/3
Prof. Marti G. Subrahmanyam	3/3
Vinod Kumar Dhall	3/3
K. Ramkumar	1/3
Adrian O'Connor	1/3

f) Board Corporate Social Responsibility (CSR) Committee

The purpose of the Committee is to formulate and recommend to the Board the CSR policy of the Company. It will also formulate the annual CSR plan, and monitor the CSR activities and compliance with the CSR policy from time to time. Corporate Social Responsibility Policy of the Company as per section 135 of the Companies Act, 2013 is put up on the Company's website.

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

There were two Meetings of the Board Corporate Social Responsibility Committee held during FY2016 - on April 23, 2015 and January 18, 2016. 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
Vinod Kumar Dhall – Chairman	2/2
K. Ramkumar	2/2
Adrian O'Connor	0/2

g) Share Transfer Committee⁴

Terms of reference:

- Consider and review redressal and resolutions of the grievances of the security holders of the company, including those of shareholders, debenture holders and other security holders

⁴Earlier known as Share Transfer Committee. It is renamed as Stakeholders Relationship Committee with effect from April 25, 2016

- Approval and rejection of transfer and transmission of shares or securities, including preference shares, bonds, debentures and securities
- Approval and rejection of requests for split and consolidation of share certificates
- Approval and rejection of issue of duplicate share, issued from time to time
- Redemption of securities and the listing of securities on stock exchanges
- Allotment of shares and securities
- Any other activities which are incidental or ancillary thereto

Members:

Vinod Kumar Dhall (Chairman)

Keki Dadiseth*

Sandeep Bakhshi, Managing Director & CEO

Sandeep Batra, Executive Director**

* Was a member up to April 25, 2016

** Appointed as a member with effect from April 26, 2016

During the year, no Meeting of the Share Transfer Committee was held.

h) 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, etc. 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, etc. which were represented in the asset share.

Composition

There were two Meetings of the With Profits Committee held during FY2016 - on April 17, 2015 and February 26, 2016. 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	2/2
Adrian O' Connor	0/2
N. S. Kannan	2/2
Sandeep Bakhshi	2/2
N. M. Govardhan*	2/2
Satyan Jambunathan*	2/2

* As per IRDAI regulations With Profits Committee shall also have an Independent Actuary and Appointed Actuary as members.

Criteria for appointment of Directors & Senior Management

The Company has a well defined Policy for determining criteria for appointment of Directors & Senior Management personnel.

Compensation & Benefits Policy

The Compensation & Benefits Policy is applicable to the Whole time Directors, Key Managerial Personnel (KMP), Senior Managerial Personnel (SMP) and other employees.

Philosophy on compensation and benefits

The Company's philosophy on compensation and benefits is based on the ethos of meritocracy. The twin pillars of the performance management system and talent management system are closely intertwined with the compensation and benefits policy of the Company. The Company follows the cost to Company approach while determining the compensation and benefits structure. While the Company aims to ensure internal and external equity consistent with emerging market trends, the Company's business model and affordability based on business performance sets the overarching boundary conditions.

Compensation structure

To meet the organisational objective of attracting, rewarding and retaining talent, compensation is delivered through a holistic composition of instruments as given below:

- Annual Guaranteed Pay
- Variable Pay
- Long-term Pay
- Non-cash Benefits
- Malus and Claw back

Review of compensation & benefits' practices

The review of compensation decisions involve:

- Review of the prevalent and emerging trends in the market with specific reference to compensation and benefits provided

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- Review of compensation and benefits policies in line with emerging employee needs and organisational priorities
- Decisions pertaining to annual increments, bonus payout, stock option grants, promotions and benefits at various levels

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 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, 2013 or the Central Government. The Board of Directors has approved the payment of ₹ 100,000 as sitting fees for each Meeting of Board and ₹ 20,000 as sitting fees for each Meeting of Committee attended. This amount is within the limits prescribed as per rule 4 of Companies (Appointment & Remuneration) Rules, 2014 of the Companies Act, 2013. 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, 2016:

Name of the member	Amount (in ₹)
Keki Dadiseth	700,000
Prof. Marti G. Subrahmanyam	620,000
Rama Bijapurkar	720,000
Vinod Kumar Dhall	760,000
V. Sridar	740,000

* As per requirements of IRDAI regulations, N. M. Govardhan being an Independent Actuary is required to be a member of the With Profits Committee and is paid fees of Rs. 200,000 for attending the Meetings

General Body Meetings

The details of the last three Annual General Meetings (AGM) are given below:

Financial Year ended	Day, Date	Start time	Venue
Thirteenth AGM	Thursday, June 20, 2013	11.00 a.m.	ICICI Prudential Life Insurance Company Limited, 1089 Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025
Fourteenth AGM	Monday, June 23, 2014	4.30 p.m.	ICICI Prudential Life Insurance Company Limited, 1089 Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025
Fifteenth AGM	Thursday, June 25, 2015	10.00 a.m.	ICICI Prudential Life Insurance Company Limited, 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 June 20, 2013

- Revision in remuneration payable to Sandeep Bakhshi, Managing Director & CEO.
- Revision in remuneration payable to Puneet Nanda, Executive Director.

Annual General Meeting held on June 23, 2014

- Revision in remuneration payable to Sandeep Bakhshi, Managing Director & CEO.
- Revision in remuneration payable to Puneet Nanda, Executive Director.
- Revision in remuneration payable to Sandeep Batra, Executive Director.

Annual General Meeting held on June 25, 2015

- Re-appointment & Revision in remuneration payable to Sandeep Bakhshi, Managing Director & CEO.
- Re-appointment & Revision in remuneration payable to Puneet Nanda, Executive Director.
- Revision in remuneration payable to Sandeep Batra, Executive Director.

General Shareholder Information

General Body Meeting	Day, Date & Time	Venue
Sixteenth AGM	Friday, June 24, 2016 at 11.00 a.m.	ICICI Prudential Life Insurance Company Limited, 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
Monday, January 18, 2016	1.00 p.m.	ICICI Prudential Life Insurance Company Limited, 1089 Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025

The following special resolutions were passed by the members during the Extra Ordinary General Meeting held as above:

- Special grant of Employee Stock Options of ICICI Bank Limited to Sandeep Bakhshi
- Special grant of Employee Stock Options of ICICI Bank Limited to Puneet Nanda
- Special grant of Employee Stock Options of ICICI Bank Limited to Sandeep Batra

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.

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. : +91-22-4113 8000
Fax No. : +91-22-4113 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 Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is not required to be given.

Foreign exchange earnings and outgo

Details of foreign exchange earnings and outgo required under section 134(3)(m) of The Companies Act, 2013 read with rule 8(3) of The Companies (Accounts) Rules, 2014 are as under:

Particulars	FY2015	(₹ '000) FY2016
Foreign exchange earnings and outgo		
- Earnings	34,660	61,110
- Outgo	473,859	368,996

Employee Stock Option Schemes

The Company has an employee stock option scheme. The Employee Stock Option Scheme - 2005 (ESOS 2005) was approved by the shareholders vide a special resolution on March 28, 2005. The summary information on ESOS 2005 is provided as Annexure E to this report.

Ind AS Implementation

Ministry of Corporate Affairs (MCA) has issued a roadmap for implementation of Ind AS converged with International Financial Reporting Standard (IFRS). Subsequently, IRDAI issued a circular on March 1, 2016 on implementation of Ind AS in insurance sector. Board of Directors in their meeting dated April 26, 2016 have taken on record the circular on Ind AS implementation.

The Board Audit Committee has been entrusted with the responsibility of overseeing the progress of the Ind AS implementation process and report to the Board quarterly. Accordingly, the details of Ind AS implementation strategy was presented to the Committee.

The Company has set up a steering committee for implementation of Ind AS comprising of an Executive Director, CFO, Appointed Actuary and Chief of Operations and IT. Audit Committee would oversee the progress of the implementation and report quarterly to the Board including the impact of Ind AS implementation on financial position/ adequacy of solvency capital and other relevant aspects. The Company is also required to submit proforma Ind AS financial Statements to IRDAI from the quarter ended December 31, 2016 onwards.

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.

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DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the requirements of Section 134(3)(c) of the Companies Act, 2013 and the Corporate Governance Guidelines, the Board of Directors confirm:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had 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 and loss of the Company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Directors are grateful to the Insurance Regulatory & Development Authority of India, 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 and guidance 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

Place: Mumbai
Date: April 26, 2016

CHANDA KOCHHAR
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, 2016.

Place: Mumbai
Date: April 26, 2016

SANDEEP BAKHSHI
Managing Director & CEO

"Certification for compliance of the Corporate Governance Guidelines"

I, Vyoma Manek, hereby certify that the Company has, for the financial year ended March 31, 2016, complied with the corporate governance guidelines for Insurance Companies as amended from time to time and nothing has been concealed or suppressed.

Place: Mumbai
Date: April 26, 2016

Vyoma Manek
Company Secretary
ACS 20384

secretarial audit report

for the financial year ended 31 March 2016

ANNEXURE A

[Pursuant to section 204(1) of the Companies Act, 2013 and rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members
ICICI Prudential Life Insurance Company Limited
1089, Appasaheb Marathe Marg,
Prabhadevi,
Mumbai – 400 025

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ICICI Prudential Life Insurance Company Limited ('the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2016 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2016 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iii) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extant of Foreign Direct Investment.
- (iv) Secretarial Standards issued by The Institute of Company Secretaries of India. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 were not applicable to the Company during the Audit Period as the Company is not a listed entity:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (v) The Company, being a life insurance company, has complied with the Insurance Act, 1938 and regulations, guidelines and directions issued by the Insurance Regulatory & Development Authority of India (IRDAI). The Company has its own robust compliance system and the Company is also subject to monitoring by and reporting of compliances to IRDAI.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views if any, are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company has no specific event/action, which would have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

Date: April 26, 2016
Place: Pune

Dr. K R Chandratre
FCS No. 1370, C P No: 5144

directors' report



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FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2016

[PURSUANT TO SECTION 92(3) OF THE COMPANIES ACT, 2013 AND RULE 12(1) OF THE COMPANIES (Management and Administration) RULES, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	U66010MH2000PLC127837
ii)	Registration Date	July 20, 2000
iii)	Name of the Company	ICICI Prudential Life Insurance Company Limited
iv)	Category / Sub-Category of the Company	Insurance Company Limited
v)	Address of the Registered office and contact details	1089, Appasaheb Marathe Marg Prabhadevi Mumbai - 400 025 Tel. :(+91 - 22) 6662 1600 Fax :(+91 - 22) 2437 6638
vi)	Whether listed company Yes/No	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	3i Infotech Limited International Infotech Park Tower 5, 3rd Floor Vashi Railway Station Complex Vashi, Navi Mumbai 400 703 Maharashtra, India Tel No. : +91-22-4113 8000 Fax No. : +91-22-4113 8099

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding.

Sl. No.	Category of shareholders	No. of Shares held at the beginning of the year April 01, 2015				No. of Shares held at the end of the year March 31, 2016				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A	Promoters									
(1)	Indian									
a)	Individual / HUF	—	—	—	—	—	—	—	—	—
b)	Central Govt	—	—	—	—	—	—	—	—	—
c)	State Govt(s)	—	—	—	—	—	—	—	—	—
d)	Bodies Corp.	—	—	—	—	—	—	—	—	—
e)	Banks/FI	1,055,310,900	7	1,055,310,907	73.71	969,157,662	—	969,157,662	67.66	(6.05)
f)	Any Other	—	—	—	—	—	—	—	—	—
	Sub-total (A) (1) :-	1,055,310,900	7	1,055,310,907	73.71	969,157,662	—	969,157,662	67.66	(6.05)
(2)	Foreign									
a)	NRIs - Individuals	—	—	—	—	—	—	—	—	—
b)	Other - Individuals	—	—	—	—	—	—	—	—	—
c)	Bodies Corp.	370,784,884	—	370,784,884	25.90	370,784,884	—	370,784,884	25.89	(0.01)
d)	Banks/FI	—	—	—	—	—	—	—	—	—
e)	Any Other	—	—	—	—	—	—	—	—	—
	Sub-total (A) (2) :-	370,784,884	—	370,784,884	25.90	370,784,884	—	370,784,884	25.89	(0.01)
	Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	1,426,095,784	7	1,426,095,791	99.61	1,339,942,546	—	1,339,942,546	93.55	(6.06)
B	Public Shareholding									
(1)	Institutions									
a)	Mutual Funds / UTI-II	—	—	—	—	—	—	—	—	—
b)	Banks /FI / UTI-I	—	—	—	—	—	—	—	—	—
c)	Central Govt	—	—	—	—	—	—	—	—	—
d)	State Govt(s)	—	—	—	—	—	—	—	—	—
e)	Venture Capital Funds	—	—	—	—	—	—	—	—	—
f)	Insurance Companies	—	—	—	—	—	—	—	—	—
g)	FII	—	—	—	—	—	—	—	—	—
h)	Foreign Venture Capital Funds	—	—	—	—	—	—	—	—	—
i)	Other (specify)	—	—	—	—	—	—	—	—	—
	Foreign Banks	—	—	—	—	—	—	—	—	—
	FII - DR	—	—	—	—	—	—	—	—	—

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Life Insurance Company	65110	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1.	ICICI Prudential Pension Funds Management Company Limited 1089, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025.	U66000MH-2009PLC191935	Subsidiary	100	2 (87)

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ANNEXURE B

Sl. No.	Category of shareholders	No. of Shares held at the beginning of the year April 01, 2015				No. of Shares held at the end of the year March 31, 2016				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	Sub-total (B) (1) :-	—	—	—	—	—	—	—	—	—
(2)	Non-Institutions									
a	Bodies Corp.									
i	Indian	27,609	—	27,609	0.00	75,020	—	75,020	0.01	0.00
ii	Overseas	—	—	—	—	—	—	—	—	—
b	Individuals									
i	Individual shareholders holding nominal share capital upto ₹1 lakh	751,858	102,771	854,629	0.06	989,766	108,471	1,098,237	0.08	0.02
ii	Individual shareholders holding nominal share capital excess of ₹1 lakh	4,130,120	172,992	4,303,112	0.30	61,860,180	172,992	62,033,172	4.33	4.03
c	Others (specify)									
	Trust	—	—	—	—	—	—	—	—	—
	Directors & their Relatives (Resident)	—	—	—	—	—	—	—	—	—
	Non-Resident Indian Directors	—	—	—	—	—	—	—	—	—
	Foreign Nationals	—	—	—	—	—	—	—	—	—
	Non-Resident Indians	406,225	—	406,225	0.03	420,675	—	420,675	0.03	0.00
	Clearing Member	—	—	—	—	—	—	—	—	—
	Hindu Undivided Families	29,625	—	29,625	0.00	31,950	—	31,950	0.00	0.00
	Foreign Companies	—	—	—	—	28,717,748	—	28,717,748	2.00	2.00
	Foreign Bodies- DR	—	—	—	—	—	—	—	—	—
	NRI - DR	—	—	—	—	—	—	—	—	—
	Sub-total (B) (2) :-	5,345,437	275,763	5,621,200	0.39	92,095,339	281,463	92,376,802	6.45	6.06
	Total Public Shareholding (B) = (B)(1)+(B)(2)	5,345,437	275,763	5,621,200	0.39	92,095,339	281,463	92,376,802	6.45	6.06
d	Shares held by Custodian for GDRs & ADRs	—	—	—	—	—	—	—	—	—
	Grand Total (A+B+C)	1,431,441,221	275,770	1,431,716,991	100.00	1,432,037,885	281,463	1,432,319,348	100.00	—

ii) Shareholding of Promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the year April 01, 2015			Shareholding at the end of the year March 31, 2016			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	
1	ICICI Bank Limited	1,055,310,907	73.71	—	969,157,662	67.66	—	6.01
2	Prudential Corporation Holdings Limited	370,784,884	25.90	—	370,784,884	25.89	—	—
	Total	1,426,095,791	99.61	—	1,339,942,546	93.55	—	6.01

Note: There is change in the number of shares held by the promoter companies.

Promoters' Shareholding

Sl. No		Shareholding at the beginning of the year			Cumulative Shareholding during the year	
		Date	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year		1,426,095,791	99.61		
	Shares sold by ICICI Bank Limited date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	31-Dec-15	57,435,497	—		
		31-Mar-16	28,717,748	—		
	At the End of the year		1,339,942,546	93.55		

Note : There is change in the shareholding of promoters group.

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Continued

iii) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Shareholding at the beginning of the year 01-Apr-2015	Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):			Shareholding at the end of the year 31-Mar-2016		Cumulative Shareholding during the year	
					No.of Shares of FV Rs.10/-	% of total shares of the company	No.of Shares of FV Rs.10/-	% of total shares of the company
1	Binayak Dutta	328,750	0.02	—	—	—	328,750	0.02
2	Kalpana Bharat Sampat	235,000	0.02	—	—	—	235,000	0.02
3	Shuba Rao Mayya	175,000	0.01	—	—	—	175,000	0.01
4	Pankaj Jain	139,250	0.01	—	—	—	139,250	0.01
5	Tarun Chugh	137,000	0.01	—	—	—	137,000	0.01
6	V Rajagopalan	130,000	0.01	18-Dec-15	3,500	Transfer	117,500	0.01
				25-Dec-15	5,000	Transfer		
				31-Dec-15	4,000	Transfer		
7	Anita Sudhir Pai	127,500	0.01	6-Nov-15	4,000	Transfer	110,500	0.01
				27-Nov-15	5,000	Transfer		
				4-Dec-15	4,000	Transfer		
				11-Dec-15	4,000	Transfer		
8	Binay Kumar Agarwala	125,000	0.01	—	—	—	125,000	0.01
9	Pankaj Sharma	111,875	0.01	4-Sep-15	4,000	Transfer		
				25-Sep-15	10,000	Transfer		
				9-Oct-15	4,000	Transfer		
				6-Nov-15	5,000	Transfer		
				13-Nov-15	5,000	Transfer		
				4-Dec-15	5,000	Transfer		
				11-Dec-15	5,000	Transfer		
				18-Dec-15	5,000	Transfer		
				31-Dec-15	5,000	Transfer		
				22-Jan-16	5,000	Transfer		
				5-Feb-16	1,000	Transfer		
				25-Mar-16	10,000	Transfer	47,875	0.00
10	Sanjay Khatau Asher	100,125	0.01	—	—	—	100,125	0.01
11	Rishi Srivastava	91,875	0.01	—	—	—	91,875	0.01
12	Sachin Padmakar Joglekar	80,000	0.01	—	—	—	80,000	0.01
13	Anup Rau	76,875	0.01	—	—	—	76,875	0.01
14	Poonam Bhardwaj	65,000	0.00	21-Aug-15	5,000	Transfer		
				23-Oct-15	4,000	Transfer		
				27-Oct-15	4,000	Transfer		
				21-Oct-15	67,449	Allotment		
				11-Dec-15	4,000	Transfer		
				14-Dec-15	33,301	Allotment	148,750	0.01
15	Azim Hasham Premji*	—	—	22-Jan-16	57,435,497	Transfer	57,435,497	4.01
16	Compassvale Investments Pte. Limited	—	—	31-Mar-16	28,717,748	Transfer	28,717,748	2.00

* Shares held by Azim Hasham Premji for M/s Hasham Traders

iv) Shareholding of Directors and Key Managerial Personnel

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year 01-Apr-2015	Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):			Shareholding at the end of the year 31-Mar-2016		Cumulative Shareholding during the year	
						No.of Shares of FV Rs.10/-	% of total shares of the company	No.of Shares of FV Rs.10/-	% of total shares of the company
1	Sandeep Bakhshi	—	—	—	—	—	—	—	—
2	Puneet Nanda	247,500	0.02	2-Jan-15	87,500	ESOS	247,500	0.02	
3	Sandeep Batra	30,000	0.00	10-Apr-15	3,500	Transfer			
				17-Apr-15	6,500	Transfer			
				11-Dec-15	5,000	Transfer			
				18-Dec-15	5,000	Transfer			
				25-Mar-16	5,000	Transfer	5,000	0.00	
4	Binay Agarwala	125,000	0.01	—	—	—	125,000	0.01	
5	Vyoma Manek	—	—	—	—	—	—	—	

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V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid				
iii) Interest accrued but not				
Total (i+ii+iii)				
Change in Indebtedness during the financial year	NIL	NIL	NIL	NIL
Addition				
Reduction				
Net Change				
Indebtedness at the end of the financial year	NIL	NIL	NIL	NIL
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not				
Total (i+ii+iii)	NIL	NIL	NIL	NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount (₹'000)
		Sandeep Bakhshi, Managing Director & CEO	Puneet Nanda, Executive Director- Business	Sandeep Batra, Executive Director-Corp Center	
1.	Gross salary a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b) Value of perquisites u/s 17(2) Income-tax Act, 1961 c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	60,457 1,254	35,909 463	26,655 495	123,021 2,212
2.	Stock Options*				2,969
3.	Sweat Equity				
4.	Commission - as % of profit - others, specify				
5.	Others, please specify **	3,916	2,153	952	7,021
	Total (A)	65,627	38,525	31,071	135,223

*Perquisite value of the stock options exercised.

** Include – Tax-free Medical, Tax-free LTA, Provident Fund, Superannuation and National Pension Scheme

(Amounts rounded off to nearest decimal)

B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Keki Dadiseth	Marti G. Subrahmanyam	Rama Bijapurkar	Vinod Kumar Dhall	V. Sridar	
1.	Independent Directors • Fee for attending board & committee meetings • Commission • Others, please specify	700,000	620,000	720,000	760,000	740,000	3,540,000
	Total (1)	700,000	620,000	720,000	760,000	740,000	3,540,000
2	Others Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify	—	—	—	—	—	—
	Total (2)	—	—	—	—	—	—
	Total (B) = (1+2)	700,000	620,000	720,000	760,000	740,000	3,540,000

* As per requirements of IRDAI regulations, N. M. Govardhan being an Independent Actuary is required to be a member of the With Profits Committee and is paid fees of Rs. 200,000 for attending the Meetings

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C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

(₹'000)

Sl. No	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Binay Agarwala, Chief Financial Officer	M. Sanaulla Khan, Senior Vice President***	Vyoma Manek, Associate Vice President****	
1	Gross salary a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b) Value of perquisites u/s 17(2) Income-tax Act, 1961 c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	20,794 138	3,467 49	1,853 0	26,114 187
2.	Stock Options*				15,301
3.	Sweat Equity				
4.	Commission - as % of profit - others, specify...				
5.	Others, please specify**	675	35	176	886
	Total	21,607	3,551	2,029	27,187

*Perquisite value of the stock options exercised.

** Include – Tax-free Medical, Tax-free LTA, Provident Fund, Superannuation and National Pension Scheme

***Sanaulla Khan – Compensation reported from April 1, 2015 to May 11, 2015

**** Vyoma Manek – Compensation reported from May 12, 2015 to March 31, 2016

(Amounts rounded off to nearest decimal)

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES*

Type	Sections of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any
A. COMPANY					
Penalty Punishment Compounding			NIL		
B. DIRECTORS					
Penalty Punishment Compounding			NIL		
C. OTHER OFFICERS IN DEFAULT					
Penalty Punishment Compounding			NIL		

* As per Companies Act, 2013

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ANNEXURE C

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

1. CSR has been a long-standing commitment at the ICICI Group and forms an integral part of the Company's activities. The Group's Contribution to social sector development includes several pioneering interventions, and is implemented through the involvement of stakeholders within the Company, the Group and the broader community. ICICI Foundation for Inclusive Growth (ICICI Foundation) was established in 2008 by ICICI Bank with a view to significantly expand the ICICI Group's activities in the area of CSR. Over the last few years ICICI Foundation has developed significant projects in specific areas, and has built capabilities for direct project implementation as opposed to extending financial support to other organizations.

The Company's objective is to pro-actively support meaningful socio-economic development in India and enable a larger number of people to participate in and benefit from India's economic progress. This is based on the belief that growth and development are effective only when they result in wider access to opportunities and benefit a broader section of society.

The CSR policy of the Company sets the framework guiding the Company's CSR activities. It outlines the governance structure, operating framework, monitoring mechanism, and CSR activities that would be undertaken. The CSR committee is the governing body that articulates the scope of CSR activities and ensures compliance with the CSR policy. The Company's CSR activities are largely focused in the areas of education, health, skill development and financial inclusion and other activities as the Company may choose to select in fulfilling its CSR objectives. The Company supports programs and initiatives keeping "protection" as the core proposition and cornerstone of all its CSR initiatives as "protection" is core to the Company's business.

The CSR policy was approved by the Committee in October 2014, and subsequently was put up on the Company website. Web link for the Company's CSR policy-
http://www.iciciprulife.com/public/About-us/Corporate-Social-Responsibility.htm/ICICI_Prudential_Life_CSR_Policy.pdf

2. Composition of the CSR Committee.

The Company's CSR Committee comprises of three Directors including one independent Director. The CSR Committee is chaired by the independent

Director. The composition of the Committee is set out below:

Chairman : Vinod Kumar Dhall (Independent Director)

Member : K. Ramkumar (Director)

Member : Adrian O'Connor (Director)

The functions of the Committee include: formulation and recommendation to the Board of a CSR Policy indicating the activities to be undertaken by the company and recommendation of the amount of the expenditure to be incurred on such activities; reviewing and recommending the annual CSR plan to the Board; monitoring the CSR activities, implementation of and compliance with the CSR Policy; and reviewing and implementing, if required, any other matter related to CSR initiatives.

3. Average net profit of the company for last three financial years

The average net profit of the company for the last three financial years calculated as specified by the Companies Act 2013 was ₹ 9,948.2 million.

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)

The prescribed CSR expenditure requirement for FY2016 is ₹ 199 million.

5. Details of CSR spent during the financial year.

(a) Total amount to be spent for the financial year

Section 135 of the Companies Act 2013 requires that the company spends at least two per cent of the average net profits made during the three immediately preceding financial years towards corporate social responsibility (CSR). The computation of net profit is determined by section 198 of the Companies Act, 2013 and CSR Rules, 2014. Based on the above, the Company was required to spend ₹199 million for FY2016 towards CSR projects.

(b) Amount unspent , if any;

Not Applicable

(c) Manner in which the amount spent during the financial year is detailed below.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl No	CSR project or activity identified	Sector in which the project is covered	Projects or programs 1. Local area or other 2. Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs-wise (in ₹)	Amount spent on the projects or programs Sub-heads 1. Direct expenditure on projects or programs 2. Overheads (in ₹)	Cumulative expenditure to the reporting period (in ₹)	Amount spent Direct or through implementing agency*
1.	Projects of ICICI Foundation for Inclusive Growth	Skill development and sustainable livelihood; elementary Education	<ul style="list-style-type: none"> Twenty-two fully operational skill development centres opened. Centres located in Jaipur, Narsobawadi, Hyderabad, Chennai, Bangalore, Pune, Coimbatore, Patna, Guwahati, Durg and Mumbai Elementary education projects in Rajasthan, Chhattisgarh Toilet blocks in 100 schools in five districts of Chhattisgarh 	149.2 million	150 million	150 million	Amount spent through ICICI Foundation for Inclusive Growth. The Foundation was set up in 2008 to focus on activities in the area of CSR.
2.	Healthcare	Healthcare	<ul style="list-style-type: none"> Orthanadu, Andipatti, Ponnapur, Kavarappattu, Okkanadu, Melaiyur and Arunthavapuram in Tamil Nadu Mumbai in Maharashtra 	7.8 million	5.8 million	5.8 million	<ul style="list-style-type: none"> A health care set up with Sugvahazhu (Tamil Nadu) focussing on chronic disease management for rural India Tata Memorial Hospital for supporting treatment and hospitalisation of children diagnosed with cancer
3.	Education and Skill Development and Sustainable Livelihood	Education and Skill development and sustainable livelihoods	<ul style="list-style-type: none"> Indore, Katni, Jabalpur, Chhindwara, Ujjain and Khandwa in Madhya Pradesh Mysore in Tamil Nadu Lakshadweep islands 	11.7 million	8.7 million	8.7 million	<ul style="list-style-type: none"> Catalysts for Social Action (Mumbai) for enhancing childcare conditions, rehabilitation outcomes and vocation and skill development of children living in Child Care Institutes in Madhya Pradesh . Nature Conservation Foundation for supporting a 5 year Ph.D. program for 2 underprivileged students Nature Conservation Foundation for exploring livelihood alternatives for fishermen in Lakshadweep island

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(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified	Sector in which the project is covered	Projects or programs 1. Local area or other 2. Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs-wise (in ₹)	Amount spent on the projects or programs Sub-heads 1. Direct expenditure on projects or programs 2. Overheads (in ₹)	Cumulative expenditure to the reporting period (in ₹)	Amount spent Direct or through implement-ing agency*
4.	Consumer Awareness and Education on critical illness and eIA	Consumer Protection	PAN India	40.0 million	25.0 million	25.6 million	Direct
5.	Other Projects	<ul style="list-style-type: none"> • Chief Minister's Public Relief Fund for Chennai support; • Education & health, 	<ul style="list-style-type: none"> • Chennai; • PAN India • Coimbatore • Bangalore in Karnataka • Mumbai in Maharashtra 	8.9 million	8.9 million	9.1 million	<ul style="list-style-type: none"> • Direct, • GiveIndia (Mumbai) • Supporting Isha Education with a school bus for children in Isha Vidhya school in Coimbatore • Rotary Club of Bangalore for enhancing dialysis facility for underprivileged patients at Raja Rajeshwari Medical College and Hospital • The Mogaveera Vyavasthapaka Mandali for upgrading the IT infrastructure at their educational institute in Mumbai • Catalysts for Social Action (Mumbai)

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

Not applicable

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

The CSR Committee hereby confirms that the implementation and monitoring of CSR activities is in compliance with CSR objectives and the CSR Policy of the company

for the financial year ended 31 March 2016

ANNEXURE D

Form No. AOC - 2

Related party transactions

The details of material related party transactions at arm's length principles for the year ended March 31, 2016 on an aggregate basis is given below:

Sr. no.	Nature of contracts/transactions	Name of the related party	Nature of relationship	Duration of contracts	Silent term of contracts/transactions	₹ in million
1	Administration support expenses	ICICI Bank Limited	Holding company	6 years	The Bank provides space at its branches and ATMs for displaying publicity materials of ICICI Prudential Life Insurance's products such as pamphlets, standees, posters and danglers at an agreed fees per branch/ATM.	4,290.7
2	Commission expenses	ICICI Bank Limited	Holding company	3 years	The Bank acts as a corporate agent for ICICI Prudential Life Insurance to solicit and procure the sale and distribution of the policies and provide such other services as permitted. Commission rates for such services are based on the applicable regulations issued by the Authority.	3,312.5
3	Bank Balance	ICICI Bank	Holding company	-	Outstanding balance at March 31, 2015 in current account	1,003.6
4	Sale of certificate of deposits, bonds and debentures of third parties	ICICI Bank ICICI Lombard General Insurance Company Limited ICICI Securities Primary Dealership Limited	Holding company Fellow Subsidiary Fellow Subsidiary	- - -	At market price At market price At market price	712.9 1,635.3 1,105.2
5	Purchases of government securities, bonds/ debentures of third parties	ICICI Bank ICICI Lombard General Insurance Company Limited ICICI Securities Primary Dealership Limited	Holding company Fellow Subsidiary Fellow Subsidiary	- - -	At market price At market price At market price	529.5 3,282.9 9,804.0
7	Purchase of foreign currencies transactions	ICICI Bank	Holding company	-	At market rates	3,114.6

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ANNEXURE E

EMPLOYEE STOCK OPTION SCHEMES

A. Information required to be disclosed under Rule 9 of Companies (Share Capital & Debentures) Rules, 2014

Sr. No.	Description	Founder	FY04-05	FY05-06	FY06-07	Founder II	FY07-08	Total
	Exercise price (in ₹)	30	42	70	130	130	400	
1	Options granted	2,662,500	3,782,400	4,633,250	6,534,675	470,000	6,101,000	24,183,825
	Granted during the year FY2016	0	0	0	0	0	0	0
2	Options vested	2,114,375	2,889,850	3,819,500	5,257,600	390,500	4,715,375	19,187,200
	Vested during the year FY2016	0	0	0	0	0	0	0
3	Options exercised	2,029,437	2,467,225	2,465,504	1,670,015	97,609	0	8,729,790
	Exercised during the year	7,000	3,000	163,315	317,052	8,700	0	499,067
4	Options lapsed	611,625	1,163,000	1,335,134	2,587,326	203,875	3,553,900	9,454,860
	Lapsed during the year FY2016	0	0	110,000	5,400	6,000	437,775	559,175
5	Outstanding as on March 31, 2016	21,438	152,175	832,612	2,277,334	168,516	2,547,100	5,999,175
6	Total exercise price received during the year	210,000	126,000	11,432,050	41,216,760	1,131,000	0	54,115,810

B. Employee wise details of options to key managerial personnel:-

Sr. No.	Emp. Name	Scheme	Exercise price	Granted during the year	Vested during the year	Exercised during the year	Options Lapsed during the year	Outstanding as on March 31, 2016
1.	Binay Agarwala	Founder (30)	30	—	—	—	—	—
	Binay Agarwala	FY 2004-05(42)	42	—	—	—	—	—
	Binay Agarwala	FY 2005-06(70)	70	—	—	—	—	5,000
	Binay Agarwala	FY 2006-07(130)	130	—	—	—	—	90,000
	Binay Agarwala	FY 2007-08(400)	400	—	—	—	—	66,000
2.	Sandeep Batra	Founder (30)	30	—	—	—	—	—
	Sandeep Batra	FY 2004-05(42)	42	—	—	—	—	—
	Sandeep Batra	FY 2005-06(70)	70	—	—	20,000	—	30,000
3.	Puneet Nanda	Founder (30)	30	—	—	—	—	—
	Puneet Nanda	FY 2004-05(42)	42	—	—	—	—	—
	Puneet Nanda	FY 2005-06(70)	70	—	—	—	—	—
	Puneet Nanda	FY 2006-07(130)	130	—	—	—	—	100,000
	Puneet Nanda	FY 2007-08(400)	400	—	—	—	—	110,000

corporate governance

DISCLOSURE REQUIREMENTS AS PRESCRIBED BY THE IRDAI GUIDELINES ON CORPORATE GOVERNANCE FOR INSURANCE SECTOR

The Company is in compliance with IRDAI corporate governance guidelines dated August 5, 2009

1. Disclosures regarding the Board Governance Structure

These include:

- Number of Board and Board committee meetings held in the financial year.
- Details of composition of the Board and the Committees mandated including the names of the Directors, their fields of specialisation, status of directorship held, etc.
- Number of meetings held by the Directors and the members of the Committee.
- Details of remuneration paid, if any to the independent directors.

The above data has been furnished as a part of the Directors Report forming part of the Annual Report.

2. Basis, methods and assumptions on which the financial information is prepared and impact of changes, if any

The basis, methods and assumptions using which the financial statements have been prepared have been detailed in the financial statements - Refer Schedule 16: Significant accounting policies and notes forming part of the financial statements.

7. Details of number of claims intimated, disposed of and pending with details of duration

The claims settlement experience for the Company for FY2016 has been as follows:

Sr. No.	Claims experience	Death claims	Maturity claims	Survival benefits	Annuities/ Pensions	Surrender claims	Health claims	Other benefits
1.	Claims outstanding (beginning of the period)	104	10,401	86	7,683	2,207	512	1
2.	Claims reported during the period	12,814	30,659	52,040	95,230	438,239	25,585	189
3.	Claims Settled during the period	12,491	29,949	48,942	96,192	436,515	22,898	185
4.	Terms and condition rejections	—	—	—	—	—	2,575	—
5.	Claims repudiated during the period	383	—	—	—	—	86	—
6.	Claims reopened	—	—	—	—	—	—	—
7.	Claims written back	—	—	—	—	—	—	—
8.	Claims outstanding (End of the period)	44	11,111	3,184	6,721	3,931	538	5

Ageing of claims outstanding as at March 31, 2016 was as follows:

Particulars	Death claims	Maturity claims	Survival benefits	Annuities/ Pensions	Surrender claims	Health claims	Other benefits
Claims outstanding at end of the period	44	11,111	3,184	6,721	3,931	538	5
Less than 3 months	38	2,542	3,183	3,899	3,724	528	3
3 months to 6 months	—	388	—	880	14	10	—
6 months to 1 year	—	428	1	1,825	4	—	—
1 year and above	6	7,753	—	117	189	—	2

Claims long outstanding are on account of:

- Non-submission of necessary documents by the claimants.
- Non exercise of the annuity option in case of annuity claims by the annuitant.

8. All pecuniary relationships or transactions of non-executive directors

The Company's Non-Executive and Independent Directors do not have any pecuniary relationships or transactions with the Company, its Directors or its Senior Management except to the extent of insurance policies taken by them in the ordinary course of business and the sitting fees paid to them for attending Board and Committee Meetings.

The premium income received by the Company from insurance policies issued to non-executive directors of the Company is as follows:

(₹ in 000)

Particulars	FY2016	FY2015
Rajiv Sabharwal	1,183	1,180
N.S. Kannan	25	15
Total	1,208	1,195

Further, payments made to parties in which directors are interested are disclosed in the Management Report forming part of the Annual Report.

9. Elements of remuneration package of individual directors summarised under major groups such as salary, benefits, bonuses, etc

Remuneration package of individual directors is detailed in the Directors Report forming part of the Annual Report.

3. Quantitative and qualitative information on the Company's financial and operating ratios namely, incurred claim, commission and expenses ratios

Information, both quantitative and qualitative on the insurer's financial and operating ratios have been furnished in the Directors' Report forming part of the Annual Report and the financial statements – Refer 'Accounting ratios' section of Schedule 16: Significant accounting policies and notes forming part of the financial statements.

4. Actual solvency margin details vis-à-vis the required margin

The details of the solvency ratio are as below:

Particulars	FY2016	FY2015
Actual solvency ratio	320.0%	336.9%
Required solvency ratio	150.0%	150.0%

5. Financial performance including growth rate and current financial position of the insurer

Financial performance of the Company including growth rate and current financial position has been furnished as a part of the Directors Report forming part of the Annual Report.

6. Description of the risk management architecture

The risk management architecture of the Company has been detailed under Directors Report forming part of the Annual Report.

10. All related party transactions

Details of related party transactions entered into by the Company are included as a part of the financial statements – Refer 'Details of related parties and transactions with related parties' section of Schedule 16: Significant accounting policies and notes forming part of the financial statements.

11. Disclosure requirements of the Participating and Unit Linked policyholders'

Disclosure requirements of the Participating and Unit Linked policyholders' has been furnished as a part of the financial statements – Refer Annexures 1, 2 and 3 annexed to Schedule 16: Significant accounting policies and notes forming part of the financial statements.

12. Policy lapse ratio

Policy lapsation is measured through the persistency ratio which is furnished as a part of the financial statements - Refer 'Accounting ratios' section of Schedule 16: Significant accounting policies and notes forming part of the financial statements.

13. Any other matters which have material impact on the financial position

There are no matters which have material impact on the financial position except those disclosed in the financial statements.

management report

for the year ended March 31, 2016

In accordance with the Insurance Regulatory and Development Authority of India ('IRDAI') (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, 2016:

1. CERTIFICATE OF REGISTRATION

The Certificate of Registration under Section 3 of the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015) granted by IRDAI on November 24, 2000 is valid at March 31, 2016 and 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. The detailed shareholding pattern is available in Schedule 5A which forms part of financial statements.

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 (amended by the Insurance Laws (Amendment) Act, 2015) and the IRDA (Assets, Liabilities and Solvency Margin of Insurers) Regulations, 2000.

The actual solvency ratio as compared to required minimum solvency ratio of 150% are as below:

Particulars	At	
	March 31, 2016	March 31, 2015
Actual solvency ratio	320.0%	336.9%

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:

Particulars	₹ in '000)			
	March 31, 2016		March 31, 2015	
	Balance Sheet value	Market value	Balance Sheet value	Market value
Debt investments in non-linked and shareholder funds	231,083,913	236,622,038	207,503,020	215,585,397
Total investments in non-linked and shareholder funds	277,312,872	282,850,998	247,147,224	255,229,603

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 (amended by the Insurance Laws (Amendment) Act, 2015), IRDA (Investment) Regulations, 2000 as amended and applicable circulars and guidelines 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. The Board approved risk policy details 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:

- 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.
- 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.
- Exposure limits have been defined for companies, groups and industries in accordance with IRDAI guidelines and the Company's internal Investment Policy. The Company restricts investments primarily to securities rated AA and above.
- The Company has a liquidity contingency plan in place.

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:

- 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.
- Reinsurance: The Company uses appropriate reinsurance 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.
- 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.
- 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.
- 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 Company uses the following approaches to manage the risk:

- The Company develops and monitors mitigation plans for high risk items identified through the Risk Control Self-Assessment (RCSA) done by each business function, loss events and/or audit findings.
- The Company actively promotes a risk awareness culture by improving understanding through communication and education amongst management, employees, contractors and vendors. It further engages with the law enforcement agencies to create awareness on various insurance frauds and emerging issues.
- Use of insurance: The Company periodically evaluates the purchase of insurance to mitigate operational risk.
- 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. It also initiates actions through law enforcement authorities based on severity of the incident.

management report

for the year ended March 31, 2016

Continued

- (e) Outsourcing Risk: Processes of the Company are outsourced as permitted under the regulatory guidelines. The Company carries out required due diligence for any new activity or vendor empanelment.
- (f) 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.
- (g) Information Security: The Company has an information security framework that ensures all information assets are safeguarded by establishing comprehensive management processes throughout the organization.
- (h) Whistle-blower policy that facilitates reporting of observed breaches. Employee Code of Conduct that is laid out with a malpractice matrix prescribing disciplinary action including caution, deterrent action and termination based on the nature and seriousness of non-compliant behavior.

9. OPERATIONS ABROAD

The Company has 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.

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 2016	5
FY 2015	6
FY 2014	6
FY 2013	4
FY 2012	5
FY 2011	7

The ageing of mortality and morbidity claims registered and not settled at March 31, 2016 has been detailed herein below:

Linked business: (₹ in '000)

	At March 31, 2016		At March 31, 2015	
Period	Number of Claims	Amount	Number of Claims	Amount
Upto 30 days	412	27,126	332	30,204
Greater than 30 days and upto 6 months	107	24,114	161	22,182
Greater than 6 months and upto 1 year	—	—	1	252
Greater than 1 year and upto 5 years	—	—	—	—
Greater than 5 years	1	881	1	857

Non Linked business: (₹ in '000)

	At March 31, 2016		At March 31, 2015	
Period	Number of Claims	Amount	Number of Claims	Amount
Upto 30 days	39	47,232	38	31,720
Greater than 30 days and upto 6 months	18	18,132	78	87,468
Greater than 6 months and upto 1 year	—	—	3	3,649
Greater than 1 year and upto 5 years	5	15,396	4	13,504
Greater than 5 years	—	—	—	—

Claims which have remained unpaid for greater than 6 months are due to lack of proof of title or pending receipt of necessary documentation from the customer

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 including government 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 over the remaining period of maturity/holding based on Yield to Maturity (effective interest rate method).

Money market instruments are valued at historical cost, subject to accretion of discount over the remaining period till maturity based on effective interest rate method.

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 based on previous days' net asset value. 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.

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 Limited ('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, based on effective interest rate method over the remaining term of the instrument.

Money market instruments are valued at historical cost, subject to accretion of discount over the period of maturity/holding based on effective interest rate method.

Listed equity shares, redeemable preference shares and equity ETFs 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 based on previous days' net asset value. 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.

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.

management report

for the year ended March 31, 2016

Continued

12.1. Asset composition

The portfolio mix of assets of the Company at March 31, 2016 is as follows:

Asset class	Linked funds	Non-Linked funds	Shareholders funds	Total	Amount (₹ in billion)
Equity shares^	57.5%	14.6%	14.4%	45.6%	474.32
Government securities	17.1%	59.9%	42.8%	27.8%	288.77
Debentures and bonds*	8.2%	17.3%	21.8%	11.0%	114.59
Money market instruments	12.7%	2.8%	11.2%	10.5%	109.50
Fixed deposits	1.4%	0.9%	3.6%	1.4%	14.79
Mutual funds	1.6%	0.8%	0.4%	1.4%	14.28
Investment property#	0.0%	0.8%	1.1%	0.2%	2.55
Loan against policies	0.0%	0.2%	0.0%	0.0%	0.44
Net current assets and other investments	1.5%	2.6%	4.8%	1.9%	20.15
Total	752.96	221.24	65.20	100.0%	1,039.39
Fund mix (%)	72.4%	21.3%	6.3%	100.0%	-

[^] includes investment of ₹ 2.34 billion in equity exchange traded funds in linked line of business

^{*} includes non-convertible preference shares

[#] does not include ₹ 1.60 billion advance given for investment property (included in net current assets) from shareholders' fund. Further an amount of ₹ 0.49 billion is committed to be paid for the same.

The Company has a well-diversified portfolio spread across various asset classes, companies, groups and industries. Investments in equity and related instruments are made with the objective of long term capital appreciation with a "value-oriented" investment style to deliver superior long-term risk adjusted returns. 83.3% of the equity investments are held in companies forming part of Nifty 50 and 97.8% in companies forming part of Nifty 500 index.

The Company maintains a fixed income portfolio of superior asset quality at all points of time. Out of the total fixed income portfolio (including money market instruments) 94.6% are in highest credit rated securities (Sovereign/AAA or equivalent) and 98.7% are in securities rated AA and above. 100% of the money market instruments have sovereign/A1+ or equivalent rating. The Company does not hold any non-performing assets in its debt portfolio.

12.2. Fund performance

Linked funds

At March 31, 2016, funds representing 75% of the linked assets performed better than the respective benchmark over trailing three year and 93% since inception. The benchmark of debt funds does not carry fund management charges and if the fund management charges had been adjusted in benchmark, 100% of the linked funds would have outperformed over trailing three years.

The fund performance of linked funds, which have completed three years and with an asset size of over ₹ 5.00 billion, for one year and three years is as follows:

Fund name	SFIN	Assets held* (₹ billion)	1 year return		3 year return	
			Fund	Benchmark	Fund	Benchmark
Equity funds						
Maximiser Fund V	ULIF 114 15/03/11 LMaximis5 105	87.47	-8.67%	-8.94%	15.16%	11.32%
Maximiser Fund	ULIF 001 22/10/01 LMaximis1 105	42.85	-9.58%	-8.94%	14.89%	11.32%
Multi Cap Growth Fund	ULIF 085 24/11/09 LMCapGro 105	31.34	-4.21%	-7.52%	16.84%	13.27%
Dynamic P/E Fund	ULIF 097 11/01/10 LDynamicPE 105	26.00	-7.17%	-4.43%	10.74%	10.74%
Pension Flexi Growth Fund	ULIF 029 20/03/07 PFFlexiGro1 105	21.30	-5.16%	-7.52%	15.97%	13.27%
Flexi Growth Fund	ULIF 026 20/03/07 LFFlexiGro1 105	17.71	-5.63%	-7.52%	15.61%	13.27%
Pension Flexi Growth Fund II	ULIF 030 20/03/07 PFFlexiGro2 105	16.76	-4.34%	-7.52%	17.29%	13.27%
Pension Maximiser Fund II	ULIF 013 17/05/04 PMaximis2 105	15.33	-8.92%	-8.94%	15.90%	11.32%
Pension RICH Fund	ULIF 052 17/03/08 PRICH1 105	13.92	-8.11%	-7.84%	15.82%	12.51%
Pension Multi Cap Growth Fund	ULIF 091 11/01/10 PMCapGro 105	13.30	-4.99%	-7.52%	16.30%	13.27%
Maximiser Fund II	ULIF 012 17/05/04 LMaximis2 105	11.65	-8.41%	-8.94%	16.03%	11.32%
Flexi Growth Fund II	ULIF 027 20/03/07 LFFlexiGro2 105	11.31	-4.68%	-7.52%	16.41%	13.27%
Pension Dynamic P/E Fund	ULIF 098 11/01/10 PDYNAMICPE 105	10.09	-7.27%	-4.43%	10.84%	10.74%
Flexi Growth Fund IV	ULIF 038 27/08/07 LFflexiGro4 105	9.37	-4.82%	-7.52%	16.30%	13.27%
Pension RICH Fund II	ULIF 053 17/03/08 PRICH2 105	7.86	-8.22%	-7.84%	16.25%	12.51%
RICH Fund II	ULIF 049 17/03/08 LRICH2 105	7.43	-8.46%	-7.84%	14.14%	12.51%
Multiplier Fund	ULIF 042 22/11/07 LMultip1 105	7.25	-8.24%	-8.84%	12.12%	10.83%
Opportunities Fund	ULIF 086 24/11/09 LOpport 105	5.63	-6.72%	-7.84%	15.66%	12.51%
Pension Maximiser Fund	ULIF 004 03/05/02 PMaximis1 105	5.41	-9.77%	-8.94%	14.70%	11.32%
RICH Fund	ULIF 048 17/03/08 LRICH1 105	5.29	-9.23%	-7.84%	13.22%	12.51%
Bluechip Fund	ULIF 087 24/11/09 LBluChip 105	5.13	-7.06%	-8.84%	12.47%	10.83%
Balanced funds						
Highest NAV Fund B	ULIF 116 15/03/11 LHighNavB 105	53.40	0.73%	NA	9.64%	NA
Group Balanced Fund	ULGF 001 03/04/03 GBalancer 105	16.85	3.26%	5.64%	9.54%	9.48%
Balancer Fund	ULIF 002 22/10/01 LBalancer1 105	10.64	-0.39%	2.20%	10.05%	10.09%
Pinnacle Fund	ULIF 081 26/10/09 LPinnacle 105	9.53	0.51%	NA	10.33%	NA
Pinnacle Fund II	ULIF 105 26/10/10 LPinnacle2 105	6.97	-0.83%	NA	10.97%	NA
Multi Cap Balanced Fund	ULIF 088 24/11/09 LMCapBal 105	6.27	-1.30%	-0.39%	13.67%	11.64%
Group Growth Fund	ULGF 004 30/10/03 GGrowth 105	5.72	-2.72%	-1.24%	12.98%	10.58%
Debt funds						
Income Fund	ULIF 089 24/11/09 LIncome 105	37.03	6.33%	8.22%	8.87%	8.97%
Group Debt Fund	ULGF 002 03/04/03 GDebt 105	13.62	5.74%	8.22%	8.84%	8.97%
Pension Protector Fund	ULIF 006 03/05/02 PProtect1 105	12.67	5.03%	8.22%	8.27%	8.97%
Protector Fund	ULIF 003 22/10/01 LProtect1 105	7.03	6.24%	8.22%	8.53%	8.97%
Pension Income Fund	ULIF 095 11/01/10 Plnco Income 105	6.26	5.65%	8.22%	8.87%	8.97%
Invest Shield Cash Fund	ULIF 020 03/01/05 LInvCash 105	5.23	6.45%	8.22%	8.55%	8.97%
Pension Protector Fund II	ULIF 017 17/05/04 PProtect2 105	5.01	6.52%	8.22%	9.68%	8.97%
Liquid funds						
Discontinued Fund – Life	ULIF 100 01/07/10 LDiscont 105	32.48	7.77%	NA	8.25%	NA
Money Market Fund	ULIF 090 24/11/09 LMoneyMkt 105	20.93	7.97%	8.04%	8.56%	8.82%
Pension Preserver Fund	ULIF 011 17/05/04 PPReserv 105	6.80	8.01%	8.04%	8.62%	8.82%
Preserver Fund	ULIF 010 17/05/04 LPreserv1 105	5.12	8.00%	8.04%	8.60%	8.82%

* Assets held at March 31, 2016

management report



for the year ended March 31, 2016

Non-linked and Shareholders' funds

The fund performance of non-linked Policyholders' and Shareholders' funds are as follows:

Particulars	Assets held* (₹ billion)	1 year return		3 years return ^	
		Market value	Book value	Market value	Book value
Policyholders' fund					
Participating	89.08	5.7%	8.8%	10.5%	8.8%
Non-participating	132.17	5.8%	8.1%	10.2%	8.0%
Shareholders' fund		65.20	5.8%	10.7%	10.8%
* Assets held at March 31, 2016 at carrying value					
^ annualised					

13. PAYMENTS MADE TO PARTIES IN WHICH DIRECTORS ARE INTERESTED

The details of such payments for the year ended March 31, 2016 are given below:

(₹ in 000)

Sr. No.	Name of Director	Entity in which Director is interested	Interested as	Amount paid	
				FY2016	FY2015
1	Chanda Kochhar	ICICI Bank Limited	Managing Director & CEO	16,400,777	10,592,248
		ICICI Lombard General Insurance Company Limited	Chairperson	151,375	195,788
		ICICI Securities Limited	Chairperson	597,827	477,982
		ICICI Prudential Asset Management Company Limited	Chairperson	240	240
		ICICI Foundation for Inclusive Growth	Member- Governing Council	150,000	236,337
2	Keki Dadiseth	The Indian Hotels Company Limited	Non-Executive Director	6,363	2,199
		PIEMS Hotels Ltd	Non-Executive Director	95	384
		PwC- Price Waterhouse Coopers Private Limited	Member, India Advisory Board	26,907	28,957
3	K. Ramkumar	ICICI Bank Limited	Director	16,400,777	10,592,248
		ICICI Venture Funds Management Company Limited	Director	5	5
		ICICI Foundation for Inclusive Growth	Member- Governing Council	150,000	236,337
4	N. S. Kannan	ICICI Bank Limited	Director	16,400,777	10,592,248
		ICICI Lombard General Insurance Company Limited	Director	151,375	195,788
		ICICI Prudential Asset Management Company Limited	Director	240	240
		ICICI Foundation for Inclusive Growth	Member - Governing Council	150,000	236,337
5	Vinod Kumar Dhall	Schneider Electric Infrastructure Limited	Non Executive Chairman	127	343
		ICICI Securities Limited	Director	597,827	477,982
		Advani Hotels & Resorts (India) Limited	Director	1,102	754
6	Rajiv Sabharwal	ICICI Bank Limited	Director	16,400,777	10,592,248
		ICICI Home Finance Company Limited	Chairman	1,408	720
		ICICI Foundation for Inclusive Growth	Member- Governing Council	150,000	236,337
7	Mr K Ramkumar	ICICI Foundation for Inclusive Growth	Member- Governing Council	150,000	236,337
8	V. Sridhar	ICICI Bank Limited	Director	16,400,777	10,592,248
		Indian Institute of Management,Indore	Member-Board of Governors	-	1,119
9	Sandeep Batra	ICICI Prudential Life Insurance Company Limited Employees' Provident Fund	Trustee	200,009	187,567

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 (amended by the Insurance Laws (Amendment) Act, 2015), Companies Act, 2013 and Companies Act, 1956 to the extent applicable, 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
DIN:00043617

V. SRIDAR
Director
DIN:02241339

SANDEEP BAKHSHI
Managing Director & CEO
DIN:00109206

SANDEEP BATRA
Executive Director
DIN:03620913

SATYAN JAMBUNATHAN
Appointed Actuary

BINAY AGARWALA
Chief Financial Officer

Place : Mumbai
Date : April 26, 2016

independent auditors' report

TO THE MEMBERS OF ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of ICICI Prudential Life Insurance Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, 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 STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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") (amended by the Insurance Laws (Amendment) Act, 2015), 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 "IRDAI" / "Authority" in this regard, and the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required in accordance with the Insurance Act, the IRDA Act, the IRDA Financial Statements Regulations and the Act 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, 2016;
- (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, 2016 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 of India ("IRDAI" / "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 standalone financial statements of the Company.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the IRDAI Financial Statements Regulations, we have issued a separate certificate dated April 26, 2016 certifying the matters specified in paragraphs 3 and 4 of Schedule C to the IRDA Financial Statements Regulations.
2. As required by the IRDAI Financial Statements Regulations, read with section 143(3) of the Act, we report that:
 - (a) We have sought and 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 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 kept by the Company, so far as appears from our examination of those books;
 - (c) The Balance Sheet, the Revenue Account, the Profit and Loss Account and the Receipts and Payments Account dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and with the accounting principles as prescribed in the IRDAI Financial Statements Regulations and orders / directions issued by IRDAI in this regard;
 - (e) 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 IRDAI in this regard;
 - (f) On the basis of written representations received from the Directors of the Company, as on March 31, 2016 and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2016 from being appointed as a Director in terms of Section 164 (2) of the Act.
 - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to "Annexure A" to this report;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer schedule 16 note 3.43 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivatives contracts — Refer schedule 16 note 3.44 to the financial statements;
 - iii. There has been no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

per SHRAWAN JALAN
Partner
Membership No.: 102102

Place: Mumbai,
Date: April 26, 2016

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No: 101248W/W-100022

VENKATARAMAN VISHWANATH
Partner
Membership No: 113156

Place: Mumbai,
Date: April 26, 2016

annexure a to the independent auditor's report



of even date on the standalone financial statements of ICICI Prudential Life Insurance Company Limited

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

To the Members of
ICICI Prudential Life Insurance Company Limited

We have audited the internal financial controls over financial reporting of ICICI Prudential Life Insurance Company Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

OTHER MATTER

We report that the actuarial valuation of liabilities for life policies in force and policies where premium is discontinued but liability exists as at March 31, 2016 has been certified by the Appointed Actuary as per the regulations, and has been relied upon by us as mentioned in para other matters of our audit report on the financial statements for the year ended March 31, 2016. Our opinion is not modified in respect of above matter

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

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No: 101248W/W-100022

per SHRAWAN JALAN
Partner
Membership No: 102102

VENKATARAMAN VISHWANATH
Partner
Membership No: 113156

Place: Mumbai,
Date: April 26, 2016

Place: Mumbai,
Date: April 26, 2016

independent auditors' certificate

To,
The Board of Directors,
ICICI Prudential Life Insurance Company Limited,
ICICI Pru Life Towers,
1089, Appasaheb Marathe Marg,
Prabhadevi,
Mumbai -400 025.

Dear Sirs,

(Referred to in paragraph 1 of our Report on Other Legal and Regulatory Requirements forming part of the Independent Auditors' Report dated April 26, 2016)

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.

The management of the Company is responsible for complying with the provisions of The Insurance Act, 1938 (the "Insurance Act"), amended by the Insurance Laws (Amendment) Act, 2015), 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/circulars issued by the Insurance Regulatory and Development Authority of India (the "IRDAI"/Authority) 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, 2016, we certify that:

1. We have reviewed the Management Report attached to the financial statements for the year ended March 31, 2016, 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 of India (IRDAI);
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, 2016, 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, 2016, 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 (amended by the Insurance Laws (Amendment) Act, 2015), relating to the application and investments of the Policyholders' Funds.

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

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No: 101248W/W-100022

per SHRAWAN JALAN
Partner
Membership No.: 102102

VENKATARAMAN VISHWANATH
Partner
Membership No: 113156

Place: Mumbai,
Date: April 26, 2016

Place: Mumbai,
Date: April 26, 2016

independent auditors' certificate

To,
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, 2016.
2. In this connection, we have performed the following procedures:
 - a) Obtained representation from the management that the Company has declared March 31, 2016 as a business day for accepting application forms and that it has declared NAV for March 31, 2016;
 - b) Obtained the list of applications for New Business, Renewal premium, Top up , Surrender, Free – Look Cancellation, Fund Switches, Withdrawal, and Partial Withdrawal in respect of Unit Linked Products on March 31, 2016 (together referred to as "Application Forms"), from the Management;
 - c) Selected samples of Application Forms from the listing mentioned in paragraph 2(b) above and verified whether:
 - i) The applications received on Thursday, March 31, 2016, upto 3.00 p.m. have been appropriately stamped; and the NAV of March 31, 2016 is applied for such applications for the selected samples; and
 - ii) The applications received on Thursday, March 31, 2016, after 3.00 p.m. have been appropriately stamped; and the NAV of April 1, 2016 is applied for such applications 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, 2016 as a business day for accepting proposal forms;
 - (b) The Company has declared NAV for March 31, 2016;
 - (c) The applications received on Thursday , March 31, 2016 upto 3.00 p.m. have been stamped as such and that the NAV of March 31, 2016 is applied for proposals received upto 3.00 p.m.; and
 - (d) The application received on Thursday, March 31, 2016 after 3.00 p.m. have been stamped as such and that the NAV of next financial year i.e. April 01, 2016 is applied for proposal received after 3.00 p.m.
5. The concurrent auditors of the Company, M/s. Chokshi & Chokshi, Chartered Accountants have issued a certificate dated April 15, 2016 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 B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No: 101248W/W-100022

per SHRAWAN JALAN
Partner
Membership No: 102102

VENKATARAMAN VISHWANATH
Partner
Membership No: 113156

Place: Mumbai,
Date: April 26, 2016

Place: Mumbai,
Date: April 26, 2016

revenue account



for the year ended March 31, 2016

FORM A-RA

ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED

Regn.No. 105 dated 24.11.2000

Revenue Account for the year ended March 31, 2016

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	21,406,731	357,518	24,029,129	1,867,461	153,679	118,154,146	7,952,318	1,422,685	16,300,242	191,643,909
(b) Reinsurance ceded		(9,948)	(57)	(880,824)	—	(37,490)	(412,674)	(110)	(315,806)	(29)	(1,656,938)
Sub-total		21,396,783	357,461	23,148,305	1,867,461	116,189	117,741,472	7,952,208	1,106,879	16,300,213	189,986,971
Income from Investments											
(a) Interest, dividend & rent - Gross		4,562,620	931,891	6,052,155	1,757,617	47,004	15,121,824	5,498,684	214,620	3,982,612	38,169,027
(b) Profit on sale/redemption of investments		714,919	134,113	470,729	25,008	4,327	28,831,694	18,669,378	400,205	1,580,775	50,831,148
(c) (Loss) on sale/redemption of investments		(98,875)	(44,171)	(125,104)	(869)	—	(6,858,446)	(2,579,514)	(83,809)	(830,927)	(10,621,715)
(d) Transfer/gain on revaluation/change in fair value		—	—	—	—	—	(43,315,051)	(25,859,855)	(686,176)	(1,830,284)	(71,691,366)
(e) Accretion of discount/(amortisation of premium) (Net)		99,947	59,817	(2,304)	8,444	601	3,844,779	687,503	10,423	687,376	5,396,586
Sub-total		5,278,611	1,081,650	6,395,476	1,790,200	51,932	(2,375,200)	(3,583,804)	(144,737)	3,589,552	12,083,680
Other income											
Contribution from the Shareholders' account		—	—	—	—	—	—	—	—	—	—
Fees and charges		74,433	1,056	100,919	—	194	578	—	—	—	177,180
Miscellaneous income		5,640	46	2,569	84	18	21,484	1,211	126	444	31,622
Sub-total		80,073	1,102	103,488	84	212	22,062	1,211	126	444	208,802
Total (A)		26,755,467	1,440,213	29,647,269	3,657,745	168,333	115,388,334	4,369,615	962,268	19,890,209	202,279,453
Commission	2	1,811,551	3,078	999,660	1,593	3,915	3,316,824	52,741	9,905	501	6,199,768
Operating expenses related to Insurance business	3	3,630,199	26,151	1,685,608	43,319	11,627	12,556,820	689,625	77,121	163,019	18,883,489
Provision for doubtful debts		5,652	95	1,082	17	(73)	1,391	(513)	(222)	(50)	7,379
Bad debts written off		8,280	40	9,164	43	55	25,468	985	172	5	44,212
Provisions (other than taxation)		—	—	—	—	—	—	—	—	—	—
(a) For diminution in the value of investments (Net) - Refer note 3.24 of schedule 16		66,150	311	59,957	—	—	—	—	—	—	126,418
(b) Others		—	—	—	—	—	—	—	—	—	—
Service tax charge on linked charges		—	—	—	—	2,661,882	547,981	136,839	118,254	3,464,956	3,464,956
Total (B)		5,521,832	29,675	2,755,471	44,972	15,524	18,562,385	1,290,819	223,815	281,729	28,726,222
Benefits paid (Net)	4	4,148,799	8,448,046	1,262,321	1,326,416	32,081	43,497,250	43,541,248	365,151	21,465,509	124,086,821
Interim bonus paid		183,788	3,623	—	—	—	—	—	—	—	187,411
Change in valuation of policy liabilities		—	—	—	—	—	—	—	—	—	—
(a) Policy liabilities (non-unit/mathematical reserves)(Gross)		14,910,258	(7,344,630)	28,146,723	789,050	(220,219)	679,619	(137,622)	210,021	(9,408)	37,023,792
(b) Amount ceded in reinsurance		—	—	(7,063,465)	—	—	—	—	—	—	(7,063,465)
(c) Amount accepted in reinsurance		—	—	—	—	—	—	—	—	—	—
(d) Fund reserve		—	—	—	—	41,217,532	(43,928,845)	(62,134)	(2,098,913)	(4,872,360)	10,066,847
(e) Funds for discontinued policies		—	—	—	—	9,811,358	255,489	—	—	—	—
Total (C)		19,242,845	1,107,039	22,345,579	2,115,466	(188,138)	95,205,759	(269,730)	513,038	19,357,188	159,429,046
Surplus/(deficit) (D) = (A)-(B)-(C)		1,990,790	303,499	4,546,219	1,497,307	340,947	1,620,190	3,348,526	225,415	251,292	14,124,185
Provision for taxation		(702,871)	—	—	—	—	—	—	—	—	(702,871)
(a) Current tax credit/(charge) - Refer note 3.6 of schedule 16		—	—	—	—	—	—	—	—	—	(636)
(b) Deferred tax credit/(charge) - Refer note 3.6 of schedule 16		—	—	—	—	(636)	—	—	—	—	(636)
Surplus/(deficit) after tax		1,287,919	303,499	4,546,219	1,497,307	340,947	1,619,554	3,348,526	225,415	251,292	13,420,678
Appropriations											
Transfer to Shareholders' account		337,682	41,053	4,416,948	1,497,307	340,947	1,623,967	3,347,626	219,613	251,292	12,076,435
Transfer to other Reserves		—	—	—	—	—	—	—	—	—	—
Balance being funds for future appropriation		950,237	262,446	129,271	—	(4,413)	900	5,802	—	—	1,344,243
Total		1,287,919	303,499	4,546,219	1,497,307	340,947	1,619,554	3,348,526	225,415	251,292	13,420,678
Details of Surplus before tax											
(a) Interim bonuses paid		183,788	3,623	—	—	—	—	—	—	—	187,411
(b) Allocation of bonus to policyholders'		2,855,345	365,849	—	—	—	—	—	—	—	3,221,194
(c) Surplus shown in the Revenue Account		1,990,790	303,499	4,546,219	1,497,307	340,947	1,620,190	3,348,526	225,415	251,292	14,124,185
Total Surplus		5,029,923	672,971	4,546,219	1,497,307	340,947	1,620,190	3,348,526	225,415	251,292	17,532,790
Funds for future appropriation											
Opening balance as at April 1, 2015		2,028,450	1,508,366	1,667,866	—	—	9,281	13,385	47,542	—	5,274,890
Add: Current period appropriation		950,237	262,446	129,271	—	(4,413)	900	5,802	—	—	1,344,243
Balance carried forward to Balance Sheet		2,978,687	1,770,812	1,797,137	—	—	4,868	14,285	53,344	—	6,619,133
Significant accounting policies & notes	16	—	—	—	—	—	—	—	—	—	—

The schedules and accompanying notes referred to herein form an integral part of the Revenue Account.

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.

As per our report of even date attached.

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

per SHRAWAN JALAN
Partner
Membership No. 102102

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Reg. No. 101248W/W-100022

VENKATARAMAN VISHWANATH
Partner
Membership No. 113156

For and on behalf of the Board of Directors
SATYAN JAMBUNATHAN
Appointed Actuary

CHANDA KOCHHAR
Chairperson
DIN:00043617

V. SRIDAR
Director
DIN:02241339

SANDEEP BAKHSHI
Managing Director and CEO
DIN:00109206

revenue account

for the year ended March 31, 2015

FORM A-R-A

ICICI Prudential Life Insurance Company Limited
Regn.No. 105 dated 24.11.2000

Revenue Account for the year ended March 31, 2015

Policyholders' Account (Technical Account)

Particulars	Schedule	Par Life	Par Pension	Non Par	Annuity Non Par	Health	Linked Life	Linked Pension	Linked Health	Linked Group	Total (₹ in '000)
Premiums earned (Net of service tax)											
(a) Premium	1	16,398,514	385,239	22,270,343	2,199,364	169,167	92,521,834	10,137,150	1,670,171	7,314,393	153,066,175
(b) Reinsurance ceded		(4,288)	(22)	(740,900)	—	(39,386)	(359,769)	(81)	(316,350)	(914)	(1,461,710)
(c) Reinsurance accepted											
Sub-total		16,394,226	385,217	21,529,443	2,199,364	129,781	92,162,065	10,137,069	1,353,821	7,313,479	151,604,465
Income from Investments											
(a) Interest, dividend & rent - Gross		3,858,089	1,271,634	4,523,955	1,553,027	54,469	13,226,802	6,620,365	193,341	4,101,036	35,402,718
(b) Profit on sale/redemption of investments		708,195	170,078	439,015	49,147	4,068	45,869,040	28,498,142	510,562	3,419,528	79,667,775
(c) (Loss) on sale/redemption of investments		(93,194)	(21,067)	(235,590)	(25,574)	(7,800)	(3,030,772)	(1,400,626)	(18,728)	(198,050)	(5,031,401)
(d) Transfer/gain on revaluation/change in fair value							41,322,245	28,290,340	1,245,677	1,544,416	72,402,678
(e) Accretion of discount/amortisation of premium) (Net)							6,733	215,876	(35,641)	(29,101)	(1,052)
Sub-total		4,479,823	1,636,521	4,691,739	1,547,499	49,685	100,094,948	63,060,646	1,944,682	9,738,915	187,244,458
Other income											
Contribution from the Shareholders' account		—	—	86,989	—	414,567	—	—	—	—	414,567
Fees and charges		57,258	1,361	—	—	304	774	—	—	—	146,686
Miscellaneous income		7,592	53	2,241	121	70	19,717	2,089	213	425	32,521
Sub-total		64,850	1,414	89,230	414,688	374	20,491	2,089	213	425	593,774
Total (A)		20,938,899	2,023,152	26,310,412	4,161,551	179,840	192,277,504	73,199,804	3,298,716	17,052,819	339,442,697
Commission	2	1,687,699	2,958	853,054	2,470	4,562	2,877,172	84,580	19,178	50	5,531,723
Operating expenses related to Insurance business	3	3,412,167	27,475	1,161,183	53,313	35,712	10,680,602	874,002	97,444	178,327	16,520,225
Provision for doubtful debts		(44,398)	(406)	(55,673)	(388)	850	(54,101)	32,655	(613)	147	(121,927)
Bad debts written off		31,483	303	43,649	16	3,805	71,906	(34,773)	154	119	116,662
Provisions (other than taxation)											
(a) For diminution in the value of investments (Net) - Refer note 3.24 of schedule 16		54,998	—	12,500	—	—	—	—	—	—	67,498
(b) Others		—	—	—	—	—	—	—	—	—	—
Service tax charge on linked charges		—	—	—	—	—	—	—	—	—	3,069,358
Total (B)		5,141,949	30,330	2,014,713	55,411	44,929	15,563,563	1,809,093	241,203	282,348	25,183,539
Benefit paid (Net)	4	3,654,354	1,837,987	1,017,976	1,196,092	37,546	47,847,413	56,053,598	316,668	10,495,596	122,457,230
Interim bonus paid		113,336	3,055	—	—	—	—	—	—	—	116,391
Change in valuation of policy liabilities											
(a) Policy liabilities (non-unit/mathematical reserves)(Gross)		10,988,192	(202,177)	23,213,899	2,910,048	(89,029)	621,613	(333,347)	20,477	(57,493)	37,072,183
(b) Amount ceded in reinsurance		—	—	(2,609,515)	—	—	—	—	—	—	(2,609,515)
(c) Amount accepted in reinsurance		—	—	—	—	—	—	—	—	—	—
(d) Fund reserve		—	—	—	—	—	115,709,760	9,428,418	2,286,956	5,976,444	133,401,578
(e) Funds for discontinued policies		—	—	—	—	—	11,394,237	302,549	—	—	11,696,786
Total (C)		14,755,882	1,638,865	21,622,360	4,106,140	(51,483)	175,573,023	65,451,218	2,624,101	16,414,547	302,134,653
Surplus/(deficit) (D) =(A)-(B)-(C)		1,041,068	353,957	2,673,339	—	186,394	1,140,918	5,939,493	433,412	355,924	12,124,505
Provision for taxation		(490,087)	—	—	—	—	—	—	—	—	(490,087)
(a) Current tax credit/charge) - Refer note 3.6 of schedule 16		—	—	—	—	—	(13,957)	—	—	—	(13,957)
(b) Deferred tax credit/charge) - Refer note 3.6 of schedule 16		—	—	—	—	—	—	—	—	—	—
Surplus/(deficit) after tax		550,981	353,957	2,673,339	—	186,394	1,126,961	5,939,493	433,412	355,924	11,620,461
Appropriations											
Transfer to Shareholders' account		280,134	110,944	1,956,402	—	186,394	1,510,276	6,543,169	442,719	355,924	11,385,962
Transfer to other Reserves		—	—	—	—	—	—	—	—	—	—
Balance being funds for future appropriation		270,847	243,013	716,937	—	—	(383,315)	(603,676)	(9,307)	—	234,499
Total		550,981	353,957	2,673,339	—	186,394	1,126,961	5,939,493	433,412	355,924	11,620,461
Details of Surplus before tax											
(a) Interim bonuses paid		113,336	3,055	—	—	—	—	—	—	—	116,391
(b) Allocation of bonus to policyholders'		2,407,870	995,448	—	—	—	—	—	—	—	3,403,318
(c) Surplus shown in the Revenue Account		1,041,068	353,957	2,673,339	—	186,394	1,140,918	5,939,493	433,412	355,924	12,124,505
Total Surplus		3,562,274	1,352,460	2,673,339	—	186,394	1,140,918	5,939,493	433,412	355,924	15,644,214
Funds for future appropriation											
Opening balance as at April 1, 2014		1,757,603	1,265,353	950,929	—	—	392,596	617,061	56,849	—	5,040,391
Add: Current period appropriation		270,847	243,013	716,937	—	—	(383,315)	(603,676)	(9,307)	—	234,499
Balance carried forward to Balance Sheet		2,028,450	1,508,366	1,667,866	—	—	9,281	13,385	47,542	—	5,274,890

The schedules and accompanying notes referred to herein form an integral part of the Revenue Account.

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.

As per our report of even date attached.

For S.R.Batlboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No.301003E

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Reg. No. 101248W/W-100022

For and on behalf of the Board of Directors

per SHRAWAN JALAN

Partner

Membership No. 102102

VENKATARAMAN VISHWANATH

Partner

Membership No. 113156

CHANDA KOCHHAR

Chairperson

DIN:00043617

V. SRIDAR

Director

DIN:02241339

SANDEEP BAKHSHI

Managing Director and CEO

DIN:00109206

SANDEEP BATRA

Executive Director

DIN:03620913

SATYAN JAMBUNATHAN

Appointed Actuary

BINAY AGARWALA

Chief Financial Officer

VYOMA MANEK

Company Secretary

Place : Mumbai

Date : April 26, 2016

profit & loss account balance sheet



for the year ended March 31, 2016

at March 31, 2016

Form A-PL

ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED

Regn.No. 105 dated 24.11.2000

Shareholders' Account (Non-Technical Account)

Particulars	Schedule	March 31, 2016	March 31, 2015
Amounts transferred from Policyholders' account (Technical account)		12,076,435	11,385,962
Income from investments			
(a) Interest, dividend & rent - Gross		3,877,663	3,769,054
(b) Profit on sale/redemption of investments		2,004,385	1,429,604
(c) (Loss) on sale/redemption of investments		(196,145)	(171,776)
(d) Accretion of discount/(amortisation of premium) (Net)		309,798	303,641
Other income		—	4,603
Total (A)		18,072,136	16,721,088
Expenses other than those directly related to the insurance business	3A	312,566	453,693
Bad debts written-off		—	—
Provisions (other than taxation)			
(a) For diminution in value of investments (Net) - Refer note 3.24 of schedule 16		43,908	—
(b) Provision for doubtful debts		—	—
Contribution to Policyholders' account (Technical account)		—	414,567
Total (B)		356,474	868,260
Profit before Tax		17,715,662	15,852,828
Provision for Taxation			
(a) Current tax credit/(charge) - Refer note 3.6 of schedule 16		(1,211,055)	490,087
(b) Deferred tax credit/(charge) - Refer note 3.6 of schedule 16		—	—
Profit after Tax		16,504,607	16,342,915
Appropriations			
(a) Balance at the beginning of the period		482,018	(10,334,578)
(b) Interim dividends paid during the period - Refer note 3.39 of schedule 16		9,022,041	5,361,133
(c) Proposed final dividend - Refer note 3.39 of schedule 16		3,007,883	3,006,835
(c) Final dividend - Refer note 3.39 of schedule 16		17	284
(d) Dividend distribution tax - Refer note 3.39 of schedule 16		2,448,941	1,604,836
(e) Transfer to/(from) general reserve - Refer schedule 6		—	(4,446,769)
Profit carried to Balance Sheet		2,507,743	482,018
Earnings per equity share - Refer note 3.18 of schedule 16			
Basic earnings per equity share ₹		11.53	11.43
Diluted earnings per equity share ₹		11.51	11.41
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

Particulars	Schedule	March 31, 2016	March 31, 2015
Sources of funds			
Shareholders' funds :			
Share capital	5	14,323,193	14,317,170
Share application money		780	11,658
Reserve and surplus	6	36,415,012	34,320,453
Credit/[debit] fair value change account		2,508,793	4,028,965
Sub - total		53,247,778	52,678,246
Borrowings	7	—	—
Policyholders' funds :			
Credit/[debit] fair value change account		9,712,325	11,754,692
Revaluation reserve - Investment property - Refer note 3.23 of schedule 16		577,076	562,079
Policy liabilities (A)+(B)+(C)		955,495,047	920,340,233
Non unit liabilities (mathematical reserves) (A)		202,547,867	172,587,540
Provision for linked liabilities (fund reserves) (B)		719,902,870	724,775,230
(a) Provision for linked liabilities		650,825,008	584,006,002
(b) Credit/[debit] fair value change account (Linked)		69,077,862	140,769,228
Funds for discontinued policies (C) - Refer note 3.36 of schedule 16		33,044,310	22,977,463
(a) Discontinued on account of non-payment of premium		33,027,408	22,977,463
(b) Other discontinuance		16,902	—
(c) Credit/[debit] fair value change account		—	—
Total linked liabilities (B)+(C)		752,947,180	747,752,693
Sub - total		965,784,448	932,657,004
Funds for Future Appropriations			
Linked - Refer note 3.3 of schedule 16		10,768	22,666
Non linked - Refer note 3.3 of schedule 16		6,608,365	5,252,224
Sub - total		6,619,133	5,274,890
Total		1,025,651,359	990,610,140
Application of funds			
Investments			
Shareholders'	8	62,156,674	58,567,710
Policyholders'	8A	215,156,198	188,579,514
Asset held to cover linked liabilities	8B	752,957,948	747,775,359
Loans	9	442,718	201,121
Fixed assets - net block	10	2,195,346	2,149,900
Deferred tax asset - Refer note 3.6 of schedule 16		702	1,338
Current assets			
Cash and Bank balances	11	2,002,062	2,554,800
Advances and Other assets	12	12,750,803	12,328,015
Sub-Total (A)		14,752,865	14,882,815
Current liabilities	13	18,213,785	17,781,603
Provisions	14	3,797,307	3,766,014
Sub-Total (B)		22,011,092	21,547,617
Net Current Assets (C) = (A-B)		(7,258,227)	(6,664,802)
Miscellaneous expenditure (to the extent not written-off or adjusted)	15	—	—
Debit Balance in Profit & Loss Account (Shareholders' account)		—	—
Total		1,025,651,359	990,610,140
Contingent liabilities - Refer note 3.1 of schedule 16		2,006,489	1,932,394
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.Batlboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No.301003E

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Reg. No. 101248W/W-100022

For and on behalf of the Board of Directors

per SHRAWAN JALAN

Partner

Membership No. 102102

VENKATARAMAN VISHWANATH

Partner

Membership No. 113156

CHANDA KOCHHAR

Chairperson

DIN:00043617

V. SRIDAR

Director

DIN:02241339

SANDEEP BAKHSHI

Managing Director and CEO

DIN:00109206

Place : Mumbai
Date : April 26, 2016

SANDEEP BATRA
Executive Director
DIN:03620913

SATYAN JAMBUNATHAN
Appointed Actuary

BINAY AGARWALA
Chief Financial Officer

VYOMA MANEK
Company Secretary

receipts & payments account

for the year ended March 31, 2016

Sr. No Particulars		April 1, 2015 to March 31, 2016	April 1, 2014 to March 31, 2015
A. CASH FLOWS FROM OPERATING ACTIVITIES			(₹ in '000)
Cash receipts from customers:			
Premium and other receipts		215,147,600	178,369,212
Cash paid towards operating activities:			
Commission paid	(6,182,997)	(5,579,688)	
Policy benefits paid	(124,291,893)	(123,069,515)	
Other expenses	(42,422,490)	(40,696,581)	
Service tax paid	(3,651,481)	(3,326,182)	
Reinsurance premium ceded (net of recovery amount)	(308,784)	(420,387)	
Advances and deposits	24,753	5,884	
Taxes paid	(1,943,811)	(178,776,703)	-
Net cash from operating activities (A)		36,370,897	5,282,743
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of fixed assets	(529,838)	(568,946)	
Sale of fixed assets	21,024	42,897	(526,049)
Purchase of investments		(1,047,489,172)	(899,642,699)
Loan		(241,597)	(82,045)
Sale of investments		1,004,836,551	881,899,222
Advance/deposit for investment property		(1,395,827)	(188,367)
Interest & rent received (net of Tax deducted at source)		36,232,935	31,512,025
Dividend received		6,085,481	5,945,238
Investments in money market instruments and in liquid mutual funds (Net)		2,899,797	(36,955,452)
Expense related to investment		(171,102)	(159,029)
Net cash from/(used in) investing activities (B)		248,252	(18,197,156)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of share capital*	54,116	209,874	
Final Dividend	(3,006,852)	(3,001,721)	
Interim Dividend Paid	(9,022,041)	(5,361,133)	
Dividend Distribution tax paid	(2,448,798)	(1,502,739)	
Net cash used in financing activities (C)		(14,423,575)	(9,655,719)
D. Effect of foreign exchange rates on cash and cash equivalents (net) (D)		(755)	627
E. Net increase/(decrease) In cash and cash equivalents (A+B+C+D)		22,194,819	(22,569,505)
F. Cash and cash equivalents at beginning of the period		18,780,376	41,349,881
G. Cash and cash equivalents at end of the period		40,975,195	18,780,376

Note:

Cash and cash equivalents at the end of the year			
- Cash (Including cheques in hand and stamps in hand)	1,286,298	1,363,056	
- Bank Balances and Money at call and short notice	720,043	1,193,031	
[Including bank balance for linked business of ₹ 4,279 thousands (₹ 1,287 thousands at March 31, 2015)]			
- Other short term liquid investment.	39,937,787	16,224,289	
[Forming part of investments in financials]			
- Banks having negative book balance	(968,933)	-	
[Forming part of Other Liabilities under Schedule 13 in financials]			
	40,975,195	18,780,376	

*Includes movement in share application money

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.

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 B S R & Co. LLP
Chartered Accountants
ICAI Firm Reg. No. 101248W/W-100022

VENKATARAMANAN VISHWANATH
Partner
Membership No. 113156

For and on behalf of the Board of Directors

CHANDA KOCHHAR
Chairperson
DIN:00043617

V. SRIDHAR
Director
DIN:02241339

SANDEEP BAKHSHI
Managing Director and CEO
DIN:00109206

SANDEEP BATRA
Executive Director
DIN:03620913

SATYAN JAMBUNATHAN
Appointed Actuary

BINAY AGARWALA
Chief Financial Officer

VYOMA MANEK
Company Secretary

Place : Mumbai
Date : April 26, 2016

schedules



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Continued

SCHEDULE – 1
PREMIUM (Net of service tax)

For the year ended March 31, 2016

(₹ 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	6,922,295	2	1,156,735	—	429	40,737,639	427,200	(509)	—	49,243,791
Renewal premiums	14,484,436	357,516	20,839,607	—	153,250	75,599,639	7,263,517	1,423,194	3,865,242	123,986,401
Single premiums	—	—	2,032,787	1,867,461	—	1,816,868	261,601	—	12,435,000	18,413,717
Total Premium	21,406,731	357,518	24,029,129	1,867,461	153,679	118,154,146	7,952,318	1,422,685	16,300,242	191,643,909
Premium Income from business written:										
In India	21,406,731	357,518	24,029,129	1,867,461	153,679	118,154,146	7,952,318	1,422,685	16,300,242	191,643,909
Outside India	—	—	—	—	—	—	—	—	—	—
Total Premium	21,406,731	357,518	24,029,129	1,867,461	153,679	118,154,146	7,952,318	1,422,685	16,300,242	191,643,909

For the year ended March 31, 2015

(₹ 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	6,157,827	(63)	724,811	—	170	38,299,991	505,487	3,496	40,000	45,731,719
Renewal premiums	10,240,687	385,302	20,957,818	—	168,997	53,068,265	9,371,968	1,666,675	3,885,184	99,744,896
Single premiums	—	—	587,714	2,199,364	—	1,153,578	259,695	—	3,389,209	7,589,560
Total Premium	16,398,514	385,239	22,270,343	2,199,364	169,167	92,521,834	10,137,150	1,670,171	7,314,393	153,066,175
Premium Income from business written:										
In India	16,398,514	385,239	22,270,343	2,199,364	169,167	92,521,834	10,137,150	1,670,171	7,314,393	153,066,175
Outside India	—	—	—	—	—	—	—	—	—	—
Total Premium	16,398,514	385,239	22,270,343	2,199,364	169,167	92,521,834	10,137,150	1,670,171	7,314,393	153,066,175

Note: Refer Schedule 16 Note 2.3.1 for accounting policy on Premium recognition.

SCHEDULE – 2
COMMISSION EXPENSES

For the year ended March 31, 2016

(₹ 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	1,273,258	—	179,360	—	69	2,286,143	5,416	(127)	—	3,744,119
– Renewal premiums	538,293	3,078	790,457	—	3,846	1,010,391	46,173	10,032	—	2,402,270
– Single premiums	—	—	29,843	1,593	—	20,290	1,152	—	501	53,379
Total	1,811,551	3,078	999,660	1,593	3,915	3,316,824	52,741	9,905	501	6,199,768
Add: Commission on re-insurance accepted	—	—	—	—	—	—	—	—	—	—
Less: Commission on re-insurance ceded	—	—	—	—	—	—	—	—	—	—
Net Commission	1,811,551	3,078	999,660	1,593	3,915	3,316,824	52,741	9,905	501	6,199,768
Break-up of the commission by distribution network										
Individual agents	658,977	2,326	263,300	673	2,620	664,251	28,888	8,803	301	1,630,139
Corporate agents	925,615	748	606,566	744	1,160	2,627,981	18,074	708	—	4,181,596
Brokers	226,959	4	129,794	176	135	24,592	5,779	394	200	388,033
Total Commission	1,811,551	3,078	999,660	1,593	3,915	3,316,824	52,741	9,905	501	6,199,768

For the year ended March 31, 2015

(₹ 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	1,302,568	(10)	47,439	—	54	2,183,204	7,642	426	—	3,541,323
– Renewal premiums	385,131	2,968	803,975	—	4,508	681,947	76,024	18,752	—	1,973,305
– Single premiums	—	—	1,640	2,470	—	12,021	914	—	50	17,095
Total	1,687,699	2,958	853,054	2,470	4,562	2,877,172	84,580	19,178	50	5,531,723
Add: Commission on re-insurance accepted	—	—	—	—	—	—	—	—	—	—
Less: Commission on re-insurance ceded	—	—	—	—	—	—	—	—	—	—
Net Commission	1,687,699	2,958	853,054	2,470	4,562	2,877,172	84,580	19,178	50	5,531,723
Break-up of the commission by distribution network										
Individual agents	618,850	2,524	182,638	937	3,095	605,623	43,647	17,028	—	1,474,342
Corporate agents	863,027	419	549,229	1,506	1,309	2,233,203	32,370	1,283	—	3,682,346
Brokers	205,822	15	121,187	27	158	38,346	8,563	867	50	375,035
Total Commission	1,687,699	2,958	853,054	2,470	4,562	2,877,172	84,580	19,178	50	5,531,723

Note: Refer Schedule 16 Note 2.4 for accounting policy on Acquisition cost.

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Continued

SCHEDULE – 3 OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

For the year ended March 31, 2016

(₹ 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	1,617,844	19,122	677,430	14,789	3,323	4,547,857	348,634	30,787	90,342	7,350,128
Travel, conveyance and vehicle running expenses	56,406	224	29,040	772	303	279,887	18,330	1,577	15,258	401,797
Agents training, recruitment and incentives	326,883	—	87,165	468	155	640,790	22,314	1,389	984	1,080,148
Rents, rates and taxes	110,930	480	207,434	1,614	578	603,469	29,212	2,695	6,140	962,552
Repairs	48,125	245	26,543	769	307	233,164	16,058	1,481	2,475	329,167
Printing and stationery	9,615	138	7,035	262	150	20,437	3,058	511	399	41,605
Communication expenses	124,576	1,736	85,859	2,895	1,902	328,522	42,350	6,650	1,637	596,127
Legal and professional charges	105,855	1,100	61,941	2,458	1,069	224,272	27,148	4,033	5,286	433,162
Medical fees	5,884	—	65,790	—	—	10,160	14	(134)	234	81,948
Auditors' fees, expenses etc :										
(a) as auditor	3,164	45	2,315	89	49	6,623	981	165	—	13,431
(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)	—	—	—	—	—	—	—	—	—	—
Advertisement and publicity	160,148	5	55,318	1,104	207	701,619	37,850	2,274	5,922	964,447
Interest and bank charges	14,667	319	17,707	1,184	121	64,429	9,055	361	11,166	119,009
Others										
Administration support expenses	620,302	—	118,867	8,021	—	3,734,806	45,936	—	—	4,527,932
Business conferences and meetings	140,893	—	27,537	129	53	262,205	8,402	525	1,954	441,698
Information technology cost	124,601	903	87,431	3,645	997	247,303	20,734	3,342	2,590	491,546
Office running expenses	37,596	229	23,483	767	282	168,784	13,291	1,288	1,787	247,507
Data entry related expenses	27,300	548	20,687	640	592	59,059	11,765	2,026	3,813	126,430
Miscellaneous expenses	22,228	693	51,227	2,774	1,185	73,833	24,474	2,621	2,418	181,453
Depreciation	66,569	295	23,451	1,031	296	349,401	9,535	1,030	3,692	455,300
Service tax expenses	6,613	69	9,348	(92)	58	200	484	14,500	6,922	38,102
Total	3,630,199	26,151	1,685,608	43,319	11,627	12,556,820	689,625	77,121	163,019	18,883,489

For the year ended March 31, 2015

(₹ 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	1,612,092	19,224	510,872	17,085	25,899	4,051,167	454,072	49,531	92,550	6,832,492
Travel, conveyance and vehicle running expenses	46,833	195	21,413	784	71	240,687	21,452	1,457	13,221	346,113
Agents training, recruitment and incentives	308,273	2	49,578	942	151	583,485	29,712	1,553	1	973,697
Rents, rates and taxes	120,702	863	138,950	2,809	1,074	557,054	51,816	4,350	11,017	888,635
Repairs	43,663	350	23,930	1,156	449	185,575	23,233	1,918	3,936	284,210
Printing and stationery	11,823	228	9,826	325	279	26,186	7,158	927	18,840	75,592
Communication expenses	131,843	2,289	75,437	3,863	2,692	322,711	67,170	8,889	1,418	616,312
Legal and professional charges	115,290	925	48,294	3,133	974	231,367	32,650	3,759	5,480	441,872
Medical fees	1,824	—	13,188	—	—	8,533	16	—	77	23,638
Auditors' fees, expenses etc :										
(a) as auditor	2,880	41	1,484	86	49	6,030	1,108	155	—	11,833
(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)	—	—	—	—	—	—	—	—	—	—
Advertisement and publicity	89,484	7	32,602	617	189	413,763	40,066	1,906	(76)	578,558
Interest and bank charges	18,205	464	23,545	3,980	185	98,087	13,448	962	9,565	168,441
Others										
Administration support expenses	478,899	—	62,914	8,188	—	2,848,386	45,341	—	—	3,443,728
Business conferences and meetings	170,278	1	27,109	341	77	331,786	15,049	771	2,930	548,342
Information technology cost	106,879	744	41,313	3,604	902	211,856	21,544	2,834	1,585	391,261
Office running expenses	45,499	348	22,756	1,222	449	165,052	21,306	1,817	3,176	261,625
Data entry related expenses	26,800	580	17,569	749	699	58,803	15,455	2,206	3,472	126,333
Miscellaneous expenses	11,846	776	38,411	965	1,216	56,461	2,893	1,409	3,297	117,274
Depreciation	63,182	467	21,523	1,365	521	284,504	16,757	1,716	5,950	395,985
Service tax expenses	5,872	(29)	(19,531)	2,099	(164)	(891)	(6,244)	11,284	1,888	(5,716)
Total	3,412,167	27,475	1,161,183	53,313	35,712	10,680,602	874,002	97,444	178,327	16,520,225

SCHEDULE – 3A EXPENSES OTHER THAN THOSE DIRECTLY RELATED TO THE INSURANCE BUSINESS

For the year ended March 31, 2016

(₹ in '000)

Particulars	March 31, 2016	March 31, 2015
Employees' remuneration and welfare benefits	102,523	140,035
Travel, conveyance and vehicle running expenses	69	1
Rent, rates and taxes	148	262
Printing and stationery	—	1
Communication expenses	35	32
Legal and professional charges	569	480
Interest and bank charges	581	1,033
CSR expenses	199,111	310,559
Others	9,434	1,142
Depreciation	96	148
Total	312,566	453,693

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Continued

SCHEDULE – 4
BENEFITS PAID [NET]

For the year ended March 31, 2016

(₹ 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	429,411	16,927	1,535,427	53,238	—	2,076,100	608,664	9,019	63,231	4,792,017
(b) Claims by maturity	757,786	185,816	25,936	—	—	2,808,595	1,129,229	—	—	4,907,362
(c) Annuities/Pension payment	—	—	—	1,270,916	—	—	—	—	—	1,270,916
(d) Other benefits										
- Surrender/Withdrawal	1,472,116	8,242,713	348,316	—	—	38,846,339	41,755,672	—	21,402,138	112,067,294
- Survival	1,463,288	—	—	—	—	—	—	—	—	1,463,288
- Rider	22,657	747	29,592	2	—	36,630	1,262	—	—	90,890
- Health	—	—	10,952	—	60,488	—	—	664,365	—	735,805
- Interest on unclaimed amounts	6,237	1,843	3,780	2,260	660	30,339	46,421	560	140	92,240
Sub Total (A)	4,151,495	8,448,046	1,954,003	1,326,416	61,148	43,798,003	43,541,248	673,944	21,465,509	125,419,812
2 (Amount ceded in reinsurance)										
(a) Claims by death	(2,696)	—	(691,182)	—	—	(300,753)	—	—	—	(994,631)
(b) Claims by maturity	—	—	—	—	—	—	—	—	—	—
(c) Annuities/Pension payment	—	—	—	—	—	—	—	—	—	—
(d) Other benefits										
- Surrender/Withdrawal	—	—	—	—	—	—	—	—	—	—
- Survival	—	—	—	—	—	—	—	—	—	—
- Rider	—	—	—	—	—	—	—	—	—	—
- Health	—	—	(500)	—	(29,067)	—	—	(308,793)	—	(338,360)
Sub Total (B)	(2,696)	—	(691,682)	—	(29,067)	(300,753)	—	(308,793)	—	(1,332,991)
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)	4,148,799	8,448,046	1,262,321	1,326,416	32,081	43,497,250	43,541,248	365,151	21,465,509	124,086,821
Benefits paid to claimants:										
In India	4,151,495	8,448,046	1,954,003	1,326,416	61,148	43,798,003	43,541,248	673,944	21,465,509	125,419,812
Outside India	—	—	—	—	—	—	—	—	—	—
Total	4,151,495	8,448,046	1,954,003	1,326,416	61,148	43,798,003	43,541,248	673,944	21,465,509	125,419,812

For the year ended March 31, 2015

(₹ 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	288,662	10,908	1,165,363	69,046	—	1,565,526	832,975	6,035	81,046	4,019,561
(b) Claims by maturity	734,329	150,899	9,035	—	—	717,446	1,538,904	—	—	3,150,613
(c) Annuities/Pension payment	—	—	—	1,126,588	—	—	—	—	—	1,126,588
(d) Other benefits										
- Surrender/Withdrawal	1,229,141	1,674,981	348,789	749	—	45,748,514	53,679,916	—	10,414,550	113,096,640
- Survival	1,380,353	—	—	—	—	—	—	—	—	1,380,353
- Rider	21,869	1,199	34,092	(291)	—	33,625	1,803	—	—	92,297
- Health	—	—	9,786	—	68,947	—	—	580,760	—	659,493
- Interest on unclaimed amounts	—	—	—	—	—	—	—	—	—	—
Sub Total (A)	3,654,354	1,837,987	1,567,065	1,196,092	68,947	48,065,111	56,053,598	586,795	10,495,596	123,525,545
2 (Amount ceded in reinsurance)										
(a) Claims by death	—	—	(547,589)	—	—	(217,698)	—	—	—	(765,287)
(b) Claims by maturity	—	—	—	—	—	—	—	—	—	—
(c) Annuities/Pension payment	—	—	—	—	—	—	—	—	—	—
(d) Other benefits										
- Surrender/Withdrawal	—	—	—	—	—	—	—	—	—	—
- Survival	—	—	—	—	—	—	—	—	—	—
- Rider	—	—	—	—	—	—	—	—	—	—
- Health	—	—	(1,500)	—	(31,401)	—	—	(270,127)	—	(303,028)
Sub Total (B)	—	—	(549,089)	—	(31,401)	(217,698)	—	(270,127)	—	(1,068,315)
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)	3,654,354	1,837,987	1,017,976	1,196,092	37,546	47,847,413	56,053,598	316,668	10,495,596	122,457,230
Benefits paid to claimants:										
In India	3,654,354	1,837,987	1,567,065	1,196,092	68,947	48,065,111	56,053,598	586,795	10,495,596	123,525,545
Outside India	—	—	—	—	—	—	—	—	—	—
Total	3,654,354	1,837,987	1,567,065	1,196,092	68,947	48,065,111	56,053,598	586,795	10,495,596	123,525,545

Note: Refer Schedule 16 Note 2.8 for accounting policy on Benefits paid.

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SCHEDULE – 5 SHARE CAPITAL

Particulars	March 31, 2016	March 31, 2015	(₹ in '000)
Authorised capital			
1,500,000,000 Equity shares of ₹ 10/- each	15,000,000	15,000,000	
Issued, subscribed and called-up capital			
1,432,319,348 Equity shares of ₹ 10/- each fully paid up (March 31, 2015: 1,431,716,991 Equity shares)	14,323,193	14,317,170	
Total	14,323,193	14,317,170	

Out of the total equity share capital, 969,157,662 equity shares (March 31, 2015 - 1,055,310,907 equity shares) 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, 2016		March 31, 2015	
	Number of shares	% of holding	Number of shares	% of holding
Promoters				
Indian (ICICI Bank Limited)	969,157,662	67.66	1,055,310,907	73.71
Foreign (Prudential Corporation Holdings Limited)	370,784,884	25.89	370,784,884	25.90
Others	92,376,802	6.45	5,621,200	0.39
Total	1,432,319,348	100.00	1,431,716,991	100.00

SCHEDULE 6 RESERVES AND SURPLUS

Particulars	March 31, 2016	March 31, 2015	(₹ in '000)
Capital reserves	—	—	
Capital redemption reserve	—	—	
Share premium	33,897,405	33,838,435	
Revaluation reserve - Refer note 3.23 of schedule 16	9,864	—	
General reserve			
Opening balance	—	4,446,769	
Less: Transfer to Profit and Loss ¹	—	(4,446,769)	
Closing balance	—	—	
Less: Debit balance in Profit and Loss Account	—	—	
Less: Amount utilized for buy-back	—	—	
Catastrophe reserve	—	—	
Other reserves	—	—	
Balance of profit in Profit and Loss Account	2,507,743	482,018	
Total	36,415,012	34,320,453	

1. Credit balance of General reserve has been adjusted against Debit balance in Profit and Loss Account

SCHEDULE 7 BORROWINGS

Particulars	March 31, 2016	March 31, 2015	(₹ in '000)
Debentures/Bonds	—	—	
Banks	—	—	
Financial Institutions	—	—	
Others	—	—	
Total	—	—	

SCHEDULE - 8 INVESTMENTS- SHAREHOLDERS

Particulars	March 31, 2016	March 31, 2015	(₹ in '000)
Long term investment			
Government securities¹²	24,864,463	22,149,645	
(Market value at March 31, 2016: ₹ 25,546,690 thousands) (Market value at March 31, 2015: ₹ 23,505,561 thousands)			
Other approved securities	3,646,674	649,868	
(Market value at March 31, 2016: ₹ 3,713,743 thousands) (Market value at March 31, 2015: ₹ 700,425 thousands)			
Other approved investments			
Equity shares (Historical value at March 31, 2016: ₹ 5,192,612 thousands) (Historical value at March 31, 2015: ₹ 4,999,840 thousands)	7,545,834	8,740,101	
Preference shares (Market value at March 31, 2016: ₹ 331,262 thousands) (Market value at March 31, 2015: ₹ 294,455 thousands)	301,671	286,593	
Debentures/Bonds (Market value at March 31, 2016: ₹ 2,924,687 thousands) (Market value at March 31, 2015: ₹ 4,093,623 thousands)	2,823,053	3,956,056	
Investments in subsidiary CCIL deposit (Market value at March 31, 2016: ₹ 70,029 thousands) (Market value at March 31, 2015: ₹ 70,029 thousands)	270,000	270,000	
Fixed deposits ¹³ (Market value at March 31, 2016: ₹ 694,500 thousands) (Market value at March 31, 2015: ₹ 1,014,500 thousands)	694,500	1,014,500	

Particulars	March 31, 2016	March 31, 2015
Property (Historical value at March 31, 2016: ₹ 703,632 thousands) (Historical value at March 31, 2015: ₹ 703,632 thousands)	713,496	703,632
Investments in infrastructure/housing sector		
Other approved investments		
Debentures/Bonds (Market value at March 31, 2016: ₹ 6,631,271 thousands) (Market value at March 31, 2015: ₹ 8,818,287 thousands)	6,331,124	8,470,264
Equity shares (Historical value at March 31, 2016: ₹ 1,174,187 thousands) (Historical value at March 31, 2015: ₹ 271,710 thousands)	1,367,540	339,244
Other investments		
Debentures/Bonds (Market value at March 31, 2016: ₹ Nil) (Market value at March 31, 2015: ₹ 108,426 thousands)	—	100,000
Equity shares (Historical value at March 31, 2016: ₹ 226,864 thousands) (Historical value at March 31, 2015: ₹ 666,710 thousands)	189,081	887,880
Other investments		
Debentures/Bonds (Market value at March 31, 2016: ₹ 1,427,264 thousands) (Market value at March 31, 2015: ₹ 1,500,163 thousands)	1,371,006	1,400,000
Equity shares (Historical value at March 31, 2016: ₹ 21,665 thousands) (Historical value at March 31, 2015: ₹ 21,665 thousands)	21,665	21,665
Short term investment		
Government securities		
(Market value at March 31, 2016: ₹ Nil) (Market value at March 31, 2015: ₹ 2,918 thousands)	—	2,917
Other approved securities		
(Market value at March 31, 2016: ₹ Nil) (Market value at March 31, 2015: ₹ 1,695 thousands)	—	1,692
Other approved investments		
Debentures/Bonds (Market value at March 31, 2016: ₹ 924,494 thousands) (Market value at March 31, 2015: ₹ 937,525 thousands)	917,857	922,098
Fixed deposits (Market value at March 31, 2016: ₹ 1,656,699 thousands) (Market value at March 31, 2015: ₹ 2,565,418 thousands)	1,656,699	2,565,418
Certificate of deposits (Market value at March 31, 2016: ₹ 3,379,241 thousands) (Market value at March 31, 2015: ₹ 2,617,068 thousands)	3,379,241	2,617,068
Mutual fund (Historical value at March 31, 2016: ₹ Nil) (Historical value at March 31, 2015: ₹ 417,780 thousands)	—	417,780
Investments in infrastructure/housing sector		
Other approved investments		
Debentures/Bonds (Market value at March 31, 2016: ₹ 1,579,901 thousands) (Market value at March 31, 2015: ₹ 2,218,272 thousands)	1,569,494	2,143,207
Commercial papers (Market value at March 31, 2016: ₹ 3,225,705 thousands) (Market value at March 31, 2015: ₹ 838,053 thousands)	3,225,705	838,053
Certificate of deposits (Market value at March 31, 2016: ₹ 701,683 thousands) (Market value at March 31, 2015: ₹ 838,053 thousands)	701,683	—
Other investments		
Debentures/Bonds (Market value at March 31, 2016: ₹ 255,643 thousands) (Market value at March 31, 2015: ₹ Nil)	250,000	—
Mutual fund (Historical value at March 31, 2016: ₹ 245,859 thousands) (Historical value at March 31, 2015: ₹ Nil)	245,859	—
Total	62,156,674	58,567,710
In India	62,156,674	58,567,710
Total	62,156,674	58,567,710

- Includes ₹ Nil (Market value: ₹ Nil) of securities under Section 7 of Insurance Act, 1938 at March 31, 2016. [At March 31, 2015: ₹ 110,978 thousands (Market value: ₹ 106,124 thousands) - Refer 3.25 of Schedule 16]
- Government securities of ₹ 927,356 thousands (Market value of ₹ 968,300 thousands) at March 31, 2016. [At March 31, 2015: ₹ 953,061 thousands (Market value of ₹ 1,037,600 thousands) at March 31, 2015 has been deposited with Clearing Corporation of India Limited (CCIL) as Settlement Guarantee Fund (SGF) deposit - Refer 3.25 of Schedule 16]
- Includes Fixed deposit of ₹ 1,050,000 thousands at March 31, 2016 [At March 31, 2015: ₹ 1,050,200 thousands and ₹ 99,000 thousands at March 31, 2016] [At March 31, 2015: ₹ 299,000 thousands] deposited with National Securities Clearing Corporation Limited and Indian Clearing Corporation Limited respectively towards margin requirement for equity trade settlement - Refer 3.25 of Schedule 16
- Aggregate amount of Company's investments and the market value thereof:

Particulars	March 31, 2016	March 31, 2015
Aggregate amount of Company's investments other than equity securities, mutual fund, investments in subsidiary, investment in property and derivative instruments	51,803,197	47,187,425
Market value of above Investments	53,062,812	49,286,418
Aggregate amount of Company's investments in Mutual Fund, Equity and investments in subsidiary and investment in property (at Historical cost)	7,834,818	7,351,337
4. Investments in subsidiary at cost is ₹ 270,000 thousands at March 31, 2016 [At March 31, 2015 : ₹ 270,000 thousands]. For Investments in holding company and other related entities refer note 3.9 of schedule 16.		
5. Investments made out of Catastrophe reserve is ₹ Nil. (at March 31, 2016 and at March 31, 2015)		
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

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**SCHEDULE - 8A
INVESTMENTS - POLICYHOLDERS**

(₹ in '000)

Particulars	March 31, 2016									
	Par Life	Par Pension	Non Par	Annuity Non Par	Health	Linked Life	Linked Pension	Linked Health	Linked Group	Total
Long term investment										
Government securities¹ (Market value: ₹ 126,223,782 thousands)	42,113,368	5,437,942	53,155,150	16,580,873	346,758	4,971,550	330,373	137,010	—	123,073,024
Other approved securities (Market value: ₹ 9,952,066 thousands)	4,045,239	603,687	4,104,808	905,118	—	102,178	—	—	—	9,761,030
Other approved investments										
Equity shares (Historical value: ₹ 19,490,939 thousands)	11,096,887	1,198,769	16,222,249	—	—	—	—	—	—	28,517,905
Preference shares (Market value: ₹ 110,278 thousands)	92,116	—	1,698	—	—	—	—	—	—	93,814
Debentures/Bonds (Market value: ₹ 7,453,385 thousands)	2,415,101	855,372	2,711,456	708,584	76,925	274,458	78,155	—	97,055	7,217,106
Property (Historical value: ₹ 1,262,956 thousands)	1,466,232	373,800	—	—	—	—	—	—	—	1,840,032
CCIL deposit (Market value: ₹ 71 thousands)	—	—	—	—	—	51	18	—	2	71
Fixed deposits (Market value: ₹ 1,820,000 thousands)	626,400	144,500	471,100	356,000	—	173,000	49,000	—	—	1,820,000
Investments in infrastructure/housing sector										
Other approved investments										
Equity shares (Historical value: ₹ 2,763,746 thousands)	1,286,999	93,293	2,004,556	—	—	—	—	—	—	3,384,848
Debentures/Bonds (Market value: ₹ 25,518,333 thousands)	8,184,225	1,432,413	11,255,208	2,277,226	100,000	1,028,502	240,056	9,607	313,595	24,840,832
Other investments										
Equity shares (Historical value: ₹ 253,622 thousands)	92,223	—	200,409	—	—	—	—	—	—	292,632
Debentures/Bonds (Market value: ₹ 207,846 thousands)	210,000	—	—	—	—	—	—	—	—	210,000
Other investments										
Equity shares (Historical value: ₹ 105,596 thousands)	71,724	—	59,119	—	—	—	—	—	—	130,843
Debentures/Bonds (Market value: ₹ 1,981,786 thousands)	613,576	—	1,336,898	—	—	—	50,675	—	—	2,001,149
Venture fund (Market value: ₹ 156,854 thousands)	146,768	—	—	—	—	—	—	—	—	146,768
Short term investment										
Government securities (Market value: ₹ 20,656 thousands)	—	—	20,521	—	—	—	—	—	—	20,521
Other approved securities (Market value: ₹ 22,240 thousands)	—	699	—	—	—	21,411	—	—	—	22,110
Other approved investments										
Debentures/Bonds (Market value: ₹ 2,059,932 thousands)	471,832	211,055	916,482	129,912	—	114,000	103,457	50,313	50,000	2,047,051
Fixed deposits (Market value: ₹ 198,000 thousands)	99,000	99,000	—	—	—	—	—	—	—	198,000
Certificate of deposits (Market value: ₹ 3,384,702 thousands)	325,455	493,528	391,015	531,976	—	1,056,740	323,642	56,392	205,954	3,384,702
Mutual fund (Historical value: ₹ 1,051,504 thousands)	—	—	982,893	—	—	25,494	41,976	1,141	—	1,051,504
Investments in infrastructure/housing sector										
Other approved investments										
Debentures/Bonds (Market value: ₹ 1,433,573 thousands)	556,453	161,389	308,401	114,855	—	205,860	81,289	—	—	1,428,247
Certificate of deposits (Market value: ₹ 187,108 thousands)	187,108	—	—	—	—	—	—	—	—	187,108
Commercial papers (Market value: ₹ 2,703,623 thousands)	644,131	—	1,913,083	—	—	146,409	—	—	—	2,703,623
Other investments										
Debentures/Bonds (Market value: ₹ 48,646 thousands)	50,825	—	—	—	—	—	—	—	—	50,825
Venture fund (Market value: ₹ 76,347 thousands)	74,735	—	—	—	—	—	—	—	—	74,735
Mutual fund (Historical value: ₹ 657,718 thousands)	317,213	—	325,256	—	7,199	—	—	—	8,050	657,718

1. Government securities of ₹ 498,374 thousands with market value of ₹ 519,250 thousands (at March 31, 2015: ₹ 475,846 thousands with market value of ₹ 518,800 thousands) has been deposited with Clearing Corporation of India Limited (CCIL) as Settlement Guarantee Fund (SGF) deposit. Government securities of ₹ 206,938 thousands with market value of ₹ 207,848 thousands (at March 31, 2015: ₹ 207,080 thousands with market value of ₹ 209,850 thousands) has been deposited with CCIL for trades in the Collateralized borrowing and lending obligation segment - Refer 3.25 of Schedule 16

2. Aggregate amount of Company's investments and the market value thereof:

Particulars	(₹ in '000)		
	March 31, 2016	March 31, 2015	
Aggregate amount of Company's investments other than equity securities, mutual fund, investments in subsidiary, investment in property and derivative instruments	179,280,716	160,315,627	
Market value of above Investments	183,559,226	166,298,979	
Aggregate amount of Company's investments in Mutual Fund, Equity and investments in subsidiary and investment in property (at Historical cost)	25,586,083	15,947,133	

3. For Investments in holding company and other related entities - Refer note 3.9 of schedule 16.
4. Investments made out of Catastrophe reserve is ₹ Nil. (at March 31, 2016 and at March 31, 2015)
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

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SCHEDULE - 8A INVESTMENTS - POLICYHOLDERS

(₹ in '000)

Particulars	March 31, 2015										Total
	Par Life	Par Pension	Non Par	Annuity Non Par	Health	Linked Life	Linked Pension	Linked Health	Linked Group		
Long term Investment											
Government securities ¹ (Market value: ₹ 107,523,338 thousands)	33,355,357	6,046,687	44,247,267	14,788,118	393,760	3,433,818	679,342	110,992	—	103,055,341	
Other approved securities (Market value: ₹ 7,466,563 thousands)	1,808,668	1,276,042	2,993,236	1,095,323	—	21,388	—	—	—	7,194,657	
Other approved investments											
Equity shares (Historical value: ₹ 11,397,327 thousands)	8,489,140	1,150,288	12,849,862	—	—	—	—	—	—	22,489,290	
Preference shares (Market value: ₹ 98,025 thousands)	86,418	—	880	—	—	—	—	—	—	87,298	
Debentures/Bonds (Market value: ₹ 12,725,462 thousands)	3,937,729	2,859,263	3,677,426	1,064,348	76,643	316,504	204,862	51,004	178,255	12,366,034	
Property (Historical value: ₹ 1,262,956 thousands)	1,451,235	373,800	—	—	—	—	—	—	—	1,825,035	
CCIL deposit (Market value: ₹ 71 thousands)	—	—	—	—	—	51	18	—	2	71	
Fixed deposits (Market value: ₹ 1,892,000 thousands)	725,400	243,500	345,100	356,000	—	173,000	49,000	—	—	1,892,000	
Investments in infrastructure/housing sector											
Other approved investments											
Equity shares (Historical value: ₹ 1,028,216 thousands)	430,026	45,196	840,858	—	—	—	—	—	—	1,316,080	
Debentures/Bonds (Market value: ₹ 25,709,139 thousands)	8,406,386	3,184,459	8,787,756	2,249,397	100,000	1,503,262	422,705	9,712	225,961	24,889,638	
Other investments											
Equity shares (Historical value: ₹ 356,029 thousands)	219,983	—	482,189	—	—	—	—	—	—	702,172	
Debentures/Bonds (Market value: ₹ 206,864 thousands)	210,000	—	—	—	—	—	—	—	—	210,000	
Other investments											
Equity shares (Historical value: ₹ 8,500 thousands)	37,222	—	—	—	—	—	—	—	—	37,222	
Debentures/Bonds (Market value: ₹ 138,128 thousands)	113,650	—	25,000	—	—	—	—	—	—	138,650	
Venture fund (Market value: ₹ 226,001 thousands)	215,954	—	—	—	—	—	—	—	—	215,954	
Short term investment											
Government securities	—	499,096	—	—	—	—	—	—	—	499,096	
(Market value: ₹ 499,096 thousands)											
Other approved securities	—	397	—	—	—	—	—	—	—	397	
Other approved investments											
Debentures/Bonds (Market value: ₹ 474,624 thousands)	7,856	53,510	299,016	—	—	70,000	30,000	—	—	460,382	
Fixed deposits (Market value: ₹ 300,000 thousands)	—	50,000	250,000	—	—	—	—	—	—	300,000	
Certificate of deposits (Market value: ₹ 3,364,118 thousands)	478,746	—	463,849	—	—	1,673,999	571,602	49,854	126,068	3,364,118	
Reverse repo (Market value: ₹ 261,190 thousands)	—	261,190	—	—	—	—	—	—	—	261,190	
Collateralized borrowing and lending obligation (Market value: ₹ 1,990,514 thousands)	677,026	669,687	599,101	44,700	—	—	—	—	—	1,990,514	
Mutual fund (Historical value: ₹ 1,894,105 thousands)	412,277	—	1,289,585	—	16,216	105,188	50,812	3,495	16,532	1,894,105	
Investments in infrastructure/housing sector											
Other approved investments											
Debentures/Bonds (Market value: ₹ 1,629,600 thousands)	890,147	298,398	392,092	—	—	25,000	—	—	—	1,605,637	
Commercial papers (Market value: ₹ 1,704,178 thousands)	—	1,000,332	170,263	—	—	150,080	222,699	—	160,804	1,704,178	
Other investments											
Venture fund (Market value: ₹ 89,670 thousands)	80,455	—	—	—	—	—	—	—	—	80,455	
Total	62,033,675	18,011,845	77,713,480	19,597,886	586,619	7,472,290	2,231,040	225,057	707,622	188,579,514	
In India	62,033,675	18,011,845	77,713,480	19,597,886	586,619	7,472,290	2,231,040	225,057	707,622	188,579,514	
Total	62,033,675	18,011,845	77,713,480	19,597,886	586,619	7,472,290	2,231,040	225,057	707,622	188,579,514	

1. Government securities of ₹ 475,846 thousands with market value of ₹ 518,800 thousands at March 31, 2015 has been deposited with Clearing Corporation of India Limited (CCIL) as Settlement Guarantee Fund (SGF) deposit. Government securities of ₹ 207,080 thousands with market value of ₹ 209,850 thousands at March 31, 2015 has been deposited with CCIL for trades in the Collateralized borrowing and lending obligation segment - Refer 3.25 of Schedule 16
2. Aggregate amount of Company's investments and the market value thereof:

Particulars	(₹ in '000)										March 31, 2015
Aggregate amount of Company's investments other than equity securities, mutual fund, investments in subsidiary , investment in property and derivative instruments											160,315,627
Market value of above Investments											166,298,979
Aggregate amount of Company's investments in Mutual Fund, Equity and investments in subsidiary and investment in property (at Historical cost)											15,947,133

3. For Investments in holding company and other related entities - Refer note 3.9 of schedule 16.

4. Investments made out of Catastrophe reserve is ₹ Nil at March 31, 2015

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

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Continued

**SCHEDULE — 8B
ASSETS HELD TO COVER LINKED LIABILITIES**

(₹ in '000)

Particulars	March 31, 2016				
	Linked Life Funds	Linked Pension Funds	Linked Health Funds	Linked Group Funds	Total
Long term investments					
Government securities	86,649,122	13,502,614	807,842	16,577,173	117,536,751
(Historical value: ₹ 115,374,996 thousands)					
Other approved securities	6,237,748	2,235,513	140,215	2,722,282	11,335,758
(Historical value: ₹ 11,276,212 thousands)					
Other approved investments					
Equity shares	246,288,789	100,732,036	4,424,316	6,656,087	358,101,228
(Historical value: ₹ 290,082,870 thousands)					
Preference shares	327,753	186,441	9,155	309,508	832,857
(Historical value: ₹ 676,530 thousands)					
Debentures/Bonds	6,160,477	3,882,784	112,273	5,293,347	15,448,881
(Historical value: ₹ 15,011,618 thousands)					
Fixed deposits	3,037,229	1,352,291	6,900	1,454,705	5,851,125
(Historical value: ₹ 5,851,125 thousands)					
Investments in infrastructure/housing sector					
Other approved investments					
Equity shares	42,242,473	15,268,200	533,776	1,292,253	59,336,702
(Historical value: ₹ 57,743,549 thousands)					
Debentures/Bonds	14,095,789	6,805,810	267,818	8,477,341	29,646,758
(Historical value: ₹ 29,042,094 thousands)					
Other investments					
Equity shares	6,990,914	2,006,111	79,702	332,090	9,408,817
(Historical value: ₹ 12,482,094 thousands)					
Debentures/Bonds	—	—	—	39,962	39,962
(Historical value: ₹ 37,653 thousands)					
Other investments					
Equity shares	2,088,044	1,222,986	74,815	22,042	3,407,887
(Historical value: ₹ 4,101,151 thousands)					
Debentures/Bonds	1,290,978	812,465	28,826	875,335	3,007,604
(Historical value: ₹ 3,031,550 thousands)					
Mutual fund	1,983,730	317,521	6,176	35,789	2,343,216
(Historical value: ₹ 2,513,326 thousands)					
Venture fund	—	—	—	—	—
(Historical value: Nil)					
Short term investments					
Government securities	—	—	—	—	—
(Historical value: Nil)					
Other approved securities	—	—	—	—	—
(Historical value : ₹ Nil)					
Other approved investments					
Debentures/Bonds	3,472,953	599,754	10,077	474,467	4,557,251
(Historical value: ₹ 4,546,486 thousands)					
Certificate of deposits	44,944,783	7,067,337	186,173	7,583,978	59,782,271
(Historical value: ₹ 59,627,886 thousands)					
Commercial papers	5,130,158	937,113	1,430	1,123,792	7,192,493
(Historical value: ₹ 7,107,283 thousands)					
Fixed deposits	2,535,550	1,200,600	29,700	800,500	4,566,350
(Historical value: ₹ 4,566,350 thousands)					
Collateralized borrowing and lending obligation	545,621	164,919	—	39,021	749,561
(Historical value: ₹ 749,416 thousands)					
Mutual fund	2,923,960	1,584,773	77,649	196,377	4,782,759
(Historical value: ₹ 4,782,760 thousands)					
Investments in infrastructure/housing sector					
Other approved investments					
Debentures/Bonds	4,257,422	1,696,264	61,842	1,999,868	8,015,396
(Historical value: ₹ 7,996,580 thousands)					
Certificate of deposits	7,603,467	1,496,746	52,720	2,081,173	11,234,106
(Historical value: ₹ 11,180,905 thousands)					
Commercial papers	12,601,220	2,034,587	90,205	2,235,116	16,961,128
(Historical value: ₹ 16,646,884 thousands)					
Other investments					
Debentures/Bonds	70,711	20,177	—	—	90,888
(Historical value: ₹ 90,664 thousands)					
Mutual fund	5,629,503	1,581,104	135,586	195,964	7,542,157
(Historical value: ₹ 7,542,157 thousands)					
Venture Fund	13,473	—	—	—	13,473
(Historical value: ₹ 13,189 thousands)					
Net current asset	7,118,361	1,523,177	93,074	2,437,957	11,172,569
Total	514,240,228	168,231,323	7,230,270	63,256,127	752,957,948
In India	514,240,228	168,231,323	7,230,270	63,256,127	752,957,948
Total	514,240,228	168,231,323	7,230,270	63,256,127	752,957,948

- For Investments in holding company and other related entities refer note 3.9 of schedule 16.
- 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 3.27 of schedule 16.

Note: Refer schedule 16 note 2.11 for accounting policy related to investments

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**SCHEDULE - 8B
ASSETS HELD TO COVER LINKED LIABILITIES**

(₹ in '000)

Particulars	<i>March 31, 2015</i>					<i>Total</i>
	<i>Linked Life Funds</i>	<i>Linked Pension Funds</i>	<i>Linked Health Funds</i>	<i>Linked Group Funds</i>		
Long term investments						
Government securities (Historical value: ₹ 117,389,930 thousands)	75,624,502	23,658,600	785,328	19,873,518	119,941,948	
Other approved securities (Historical value: ₹ 439,307 thousands)	2,110	269,206	—	190,934	462,250	
Other approved investments						
Equity shares (Historical value: ₹ 255,387,205 thousands)	242,865,023	128,909,306	4,385,870	6,357,510	382,517,709	
Preference shares (Historical value: ₹ 605,561 thousands)	301,406	220,754	6,954	211,204	740,318	
Debentures/Bonds (Historical value: ₹ 19,033,926 thousands)	7,863,510	5,686,202	138,823	6,010,791	19,699,326	
Fixed deposits (Historical value: ₹ 6,964,075 thousands)	3,200,005	1,843,590	12,900	1,907,580	6,964,075	
Investments in infrastructure/housing sector						
Other approved investments						
Equity shares (Historical value: ₹ 17,011,998 thousands)	12,237,594	7,871,895	190,685	196,363	20,496,537	
Debentures/Bonds (Historical value: ₹ 16,908,567 thousands)	8,258,402	4,189,942	171,174	4,979,042	17,598,560	
Other investments						
Equity shares (Historical value: ₹ 26,483,697 thousands)	21,398,927	9,604,509	358,556	932,410	32,294,402	
Debentures/Bonds (Historical value: ₹ 37,028 thousands)	—	—	—	39,725	39,725	
Other investments						
Equity shares (Historical value: ₹ 3,736,898 thousands)	2,503,762	1,290,467	74,592	3,587	3,872,408	
Debentures/Bonds (Historical value: ₹ 120,673 thousands)	79,131	35,358	7,072	—	121,561	
Mutual fund (Historical value: ₹ 2,292,944 thousands)	1,945,684	239,690	13,752	—	2,199,126	
Short term investments						
Government securities (Historical value: ₹ 1,951,698 thousands)	1,956,155	—	—	—	—	1,956,155
Other approved securities (Historical value at March 31, 2015: ₹ Nil)	—	—	—	—	—	—
Other approved investments						
Debentures/Bonds (Historical value: ₹ 5,521,473 thousands)	3,715,528	538,026	88,312	1,235,009	5,576,875	
Certificate of deposits (Historical value: ₹ 45,064,489 thousands)	33,492,862	6,044,680	220,996	5,519,588	45,278,126	
Commercial papers (Historical value: ₹ 55,02,235 thousands)	3,107,178	1,403,708	20,847	1,028,212	5,559,945	
Fixed deposits (Historical value: ₹ 28,060,800 thousands)	15,544,250	5,686,207	123,700	6,706,643	28,060,800	
Collateralized borrowing and lending obligation (Historical value: ₹ 6,489 thousands)	82	6,407	—	—	6,489	
Mutual fund (Historical value: ₹ 5,652,432 thousands)	3,804,474	1,658,368	69,556	120,034	5,652,432	
Investments in infrastructure/housing sector						
Other approved investments						
Debentures/Bonds (Historical value: ₹ 5,909,019 thousands)	3,494,532	1,183,856	89,047	1,348,167	6,115,602	
Commercial papers (Historical value: ₹ 23,375,567 thousands)	12,217,323	6,051,798	122,028	5,315,969	23,707,118	
Other investments						
Commercial papers (Historical value: ₹ 1,720,139 thousands)	698,280	991,600	33,447	—	1,723,327	
Mutual fund (Historical value: ₹ 5,463,682 thousands)	3,364,713	1,661,882	305,569	131,518	5,463,682	
Venture fund (Historical value: ₹ 14,198 thousands)	15,824	—	—	—	15,824	
Net current asset	5,524,939	2,865,667	73,196	3,247,237	11,711,039	
Total	463,216,196	211,911,718	7,292,404	65,355,041	747,775,359	
In India	463,216,196	211,911,718	7,292,404	65,355,041	747,775,359	
Total	463,216,196	211,911,718	7,292,404	65,355,041	747,775,359	

1. For Investments in holding company and other related entities refer note 3.9 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 3.27 of schedule 16.

Note: Refer schedule 16 note 2.11 for accounting policy related to investments

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SCHEDULE - 9 LOANS

Particulars	March 31, 2016	March 31, 2015
₹ in '000)		
1. Security-wise classifications		
Secured		
(a) On mortgage of property		
(aa) In India	—	—
(bb) Outside India	—	—
(b) On Shares, Bonds, Govt Securities, etc.	—	—
(c) Loans against policies	442,718	201,121
(d) Others	—	—
Unsecured	—	—
Total	442,718	201,121
2. Borrower wise classification		
(a) Central and State Governments	—	—
(b) Banks and Financial Institutions	—	—
(c) Subsidiaries	—	—
(d) Companies	—	—
(e) Policyholders - Loans against policies	442,718	201,121
(f) Others	—	—
Total	442,718	201,121

SCHEDULE - 10 FIXED ASSETS

Particulars	Gross Block				Depreciation				Net Block	
	At April 1, 2015	Additions	Deductions	At March 31, 2016	At April 1, 2015	For the year	Deductions	At March 31, 2015	At March 31, 2016	At March 31, 2015
Intangible assets										
Goodwill	—	—	—	—	—	—	—	—	—	—
Software ¹	984,478	178,737	185,350	977,865	778,820	147,820	184,869	741,771	236,094	205,658
Tangible assets										
Freehold land	903,280	—	—	903,280	—	—	—	—	903,280	903,280
Improvements to leasehold property	1,287,144	67,752	14,361	1,340,535	922,592	89,314	12,013	999,893	340,642	364,552
Office buildings on freehold land	89,000	—	—	89,000	11,632	1,469	—	13,101	75,899	77,368
Furniture and fixtures	219,383	31,374	20,364	230,393	135,112	23,325	13,123	145,314	85,079	84,271
Information technology equipment	377,719	125,634	124,367	378,986	258,446	92,428	111,653	239,221	139,765	119,273
Motor vehicles	48,991	19,000	8,495	59,496	31,167	9,993	5,668	35,492	24,004	17,824
Office equipment	349,754	79,691	54,328	375,117	208,520	51,917	51,383	209,054	166,063	141,234
Communication networks	312,577	12,337	36,692	288,222	135,746	39,130	36,252	138,624	149,598	176,831
Total	4,572,326	514,525	443,957	4,642,894	2,482,035	455,396	414,961	2,522,470	2,120,424	2,090,291
Capital work in progress including capital advances	—	—	—	—	—	—	—	—	74,922	59,609
Total	4,572,326	514,525	443,957	4,642,894	2,482,035	455,396	414,961	2,522,470	2,195,346	2,149,900
At March 31, 2015	4,402,629	555,727	386,030	4,572,326	2,433,580	396,133	347,678	2,482,035		

1. All software are other than those generated internally.

Note: Refer Schedule 16 Note 2.13 for accounting policy on fixed assets.

SCHEDULE - 11

CASH AND BANK BALANCES

Particulars	March 31, 2016	March 31, 2015
Cash (including cheques, drafts and stamps)	1,286,298	1,363,056
Bank Balance		
(a) Deposit Account :		
(aa) Short-term (due within 12 months of the date of balance sheet)	—	—
(bb) Others	—	—
(b) Current accounts	715,764	1,191,744
(c) Others	—	—
Money at call and short notice		
(a) With Banks	—	—
(b) With other Institutions	—	—
Others	—	—
Total	2,002,062	2,554,800
Balances with non-scheduled banks included above	8,022	7,840
CASH AND BANK BALANCES		
In India	1,981,516	2,537,903
Outside India	20,546	16,897
Total	2,002,062	2,554,800

Particulars	March 31, 2016	March 31, 2015
₹ in '000)		
3. Performance-Wise Classification		
(a) Loans classified as standard		
(aa) In India	442,718	201,121
(bb) Outside India	—	—
(b) Non-standard loans less provisions		
(aa) In India	—	—
(bb) Outside India	—	—
Total	442,718	201,121
4. Maturity-wise classification		
(a) Short-term	29,326	11,959
(b) Long-term	413,392	189,162
Total	442,718	201,121

SCHEDULE - 12 ADVANCES AND OTHER ASSETS

Particulars	March 31, 2016	March 31, 2015
Advances		
Reserve deposits with ceding companies	1,595,088	188,367
Application money for investments (including advance for investment property)	208,185	180,464
Prepayments	—	—
Advances to Directors/Officers	1,618,470	1,565,047
Advance tax paid and taxes deducted at source	11,016	—
(Net of provision for taxation)		
Advances to Employees		
Deposits		
Gross	384,477	409,229
Less: Provision for doubtful deposits	(39,439)	(39,754)
Net	345,038	369,475
Other advances		
Gross	121,103	255,716
Less: Provision for doubtful advances	(9,737)	(9,088)
Net	111,366	246,628
Other receivables		
Gross	90,718	56,338
Less: Provision for doubtful receivables	(24,121)	(14,155)
Net	66,597	42,183
Total (A)	3,955,760	2,592,164

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SCHEDULE - 12 (contd...) ADVANCES AND OTHER ASSETS

Particulars	March 31, 2016	March 31, 2015
Other assets		
Income accrued on investments and deposits	6,704,838	6,101,116
Outstanding premiums	1,489,510	1,408,251
Agents' balances		
Gross	93,373	88,553
Less: Provision for doubtful agents' balance	(74,303)	(77,224)
Net	19,070	11,329
Foreign agencies balances	—	—
Due from other entities carrying on insurance business (including reinsurers)	42,766	44,450
Due from subsidiary - Refer note 3.9 of Schedule 16	5,531	4,636
Deposit with Reserve Bank of India	—	—
Receivable towards investments sold	491,118	1,910,113
Service tax un-utilised credit	42,210	255,956
Total (B)	8,795,043	9,735,851
Total (A+B)	12,750,803	12,328,015

SCHEDULE - 13 CURRENT LIABILITIES

Particulars	March 31, 2016	March 31, 2015
Agents' balances	760,701	754,441
Balances due to reinsurance companies	63,567	50,086
Deposits held on re-insurance ceded	—	—
Premium received in advance	1,076,081	1,099,924
Unallocated premium	753,902	782,429
Sundry creditors	70,553	88,678
Due to holding company - Refer note 3.9 of Schedule 16	483,675	515,703
Claims outstanding	486,264	197,287
Due to Officers/ Directors	—	—
Deposits	24,137	13,243
Expenses payable	4,279,966	4,726,057
TDS payable	170,604	180,829
Payable towards investments purchased	195,948	1,544,592
Unclaimed amount of Policyholders - Refer note 3.5 of schedule 16	4,956,498	5,134,131
Payable to unit fund	3,004,460	2,618,487
Service tax payable	9,091	4,741
Other liabilities	1,878,338	70,975
Total	18,213,785	17,781,603

SCHEDULE - 14 PROVISIONS

Particulars	March 31, 2016	March 31, 2015
For taxation	—	—
For proposed dividends - Refer note 3.39 of schedule 16	3,007,883	3,006,835
For dividend distribution tax - Refer note 3.39 of schedule 16	612,334	612,192
For leave encashment and gratuity - Refer note 3.15 of schedule 16	177,090	146,987
Total	3,797,307	3,766,014

SCHEDULE - 15 MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

Particulars	March 31, 2015	March 31, 2014
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, 2016

1. Corporate Information

ICICI Prudential Life Insurance Company Limited ('the Company') is 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, 2013 ('the Act'). The Company is licensed by the Insurance Regulatory and Development Authority of India ('IRDAI') for carrying life insurance business in India. The license is in force as at March 31, 2016.

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 accrual basis of accounting, in accordance with accounting principles generally accepted in India (Indian GAAP). The company has prepared the financial statements in compliance with the accounting standards notified under section 133 of the Companies Act 2013 further amended by Companies (Accounting Standards) Amendment Rules, 2016, read together with paragraph 7 of the Companies (Accounts) Rules 2014 and in accordance with the provisions of the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015), Insurance Regulatory and Development Authority Act, 1999, and the regulations framed thereunder, various circulars issued by the IRDAI and the practices prevailing within the insurance industry in India. Accounting policies applied have been consistent with previous year except where differential 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 for non-linked policies 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 remaining term of such instruments on the basis of effective interest rate method.

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, equity ETF 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 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 and includes long term retention incentive payable to employees on fulfilment of criteria prescribed by 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 Employee Stock Option Scheme ('the Scheme') provides that eligible employees are granted options to subscribe to equity shares of the Company which vest in a graded manner. The vested options may be exercised within a specified period.

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 (amended by the Insurance Laws (Amendment) Act, 2015), 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 (Unit 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.

FFA (Non-unit and Non-participating)

On the basis of recommendation of the Appointed Actuary surplus in the non-unit fund of linked line of business and non-participating funds may be held as Funds for Future Appropriations or appropriated to the Shareholders' funds. When held in the policyholders' funds, FFA provides capital for contingencies such as revival of lapsed or foreclosed policies.

FFA (Participating)

Based on the recommendation of Appointed Actuary unappropriated surplus is 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 (amended by the Insurance Laws (Amendment) Act, 2015), 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 IRDAI 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 remaining period to maturity on effective interest rate method.

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Money market instruments are valued at historical cost, subject to accretion of discount over the remaining period to maturity based on effective interest rate method.

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 based on the previous days' net asset values.

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, based on effective interest rate method over the remaining period to maturity of instrument.

Money market instruments are valued at historical cost, subject to accretion of discount over the period of maturity/holding based on effective interest rate method.

Listed equity shares, redeemable preference shares and equity ETF 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 based on previous day's Net Asset Value. 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 linked 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 upto 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 its previously assessed standard of performance.

The useful life of various category of assets is as below:

Asset	Useful life
Office buildings on freehold land	60
Improvement to leasehold properties	Lease period, subject to maximum of 9 years
Furniture and fixtures	10
Office equipment	5
Information technology equipment	3
Communication networks and servers	6
Motor vehicles	5

Schedule II of the Companies Act 2013 specifies the useful life of eight years for motor vehicle. As per Company policy, the motor vehicle is transferred to employee on completion of five years or at written down value (WDV) in case of separation of employee before five years. Accordingly, the Company has depreciated the motor vehicle over five years. Assets costing upto ₹ 5,000 are considered to be immaterial in value and hence fully depreciated in the year of acquisition.

Depreciation is provided using straight-line method ('SLM') prorated from the date of being ready to use, upto 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 calculates tax for 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 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.

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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

Provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined based on the management estimate of amount required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. 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" notified under section 133 of the Companies Act 2013 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 premium 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, 2016	At March 31, 2015
Partly-paid up investments	—	—
Claims, other than those under policies, not acknowledged as debts comprising of:		
- Claims made by vendors for disputed payments	534	425
- Claims for damages made by landlords (of premises taken on lease)	39,420	40,079
- Claims made by employees and advisors for disputed dues and compensation	4,076	3,305
Underwriting commitments outstanding (in respect of shares and securities)	—	—
Guarantees given by or on behalf of the Company by various banks in favour of government authorities, hospital and court	—	—
Statutory demands/liabilities in dispute, not provided for*	1,536,996	1,536,996
Reinsurance obligations to the extent not provided for	—	—
Policy related claims under litigation in different consumer forums:		
- Claims for service deficiency	101,661	137,772
- Claims against repudiation	323,802	213,817
Others	—	—
Total	2,006,489	1,932,394

₹ 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.

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.

A brief of the assumptions used in actuarial valuation is as below:

- a) The interest rates used for valuing the liabilities are in the range of 4.92% to 5.53% per annum. The interest rates used at March 31, 2015 were in the range of 4.47% to 5.39% per annum.
- b) 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.
- c) Expenses are provided for at least at the current levels in respect of renewal expenses, with no allowance for any future improvement but with an allowance for any expected worsening.
- d) Per policy renewal expenses are assumed to inflate at 5.18% per annum. The expense inflation assumption used at March 31, 2015 was 4.49%.
- e) No allowance is made for expected lapses in the future.
- f) The bonus rates for participating business to be declared in the future is consistent with the valuation assumptions.
- g) The tax rate applicable for valuation at March 31, 2016 is 14.42% p.a.

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.

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- 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 2.80%. The free look cancellation assumption used at March 31, 2015 was 3.70%.
- e. Reserves for lapsed policies eligible for revivals.

3.3. Funds for Future Appropriations ('FFA')

The balance of unit-linked FFA at March 31, 2016 is ₹ 10,768 thousand (March 31, 2015: ₹ 22,666 thousand), non-unit/ non-participating FFA is ₹ 1,858,866 thousand (March 31, 2015: ₹ 1,715,408 thousand) and participating FFA is ₹ 4,749,499 thousand (March 31, 2015: ₹ 3,536,816 thousand) is not available for distribution to Shareholders. Such amount is classified under Funds for Future appropriations, in the Balance Sheet.

3.4. Claims settled and remaining unpaid

Claims settled and remaining unpaid for a period of more than six months at March 31, 2016 is ₹ 14,135 thousand (March 31, 2015: ₹ 463 thousand).

3.5. Unclaimed amount of policyholders

In accordance with circular IRDA/F&I/CIR/CMP/174/11/2010 issued by the IRDAI on November 4, 2010, the age wise analysis of unclaimed amount of the policyholders at March 31, 2016 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 (₹ in '000)							
		Outstanding period in months							
		0-1	1-6	7-12	13-18	19-24	25-30	31-36	> 36
March 31, 2016	3,060	2,903	157	—	—	—	—	—	—
March 31, 2015	5,603	5,603	—	—	—	—	—	—	—

- b. Sum due to the insured/policyholders on maturity or otherwise:

At	Total amount	Age-wise analysis (₹ in '000)							
		Outstanding period in months							
		0-1	1-6	7-12	13-18	19-24	25-30	31-36	> 36
March 31, 2016	1,714,054	241,783	319,867	151,295	465,191	69,478	238,566	34,034	193,840
March 31, 2015	2,121,325	820,163	531,884	147,190	270,193	59,576	136,728	36,930	118,661

- 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 (₹ in '000)							
		Outstanding period in months							
		0-1	1-6	7-12	13-18	19-24	25-30	31-36	> 36
March 31, 2016	67,222	61,180	5,376	109	348	37	1	146	25
March 31, 2015	51,719	45,748	5,619	113	2	203	23	—	11

- d. Cheques issued but not encashed by the policyholder / insured:

At	Total amount	Age-wise analysis (₹ in '000)							
		Outstanding period in months							
		0-1	1-6	7-12	13-18	19-24	25-30	31-36	> 36
March 31, 2016	6,239,054	2,427,147	1,082,909	212,249	124,371	169,792	518,162	244,371	1,460,053
March 31, 2015	4,333,873	1,281,206	170,269	282,522	611,335	312,307	154,360	230,856	1,291,008

The cheques issued but not encashed by policyholder/insured category include ₹ 3,066,892 thousand pertaining to cheques which are within the validity period but not yet encashed by the policyholders at March 31, 2016 (March 31, 2015: ₹ 1,378,389 thousand). This amount forms part of bank reconciliation and consequently not considered in unclaimed amount of policyholders as disclosed under Schedule 13 - Current liabilities.

3.6. Direct taxes

The current tax provision is determined in accordance with the provisions of the Income Tax Act, 1961. The provision for current tax for the year ended March 31, 2016 is ₹ 1,913,926 thousand (year ended March 31, 2015: ₹ nil).

The provision for current tax includes an amount of ₹ 702,871 thousand for the year ended March 31, 2016 (year ended March 31, 2015: ₹ 490,087 thousand) which has been charged on the total surplus of the participating line of business in Revenue Account, in line with the Company's accounting policy. Further, tax expense amounting to ₹ 1,211,055 thousand for the year ended March 31, 2016 (year ended March 31, 2015: credit of ₹ 490,087 thousand) pertaining to other than participating line of business has been charged to Profit & loss account.

Deferred tax asset is recognised on the linked funds for future appropriation 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 realized. The deferred tax position and the movement for the year ended March 31, 2016 is summarised below:

Deferred tax asset	At April 1, 2015	(Charge)/ Credit for the year	At March 31, 2016
Linked funds for future appropriation	1,338	(636)	702

Deferred tax charge for the year ended March 2016 is ₹ 636 thousand (year ended March 31, 2015: ₹ 13,957 thousand).

3.7. Operating lease commitments

The Company takes premises, motor vehicles, office equipment's, 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 for the year ended March 31, 2016 is ₹ 685,977 thousand (year ended March 31, 2015: ₹ 683,563 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, 2016 is ₹ 223,114 thousand (year ended March 31, 2015: ₹ 207,709 thousand). The future minimum lease payments in respect of these non-cancellable leases at the Balance Sheet date are summarised below:

Particulars	At March 31, 2016	At March 31, 2015
Not later than one year	31,570	201,650
Later than one year but not later than five years	113,126	—
Later than five years	—	—

3.8. Assets given on operating lease

The Company has entered into an agreement in the nature of lease and license for leasing out the 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, 2016 is ₹ 52,909 thousand (year ended March 31, 2015: ₹ 52,973 thousand).

3.9. 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 Venture Funds Management Company Limited ICICI Home Finance Company Limited ICICI Trusteeship Services Limited ICICI Securities Primary Dealership Limited ICICI Investment Management Company Limited ICICI International Limited ICICI Bank UK PLC. ICICI Bank Canada ICICI Lombard General Insurance Company Limited ICICI Prudential Asset Management Company Limited ICICI Prudential Trust Limited
Consolidated under AS-21 by holding company	ICICI Strategic Investments Fund I-Ven Biotech Limited

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Nature of relationship	Name of the related party
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 ICICI Prudential Life insurance Advisors Benefit trust
Key management personnel as per AS-18 disclosure	Sandeep Bakhshi, Managing Director and CEO Puneet Nanda, Executive Director Sandeept Batra, Executive Director Judhajit Das, Chief – Human Resources Satyan Jambunathan, Appointed Actuary

Relatives of Key management personnel as per AS-18 disclosure					
Relatives of KMP	Sandeep Bakhshi	Sandeep Batra	Puneet Nanda	Satyan Jambunathan	Judhajit Das
Spouse	Mona Bakhshi	Deepa Batra	Deepti Nanda	Shanti Satyan	Isheetta Ganguly
Parent	Swarn Bakhshi	Veena Batra	Kul Bhushan Nanda Asha Nanda	P N Jambunathan Girija Jambunathan	Shankar Das Mita Das
Brother/Sister	Sameer Bakhshi	Vivek Batra	Pankaj Nanda	Harish Jambunathan Chitra Venkatraman	Satrjit Das
Children & their Spouse	Shivam Bakhshi Esha Thakurta Ritwik Thakurta Minal Bakhshi	Arushi Batra Pranav Batra	Rikhil Nanda Rishita Nanda	Surabhi Satyan	Adarsh Ganguly Das Akaash Ganguly Das

The following represents significant transactions between the Company and its related parties:

Name of related party	Relation	Nature of transaction	Transactions for the year (in ₹ '000)		Amount recoverable/ (Payable) (in ₹ '000)	
			FY2016	FY2015	At March 31, 2016	At March 31, 2015
ICICI Bank Limited	Holding company	Premium income	214,183	111,190	(719)	(6,314)
		Claims	(110,555)	(83,414)	(7,000)	—
		Interest income on investments	74,984	181,039	1,789	14,050
		Recovery of expenses				
		- Rent, rates and taxes	2,204	3,480	600	687
		- Employees' remuneration and welfare benefits	7	—	—	—
		Reimbursement of other expenses				
		- Legal and Professional Charges	(11,780)	(10,080)	(11,575)	(11,256)
		- Employees' remuneration and welfare benefits	(2,942)	(5,242)	(76)	(175)
		- Rent, rates and taxes	(1,424)	(1,811)	(431)	(544)
		- Information technology cost	(174,714)	(198,176)	(71,358)	(52,552)
		Advertisement & Publicity	—	(9,877)	—	(11,098)
		Administration support expenses	(4,290,652)	(3,243,414)	(298,261)	(362,462)
		Commission expenses	(3,312,550)	(3,065,545)	(90,762)	(66,658)
		Bank charges	(43,640)	(100,688)	(4,212)	(5,452)
		Security Deposit outstanding	—	—	121	121
		Dividend	(8,563,075)	(3,957,415)	—	—
		Sale of fixed assets	—	23,017	—	—
		Purchase of investments	(846,323)	(2,902,669)	—	—
		Sale of investments	2,332,749	4,118,381	—	—
		Outstanding investments	—	—	265,983	1,580,410
		Cash & bank balances	—	—	(968,749)	789,653
		Proposed dividend	—	—	(2,035,231)	(2,216,153)

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Name of related party	Relation	Nature of transaction	Transactions for the year (in ₹ '000)		Amount recoverable/ (Payable) (in ₹ '000)	
			FY2016	FY2015	At March 31, 2016	At March 31, 2015
ICICI Securities Limited	Fellow subsidiary	Premium income	1,950	2,419	(347)	(276)
		Claims	(495)	—	—	—
		Recovery of expenses				
		- Rent, rates and taxes	—	100	—	—
		Reimbursement of other expenses				
		- Rent, rates and taxes	(51)	(12)	—	—
		Administration support expenses	(48,345)	(85,947)	(23,625)	(112)
		Advertisement & Publicity	(265,020)	(168,330)	(90,890)	—
		Commission expenses	(272,721)	(209,741)	(16,808)	(11,558)
		Brokerage	(11,689)	(13,952)	(190)	(1,002)
ICICI Venture Funds Management Company Limited	Fellow subsidiary	Sale of investments	—	—	—	—
		Premium income	523	651	(789)	(737)
		Claims	—	(2,250)	—	—
		Reimbursement of other expenses				
ICICI Home Finance Company Limited	Fellow subsidiary	- Rent, rates and taxes	(5)	(5)	—	(6)
		Interest income on investments	—	4,182	—	—
		Recovery of expenses				
		- Rent, rates and taxes	943	—	1,079	—
		Commission Expenses	(1,408)	(330)	(82)	(9)
ICICI Securities Primary Dealership Limited	Fellow subsidiary	Brokerage	—	(390)	—	—
		Sale of investments	—	500,000	—	—
		Premium income	324	260	(177)	(32)
		Claims	(1,001)	—	—	—
		Interest income on investments	57,197	58,590	30,939	30,867
		Purchase of investments	(12,149,080)	(6,600,905)	—	—
ICICI Prudential Asset Management Company Limited	Fellow subsidiary	Sale of investments	1,596,033	2,758,281	—	—
		Outstanding investments	—	—	626,292	628,924
		Premium income	3,753	3,631	(600)	(623)
		Claims	(650)	(450)	—	—
ICICI Lombard General Insurance Company Limited	Fellow subsidiary	Reimbursement of other expenses				
		- Employees' remuneration and welfare benefits	(240)	(240)	—	—
		Premium income	5,980	5,389	(315)	(102)
		Claims	(3,000)	(3,000)	—	—
		Claims received (loss of asset)	432	426	—	—
		Reimbursement of other expenses				
		- Rent, rates and taxes	(2,365)	(3,749)	(27)	(290)
		Premium expense	(147,921)	(192,039)	38,994	44,075
		Employees' remuneration and welfare benefits	(1,089)	—	—	—
		Purchase of investments	(3,282,935)	(2,509,507)	—	—
ICICI Prudential Pension Funds Management Company Limited	Subsidiary	Sale of investments	2,351,936	2,691,901	—	—
		Security Deposit outstanding	—	—	547	891
		Recovery of expenses				
		- Communication expenses	55	90	21	21
		- Employees's remuneration and welfare benefits	16,235	17,954	4,851	4,561
		- Information technology related expenditure	143	487	59	66
		- Legal and Professional Charges	—	4	—	—
		- Miscellaneous Expenditure	5	10	1	1
		- Rent, rates and taxes	1,414	2,025	512	373
		- Travel, conveyance and vehicle running	205	230	87	57

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Name of related party	Relation	Nature of transaction	Transactions for the year (in ₹ '000)		Amount recoverable/ (Payable) (in ₹ '000)	
			FY2016	FY2015	At March 31, 2016	At March 31, 2015
Prudential Corporation Holdings Limited	Substantial interest	Recovery of expenses				
		- Travel Cost	213	—	—	—
		Reimbursement of other expenses				
		- Employees's remuneration and welfare benefits	(15)	(2,551)	—	—
		- Agents training, recruitment and incentives	(9,253)	(24,844)	—	—
		Dividend	(3,114,593)	(1,390,443)	—	—
		Proposed Dividend	—	—	(778,648)	(778,648)
ICICI Prudential Life Insurance Company Limited Employees' Group Gratuity Cum Life Insurance Scheme	Significant influence	Premium income	(186,024)	50,418	(274)	(272)
		Contribution to trust	(189,776)	(50,406)	—	—
ICICI Prudential Life Insurance Company Limited Superannuation Scheme	Significant influence	Premium income	7,401	7,695	—	—
		Contribution to trust	(7,401)	(7,695)	—	—
ICICI Prudential Life Insurance Company Limited Employees' Provident Fund	Significant influence	Contribution to trust	(200,009)	(187,567)	(33,604)	(33,111)
ICICI Prudential life Insurance advisor benefit trust	Significant influence	Premium income	5,818	6,901	—	—
		Contribution to trust	(6,644)	(7,754)	—	—
Key management personnel	Key management personnel	Premium income	2,401	2,272	—	—
		Dividend	(3,890)	(470)	(954)	(744)
		Managerial remuneration	(186,640)	(220,804)	—	—
		Employee stock options outstanding (numbers)	—	—	671,000	701,000
		Employee stock options exercised	—	—	30,000	419,375
Key management personnel	Relatives of key management personnel	Premium income	140	140	—	—
		Claims expense	—	—	—	—

3.10. Segmental reporting

Segment wise information of various items as required under AS 17 "Segmental reporting" are given below:

For the year ended March 31, 2016

(₹ 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)	26,755,467	1,440,213	29,647,269	3,657,745	168,333	115,388,334	4,369,615	962,268	19,890,209	5,995,701	208,275,154
Segment result - Surplus/ Deficit (net of contribution from the Shareholders' account)	1,990,790	303,499	4,546,219	1,497,307	340,947	1,620,190	3,348,526	225,415	251,292	5,639,227	19,763,412
Depreciation/ Amortisation	66,569	295	23,451	1,031	296	349,401	9,535	1,030	3,692	96	455,396
Significant non-cash expenses*	14,990,340	(7,344,184)	21,153,461	789,110	(220,237)	51,735,368	(43,810,506)	147,837	(2,108,366)	43,908	35,376,731

For the year ended March 31, 2015

(₹ 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)	20,938,899	2,023,152	26,310,412	3,746,984	179,840	192,277,504	73,199,804	3,298,716	17,052,819	5,335,126	344,363,256
Segment result - Surplus/ Deficit (net of contribution from the Shareholders' account)	1,041,068	353,957	2,673,339	(414,567)	186,394	1,140,918	5,939,493	433,412	355,924	4,881,433	16,591,371
Depreciation/ Amortisation	63,182	467	21,523	1,365	521	284,504	16,757	1,716	5,950	148	396,133
Significant non-cash expenses*	11,030,275	(202,280)	20,604,860	2,909,676	(84,374)	127,743,415	9,395,502	2,306,974	5,919,217	—	179,623,265

* 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.

schedules

forming part of the financial statements

Continued

3.11 SEGMENTAL BALANCE SHEET

Segmental Balance Sheet as at 31st March 2016

(₹ in '000)

Particulars	Schedule	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	5	—	—	—	—	—	—	—	—	—	14,323,193	14,323,193
Share application money		—	—	—	—	—	—	—	—	—	780	780
Reserve and surplus	6	—	—	—	—	—	—	—	—	—	36,415,012	36,415,012
Credit/(debit) fair value change account		—	—	—	—	—	—	—	—	—	2,508,793	2,508,793
Sub - total		—	—	—	—	—	—	—	—	—	53,247,778	53,247,778
Borrowings	7	—	—	—	—	—	—	—	—	—	—	—
Policyholders' funds :												
Credit/(debit) fair value change account		5,279,632	750,419	3,682,274	—	—	—	—	—	—	—	9,712,325
Revaluation reserve - Investment property - Refer note 3.24 of schedule 16		296,035	281,041	—	—	—	—	—	—	—	—	577,076
Policy liabilities (A)+(B)+(C)		68,932,563	8,348,365	95,801,548	21,186,030	321,855	521,124,045	168,912,967	7,581,342	63,286,332	—	955,495,047
Non unit liabilities (mathematical reserves) (A)		68,932,563	8,348,365	95,801,548	21,186,030	321,855	6,888,685	687,544	351,072	30,205	—	202,547,867
Provision for linked liabilities (fund reserves) (B)		—	—	—	—	—	481,750,848	167,665,625	7,230,270	63,256,127	—	719,902,870
(a) Provision for linked liabilities		—	—	—	—	—	445,073,327	137,453,479	6,099,245	62,198,957	—	650,825,008
(b) Credit/(debit) fair value change account (Linked)		—	—	—	—	—	36,677,521	30,212,146	1,131,025	1,057,170	—	69,077,862
Funds for discontinued policies (C) - Refer note 3.37 of schedule 16		—	—	—	—	—	32,484,512	559,798	—	—	—	33,044,310
(a) Discontinued on account of non-payment of premium		—	—	—	—	—	32,467,610	559,798	—	—	—	33,027,408
(b) Other discontinuance		—	—	—	—	—	16,902	—	—	—	—	16,902
(c) Credit/(debit) fair value change account		—	—	—	—	—	—	—	—	—	—	—
Total linked liabilities (B)+(C)		—	—	—	—	—	514,235,360	168,225,423	7,230,270	63,256,127	—	752,947,180
Sub - total		74,508,230	9,379,825	99,483,822	21,186,030	321,855	521,124,045	168,912,967	7,581,342	63,286,332	—	965,784,448
Funds for Future Appropriations		—	—	—	—	—	—	—	—	—	—	—
Linked - Refer note 3.3 of schedule 16		—	—	—	—	—	4,868	5,900	—	—	—	10,768
Non linked - Refer note 3.3 of schedule 16		2,978,687	1,770,812	1,797,137	—	—	—	8,385	53,344	—	—	6,608,365
Sub - total		2,978,687	1,770,812	1,797,137	—	—	4,868	14,285	53,344	—	—	6,619,133
Total		77,486,917	11,150,637	101,280,959	21,186,030	321,855	521,128,913	168,927,252	7,634,686	63,286,332	53,247,778	1,025,651,359
Application of funds												
Investments												
- Shareholders'	8	—	—	—	—	—	—	—	—	—	62,156,674	62,156,674
- Policyholders'	8A	75,187,610	11,105,447	96,380,302	21,604,544	530,882	8,119,653	1,298,641	254,463	674,656	—	215,156,198
Asset held to cover linked liabilities	8B	—	—	—	—	—	514,240,228	168,231,323	7,230,270	63,256,127	—	752,957,948
Loans	9	210,214	—	228,722	—	—	3,782	—	—	—	—	442,718
Fixed assets - net block	10	—	—	—	—	—	—	—	—	—	2,195,346	2,195,346
Deferred tax asset - Refer note 3.6 of schedule 16		—	—	—	—	—	—	—	—	—	702	702
Current assets												
- Cash and Bank balances	11	6,431	256	3,000	132	30	21,799	1,265	143	293	1,968,713	2,002,062
- Advances and Other assets	12	3,069,433	440,803	2,863,005	727,332	21,777	788,289	99,823	7,581	29,125	4,703,635	12,750,803
Sub-Total (A)		3,075,864	441,059	2,866,005	727,464	21,807	810,088	101,088	7,724	29,418	6,672,348	14,752,865
Current liabilities	13	952,724	395,626	(1,821,738)	1,145,572	230,725	1,927,320	697,081	(142,943)	672,345	14,157,073	18,213,785
Provisions	14	34,047	243	15,808	406	109	117,518	6,719	714	1,524	3,620,219	3,797,307
Sub-Total (B)		986,771	395,869	(1,805,930)	1,145,978	230,834	2,044,838	703,800	(142,229)	673,869	17,777,292	22,011,092
Net Current Assets (C) = (A-B)		2,089,093	45,190	4,671,935	(418,514)	(209,027)	(1,234,750)	(602,712)	149,953	(644,451)	(11,104,944)	(7,258,227)
Miscellaneous expenditure (to the extent not written-off or adjusted)	15	—	—	—	—	—	—	—	—	—	—	—
Debit Balance in Profit & Loss Account (Shareholders' account)		—	—	—	—	—	—	—	—	—	—	—
Total		77,486,917	11,150,637	101,280,959	21,186,030	321,855	521,128,913	168,927,252	7,634,686	63,286,332	53,247,778	1,025,651,359

schedules



forming part of the financial statements

Continued

Segmental Balance Sheet as at March 31, 2015

(₹ 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	—	—	—	—	—	—	—	—	—	14,317,170	14,317,170	
Share application money	—	—	—	—	—	—	—	—	—	11,658	11,658	
Reserve and surplus	—	—	—	—	—	—	—	—	—	34,320,453	34,320,453	
Credit/[debit] fair value change account	—	—	—	—	—	—	—	—	—	4,028,965	4,028,965	
Sub - total	—	—	—	—	—	—	—	—	—	52,678,246	52,678,246	
Borrowings	—	—	—	—	—	—	—	—	—	—	—	
Policyholders' funds :												
Credit/[debit] fair value change account	5,858,385	830,056	5,066,251	—	—	—	—	—	—	—	11,754,692	
Revaluation reserve - Investment property	281,040	281,039	—	—	—	—	—	—	—	—	562,079	
Policy liabilities (A)+(B)+(C)	54,022,293	15,692,995	74,718,289	20,396,980	542,075	469,415,982	212,723,503	7,433,451	65,394,665	—	920,340,233	
Non unit liabilities (mathematical reserves) (A)	54,022,293	15,692,995	74,718,289	20,396,980	542,075	6,209,067	825,166	141,052	39,623	—	172,587,540	
Provision for linked liabilities (fund reserves) (B)	—	—	—	—	—	440,533,761	211,594,028	7,292,399	65,355,042	—	724,775,230	
(a) Provision for linked liabilities	—	—	—	—	—	360,541,189	155,522,028	5,475,198	62,467,587	—	584,006,002	
(b) Credit/[debit] fair value change account (Linked)	—	—	—	—	—	79,992,572	56,072,000	1,817,201	2,887,455	—	140,769,228	
Funds for discontinued policies (C) - Refer note 3.36 of schedule 16	—	—	—	—	—	22,673,154	304,309	—	—	—	22,977,463	
(a) Discontinued on account of non-payment of premium	—	—	—	—	—	22,673,154	304,309	—	—	—	22,977,463	
(b) Other discontinuance	—	—	—	—	—	—	—	—	—	—	—	
(c) Credit/[debit] fair value change account	—	—	—	—	—	—	—	—	—	—	—	
Total linked liabilities (B)+(C)	—	—	—	—	—	463,206,915	211,898,337	7,292,399	65,355,042	—	747,752,693	
Sub - total	60,161,718	16,804,090	79,784,540	20,396,980	542,075	469,415,982	212,723,503	7,433,451	65,394,665	—	932,657,004	
Funds for Future Appropriations	—	—	—	—	—	—	—	—	—	—	—	
Linked - Refer note 3.3 of schedule 16	—	—	—	—	—	9,281	13,385	—	—	—	22,666	
Non linked - Refer note 3.3 of schedule 16	2,028,450	1,508,366	1,667,866	—	—	—	—	47,542	—	—	5,252,224	
Sub - total	2,028,450	1,508,366	1,667,866	—	—	9,281	13,385	47,542	—	—	5,274,890	
Total	62,190,168	18,312,456	81,452,406	20,396,980	542,075	469,425,263	212,736,888	7,480,993	65,394,665	52,678,246	990,610,140	
Application of funds												
Investments	—	—	—	—	—	—	—	—	—	—	—	
- Shareholders'	—	—	—	—	—	—	—	—	—	58,567,710	58,567,710	
- Policyholders'	62,033,675	18,011,845	77,713,480	19,597,886	586,619	7,472,290	2,231,040	225,057	707,622	—	188,579,514	
Asset held to cover linked liabilities	—	—	—	—	—	463,216,196	211,911,722	7,292,399	65,355,042	—	747,775,359	
Loans	130,167	—	62,462	—	—	8,492	—	—	—	—	201,121	
Fixed assets - net block	—	—	—	—	—	—	—	—	—	2,149,900	2,149,900	
Deferred tax asset - Refer note 3.6 of schedule 16	—	—	—	—	—	—	—	—	—	1,338	1,338	
Current assets	—	—	—	—	—	—	—	—	—	—	—	
Cash and Bank balances	5,366	1,263	4,206	161	61	15,155	1,390	147	262	2,526,789	2,554,800	
Advances and Other assets	2,610,731	1,615,064	2,835,009	648,286	28,563	794,386	119,769	9,538	29,383	3,637,286	12,328,015	
Sub-Total (A)	2,616,097	1,616,327	2,839,215	648,447	28,624	809,541	121,159	9,685	29,645	6,164,075	14,882,815	
Current liabilities	2,559,566	1,315,473	(847,528)	(151,119)	72,852	1,986,767	1,518,477	45,293	696,072	10,585,750	17,781,603	
Provisions	30,205	243	10,279	472	316	94,489	8,556	855	1,572	3,619,027	3,766,014	
Sub-Total (B)	2,589,771	1,315,716	(837,249)	(150,647)	73,168	2,081,256	1,527,033	46,148	697,644	14,204,777	21,547,617	
Net Current Assets (C) = (A-B)	26,326	300,611	3,676,464	799,094	(44,544)	(1,271,715)	(1,405,874)	(36,463)	(667,999)	(8,040,702)	(6,664,802)	
Miscellaneous expenditure (to the extent not written-off or adjusted)	—	—	—	—	—	—	—	—	—	—	—	
Debit Balance in Profit & Loss Account (Shareholders' account)	—	—	—	—	—	—	—	—	—	—	—	
Total	62,190,168	18,312,456	81,452,406	20,396,980	542,075	469,425,263	212,736,888	7,480,993	65,394,665	52,678,246	990,610,140	

schedules

forming part of the financial statements

Continued

3.12 FUND BALANCE SHEET AT MARCH 31, 2016

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 LDisccont 105	ULIF 097 11/01/10 LDynamicPE 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														
Sources of funds														
Policyholders' funds														
Policyholder contribution	F-1	11,415 2,008	(3,363,261) 13,999,291	(924,155) 4,536,394	(119,839) 356,819	615,260 388,144	4,735,436 392,849	1,522,857 1,141,668	28,130,069 4,354,441	21,877,334 4,126,110	322,626 753,183	422,314 405,361	(564) 48,073	
Total		13,423	10,636,030	3,612,239	236,980	1,003,404	5,128,285	2,664,525	32,484,510	26,003,444	1,075,809	827,675	47,509	
Application of funds														
Investments	F-2	12,076	10,411,545	3,549,313	233,011	981,182	5,101,922	2,584,287	32,997,508	25,851,550	1,055,873	815,971	47,037	
Current assets	F-3	1,353	311,567	96,467	6,285	30,281	26,578	117,598	101	859,406	25,796	16,205	894	
Less: Current liabilities and provisions	F-4	6	87,082	33,541	2,316	8,059	215	37,360	513,099	707,512	5,860	4,501	422	
Net current assets		1,347	224,485	62,926	3,969	22,222	26,363	80,238	(512,998)	151,894	19,936	11,704	472	
Total		13,423	10,636,030	3,612,239	236,980	1,003,404	5,128,285	2,664,525	32,484,510	26,003,444	1,075,809	827,675	47,509	
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		13,423	10,636,030	3,612,239	236,980	1,003,404	5,128,285	2,664,525	32,484,510	26,003,444	1,075,809	827,675	47,509	
(b) Number of Units outstanding (in '000)		793	206,918	96,664	9,953	44,626	339,581	106,937	2,172,320	1,665,824	50,534	34,308	2,250	
(c) NAV per unit (a)/(b) (₹)		16.92	51.40	37.37	23.81	22.48	15.10	24.92	14.95	15.61	21.29	24.12	21.11	

(₹ 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 Cash Fund	Invest Shield Fund	Invest Shield Fund - Life	Life Growth Fund	Life Secure Fund	Maximise India 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 105 105	ULIF 135 19/09/13 LSF 105 105	ULIF 136 19/09/13 MIF 105 105	
Income from investments														
Sources of funds														
Policyholders' funds														
Policyholder contribution	F-1	176,813 130,313	(263,353) 17,976,574	5,315,163 5,990,474	5,637 785,842	3,493,683 5,878,781	47,482,773 5,916,653	34,297,264 2,736,016	3,899,545 1,330,492	(199,061) 1,063,429	8,063,107 (448,170)	6,931,731 96,948	1,239,462 (131,496)	
Total		307,126	17,713,221	11,305,637	791,479	9,372,464	53,399,426	37,033,280	5,230,037	864,368	7,614,937	7,028,679	1,107,966	
Application of funds														
Investments	F-2	302,969	17,671,128	11,284,511	788,276	9,357,430	52,366,699	35,192,058	5,064,304	849,672	7,516,637	6,703,450	1,125,805	
Current assets	F-3	5,825	43,340	21,656	4,537	15,948	1,439,187	2,413,164	236,025	44,383	116,882	414,994	25,806	
Less: Current liabilities and provisions	F-4	1,668	1,247	530	1,334	914	406,460	571,942	70,292	29,687	18,582	89,765	43,645	
Net current assets		4,157	42,093	21,126	3,203	15,034	1,032,727	1,841,222	165,733	14,696	98,300	325,229	(17,839)	
Total		307,126	17,713,221	11,305,637	791,479	9,372,464	53,399,426	37,033,280	5,230,037	864,368	7,614,937	7,028,679	1,107,966	
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		307,126	17,713,221	11,305,637	791,479	9,372,464	53,399,426	37,033,280	5,230,037	864,368	7,614,937	7,028,679	1,107,966	
(b) Number of Units outstanding (in '000)		14,416	751,795	452,601	33,159	440,262	3,871,678	2,183,793	219,998	30,305	589,834	567,056	121,952	
(c) NAV per unit (a)/(b) (₹)		21.30	23.56	24.98	23.87	21.29	13.79	16.96	23.77	28.52	12.91	12.40	9.09	

schedules



forming part of the financial statements

Continued

3.12 FUND BALANCE SHEET AT MARCH 31, 2016

Form A-BS(UL)

(₹ in '000)

Particulars	Schedule	Linked Life Funds											
		Maximiser Fund	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
		ULIF 001 22/10/01 LMaximis1 105	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
Income from investments													
Sources of funds													
Policyholders' funds													
Policyholder contribution	F-1	(14,065,818)	(2,971,186)	(1,052,380)	102,340	89,672,778	19,416,969	5,442,834	25,057,411	(100,136)	982,559	16,972	383,093
Revenue account		56,910,989	14,617,408	2,636,596	426,613	(2,201,492)	1,517,080	823,753	6,278,235	7,347,506	925,813	99,452	473,042
Total		42,845,171	11,646,222	1,584,216	528,953	87,471,286	20,934,049	6,266,587	31,335,646	7,247,370	1,908,372	116,424	856,135
Application of funds													
Investments	F-2	42,840,644	11,652,567	1,582,945	528,813	86,318,433	20,171,645	6,125,920	31,139,278	7,215,234	1,899,769	116,829	856,142
Current assets	F-3	128,752	15,393	2,476	1,065	1,281,190	762,885	189,774	197,685	33,958	9,059	14	42
Less: Current liabilities and provisions	F-4	124,225	21,738	1,205	925	128,337	481	49,107	1,317	1,822	456	419	49
Net current assets		4,527	(6,345)	1,271	140	1,152,853	762,404	140,667	196,368	32,136	8,603	(405)	(7)
Total		42,845,171	11,646,222	1,584,216	528,953	87,471,286	20,934,049	6,266,587	31,335,646	7,247,370	1,908,372	116,424	856,135
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)													
(b) Number of Units outstanding (in '000)		406,661	187,809	58,813	23,765	4,844,612	1,263,606	361,257	1,686,058	494,725	110,919	7,238	50,083
(c) NAV per unit (a)/(b) (₹)		105.36	62.01	26.94	22.26	18.06	16.57	17.35	18.59	14.65	17.21	16.08	17.09

(₹ in '000)

Particulars	Schedule	Linked Life Funds											
		New Invest Shield Balanced Fund	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 VIII (5 Yrs)
		ULIF 025 21/08/06 LInvShieldNw 105	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 003 17/05/04 LProtect2 105	ULIF 016 13/03/06 LProtect3 105	ULIF 024 27/08/07 LProtect4 105	ULIF 041 12/10/10 LRGFT(T8) 105
Income from investments													
Sources of funds													
Policyholders' funds													
Policyholder contribution	F-1	2,084,195	4,374,563	6,965,681	5,727,755	2,449,272	77,851	495,442	1,114,721	738,982	(2,034)	2,806,030	(352,335)
Revenue account		1,262,774	1,255,585	2,562,409	1,245,018	2,667,346	139,846	158,407	5,910,900	2,518,692	308,046	1,352,583	352,335
Total		3,346,969	5,630,148	9,528,090	6,972,773	5,116,618	217,697	653,849	7,025,621	3,257,674	306,012	4,158,613	—
Application of funds													
Investments	F-2	3,276,243	5,604,997	9,367,215	6,859,736	4,967,356	209,470	633,451	6,780,298	3,145,177	295,176	4,091,833	—
Current assets	F-3	99,471	25,388	253,599	200,096	149,381	9,378	20,827	336,388	154,652	14,812	66,878	—
Less: Current liabilities and provisions	F-4	28,745	237	92,724	87,059	119	1,151	429	91,065	42,155	3,976	98	—
Net current assets		70,726	25,151	160,875	113,037	149,262	8,227	20,398	245,323	112,497	10,836	66,780	—
Total		3,346,969	5,630,148	9,528,090	6,972,773	5,116,618	217,697	653,849	7,025,621	3,257,674	306,012	4,158,613	—
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)													
(b) Number of Units outstanding (in '000)		137,155	320,412	605,599	534,810	203,589	9,688	32,342	226,725	128,140	13,875	197,897	—
(c) NAV per unit (a)/(b) (₹)		24.40	17.57	15.73	13.04	25.13	22.47	20.22	30.99	25.42	22.06	21.01	—

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Continued

3.12 FUND BALANCE SHEET AT MARCH 31, 2016

Form A-BS(UL)

(₹ in '000)

Particulars	Schedule	Linked Life Funds								RICH Fund		
		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)				
		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												
Sources of funds												
Policyholders' funds												
Policyholder contribution	F-1	147,573	(480,078)	97,548	(990,376)	368,415	1,060,215	19,659	1,327,218			
Revenue account		114,431	480,078	57,332	990,376	182,326	429,478	5,539	3,958,994			
Total		262,004	—	154,880	—	550,741	1,489,693	25,198	5,286,212			
Application of funds												
Investments	F-2	230,836	—	135,207	—	481,324	1,432,383	22,487	5,280,458			
Current assets	F-3	31,185	—	19,685	—	70,626	71,226	2,713	6,126			
Less: Current liabilities and provisions	F-4	17	—	12	—	1,209	13,916	2	372			
Net current assets		31,168	—	19,673	—	69,417	57,310	2,711	5,754			
Total		262,004	—	154,880	—	550,741	1,489,693	25,198	5,286,212			
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		262,004	—	154,880	—	550,741	1,489,693	25,198	5,286,212			
(b) Number of Units outstanding (in '000)		17,327	—	10,253	—	36,571	101,772	1,717	286,639			
(c) NAV per unit (a)/(b) (₹)		15.12	—	15.11	—	15.06	14.64	14.67	18.44			

(₹ 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										
Sources of funds										
Policyholders' funds										
Policyholder contribution	F-1	4,814,836	(38,539)	2,284,425	118,440	20,333	88,035	321,875,519		
Revenue account		2,611,796	338,166	1,533,925	205,203	9,086	28,846	192,364,709		
Total		7,426,632	299,627	3,818,350	323,643	29,419	116,881	514,240,228		
Application of funds										
Investments	F-2	7,419,951	299,709	3,815,278	317,342	28,676	114,831	507,121,867		
Current assets	F-3	7,029	86	3,251	12,035	744	2,228	10,454,375		
Less: Current liabilities and provisions	F-4	348	168	179	5,734	1	178	3,336,014		
Net current assets		6,681	(82)	3,072	6,301	743	2,050	7,118,361		
Total		7,426,632	299,627	3,818,350	323,643	29,419	116,881	514,240,228		
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		7,426,632	299,627	3,818,350	323,643	29,419	116,881	514,240,228		
(b) Number of Units outstanding (in '000)		376,310	16,083	193,195	13,433	1,774	7,309			
(c) NAV per unit (a)/(b) (₹)		19.74	18.63	19.76	24.09	16.58	15.99			

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Continued

3.12 FUND BALANCE SHEET AT MARCH 31, 2016

Form A-BS(UL)

(₹ in '000)

Particulars	Schedule	Linked Pension Funds											
		Discontinued Fund - Pension	Easy Retirement Balanced Fund	Easy Retirement SP 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
		ULIF 101 01/07/10 PDiscount 105	ULIF 132 02/11/12 ERBF 105	ULIF 136 25/03/13 ERSPBF 105	ULIF 133 02/11/12 ERSF 105	ULIF 019 03/01/05 PlnvShld 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
Income from investments													
Sources of funds													
Policyholders' funds													
Policyholder contribution	F-1	510,529	1,884,803	57,322	342,392	66,080	1,141,509	(773,708)	1,318,043	8,345,632	619,844	130,899	8,756,397
Revenue account		49,268	64,834	686	26,975	228,946	3,713,479	5,643,803	304,693	1,745,664	457,999	891,978	12,547,216
Total		559,797	1,949,637	58,008	369,367	295,026	4,854,988	4,870,095	1,622,736	10,091,296	1,077,843	1,022,877	21,303,613
Application of funds													
Investments	F-2	558,996	1,896,564	57,409	347,061	287,445	4,751,726	4,770,195	1,596,711	10,122,783	1,059,558	1,007,967	21,266,843
Current assets	F-3	810	53,185	640	22,322	7,832	104,401	104,864	32,685	320,397	19,338	16,538	38,269
Less: Current liabilities and provisions	F-4	9	112	41	16	251	1,139	4,964	6,660	351,884	1,053	1,628	1,499
Net current assets		801	53,073	599	22,306	7,581	103,262	99,900	26,025	(31,487)	18,285	14,910	36,770
Total		559,797	1,949,637	58,008	369,367	295,026	4,854,988	4,870,095	1,622,736	10,091,296	1,077,843	1,022,877	21,303,613
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		559,797	1,949,637	58,008	369,367	295,026	4,854,988	4,870,095	1,622,736	10,091,296	1,077,843	1,022,877	21,303,613
(b) Number of Units outstanding (in '000)		46,418	150,136	4,823	28,724	10,388	112,218	141,426	111,010	656,139	49,949	43,264	908,462
(c) NAV per unit (a)/(b) (₹)		12.06	12.99	12.03	12.86	28.40	43.26	34.44	14.62	15.38	21.58	23.64	23.45

(₹ in '000)

Particulars	Schedule	Linked Pension Funds											
		Pension Flexi Growth Fund II	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
		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	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
Income from investments													
Sources of funds													
Policyholders' funds													
Policyholder contribution	F-1	(1,730,263)	357,333	4,925,650	(690,454)	(5,006,514)	2,241,686	1,162,224	8,688,897	2,315,910	432,335	2,468,376	3,885,759
Revenue account		18,491,532	113,541	1,335,991	6,102,691	20,332,185	824,931	647,117	4,609,235	1,940,604	1,445,228	1,597,704	2,916,896
Total		16,761,269	470,874	6,261,641	5,412,237	15,325,671	3,066,617	1,809,341	13,298,132	4,256,514	1,877,563	4,066,080	6,802,655
Application of funds													
Investments	F-2	16,654,009	467,293	6,111,668	5,417,213	15,299,666	3,033,454	1,776,416	13,363,441	4,237,577	1,878,115	4,051,558	6,656,812
Current assets	F-3	110,760	5,015	173,512	7,642	59,344	60,907	42,985	52,050	19,534	8,722	50,383	146,002
Less: Current liabilities and provisions	F-4	3,500	1,434	23,539	12,618	33,339	27,744	10,060	117,359	597	9,274	35,861	159
Net current assets		107,260	3,581	149,973	(4,976)	26,005	33,163	32,925	(65,309)	18,937	(552)	14,522	145,843
Total		16,761,269	470,874	6,261,641	5,412,237	15,325,671	3,066,617	1,809,341	13,298,132	4,256,514	1,877,563	4,066,080	6,802,655
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		16,761,269	470,874	6,261,641	5,412,237	15,325,671	3,066,617	1,809,341	13,298,132	4,256,514	1,877,563	4,066,080	6,802,655
(b) Number of Units outstanding (in '000)		658,102	33,220	375,184	50,816	238,273	185,763	109,476	737,929	294,589	119,984	235,793	273,244
(c) NAV per unit (a)/(b) (₹)		25.47	14.17	16.69	106.51	64.32	16.51	16.53	18.02	14.45	15.65	17.24	24.90

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3.12 FUND BALANCE SHEET AT MARCH 31, 2016

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(₹ in '000)

Particulars	Schedule	Linked Pension Funds										Total
		Pension Protector Fund	Pension Protector Fund II	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 006 03/05/02 PProtect1 105	ULIF 017 17/05/04 PProtect2 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												
Sources of funds												
Policyholders' funds												
Policyholder contribution	F-1	6,155,378	978,480	98,922	30,473	75,229	8,793	4,442,877	(875,008)	729,123	39,057	53,134,005
Revenue account		6,511,580	4,028,173	64,717	19,976	44,508	4,761	9,481,168	8,738,778	80,729	89,732	115,097,318
Total		12,666,958	5,006,653	163,639	50,449	119,737	13,554	13,924,045	7,863,770	809,852	128,789	168,231,323
Application of funds												
Investments	F-2	12,231,159	4,812,168	147,177	43,711	105,064	11,785	13,915,981	7,868,959	777,243	124,419	166,708,146
Current assets	F-3	437,783	194,610	16,897	6,740	14,679	1,770	9,044	2,062	32,644	4,520	2,178,886
Less: Current liabilities and provisions	F-4	1,984	125	435	2	6	1	980	7,251	35	150	655,709
Net current assets		435,799	194,485	16,462	6,738	14,673	1,769	8,064	(5,189)	32,609	4,370	1,523,177
Total		12,666,958	5,006,653	163,639	50,449	119,737	13,554	13,924,045	7,863,770	809,852	128,789	168,231,323
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		12,666,958	5,006,653	163,639	50,449	119,737	13,554	13,924,045	7,863,770	809,852	128,789	168,231,323
(b) Number of Units outstanding (in '000)		461,431	200,686	10,796	3,355	7,980	923	659,234	353,110	61,128	5,564	
(c) NAV per unit (a)/(b) (₹)		27.45	24.95	15.16	15.03	15.00	14.68	21.12	22.27	13.25	23.15	

(₹ in '000)

Particulars	Schedule	Linked Health Funds						Total
		Health Balancer Fund	Health Flexi Balanced Fund	Health Flexi Growth Fund	Health Multiplier Fund	Health Preserver Fund	Health Protector Fund	
		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	
Income from investments								
Sources of funds								
Policyholders' funds								
Policyholder contribution	F-1	467,986	642,149	6,591,179	773,193	89,187	2,128,853	10,692,547
Revenue account		(143,951)	(205,446)	(2,120,467)	(264,949)	(24,532)	(702,932)	(3,462,277)
Total		324,035	436,703	4,470,712	508,244	64,655	1,425,921	7,230,270
Application of funds								
Investments	F-2	316,612	429,020	4,451,864	506,119	59,954	1,373,627	7,137,196
Current assets	F-3	10,062	10,040	19,057	2,149	4,703	70,675	116,686
Less: Current liabilities and provisions	F-4	2,639	2,357	209	24	2	18,381	23,612
Net current assets		7,423	7,683	18,848	2,125	4,701	52,294	93,074
Total		324,035	436,703	4,470,712	508,244	64,655	1,425,921	7,230,270
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		324,035	436,703	4,470,712	508,244	64,655	1,425,921	7,230,270
(b) Number of Units outstanding (in '000)		14,354	16,776	141,412	17,471	3,621	72,333	
(c) NAV per unit (a)/(b) (₹)		22.57	26.03	31.61	29.09	17.85	19.71	

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3.12 FUND BALANCE SHEET AT MARCH 31, 2016

Form A-BS(UL)

(₹ 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 Growth 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		
Income from investments												
Sources of funds												
Policyholders' funds												
Policyholder contribution	F-1	6,101,662	8,061,406	(13,536)	972,663	1,990,612	13,261	326,276	311,443	21,945		
Revenue account		10,744,397	239,045	103,740	1,018,080	47,737	9,862	651,524	24,131	17,598		
Total		16,846,059	8,300,451	90,204	1,990,743	2,038,349	23,123	977,800	335,574	39,543		
Application of funds												
Investments	F-2	16,226,889	7,981,735	87,116	1,922,864	1,976,260	22,440	942,705	320,166	38,397		
Current assets	F-3	619,871	319,059	3,094	67,987	62,181	684	35,144	15,423	1,149		
Less: Current liabilities and provisions	F-4	701	343	6	108	92	1	49	15	3		
Net current assets		619,170	318,716	3,088	67,879	62,089	683	35,095	15,408	1,146		
Total		16,846,059	8,300,451	90,204	1,990,743	2,038,349	23,123	977,800	335,574	39,543		
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		16,846,059	8,300,451	90,204	1,990,743	2,038,349	23,123	977,800	335,574	39,543		
(b) Number of Units outstanding (in '000)		476,688	666,845	3,851	92,235	161,985	798	41,856	26,359	1,819		
(c) NAV per unit (a)/(b) (₹)		35.34	12.45	23.42	21.58	12.58	28.98	23.36	12.73	21.74		

(₹ in '000)

Particulars	Schedule	Linked Group Funds										
		Group Capital Guarantee Growth Fund II	Group Capital Guarantee Growth Fund III	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	Group Debt Fund II	Group Equity Fund II	Group Growth Fund		
		ULGF 012 05/07/07 GCGrowth2 105	ULGF 050 27/08/13 GCGrowth3 105	ULGF 005 24/02/04 GCGSTDebt1 105	ULGF 009 16/03/07 GCGSTDebt2 105	ULGF 047 27/08/13 GCGSTDebt3 105	ULGF 002 03/04/03 GDebt 105	ULGF 040 30/04/13 GDebt2 105	ULGF 043 30/04/13 GEquity2 105	ULGF 004 30/10/03 GGrowth 105		
Income from investments												
Sources of funds												
Policyholders' funds												
Policyholder contribution	F-1	126,746	23,980	24,695	2,377,071	750,868	7,055,218	1,702,877	16,734	650,716		
Revenue account		40,030	188	101,224	1,838,037	78,780	6,567,470	221,391	476	5,067,275		
Total		166,776	24,168	125,919	4,215,108	829,648	13,622,688	1,924,268	17,210	5,717,991		
Application of funds												
Investments	F-2	162,604	21,896	122,896	4,092,903	806,680	12,972,788	1,850,806	17,161	5,580,507		
Current assets	F-3	4,183	2,273	3,028	122,395	23,004	650,469	73,542	50	137,719		
Less: Current liabilities and provisions	F-4	11	1	5	190	36	569	80	1	235		
Net current assets		4,172	2,272	3,023	122,205	22,968	649,900	73,462	49	137,484		
Total		166,776	24,168	125,919	4,215,108	829,648	13,622,688	1,924,268	17,210	5,717,991		
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		166,776	24,168	125,919	4,215,108	829,648	13,622,688	1,924,268	17,210	5,717,991		
(b) Number of Units outstanding (in '000)		7,961	2,193	5,308	210,284	69,501	499,526	147,529	1,740	108,266		
(c) NAV per unit (a)/(b) (₹)		20.95	11.02	23.72	20.04	11.94	27.27	13.04	9.89	52.81		

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Continued

3.12 FUND BALANCE SHEET AT MARCH 31, 2016

Form A-BS(UL)

(₹ in '000)

Particulars	Schedule	Linked Group Funds							
		Group Growth Fund II	Group Leave Encashment Balance Fund	Group Leave Encashment Income Fund	Group Leave Encashment Short Term Fund	Group Return Guarantee Fund - S5	Group Return Guarantee Fund - S7	Group Short Term Debt Fund	
		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 026 14/03/11 GRGFS5 105	ULGF 028 01/07/11 GRGFS7 105	ULGF 003 03/04/03 GSTDebt 105	
Income from investments									
Sources of funds									
Policyholders' funds									
Policyholder contribution	F-1	113,544	504,143	59,911	(185,205)	23,131	(185,042)	552,353	
Revenue account		(1,693)	450,703	56,693	185,576	54,552	185,042	3,746,745	
Total		111,851	954,846	116,604	371	77,683	—	4,299,098	
Application of funds									
Investments	F-2	116,873	919,193	112,869	232	71,527	—	4,069,625	
Current assets	F-3	6,490	35,692	3,740	139	6,160	—	229,642	
Less: Current liabilities and provisions	F-4	11,512	39	5	—	4	—	169	
Net current assets		(5,022)	35,653	3,735	139	6,156	—	229,473	
Total		111,851	954,846	116,604	371	77,683	—	4,299,098	
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		111,851	954,846	116,604	371	77,683	—	4,299,098	
(b) Number of Units outstanding (in '000)		8,916	46,989	6,338	19	5,410	—	174,647	
(c) NAV per unit (a)/(b) (₹)		12.55	20.32	18.40	19.19	14.36	—	24.62	

(₹ in '000)

Particulars	Schedule	Linked Group Funds				Total	Grand Total			
		Group Short Term Debt Fund II	Group Short Term Debt Fund III	Group Superannuation Corporate Bond Fund						
		ULGF 046 27/08/13 GSTDebt2 105	ULGF 039 30/04/13 GSTDebt3 105	ULGF 015 22/12/08 GSACorBon 105						
Income from investments										
Sources of funds										
Policyholders' funds										
Policyholder contribution	F-1	(87,458)	387,244	(865,947)		30,831,311	416,533,382			
Revenue account		100,169	10,097	865,947		32,424,816	336,424,566			
Total		12,711	397,341	—		63,256,127	752,957,948			
Application of funds										
Investments	F-2	12,581	368,457	—		60,818,170	741,785,379			
Current assets	F-3	131	28,899	—		2,452,148	15,202,095			
Less: Current liabilities and provisions	F-4	1	15	—		14,191	4,029,526			
Net current assets		130	28,884	—		2,437,957	11,172,569			
Total		12,711	397,341	—		63,256,127	752,957,948			
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		12,711	397,341	—		63,256,127	752,957,948			
(b) Number of Units outstanding (in '000)		1,134	34,708	—						
(c) NAV per unit (a)/(b) (₹)		11.21	11.45	—						

schedules



forming part of the financial statements

Continued

SCHEDULE: F - 1

POLICYHOLDERS' CONTRIBUTION AT MARCH 31, 2016

(₹ 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 LDiscnt 105	ULIF 097 11/01/10 LDynamicPE 105	ULIF 031 20/03/07 LFlexiBal1 105	ULIF 032 20/03/07 LFlexiBal2 105	ULIF 033 20/03/07 LFlexiBal3 105	
Opening balance	10,265	(2,403,877)	(573,906)	(87,844)	683,480	3,555,417	1,795,307	20,494,115	20,945,481	412,208	488,030	4,336	
Add: Additions during the year*	1,902	374,935	151,149	1,881	67,145	2,015,816	164,291	335	6,408,928	61,905	43,293	1,308	
Less: Deductions during the year**	(753)	(1,334,325)	(501,396)	(33,876)	(135,362)	(835,798)	(436,739)	7,635,631	(5,477,066)	(151,489)	(109,009)	(6,207)	
Closing balance	11,414	(3,363,267)	(924,153)	(119,839)	615,263	4,735,435	1,522,859	28,130,081	21,877,343	322,624	422,314	(563)	

* 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	Maximise India 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 136 11/20/14 MIF 105	
Opening balance	208,066	1,067,127	5,926,963	132,174	4,280,315	39,899,819	24,636,049	4,255,139	1,923,716	3,895,080	3,350,410	618,108	
Add: Additions during the year*	23,915	864,663	676,122	19,097	731,491	1,334,099	26,583,915	268,186	115,027	4,706,761	4,053,152	700,187	
Less: Deductions during the year**	(55,175)	(2,195,154)	(1,287,917)	(145,635)	(1,518,124)	(3,751,139)	(16,922,685)	(623,782)	(2,237,805)	(538,739)	(471,833)	(78,827)	
Closing balance	176,806	(263,364)	5,315,168	5,636	3,493,682	47,482,779	34,297,279	3,899,543	(199,062)	8,063,102	6,931,729	1,239,468	

* Represents unit creation

** Represents unit cancellations

(₹ in '000)

Particulars	Linked Life Funds												
	Maximiser Fund	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	
	ULIF 001 22/10/01 LMaximis1 105	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	
Opening balance	(11,762,456)	(2,576,295)	(883,686)	129,767	40,793,270	15,370,409	3,773,733	19,290,561	547,296	1,135,926	24,623	452,250	
Add: Additions during the year*	1,828,783	627,800	13,742	32,382	57,046,921	16,271,262	2,355,016	10,636,131	327,898	119,120	3,588	55,120	
Less: Deductions during the year**	(4,132,149)	(1,022,695)	(182,431)	(59,810)	(8,167,403)	(12,224,696)	(685,913)	(4,869,271)	(975,330)	(272,487)	(11,243)	(124,283)	
Closing balance	(14,065,822)	(2,971,190)	(1,052,375)	102,339	89,672,788	19,416,975	5,442,836	25,057,421	(100,136)	982,559	16,968	383,087	

* Represents unit creation

** Represents unit cancellations

(₹ in '000)

Particulars	Linked Life Funds												
	New Invest Shield Balanced Fund	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 VIII (5 Yrs)	
	ULIF 025 21/08/06 LInvShldNw 105	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 LPreserv2 105	ULIF 036 27/08/07 LPreserv3 105	ULIF 003 22/10/01 LPreserv4 105	ULIF 016 17/05/04 LProtect1 105	ULIF 024 13/03/06 LProtect2 105	ULIF 041 27/08/07 LProtect3 105	ULIF 103 12/10/10 LProtect4 105	
Opening balance	2,149,733	4,209,796	8,696,558	6,739,536	3,174,756	151,385	575,988	1,934,085	1,036,926	65,264	2,984,323	858,957	
Add: Additions during the year*	154,202	1,299,887	10,070	109,529	521,271	851	76,255	323,407	208,826	363	495,255	-	
Less: Deductions during the year**	(219,737)	(1,135,118)	(1,740,949)	(1,121,308)	(1,246,753)	(74,384)	(156,802)	(1,142,775)	(506,767)	(67,662)	(673,547)	(1,211,290)	
Closing balance	2,084,198	4,374,565	6,965,679	5,727,757	2,449,274	77,852	495,441	1,114,717	738,985	(2,035)	2,806,031	(352,333)	

* Represents unit creation

** Represents unit cancellations

schedules

forming part of the financial statements

Continued

SCHEDULE: F - 1

POLICYHOLDERS' CONTRIBUTION AT MARCH 31, 2016

Particulars	Linked Life Funds								(₹ in '000)
	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 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	236,410	1,149,669	118,266	2,399,650	419,333	1,148,187	20,160	2,031,606	
Add: Additions during the year*	—	—	—	—	—	—	—	—	256,758
Less: Deductions during the year**	(88,837)	(1,629,745)	(20,718)	(3,390,026)	(50,918)	(87,972)	(500)	(961,141)	
Closing balance	147,572	(480,076)	97,548	(990,376)	368,415	1,060,215	19,660	1,327,223	

* Represents unit creation

** Represents unit cancellations

Particulars	Linked Life Funds						(₹ in '000)
	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	5,454,340	(37)	2,598,448	214,107	24,483	106,080	250,309,385
Add: Additions during the year*	460,198	730	251,160	20,213	1,960	4,989	152,883,283
Less: Deductions during the year**	(1,099,697)	(39,236)	(565,182)	(115,874)	(6,110)	(23,035)	(81,317,092)
Closing balance	4,814,841	(38,543)	2,284,426	118,446	20,333	88,034	321,875,576

* Represents unit creation

** Represents unit cancellations

Particulars	Linked Pension Funds												(₹ in '000)
	Discontinued Fund - Pension	Easy Retirement Balanced Fund	Easy Retirement SP 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	
	ULIF 101 01/07/10 PDiscount 105	ULIF 132 02/11/12 ERBF 105	ULIF 136 25/03/13 ERSPBF 105	ULIF 133 02/11/12 ERSF 105	ULIF 019 03/01/05 PlInvShld 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	
Opening balance	289,687	1,015,987	5,391	202,521	292,041	1,735,263	282,521	2,007,276	12,598,206	695,350	362,865	10,379,433	
Add: Additions during the year*	-	989,560	51,949	171,996	26,599	187,833	215,871	133,248	682,361	48,473	37,508	1,330,331	
Less: Deductions during the year**	220,842	(120,745)	(16)	(32,127)	(252,555)	(781,593)	(1,272,100)	(822,456)	(4,934,797)	(123,979)	(269,477)	(2,953,445)	
Closing balance	510,529	1,884,802	57,324	342,390	66,085	1,141,503	(773,708)	1,318,068	8,345,770	619,844	130,896	8,756,319	

* Represents unit creation

** Represents unit cancellations

Particulars	Linked Pension Funds												(₹ in '000)
	Pension Flexi Growth Fund II	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	
	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	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	
Opening balance	728,252	305,520	8,263,007	(415,493)	(2,861,960)	4,865,415	2,025,842	13,440,082	2,794,375	853,932	4,558,945	5,624,822	
Add: Additions during the year*	734,571	130,041	675,281	256,680	642,045	750,752	84,812	1,326,856	188,495	79,266	229,695	985,350	
Less: Deductions during the year**	(3,193,090)	(78,226)	(4,012,622)	(531,642)	(2,786,597)	(3,374,473)	(948,418)	(6,077,998)	(666,956)	(500,865)	(2,320,239)	(2,724,391)	
Closing balance	(1,730,267)	357,335	4,925,666	(690,455)	(5,006,512)	2,241,694	1,162,236	8,688,940	2,315,914	432,333	2,468,401	3,885,781	

* Represents unit creation

** Represents unit cancellations

schedules



forming part of the financial statements

Continued

SCHEDULE: F - 1

POLICYHOLDERS' CONTRIBUTION AT MARCH 31, 2016

(₹ in '000)

Particulars	Linked Pension Funds												Total
	Pension Protector Fund	Pension Protector Fund II	Pension Guarantee Fund VIII	Pension Guarantee Fund IX (10 Yrs)	Pension Guarantee Fund X (10 Yrs)	Pension Guarantee Fund XI (10 Yrs)	Pension RICH Fund	Pension RICH Fund II	Pension Secure Fund	Pension Secure Plus Fund	Pension PSecure Fund	Pension PSecPlus Fund	
	ULIF 006 03/05/02 PProtect1 105	ULIF 017 17/05/04 PProtect2 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	ULIF 009 17/11/03 PSecPlus 105	ULIF 009 17/11/03 PSecPlus 105	
Opening balance	8,322,621	2,195,944	128,420	38,720	93,250	9,207	6,100,779	1,138,754	548,732	40,445	88,666,152		
Add: Additions during the year*	470,897	283,135	—	—	—	—	591,547	320,780	236,447	6,344	11,868,723		
Less: Deductions during the year**	(2,638,157)	(1,500,600)	(29,499)	(8,248)	(18,022)	(417)	(2,249,465)	(2,334,523)	(56,054)	(7,732)	(47,400,682)		
Closing balance	6,155,361	978,479	98,921	30,472	75,228	8,790	4,442,861	(874,989)	729,125	39,057	53,134,193		

* Represents unit creation

** Represents unit cancellations

(₹ 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	
	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	
Opening balance	405,371	541,216	5,732,798	691,041	81,434	1,951,223	9,403,083
Add: Additions during the year*	67,713	106,450	916,438	89,622	10,689	274,620	1,465,532
Less: Deductions during the year**	(5,105)	(5,514)	(57,881)	(7,487)	(2,934)	(96,986)	(175,907)
Closing balance	467,979	642,152	6,591,355	773,176	89,189	2,128,857	10,692,708

* 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	
	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	
Opening balance	11,270,782	86,179	(5,137)	997,687	113,126	11,942	346,780	201,810	21,143	
Add: Additions during the year*	2,430,116	8,454,012	3,681	118,937	1,979,285	2,234	87,979	282,786	5,228	
Less: Deductions during the year**	(7,599,236)	(478,789)	(12,077)	(143,959)	(101,797)	(913)	(108,482)	(173,154)	(4,427)	
Closing balance	6,101,662	8,061,402	(13,533)	972,665	1,990,614	13,263	326,277	311,442	21,944	

* Represents unit creation

** Represents unit cancellations

(₹ in '000)

Particulars	Linked Group Funds									
	Group Capital Guarantee Growth Fund II	Group Capital Guarantee Growth Fund III	Group Capital Short Term Debt Fund	Group Capital Short Term Debt Fund II	Group Capital Short Term Debt Fund III	Group Debt Fund	Group Debt Fund II	Group Equity Fund II	Group Growth Fund	
	ULGF 012 05/07/07 GCGrowth2 105	ULGF 050 27/08/13 GCGrowth3 105	ULGF 005 24/02/04 GCGSTDebt1 105	ULGF 009 16/03/07 GCGSTDebt2 105	ULGF 047 27/08/13 GCGSTDebt3 105	ULGF 002 03/04/03 GDebt 105	ULGF 040 30/04/13 GDebt2 105	ULGF 043 30/04/13 GEquity2 105	ULGF 004 30/10/03 GGrowth 105	
Opening balance	49,789	2,103	35,435	2,585,786	104,847	9,551,530	1,012,295	—	1,633,112	
Add: Additions during the year*	77,718	21,878	4,582	253,288	706,415	1,469,506	843,735	32,061	282,325	
Less: Deductions during the year**	(765)	—	(15,320)	(461,999)	(60,392)	(3,965,822)	(153,155)	(15,329)	(1,264,727)	
Closing balance	126,742	23,981	24,697	2,377,075	750,870	7,055,214	1,702,875	16,732	650,710	

* Represents unit creation

** Represents unit cancellations

schedules

forming part of the financial statements

Continued

SCHEDULE: F - 1

POLICYHOLDERS' CONTRIBUTION AT MARCH 31, 2016

Particulars	Linked Group Funds							(₹ in '000)
	Group Growth Fund II	Group Leave Encashment Balance Fund	Group Leave Encashment Income Fund	Group Leave Encashment Short Term Fund	Group Return Guarantee Fund - S5	Group Return Guarantee Fund - S7	Group Short Term Debt Fund	
	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 026 14/03/11 GRGFS5 105	ULGF 028 01/07/11 GRGFS7 105	ULGF 003 03/04/03 GSTDebt 105	
Opening balance	17,592	673,739	127,062	(38,861)	128,716	466,476	2,517,000	
Add: Additions during the year*	95,973	9,807	3,718	463	1,147	—	2,198,219	
Less: Deductions during the year**	(19)	(179,407)	(70,872)	(146,806)	(106,732)	(651,513)	(4,162,860)	
Closing balance	113,546	504,139	59,908	(185,204)	23,131	(185,037)	552,359	

* Represents unit creation

** Represents unit cancellations

Particulars	Linked Group Funds				Total	Grand Total	(₹ in '000)
	Group Short Term Debt Fund II	Group Short Term Debt Fund III	Group Superannuation Corporate Bond Fund				
	ULGF 046 27/08/13 GSTDebt2 105	ULGF 039 30/04/13 GSTDebt3 105	ULGF 015 22/12/08 GSACorBon 105				
Opening balance	1,814,845	13,347	1,739,091		35,478,216	383,856,836	
Add: Additions during the year*	3,773	382,745	(14,000)		19,737,611	185,955,149	
Less: Deductions during the year**	(1,906,073)	(8,849)	(2,591,041)		(24,384,515)	(153,278,196)	
Closing balance	(87,455)	387,243	(865,950)		30,831,312	416,533,789	

schedules



forming part of the financial statements

Continued

Schedule: F-2

INVESTMENTS AT MARCH 31, 2016

(₹ 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 LDisccont 105	ULIF 097 11/01/10 LDynamicPE 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	—	3,534,545	1,206,082	79,072	331,080	—	1,427,242	—	639,092	242,349	186,277	10,906	
Corporate bonds	—	934,716	279,060	13,745	85,322	—	430,861	—	—	62,806	35,442	1,097	
Infrastructure bonds	8,005	572,136	159,551	5,412	81,176	3,491	290,857	—	782	32,532	28,289	1,226	
Equity	—	3,811,371	1,278,657	81,831	357,883	4,717,002	—	—	24,502,121	562,770	433,572	25,306	
Money market	186	1,023,165	450,296	41,234	73,852	—	410,071	32,997,508	—	87,213	82,455	5,310	
Mutual funds	85	140,185	47,653	3,122	13,226	67,234	2,368	—	157,893	14,107	10,905	362	
Deposit with banks	3,800	—	—	—	—	—	—	—	—	—	—	—	
Preference shares	—	135,888	46,398	3,322	12,369	—	—	—	—	13,151	9,804	606	
Total	12,076	10,152,006	3,467,697	227,738	954,908	4,787,727	2,561,399	32,997,508	25,299,888	1,014,928	786,744	44,813	
Other investments													
Corporate bonds	—	42,811	12,943	996	6,969	—	22,888	—	—	9,956	6,969	996	
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—	
Equity	—	158,436	52,237	3,568	15,630	141,305	—	—	551,662	27,611	19,509	1,228	
Money market	—	—	—	—	—	—	—	—	—	—	—	—	
Mutual funds	—	58,292	16,436	709	3,675	172,890	—	—	—	3,378	2,749	—	
Venture fund	—	—	—	—	—	—	—	—	—	—	—	—	
Total	—	259,539	81,616	5,273	26,274	314,195	22,888	—	551,662	40,945	29,227	2,224	
Grand total	12,076	10,411,545	3,549,313	233,011	981,182	5,101,922	2,584,287	32,997,508	25,851,550	1,055,873	815,971	47,037	
% of approved investments to Total	100.00%	97.51%	97.70%	97.74%	97.32%	93.84%	99.11%	100.00%	97.87%	96.12%	96.42%	95.27%	
% of other investments to Total	0.00%	2.49%	2.30%	2.26%	2.68%	6.16%	0.89%	0.00%	2.13%	3.88%	3.58%	4.73%	

(₹ 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	Maximise India 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 136 11/20/14 MIF 105	
Approved investments													
Government bonds	68,769	—	—	—	—	37,415,115	19,746,296	2,798,120	376,980	—	3,493,700	—	
Corporate bonds	17,985	—	—	—	—	—	6,304,011	883,914	125,068	—	990,460	—	
Infrastructure bonds	5,073	—	—	—	—	—	2,654,125	474,773	72,771	—	614,017	—	
Equity	159,323	16,326,066	10,355,182	722,087	8,752,790	14,139,611	—	—	141,971	6,548,525	—	984,098	
Money market	33,342	—	—	—	—	—	5,538,701	819,170	103,893	170,610	1,155,882	—	
Mutual funds	4,046	233,435	148,932	10,446	123,517	457,065	51,516	4,779	11,491	99,105	6,538	14,275	
Deposit with banks	—	—	—	—	—	—	252,234	9,900	—	—	187,190	—	
Preference shares	3,714	—	—	—	—	—	—	—	7,291	—	—	—	
Total	292,252	16,559,501	10,504,114	732,533	8,876,307	52,011,791	34,546,883	4,990,656	839,465	6,818,240	6,447,787	998,373	
Other investments													
Corporate bonds	1,991	—	—	—	—	—	645,175	73,648	6,965	—	255,663	—	
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—	
Equity	7,283	378,953	232,680	19,347	199,730	354,908	—	—	3,242	261,203	—	19,529	
Money market	—	—	—	—	—	—	—	—	—	—	—	—	
Mutual funds	1,443	732,674	547,717	36,396	281,393	—	—	—	—	437,194	—	107,903	
Venture fund	—	—	—	—	—	—	—	—	—	—	—	—	
Total	10,717	1,111,627	780,397	55,743	481,123	354,908	645,175	73,648	10,207	698,397	255,663	127,432	
Grand total	302,969	17,671,128	11,284,511	788,276	9,357,430	52,366,699	35,192,058	5,064,304	849,672	7,516,637	6,703,450	1,125,805	
% of approved investments to Total	96.46%	93.71%	93.08%	92.93%	94.86%	99.32%	98.17%	98.55%	98.80%	90.71%	96.19%	88.68%	
% of other investments to Total	3.54%	6.29%	6.92%	7.07%	5.14%	0.68%	1.83%	1.45%	1.20%	9.29%	3.81%	11.32%	

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INVESTMENTS AT MARCH 31, 2016

(₹ in '000)

Particulars	Linked Life Funds											
	Maximiser Fund	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
	ULIF 001 22/10/01 LMaximis1 105	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
Approved investments												
Government bonds	—	—	—	—	—	—	1,332,812	—	—	—	—	—
Corporate bonds	750,000	248,000	—	—	1,300,000	888,702	341,158	—	—	—	—	—
Infrastructure bonds	—	—	—	—	—	2,990,811	155,525	—	7,885	2,009	121	929
Equity	39,274,212	10,621,957	1,471,996	482,618	75,216,153	—	3,189,019	28,249,384	6,766,751	1,777,892	106,757	796,988
Money market	926,813	—	—	—	5,866,318	12,883,627	683,395	541,481	—	—	—	—
Mutual funds	40,639	154,096	20,949	6,986	3,835	305	81,545	410,894	95,524	25,152	1,539	11,281
Deposit with banks	—	—	—	—	3,300	3,408,200	19,800	—	—	—	—	—
Preference shares	—	—	—	—	—	—	48,924	—	—	—	—	—
Total	40,991,664	11,024,053	1,492,945	489,604	82,389,606	20,171,645	5,852,178	29,201,759	6,870,160	1,805,053	108,417	809,198
Other investments												
Corporate bonds	—	—	—	—	—	—	42,793	—	—	—	—	—
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—
Equity	1,641,174	437,830	63,946	22,006	2,533,105	—	178,915	470,729	209,143	57,411	3,420	25,331
Money market	—	—	—	—	—	—	—	—	—	—	—	—
Mutual funds	207,806	190,684	26,054	17,203	1,395,722	—	52,034	1,466,790	135,931	37,305	4,992	21,613
Venture fund	—	—	—	—	—	—	—	—	—	—	—	—
Total	1,848,980	628,514	90,000	39,209	3,928,827	—	273,742	1,937,519	345,074	94,716	8,412	46,944
Grand total	42,840,644	11,652,567	1,582,945	528,813	86,318,433	20,171,645	6,125,920	31,139,278	7,215,234	1,899,769	116,829	856,142
% of approved investments to Total	95.68%	94.61%	94.31%	92.59%	95.45%	100.00%	95.53%	93.78%	95.22%	95.01%	92.80%	94.52%
% of other investments to Total	4.32%	5.39%	5.69%	7.41%	4.55%	0.00%	4.47%	6.22%	4.78%	4.99%	7.20%	5.48%

(₹ in '000)

Particulars	Linked Life Funds											
	New Invest Shield Fund	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 VIII (5 Yrs)
	ULIF 025 21/08/06 LInvShldNw 105	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 LPreserv1 105	ULIF 016 17/05/04 LProtect1 105	ULIF 024 13/03/06 LProtect2 105	ULIF 041 27/08/07 LProtect3 105	ULIF 103 12/10/10 LRGF(T8) 105
Approved investments												
Government bonds	1,184,246	—	6,293,323	4,071,555	—	—	—	3,765,471	1,705,275	167,766	2,507,061	—
Corporate bonds	276,249	—	—	—	328,229	17,026	37,347	1,242,277	656,661	53,460	540,416	—
Infrastructure bonds	121,401	—	—	—	700,640	32,031	91,083	806,079	322,362	45,599	359,343	—
Equity	1,064,046	5,008,722	2,979,374	2,690,804	—	—	—	—	—	—	—	—
Money market	392,038	—	—	—	3,282,775	110,101	354,303	904,431	332,377	26,018	471,716	—
Mutual funds	44,117	73,873	18,264	27,901	312	272	718	6,319	1,656	342	20,499	—
Deposit with banks	—	—	—	—	655,400	50,040	150,000	—	98,000	—	147,000	—
Preference shares	35,019	3,213	—	—	—	—	—	—	—	—	—	—
Total	3,117,116	5,085,808	9,290,961	6,790,260	4,967,356	209,470	633,451	6,724,577	3,116,331	293,185	4,046,035	—
Other investments												
Corporate bonds	90,608	—	—	—	—	—	—	55,721	28,846	1,991	45,798	—
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—
Equity	24,211	174,039	76,254	69,476	—	—	—	—	—	—	—	—
Money market	—	—	—	—	—	—	—	—	—	—	—	—
Mutual funds	30,835	345,150	—	—	—	—	—	—	—	—	—	—
Venture fund	13,473	—	—	—	—	—	—	—	—	—	—	—
Total	159,127	519,189	76,254	69,476	—	—	—	55,721	28,846	1,991	45,798	—
Grand total	3,276,243	5,604,997	9,367,215	6,859,736	4,967,356	209,470	633,451	6,780,298	3,145,177	295,176	4,091,833	—
% of approved investments to Total	95.14%	90.74%	99.19%	98.99%	100.00%	100.00%	100.00%	99.18%	99.08%	99.33%	98.88%	—
% of other investments to Total	4.86%	9.26%	0.81%	1.01%	0.00%	0.00%	0.00%	0.82%	0.92%	0.67%	1.12%	—

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INVESTMENTS AT MARCH 31, 2016

(₹ in '000)

Particulars	Linked Life Funds							
	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 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	11,606	—	21,156	—	71,891	—	3,903	—
Corporate bonds	45,141	—	15,433	—	121,974	18,362	4,114	—
Infrastructure bonds	63,732	—	31,202	—	97,298	24,628	4,206	—
Equity	—	—	—	—	—	—	—	4,682,302
Money market	—	—	—	—	—	999,997	—	—
Mutual funds	3,453	—	2,042	—	1,736	19,842	332	69,581
Deposit with banks	99,380	—	63,320	—	188,425	227,800	8,990	—
Preference shares	—	—	—	—	—	—	—	2,777
Total	223,312	—	133,153	—	481,324	1,290,629	21,545	4,754,660
Other investments								
Corporate bonds	—	—	—	—	—	—	—	—
Infrastructure bonds	—	—	—	—	—	—	—	—
Equity	—	—	—	—	—	—	—	202,187
Money market	—	—	—	—	—	—	—	—
Mutual funds	7,524	—	2,054	—	—	141,754	942	323,611
Venture fund	—	—	—	—	—	—	—	—
Total	7,524	—	2,054	—	—	141,754	942	525,798
Grand total	230,836	—	135,207	—	481,324	1,432,383	22,487	5,280,458
% of approved investments to Total	96.74%	—	98.48%	—	100.00%	90.10%	95.81%	90.04%
% of other investments to Total	3.26%	—	1.52%	—	0.00%	9.90%	4.19%	9.96%

(₹ 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	
Approved investments							
Government bonds	—	—	—	147,622	3,638	41,834	92,884,784
Corporate bonds	—	—	—	40,995	72	6,912	17,097,015
Infrastructure bonds	—	—	—	23,356	—	7,250	10,891,706
Equity	6,529,084	267,526	3,338,411	54,125	21,299	41,677	288,531,263
Money market	—	—	—	38,489	3,076	15,405	70,825,248
Mutual funds	97,758	3,949	50,268	4,295	388	1,012	2,923,959
Deposit with banks	—	—	—	—	—	—	5,572,779
Preference shares	3,425	158	1,695	—	—	—	327,754
Total	6,630,267	271,633	3,390,374	308,882	28,473	114,090	489,054,508
Other investments							
Corporate bonds	—	—	—	7,965	—	—	1,361,692
Infrastructure bonds	—	—	—	—	—	—	—
Equity	290,277	10,663	139,629	251	159	741	9,078,958
Money market	—	—	—	—	—	—	—
Mutual funds	499,407	17,413	285,275	244	44	—	7,613,236
Venture fund	—	—	—	—	—	—	13,473
Total	789,684	28,076	424,904	8,460	203	741	18,067,359
Grand total	7,419,951	299,709	3,815,278	317,342	28,676	114,831	507,121,867
% of approved investments to Total	89.36%	90.63%	88.86%	97.33%	99.29%	99.35%	96.44%
% of other investments to Total	10.64%	9.37%	11.14%	2.67%	0.71%	0.65%	3.56%

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INVESTMENTS AT MARCH 31, 2016

(₹ in '000)

Particulars	Linked Pension Funds												
	Discontinued Fund - Pension	Easy Retirement Balanced Fund	Easy Retirement SP 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 Balanced Fund	Pension Flexi Fund	Pension Flexi Fund II	Pension Flexi Growth Fund
	ULIF 101 01/07/10 PDiscont 105	ULIF 132 02/11/12 ERBF 105	ULIF 136 25/03/13 ERSPB 105	ULIF 133 02/11/12 ERSF 105	ULIF 019 03/01/05 PlnvShld 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	
Approved investments													
Government bonds	—	342,978	9,403	107,265	147,036	1,554,577	1,661,673	—	115,466	238,199	248,210	—	—
Corporate bonds	—	148,511	2,045	55,232	25,598	622,654	476,177	—	—	147,683	86,707	—	—
Infrastructure bonds	—	11,036	—	23,100	2,005	184,246	174,107	—	—	9,159	12,210	—	—
Equity	—	817,429	25,172	—	47,711	1,746,832	1,754,877	1,520,117	9,694,953	573,200	547,226	20,438,778	—
Money market	558,996	500,918	17,247	115,864	55,062	401,737	522,542	—	—	44,091	64,853	—	—
Mutual funds	—	20,877	462	4,776	3,677	34,147	21,899	6,724	93,852	3,176	612	280,463	—
Deposit with banks	—	9,900	—	19,696	—	17,900	9,900	—	—	—	—	—	—
Preference shares	—	1,800	—	—	1,720	58,942	58,944	—	—	13,289	15,281	—	—
Total	558,996	1,853,449	54,329	325,933	282,809	4,621,035	4,680,119	1,526,841	9,904,271	1,028,797	975,099	20,719,241	—
Other investments													
Corporate bonds	—	3,970	1,990	15,917	2,983	72,641	31,813	—	—	14,927	15,923	—	—
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—	—
Equity	—	32,466	1,090	—	1,083	39,479	39,692	52,549	218,512	15,834	16,945	343,312	—
Money market	—	—	—	—	—	—	—	—	—	—	—	—	—
Mutual funds	—	6,679	—	5,211	570	18,571	18,571	17,321	—	—	—	204,290	—
Venture fund	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	—	43,115	3,080	21,128	4,636	130,691	90,076	69,870	218,512	30,761	32,868	547,602	—
Grand total	558,996	1,896,564	57,409	347,061	287,445	4,751,726	4,770,195	1,596,711	10,122,783	1,059,558	1,007,967	21,266,843	—
% of approved investments to Total	100.00%	97.73%	94.63%	93.91%	98.39%	97.25%	98.11%	95.62%	97.84%	97.10%	96.74%	97.43%	—
% of other investments to Total	0.00%	2.27%	5.37%	6.09%	1.61%	2.75%	1.89%	4.38%	2.16%	2.90%	3.26%	2.57%	—

Particulars	Linked Pension Funds												
	Pension Flexi Growth Fund II	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	
	ULIF 030 20/03/07 PFlexiGro2 105	ULIF 127 01/12/11 PGROWTH 105	ULIF 095 11/01/10 Plnco 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	
Approved investments													
Government bonds	—	—	2,690,748	—	—	—	465,890	—	—	—	—	—	—
Corporate bonds	—	—	1,287,345	—	—	276,055	137,491	—	—	—	—	—	214,391
Infrastructure bonds	—	—	1,103,254	—	—	444,407	15,187	—	—	—	—	—	949,869
Equity	16,135,079	421,713	—	5,043,538	14,306,340	—	963,801	12,517,967	3,970,870	1,761,162	3,891,441	—	—
Money market	—	—	630,217	—	—	1,759,120	99,767	—	—	—	—	—	4,223,029
Mutual funds	220,694	6,156	6,098	71,695	203,005	672	1,055	176,827	56,100	24,863	19,851	323	—
Deposit with banks	—	—	345,000	—	—	553,200	—	—	—	—	—	—	1,269,200
Preference shares	—	—	—	—	—	—	18,708	—	—	—	4,950	—	—
Total	16,355,773	427,869	6,062,662	5,115,233	14,509,345	3,033,454	1,701,899	12,694,794	4,026,970	1,786,025	3,916,242	6,656,812	—
Other investments													
Corporate bonds	—	—	49,006	—	—	—	11,936	—	—	—	—	—	—
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—	—
Equity	281,590	19,054	—	201,299	608,860	—	51,694	315,171	127,075	57,240	135,316	—	—
Money market	—	—	—	—	—	—	—	—	—	—	—	—	—
Mutual funds	16,646	20,370	—	100,681	181,461	—	10,887	353,476	83,532	34,850	—	—	—
Venture fund	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	298,236	39,424	49,006	301,980	790,321	—	74,517	668,647	210,607	92,090	135,316	—	—
Grand total	16,654,009	467,293	6,111,668	5,417,213	15,299,666	3,033,454	1,776,416	13,363,441	4,237,577	1,878,115	4,051,558	6,656,812	—
% of approved investments to Total	98.21%	91.56%	99.20%	94.43%	94.83%	100.00%	95.81%	95.00%	95.03%	95.10%	96.66%	100.00%	—
% of other investments to Total	1.79%	8.44%	0.80%	5.57%	5.17%	0.00%	4.19%	5.00%	4.97%	4.90%	3.34%	0.00%	—

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INVESTMENTS AT MARCH 31, 2016

(₹ in '000)

Particulars	Linked Pension Funds												Total
	Pension Protector Fund	Pension Protector Fund II	Pension Return Guarantee Fund VII	Pension Return Guarantee Fund IX (10 Yrs)	Pension Return Guarantee Fund X (10 Yrs)	Pension Return Guarantee Fund XI (10 Yrs)	Pension Fund RICH	Pension Fund RICH II	Pension Fund Secure	Pension Fund Secure Plus			
	ULIF 006 03/05/02	ULIF 017 17/05/04	ULIF 102 12/10/10	ULIF 108 22/12/10	ULIF 113 13/01/11	ULIF 122 19/04/11	ULIF 052 17/03/08	ULIF 053 17/03/08	ULIF 128 01/12/11	ULIF 009 17/11/03			
Approved investments													
Government bonds	5,376,204	2,145,011	308	2,568	19,206	2,158	—	—	293,147	52,881	15,472,928		
Corporate bonds	2,852,755	1,452,245	35,047	11,348	15,498	1,022	200,000	—	158,199	15,788	8,221,791		
Infrastructure bonds	1,367,800	628,805	32,840	10,614	28,545	2,103	—	—	11,316	17,424	5,028,027		
Equity	—	—	—	—	—	—	12,552,148	7,249,951	—	19,929	116,000,234		
Money market	2,028,903	439,661	—	—	—	—	—	—	221,585	17,106	11,700,698		
Mutual funds	28,943	4,285	2,163	665	1,578	179	183,391	103,691	675	1,199	1,584,773		
Deposit with banks	150,000	9,900	68,340	17,415	37,420	5,420	—	—	39,600	—	2,552,891		
Preference shares	—	—	—	—	—	—	6,844	5,964	—	—	186,442		
Total	11,804,605	4,679,907	138,698	42,610	102,247	10,882	12,942,383	7,359,606	724,522	124,327	160,747,784		
Other investments													
Corporate bonds	426,554	132,261	—	—	—	—	—	—	52,721	—	832,642		
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—		
Equity	—	—	—	—	—	—	426,981	243,759	—	92	3,229,093		
Money market	—	—	—	—	—	—	—	—	—	—	—		
Mutual funds	—	—	8,479	1,101	2,817	903	546,617	265,594	—	—	1,898,627		
Venture fund	—	—	—	—	—	—	—	—	—	—	—		
Total	426,554	132,261	8,479	1,101	2,817	903	973,598	509,353	52,721	92	5,960,362		
Grand total	12,231,159	4,812,168	147,177	43,711	105,064	11,785	13,915,981	7,868,959	777,243	124,419	166,708,146		
% of approved investments to Total	96.51%	97.25%	94.24%	97.48%	97.32%	92.34%	93.00%	93.53%	93.22%	99.93%	96.42%		
% of other investments to Total	3.49%	2.75%	5.76%	2.52%	2.68%	7.66%	7.00%	6.47%	6.78%	0.07%	3.58%		

(₹ 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	
	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	
Approved investments							
Government bonds	105,977	94,939	—	—	—	747,148	948,064
Corporate bonds	23,392	20,355	—	—	7,039	235,159	285,945
Infrastructure bonds	10,296	10,199	—	—	9,009	136,561	166,065
Equity	110,935	237,483	4,140,786	468,883	—	—	4,958,087
Money market	49,368	44,533	—	—	33,877	202,748	330,526
Mutual funds	4,249	5,726	58,705	6,670	850	1,449	77,649
Deposit with banks	—	—	—	—	6,900	29,700	36,600
Preference shares	3,555	3,668	1,932	—	—	—	9,155
Total	307,772	416,903	4,201,423	475,553	57,675	1,352,765	6,812,091
Other investments							
Corporate bonds	3,982	3,982	—	—	—	20,862	28,826
Infrastructure bonds	—	—	—	—	—	—	—
Equity	2,508	6,207	131,703	14,099	—	—	154,517
Money market	—	—	—	—	—	—	—
Mutual funds	2,350	1,928	118,738	16,467	2,279	—	141,762
Venture fund	—	—	—	—	—	—	—
Total	8,840	12,117	250,441	30,566	2,279	20,862	325,105
Grand total	316,612	429,020	4,451,864	506,119	59,954	1,373,627	7,137,196
% of approved investments to Total	97.21%	97.18%	94.37%	93.96%	96.20%	98.48%	95.44%
% of other investments to Total	2.79%	2.82%	5.63%	6.04%	3.80%	1.52%	4.56%

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INVESTMENTS AT MARCH 31, 2016

(₹ in '000)

Particulars	Linked Group Funds										
	Group Fund	Balanced Fund	Group Fund	Balanced Fund II	Group Capital Guarantee Fund	Balanced Fund	Group Capital Guarantee Fund II	Balanced Fund III	Group Capital Guarantee Debt Fund	Group Capital Guarantee Debt Fund II	Group Capital Growth 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 GCGrowth1 105	ULGF 048 27/08/13 GCGDebt3 105	ULGF 008 11/12/06 GCGrowth1 105
Approved investments											
Government bonds	6,182,418	2,839,344	39,190	782,736	719,342	11,086	385,758	110,988	13,088		
Corporate bonds	3,120,106	1,219,983	15,810	354,461	192,421	2,183	185,306	54,036	164		
Infrastructure bonds	1,330,278	347,895	—	132,535	26,538	—	62,702	18,094	3,083		
Equity	2,658,962	1,259,405	14,461	314,419	310,724	—	—	—	13,653		
Money market	2,217,729	2,055,249	12,984	270,769	458,062	8,982	279,315	84,066	7,182		
Mutual funds	10,370	71,363	1,179	18,356	26,719	189	823	4,403	225		
Deposit with banks	213,281	8,025	—	—	35,000	—	9,900	6,240	—		
Preference shares	138,969	—	699	13,949	—	—	—	—	408		
Total	15,872,113	7,801,264	84,323	1,887,225	1,768,806	22,440	923,804	277,827	37,803		
Other investments											
Corporate bonds	193,915	114,408	1,991	18,894	34,829	—	18,901	20,903	—		
Infrastructure bonds	29,972	9,991	—	—	—	—	—	—	—		
Equity	116,228	54,785	696	15,458	15,481	—	—	—	594		
Money market	—	—	—	—	—	—	—	—	—		
Mutual funds	14,661	1,287	106	1,287	157,144	—	—	21,436	—		
Venture fund	—	—	—	—	—	—	—	—	—		
Total	354,776	180,471	2,793	35,639	207,454	—	18,901	42,339	594		
Grand total	16,226,889	7,981,735	87,116	1,922,864	1,976,260	22,440	942,705	320,166	38,397		
% of approved investments to Total	97.81%	97.74%	96.79%	98.15%	89.50%	100.00%	98.00%	86.78%	98.45%		
% of other investments to Total	2.19%	2.26%	3.21%	1.85%	10.50%	0.00%	2.00%	13.22%	1.55%		

Particulars	Linked Group Funds									
	Group Capital Guarantee Growth Fund II	Group Capital Guarantee Growth Fund III	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	Group Debt Fund II	Group Equity Fund II	Group Growth Fund	
	ULGF 012 05/07/07 GCGrowth2 105	ULGF 050 27/08/13 GCGrowth3 105	ULGF 005 24/02/04 GCGSTDebt1 105	ULGF 009 16/03/07 GCGSTDebt2 105	ULGF 047 27/08/13 GCGSTDebt3 105	ULGF 002 03/04/03 GDebt 105	ULGF 040 30/04/13 GDebt2 105	ULGF 043 30/04/13 GEquity2 105	ULGF 004 30/10/03 GGrowth 105	
Approved investments										
Government bonds	39,995	3,746	—	—	—	5,479,367	814,227	—	1,240,207	
Corporate bonds	14,242	4,135	5,995	234,859	16,959	4,064,995	394,937	—	396,388	
Infrastructure bonds	5,148	—	17,014	580,530	114,104	1,924,258	256,975	—	31,616	
Equity	55,924	7,909	—	—	—	—	—	15,873	3,086,192	
Money market	42,388	1,125	85,410	2,519,211	516,918	1,079,610	224,737	—	379,758	
Mutual funds	1,698	318	977	903	549	7,884	1,458	227	38,120	
Deposit with banks	—	3,200	13,500	757,400	158,150	82,500	137,600	—	—	
Preference shares	864	—	—	—	—	—	—	—	147,570	
Total	160,259	20,433	122,896	4,092,903	806,680	12,638,614	1,829,934	16,100	5,319,851	
Other investments										
Corporate bonds	—	—	—	—	—	334,174	20,872	—	105,508	
Infrastructure bonds	—	—	—	—	—	—	—	—	—	
Equity	2,345	398	—	—	—	—	—	684	137,881	
Money market	—	—	—	—	—	—	—	—	—	
Mutual funds	—	1,065	—	—	—	—	—	377	17,267	
Venture fund	—	—	—	—	—	—	—	—	—	
Total	2,345	1,463	—	—	—	334,174	20,872	1,061	260,656	
Grand total	162,604	21,896	122,896	4,092,903	806,680	12,972,788	1,850,806	17,161	5,580,507	
% of approved investments to Total	98.56%	93.32%	100.00%	100.00%	100.00%	97.42%	98.87%	93.82%	95.33%	
% of other investments to Total	1.44%	6.68%	0.00%	0.00%	0.00%	2.58%	1.13%	6.18%	4.67%	

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INVESTMENTS AT MARCH 31, 2016

(₹ in '000)

Particulars	Linked Group Funds						
	Group Growth Fund II	Group Leave Encashment Balance Fund	Group Leave Encashment Income Fund	Group Leave Encashment Short Term Fund	Group Return Guarantee Fund - S5	Group Return Guarantee Fund - S7	Group Short Term Debt Fund
	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 026 14/03/11 GRGFS5 105	ULGF 028 01/07/11 GRGFS7 105	ULGF 003 03/04/03 GSTDebt 105
Approved investments							
Government bonds	13,037	386,922	49,769	—	—	—	—
Corporate bonds	8,204	153,323	16,093	—	11,120	—	355,986
Infrastructure bonds	5,013	86,573	5,294	—	6,242	—	596,632
Equity	59,408	151,412	—	—	—	—	—
Money market	11,375	111,913	35,830	—	39,020	—	2,344,336
Mutual funds	1,470	5,388	1,525	5	1,010	—	771
Deposit with banks	8,750	—	—	205	7,100	—	771,900
Preference shares	—	7,049	—	—	—	—	—
Total	107,257	902,580	108,511	210	64,492	—	4,069,625
Other investments							
Corporate bonds	—	9,945	996	—	—	—	—
Infrastructure bonds	—	—	—	—	—	—	—
Equity	2,912	6,668	—	—	—	—	—
Money market	—	—	—	—	—	—	—
Mutual funds	6,704	—	3,362	22	7,035	—	—
Venture fund	—	—	—	—	—	—	—
Total	9,616	16,613	4,358	22	7,035	—	—
Grand total	116,873	919,193	112,869	232	71,527	—	4,069,625
% of approved investments to Total	91.77%	98.19%	96.14%	90.52%	90.16%	—	100.00%
% of other investments to Total	8.23%	1.81%	3.86%	9.48%	9.84%	—	0.00%

(₹ in '000)

Particulars	Linked Group Funds			Total	Grand Total
	Group Short Term Debt Fund II	Group Short Term Debt Fund III	Group Superannuation Corporate Bond Fund		
	ULGF 046 27/08/13 GSTDebt2 105	ULGF 039 30/04/13 GSTDebt3 105	ULGF 015 22/12/08 GSACorBon 105		
Approved investments					
Government bonds	—	—	—	19,111,220	128,416,996
Corporate bonds	—	22,000	—	10,843,706	36,448,457
Infrastructure bonds	2,001	37,034	—	5,589,559	21,675,357
Equity	—	—	—	7,948,342	417,437,926
Money market	10,506	266,593	—	13,063,068	95,919,540
Mutual funds	74	375	—	196,379	4,782,760
Deposit with banks	—	42,455	—	2,255,206	10,417,476
Preference shares	—	—	—	309,508	832,859
Total	12,581	368,457	—	59,316,988	715,931,371
Other investments					
Corporate bonds	—	—	—	875,336	3,098,496
Infrastructure bonds	—	—	—	39,963	39,963
Equity	—	—	—	354,130	12,816,698
Money market	—	—	—	—	—
Mutual funds	—	—	—	231,753	9,885,378
Venture fund	—	—	—	—	13,473
Total	—	—	—	1,501,182	25,854,008
Grand total	12,581	368,457	—	60,818,170	741,785,379
% of approved investments to Total	100.00%	100.00%	—	97.53%	96.51%
% of other investments to Total	0.00%	0.00%	—	2.47%	3.49%

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Schedule F - 3

CURRENT ASSETS AT MARCH 31, 2016

Particulars	Linked Life Funds												₹ in '000)
	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 LCashPlus 105	ULIF 008 11/08/03 LDiscont 105	ULIF 100 01/07/10 LDynmicPE 105	ULIF 097 11/01/10 L	ULIF 031 20/03/07 LFlexiBal1 105	ULIF 032 20/03/07 LFlexiBal2 105	ULIF 033 20/03/07 LFlexiBal3 105	
Accrued interest	1,343	115,241	37,021	2,084	11,940	(7)	48,706	—	15,167	8,001	6,288	333	
Cash & Bank balance	10	10	10	10	10	10	10	98	10	10	10	10	
Dividend receivable	—	9,179	3,117	223	836	172	—	—	5,720	1,033	775	48	
Receivable for sale of investments	—	178,623	56,318	3,685	16,856	319	68,882	—	786,125	11,302	8,723	503	
Unit collection a/c	—	8,511	—	283	639	26,084	—	—	52,242	5,450	409	—	
Other current assets (for Investments)	—	3	1	—	—	—	—	3	142	—	—	—	
Total	1,353	311,567	96,467	6,285	30,281	26,578	117,598	101	859,406	25,796	16,205	894	

Particulars	Linked Life Funds												₹ in '000)
	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	Maximise India 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 136 11/20/14 MIF 105	
Accrued interest	2,124	(32)	28	—	14	1,013,278	764,221	100,987	16,327	(50)	144,871	—	
Cash & Bank balance	10	10	10	10	10	10	10	10	10	10	10	10	
Dividend receivable	290	2,674	1,578	115	1,421	3,134	—	—	502	298	—	72	
Receivable for sale of investments	3,223	37,549	15,877	4,412	14,502	137,348	954,851	135,027	27,543	135	169,386	—	
Unit collection a/c	178	3,136	4,162	—	—	285,365	694,078	—	—	116,487	100,726	25,716	
Other current assets (for Investments)	—	3	1	—	1	52	4	1	1	2	1	8	
Total	5,825	43,340	21,656	4,537	15,948	1,439,187	2,413,164	236,025	44,383	116,882	414,994	25,806	

Particulars	Linked Life Funds												₹ in '000)
	Maximiser Fund	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	
	ULIF 001 22/10/01 LMaximis1 105	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	
Accrued interest	(153)	(29)	—	1	952	338,660	45,047	(79)	(10)	—	—	1	
Cash & Bank balance	10	10	10	10	10	10	10	10	10	10	10	10	
Dividend receivable	760	224	9	9	2,734	—	3,441	4,133	262	69	4	31	
Receivable for sale of investments	128,115	15,186	2,457	620	162,283	—	65,429	37,241	33,693	8,979	—	—	
Unit collection a/c	—	—	—	425	1,115,169	424,215	75,845	153,559	—	—	—	—	
Other current assets (for Investments)	20	2	—	—	42	—	2	3	3	1	—	—	
Total	128,752	15,393	2,476	1,065	1,281,190	762,885	189,774	197,685	33,958	9,059	14	42	

Particulars	Linked Life Funds												₹ in '000)
	New Invest Shield Balanced Fund	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 VIII (5 Yrs)	
	ULIF 025 21/08/06 LInvShldNw 105	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 103 12/10/10 LRGF(T8) 105	
Accrued interest	40,712	(20)	163,303	112,784	101,952	9,368	20,817	137,824	65,015	6,781	65,082	—	
Cash & Bank balance	10	10	10	10	10	10	10	10	10	10	10	10	
Dividend receivable	2,449	1,403	669	608	—	—	—	—	—	—	—	—	
Receivable for sale of investments	55,812	—	89,600	86,678	—	—	—	179,820	82,933	7,938	—	—	
Unit collection a/c	487	23,995	—	—	47,419	—	—	18,733	6,694	83	1,786	—	
Other current assets (for Investments)	1	—	17	16	—	—	—	1	—	—	—	—	
Total	99,471	25,388	253,599	200,096	149,381	9,378	20,827	336,388	154,652	14,812	66,878	—	

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Schedule F - 3

CURRENT ASSETS AT MARCH 31, 2016

(₹ in '000)

Particulars	Linked Life Funds							
	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 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	31,175	—	19,675	—	70,616	71,216	2,703	(20)
Cash & Bank balance	10	—	10	—	10	10	10	10
Dividend receivable	—	—	—	—	—	—	—	1,303
Receivable for sale of investments	—	—	—	—	—	—	—	—
Unit collection a/c	—	—	—	—	—	—	—	4,833
Other current assets (for Investments)	—	—	—	—	—	—	—	—
Total	31,185	—	19,685	—	70,626	71,226	2,713	6,126

(₹ 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	
Accrued interest	(32)	—	(17)	5,066	54	1,063	3,597,392
Cash & Bank balance	10	10	10	10	10	10	3,496
Dividend receivable	1,739	76	940	10	6	9	52,075
Receivable for sale of investments	—	—	—	6,949	674	1,146	3,596,742
Unit collection a/c	5,312	—	2,318	—	—	—	3,204,339
Other current assets (for Investments)	—	—	—	—	—	—	331
Total	7,029	86	3,251	12,035	744	2,228	10,454,375

(₹ in '000)

Particulars	Linked Pension Funds											
	Discontinued Fund - Pension	Easy Retirement Fund	Easy Retirement SP 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 Balanced Fund	Pension Flexi Fund II	Pension Flexi Fund
	ULIF 101 01/07/10 PDiscont 105	ULIF 132 02/11/12 ERBF 105	ULIF 136 25/03/13 ERSBF 105	ULIF 133 02/11/12 PInvShld 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
Accrued interest	—	12,035	293	11,922	3,262	57,145	49,247	—	2,502	11,684	8,544	(48)
Cash & Bank balance	134	10	10	10	10	10	10	10	10	10	10	10
Dividend receivable	—	146	1	—	120	4,117	4,118	61	2,275	1,060	1,179	3,172
Receivable for sale of investments	—	9,309	336	3,386	4,440	43,128	51,489	32,611	315,553	6,584	6,805	32,028
Unit collection a/c	676	31,685	—	7,004	—	—	—	—	—	—	—	3,104
Other current assets (for Investments)	—	—	—	—	—	1	—	3	57	—	—	3
Total	810	53,185	640	22,322	7,832	104,401	104,864	32,685	320,397	19,338	16,538	38,269

(₹ in '000)

Particulars	Linked Pension Funds												
	Pension Flexi Growth Fund II	Pension Growth Fund	Pension Income Fund	Pension Maximizer Fund	Pension Maximizer Fund II	Pension Money Market Fund	Pension Multi Cap Balanced Fund	Pension Multi Cap Fund	Pension Multi GrowthFund	Pension Multiplier Fund	Pension Multiplier Fund II	Pension Opportunities Fund	Pension Preserver Fund
	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	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 PMultipl1 105	ULIF 045 25/02/08 PMultipl2 105	ULIF 092 11/01/10 POpport 105	ULIF 011 17/05/04 PPreserv 105	
Accrued interest	(42)	1	173,502	(44)	(160)	60,897	12,671	(22)	(10)	—	(23)	136,736	
Cash & Bank balance	10	10	10	10	10	10	10	10	10	10	10	10	
Dividend receivable	2,393	11	—	38	175	—	1,302	1,888	157	72	1,340	—	
Receivable for sale of investments	108,388	—	—	7,637	59,311	—	29,001	50,169	19,375	8,639	49,047	—	
Unit collection a/c	-	4,993	—	—	—	—	—	—	—	—	—	9,255	
Other current assets (for Investments)	11	—	—	1	8	—	1	5	2	1	9	1	
Total	110,760	5,015	173,512	7,642	59,344	60,907	42,985	52,050	19,534	8,722	50,383	146,002	

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Schedule F - 3

CURRENT ASSETS AT MARCH 31, 2016

Particulars	Linked Pension Funds											Total
	Pension Protector Fund	Pension Protector Fund II	Pension Guarantee Fund VII	Pension Return Fund IX (10 Yrs)	Pension Return Fund X (10 Yrs)	Pension Return Fund XI (10 Yrs)	Pension RICH Fund	Pension RICH Fund II	Pension Secure Fund	Pension Secure Plus Fund		
	ULIF 006 03/05/02	ULIF 017 17/05/04	ULIF 102 12/10/10	ULIF 108 22/12/10	ULIF 113 13/01/11	ULIF 122 19/04/11	ULIF 052 17/03/08	ULIF 053 17/03/08	ULIF 128 01/12/11	ULIF 009 17/11/03		
	PPProtect1 105	PPProtect2 105	PRGF(S1) 105	PRGF(S2) 105	PRGF(S3) 105	PRGF(S4) 105	PRICH1 105	PRICH2 105	PSECURE 105	PSecPlus 105		
Accrued interest	275,722	129,245	16,887	6,730	14,669	1,760	(48)	(53)	16,617	1,912	1,003,533	
Cash & Bank balance	10	10	10	10	10	10	10	10	10	10	464	
Dividend receivable	—	—	—	—	—	—	3,530	2,105	—	6	29,266	
Receivable for sale of investments	162,051	64,412	—	—	—	—	345	—	8,558	2,592	1,075,194	
Unit collection a/c	—	943	—	—	—	—	5,207	—	7,459	—	70,326	
Other current assets (for Investments)	—	—	—	—	—	—	—	—	—	—	103	
Total	437,783	194,610	16,897	6,740	14,679	1,770	9,044	2,062	32,644	4,520	2,178,866	

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	
	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	
	Accrued interest	3,139	2,919	(18)	1	4,482	28,322
Cash & Bank balance	10	10	10	10	10	10	60
Dividend receivable	249	321	1,064	18	—	—	1,652
Receivable for sale of investments	5,028	4,491	—	—	—	35,900	45,419
Unit collection a/c	1,636	2,299	18,001	2,120	211	6,443	30,710
Other current assets (for Investments)	—	—	—	—	—	—	—
Total	10,062	10,040	19,057	2,149	4,703	70,675	116,686

Particulars	Linked Group Funds										Total
	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		
	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 GCGDebt105 GCGGrowth1 105		
	Accrued interest	299,185	114,205	1,248	29,558	30,983	228	16,574	10,156	338	
Cash & Bank balance	10	10	10	10	10	10	10	10	10	10	60
Dividend receivable	9,358	56	47	940	26	—	—	—	—	—	28
Receivable for sale of investments	183,937	80,260	1,074	22,207	19,366	281	11,899	3,774	461	461	
Unit collection a/c	127,380	124,527	715	15,272	11,796	165	6,661	1,483	312	312	
Other current assets (for Investments)	1	1	—	—	—	—	—	—	—	—	—
Total	619,871	319,059	3,094	67,987	62,181	684	35,144	15,423	1,149	1,149	

Particulars	Linked Group Funds								Total
	Group Capital Guarantee Growth Fund II	Group Capital Guarantee Growth Fund III	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	Group Debt Fund II	Group Equity Fund II	
	ULGF 012 05/07/07 CCGGrowth2 105	ULGF 050 27/08/13 CCGGrowth3 105	ULGF 005 24/02/04 CCGSTDebt1 105	ULGF 009 16/03/07 CCGSTDebt2 105	ULGF 047 27/08/13 CCGSTDebt3 105	ULGF 002 03/04/03 GDebt 105	ULGF 040 30/04/13 GDebt2 105	ULGF 043 30/04/13 GEquity2 105	
	Accrued interest	1,218	2,114	2,150	86,369	12,664	357,924	39,815	—
Cash & Bank balance	10	10	10	10	10	10	10	10	10
Dividend receivable	60	—	—	—	—	—	—	1	9,867
Receivable for sale of investments	1,569	47	—	—	—	163,297	19,388	—	42,519
Unit collection a/c	1,326	102	868	36,016	10,330	129,238	14,329	39	45,849
Other current assets (for Investments)	—	—	—	—	—	—	—	—	1
Total	4,183	2,273	3,028	122,395	23,004	650,469	73,542	50	137,719

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Schedule F - 3

CURRENT ASSETS AT MARCH 31, 2016

(₹ in '000)

Particulars	Linked Group Funds						
	Group Growth Fund II	Group Leave Encashment Balance Fund	Group Leave Encashment Income Fund	Group Leave Encashment Short Term Fund	Group Return Guarantee Fund - S5	Group Return Guarantee Fund - S7	Group Short Term Debt Fund
	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 026 14/03/11 GRGFS5 105	ULGF 028 01/07/11 GRGFS7 105	ULGF 003 03/04/03 GSTDebt 105
Accrued interest	5,596	14,809	1,478	126	5,003	—	88,989
Cash & Bank balance	10	10	10	10	10	—	10
Dividend receivable	2	474	—	—	—	—	—
Receivable for sale of investments	408	10,869	1,379	—	—	—	—
Unit collection a/c	473	9,530	873	3	1,147	—	140,643
Other current assets (for Investments)	1	—	—	—	—	—	—
Total	6,490	35,692	3,740	139	6,160	—	229,642

(₹ in '000)

Particulars	Linked Group Funds				Total	Grand Total
	Group Short Term Debt Fund II	Group Short Term Debt Fund III	Group Superannuation Corporate Bond Fund			
	ULGF 046 27/08/13 GSTDebt2 105	ULGF 039 30/04/13 GSTDebt3 105	ULGF 015 22/12/08 GSACorBon 105			
Accrued interest	96	4,978	—	—	1,165,277	5,805,047
Cash & Bank balance	10	10	—	—	260	4,280
Dividend receivable	—	—	—	—	20,859	103,852
Receivable for sale of investments	—	—	—	—	562,735	5,280,090
Unit collection a/c	25	23,911	—	—	703,013	4,008,388
Other current assets (for Investments)	—	—	—	—	4	438
Total	131	28,899	—	—	2,452,148	15,202,095

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CURRENT LIABILITIES AT MARCH 31, 2016

Particulars	Linked Life Funds												₹ in '000)	
	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 LCashPlus 105	ULIF 008 11/08/03 LDiscnt 105	ULIF 100 01/07/10 LDynmicPE 105	ULIF 097 11/01/10 LDynamicPE 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	—	(86,334)	(32,764)	(2,299)	(8,028)	—	(34,521)	(3)	(706,416)	(5,785)	(4,475)	(258)		
Other current liabilities	—	(748)	(113)	(17)	(31)	(215)	(104)	(516)	(1,096)	(75)	(26)	(3)		
Unit payable a/c	(6)	—	(664)	—	—	—	(2,735)	(512,580)	—	—	—	(161)		
Total	(6)	(87,082)	(33,541)	(2,316)	(8,059)	(215)	(37,360)	(513,099)	(707,512)	(5,860)	(4,501)	(422)		

Particulars	Linked Life Funds												₹ in '000)	
	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 Fund	Invest Cash Fund	Invest Fund - Life	Life Growth Fund	Life Secure Fund	Maximise India 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 136 11/20/14 MIF 105		
Payable for purchase of investments	(1,658)	—	—	—	—	(403,386)	(570,407)	(67,724)	(9,532)	(18,148)	(89,364)	(43,599)		
Other current liabilities	(10)	(1,247)	(530)	(56)	(440)	(3,074)	(1,535)	(205)	(35)	(434)	(401)	(46)		
Total	(1,668)	(1,247)	(530)	(1,334)	(914)	(406,460)	(571,942)	(70,292)	(29,687)	(18,582)	(89,765)	(43,645)		

Particulars	Linked Life Funds												₹ in '000)	
	Maximiser Fund	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		
	ULIF 001 22/10/01 LMaximis1 105	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		
Payable for purchase of investments	(63,638)	(7,199)	(236)	(900)	(124,690)	—	(48,846)	—	—	—	—	—		
Other current liabilities	(3,020)	(547)	(112)	(25)	(3,647)	(481)	(261)	(1,317)	(510)	(90)	(8)	(40)		
Unit payable a/c	(57,567)	(13,992)	(857)	—	—	—	—	—	(1,312)	(366)	(411)	(9)		
Total	(124,225)	(21,738)	(1,205)	(925)	(128,337)	(481)	(49,107)	(1,317)	(1,822)	(456)	(419)	(49)		

Particulars	Linked Life Funds												₹ in '000)	
	New Invest Shield Balanced Fund	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	Protector Fund IV	Return Guarantee Fund VIII (5 Yrs)	
	ULIF 025 21/08/06 LInvShldNw 105	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 103 12/10/10 LRGF(T) 105		
Payable for purchase of investments	(28,614)	—	(86,931)	(78,871)	—	—	—	(90,736)	(42,079)	(3,962)	—	—		
Other current liabilities	(131)	(237)	(432)	(317)	(119)	(5)	(15)	(329)	(76)	(14)	(98)	—		
Unit payable a/c	—	—	(5,361)	(7,871)	—	(1,146)	(414)	—	—	—	—	—		
Total	(28,745)	(237)	(92,724)	(87,059)	(119)	(1,151)	(429)	(91,065)	(42,155)	(3,976)	(98)	—		

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CURRENT LIABILITIES AT MARCH 31, 2016

Particulars	Linked Life Funds								(₹ in '000)
	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 104 12/10/10 LRGF(\$1) 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(\$3) 105	ULIF 120 17/03/11 LRGF(T11) 105	ULIF 121 19/04/11 LRGF(\$4) 105	ULIF 048 17/03/08 LRICH1 105	
Payable for purchase of investments	—	—	—	—	—	—	—	—	
Other current liabilities	(12)	—	(7)	—	(26)	(71)	(1)	(372)	
Unit payable a/c	(5)	—	(5)	—	(1,183)	(13,845)	(1)	—	
Total	(17)	—	(12)	—	(1,209)	(13,916)	(2)	(372)	

Particulars	Linked Life Funds						(₹ in '000)
	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	—	—	—	(3,496)	—	—	(2,664,899)
Other current liabilities	(348)	(21)	(179)	(13)	(1)	(6)	(23,845)
Unit payable a/c	—	(147)	—	(2,225)	—	(172)	(647,270)
Total	(348)	(168)	(179)	(5,734)	(1)	(178)	(3,336,014)

Particulars	Linked Pension Funds												(₹ in '000)
	Discontinued Fund - Pension	Easy Retirement Fund	Easy Retirement SP Fund	Easy Retirement Secure Fund	Invest Shield Fund - Pension	Pension Balancer Fund	Pension Balancer Fund II	Pension Bluechip Fund	Pension Dynamic Fund	Pension P/E Fund	Pension Balanced Fund	Pension Flexi Fund	Pension Flexi Fund II
	ULIF 101 01/07/10 PDiscont 105	ULIF 132 02/11/12 105	ULIF 136 25/03/13 ERSPBF 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	
Payable for purchase of investments	—	(1)	(38)	—	—	(5)	(5)	—	(281,033)	(1)	(1)	—	—
Other current liabilities	(9)	(111)	(3)	(16)	(12)	(342)	(153)	(69)	(429)	(76)	(32)	(1,499)	—
Unit payable a/c	—	—	—	—	(239)	(792)	(4,806)	(6,591)	(70,422)	(976)	(1,595)	—	—
Total	(9)	(112)	(41)	(16)	(251)	(1,139)	(4,964)	(6,660)	(351,884)	(1,053)	(1,628)	(1,499)	

Particulars	Linked Pension Funds												(₹ in '000)	
	Pension Flexi Growth Fund II	Pension Growth Fund	Pension Income Fund	Pension Maximiser Fund	Pension Maximiser Fund II	Pension Money Market Fund	Pension Multi Cap Fund	Pension Multi Cap Fund II	Pension Multi GrowthFund	Pension Multiplier Fund	Pension Multiplier Fund II	Pension Opportunities Fund	Pension Preserver Fund	
	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	ULIF 013 17/05/04 PMaximis2 105	ULIF 096 11/01/10 PMoneyMkt 105	ULIF 094 11/01/10 PMCapBal1	ULIF 091 11/01/10 PMCapBal2	ULIF 043 25/02/08 PMCapGro105	ULIF 045 25/02/08 PMCapGro105	ULIF 092 11/01/10 PMultipl1 105	ULIF 011 17/05/04 PMultipl2 105	ULIF 011 17/05/04 POpport 105	PPreserv 105
Payable for purchase of investments	—	(1,414)	(2)	(1,650)	(6,389)	—	(1)	—	—	—	—	—	—	—
Other current liabilities	(787)	(20)	(265)	(382)	(720)	(73)	(77)	(567)	(300)	(89)	(173)	(159)	—	—
Unit payable a/c	(2,713)	—	(23,272)	(10,586)	(26,230)	(27,671)	(9,982)	(116,792)	(297)	(9,185)	(35,688)	—	—	—
Total	(3,500)	(1,434)	(23,539)	(12,618)	(33,339)	(27,744)	(10,060)	(117,359)	(597)	(9,274)	(35,861)	(159)		

schedules

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Continued

Schedule F - 4

CURRENT LIABILITIES AT MARCH 31, 2016

Particulars	Linked Pension Funds												(₹ in '000)
	Pension Protector Fund	Pension Protector Fund II	Pension Guarantee Fund VII	Pension Return Fund IX (10 Yrs)	Pension Return Fund X (10 Yrs)	Pension Return Fund XI (10 Yrs)	Pension RICH Fund	Pension RICH Fund II	Pension Secure Fund	Pension Secure Plus Fund	Total		
	ULIF 006 03/05/02 PProtect1 105	ULIF 017 17/05/04 PProtect2 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			
	(21)	(8)	—	—	—	—	—	—	—	(1)	—	(290,570)	
Payable for purchase of investments	(21)	(8)	—	—	—	—	—	—	—	(1)	—	(290,570)	
Other current liabilities	(595)	(117)	(8)	(2)	(6)	(1)	(980)	(369)	(34)	(5)	(8,480)		
Unit payable a/c	(1,368)	—	(427)	—	—	—	—	(6,882)	—	(145)	(356,659)		
Total	(1,984)	(125)	(435)	(2)	(6)	(1)	(980)	(7,251)	(35)	(150)	(655,709)		

Particulars	Linked Health Funds							(₹ in '000)
	Health Balancer Fund	Health Flexi Balanced Fund	Health Flexi Growth Fund	Health Multiplier Fund	Health Preserver Fund	Health Protector Fund	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		
	(2,629)	(2,343)	—	—	—	—	(18,348)	
Payable for purchase of investments	(2,629)	(2,343)	—	—	—	—	(18,348)	(23,320)
Other current liabilities	(10)	(14)	(209)	(24)	(2)	(33)	(33)	(292)
Unit payable a/c	—	—	—	—	—	—	—	—
Total	(2,639)	(2,357)	(209)	(24)	(2)	(18,381)	(23,612)	

Particulars	Linked Group Funds									(₹ in '000)
	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	
	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	
	(21)	(10)	—	(3)	(3)	—	(2)	—	—	
Payable for purchase of investments	(21)	(10)	—	(3)	(3)	—	(2)	—	—	
Other current liabilities	(680)	(333)	(6)	(105)	(89)	(1)	(47)	(15)	(3)	
Unit payable a/c	—	—	—	—	—	—	—	—	—	
Total	(701)	(343)	(6)	(108)	(92)	(1)	(49)	(15)	(3)	

Particulars	Linked Group Funds								(₹ in '000)	
	Group Capital Guarantee Growth Fund II	Group Capital Guarantee Growth Fund III	Group Capital Guarantee Short Term Debt Fund	Group Capital Guarantee Short Term Debt Fund II	Group Capital Guaranteed Short Term Debt Fund III	Group Debt Fund	Group Debt Fund II	Group Equity Fund II	Group Growth Fund	
	ULGF 012 05/07/07 GCGGrowth2 105	ULGF 050 27/08/13 GCGGrowth3 105	ULGF 005 24/02/04 GCGSTDebt1 105	ULGF 009 16/03/07 GCGSTDebt2 105	ULGF 047 27/08/13 GCGSTDebt3 105	ULGF 002 03/04/03 GDebt 105	ULGF 040 30/04/13 GDebt2 105	ULGF 043 30/04/13 GEquity 105	ULGF 004 30/10/03 GGrowth 105	
	—	—	—	—	—	(20)	(2)	—	(4)	
Payable for purchase of investments	—	—	—	—	—	(20)	(2)	—	(4)	
Other current liabilities	(11)	(1)	(5)	(190)	(36)	(549)	(78)	(1)	(231)	
Unit payable a/c	—	—	—	—	—	—	—	—	—	
Total	(11)	(1)	(5)	(190)	(36)	(569)	(80)	(1)	(235)	

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Continued

Schedule F - 4

CURRENT LIABILITIES AT MARCH 31, 2016

(₹ in '000)

Particulars	Linked Group Funds						
	Group Growth Fund II	Group Leave Encashment Balance Fund	Group Leave Encashment Income Fund	Group Leave Encashment Short Term Fund	Group Return Guarantee Fund - S5	Group Return Guarantee Fund - S7	Group Short Term Debt Fund
	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 026 14/03/11 GRGFS5 105	ULGF 028 01/07/11 GRGFS7 105	ULGF 003 03/04/03 GSTDebt 105
Payable for purchase of investments	(11,507)	(1)	—	—	—	—	—
Other current liabilities	(5)	(38)	(5)	—	(4)	—	(169)
Unit payable a/c	—	—	—	—	—	—	—
Total	(11,512)	(39)	(5)	—	(4)	—	(169)

(₹ in '000)

Particulars	Linked Group Funds			Total	Grand Total
	Group Short Term Debt Fund II	Group Short Term Debt Fund III	Group Superannuation Corporate Bond Fund		
	ULGF 046 27/08/13 GSTDebt2 105	ULGF 039 30/04/13 GSTDebt3 105	ULGF 015 22/12/08 GSACorBon 105		
Payable for purchase of investments	—	—	—	(11,573)	(2,990,362)
Other current liabilities	(1)	(15)	—	(2,618)	(35,235)
Unit payable a/c	—	—	—	—	(1,003,929)
Total	(1)	(15)	—	(14,191)	(4,029,526)

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Continued

3.12 FUND BALANCE SHEET AT MARCH 31, 2015

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 LCashPlus 105	ULIF 008 11/08/03 LDisccont 105	ULIF 100 01/07/10 LDynamicPE 105	ULIF 097 11/01/10 LFlexiBal1 105	ULIF 031 20/03/07 LFlexiBal2 105	ULIF 032 20/03/07 LFlexiBal3 105	ULIF 033 ULIF 033 20/03/07 LFlexiBal3 105
Sources of funds													
Policyholders' funds													
Policyholder contribution	F-1	10,265	(2,403,877)	(573,906)	(87,844)	683,480	3,555,417	1,795,307	20,494,115	20,945,481	412,208	488,030	4,336
Revenue account		1,229	14,089,670	4,535,337	359,988	388,394	853,109	1,032,692	2,179,039	6,421,162	790,035	432,809	50,002
Total		11,494	11,685,793	3,961,431	272,144	1,071,874	4,408,526	2,827,999	22,673,154	27,366,643	1,202,243	920,839	54,338
Application of funds													
Investments	F-2	9,492	11,344,766	3,835,150	259,924	1,040,675	4,385,273	2,719,861	22,843,093	27,247,405	1,178,691	906,157	53,272
Current assets	F-3	2,002	434,842	152,923	14,264	40,131	36,329	156,232	50,016	240,697	34,285	24,876	1,681
Less: Current liabilities and provisions	F-4	—	93,815	26,642	2,044	8,932	13,076	48,094	219,955	121,459	10,733	10,194	615
Net current assets		2,002	341,027	126,281	12,220	31,199	23,253	108,138	(169,939)	119,238	23,552	14,682	1,066
Total		11,494	11,685,793	3,961,431	272,144	1,071,874	4,408,526	2,827,999	22,673,154	27,366,643	1,202,243	920,839	54,338
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		11,494	11,685,793	3,961,431	272,144	1,071,874	4,408,526	2,827,999	22,673,154	27,366,643	1,202,243	920,839	54,338
(b) Number of Units outstanding (in '000)		735	226,490	107,094	11,381	48,170	271,272	120,872	1,634,290	1,627,226	54,850	37,467	2,503
(c) NAV per unit (a)/(b) (₹)		15.64	51.60	36.99	23.91	22.25	16.25	23.40	13.87	16.82	21.92	24.58	21.71

(₹ 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	Invest Life Fund	Life Growth Fund	Life Secure 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 136 11/20/14 MIF 105
Sources of funds													
Policyholders' funds													
Policyholder contribution	F-1	208,066	1,067,127	5,926,963	132,174	4,280,315	39,899,819	24,636,049	4,255,139	1,923,716	3,895,080	3,350,410	618,108
Revenue account		140,396	19,106,761	6,745,246	843,781	6,491,557	6,628,233	1,962,764	1,155,391	1,011,980	338,058	100,417	(19,180)
Total		348,462	20,173,888	12,672,209	975,955	10,771,872	46,528,052	26,598,813	5,410,530	2,935,696	4,233,138	3,450,827	598,928
Application of funds													
Investments	F-2	341,571	19,892,356	12,591,156	976,482	10,637,109	45,774,065	25,651,670	5,231,245	2,857,566	4,291,434	3,357,165	594,355
Current assets	F-3	11,238	346,586	121,820	4,573	170,579	1,120,843	1,490,519	285,049	139,929	69,845	223,948	29,629
Less: Current liabilities and provisions	F-4	4,347	65,054	40,767	5,100	35,816	366,856	543,376	105,764	61,799	128,141	130,286	25,056
Net current assets		6,891	281,532	81,053	(527)	134,763	753,987	947,143	179,285	78,130	(58,296)	93,662	4,573
Total		348,462	20,173,888	12,672,209	975,955	10,771,872	46,528,052	26,598,813	5,410,530	2,935,696	4,233,138	3,450,827	598,928
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		348,462	20,173,888	12,672,209	975,955	10,771,872	46,528,052	26,598,813	5,410,530	2,935,696	4,233,138	3,450,827	598,928
(b) Number of Units outstanding (in '000)		16,041	807,811	483,532	38,527	481,621	3,399,686	1,668,071	242,302	107,273	296,216	295,298	60,644
(c) NAV per unit (a)/(b) (₹)		21.72	24.97	26.21	25.33	22.37	13.69	15.95	22.33	27.37	14.29	11.69	9.88

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Continued

3.12 FUND BALANCE SHEET AT MARCH 31, 2015

Form A-BS(UL)

(₹ in '000)

Particulars	Schedule	Linked Life Funds											
		Maximiser Fund	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
		ULIF 001 22/10/01 LMaximis1 105	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
Sources of funds													
Policyholders' funds													
Policyholder contribution	F-1	(11,762,456)	(2,576,295)	(883,686)	129,767	40,793,270	15,370,409	3,773,733	19,290,561	547,296	1,135,926	24,623	452,250
Revenue account		61,679,647	15,803,800	2,820,169	482,083	5,367,649	778,731	1,030,752	7,939,467	8,023,999	1,123,887	111,180	557,216
Total		49,917,191	13,227,505	1,936,483	611,850	46,160,919	16,149,140	4,804,485	27,230,028	8,571,295	2,259,813	135,803	1,009,466
Application of funds													
Investments	F-2	49,950,118	13,233,170	1,939,687	611,638	45,915,441	15,719,612	4,687,278	27,292,541	8,536,914	2,250,909	136,206	1,011,611
Current assets	F-3	35,276	13,820	1,321	598	711,959	429,898	177,969	372,801	40,014	15,681	14	947
Less: Current liabilities and provisions	F-4	68,203	19,485	4,525	386	466,481	370	60,762	435,314	5,633	6,777	417	3,092
Net current assets		(32,927)	(5,665)	(3,204)	212	245,478	429,528	117,207	(62,513)	34,381	8,904	(403)	(2,145)
Total		49,917,191	13,227,505	1,936,483	611,850	46,160,919	16,149,140	4,804,485	27,230,028	8,571,295	2,259,813	135,803	1,009,466
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		49,917,191	13,227,505	1,936,483	611,850	46,160,919	16,149,140	4,804,485	27,230,028	8,571,295	2,259,813	135,803	1,009,466
(b) Number of Units outstanding (in '000)		428,243	195,328	65,092	25,169	2,333,654	1,052,686	273,298	1,402,809	536,871	121,334	7,714	54,499
(c) NAV per unit (a)/(b) (₹)		116.56	67.72	29.75	24.31	19.78	15.34	17.58	19.41	15.97	18.62	17.60	18.52

(₹ in '000)

Particulars	Schedule	Linked Life Funds											
		New Invest 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 IV	
		ULIF 025 21/08/06 LInvShldNw 105	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 069 31/03/09 LRGF(T4) 105
Sources of funds													
Policyholders' funds													
Policyholder contribution	F-1	2,149,733	4,209,796	8,696,558	6,739,536	3,174,756	151,385	575,988	1,934,085	1,036,926	65,264	2,984,323	(42,331)
Revenue account		1,264,641	1,766,626	2,539,254	1,443,341	2,291,485	122,090	115,690	5,507,236	2,323,460	289,011	1,165,865	42,331
Total		3,414,374	5,976,422	11,235,812	8,182,877	5,466,241	273,475	691,678	7,441,321	3,360,386	354,275	4,150,188	—
Application of funds													
Investments	F-2	3,347,440	5,942,749	11,186,454	8,088,446	5,403,359	262,184	683,886	7,104,370.00	3,263,885.00	340,314.00	4,007,778.00	—
Current assets	F-3	125,074	33,920	170,609	136,425	72,648	11,297	8,342	458,096	143,533	18,740	199,698	—
Less: Current liabilities and provisions	F-4	58,140	247	121,251	41,994	9,766	6	550	121,145	47,032	4,779	57,288	—
Net current assets		66,934	33,673	49,358	94,431	62,882	11,291	7,792	336,951	96,501	13,961	142,410	—
Total		3,414,374	5,976,422	11,235,812	8,182,877	5,466,241	273,475	691,678	7,441,321	3,360,386	354,275	4,150,188	—
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		3,414,374	5,976,422	11,235,812	8,182,877	5,466,241	273,475	691,678	7,441,321	3,360,386	354,275	4,150,188	—
(b) Number of Units outstanding (in '000)		142,482	317,234	717,980	622,497	234,954	13,134	36,942	255,162	141,866	17,131	209,714	—
(c) NAV per unit (a)/(b) (₹)		23.96	18.84	15.65	13.15	23.27	20.82	18.72	29.16	23.69	20.68	19.79	—

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Continued

3.12 FUND BALANCE SHEET AT MARCH 31, 2015

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)
		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
Sources of funds											
Policyholders' funds											
Policyholder contribution	F-1	(10,190)	(16,006)	(6,059)	858,957	236,410	1,149,669	118,266	2,399,650	419,333	1,148,187
Revenue account		10,190	16,006	6,059	307,081	93,320	402,766	46,446	804,398	147,367	334,928
Total		—	—	—	1,166,038	329,730	1,552,435	164,712	3,204,048	566,700	1,483,115
Application of funds											
Investments	F-2	—	—	—	1,078,566	299,299	1,432,697	151,429	2,899,065	518,997	1,393,558
Current assets	F-3	—	—	—	87,563	30,446	119,914	13,297	305,189	47,741	89,625
Less: Current liabilities and provisions	F-4	—	—	—	91	15	176	14	206	38	68
Net current assets		—	—	—	87,472	30,431	119,738	13,283	304,983	47,703	89,557
Total		—	—	—	1,166,038	329,730	1,552,435	164,712	3,204,048	566,700	1,483,115
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		—	—	—	1,166,038	329,730	1,552,435	164,712	3,204,048	566,700	1,483,115
(b) Number of Units outstanding (in '000)		—	—	—	84,982	23,380	113,093	11,675	232,147	40,187	108,507
(c) NAV per unit (a)/(b) (₹)		—	—	—	13.72	14.10	13.73	14.11	13.80	14.10	13.67

(₹ in '000)

Particulars	Schedule	Linked Life Funds							Total
		RICH Fund	RICH Fund II	RICH Fund III	RICH Fund IV	Secure Plus Fund	Secure Save Builder Fund	Secure Save Guarantee Fund	
		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	2,031,606	5,454,340	(37)	2,598,448	214,107	24,483	106,080	250,234,799
Revenue account		4,541,366	3,484,664	369,628	1,944,771	197,057	11,322	31,312	212,981,397
Total		6,572,972	8,939,004	369,591	4,543,219	411,164	35,805	137,392	463,216,196
Application of funds									
Investments	F-2	6,555,672	8,924,119	369,782	4,542,646	399,463	35,387	131,846	457,691,257
Current assets	F-3	17,755	15,298	36	783	19,599	487	5,860	9,136,699
Less: Current liabilities and provisions	F-4	455	413	227	210	7,898	69	314	3,611,760
Net current assets		17,300	14,885	(191)	573	11,701	418	5,546	5,524,939
Total		6,572,972	8,939,004	369,591	4,543,219	411,164	35,805	137,392	463,216,196
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		6,572,972	8,939,004	369,591	4,543,219	411,164	35,805	137,392	463,216,196
(b) Number of Units outstanding (in '000)		323,397	414,505	18,170	210,951	17,731	2,029	8,495	
(c) NAV per unit (a)/(b) (₹)		20.32	21.57	20.34	21.54	23.19	17.64	16.17	

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Continued

3.12 FUND BALANCE SHEET AT MARCH 31, 2015

Form A-BS(UL)

(₹ in '000)

Particulars	Schedule	Linked Pension Funds													
		Discontinued Fund - Pension	Easy Retirement Balanced Fund	Easy Retirement Secure Fund	Easy Retirement SP Balanced 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		
		ULIF 101 01/07/10 PDiscount 105	ULIF 132 02/11/12 ERBF 105	ULIF 133 02/11/12 ERSF 105	ULIF 136 25/03/13 ERSPBF 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 PBltuChip 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		
Sources of funds															
Policyholders' funds															
Policyholder contribution	F-1	289,687	1,015,987	202,521	5,391	292,041	1,735,263	282,521	2,007,276	12,598,206	695,350	362,865	10,379,433		
Revenue account		14,621	102,446	16,425	756	234,975	3,775,462	5,622,107	474,848	2,787,106	494,972	918,131	13,964,051		
Total		304,308	1,118,433	218,946	6,147	527,016	5,510,725	5,904,628	2,482,124	15,385,312	1,190,322	1,280,996	24,343,484		
Application of funds															
Investments	F-2	305,361	1,059,581	198,125	6,102	498,799	5,310,261	5,646,678	2,463,400	15,323,512	1,158,033	1,239,163	24,312,875		
Current assets	F-3	16	74,234	20,831	49	28,902	214,499	276,267	19,566	62,475	32,782	41,876	132,482		
Less: Current liabilities and provisions	F-4	1,069	15,382	10	4	685	14,035	18,317	842	675	493	43	101,873		
Net current assets		(1,053)	58,852	20,821	45	28,217	200,464	257,950	18,724	61,800	32,289	41,833	30,609		
Total		304,308	1,118,433	218,946	6,147	527,016	5,510,725	5,904,628	2,482,124	15,385,312	1,190,322	1,280,996	24,343,484		
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)															
(b) Number of Units outstanding (in '000)															
(c) NAV per unit (a)/(b) (₹)															
		27,187	84,623	18,025	497	19,073	126,799	172,727	157,231	927,654	53,856	53,155	984,188		
		11.19	13.22	12.15	12.36	27.63	43.46	34.18	15.79	16.59	22.10	24.10	24.73		

(₹ in '000)

Particulars	Schedule	Linked Pension Funds													
		Pension Flexi Growth Fund II	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		
		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	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		
Sources of funds															
Policyholders' funds															
Policyholder contribution	F-1	728,252	305,520	8,263,007	(415,493)	(2,861,960)	4,865,415	2,025,842	13,440,082	2,794,375	853,932	4,558,945	5,624,822		
Revenue account		19,353,274	164,210	966,082	6,717,689	22,010,842	518,898	694,961	5,499,300	2,395,499	1,624,724	2,053,491	2,408,276		
Total		20,081,526	469,730	9,229,089	6,302,196	19,148,882	5,384,313	2,720,803	18,939,382	5,189,874	2,478,656	6,612,436	8,033,098		
Application of funds															
Investments	F-2	20,091,658	464,769	8,719,274	6,303,614	19,117,651	5,346,099	2,642,744	18,973,484	5,187,529.00	2,476,332	6,592,264	7,882,561		
Current assets	F-3	58,925	5,719	511,972	6,144	87,187	66,167	82,699	80,998	5,831.00	2,977	20,447	159,820		
Less: Current liabilities and provisions	F-4	69,057	758	2,157	7,562	55,956	27,953	4,640	115,100	3,486.00	653	275	9,283		
Net current assets		(10,132)	4,961	509,815	(1,418)	31,231	38,214	78,059	(34,102)	2,345	2,324	20,172	150,537		
Total		20,081,526	469,730	9,229,089	6,302,196	19,148,882	5,384,313	2,720,803	18,939,382	5,189,874	2,478,656	6,612,436	8,033,098		
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)															
(b) Number of Units outstanding (in '000)															
(c) NAV per unit (a)/(b) (₹)															
		754,135	29,795	584,342	53,374	271,087	352,502	161,985	998,314	329,070	146,178	354,340	348,575		
		26.63	15.77	15.79	118.08	70.64	15.27	16.80	18.97	15.77	16.96	18.66	23.05		

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Continued

3.12 FUND BALANCE SHEET AT MARCH 31, 2015

Form A-BS(UL)

(₹ in '000)

Particulars	Schedule	Linked Pension Funds										
		Pension Protector Fund	Pension Protector Fund II	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)		
		ULIF 006 03/05/02	ULIF 017 17/05/04	ULIF 070 31/03/09	ULIF 074 29/04/09	ULIF 079 17/06/09	ULIF 083 16/11/09	ULIF 102 12/10/10	ULIF 108 22/12/10	ULIF 113 13/01/11		
Sources of funds												
Policyholders' funds												
Policyholder contribution	F-1	8,322,621	2,195,944	(153,943)	(60,517)	(86,141)	(127,071)	128,420	38,720	93,250		
Revenue account		5,999,553	3,700,159	153,943	60,517	86,141	127,071	52,540	16,281	35,985		
Total		14,322,174	5,896,103	—	—	—	—	180,960	55,001	129,235		
Application of funds												
Investments	F-2	13,446,157	5,580,091	—	—	—	—	165,462	50,203	119,178		
Current assets	F-3	880,918	327,103	—	—	—	—	15,506	4,801	10,063		
Less: Current liabilities and provisions	F-4	4,901	11,091	—	—	—	—	8	3	6		
Net current assets		876,017	316,012	—	—	—	—	15,498	4,798	10,057		
Total		14,322,174	5,896,103	—	—	—	—	180,960	55,001	129,235		
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		14,322,174	5,896,103	—	—	—	—	180,960	55,001	129,235		
(b) Number of Units outstanding (in '000)		548,064	251,802	—	—	—	—	12,785	3,912	9,202		
(c) NAV per unit (a)/(b) (₹)		26.13	23.42	—	—	—	—	14.15	14.06	14.04		

(₹ in '000)

Particulars	Schedule	Linked Pension Funds					Total		
		Pension Return Guarantee Fund XI (10 Yrs)	Pension RICH Fund	Pension RICH Fund II	Pension Secure Fund	Secure Plus Pension Fund			
		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	9,207	6,100,779	1,138,754	548,732	40,445	88,238,480		
Revenue account		3,889	10,921,551	9,559,172	56,475	86,815	123,673,238		
Total		13,096	17,022,330	10,697,926	605,207	127,260	211,911,718		
Application of funds									
Investments	F-2	11,987	17,005,054	10,657,907	569,066	121,077	209,046,051		
Current assets	F-3	1,110	18,454	40,513	36,172	6,222	3,333,727		
Less: Current liabilities and provisions	F-4	1	1,178	494	31	39	468,060		
Net current assets		1,109	17,276	40,019	36,141	6,183	2,865,667		
Total		13,096	17,022,330	10,697,926	605,207	127,260	211,911,718		
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		13,096	17,022,330	10,697,926	605,207	127,260	211,911,718		
(b) Number of Units outstanding (in '000)		953	740,433	440,792	48,150	5,667			
(c) NAV per unit (a)/(b) (₹)		13.74	22.99	24.27	12.57	22.46			

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Continued

3.12 FUND BALANCE SHEET AT MARCH 31, 2015

Form A-BS(UL)

(₹ in '000)

Particulars	Schedule	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 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 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	405,371 (101,916)	541,216 (128,343)	5,732,798 (1,120,318)	691,041 (155,067)	81,434 (21,170)	1,951,223 (583,865)	22,121 (22,121)	12,383 (12,383)	7,148 (7,148)	3,845 (3,845)	9,448,580 (2,156,176)
Total		303,455	412,873	4,612,480	535,974	60,264	1,367,358	—	—	—	—	7,292,404
Application of funds												
Investments	F-2	298,624	399,854	4,591,872	534,027	56,639	1,338,192	—	—	—	—	7,219,208
Current assets	F-3	12,649	18,191	20,820	3,545	3,626	70,777	—	—	—	—	129,608
Less: Current liabilities and provisions	F-4	7,818	5,172	212	1,598	1	41,611	—	—	—	—	56,412
Net current assets		4,831	13,019	20,608	1,947	3,625	29,166	—	—	—	—	73,196
Total		303,455	412,873	4,612,480	535,974	60,264	1,367,358	—	—	—	—	7,292,404
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		303,455	412,873	4,612,480	535,974	60,264	1,367,358	—	—	—	—	7,292,404
(b) Number of Units outstanding (in '000)		13,674	15,799	135,300	17,054	3,649	74,254	—	—	—	—	
(c) NAV per unit (a)/(b) (₹)		22.19	26.13	34.09	31.43	16.51	18.41	—	—	—	—	

(₹ in '000)

Particulars	Schedule	Linked Group Funds														
		Group Balanced Fund	Group Balanced Fund II	Group Capital Guaranteed Balanced Fund	Group Capital Guaranteed Balanced Fund II	Group Capital Guaranteed Balanced Fund III	Group Capital Guaranteed Debt Fund	Group Capital Guaranteed Debt Fund II	Group Capital Guaranteed Debt Fund III	Group Capital Guaranteed Growth Fund	Group Capital Guaranteed Growth Fund II	Group Capital Guaranteed Short Term Debt Fund	Group Capital Guaranteed Short Term Debt Fund II	Group Capital Guaranteed Short Term Debt Fund III		
		ULGF 001 03/04/03 GBalancer 105	ULGF 041 30/04/13 GBalancer 105	ULGF 006 03/10/05 GCGBa1 105	ULGF 010 21/03/07 GCGBa2 105	ULGF 049 27/08/13 GCGBa3 105	ULGF 007 28/10/05 105	ULGF 011 21/03/07 105	ULGF 048 27/08/13 105	ULGF 008 11/12/06 105	ULGF 012 05/07/07 105	ULGF 050 27/08/13 105	ULGF 005 24/02/04 105	ULGF 009 16/03/07 105	ULGF 031 01/03/12 105	
Sources of funds																
Policyholders' funds																
Policyholder contribution	F-1	11,270,782	86,179	(5,137)	997,687	113,126	11,942	346,780	201,810	21,143	49,789	2,103	35,435	2,585,786	104,847	
Revenue account		10,207,320	8,607	102,067	967,407	6,535	8,657	604,704	10,150	18,272	41,313	115	92,467	1,557,300	6,891	
Total		21,478,102	94,786	96,930	1,965,094	119,661	20,599	951,484	211,960	39,415	91,102	2,218	127,902	4,143,086	111,738	
Application of funds																
Investments	F-2	20,300,953	89,785	91,265	1,860,506	115,510	19,501	898,736	197,612	37,783	87,061	1,931	126,531	4,044,609	110,740	
Current assets	F-3	1,183,444	5,074	5,671	105,125	4,187	1,790	52,802	14,358	1,646	4,070	291	1,376	98,660	1,003	
Less: Current liabilities and provisions	F-4	6,295	73	6	537	36	692	54	10	14	29	4	5	183	5	
Net current assets		1,177,149	5,001	5,665	104,588	4,151	1,098	52,748	14,348	1,632	4,041	287	1,371	98,477	998	
Total		21,478,102	94,786	96,930	1,965,094	119,661	20,599	951,484	211,960	39,415	91,102	2,218	127,902	4,143,086	111,738	
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		21,478,102	94,786	96,930	1,965,094	119,661	20,599	951,484	211,960	39,415	91,102	2,218	127,902	4,143,086	111,738	
(b) Number of Units outstanding (in '000)		627,573	7,805	4,219	93,410	9,763	749	42,768	17,456	1,785	4,309	202	5,786	221,459	10,019	
(c) NAV per unit (a)/(b) (₹)		34.22	12.14	22.97	21.04	12.26	27.51	22.25	12.14	22.08	21.14	10.99	22.11	18.71	11.15	

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Continued

3.12 FUND BALANCE SHEET AT MARCH 31, 2015

Form A-BS(UL)

(₹ in '000)

Particulars	Schedule	Linked Group Funds									
		Group Debt Fund	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 002 03/04/03 GDebt 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	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	9,551,530	1,012,295	1,633,112	17,592	673,739	127,062	(38,861)	(648,959)	(27,420)	
Revenue account		5,817,921	126,685	5,243,193	1,254	418,626	49,580	181,592	648,959	27,420	
Total		15,369,451	1,138,980	6,876,305	18,846	1,092,365	176,642	142,731	—	—	
Application of funds											
Investments	F-2	14,462,645	1,073,346	6,649,028	18,724	998,104	167,887	126,242	—	—	
Current assets	F-3	907,543	65,793	230,548	150	94,413	8,764	16,495	—	—	
Less: Current liabilities and provisions	F-4	737	159	3,271	28	152	9	6	—	—	
Net current assets		906,806	65,634	227,277	122	94,261	8,755	16,489	—	—	
Total		15,369,451	1,138,980	6,876,305	18,846	1,092,365	176,642	142,731	—	—	
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		15,369,451	1,138,980	6,876,305	18,846	1,092,365	176,642	142,731	—	—	
(b) Number of Units outstanding (in '000)		596,004	92,838	126,670	1,457	55,510	10,192	9,635	—	—	
(c) NAV per unit (a)/(b) (₹)		25.79	12.27	54.29	12.94	19.68	17.33	14.81	—	—	

(₹ in '000)

Particulars	Schedule	Linked Group Funds							Total	Grand total
		Group Return Guarantee Fund III	Group Return Guarantee Fund - S5	Group Return Guarantee Fund - S7	Group Short Term Debt Fund	Group Short Term Debt Fund II	Group Short Term Debt Fund III	Group Superannuation Corporate Bond Fund		
		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 046 27/08/13 GSTDebt2 105	ULGF 039 30/04/13 GSTDebt3 105	ULGF 015 22/12/08 GSACorBon 105		
Sources of funds										
Policyholders' funds										
Policyholder contribution	F-1	(639,615)	128,716	466,476	2,517,000	1,814,845	13,347	1,739,091	34,162,222	382,084,081
Revenue account		639,615	43,191	152,503	3,423,021	83,730	852	702,872	31,192,819	365,691,278
Total		—	171,907	618,979	5,940,021	1,898,575	14,199	2,441,963	65,355,041	747,775,359
Application of funds										
Investments	F-2	—	155,902	585,992	5,838,558	1,838,444	13,525	2,196,884	62,107,804	736,064,320
Current assets	F-3	—	16,013	33,020	101,699	60,212	675	245,176	3,259,998	15,860,032
Less: Current liabilities and provisions	F-4	—	8	33	236	81	1	97	12,761	4,148,993
Net current assets		—	16,005	32,987	101,463	60,131	674	245,079	3,247,237	11,711,039
Total		—	171,907	618,979	5,940,021	1,898,575	14,199	2,441,963	65,355,041	747,775,359
(a) Net asset as per balance sheet (total assets less current liabilities and provisions) (₹ '000)		—	171,907	618,979	5,940,021	1,898,575	14,199	2,441,963	65,355,041	747,775,359
(b) Number of Units outstanding (in '000)		—	12,805	46,483	259,090	181,481	1,329	175,483		
(c) NAV per unit (a)/(b) (₹)		—	13.43	13.32	22.93	10.46	10.69	13.92		

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Continued

SCHEDULE: F - 1

POLICYHOLDERS' CONTRIBUTION AT MARCH 31, 2015

(₹ 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 LDiscnt 105	ULIF 097 11/01/10 LDynamicPE 105	ULIF 031 20/03/07 LFlexiBal1 105	ULIF 032 20/03/07 LFlexiBal2 105	ULIF 033 20/03/07 LFlexiBal3 105	
Opening balance	8,714	(511,336)	40,045	(27,955)	842,410	2,288,845	2,069,686	10,493,639	19,584,517	553,951	572,030	27,416	
Add: Additions during the year*	1,712	462,123	190,217	2,987	91,603	1,624,111	202,037	10,035,195	4,499,940	93,307	92,996	821	
Less: Deductions during the year**	(161)	(2,354,664)	(804,168)	(62,876)	(250,533)	(357,539)	(476,416)	(34,719)	(3,138,976)	(235,050)	(176,996)	(23,901)	
Closing balance	10,265	(2,403,877)	(573,906)	(87,844)	683,480	3,555,417	1,795,307	20,494,115	20,945,481	412,208	488,030	4,336	

* 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 Fund	Invest Cash Fund	Life Growth Fund	Life Secure Fund	Maximise India 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 136 11/20/14 MIF 105	
Opening balance	237,344	4,719,121	7,595,837	347,928	6,694,562	32,067,295	18,058,058	4,401,787	1,983,587	625,526	533,874	—	
Add: Additions during the year*	32,582	1,386,001	960,241	40,182	978,994	12,319,131	17,780,774	324,309	189,103	3,277,911	2,821,635	618,464	
Less: Deductions during the year**	(61,860)	(5,037,995)	(2,629,115)	(255,936)	(3,393,241)	(4,486,607)	(11,202,783)	(470,957)	(248,974)	(8,357)	(5,099)	(356)	
Closing balance	208,066	1,067,127	5,926,963	132,174	4,280,315	39,899,819	24,636,049	4,255,139	1,923,716	3,895,080	3,350,410	618,108	

* Represents unit creation

** Represents unit cancellations

(₹ in '000)

Particulars	Linked Life Funds												
	Maximiser Fund	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	
	ULIF 001 22/10/01 LMaximis1 105	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	
Opening balance	(6,372,112)	(1,768,278)	(547,009)	195,207	8,746,255	10,463,890	2,602,126	15,610,733	2,444,410	1,431,352	49,529	615,250	
Add: Additions during the year*	2,935,408	894,116	52,105	83,496	33,925,374	13,818,276	1,537,846	8,230,931	444,298	160,226	14,117	86,958	
Less: Deductions during the year**	(8,325,752)	(1,702,133)	(388,782)	(148,936)	(1,878,359)	(8,911,757)	(366,239)	(4,551,103)	(2,341,412)	(455,652)	(39,023)	(249,958)	
Closing balance	(11,762,456)	(2,576,295)	(883,686)	129,767	40,793,270	15,370,409	3,773,733	19,290,561	547,296	1,135,926	24,623	452,250	

* Represents unit creation

** Represents unit cancellations

(₹ in '000)

Particulars	Linked Life Funds												
	New Invest 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 IV		
	ULIF 025 21/08/06 LInvShldNw 105	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 069 31/03/09 LRGF(T4) 105	
Opening balance	2,274,137	3,613,572	10,572,417	5,610,576	5,717,417	309,415	740,747	4,323,967	2,216,729	201,805	3,359,110	(42,113)	
Add: Additions during the year*	171,547	1,203,458	48,281	1,436,790	362,792	13,711	147,734	223,788	110,404	16,478	875,736	—	
Less: Deductions during the year**	(295,951)	(607,234)	(1,924,140)	(307,830)	(2,905,453)	(171,741)	(312,493)	(2,613,670)	(1,290,207)	(153,019)	(1,250,523)	(218)	
Closing balance	2,149,733	4,209,796	8,696,558	6,739,536	3,174,756	151,385	575,988	1,934,085	1,036,926	65,264	2,984,323	(42,331)	

* Represents unit creation

** Represents unit cancellations

schedules

forming part of the financial statements

Continued

SCHEDULE: F - 1

POLICYHOLDERS' CONTRIBUTION AT MARCH 31, 2015

Particulars	Linked Life Funds												(₹ in '000)
	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)		
	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		
	Opening balance	56,696	59,474	26,966	890,384	247,018	1,190,414	123,161	2,457,866	427,157	1,189,696	21,599	
Add: Additions during the year*	—	—	—	—	—	—	—	—	—	—	—	—	
Less: Deductions during the year**	(66,886)	(75,480)	(33,025)	(31,427)	(10,608)	(40,745)	(4,895)	(58,216)	(7,824)	(41,509)	(1,439)		
Closing balance	(10,190)	(16,006)	(6,059)	858,957	236,410	1,149,669	118,266	2,399,650	419,333	1,148,187	20,160		

* Represents unit creation

** Represents unit cancellations

Particulars	Linked Life Funds								Total	(₹ in '000)
	RICH Fund	RICH Fund II	RICH Fund III	RICH Fund IV	Secure Plus Fund	Secure Save Builder Fund	Secure Save Guarantee Fund			
	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	4,086,089	7,433,317	125,382	3,511,920	295,060	41,393	168,804		207,928,409
Add: Additions during the year*	352,227	592,054	2,735	349,399	28,449	3,174	7,506			126,155,790
Less: Deductions during the year**	(2,406,710)	(2,571,031)	(128,154)	(1,262,871)	(109,402)	(20,084)	(70,230)			(83,849,400)
Closing balance	2,031,606	5,454,340	(37)	2,598,448	214,107	24,483	106,080			250,234,799

* Represents unit creation

** Represents unit cancellations

Particulars	Linked Pension Funds												(₹ in '000)
	Discontinued Fund - Pension	Easy Retirement Balanced Fund	Easy Retirement SP 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 Growth Fund	
	ULIF 101 01/07/10 PDiscount 105	ULIF 132 02/11/12 ERBF 105	ULIF 136 25/03/13 ERSPB 105	ULIF 133 02/11/12 ERSF 105	ULIF 019 03/01/05 PlnvShld 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 PDynmicP 105	ULIF 034 20/03/07 PFlexiBal1 105	ULIF 035 20/03/07 PFlexiBal2 105	ULIF 029 20/03/07 PFlexiGro1 105	
	Opening balance	1,709	312,157	—	103,470	360,562	2,737,368	3,152,322	2,288,608	15,888,791	858,657	635,656	13,781,921
Add: Additions during the year*	289,873	731,805	5,396	117,528	38,132	359,026	362,108	196,986	1,185,878	85,590	83,335	3,312,382	
Less: Deductions during the year**	(1,895)	(27,975)	(5)	(18,477)	(106,653)	(1,361,131)	(3,231,909)	(478,318)	(4,476,463)	(248,897)	(356,126)	(6,714,870)	
Closing balance	289,687	1,015,987	5,391	202,521	292,041	1,735,263	282,521	2,007,276	12,598,206	695,350	362,865	10,379,433	

* Represents unit creation

** Represents unit cancellations

Particulars	Linked Pension Funds												(₹ in '000)
	Pension Flexi Growth Fund II	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 Opportunities Fund II	Pension Multiplier Opportunities Fund	Pension Preserver Fund	
	ULIF 030 20/03/07 PFlexiGro2 105	ULIF 127 01/12/11 PGROWTH 105	ULIF 095 11/01/10 Plnincome 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	
	Opening balance	4,837,992	390,195	10,313,083	(42,293)	892,275	6,727,736	2,320,813	14,379,872	3,678,999	1,582,995	5,759,853	10,102,589
Add: Additions during the year*	1,596,431	162,675	1,412,769	511,107	1,229,017	813,580	164,188	4,468,899	295,568	143,360	438,184	679,869	
Less: Deductions during the year**	(5,706,171)	(247,350)	(3,462,845)	(884,307)	(4,983,252)	(2,675,901)	(459,159)	(5,408,689)	(1,180,192)	(872,423)	(1,639,092)	(5,157,636)	
Closing balance	728,252	305,520	8,263,007	(415,493)	(2,861,960)	4,865,415	2,025,842	13,440,082	2,794,375	853,932	4,558,945	5,624,822	

* Represents unit creation

** Represents unit cancellations

schedules



forming part of the financial statements

Continued

SCHEDULE: F - 1

POLICYHOLDERS' CONTRIBUTION AT MARCH 31, 2015

(₹ in '000)

Particulars	Linked Pension Funds									
	Pension Protector Fund	Pension Protector Fund II	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)	
	ULIF 006 03/05/02 PProtect1 105	ULIF 017 17/05/04 PProtect2 105	ULIF 070 31/03/09 PRGF4	ULIF 074 29/04/09 PRGF5	ULIF 079 17/06/09 PRGF6	ULIF 083 16/11/09 PRGF7	ULIF 102 105	ULIF 108 PRGF(S1) 105	ULIF 113 22/12/10 PRGF(S2) 105	
Opening balance	11,679,164	4,740,843	(153,391)	150,604	210,687	424,439	129,768	41,331	94,083	
Add: Additions during the year*	1,804,325	388,118	—	—	—	—	—	—	—	
Less: Deductions during the year**	(5,160,868)	(2,933,017)	(552)	(211,121)	(296,828)	(551,510)	(1,348)	(2,611)	(833)	
Closing balance	8,322,621	2,195,944	(153,943)	(60,517)	(86,141)	(127,071)	128,420	38,720	93,250	

* Represents unit creation

** Represents unit cancellations

(₹ in '000)

Particulars	Linked Pension Funds					Total
	Pension Return Guarantee Fund XI (10 Yrs)	Pension RICH Fund	Pension RICH Fund II	Pension Secure Fund	Secure Plus Pension Fund	
	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	9,689	10,200,400	5,025,614	393,198	62,732	134,074,491
Add: Additions during the year*	-	902,446	547,596	287,259	7,081	22,620,511
Less: Deductions during the year**	(482)	(5,002,067)	(4,434,456)	(131,725)	(29,368)	(68,456,522)
Closing balance	9,207	6,100,779	1,138,754	548,732	40,445	88,238,480

* Represents unit creation

** Represents unit cancellations

(₹ 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 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 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	333,486	428,693	4,929,436	589,224	76,893	1,510,064	22,086	15,123	8,592	4,954	7,918,551
Add: Additions during the year*	77,783	118,262	1,006,382	108,033	13,315	474,693	—	—	—	—	1,798,468
Less: Deductions during the year**	(5,898)	(5,739)	(203,020)	(6,216)	(8,774)	(33,534)	35	(2,740)	(1,444)	(1,109)	(268,439)
Closing balance	405,371	541,216	5,732,798	691,041	81,434	1,951,223	22,121	12,383	7,148	3,845	9,448,580

* 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	
	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 050 27/08/13 GCGGrowth3 105	ULGF 005 24/02/04 GCGSTDebt1 105	ULGF 009 16/03/07 GCGSTDebt2 105	ULGF 031 01/03/12 GCGSTDebt3 105
Opening 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
Add: Additions during the year*	3,715,855	81,992	3,657	166,677	112,524	2,693	40,387	199,518	3,791	13,541	2,103	4,463	271,015	90,128
Less: Deductions during the year**	(2,472,384)	(5,828)	(13,562)	(349,851)	(2,368)	(3,724)	(159,500)	(9,076)	(1,407)	(4,626)	—	(13,595)	(244,351)	(30,217)
Closing balance	11,270,782	86,179	(5,137)	997,687	113,126	11,942	346,780	201,810	21,143	49,789	2,103	35,435	2,585,786	104,847

* Represents unit creation

** Represents unit cancellations

schedules

forming part of the financial statements

Continued

SCHEDULE: F - 1

POLICYHOLDERS' CONTRIBUTION AT MARCH 31, 2015

Particulars	Linked Group Funds											(₹ in '000)
	Group Debt Fund	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	Group Return Guarantee Fund III		
	ULGF 002 03/04/03 GDebt 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	ULGF 023 16/06/09 GRGF3 105		
Opening balance	10,729,101	10,072	4,613,304	86	626,195	68,649	621,504	(375,266)	(22,068)	(606,591)		
Add: Additions during the year*	1,483,996	1,100,601	244,708	17,508	47,566	58,514	259,627	—	—	—		
Less: Deductions during the year**	(2,661,567)	(98,378)	(3,224,900)	(2)	(22)	(101)	(919,992)	(273,693)	(5,352)	(33,024)		
Closing balance	9,551,530	1,012,295	1,633,112	17,592	673,739	127,062	(38,861)	(648,959)	(27,420)	(639,615)		

* Represents unit creation

** Represents unit cancellations

Particulars	Linked Group Funds							Total	Grand Total
	Group Return Guarantee Fund - S5	Group Return Guarantee Fund - S7	Group Short Term Debt Fund	Group Short Term Debt Fund II	Group Short Term Debt Fund III	Group Superannuation Corporate Bond Fund			
	ULGF 026 14/03/11 GRGFS5 105	ULGF 028 01/07/11 GRGFS7 105	ULGF 003 03/04/03 GSTDebt 105	ULGF 046 27/08/13 GSTDebt2 105	ULGF 039 30/04/13 GSTDebt3 105	ULGF 015 22/12/08 GSACorBon 105			
Opening balance	127,601	462,930	4,531,083	—	—	1,741,123	36,952,140	386,873,591	
Add: Additions during the year*	1,115	3,546	791,134	1,814,845	25,239	—	10,556,743	161,131,512	
Less: Deductions during the year**	—	—	(2,805,217)	—	(11,892)	(2,032)	(13,346,661)	(165,921,022)	
Closing balance	128,716	466,476	2,517,000	1,814,845	13,347	1,739,091	34,162,222	382,084,081	

* Represents unit creation

** Represents unit cancellations

schedules



forming part of the financial statements

Continued

Schedule: F-2

INVESTMENTS AT MARCH 31, 2015

(₹ 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	P/E Fund - Life	Dynamic Fund	Flexi Balanced Fund	Flexi Balanced Fund II	Flexi Balanced Fund III	
	ULIF 072 28/04/09 LAnmolNiv	ULIF 002 22/10/01 LBalancer1	ULIF 014 17/05/04 LBalancer2	ULIF 023 13/03/06 LBalancer3	ULIF 039 27/08/07 LBalancer4	ULIF 087 24/11/09 LBLuChip	ULIF 008 11/08/03 LCashPlus	ULIF 100 01/07/10 LDisccont	ULIF 097 11/01/10 LDynamicPE	ULIF 031 20/03/07 LFlexiBal1	ULIF 032 20/03/07 LFlexiBal2	ULIF 033 20/03/07 LFlexiBal3	
Approved investments													
Government bonds	—	3,456,143	1,165,857	81,397	311,606	—	1,333,362	—	3,758,873	250,390	192,359	11,573	
Corporate bonds	—	1,132,364	388,850	22,354	113,571	—	544,749	—	—	130,182	99,201	5,495	
Infrastructure bonds	—	620,314	161,592	10,840	40,053	3,501	324,811	—	44,202	42,858	25,172	1,229	
Equity	—	3,789,630	1,281,940	88,074	346,853	3,862,247	—	—	22,352,020	557,256	426,742	26,136	
Money market	1,311	1,125,820	411,060	30,554	166,614	—	415,639	22,630,884	—	108,903	95,239	4,175	
Mutual funds	150	6,355	1,825	3,588	812	57,826	1,300	—	218,490	600	501	719	
Deposit with banks	7,980	560,000	200,000	6,100	—	—	100,000	212,209	—	—	—	—	
Preference shares	—	120,790	41,243	2,953	10,995	—	—	—	—	11,689	8,714	538	
Total	9,441	10,811,416	3,652,367	245,860	990,504	3,923,574	2,719,861	22,843,093	26,373,585	1,101,878	847,928	49,865	
Other investments													
Corporate bonds	—	—	—	—	—	—	—	—	—	—	—	—	
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—	
Equity	—	533,350	182,783	12,523	50,171	294,506	—	—	873,820	76,813	58,229	3,300	
Money market	—	—	—	—	—	—	—	—	—	—	—	—	
Mutual funds	51	—	—	1,541	—	167,193	—	—	—	—	—	107	
Venture fund	—	—	—	—	—	—	—	—	—	—	—	—	
Total	51	533,350	182,783	14,064	50,171	461,699	—	—	873,820	76,813	58,229	3,407	
Grand total	9,492	11,344,766	3,835,150	259,924	1,040,675	4,385,273	2,719,861	22,843,093	27,247,405	1,178,691	906,157	53,272	
% of approved investments to Total	99.46%	95.30%	95.23%	94.59%	95.18%	89.47%	100.00%	100.00%	96.79%	93.48%	93.57%	93.60%	
% of other investments to Total	0.54%	4.70%	4.77%	5.41%	4.82%	10.53%	0.00%	0.00%	3.21%	6.52%	6.43%	6.40%	

(₹ 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	Maximise India Fund	
	ULIF 040 27/08/07 LFlexiBal4	ULIF 026 20/03/07 LFlexiGro1	ULIF 027 20/03/07 LFlexiGro2	ULIF 028 20/03/07 LFlexiGro3	ULIF 038 27/08/07 LFlexiGro4	ULIF 116 15/03/11 LHighNavB	ULIF 089 24/11/09 LIncome 105	ULIF 020 03/01/05 LInvCash	ULIF 018 03/01/05 LInvShld 105	ULIF 134 19/09/13 LGF	ULIF 135 19/09/13 LSF	ULIF 136 11/20/14 MIF	
Approved investments													
Government bonds	73,378	—	—	—	—	28,285,532	11,760,424	2,535,836	1,155,065	—	1,448,905	—	
Corporate bonds	43,043	160,620	74,932	803	105,452	—	4,766,524	1,024,261	518,695	285	433,102	—	
Infrastructure bonds	7,160	4,280	11,875	197	7,389	15,757	2,161,159	451,581	118,689	—	345,236	—	
Equity	164,983	17,261,309	10,819,910	824,131	9,324,810	16,388,306	—	—	424,327	3,528,911	—	511,265	
Money market	24,754	563,079	286,240	—	—	—	4,840,570	756,802	505,124	—	661,652	—	
Mutual funds	2,424	265,725	167,015	12,886	141,990	437,467	13,062	2,765	979	54,943	3,180	7,506	
Deposit with banks	—	—	—	—	—	—	2,030,800	460,000	100,000	—	465,090	—	
Preference shares	3,301	9,142	2,087	239	1,790	—	—	—	9,738	—	—	—	
Total	319,043	18,264,155	11,362,059	838,256	9,581,431	45,127,062	25,572,539	5,231,245	2,832,617	3,584,139	3,357,165	518,771	
Other investments													
Corporate bonds	—	—	—	—	—	—	79,131	—	—	—	—	—	
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—	
Equity	22,528	1,015,088	666,458	57,236	575,536	647,003	—	—	24,949	483,579	—	49,501	
Money market	—	332,519	85,751	—	54,261	—	—	—	—	—	—	—	
Mutual funds	—	280,594	476,888	80,990	425,881	—	—	—	—	223,716	—	26,083	
Venture fund	—	—	—	—	—	—	—	—	—	—	—	—	
Total	22,528	1,628,201	1,229,097	138,226	1,055,678	647,003	79,131	—	24,949	707,295	—	75,584	
Grand total	341,571	19,892,356	12,591,156	976,482	10,637,109	45,774,065	25,651,670	5,231,245	2,857,566	4,291,434	3,357,165	594,355	
% of approved investments to Total	93.40%	91.81%	90.24%	85.84%	90.08%	98.59%	99.69%	100.00%	99.13%	83.52%	100.00%	87.28%	
% of other investments to Total	6.60%	8.19%	9.76%	14.16%	9.92%	1.41%	0.31%	0.00%	0.87%	16.48%	0.00%	12.72%	

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INVESTMENTS AT MARCH 31, 2015

(₹ in '000)

Particulars	Linked Life Funds												
	Maximiser Fund	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	
	ULIF 001 22/10/01 LMaximi1 105	ULIF 012 17/05/04 LMaximi2 105	ULIF 022 13/03/06 LMaximi3 105	ULIF 037 27/08/07 LMaximi4 105	ULIF 114 15/03/11 LMaximi5 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	
Approved investments													
Government bonds	—	—	—	—	—	—	956,843	41,860	—	—	—	—	—
Corporate bonds	1,636	85	—	—	7,976	603,730	497,422	7,877	—	—	—	—	—
Infrastructure bonds	—	—	—	—	126,607	62,367	190,810	146,614	7,909	2,015	121	932	—
Equity	42,706,679	11,345,084	1,668,550	519,066	38,585,300	—	2,258,243	22,926,557	7,660,175	2,017,146	120,420	901,764	—
Money market	26,853	—	—	—	695,288	8,751,163	474,078	1,561,459	—	—	—	—	—
Mutual funds	658,610	174,436	25,307	8,070	359,025	26,652	2,201	357,315	70,173	20,967	1,793	13,319	—
Deposit with banks	—	—	—	—	260,000	6,275,700	—	99,000	—	—	—	—	—
Preference shares	—	—	—	—	—	—	34,207	10,770	—	—	—	—	—
Total	43,393,778	11,519,605	1,693,857	527,136	40,034,196	15,719,612	4,413,804	25,151,452	7,738,257	2,040,128	122,334	916,015	—
Other investments													
Corporate bonds	—	—	—	—	—	—	—	—	—	—	—	—	—
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—	—
Equity	5,728,343	1,509,785	227,025	71,192	5,193,360	—	251,056	1,505,278	566,666	151,693	9,335	68,175	—
Money market	130,793	—	—	—	—	—	—	94,956	—	—	—	—	—
Mutual funds	697,204	203,780	18,805	13,310	687,885	—	22,418	540,855	231,991	59,088	4,537	27,421	—
Venture fund	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	6,556,340	1,713,565	245,830	84,502	5,881,245	—	273,474	2,141,089	798,657	210,781	13,872	95,596	—
Grand total	49,950,118	13,233,170	1,939,687	611,638	45,915,441	15,719,612	4,687,278	27,292,541	8,536,914	2,250,909	136,206	1,011,611	—
% of approved investments to Total	86.87%	87.05%	87.33%	86.18%	87.19%	100.00%	94.17%	92.16%	90.64%	90.64%	89.82%	90.55%	—
% of other investments to Total	13.13%	12.95%	12.67%	13.82%	12.81%	0.00%	5.83%	7.84%	9.36%	9.36%	10.18%	9.45%	—

(₹ in '000)

Particulars	Linked Life Funds												
	New Invest 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 IV		
	Shield Balanced Fund	LInvShldNw 105	Opport 105	LPinnacle 105	LPreserv1 105	LPreserv3 105	LPreserv4 105	LProtect1 105	LProtect2 105	LProtect3 105	LProtect4 105	LRGF(T4) 105	
Approved investments													
Government bonds	1,074,027	—	6,265,968	3,861,476	—	—	—	3,507,941	1,632,345	173,834	1,909,621	—	—
Corporate bonds	468,842	1,022	—	—	369,667	7,156	43,565	1,376,003	782,826	75,242	689,382	—	—
Infrastructure bonds	129,266	—	4,605	3,852	105,622	10,059	—	784,062	341,590	46,786	407,933	—	—
Equity	1,006,010	4,934,820	4,604,246	4,014,994	—	—	—	—	—	—	—	—	—
Money market	544,703	—	—	—	3,069,356	136,710	381,316	772,386	405,659	44,345	536,526	—	—
Mutual funds	26,534	78,257	128,441	49,430	5,814	19	4,455	3,978	1,465	107	4,316	—	—
Deposit with banks	—	—	—	—	1,852,900	108,240	254,550	660,000	100,000	—	460,000	—	—
Preference shares	23,194	2,856	—	—	—	—	—	—	—	—	—	—	—
Total	3,272,576	5,016,955	11,003,260	7,929,752	5,403,359	262,184	683,886	7,104,370	3,263,885	340,314	4,007,778	—	—
Other investments													
Corporate bonds	—	—	—	—	—	—	—	—	—	—	—	—	—
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—	—
Equity	59,040	512,008	183,194	158,694	—	—	—	—	—	—	—	—	—
Money market	—	—	—	—	—	—	—	—	—	—	—	—	—
Mutual funds	—	413,786	—	—	—	—	—	—	—	—	—	—	—
Venture fund	15,824	—	—	—	—	—	—	—	—	—	—	—	—
Total	74,864	925,794	183,194	158,694	—	—	—	—	—	—	—	—	—
Grand total	3,347,440	5,942,749	11,186,454	8,088,446	5,403,359	262,184	683,886	7,104,370	3,263,885	340,314	4,007,778	—	—
% of approved investments to Total	97.76%	84.42%	98.36%	98.04%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	—
% of other investments to Total	2.24%	15.58%	1.64%	1.96%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	—

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INVESTMENTS AT MARCH 31, 2015

(₹ 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 IX (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)	
	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	
Approved investments												
Government bonds	—	—	—	—	21,937	—	22,561	—	99,465	—	4,492	
Corporate bonds	—	—	—	268,025	23,609	214,825	3,079	533,679	34,369	345,231	3,108	
Infrastructure bonds	—	—	—	50,770	58,881	240,606	26,272	45,022	97,632	15,618	2,214	
Equity	—	—	—	—	—	—	—	—	—	—	—	
Money market	—	—	—	43,141	27,286	32,465	13,597	263,802	46,802	233,750	2,035	
Mutual funds	—	—	—	15,384	4,348	20,482	2,173	42,278	7,472	19,565	322	
Deposit with banks	—	—	—	594,500	161,490	813,000	82,820	1,925,611	230,225	715,050	8,990	
Preference shares	—	—	—	—	—	—	—	—	—	—	—	
Total	—	—	—	971,820	297,551	1,321,378	150,502	2,810,392	515,965	1,329,214	21,161	
Other investments												
Corporate bonds	—	—	—	—	—	—	—	—	—	—	—	
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	
Equity	—	—	—	—	—	—	—	—	—	—	—	
Money market	—	—	—	—	—	—	—	—	—	—	—	
Mutual funds	—	—	—	106,746	1,748	111,319	927	88,673	3,032	64,344	1,647	
Venture fund	—	—	—	—	—	—	—	—	—	—	—	
Total	—	—	—	106,746	1,748	111,319	927	88,673	3,032	64,344	1,647	
Grand total	—	—	—	1,078,566	299,299	1,432,697	151,429	2,899,065	518,997	1,393,558	22,808	
% of approved investments to Total	—	—	—	90.10%	99.42%	92.23%	99.39%	96.94%	99.42%	95.38%	92.78%	
% of other investments to Total	—	—	—	9.90%	0.58%	7.77%	0.61%	3.06%	0.58%	4.62%	7.22%	

(₹ in '000)

Particulars	Linked Life Funds								Total
	RICH Fund	RICH Fund II	RICH Fund III	RICH Fund IV	Secure Plus Fund	Secure Save Builder Fund	Secure Save Guarantee Fund		
	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	—	—	—	—	166,228	5,277	59,927	75,624,502	
Corporate bonds	—	—	—	—	49,496	1,483	10,254	15,984,072	
Infrastructure bonds	—	—	—	—	35,471	58	8,421	7,350,010	
Equity	5,711,748	7,756,135	322,982	3,919,685	71,736	24,617	47,810	255,102,617	
Money market	—	—	—	—	76,263	3,144	3,053	50,773,600	
Mutual funds	86,538	117,755	4,875	59,877	269	2	342	3,804,474	
Deposit with banks	—	—	—	—	—	—	—	18,744,255	
Preference shares	2,469	3,044	141	1,506	—	—	—	301,406	
Total	5,800,755	7,876,934	327,998	3,981,068	399,463	34,581	129,807	427,684,936	
Other investments									
Corporate bonds	—	—	—	—	—	—	—	79,131	
Infrastructure bonds	—	—	—	—	—	—	—		
Equity	665,226	913,451	37,316	461,634	—	806	2,039	23,902,689	
Money market	—	—	—	—	—	—	—	698,280	
Mutual funds	89,691	133,734	4,468	99,944	—	—	—	5,310,397	
Venture fund	—	—	—	—	—	—	—	15,824	
Total	754,917	1,047,185	41,784	561,578	—	806	2,039	30,006,321	
Grand total	6,555,672	8,924,119	369,782	4,542,646	399,463	35,387	131,846	457,691,257	
% of approved investments to Total	88.48%	88.27%	88.70%	87.64%	100.00%	97.72%	98.45%	93.44%	
% of other investments to Total	11.52%	11.73%	11.30%	12.36%	0.00%	2.28%	1.55%	6.56%	

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INVESTMENTS AT MARCH 31, 2015

Particulars	Linked Pension Funds												(₹ in '000)	
	Discontinued Fund - Pension	Easy Retirement Balanced Fund	Easy Retirement SP Balanced Fund	Easy Retirement Secure Fund	Easy Retirement 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	
	ULIF 101 01/07/10 PDiscont 105	ULIF 132 02/11/12 ERBF 105	ULIF 136 25/03/13 ERSPBF 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	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		
Approved investments														
Government bonds	—	205,681	2,872	104,962	286,311	1,877,543	2,384,864	—	2,061,870	292,794	329,366	—		
Corporate bonds	—	92,477	43	30,504	58,240	716,226	579,272	—	—	124,750	96,556	—		
Infrastructure bonds	—	6,065	—	2,491	39,401	302,161	204,522	—	5,732	17,284	23,349	17,639		
Equity	—	423,480	2,501	—	75,626	1,865,588	2,028,895	2,174,335	12,732,100	576,635	624,443	21,330,043		
Money market	305,361	257,010	278	46,062	32,701	228,069	162,652	—	—	79,335	80,351	778,838		
Mutual funds	—	1,254	63	2,786	52	2,101	2,008	14,791	33,311	646	311	321,454		
Deposit with banks	—	8,235	—	10,176	—	160,000	100,000	—	—	—	10,000	—		
Preference shares	—	1,600	—	—	1,930	47,598	62,658	168	—	11,812	13,583	11,676		
Total	305,361	995,802	5,757	196,981	494,261	5,199,286	5,524,871	2,189,294	14,833,013	1,103,256	1,177,959	22,459,650		
Other investments														
Corporate bonds	—	—	—	—	—	—	—	—	—	—	—	—		
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—		
Equity	—	60,152	345	—	4,538	110,975	121,807	274,106	490,499	54,777	61,204	939,361		
Money market	—	—	—	—	—	—	—	—	—	—	—	440,990		
Mutual funds	—	3,627	—	1,144	—	—	—	—	—	—	—	472,874		
Venture fund	—	—	—	—	—	—	—	—	—	—	—	—		
Total	—	63,779	345	1,144	4,538	110,975	121,807	274,106	490,499	54,777	61,204	1,853,225		
Grand total	305,361	1,059,581	6,102	198,125	498,799	5,310,261	5,646,678	2,463,400	15,323,512	1,158,033	1,239,163	24,312,875		
% of approved investments to Total	100.00%	93.98%	94.35%	99.42%	99.09%	97.91%	97.84%	88.87%	96.80%	95.27%	95.06%	92.38%		
% of other investments to Total	0.00%	6.02%	5.65%	0.58%	0.91%	2.09%	2.16%	11.13%	3.20%	4.73%	4.94%	7.62%		

Particulars	Linked Pension Funds												(₹ in '000)	
	Pension Flexi Growth Fund II	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 Opportunities Fund	Pension Fund II	Pension Preserver Fund		
	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	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 PMultipl1 105	ULIF 045 25/02/08 PMultipl2 105	ULIF 092 11/01/10 PMultipl2 105	ULIF 011 17/05/04 PPreserv 105		
Approved investments														
Government bonds	—	—	4,856,802	—	—	—	638,281	—	—	—	—	—		
Corporate bonds	—	—	1,574,363	—	181,765	350,111	174,897	3,499	—	—	—	1,477	233,586	
Infrastructure bonds	12,327	—	927,238	—	—	27,160	20,412	14,148	—	—	—	—	165,978	
Equity	17,861,946	387,072	—	5,458,713	16,542,825	—	1,317,305	16,208,392	4,482,947	2,158,008	5,893,123	—		
Money market	110,124	—	854,771	—	—	3,097,866	297,450	787,369	—	—	—	—	4,385,342	
Mutual funds	264,446	6,129	10,742	83,131	67,153	62	899	249,766	68,431	32,671	87,011	—	13,555	
Deposit with banks	67	—	460,000	—	—	1,870,900	10,000	251,000	—	—	—	—	3,084,100	
Preference shares	11,710	—	—	—	—	25,734	16,500	—	—	—	4,400	—	—	
Total	18,260,620	393,201	8,683,916	5,541,844	16,791,743	5,346,099	2,484,978	17,530,674	4,551,378	2,190,679	5,986,011	7,882,561		
Other investments														
Corporate bonds	—	—	35,358	—	—	—	—	—	—	—	—	—		
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—		
Equity	765,860	54,507	—	702,185	2,194,063	—	144,388	1,102,137	590,986	275,602	509,532	—		
Money market	466,797	—	—	—	—	—	—	83,813	—	—	—	—		
Mutual funds	598,381	17,061	—	59,585	131,845	—	13,378	256,860	45,165	10,051	96,721	—		
Venture fund	—	—	—	—	—	—	—	—	—	—	—	—		
Total	1,831,038	71,568	35,358	761,770	2,325,908	—	157,766	1,442,810	636,151	285,653	606,253	—		
Grand total	20,091,658	464,769	8,719,274	6,303,614	19,117,651	5,346,099	2,642,744	18,973,484	5,187,529	2,476,332	6,592,264	7,882,561		
% of approved investments to Total	90.89%	84.60%	99.59%	87.92%	87.83%	100.00%	94.03%	92.40%	87.74%	88.46%	90.80%	100.00%		
% of other investments to Total	9.11%	15.40%	0.41%	12.08%	12.17%	0.00%	5.97%	7.60%	12.26%	11.54%	9.20%	0.00%		

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INVESTMENTS AT MARCH 31, 2015

(₹ in '000)

Particulars	Linked Pension Funds									
	Pension Protector Fund	Pension Protector Fund II	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)	
	ULIF 006 03/05/02 PPProtect1 105	ULIF 017 17/05/04 PPProtect2 105	ULIF 070 31/03/09 PRGF4	ULIF 074 29/04/09 PRGF5	ULIF 079 17/06/09 PRGF6	ULIF 083 16/11/09 PRGF7	ULIF 102 12/10/10 PRGF(S1) 105	ULIF 108 22/12/10 PRGF(S2) 105	ULIF 113 13/01/11 PRGF(S3) 105	
Approved investments										
Government bonds	7,303,684	2,937,180	—	—	—	—	6,580	4,181	22,148	
Corporate bonds	2,266,668	1,223,666	—	—	—	—	27,058	7,299	6,301	
Infrastructure bonds	1,546,499	550,852	—	—	—	—	24,930	11,322	24,609	
Equity	—	—	—	—	—	—	—	—	—	
Money market	1,299,033	483,517	—	—	—	—	14,984	4,532	10,729	
Mutual funds	899	24,876	—	—	—	—	1,120	454	1,704	
Deposit with banks	1,029,374	360,000	—	—	—	—	90,790	22,415	47,320	
Preference shares	—	—	—	—	—	—	—	—	—	
Total	13,446,157	5,580,091	—	—	—	—	165,462	50,203	112,811	
Other investments										
Corporate bonds	—	—	—	—	—	—	—	—	—	
Infrastructure bonds	—	—	—	—	—	—	—	—	—	
Equity	—	—	—	—	—	—	—	—	—	
Money market	—	—	—	—	—	—	—	—	—	
Mutual funds	—	—	—	—	—	—	—	—	6,367	
Venture fund	—	—	—	—	—	—	—	—	—	
Total	—	—	—	—	—	—	—	—	6,367	
Grand total	13,446,157	5,580,091	—	—	—	—	165,462	50,203	119,178	
% of approved investments to Total	100.00%	100.00%	—	—	—	—	100.00%	100.00%	94.66%	
% of other investments to Total	0.00%	0.00%	—	—	—	—	0.00%	0.00%	5.34%	

(₹ in '000)

Particulars	Linked Pension Funds						Total
	Pension Return Guarantee Fund XI (10 Yrs)	Pension RICH Fund	Pension RICH Fund II	Pension Secure Fund	Secure Plus Pension Fund		
	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	2,193	—	—	279,137	62,362	23,658,811	
Corporate bonds	1,026	23,868	18,607	87,764	13,879	7,893,902	
Infrastructure bonds	1,107	—	—	10,435	17,458	3,973,119	
Equity	—	15,099,355	9,519,394	—	18,475	136,781,201	
Money market	1,110	—	—	181,145	7,964	13,506,593	
Mutual funds	173	224,045	140,800	585	939	1,658,368	
Deposit with banks	5,420	—	—	10,000	—	7,529,797	
Preference shares	—	6,084	5,301	—	—	220,754	
Total	11,029	15,353,352	9,684,102	569,066	121,077	195,222,545	
Other investments							—
Corporate bonds	—	—	—	—	—	—	35,358
Infrastructure bonds	—	—	—	—	—	—	—
Equity	—	1,525,819	912,133	—	—	—	10,894,976
Money market	—	—	—	—	—	—	991,600
Mutual funds	958	125,883	61,672	—	—	—	1,901,572
Venture fund	—	—	—	—	—	—	—
Total	958	1,651,702	973,805	—	—	—	13,823,506
Grand total	11,987	17,005,054	10,657,907	569,066	121,077	209,046,051	
% of approved investments to Total	92.01%	90.29%	90.86%	100.00%	100.00%	93.39%	
% of other investments to Total	7.99%	9.71%	9.14%	0.00%	0.00%	6.61%	

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INVESTMENTS AT MARCH 31, 2015

(₹ 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 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 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	87,966	82,236	—	—	—	615,126	—	—	—	—	—	785,328
Corporate bonds	48,098	37,175	1,058	—	3,036	243,272	—	—	—	—	—	332,639
Infrastructure bonds	17,676	16,472	—	461	—	120,108	—	—	—	—	—	154,717
Equity	95,622	187,959	3,820,181	472,793	—	—	—	—	—	—	—	4,576,555
Money market	41,449	44,449	—	—	30,163	247,810	—	—	—	—	—	363,871
Mutual funds	280	289	60,498	7,045	340	1,104	—	—	—	—	—	69,556
Deposit with banks	—	9,800	—	—	23,100	103,700	—	—	—	—	—	136,600
Preference shares	1,968	3,261	1,716	9	—	—	—	—	—	—	—	6,954
Total	293,059	381,641	3,883,453	480,308	56,639	1,331,120	—	—	—	—	—	6,426,220
Other investments												—
Corporate bonds	—	—	—	—	—	7,072	—	—	—	—	—	7,072
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—
Equity	5,565	18,213	374,853	34,517	—	—	—	—	—	—	—	433,148
Money market	—	—	33,447	—	—	—	—	—	—	—	—	33,447
Mutual funds	—	—	300,119	19,202	—	—	—	—	—	—	—	319,321
Venture fund	—	—	—	—	—	—	—	—	—	—	—	—
Total	5,565	18,213	708,419	53,719	—	7,072	—	—	—	—	—	792,988
Grand total	298,624	399,854	4,591,872	534,027	56,639	1,338,192	—	—	—	—	—	7,219,208
% of approved investments to Total	98.14%	95.45%	84.57%	89.94%	100.00%	99.47%	—	—	—	—	—	89.02%
% of other investments to Total	1.86%	4.55%	15.43%	10.06%	0.00%	0.53%	—	—	—	—	—	10.98%

Particulars	Linked Group Funds													Group Capital Guarantee Short Term Debt Fund III
	Group Balanced Fund	Group Balanced Fund II	Group Capital Balanced Fund	Group Capital Balanced Fund II	Group Capital Balanced Fund III	Group Capital Debt Fund	Group Capital Debt Fund II	Group Capital Debt Fund III	Group Capital Growth Fund	Group Capital Guaranteed Growth Fund	Group Capital Growth Fund II	Group Capital Short Term Debt Fund	Group Capital Short Term Debt Fund II	
	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 050 27/08/13 GCGGrowth3 105	ULGF 005 24/02/04 GCGSTDDebt1 105	ULGF 009 16/03/07 GCGSTDDebt2 105	ULGF 047 27/08/13 GCGSTDDebt3 105
Approved investments														
Government bonds	8,600,956	52,195	45,703	868,914	48,877	15,625	464,886	115,209	15,390	34,410	440	—	—	—
Corporate bonds	3,051,605	12,132	15,787	323,263	13,542	1,163	116,695	57,756	669	9,139	—	5,060	409,571	7,069
Infrastructure bonds	906,072	—	9,315	135,071	4,185	698	62,000	2,054	2,077	5,161	—	—	—	2,012
Equity	2,804,260	12,935	12,727	256,264	16,623	—	—	—	11,869	27,528	691	—	—	—
Money market	1,694,570	10,302	5,061	215,808	29,375	1,573	241,627	15,543	5,640	5,828	—	67,153	2,268,758	65,783
Mutual funds	8,487	393	196	650	741	269	3,528	205	73	286	29	1,677	7,580	626
Deposit with banks	2,664,761	—	—	10,000	—	—	10,000	6,845	—	—	500	44,500	1,358,700	35,250
Preference shares	123,528	—	622	12,399	—	—	—	—	363	768	—	—	—	—
Total	19,854,239	87,957	89,411	1,822,369	113,343	19,328	898,736	197,612	36,081	83,120	1,660	118,390	4,044,609	110,740
Other investments												—	—	—
Corporate bonds	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Infrastructure bonds	39,725	—	—	—	—	—	—	—	—	—	—	—	—	—
Equity	406,989	1,828	1,854	38,137	2,167	—	—	—	1,702	3,941	84	—	—	—
Money market	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Mutual funds	—	—	—	—	—	173	—	—	—	—	187	8,141	—	—
Venture fund	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	446,714	1,828	1,854	38,137	2,167	173	—	—	1,702	3,941	271	8,141	—	—
Grand total	20,300,953	89,785	91,265	1,860,506	115,510	19,501	898,736	197,612	37,783	87,061	1,931	126,531	4,044,609	110,740
% of approved investments to Total	97.80%	97.96%	97.97%	97.95%	98.12%	99.11%	100.00%	100.00%	95.50%	95.47%	85.97%	93.57%	100.00%	100.00%
% of other investments to Total	2.20%	2.04%	2.03%	2.05%	1.88%	0.89%	0.00%	0.00%	4.50%	4.53%	14.03%	6.43%	0.00%	0.00%

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INVESTMENTS AT MARCH 31, 2015

(₹ in '000)

Particulars	Linked Group Funds										
	Group Debt Fund	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	Group Return Guarantee Fund III	
	ULGF 002 03/04/03 GDebt 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	ULGF 023 16/06/09 GRGF3 105	
Approved investments											
Government bonds	6,927,666	526,608	1,633,200	6,249	420,625	96,565	—	—	—	—	
Corporate bonds	3,226,957	190,190	764,138	71	161,497	31,963	28,091	—	—	—	
Infrastructure bonds	1,496,672	142,709	150,086	—	93,955	12,595	—	—	—	—	
Equity	—	—	3,263,732	9,259	137,985	—	—	—	—	—	
Money market	1,643,318	199,810	309,657	1,943	147,877	26,391	20,034	—	—	—	
Mutual funds	22,978	14,029	2,532	74	157	373	1,156	—	—	—	
Deposit with banks	1,145,054	—	—	—	10,000	—	76,961	—	—	—	
Preference shares	—	—	67,259	—	6,265	—	—	—	—	—	
Total	14,462,645	1,073,346	6,190,604	17,596	978,361	167,887	126,242	—	—	—	
Other investments											
Corporate bonds	—	—	—	—	—	—	—	—	—	—	
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	
Equity	—	—	458,424	1,128	19,743	—	—	—	—	—	
Money market	—	—	—	—	—	—	—	—	—	—	
Mutual funds	—	—	—	—	—	—	—	—	—	—	
Venture fund	—	—	—	—	—	—	—	—	—	—	
Total	—	—	458,424	1,128	19,743	—	—	—	—	—	
Grand total	14,462,645	1,073,346	6,649,028	18,724	998,104	167,887	126,242	—	—	—	
% of approved investments to Total	100.00%	100.00%	93.11%	93.98%	98.02%	100.00%	100.00%	—	—	—	
% of other investments to Total	0.00%	0.00%	6.89%	6.02%	1.98%	0.00%	0.00%	—	—	—	

(₹ in '000)

Particulars	Linked Group Funds							Group Superannuation Corporate Bond Fund	Total	Grand Total
	Group Return Guarantee Fund - S5	Group Return Guarantee Fund - S7	Group Short Term Debt Fund	Group Short Term Debt Fund II	Group Short Term Debt Fund III	Group Short Term Debt Fund IV	Group Short Term Debt Fund V			
	ULGF 026 14/03/11 GRGFS5 105	ULGF 028 01/07/11 GRGFS7 105	ULGF 003 03/04/03 GSTDebt 105	ULGF 046 27/08/13 GSTDebt2 105	ULGF 039 30/04/13 GSTDebt3 105	ULGF 015 22/12/08 GSACorBon 105				
Approved investments										
Government bonds	—	—	—	—	—	—	—	19,873,518	119,942,159	
Corporate bonds	27,384	83,162	441,581	138,557	—	693,900	9,810,942	34,021,555		
Infrastructure bonds	12,485	88,344	213,256	—	—	614,254	3,953,001	15,430,847		
Equity	—	—	—	—	—	—	6,553,873	403,014,246		
Money market	23,402	97,126	3,389,073	1,004,905	7,042	366,170	11,863,769	76,507,833		
Mutual funds	2,253	8,119	10,348	1,162	28	32,085	120,034	5,652,432		
Deposit with banks	83,800	283,600	1,784,300	693,820	6,455	399,677	8,614,223	35,024,875		
Preference shares	—	—	—	—	—	—	211,204	740,318		
Total	149,324	560,351	5,838,558	1,838,444	13,525	2,106,086	61,000,564	690,334,265		
Other investments										
Corporate bonds	—	—	—	—	—	—	—	—	121,561	
Infrastructure bonds	—	—	—	—	—	—	39,725	39,725		
Equity	—	—	—	—	—	—	935,997	36,166,810		
Money market	—	—	—	—	—	—	—	—	1,723,327	
Mutual funds	6,578	25,641	—	—	—	90,798	131,518	7,662,808		
Venture fund	—	—	—	—	—	—	—	—	15,824	
Total	6,578	25,641	—	—	—	90,798	1,107,240	45,730,055		
Grand total	155,902	585,992	5,838,558	1,838,444	13,525	2,196,884	62,107,804	736,064,320		
% of approved investments to Total	95.78%	95.62%	100.00%	100.00%	100.00%	95.87%	98.22%	93.79%		
% of other investments to Total	4.22%	4.38%	0.00%	0.00%	0.00%	4.13%	1.78%	6.21%		

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CURRENT ASSETS AT MARCH 31, 2015

Particulars	Linked Life Funds												₹ in '000)	
	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 LDiscnt 105	ULIF 097 11/01/10 LDynamicPCE 105	ULIF 031 20/03/07 LFlexiBal1 105	ULIF 032 20/03/07 LFlexiBal2 105	ULIF 033 20/03/07 LFlexiBal3 105		
Accrued interest	1,894	138,075	50,736	5,601	11,581	6	66,807	50,011	104,004	10,108	8,003	513		
Cash & Bank balance	10	10	10	10	10	10	10	5	10	10	10	10		
Dividend receivable	—	9,278	3,169	227	845	121	—	—	2,352	959	722	44		
Receivable for sale of investments	—	280,749	99,007	8,426	27,695	7,006	89,415	—	—	20,723	16,141	1,114		
Unit collection a/c	98	6,727	—	—	—	29,183	—	—	134,321	2,485	—	—		
Other current assets (for Investments)	—	3	1	—	—	3	—	—	10	—	—	—		
Total	2,002	434,842	152,923	14,264	40,131	36,329	156,232	50,016	240,697	34,285	24,876	1,681		

Particulars	Linked Life Funds												₹ in '000)	
	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	Maximise India 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	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 136 11/20/14 MIF 105		
Accrued interest	2,904	6,916	2,784	—	3,468	766,408	606,128	116,230	42,202	—	66,841	—		
Cash & Bank balance	10	10	10	10	10	10	10	10	10	10	10	10		
Dividend receivable	270	2,064	1,069	89	923	1,477	—	—	765	275	—	40		
Receivable for sale of investments	7,517	318,637	109,960	4,473	165,293	—	482,682	168,180	96,952	384	98,869	—		
Unit collection a/c	537	18,938	7,984	—	873	352,948	401,696	628	—	69,165	58,227	29,577		
Other current assets (for Investments)	—	21	13	1	12	—	3	1	—	11	1	2		
Total	11,238	346,586	121,820	4,573	170,579	1,120,843	1,490,519	285,049	139,929	69,845	223,948	29,629		

Particulars	Linked Life Funds												₹ in '000)	
	Maximiser Fund	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		
	ULIF 001 22/10/01 LMaximis1 105	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		
Accrued interest	(99)	—	—	—	3,600	189,168	37,981	4,975	13	3	—	1		
Cash & Bank balance	10	10	10	10	10	10	10	10	10	10	10	10		
Dividend receivable	2,334	779	116	37	2,731	—	2,812	2,458	254	66	4	29		
Receivable for sale of investments	31,154	7,516	1,194	362	8,340	—	103,490	234,448	39,033	14,472	—	—		
Unit collection a/c	1,861	5,511	—	189	697,239	240,720	33,674	130,865	700	1,128	—	906		
Other current assets (for Investments)	16	4	1	—	39	—	2	45	4	2	—	1		
Total	35,276	13,820	1,321	598	711,959	429,898	177,969	372,801	40,014	15,681	14	947		

Particulars	Linked Life Funds												₹ in '000)	
	New Invest 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 IV			
	ULIF 025 21/08/06 LInvShldNw 105	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 069 31/03/09 LRGF(74) 105		
Accrued interest	37,113	—	170,156	109,144	72,638	10,139	8,332	187,898	73,446	8,069	78,857	—		
Cash & Bank balance	10	10	10	10	10	10	10	10	10	10	10	10		
Dividend receivable	1,822	854	443	357	—	—	—	—	264,335	70,077	10,661	118,049	—	
Receivable for sale of investments	85,861	—	—	—	—	—	—	—	—	—	—	—		
Unit collection a/c	268	33,056	—	26,914	—	1,148	—	5,852	—	—	—	2,782	—	
Other current assets (for Investments)	—	—	—	—	—	—	1	—	—	—	—	—		
Total	125,074	33,920	170,609	136,425	72,648	11,297	8,342	458,096	143,533	18,740	199,698	—		

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CURRENT ASSETS AT MARCH 31, 2015

(₹ 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 Fund IX (5 Yrs)	Return Guarantee Fund IX (10 Yrs)	Return Guarantee Fund IX (10 Fund X (5 Yrs)	Return Guarantee Fund X (10 Yrs)	Return Guarantee Fund X (10 Fund XI (5 Yrs)	Return Guarantee Fund XI (10 Yrs)			
	ULIF 073 29/04/09	ULIF 078 17/06/09	ULIF 082 16/11/09	ULIF 103 12/10/10	ULIF 104 12/10/10	ULIF 106 22/12/10	ULIF 107 22/12/10	ULIF 111 13/01/11	ULIF 112 13/01/11	ULIF 120 17/03/11	ULIF 121 19/04/11		
Accrued interest	—	—	—	87,553	30,381	119,904	13,287	305,179	47,731	89,552	1,580		
Cash & Bank balance	—	—	—	10	10	10	10	10	10	10	10		
Dividend receivable	—	—	—	—	—	—	—	—	—	—	—		
Receivable for sale of investments	—	—	—	—	—	—	—	—	—	—	—		
Unit collection a/c	—	—	—	—	55	—	—	—	—	—	63		
Other current assets (for Investments)	—	—	—	—	—	—	—	—	—	—	—		
Total	—	—	—	87,563	30,446	119,914	13,297	305,189	47,741	89,625	1,590		

(₹ in '000)

Particulars	Linked Life Funds											
	RICH Fund	RICH Fund II	RICH Fund III	RICH Fund IV	Secure Plus Fund	Secure Save Builder Fund	Secure Save Guarantee Fund	Total				
	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	—	—	—	—	—	5,973	184	1,882	3,755,860			
Cash & Bank balance	10	10	10	10	10	10	10	10	615			
Dividend receivable	462	604	26	304	—	—	3	3	41,187			
Receivable for sale of investments	9,102	9,102	—	—	13,616	290	3,965	3,965	3,028,290			
Unit collection a/c	8,179	5,580	—	469	—	—	—	—	2,310,546			
Other current assets (for Investments)	2	2	—	—	—	—	—	—	201			
Total	17,755	15,298	36	783	19,599	487	5,860	5,860	9,136,699			

(₹ in '000)

Particulars	Linked Pension Funds											
	Discontinued Fund - Pension	Easy Retirement Fund	Easy Retirement Fund	Easy Retirement Fund	Invest Shield Fund - Pension	Pension Balancer Fund	Pension Balancer Fund II	Pension Bluechip Fund	Pension Dynamic P/E Fund	Pension Balanced Fund	Pension Flexi Fund	Pension Flexi Fund II
	ULIF 101 01/07/10 PDiscont 105	ULIF 132 02/11/12 ERBF 105	ULIF 136 25/03/13 ERSPB 105	ULIF 133 02/11/12 PInvShld 105	ULIF 019 03/01/05 PBalancer1 105	ULIF 005 03/05/02 PBalancer2 105	ULIF 015 17/05/04 PBluClip 105	ULIF 093 11/01/10 PDynmicPE 105	ULIF 098 11/01/10 PFlexiBal1 105	ULIF 034 20/03/07 PFlexiBal2 105	ULIF 035 20/03/07 PFlexiGr 105	ULIF 029 20/03/07 PFlexiGr 105
Accrued interest	—	12,264	38	7,951	9,833	96,009	83,861	—	55,298	11,094	14,350	30
Cash & Bank balance	16	10	10	10	10	10	10	10	10	10	10	10
Dividend receivable	—	153	—	—	151	3,727	4,879	13	1,382	980	1,122	2,522
Receivable for sale of investments	—	18,541	1	5,347	18,908	114,752	187,516	14,968	—	20,697	26,027	129,899
Unit collection a/c	—	43,264	—	7,523	—	—	—	4,575	5,785	—	366	—
Other current assets (for Investments)	—	2	—	—	—	1	1	—	—	1	1	21
Total	16	74,234	49	20,831	28,902	214,499	276,267	19,566	62,475	32,782	41,876	132,482

(₹ in '000)

Particulars	Linked Pension Funds											
	Pension Flexi Growth Fund II	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 Multi Cap Fund	Pension Multiplier Fund	Pension Multiplier Opportunities Fund	Pension Preserver Fund
	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	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 PMultipl1 105	ULIF 045 25/02/08 PMultipl2 105	ULIF 092 11/01/10 POpprt 105	ULIF 011 17/05/04 PPreserv 105
Accrued interest	54	—	212,567	—	5,144	66,157	22,950	882	—	—	—	159,810
Cash & Bank balance	10	10	10	10	10	10	10	10	10	10	10	10
Dividend receivable	2,358	32	—	452	1,159	—	2,079	2,637	—	—	1,083	—
Receivable for sale of investments	16,126	258	299,395	3,563	80,856	—	41,847	63,995	2,932	1,460	16,321	—
Unit collection a/c	40,367	5,419	—	2,117	—	—	15,812	13,448	2,888	1,507	3,030	—
Other current assets (for Investments)	10	—	—	2	18	—	1	26	1	—	3	—
Total	58,925	5,719	511,972	6,144	87,187	66,167	82,699	80,998	5,831	2,977	20,447	159,820

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Schedule F - 3

CURRENT ASSETS AT MARCH 31, 2015

Particulars	Linked Pension Funds										(₹ in '000)
	Pension Protector Fund	Pension Protector Fund II	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)		
	ULIF 006 03/05/02	ULIF 017 17/05/04	ULIF 070 31/03/09	ULIF 074 29/04/09	ULIF 079 17/06/09	ULIF 083 16/11/09	ULIF 102 12/10/10	ULIF 108 22/12/10	ULIF 113 13/01/11		
	PPProtect1 105	PPProtect2 105	105	105	105	105	PRGF(S1) 105	PRGF(S2) 105	PRGF(S3) 105		
Accrued interest	402,188	148,854	—	—	—	—	—	15,496	4,791	10,053	
Cash & Bank balance	10	10	—	—	—	—	—	10	10	10	
Dividend receivable	—	—	—	—	—	—	—	—	—	—	
Receivable for sale of investments	478,720	178,239	—	—	—	—	—	—	—	—	
Unit collection a/c	—	—	—	—	—	—	—	—	—	—	
Other current assets (for Investments)	—	—	—	—	—	—	—	—	—	—	
Total	880,918	327,103	—	—	—	—	—	15,506	4,801	10,063	

Particulars	Linked Pension Funds						(₹ in '000)	
	Pension Return Guarantee Fund XI (10 Yrs)	Pension RICH Fund	Pension RICH Fund II	Pension Secure Fund	Secure Plus Pension Fund	Total		
	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			
	1,100	—	—	11,100	2,434	1,354,308		
Accrued interest	10	10	10	10	10	346		
Cash & Bank balance	—	2,605	1,637	—	—	28,971		
Dividend receivable	—	—	28,160	17,656	3,778	1,769,962		
Receivable for sale of investments	—	15,839	10,702	7,406	—	180,048		
Unit collection a/c	—	—	4	—	—	92		
Other current assets (for Investments)	—	—	—	—	—	—		
Total	1,110	18,454	40,513	36,172	6,222	3,333,727		

Particulars	Linked Health Funds												(₹ in '000)
	Health Balancer Fund	Health Flexi Balanced Fund	Health Flexi Growth Fund	Health Multiplier Fund	Health Preserver Fund	Health Protector Fund	Health Return Guarantee Fund IV	Health Return Guarantee Fund V	Health Return Guarantee Fund VI	Health Return Guarantee Fund VII	Health Return Fund	Total	
	ULIF 059 15/01/09	ULIF 060 15/01/09	ULIF 057 15/01/09	ULIF 058 15/01/09	ULIF 056 15/01/09	ULIF 061 15/01/09	ULIF 071 31/03/09	ULIF 075 29/04/09	ULIF 080 17/06/09	ULIF 084 16/11/09	ULIF 0084 16/11/09	Total	
	HBalancer 105	HFlexiBal 105	HFlexiGro 105	HMultip 105	HPreserv 105	HProtect 105	HRGF4 105	HRGF5 105	HRGF6 105	HRGF7 105	—	—	
Accrued interest	3,663	8,208	1	1	3,559	27,530	—	—	—	—	—	42,962	
Cash & Bank balance	10	10	10	10	10	10	—	—	—	—	—	60	
Dividend receivable	155	274	627	15	—	—	—	—	—	—	—	1,071	
Receivable for sale of investments	7,255	7,609	—	1,051	—	35,624	—	—	—	—	—	51,539	
Unit collection a/c	1,566	2,090	20,182	2,468	57	7,613	—	—	—	—	—	33,976	
Other current assets (for Investments)	—	—	—	—	—	—	—	—	—	—	—	—	
Total	12,649	18,191	20,820	3,545	3,626	70,777	—	—	—	—	—	129,608	

Particulars	Linked Group Funds												(₹ in '000)				
	Group Balanced Fund	Group Capital Balanced Fund II	Group Capital Guarantee Fund	Group Capital Balanced Fund II	Group Capital Guarantee Fund	Group Capital Balanced Fund III	Group Capital Debt Fund	Group Capital Debt Fund II	Group Capital Debt Fund III	Group Capital Growth Fund	Group Capital Growth Fund II	Group Capital Growth Fund III	Group Capital Short Term Debt Fund	Group Capital Short Term Debt Fund II	Group Capital Short Term Debt Fund III		
	ULGF 001 03/04/03	ULGF 041 30/04/13	ULGF 006 03/10/05	ULGF 010 21/03/07	ULGF 049 27/08/13	ULGF 007 28/10/05	ULGF 011 21/03/07	ULGF 048 27/08/13	ULGF 008 11/12/06	ULGF 012 05/07/07	ULGF 050 27/08/13	ULGF 005 24/02/04	ULGF 005 16/03/07	ULGF 009 01/03/12	—	—	
	GBalancer 105	GBalancer2 105	GCBal1 105	GCBal2 105	GCBal3 105	105	105	105	105	105	105	105	105	105	105	105	
Accrued interest	496,933	1,598	1,965	38,035	1,921	354	18,771	9,854	397	1,349	237	538	63,983	707	—	—	
Cash & Bank balance	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	
Dividend receivable	9,428	—	47	945	1	—	—	—	28	59	—	—	—	—	—	—	
Receivable for sale of investments	515,907	3,153	2,911	52,307	2,041	1,281	27,767	3,916	937	2,081	—	—	—	—	—	—	
Unit collection a/c	161,164	313	738	13,828	214	145	6,254	578	274	571	44	828	34,667	286	—	—	
Other current assets (for Investments)	2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Total	1,183,444	5,074	5,671	105,125	4,187	1,790	52,802	14,358	1,646	4,070	291	1,376	98,660	1,003	—	—	

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CURRENT ASSETS AT MARCH 31, 2015

(₹ in '000)

Particulars	Linked Group Funds									
	Group Debt Fund	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	Group Return Guarantee Fund III
	ULGF 002 03/04/03 GDebt1 105	ULGF 040 30/04/13 GDebt2 105	ULGF 004 30/10/03 GGrowth1 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	ULGF 023 16/06/09 GRGF3 105
Accrued interest	406,462	22,970	74,284	103	20,846	3,477	15,274	—	—	—
Cash & Bank balance	10	10	10	5	10	10	10	—	—	—
Dividend receivable	—	—	5,223	1	478	—	—	—	—	—
Receivable for sale of investments	422,296	34,731	101,763	—	25,514	4,447	—	—	—	—
Unit collection a/c	78,775	8,082	49,267	41	47,565	830	1,211	—	—	—
Other current assets (for Investments)	—	—	1	—	—	—	—	—	—	—
Total	907,543	65,793	230,548	150	94,413	8,764	16,495	—	—	—

(₹ in '000)

Particulars	Linked Group Funds							Grand Total
	Group Return Guarantee Fund - S5	Group Return Guarantee Fund - S7	Group Short Term Debt Fund	Group Short Term Debt Fund II	Group Short Term Debt Fund III	Group Superannuation Corporate Bond Fund		
	ULGF 026 14/03/11 GRGFS5 105	ULGF 028 01/07/11 GRGFS7 105	ULGF 003 03/04/03 GSTDebt 105	ULGF 046 27/08/13 GSTDebt2 105	ULGF 039 30/04/13 GSTDebt3 105	ULGF 015 22/12/08 GSACorBon 105		
Accrued interest	14,888	29,463	60,637	48,635	498	236,373	1,570,552	6,723,682
Cash & Bank balance	10	10	10	10	10	10	265	1,286
Dividend receivable	—	—	—	—	—	—	16,210	87,439
Receivable for sale of investments	—	—	—	—	—	—	1,201,052	6,050,843
Unit collection a/c	1,115	3,547	41,052	11,567	167	8,793	471,916	2,996,486
Other current assets (for Investments)	—	—	—	—	—	—	3	296
Total	16,013	33,020	101,699	60,212	675	245,176	3,259,998	15,860,032

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CURRENT LIABILITIES AT MARCH 31, 2015

Particulars	Linked Life Funds												₹ in '000)	
	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 LDisccont 105	ULIF 097 11/01/10 LDynamicPE 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	—	(93,006)	(24,454)	(1,940)	(8,885)	(12,894)	(46,459)	(73)	(120,327)	(10,650)	(8,735)	(320)		
Other current liabilities	—	(809)	(122)	(19)	(33)	(182)	(109)	(352)	(1,132)	(83)	(28)	(4)		
Unit payable a/c	—	—	(2,066)	(85)	(14)	—	(1,526)	(219,530)	—	—	(1,431)	(291)		
Total	—	(93,815)	(26,642)	(2,044)	(8,932)	(13,076)	(48,094)	(219,955)	(121,459)	(10,733)	(10,194)	(615)		

Particulars	Linked Life Funds												₹ in '000)	
	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	Maximise India 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 136 11/20/14 MIF 105		
Payable for purchase of investments	(4,336)	(63,658)	(40,182)	(3,278)	(35,319)	(364,226)	(542,287)	(105,556)	(50,582)	(127,904)	(130,093)	(25,032)		
Other current liabilities	(11)	(1,396)	(585)	(68)	(497)	(2,630)	(1,089)	(208)	(113)	(237)	(193)	(24)		
Unit payable a/c	—	—	—	(1,754)	—	—	—	—	(11,104)	—	—	—		
Total	(4,347)	(65,054)	(40,767)	(5,100)	(35,816)	(366,856)	(543,376)	(105,764)	(61,799)	(128,141)	(130,286)	(25,056)		

Particulars	Linked Life Funds												₹ in '000)	
	Maximiser Fund	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		
	ULIF 001 22/10/01 LMaximi1 105	ULIF 012 17/05/04 LMaximi2 105	ULIF 022 13/03/06 LMaximi3 105	ULIF 037 27/08/07 LMaximi4 105	ULIF 114 15/03/11 LMaximi5 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		
Payable for purchase of investments	(64,745)	(18,874)	(2,162)	(358)	(464,592)	(3)	(60,564)	(434,188)	(5,039)	(6,673)	(406)	(3,045)		
Other current liabilities	(3,458)	(611)	(134)	(28)	(1,889)	(367)	(198)	(1,126)	(594)	(104)	(9)	(47)		
Unit payable a/c	—	—	(2,229)	—	—	—	—	—	—	—	(2)	—		
Total	(68,203)	(19,485)	(4,525)	(386)	(466,481)	(370)	(60,762)	(435,314)	(5,633)	(6,777)	(417)	(3,092)		

Particulars	Linked Life Funds												₹ in '000)	
	New Invest 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 IV			
	ULIF 025 21/08/06 LInvShldNw 105	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 LPreserv5 105	ULIF 016 17/05/04 LProtect1 105	ULIF 024 13/03/06 LProtect2 105	ULIF 041 27/08/07 LProtect3 105	ULIF 069 31/03/09 LProtect4 105		
Payable for purchase of investments	(58,009)	—	(114,478)	(41,630)	—	—	—	(120,802)	(40,769)	(4,437)	(57,192)	—		
Other current liabilities	(131)	(247)	(502)	(364)	(126)	(6)	(16)	(343)	(78)	(16)	(96)	—		
Unit payable a/c	—	—	(6,271)	—	(9,640)	—	(534)	—	(6,185)	(326)	—	—		
Total	(58,140)	(247)	(121,251)	(41,994)	(9,766)	(6)	(550)	(121,145)	(47,032)	(4,779)	(57,288)	—		

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Schedule F - 4

CURRENT LIABILITIES AT MARCH 31, 2015

(₹ 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 Fund Yrs)	Return Guarantee Fund IX (5 Yrs)	Return Guarantee Fund IX (10 Yrs)	Return Guarantee Fund X (5 Yrs)	Return Guarantee Fund X (10 Fund Yrs)	Return Guarantee Fund XI (5 Yrs)	Return Guarantee Fund XI (10 Yrs)	
	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	
Payable for purchase of investments	—	—	—	—	—	—	—	—	—	—	—	
Other current liabilities	—	—	—	(54)	(15)	(72)	(8)	(148)	(26)	(68)	(1)	
Unit payable a/c	—	—	—	(37)	—	(104)	(6)	(58)	(12)	—	(1)	
Total	—	—	—	(91)	(15)	(176)	(14)	(206)	(38)	(68)	(2)	

(₹ in '000)

Particulars	Linked Life Funds										Total
	RICH Fund	RICH Fund II	RICH Fund III	RICH Fund IV	Secure Plus Fund	Secure Save Builder Fund	Secure Save Guarantee Fund				
	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	—	—	—	—	(3,535)	—	(1)	(3,321,698)			
Other current liabilities	(455)	(413)	(26)	(210)	(16)	(1)	(7)	(21,934)			
Unit payable a/c	—	—	(201)	—	(4,347)	(68)	(306)	(268,128)			
Total	(455)	(413)	(227)	(210)	(7,898)	(69)	(314)	(3,611,760)			

(₹ in '000)

Particulars	Linked Pension Funds											
	Discontinued Fund - Pension	Easy Retirement Balanced Fund	Easy Retirement SP 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 Balanced Fund	Pension Flexi Balanced Fund II	Pension Flexi Balanced Fund Growth Fund
	ULIF 101 01/07/10 PDiscont 105	ULIF 132 02/11/12 ERBF 105	ULIF 136 25/03/13 ERSPBFB 105	ULIF 133 02/11/12 ERSF 105	ULIF 019 03/01/05 PlnvShld 105	ULIF 005 03/05/02 PBalancer1 105	ULIF 015 17/05/04 PBalancer2 105	ULIF 093 11/01/10 PBluClip 105	ULIF 098 11/01/10 PDynamicPE 105	ULIF 034 20/03/07 PFlexiBal1 105	ULIF 035 20/03/07 PFlexiBal2 105	ULIF 029 20/03/07 PFlexiGro1 105
Payable for purchase of investments	—	(15,321)	(4)	(1)	(358)	(13,090)	(4,171)	(739)	(36)	(3)	(4)	(85,520)
Other current liabilities	(5)	(61)	—	(9)	(20)	(382)	(182)	(103)	(639)	(82)	(39)	(1,687)
Unit payable a/c	(1,064)	—	—	—	(307)	(563)	(13,964)	—	—	(408)	—	(14,666)
Total	(1,069)	(15,382)	(4)	(10)	(685)	(14,035)	(18,317)	(842)	(675)	(493)	(43)	(101,873)

(₹ in '000)

Particulars	Linked Pension Funds											
	Pension Flexi Growth Fund II	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
	ULIF 030 20/03/07 PflexiGro2 105	ULIF 127 01/12/11 PGROWTH 105	ULIF 095 11/01/10 Plnincome 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
Payable for purchase of investments	(68,132)	(739)	(82)	(7,126)	(29,856)	(1)	(4,528)	(114,313)	(3,127)	(539)	—	—
Other current liabilities	(925)	(19)	(384)	(436)	(885)	(125)	(112)	(787)	(359)	(114)	(275)	(186)
Unit payable a/c	—	—	(1,691)	—	(25,215)	(27,827)	—	—	—	—	—	(9,097)
Total	(69,057)	(758)	(2,157)	(7,562)	(55,956)	(27,953)	(4,640)	(115,100)	(3,486)	(653)	(275)	(9,283)

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Continued

Schedule F - 4

CURRENT LIABILITIES AT MARCH 31, 2015

Particulars	Linked Pension Funds									
	Pension Protector Fund	Pension Protector Fund II	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)	
	ULIF 006 03/05/02	ULIF 017 17/05/04	ULIF 070 31/03/09	ULIF 074 29/04/09	ULIF 079 17/06/09	ULIF 083 16/11/09	ULIF 102 12/10/10	ULIF 108 22/12/10	ULIF 113 13/01/11	
PProtect1 105	PProtect2 105	PRGF4 105	PRGF5 105	PRGF6 105	PRGF7 105	PRGF(\$1) 105	PRGF(\$2) 105	PRGF(\$3) 105		
Payable for purchase of investments	(110)	(48)	—	—	—	—	—	—	—	
Other current liabilities	(662)	(136)	—	—	—	—	(8)	(3)	(6)	
Unit payable a/c	(4,129)	(10,907)	—	—	—	—	—	—	—	
Total	(4,901)	(11,091)	—	—	—	—	(8)	(3)	(6)	

Particulars	Linked Pension Funds						Total
	Pension Return Guarantee Fund XI (10 Yrs)	Pension RICH Fund	Pension RICH Fund II	Pension Secure Fund	Secure Plus Pension Fund		
	ULIF 122 19/04/11 PRGF(\$4) 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	—	—	—	(6)	(1)	(347,855)	
Other current liabilities	(1)	(1,178)	(494)	(25)	(5)	(10,334)	
Unit payable a/c	—	—	—	—	(33)	(109,871)	
Total	(1)	(1,178)	(494)	(31)	(39)	(468,060)	

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 IV	Health Return Guarantee Fund V	Health Return Guarantee Fund VI	Health Return Guarantee Fund VII		
	ULIF 059 15/01/09	ULIF 060 15/01/09	ULIF 057 15/01/09	ULIF 058 15/01/09	ULIF 056 15/01/09	ULIF 061 15/01/09	ULIF 071 31/03/09	ULIF 075 29/04/09	ULIF 080 17/06/09	ULIF 084 16/11/09		
HBalancer 105	HFlexiBal 105	HFlexiGro 105	HMultip 105	HPreserv 105	HProtect 105	HRGF4 105	HRGF5 105	HRGF6 105	HRGF7 105			
Payable for purchase of investments	(7,809)	(5,159)	—	(1,573)	—	(41,580)	—	—	—	—	(56,121)	
Other current liabilities	(9)	(13)	(212)	(25)	(1)	(31)	—	—	—	—	(291)	
Unit payable a/c	—	—	—	—	—	—	—	—	—	—	—	
Total	(7,818)	(5,172)	(212)	(1,598)	(1)	(41,611)	—	—	—	—	(56,412)	

Particulars	Linked Group Funds															
	Group Balanced Fund	Group Balanced Fund II	Group Capital Guarantee Fund	Group Capital Guarantee Fund II	Group Capital Guarantee Fund III	Group Capital Debt Fund	Group Capital Debt Fund II	Group Capital Debt Fund III	Group Capital Growth Fund	Group Capital Growth Fund II	Group Capital Growth Fund III	Group Capital Short Term Debt Fund	Group Capital Short Term Debt Fund II	Group Capital Short Term Debt Fund III	Group Capital Short Term Debt Fund II	
	ULGF 001 03/04/03	ULGF 041 30/04/13	ULGF 006 03/10/05	ULGF 010 21/03/07	ULGF 049 27/08/13	ULGF 007 28/10/05	ULGF 011 21/03/07	ULGF 048 27/08/13	ULGF 008 11/12/06	ULGF 012 05/07/07	ULGF 050 27/08/13	ULGF 005 24/02/04	ULGF 009 16/03/07	ULGF 031 01/03/12		
GBalance 105	GBalance2 105	GCBal1 105	GCBal2 105	GCBal3 105	GCGDebt1 105	GCGDebt2 105	GCGDebt3 105	GCGGrowth1 105	GCGGrowth2 105	GCGGrowth3 105	GCGSTDebt1 105	GCGSTDebt2 105	GCGSTDebt3 105			
Payable for purchase of investments	(5,442)	(69)	—	(435)	(31)	(691)	(9)	(1)	(11)	(23)	(4)	—	—	—		
Other current liabilities	(853)	(4)	(6)	(102)	(5)	(1)	(45)	(9)	(3)	(6)	—	(5)	(183)	(5)		
Unit payable a/c	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
Total	(6,295)	(73)	(6)	(537)	(36)	(692)	(54)	(10)	(14)	(29)	(4)	(5)	(183)	(5)		

schedules



forming part of the financial statements

Continued

Schedule F - 4

CURRENT LIABILITIES AT MARCH 31, 2015

(₹ in '000)

Particulars	Linked Group Funds									
	Group Debt Fund	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	Group Return Guarantee Fund III
	ULGF 002 03/04/03 GDebt 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	ULGF 023 16/06/09 GRGF3 105
Payable for purchase of investments	(125)	(114)	(2,998)	(27)	(110)	(2)	—	—	—	—
Other current liabilities	(612)	(45)	(273)	(1)	(42)	(7)	(6)	—	—	—
Unit payable a/c	—	—	—	—	—	—	—	—	—	—
Total	(737)	(159)	(3,271)	(28)	(152)	(9)	(6)	—	—	—

(₹ in '000)

Particulars	Linked Group Funds							Total	Grand Total
	Group Return Guarantee Fund - S5	Group Return Guarantee Fund - S7	Group Short Term Debt Fund	Group Short Term Debt Fund II	Group Short Term Debt Fund III	Group Superannuation Corporate Bond Fund			
	ULGF 026 14/03/11 GRGFS5 105	ULGF 028 01/07/11 GRGFS7 105	ULGF 003 03/04/03 GSTDebt 105	ULGF 046 27/08/13 GSTDebt2 105	ULGF 039 30/04/13 GSTDebt3 105	ULGF 015 22/12/08 GSACorBon 105			
Payable for purchase of investments	—	—	—	—	—	—	—	(10,092)	(3,735,766)
Other current liabilities	(8)	(33)	(236)	(81)	(1)	(97)	(97)	(2,669)	(35,228)
Unit payable a/c	—	—	—	—	—	—	—	—	(377,999)
Total	(8)	(33)	(236)	(81)	(1)	(97)	(97)	(12,761)	(4,148,993)

schedules

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Continued

3.13 FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2016

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 LDiscoint 105	ULIF 097 11/01/10 LDynamicPE 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		1,053	527,300	178,565	10,702	45,190	690	209,030	2,334,166	162,811	35,841	27,640	1,591	
Dividend income		—	53,202	18,061	1,213	4,784	57,813	—	—	362,602	8,857	6,843	394	
Profit/(loss) on sale of investment		54	348,423	116,165	9,715	36,893	187,556	(8,622)	6,860	763,484	49,450	36,378	2,507	
Profit/(loss) on inter fund transfer/ sale of investment		—	(2,082)	(219)	(55)	—	29,716	58	—	6,307	6,072	7,845	493	
Unrealised gain/(loss)*		4	(696,520)	(235,784)	(16,688)	(65,275)	(533,790)	7,737	—	(2,793,365)	(105,360)	(84,683)	(5,207)	
Total income (A)		1,111	230,323	76,788	4,887	21,592	(258,015)	208,203	2,341,026	(1,498,161)	(5,140)	(5,977)	(222)	
Fund management expenses		123	110,038	37,885	5,621	10,140	63,244	33,887	145,307	354,646	25,194	8,550	1,140	
Fund administration expenses		—	137,547	—	—	—	—	—	—	—	—	—	—	
Other charges	F-5	147	31,841	27,954	1,455	8,980	110,503	52,194	—	341,410	2,358	10,218	360	
Service tax		62	41,276	9,892	980	2,722	28,498	13,146	20,317	100,835	4,160	2,703	207	
Total expenditure (B)		332	320,702	75,731	8,056	21,842	202,245	99,227	165,624	796,891	31,712	21,471	1,707	
Net income for the year (A-B)		779	(90,379)	1,057	(3,169)	(250)	(460,260)	108,976	2,175,402	(2,295,052)	(36,852)	(27,448)	(1,929)	
Add: Fund revenue account at the beginning of the year		1,229	14,089,670	4,535,337	359,988	388,394	853,109	1,032,692	2,179,039	6,421,162	790,035	432,809	50,002	
Fund revenue account at the end of the year		2,008	13,999,291	4,536,394	356,819	388,144	392,849	1,141,668	4,354,441	4,126,110	753,183	405,361	48,073	

(₹ 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 Fund	Invest Cash Fund	Invest Fund - Life	Life Growth Fund	Life Secure Fund	Maximise India 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 105 105	ULIF 135 19/09/13 LSF 105 105	ULIF 136 11/20/14 MIF 105 105	
Income from investments														
Interest income		10,205	83,749	52,500	12	31,611	2,646,127	2,262,342	406,974	122,325	620	381,704	109	
Dividend income		2,479	252,927	161,562	12,017	138,027	225,356	—	—	4,725	53,466	—	8,625	
Profit/(loss) on sale of investment		13,595	1,236,289	899,228	94,604	880,774	910,589	(141,015)	(17,739)	91,840	182,700	(11,943)	(28,457)	
Profit/(loss) on inter fund transfer/ sale of investment		1,810	618,023	305,509	17,493	191,419	20,017	(10,415)	202	2,561	—	250	—	
Unrealised gain/(loss)*		(31,190)	(2,812,465)	(1,791,262)	(153,851)	(1,562,412)	(2,325,273)	184,918	15,770	(127,225)	(587,696)	42,291	(4,667)	
Total income (A)		(3,101)	(621,477)	(372,463)	(29,725)	(320,581)	1,476,816	2,295,830	405,207	94,226	(350,910)	412,302	(24,390)	
Fund management expenses		3,222	418,296	176,545	19,443	148,026	898,155	389,957	66,107	24,305	100,398	90,671	9,296	
Fund administration expenses		—	—	—	—	—	—	—	—	—	—	—	—	
Other charges	F-5	2,885	23,130	158,007	5,348	107,674	982,601	853,323	134,676	10,526	249,751	246,152	63,647	
Service tax		875	67,284	47,757	3,423	36,495	307,640	279,298	29,323	7,946	85,169	78,948	14,983	
Total expenditure (B)		6,982	508,710	382,309	28,214	292,195	2,188,396	1,522,578	230,106	42,777	435,318	415,771	87,926	
Net income for the year (A-B)		(10,083)	(1,130,187)	(754,772)	(57,939)	(612,776)	(711,580)	773,252	175,101	51,449	(786,228)	(3,469)	(112,316)	
Add: Fund revenue account at the beginning of the year		140,396	19,106,761	6,745,246	843,781	6,491,557	6,628,233	1,962,764	1,155,391	1,011,980	338,058	100,417	(19,180)	
Fund revenue account at the end of the year		130,313	17,976,574	5,990,474	785,842	5,878,781	5,916,653	2,736,016	1,330,492	1,063,429	(448,170)	96,948	(131,496)	

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3.13 FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2016

Form A-RA(UL)

(₹ in '000)

Particulars	Schedule	Linked Life Funds											
		Maximiser Fund	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
		ULIF 001 22/10/01 LMaximis1	ULIF 012 17/05/04 LMaximis2	ULIF 022 13/03/06 LMaximis3	ULIF 037 27/08/07 LMaximis4	ULIF 114 15/03/11 LMaximis5	ULIF 090 24/11/09 LMoneyMkt	ULIF 088 24/11/09 LMCapBal	ULIF 085 24/11/09 LMCapGro	ULIF 042 22/11/07 LMultip1	ULIF 044 25/02/08 LMultip2	ULIF 046 25/02/08 LMultip3	ULIF 047 25/02/08 LMultip4
Income from investments													
Interest income		52,269	5,823	343	45	130,120	1,410,255	182,183	140,524	3,063	311	16	134
Dividend income		476,170	127,247	18,335	5,795	607,172	—	36,912	366,185	97,968	26,020	1,590	11,557
Profit/(loss) on sale of investment		5,136,761	1,430,529	217,056	63,715	1,736,213	31,379	155,595	1,195,450	739,492	198,793	11,989	87,315
Profit/(loss) on inter fund transfer/ sale of investment		105,867	—	2	—	2,408	(299)	37,030	111,897	123,822	32,563	1,939	11,378
Unrealised gain/(loss)*		(9,251,035)	(2,427,607)	(365,639)	(109,440)	(6,249,743)	4,204	(387,103)	(2,486,596)	(1,435,593)	(388,774)	(23,304)	(167,809)
Total income (A)		(3,479,968)	(864,008)	(129,903)	(39,885)	(3,773,830)	1,445,539	24,617	(672,540)	(471,248)	(131,087)	(7,770)	(57,425)
Fund management expenses		452,310	181,266	38,745	8,301	841,705	127,003	71,778	380,432	173,622	30,677	2,811	13,677
Fund administration expenses		565,388	—	—	—	—	—	—	—	—	—	—	—
Other charges	F-5	104,799	100,593	8,407	5,326	2,281,406	443,607	123,084	468,941	4,006	27,958	666	9,781
Service tax		166,193	40,525	6,518	1,958	672,200	136,580	36,754	139,319	27,617	8,352	481	3,291
Total expenditure (B)		1,288,690	322,384	53,670	15,585	3,795,311	707,190	231,616	988,692	205,245	66,987	3,958	26,749
Net income for the year (A-B)		(4,768,658)	(1,186,392)	(183,573)	(55,470)	(7,569,141)	738,349	(206,999)	(1,661,232)	(676,493)	(198,074)	(11,728)	(84,174)
Add: Fund revenue account at the beginning of the year		61,679,647	15,803,800	2,820,169	482,083	5,367,649	778,731	1,030,752	7,939,467	8,023,999	1,123,887	111,180	557,216
Fund revenue account at the end of the year		56,910,989	14,617,408	2,636,596	426,613	(2,201,492)	1,517,080	823,753	6,278,235	7,347,506	925,813	99,452	473,042

(₹ in '000)

Particulars	Schedule	Linked Life Funds											
		New Invest 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 VIII (5 Yrs)	
		ULIF 025 21/08/06 LInvShldNw	ULIF 086 24/11/09 LOpport	ULIF 081 26/10/09 LPinnacle	ULIF 105 26/10/10 LPinnacle2	ULIF 010 17/05/04 LPreserv1	ULIF 021 13/03/06 LPreserv3	ULIF 036 27/08/07 LPreserv4	ULIF 003 22/10/01 LProtect1	ULIF 016 17/05/04 LProtect2	ULIF 024 13/03/06 LProtect3	ULIF 041 27/08/07 LProtect4	ULIF 103 12/10/10 LRGF(T8)
Income from investments													
Interest income		164,436	4,866	493,498	340,234	438,936	20,173	55,761	555,763	251,620	24,850	319,376	53,954
Dividend income		15,625	73,426	56,678	52,011	—	—	—	—	—	—	—	—
Profit/(loss) on sale of investment		81,811	301,236	456,126	273,832	12,459	669	982	(15,008)	(798)	(204)	(49,856)	3,308
Profit/(loss) on inter fund transfer/ sale of investment		2,139	54,194	24,870	7,532	(4,383)	(38)	132	(4,314)	1,554	302	(1,503)	2,188
Unrealised gain/(loss)*		(155,789)	(756,726)	(818,767)	(633,671)	3,199	105	255	19,868	7,123	1,427	14,405	(2,354)
Total income (A)		108,222	(323,004)	212,405	39,938	450,211	20,909	57,130	556,309	259,499	26,375	282,422	57,096
Fund management expenses		41,879	78,090	137,521	105,727	39,369	1,848	5,024	17,934	24,668	4,909	30,862	9,806
Fund administration expenses		—	—	10,187	7,832	—	—	—	89,671	—	—	—	—
Other charges	F-5	54,314	84,830	18,263	95,455	25,293	924	7,624	25,078	31,425	1,539	52,899	626
Service tax		13,896	25,117	23,279	29,247	9,688	381	1,765	19,962	8,174	892	11,943	1,410
Total expenditure (B)		110,089	188,037	189,250	238,261	74,350	3,153	14,413	152,645	64,267	7,340	95,704	11,842
Net income for the year (A-B)		(1,867)	(511,041)	23,155	(198,323)	375,861	17,756	42,717	403,664	195,232	19,035	186,718	45,254
Add: Fund revenue account at the beginning of the year		1,264,641	1,766,626	2,539,254	1,443,341	2,291,485	122,090	115,690	5,507,236	2,323,460	289,011	1,165,865	307,081
Fund revenue account at the end of the year		1,262,774	1,255,585	2,562,409	1,245,018	2,667,346	139,846	158,407	5,910,900	2,518,692	308,046	1,352,583	352,335

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Continued

3.13 FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2016

Form A-RA(UL)

(₹ in '000)

Particulars	Schedule	Linked Life Funds								RICH Fund
		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)	Return Guarantee Fund XII (10 Yrs)	
		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		27,248	94,202	14,302	243,703	49,774	126,271	2,031	10,772	
Dividend income		—	—	—	—	—	—	—	73,188	
Profit/(loss) on sale of investment		543	10,587	264	10,184	(320)	3,941	125	679,972	
Profit/(loss) on inter fund transfer/ sale of investment		(325)	97	(37)	(7,473)	(924)	810	—	118,356	
Unrealised gain/(loss)*		(421)	(6,127)	(403)	(1,082)	(1,048)	(1,695)	(157)	(1,304,181)	
Total income (A)		27,045	98,759	14,126	245,332	47,482	129,327	1,999	(421,893)	
Fund management expenses		4,693	17,275	2,495	42,972	8,633	22,673	368	130,023	
Fund administration expenses		—	—	—	—	—	—	—	—	
Other charges	F-5	522	1,588	349	9,170	2,427	7,841	242	9,440	
Service tax		719	2,584	396	7,212	1,463	4,263	86	21,016	
Total expenditure (B)		5,934	21,447	3,240	59,354	12,523	34,777	696	160,479	
Net income for the year (A-B)		21,111	77,312	10,886	185,978	34,959	94,550	1,303	(582,372)	
Add: Fund revenue account at the beginning of the year		93,320	402,766	46,446	804,398	147,367	334,928	4,236	4,541,366	
Fund revenue account at the end of the year		114,431	480,078	57,332	990,376	182,326	429,478	5,539	3,958,994	

(₹ 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		9,402	11	3,952	21,848	563	6,048	14,791,537
Dividend income		100,855	4,207	51,247	945	346	675	3,577,107
Profit/(loss) on sale of investment		832,546	38,654	431,103	6,114	266	2,122	19,744,273
Profit/(loss) on inter fund transfer/ sale of investment		221,360	8,819	93,898	(2)	44	158	2,139,065
Unrealised gain/(loss)*		(1,748,281)	(72,526)	(866,847)	(9,942)	(2,805)	(8,179)	(43,315,051)
Total income (A)		(584,118)	(20,835)	(286,647)	18,963	(1,586)	824	(3,063,069)
Fund management expenses		119,835	7,357	61,244	4,564	395	2,189	6,384,876
Fund administration expenses		—	—	—	—	—	—	810,625
Other charges	F-5	132,916	1,977	47,505	4,816	173	700	7,621,650
Service tax		35,999	1,293	15,450	1,437	82	401	2,661,882
Total expenditure (B)		288,750	10,627	124,199	10,817	650	3,290	17,479,033
Net income for the year (A-B)		(872,868)	(31,462)	(410,846)	8,146	(2,236)	(2,466)	(20,542,102)
Add: Fund revenue account at the beginning of the year		3,484,664	369,628	1,944,771	197,057	11,322	31,312	212,906,811
Fund revenue account at the end of the year		2,611,796	338,166	1,533,925	205,203	9,086	28,846	192,364,709

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Continued

3.13 FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2016

Form A-RA(UL)

(₹ in '000)

Particulars	Schedule	Linked Pension Funds												
		Discontinued Fund - Pension	Easy Retirement Balanced Fund	Easy Retirement SP 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	
		ULIF 101 01/07/10 PDiscount 105	ULIF 132 02/11/12 ERBF 105	ULIF 136 25/03/13 ERSPB 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	
Income from investments														
Interest income		37,195	54,836	1,184	19,570	25,219	254,787	255,135	105	64,457	40,258	40,073	58,182	
Dividend income		—	6,597	152	—	933	27,354	28,313	25,983	179,166	8,772	9,223	323,708	
Profit/(loss) on sale of investment		107	26,142	110	814	13,606	157,579	197,596	257,085	963,463	25,239	37,671	1,856,406	
Profit/(loss) on inter fund transfer/ sale of investment		—	—	4	—	1,578	6,130	23,281	17,074	5,725	14,048	15,257	146,011	
Unrealised gain/(loss)*		—	(71,354)	(855)	(685)	(26,825)	(343,548)	(412,168)	(434,913)	(2,014,771)	(86,914)	(113,007)	(3,010,094)	
Total income (A)		37,302	16,221	595	19,699	14,511	102,302	92,157	(134,666)	(801,960)	1,403	(10,783)	(625,787)	
Fund management expenses		2,329	25,965	527	3,772	4,889	51,626	53,155	27,555	169,692	25,199	11,454	504,663	
Fund administration expenses		—	—	—	—	—	64,532	—	—	—	—	—	—	
Other charges	F-5	—	19,109	55	3,834	13,062	27,671	8,473	3,455	40,193	8,506	2,030	190,218	
Service tax		326	8,759	83	1,543	2,589	20,456	8,833	4,479	29,597	4,671	1,886	96,167	
Total expenditure (B)		2,655	53,833	665	9,149	20,540	164,285	70,461	35,489	239,482	38,376	15,370	791,048	
Net income for the year (A-B)		34,647	(37,612)	(70)	10,550	(6,029)	(61,983)	21,696	(170,155)	(1,041,442)	(36,973)	(26,153)	(1,416,835)	
Add: Fund revenue account at the beginning of the year		14,621	102,446	756	16,425	234,975	3,775,462	5,622,107	474,848	2,787,106	494,972	918,131	13,964,051	
Fund revenue account at the end of the year		49,268	64,834	686	26,975	228,946	3,713,479	5,643,803	304,693	1,745,664	457,999	891,978	12,547,216	

(₹ in '000)

Particulars	Schedule	Linked Pension Funds												
		Pension Flexi Fund II	Pension Growth Fund	Pension Income Fund	Pension Maximiser Fund	Pension Maximiser Fund II	Pension Money Market Fund	Pension Multi Cap Fund	Pension Multi Cap Growth Fund	Pension Multiplier Fund	Pension Multiplier Opportunities Fund	Pension Fund II	Pension Preserver Fund	
		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	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	
Income from investments														
Interest income		35,596	42	614,915	3,086	12,809	361,407	76,976	44,949	738	109	266	623,470	
Dividend income		265,464	4,353	—	62,352	183,124	—	16,062	217,613	57,137	26,837	66,393	—	
Profit/(loss) on sale of investment		1,919,930	32,404	(13,354)	622,536	1,993,059	3,496	189,984	2,384,710	438,383	224,345	820,683	11,884	
Profit/(loss) on inter fund transfer/ sale of investment		107,981	—	6,135	1,587	160,626	1,099	28,414	137,991	19,086	7,762	195,836	(2,355)	
Unrealised gain/(loss)*		(2,837,304)	(73,099)	(86,954)	(1,144,982)	(3,702,709)	(143)	(318,968)	(3,375,136)	(810,789)	(396,738)	(1,439,831)	2,647	
Total income (A)		(508,333)	(36,300)	520,742	(455,421)	(1,353,091)	365,859	(7,532)	(589,873)	(295,445)	(137,685)	(356,653)	635,646	
Fund management expenses		271,797	5,758	102,953	57,607	255,907	31,760	30,262	215,117	103,829	31,832	70,652	55,550	
Fund administration expenses		—	—	—	72,009	—	—	—	—	—	—	—	—	
Other charges	F-5	37,267	6,415	29,289	9,839	29,067	20,784	4,956	48,601	36,290	4,755	16,463	56,240	
Service tax		44,345	2,196	18,591	20,122	40,592	7,282	5,094	36,474	19,331	5,224	12,019	15,236	
Total expenditure (B)		353,409	14,369	150,833	159,577	325,566	59,826	40,312	300,192	159,450	41,811	99,134	127,026	
Net income for the year (A-B)		(861,742)	(50,669)	369,909	(614,998)	(1,678,657)	306,033	(47,844)	(890,065)	(454,895)	(179,496)	(455,787)	508,620	
Add: Fund revenue account at the beginning of the year		19,353,274	164,210	966,082	6,717,689	22,010,842	518,898	694,961	5,499,300	2,395,499	1,624,724	2,053,491	2,408,276	
Fund revenue account at the end of the year		18,491,532	113,541	1,335,991	6,102,691	20,332,185	824,931	647,117	4,609,235	1,940,604	1,445,228	1,597,704	2,916,896	

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3.13 FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2016

Form A-RA(UL)

(₹ in '000)

Particulars	Schedule	Linked Pension Funds										Total
		Pension Protector Fund	Pension Protector Fund II	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 006 03/05/02 PProtect1 105	ULIF 017 17/05/04 PProtect2 105	ULIF 102 12/10/10 PRGF(\$1) 105	ULIF 108 22/12/10 PRGF(\$2) 105	ULIF 113 13/01/11 PRGF(\$3) 105	ULIF 122 19/04/11 PRGF(\$4) 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		1,070,119	429,995	15,351	4,727	10,936	1,102	37,033	5,250	51,076	8,300	4,259,253
Dividend income		—	—	—	—	—	—	191,084	115,738	—	279	1,816,637
Profit/(loss) on sale of investment		(24,147)	12,234	319	446	583	48	1,516,363	1,117,581	(358)	939	14,787,886
Profit/(loss) on inter fund transfer/ sale of investment		132	11,925	(194)	17	—	—	227,024	141,162	—	(12)	1,273,324
Unrealised gain/(loss)*		(170,347)	(70,857)	(258)	(552)	(751)	(46)	(2,890,793)	(2,019,672)	(3,634)	(3,805)	(25,859,855)
Total income (A)		875,757	383,297	15,218	4,638	10,768	1,104	(919,289)	(639,941)	47,084	5,701	(3,722,755)
Fund management expenses		33,403	40,411	2,668	830	1,959	198	341,649	135,628	9,074	1,599	2,681,269
Fund administration expenses		167,016	—	—	—	—	—	—	—	—	—	303,557
Other charges	F-5	119,171	7,666	2	(2)	12	6	116,053	22,139	10,263	804	892,686
Service tax		44,140	7,206	371	115	274	28	63,392	22,686	3,493	381	547,981
Total expenditure (B)		363,730	55,283	3,041	943	2,245	232	521,094	180,453	22,830	2,784	4,425,493
Net income for the year (A-B)		512,027	328,014	12,177	3,695	8,523	872	(1,440,383)	(820,394)	24,254	2,917	(8,148,248)
Add: Fund revenue account at the beginning of the year		5,999,553	3,700,159	52,540	16,281	35,985	3,889	10,921,551	9,559,172	56,475	86,815	123,245,566
Fund revenue account at the end of the year		6,511,580	4,028,173	64,717	19,976	44,508	4,761	9,481,168	8,738,778	80,729	89,732	115,097,318

(₹ in '000)

Particulars	Schedule	Linked Pension Funds						Total
		Health Balancer Fund	Health Flexi Balanced Fund	Health Flexi Growth Fund	Health Multiplier Fund	Health Preserver Fund	Health Protector Fund	
		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	
Income from investments								
Interest income		13,825	13,760	5,408	31	5,201	106,132	144,357
Dividend income		1,566	3,335	57,683	6,343	—	—	68,927
Profit/(loss) on sale of investment		7,202	12,917	231,000	29,170	133	(4,622)	275,800
Profit/(loss) on inter fund transfer/ sale of investment		167	2,230	32,103	3,568	—	(168)	37,900
Unrealised gain/(loss)*		(13,793)	(28,903)	(580,050)	(69,343)	9	5,904	(686,176)
Total income (A)		8,967	3,339	(253,856)	(30,231)	5,343	107,246	(159,192)
Fund management expenses		3,085	4,172	66,277	7,619	463	10,445	92,061
Fund administration expenses		—	—	—	—	—	—	—
Other charges	F-5	41,971	67,559	594,984	62,571	7,165	189,256	963,506
Service tax		5,946	8,711	85,032	9,461	1,077	26,612	136,839
Total expenditure (B)		51,002	80,442	746,293	79,651	8,705	226,313	1,192,406
Net income for the year (A-B)		(42,035)	(77,103)	(1,000,149)	(109,882)	(3,362)	(119,067)	(1,351,598)
Add: Fund revenue account at the beginning of the year		(101,916)	(128,343)	(1,120,318)	(155,067)	(21,170)	(583,865)	(2,110,679)
Fund revenue account at the end of the year		(143,951)	(205,446)	(2,120,467)	(264,949)	(24,532)	(702,932)	(3,462,277)

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3.13 FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2016

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(₹ 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 Growth Fund	
		ULGF 001 03/04/03 GBalancer 105	ULGF 041 30/04/13 GBalancer2 105	ULGF 006 03/10/05 GCCBal1 105	ULGF 010 21/03/07 GCCBal2 105	ULGF 049 27/08/13 GCCBal3 105	ULGF 007 28/10/05 GCCDebt1 105	ULGF 011 21/03/07 GCCDebt2 105	ULGF 048 27/08/13 GCCDebt3 105	ULGF 008 11/12/06 GCCGrowth1 105	
Income from investments											
Interest income		1,280,454	291,824	6,148	127,759	83,830	1,615	73,352	20,434	1,882	
Dividend income		42,322	5,582	211	4,273	1,953	—	—	—	183	
Profit/(loss) on sale of investment		163,016	(15,182)	971	21,671	(3,410)	319	(356)	(1,755)	1,164	
Profit/(loss) on inter fund transfer/ sale of investment		127,136	(701)	43	(195)	13	—	(54)	777	—	
Unrealised gain/(loss)*		(798,514)	15,175	(3,356)	(65,004)	(20,030)	(285)	(9,345)	(1,079)	(2,629)	
Total income (A)		814,414	296,698	4,017	88,504	62,356	1,649	63,597	18,377	600	
Fund management expenses		243,607	57,973	2,058	33,211	18,514	390	14,727	3,856	1,118	
Fund administration expenses		—	—	—	—	—	—	—	—	—	
Other charges	F-5	—	—	—	—	—	—	—	—	—	
Service tax		33,730	8,287	286	4,620	2,640	54	2,050	540	156	
Total expenditure (B)		277,337	66,260	2,344	37,831	21,154	444	16,777	4,396	1,274	
Net income for the year (A-B)		537,077	230,438	1,673	50,673	41,202	1,205	46,820	13,981	(674)	
Add: Fund revenue account at the beginning of the year		10,207,320	8,607	102,067	967,407	6,535	8,657	604,704	10,150	18,272	
Fund revenue account at the end of the year		10,744,397	239,045	103,740	1,018,080	47,737	9,862	651,524	24,131	17,598	

(₹ in '000)

Particulars	Schedule	Linked Group Funds									
		Group Capital Guarantee Growth Fund II	Group Capital Guarantee Growth Fund III	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	Group Debt Fund II	Group Equity Fund II	Group Growth Fund	
		ULGF 012 05/07/07 GCGrowth2 105	ULGF 050 27/08/13 GCCGrowth3 105	ULGF 005 24/02/04 GCGSTDebt1 105	ULGF 009 16/03/07 GCGSTDebt2 105	ULGF 047 27/08/13 GCGSTDebt3 105	ULGF 002 03/04/03 GDebt 105	ULGF 040 30/04/13 GDebt2 105	ULGF 043 30/04/13 GEquity2 105	ULGF 004 30/10/03 GGrowth 105	
Income from investments											
Interest income		5,691	666	9,917	344,389	83,467	1,106,619	113,957	11	200,446	
Dividend income		485	42	—	—	—	—	—	51	45,184	
Profit/(loss) on sale of investment		1,893	78	510	592	4,695	795	(1,086)	(19)	293,459	
Profit/(loss) on inter fund transfer/ sale of investment		—	(7)	—	—	233	6,318	39	(100)	77,021	
Unrealised gain/(loss)*		(6,478)	(483)	28	2,997	184	(162,026)	3,255	643	(704,092)	
Total income (A)		1,591	296	10,455	347,978	88,579	951,706	116,165	586	(87,982)	
Fund management expenses		2,520	195	1,491	59,024	14,635	177,512	18,822	96	77,223	
Fund administration expenses		—	—	—	—	—	—	—	—	—	
Other charges	F-5	—	—	—	—	—	—	—	—	—	
Service tax		354	28	207	8,217	2,055	24,645	2,637	14	10,713	
Total expenditure (B)		2,874	223	1,698	67,241	16,690	202,157	21,459	110	87,936	
Net income for the year (A-B)		(1,283)	73	8,757	280,737	71,889	749,549	94,706	476	(175,918)	
Add: Fund revenue account at the beginning of the year		41,313	115	92,467	1,557,300	6,891	5,817,921	126,685	—	5,243,193	
Fund revenue account at the end of the year		40,030	188	101,224	1,838,037	78,780	6,567,470	221,391	476	5,067,275	

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Continued

3.13 FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2016

Form A-RA(UL)

(₹ in '000)

Particulars	Schedule	Linked Group Funds						
		Group Growth Fund II	Group Leave Encashment Balance Fund	Group Leave Encashment Income Fund	Group Leave Encashment Short Term Fund	Group Return Guarantee Fund - S5	Group Return Guarantee Fund - S7	Group Short Term Debt Fund
		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 026 14/03/11 GRGFS5 105	ULGF 028 01/07/11 GRGFS7 105	ULGF 003 03/04/03 GSTDebt 105
Income from investments								
Interest income		1,991	64,780	10,092	4,641	13,899	40,615	380,398
Dividend income		325	2,194	—	—	—	—	—
Profit/(loss) on sale of investment		756	17,572	565	67	787	3,330	11,054
Profit/(loss) on inter fund transfer/ sale of investment		—	2,531	973	340	305	3,326	(1,841)
Unrealised gain/(loss)*		(5,089)	(40,187)	(2,494)	(298)	(540)	(4,847)	1,270
Total income (A)		(2,017)	46,890	9,136	4,750	14,451	42,424	390,881
Fund management expenses		814	13,008	1,745	676	2,713	8,691	59,002
Fund administration expenses		—	—	—	—	—	—	—
Other charges	F-5	—	—	33	—	—	—	—
Service tax		116	1,805	245	90	377	1,194	8,155
Total expenditure (B)		930	14,813	2,023	766	3,090	9,885	67,157
Net income for the year (A-B)		(2,947)	32,077	7,113	3,984	11,361	32,539	323,724
Add: Fund revenue account at the beginning of the year		1,254	418,626	49,580	181,592	43,191	152,503	3,423,021
Fund revenue account at the end of the year		(1,693)	450,703	56,693	185,576	54,552	185,042	3,746,745

(₹ in '000)

Particulars	Schedule	Linked Group Funds				Total	Grand Total
		Group Short Term Debt Fund II	Group Short Term Debt Fund III	Group Superannuation Corporate Bond Fund			
		ULGF 046 27/08/13 GSTDebt2 105	ULGF 039 30/04/13 GSTDebt3 105	ULGF 015 22/12/08 GSACorBon 105			
Income from investments							
Interest income		21,345	10,633	202,465		4,503,320	23,698,467
Dividend income		—	—	—		102,805	5,565,476
Profit/(loss) on sale of investment		286	591	18,049		520,412	35,328,371
Profit/(loss) on inter fund transfer/ sale of investment		(3,981)	—	8,095		220,271	3,670,560
Unrealised gain/(loss)*		3,113	25	(30,198)		(1,830,284)	(71,691,366)
Total income (A)		20,763	11,249	198,411		3,516,524	(3,428,492)
Fund management expenses		3,346	1,754	31,025		849,746	10,007,952
Fund administration expenses		—	—	—		—	1,114,182
Other charges	F-5	500	—	—		533	9,478,375
Service tax		478	250	4,311		118,254	3,464,956
Total expenditure (B)		4,324	2,004	35,336		968,533	24,065,465
Net income for the year (A-B)		16,439	9,245	163,075		2,547,991	(27,493,957)
Add: Fund revenue account at the beginning of the year		83,730	852	702,872		29,876,825	363,918,523
Fund revenue account at the end of the year		100,169	10,097	865,947		32,424,816	336,424,566

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Continued

SCHEDULE: F - 5

OTHER EXPENSES AT MARCH 31, 2016

(₹ 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 LDiscnt 105	ULIF 097 11/01/10 LDynamicPE 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	122	-	8,848	419	3,606	45,053	5,541	-	156,715	-	3,129	92	
Surrender charge	-	-	131	-	-	92	28,205	-	939	-	4	-	
Switching charge	-	60	26	3	4	167	-	-	73	23	6	2	
Mortality charge	57	29,050	14,377	1,033	5,301	58,821	18,328	-	175,378	2,571	4,368	266	
Rider premium charge	-	6,881	7,605	-	69	1,692	-	-	10,947	553	2,773	-	
Partial withdrawal charge	-	-	-	-	-	5,213	-	-	943	-	-	-	
Discontinued charges	-	-	-	-	-	-	-	-	-	-	-	-	
Policy foreclosure charges	48	(897)	(309)	-	-	(124)	120	-	(1,033)	(58)	(30)	-	
Miscellaneous charges	(80)	(3,253)	(2,724)	-	-	(411)	-	-	(2,552)	(731)	(32)	-	
Total	147	31,841	27,954	1,455	8,980	110,503	52,194	-	341,410	2,358	10,218	360	

(₹ 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	Maximise India 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 136 11/20/14 MIF 105	
Policy administration charge	1,115	-	57,114	2,267	51,512	340,276	335,753	30,265	8,209	105,812	95,676	18,758	
Surrender charge	-	-	61	-	(4)	-	524	58,677	15,008	-	-	-	
Switching charge	4	180	65	15	48	2	401	-	-	-	-	2	
Mortality charge	1,723	32,349	65,357	3,066	54,620	634,240	488,478	47,755	6,712	124,292	133,283	25,308	
Rider premium charge	43	8,461	36,820	-	2,306	-	8,146	131	1,052	-	-	19,509	
Partial withdrawal charge	-	-	-	-	-	-	-	-	-	-	-	-	
Discontinued charges	-	-	-	-	-	8,083	22,239	-	-	19,647	17,193	70	
Policy foreclosure charges	-	(1,934)	(515)	-	(663)	-	(148)	229	(129)	-	-	-	
Miscellaneous charges	-	(15,926)	(895)	-	(145)	-	(2,070)	(2,381)	(20,326)	-	-	-	
Total	2,885	23,130	158,007	5,348	107,674	982,601	853,323	134,676	10,526	249,751	246,152	63,647	

(₹ in '000)

Particulars	Linked Life Funds												
	Maximiser Fund	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	
	ULIF 001 22/10/01 LMaximis1 105	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	
Policy administration charge	-	29,325	3,135	2,088	847,280	176,024	48,993	206,848	-	9,031	295	3,581	
Surrender charge	-	961	-	-	-	381	124	1,459	-	-	-	-	
Switching charge	444	99	32	17	286	745	83	513	92	34	4	18	
Mortality charge	93,560	56,186	5,240	3,027	1,353,591	251,512	69,804	241,270	11,218	12,017	367	6,045	
Rider premium charge	26,677	19,786	-	200	6,287	4,262	2,202	15,167	2,630	7,008	-	251	
Partial withdrawal charge	-	-	-	-	73,811	11,008	2,989	10,373	-	-	-	-	
Discontinued charges	-	-	-	-	-	(51)	(772)	(1,232)	(594)	(66)	-	(111)	
Policy foreclosure charges	(5,507)	(160)	-	-	-	(151)	(274)	(339)	(5,457)	(9,340)	-	(3)	
Miscellaneous charges	(10,375)	(5,604)	-	(6)	-	(4,265)	(2,865)	(2,015)	(6)	(6)	-	-	
Total	104,799	100,593	8,407	5,326	2,281,406	443,607	123,084	468,941	4,006	27,958	666	9,781	

(₹ in '000)

Particulars	Linked Life Funds												
	New Invest Shield Balanced Fund	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 VIII (5 Yrs)	
	ULIF 025 21/08/06 LInvShldNw 105	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 LPProtect1 105	ULIF 016 17/05/04 LPProtect2 105	ULIF 024 13/03/06 LPProtect3 105	ULIF 041 27/08/07 LPProtect4 105	ULIF 103 12/10/10 LRGF(T) 105	
Policy administration charge	17,720	37,394	2	34,891	4,265	257	2,855	-	8,079	452	22,506	44	
Surrender charge	21,494	358	640	-	15	-	-	-	139	-	-	-	
Switching charge	-	67	-	-	661	36	69	336	89	21	38	-	
Mortality charge	15,051	43,843	25,414	60,725	16,768	631	4,601	23,358	18,239	1,066	29,646	584	
Rider premium charge	-	3,045	-	-	5,207	-	116	4,706	6,944	-	911	-	
Partial withdrawal charge	-	-	-	-	-	-	-	-	-	-	-	(2)	
Discontinued charges	-	1,191	-	(161)	-	-	-	-	-	-	-	-	
Policy foreclosure charges	49	(309)	(7,793)	-	(54)	-	(11)	(457)	(50)	-	(137)	-	
Miscellaneous charges	-	(759)	-	-	(1,569)	-	(6)	(2,865)	(2,015)	-	(65)	-	
Total	54,314	84,830	18,263	95,455	25,293	924	7,624	25,078	31,425	1,539	52,899	626	

schedules

forming part of the financial statements

Continued

SCHEDULE: F - 5

OTHER EXPENSES AT MARCH 31, 2016

Particulars	Linked Life Funds								(₹ in '000)
	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 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	10	66	10	341	257	3,118	123	-	
Surrender charge	-	-	-	-	-	-	-	-	54
Switching charge	-	-	-	-	-	-	-	-	
Mortality charge	510	1,523	338	8,827	2,159	4,722	113	10,015	
Rider premium charge	2	-	1	3	7	24	8	2,169	
Partial withdrawal charge	-	-	-	-	-	-	-	-	
Discontinued charges	-	(1)	-	(1)	4	(23)	(2)	-	
Policy foreclosure charges	-	-	-	-	-	-	-	(1,229)	
Miscellaneous charges	-	-	-	-	-	-	-	(1,569)	
Total	522	1,588	349	9,170	2,427	7,841	242	9,440	

Particulars	Linked Life Funds						(₹ in '000)
	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	52,695	935	20,291	851	201	766	2,805,011
Surrender charge	82	-	-	2,471	-	-	131,761
Switching charge	22	5	23	-	-	-	4,869
Mortality charge	47,368	1,037	26,568	1,494	-	-	4,375,170
Rider premium charge	33,499	-	912	-	-	-	249,012
Partial withdrawal charge	-	-	-	-	-	-	
Discontinued charges	-	-	-	-	-	-	172,574
Policy foreclosure charges	(719)	-	(245)	-	(28)	(66)	(24,985)
Miscellaneous charges	(31)	-	(44)	-	-	-	(91,762)
Total	132,916	1,977	47,505	4,816	173	700	7,621,650

Particulars	Linked Pension Funds												(₹ in '000)
	Discontinued Fund - Pension	Easy Retirement Balanced Fund	Easy Retirement SP 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 Balanced Fund	Pension Flexi Fund	Pension Flexi Fund II	Pension Flexi Growth Fund
	ULIF 101 01/07/10 PDiscont 105	ULIF 132 02/11/12 ERBF 105	ULIF 136 25/03/13 ERSPBF 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	
Policy administration charge	-	17,191	55	3,284	1,084	17,797	7,060	9,539	68,606	6,125	1,565	139,064	
Surrender charge	-	-	-	-	12,284	9,764	1,649	524	6,030	2,551	-	55,232	
Switching charge	-	3	-	6	-	33	29	54	58	22	11	264	
Mortality charge	-	-	-	-	353	593	739	176	1,403	14	241	87	
Rider premium charge	-	-	-	-	67	349	256	-	-	7	56	53	
Partial withdrawal charge	-	-	-	-	-	-	-	-	-	-	-	-	
Discontinued charges	-	1,915	-	544	-	-	-	-	-	-	-	9	
Policy foreclosure charges	-	-	-	-	(40)	(864)	(969)	(4,988)	(22,266)	(213)	271	(4,491)	
Miscellaneous charges	-	-	-	-	(686)	(1)	(291)	(1,850)	(13,638)	-	(114)	-	
Total	-	19,109	55	3,834	13,062	27,671	8,473	3,455	40,193	8,506	2,030	190,218	

Particulars	Linked Pension Funds												(₹ in '000)
	Pension Flexi Growth Fund II	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 Multi Cap Fund	Pension Multiplier Fund	Pension Multiplier Fund II	Pension Opportunities Fund	Pension Preserver Fund
	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	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 PMultipl1 105	ULIF 045 25/02/08 PMultipl2 105	ULIF 092 11/01/10 POpport 105	ULIF 011 17/05/04 PPreserv 105	
Policy administration charge	36,979	3,980	33,827	6,398	21,877	19,875	9,731	63,084	28,851	4,390	20,284	31,793	
Surrender charge	93	-	4,375	1,722	8,054	2,678	545	5,942	8,753	1	2,246	24,168	
Switching charge	120	-	129	74	173	289	27	244	89	47	49	592	
Mortality charge	5,383	2,123	1,426	1,032	1,729	385	147	2,583	12	833	440	500	
Rider premium charge	1,092	-	-	726	928	-	-	-	6	155	-	106	
Partial withdrawal charge	-	312	-	-	-	-	-	-	-	-	-	-	
Discontinued charges	-	312	-	-	-	-	-	-	-	-	-	-	
Policy foreclosure charges	(4,098)	-	(3,242)	(113)	(3,694)	189	(3,493)	(10,149)	(1,421)	(485)	(2,986)	(750)	
Miscellaneous charges	(2,302)	-	(7,226)	-	-	(2,632)	(2,001)	(13,103)	-	(186)	(3,570)	(169)	
Total	37,267	6,415	29,289	9,839	29,067	20,784	4,956	48,601	36,290	4,755	16,463	56,240	

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SCHEDULE: F - 5

OTHER EXPENSES AT MARCH 31, 2016

(₹ in '000)

Particulars	Linked Pension Funds												Total
	Pension Protector Fund	Pension Protector Fund II	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	Pension Plus Fund	Pension Secure Fund	Pension Plus Fund	
	ULIF 006 03/05/02 PProtect1 105	ULIF 017 17/05/04 PProtect2 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	ULIF 128 01/12/11 PSECURE 105	ULIF 009 17/11/03 PSecPlus 105	
Policy administration charge	77,449	9,192	2	(2)	11	6	89,469	23,047	6,371	184	758,168		
Surrender charge	41,833	211	-	-	1	-	33,430	-	-	401	222,487		
Switching charge	203	156	-	-	-	-	96	42	-	-	2,810		
Mortality charge	632	1,780	-	-	-	-	-	3,358	3,378	219	29,566		
Rider premium charge	375	176	-	-	-	-	-	773	-	-	5,125		
Partial withdrawal charge	-	-	-	-	-	-	-	-	-	-	-		
Discontinued charges	-	-	-	-	-	-	-	-	-	514	-	3,294	
Policy foreclosure charges	(1,320)	(2,330)	-	-	-	-	(6,941)	(4,549)	-	-	(78,942)		
Miscellaneous charges	(1)	(1,519)	-	-	-	-	(1)	(532)	-	-	(49,822)		
Total	119,171	7,666	2	(2)	12	6	116,053	22,139	10,263	804	892,686		

(₹ 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		
	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		
Policy administration charge	4,150	6,784	58,522	6,150	702	17,941		94,249
Surrender charge	-	-	-	-	-	-		-
Switching charge	1	1	20	9	18	15		64
Mortality charge	33,479	48,020	466,301	52,429	6,301	154,752		761,282
Rider premium charge	-	-	-	-	-	-		-
Partial withdrawal charge	-	-	-	-	-	-		-
Discontinued charges	-	-	-	-	-	-		-
Policy foreclosure charges	4,336	12,552	67,584	3,719	144	15,679		104,014
Miscellaneous charges	5	202	2,557	264	-	869		3,897
Total	41,971	67,559	594,984	62,571	7,165	189,256		963,506

(₹ 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	
	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		
Policy administration charge	-	-	-	-	-	-	-	-	-	-	
Surrender charge	-	-	-	-	-	-	-	-	-	-	
Switching charge	-	-	-	-	-	-	-	-	-	-	
Mortality charge	-	-	-	-	-	-	-	-	-	-	
Rider premium charge	-	-	-	-	-	-	-	-	-	-	
Partial withdrawal charge	-	-	-	-	-	-	-	-	-	-	
Discontinued charges	-	-	-	-	-	-	-	-	-	-	
Policy foreclosure charges	-	-	-	-	-	-	-	-	-	-	
Miscellaneous charges	-	-	-	-	-	-	-	-	-	-	
Total	-	-	-	-	-	-	-	-	-	-	

(₹ in '000)

Particulars	Linked Group Funds										
	Group Capital Guarantee Growth Fund II	Group Capital Guarantee Growth Fund III	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	Group Debt Fund II	Group Equity Fund II	Group Growth Fund	Group Growth Fund II	
	ULGF 012 05/07/07 GCGGrowth2 105	ULGF 050 27/08/13 GCGGrowth3 105	ULGF 005 24/02/04 GCGSTDebt1 105	ULGF 009 16/03/07 GCGSTDebt2 105	ULGF 047 27/08/13 GCGSTDebt3 105	ULGF 002 03/04/03 GDebt 105	ULGF 040 30/04/13 GDebt2 105	ULGF 043 30/04/13 GEquity2 105	ULGF 004 30/10/03 GGrowth 105		
Policy administration charge	-	-	-	-	-	-	-	-	-	-	
Surrender charge	-	-	-	-	-	-	-	-	-	-	
Switching charge	-	-	-	-	-	-	-	-	-	-	
Mortality charge	-	-	-	-	-	-	-	-	-	-	
Rider premium charge	-	-	-	-	-	-	-	-	-	-	
Partial withdrawal charge	-	-	-	-	-	-	-	-	-	-	
Discontinued charges	-	-	-	-	-	-	-	-	-	-	
Policy foreclosure charges	-	-	-	-	-	-	-	-	-	-	
Miscellaneous charges	-	-	-	-	-	-	-	-	-	-	
Total	-	-	-	-	-	-	-	-	-	-	

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SCHEDULE: F - 5

OTHER EXPENSES AT MARCH 31, 2016

Particulars	Linked Group Funds							(₹ in '000)
	Group Growth Fund II	Group Leave Encashment Balance Fund	Group Leave Encashment Income Fund	Group Leave Encashment Short Term Fund	Group Return Guarantee Fund - S5	Group Return Guarantee Fund - S7	Group Short Term Debt Fund	
	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 026 14/03/11 GRGFS5 105	ULGF 028 01/07/11 GRGFS7 105	ULGF 003 03/04/03 GSTDebt 105	
Policy administration charge	-	-	-	-	-	-	-	-
Surrender charge	-	-	-	33	-	-	-	-
Switching charge	-	-	-	-	-	-	-	-
Mortality charge	-	-	-	-	-	-	-	-
Rider premium charge	-	-	-	-	-	-	-	-
Partial withdrawal charge	-	-	-	-	-	-	-	-
Discontinued charges	-	-	-	-	-	-	-	-
Policy foreclosure charges	-	-	-	-	-	-	-	-
Miscellaneous charges	-	-	-	-	-	-	-	-
Total	-	-	33	-	-	-	-	-

Particulars	Linked Group Funds			Total	Grand Total	(₹ in '000)
	Group Short Term Debt Fund II	Group Short Term Debt Fund III	Group Superannuation Corporate Bond Fund			
	ULGF 046 27/08/13 GSTDebt2 105	ULGF 039 30/04/13 GSTDebt3 105	ULGF 015 22/12/08 GSACorBon 105			
Policy administration charge	-	-	-	-	3,657,428	-
Surrender charge	500	-	-	533	354,781	-
Switching charge	-	-	-	-	7,743	-
Mortality charge	-	-	-	-	5,166,018	-
Rider premium charge	-	-	-	-	254,137	-
Partial withdrawal charge	-	-	-	-	-	-
Discontinued charges	-	-	-	-	175,868	-
Policy foreclosure charges	-	-	-	-	87	-
Miscellaneous charges	-	-	-	-	(137,687)	-
Total	500	-	-	533	9,478,375	-

schedules



forming part of the financial statements

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3.13 FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2015

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 LAnmolInv 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 LDiscnt 105	ULIF 097 11/01/10 LDynamicPE 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		895	621,176	209,447	14,309	54,833	403	239,124	1,487,703	167,290	43,856	33,356	2,010	
Dividend income		-	62,460	21,194	1,497	5,738	41,739	-	-	314,793	8,903	6,662	468	
Profit/(loss) on sale of investment		59	1,442,265	479,007	38,067	122,255	330,466	142,870	(2,188)	2,607,557	82,013	68,901	5,940	
Profit/(loss) on inter fund transfer/ sale of investment		1	2,754	1,172	211	(26)	17,838	1,176	-	4,908	11,604	8,886	1,204	
Unrealised gain/(loss)*		-	377,190	137,486	6,519	44,261	585,246	37,544	4,757	2,684,818	185,503	133,602	8,071	
Total income (A)		955	2,505,845	848,306	60,603	227,061	975,692	420,714	1,490,272	5,779,366	331,879	251,407	17,693	
Fund management expenses		102	116,534	39,679	6,262	10,609	45,798	35,496	85,894	335,391	25,514	8,641	1,297	
Fund administration expenses		-	145,667	-	-	-	-	-	-	-	-	-	-	
Other charges	F-5	190	32,219	36,875	1,645	10,147	102,488	55,765	-	449,034	2,723	11,955	404	
Service tax		47	39,350	10,059	975	2,689	20,453	12,551	10,616	103,239	3,791	2,675	209	
Total expenditure (B)		339	333,770	86,613	8,882	23,445	168,739	103,812	96,510	887,664	32,028	23,271	1,910	
Net income for the year (A-B)		616	2,172,075	761,693	51,721	203,616	806,953	316,902	1,393,762	4,891,702	299,851	228,136	15,783	
Add: Fund revenue account at the beginning of the year		613	11,917,595	3,773,644	308,267	184,778	46,156	715,790	785,277	1,529,460	490,184	204,673	34,219	
Fund revenue account at the end of the year		1,229	14,089,670	4,535,337	359,988	388,394	853,109	1,032,692	2,179,039	6,421,162	790,035	432,809	50,002	

(₹ 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	Maximise India 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 136 11/20/14 MIF 105	
Income from investments														
Interest income		12,546	37,269	20,762	16	9,015	1,631,298	1,738,248	442,399	199,071	1,809	137,201	135	
Dividend income		2,509	255,243	153,272	12,459	136,267	277,784	-	-	6,246	19,030	-	657	
Profit/(loss) on sale of investment		25,182	2,729,346	1,588,216	134,534	1,630,933	3,150,263	1,189,179	261,362	197,957	132,525	122,311	239	
Profit/(loss) on inter fund transfer/ sale of investment		2,964	271,314	78,438	47,147	108,063	9,424	1,672	2,767	2,561	1,633	1,971	-	
Unrealised gain/(loss)*		51,103	3,832,666	2,504,862	167,530	1,998,005	3,191,736	229,387	66,100	94,335	372,118	15,628	(7,431)	
Total income (A)		94,304	7,125,838	4,345,550	361,686	3,882,283	8,260,505	3,158,486	772,628	500,170	527,115	277,111	(6,400)	
Fund management expenses		3,275	432,460	177,714	20,977	156,646	729,415	280,317	65,429	35,331	39,432	31,547	570	
Fund administration expenses		-	-	-	-	-	-	-	-	-	-	-	-	
Other charges	F-5	2,899	34,098	188,226	6,435	124,051	1,061,843	851,827	183,865	52,146	116,571	103,072	6,575	
Service tax		858	62,479	46,645	3,375	36,865	270,671	204,335	32,049	11,399	44,168	37,822	5,635	
Total expenditure (B)		7,032	529,037	412,585	30,787	317,562	2,061,929	1,336,479	281,343	98,876	200,171	172,441	12,780	
Net income for the year (A-B)		87,272	6,596,801	3,932,965	330,899	3,564,721	6,198,576	1,822,007	491,285	401,294	326,944	104,670	(19,180)	
Add: Fund revenue account at the beginning of the year		53,124	12,509,960	2,812,281	512,882	2,926,836	429,657	140,757	664,106	610,686	11,114	(4,253)	-	
Fund revenue account at the end of the year		140,396	19,106,761	6,745,246	843,781	6,491,557	6,628,233	1,962,764	1,155,391	1,011,980	338,058	100,417	(19,180)	

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3.13 FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2015

Form A-RA(UL)

(₹ in '000)

Particulars	Schedule	Linked Life Funds											
		Maximiser Fund	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
		ULIF 001 22/10/01 LMaximis1 105	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
Income from investments													
Interest income		75,325	8,042	17	4	67,989	1,178,437	141,255	91,929	2,126	16	1	6
Dividend income		565,441	143,957	22,608	6,788	220,679	-	26,576	240,734	115,141	29,361	1,809	13,127
Profit/(loss) on sale of investment		9,065,831	2,239,132	419,398	119,582	1,789,561	29,769	351,492	2,097,680	1,663,910	396,218	25,110	172,804
Profit/(loss) on inter fund transfer/ sale of investment		299,456	28,575	6,648	1,757	29,144	4,532	5,491	42,103	61,835	15,931	1,983	14,775
Unrealised gain/(loss)*		5,059,111	1,457,703	166,154	57,491	3,941,202	(302)	477,910	5,634,900	919,008	254,529	15,021	113,835
Total income (A)		15,065,164	3,877,409	614,825	185,622	6,048,575	1,212,436	1,002,724	8,107,346	2,762,020	696,055	43,924	314,547
Fund management expenses		470,245	183,423	42,495	8,642	324,227	97,251	50,817	292,604	191,152	32,859	3,019	14,612
Fund administration expenses		587,807	-	-	-	-	-	-	-	-	-	-	-
Other charges	F-5	95,623	108,405	9,081	5,831	960,880	484,642	111,556	551,041	12,248	34,162	783	10,637
Service tax		154,758	37,296	6,347	1,857	265,887	120,893	24,944	119,144	27,127	8,548	468	3,254
Total expenditure (B)		1,308,433	329,124	57,923	16,330	1,550,994	702,786	187,317	962,789	230,527	75,569	4,270	28,503
Net income for the year (A-B)		13,756,731	3,548,285	556,902	169,292	4,497,581	509,650	815,407	7,144,557	2,531,493	620,486	39,654	286,044
Add: Fund revenue account at the beginning of the year		47,922,916	12,255,515	2,263,267	312,791	870,068	269,081	215,345	794,910	5,492,506	503,401	71,526	271,172
Fund revenue account at the end of the year		61,679,647	15,803,800	2,820,169	482,083	5,367,649	778,731	1,030,752	7,939,467	8,023,999	1,123,887	111,180	557,216

(₹ in '000)

Particulars	Schedule	Linked Life Funds											
		New Invest 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 IV	
		ULIF 025 21/08/06 LInvShldNw 105	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 069 31/03/09 LRGF(74) 105
Income from investments													
Interest income		181,707	6,203	405,010	195,606	604,472	28,973	69,192	671,974	309,740	32,113	346,673	(16)
Dividend income		14,833	64,754	94,963	61,597	-	-	-	-	-	-	-	-
Profit/(loss) on sale of investment		298,581	317,579	1,472,927	563,663	12,563	1,361	2,540	402,645	213,297	22,667	202,664	29
Profit/(loss) on inter fund transfer/ sale of investment		7,113	12,317	29,145	(4,169)	468	148	-	8,431	5,146	1,014	20	-
Unrealised gain/(loss)*		181,429	1,387,395	487,313	684,149	(1,477)	(221)	(198)	108,319	47,808	4,979	51,797	(12)
Total income (A)		683,663	1,788,248	2,489,358	1,500,846	616,026	30,261	71,534	1,191,369	575,991	60,773	601,154	1
Fund management expenses		40,587	66,611	155,206	91,859	49,118	2,435	5,755	19,899	27,649	5,855	30,702	1
Fund administration expenses		-	-	11,497	6,804	-	-	-	99,493	-	-	-	-
Other charges	F-5	84,912	120,935	68,229	103,060	36,038	(835)	9,823	30,547	43,530	2,171	58,464	(195)
Service tax		16,020	25,115	29,030	30,140	11,363	462	1,999	20,129	9,036	986	11,773	(23)
Total expenditure (B)		141,519	212,661	263,962	231,863	96,519	2,062	17,577	170,068	80,215	9,012	100,939	(217)
Net income for the year (A-B)		542,144	1,575,587	2,225,396	1,268,983	519,507	28,199	53,957	1,021,301	495,776	51,761	500,215	218
Add: Fund revenue account at the beginning of the year		722,497	191,039	313,858	174,358	1,771,978	93,891	61,733	4,485,935	1,827,684	237,250	665,650	42,113
Fund revenue account at the end of the year		1,264,641	1,766,626	2,539,254	1,443,341	2,291,485	122,090	115,690	5,507,236	2,323,460	289,011	1,165,865	42,331

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3.13 FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2015

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)	
		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	
Income from investments													
Interest income		410	1,236	1,504	88,719	27,038	120,323	13,116	243,770	45,623	122,041	1,921	
Dividend income		-	-	-	-	-	-	-	-	-	-	-	
Profit/(loss) on sale of investment		60	67	136	35,532	4,601	42,890	5,605	114,830	5,262	21,485	940	
Profit/(loss) on inter fund transfer/ sale of investment		(127)	(34)	(53)	(2,055)	6,990	3,247	2,164	2,566	8,738	2,473	300	
Unrealised gain/(loss)*		120	171	145	(10,038)	5,513	(13,137)	2,131	(43,678)	18,934	5,478	312	
Total income (A)		463	1,440	1,732	112,158	44,142	153,323	23,016	317,488	78,557	151,477	3,473	
Fund management expenses		79	232	284	17,110	4,775	22,650	2,377	46,691	8,062	21,687	352	
Fund administration expenses		-	-	-	-	-	-	-	-	-	-	-	
Other charges	F-5	49	65	160	1,308	552	2,363	354	10,669	2,437	9,012	282	
Service tax		17	41	55	2,316	662	3,098	338	7,101	1,238	3,823	79	
Total expenditure (B)		145	338	499	20,734	5,989	28,111	3,069	64,461	11,737	34,522	713	
Net income for the year (A-B)		318	1,102	1,233	91,424	38,153	125,212	19,947	253,027	66,820	116,955	2,760	
Add: Fund revenue account at the beginning of the year		9,872	14,904	4,826	215,657	55,167	277,554	26,499	551,371	80,547	217,973	1,476	
Fund revenue account at the end of the year		10,190	16,006	6,059	307,081	93,320	402,766	46,446	804,398	147,367	334,928	4,236	

(₹ in '000)

Particulars	Schedule	Linked Life Funds							Total
		RICH Fund	RICH Fund II	RICH Fund III	RICH Fund IV	Secure Plus Fund	Secure Save Builder Fund	Secure Save Guarantee Fund	
		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		71	1,450	4	68	29,317	905	7,965	12,226,446
Dividend income		84,625	110,870	5,003	55,409	979	427	900	3,207,502
Profit/(loss) on sale of investment		1,038,496	1,213,817	62,671	599,854	30,070	4,096	11,970	41,552,644
Profit/(loss) on inter fund transfer/ sale of investment		34,505	35,516	3,510	15,613	45	72	190	1,263,205
Unrealised gain/(loss)*		1,090,403	1,597,824	56,966	812,454	16,371	4,205	9,192	41,322,245
Total income (A)		2,248,100	2,959,477	128,154	1,483,398	76,782	9,705	30,217	99,572,042
Fund management expenses		149,629	132,365	8,477	66,572	5,403	512	2,737	5,381,347
Fund administration expenses		-	-	-	-	-	-	-	851,268
Other charges	F-5	11,075	172,488	2,393	54,825	5,629	459	1,628	6,652,369
Service tax		21,628	38,892	1,340	15,675	1,524	117	532	1,987,984
Total expenditure (B)		182,332	343,745	12,210	137,072	12,556	1,088	4,897	14,872,968
Net income for the year (A-B)		2,065,768	2,615,732	115,944	1,346,326	64,226	8,617	25,320	84,699,074
Add: Fund revenue account at the beginning of the year		2,475,598	868,932	253,684	598,445	132,831	2,705	5,992	128,282,323
Fund revenue account at the end of the year		4,541,366	3,484,664	369,628	1,944,771	197,057	11,322	31,312	212,981,397

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3.13 FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2015

Form A-RA(UL)

(₹ in '000)

Particulars	Schedule	Linked Pension Funds												
		Discontinued Fund - Pension	Easy Retirement Balanced Fund	Easy Retirement SP Balanced Fund	Easy 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	
		ULIF 101 01/07/10 PDiscont 105	ULIF 132 02/11/12 ERBF 105	ULIF 136 25/03/13 ERSPF 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 PDynamicPE 105	ULIF 034 20/03/07 PFlexiBal1 105	ULIF 035 20/03/07 PFlexiBal2 105	ULIF 029 20/03/07 PFlexiGro1 105	
Income from investments														
Interest income		15,631	25,151	175	11,584	36,344	302,991	388,006	23	77,001	41,383	47,328	51,555	
Dividend income		-	2,810	21	-	1,229	30,481	39,645	29,574	216,980	9,328	10,465	314,611	
Profit/(loss) on sale of investment		(8)	33,388	242	7,066	34,254	467,473	718,659	448,315	2,611,085	108,478	123,072	3,313,671	
Profit/(loss) on inter fund transfer/ sale of investment		-	476	1	-	581	4,379	14,005	36,943	13,931	13,252	25,789	223,962	
Unrealised gain/(loss)*		-	59,986	390	2,752	26,239	396,929	409,703	305,031	1,046,014	156,068	157,748	4,718,915	
Total income (A)		15,623	121,811	829	21,402	98,647	1,202,253	1,570,018	819,886	3,965,011	328,509	364,402	8,622,714	
Fund management expenses		939	11,324	64	2,089	6,828	55,915	70,795	32,635	218,018	25,905	12,876	519,249	
Fund administration expenses		-	-	-	-	-	69,893	-	-	-	-	-	-	
Other charges	F-5	-	11,186	1	3,068	11,918	48,403	14,917	83,122	619,345	15,686	3,323	337,180	
Service tax		116	4,478	8	980	2,357	21,967	11,002	14,206	102,660	5,150	1,972	105,652	
Total expenditure (B)		1,055	26,988	73	6,137	21,103	196,178	96,714	129,963	940,023	46,741	18,171	962,081	
Net income for the year (A-B)		14,568	94,823	756	15,265	77,544	1,006,075	1,473,304	689,923	3,024,988	281,768	346,231	7,660,633	
Add: Fund revenue account at the beginning of the year		53	7,623	-	1,160	157,431	2,769,387	4,148,803	(215,075)	(237,882)	213,204	571,900	6,303,418	
Fund revenue account at the end of the year		14,621	102,446	756	16,425	234,975	3,775,462	5,622,107	474,848	2,787,106	494,972	918,131	13,964,051	

(₹ in '000)

Particulars	Schedule	Linked Pension Funds												
		Pension Flexi Growth Fund II	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 Fund	Pension Multi Cap Growth Fund	Pension Multiplier Fund	Pension Multiplier Fund II	Pension Opportunities Fund	Pension Preserver Fund
		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	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	
Income from investments														
Interest income		31,714	5	833,546	841	11,718	584,054	96,433	51,344	572	143	2,101	929,923	
Dividend income		271,016	5,106	-	69,518	238,994	-	20,534	200,940	63,512	33,079	85,247	-	
Profit/(loss) on sale of investment		3,116,797	72,410	379,977	1,120,189	4,107,027	10,372	349,384	1,970,960	1,057,028	583,834	735,495	12,400	
Profit/(loss) on inter fund transfer/ sale of investment		173,421	6,512	34,355	3	54,130	965	10,275	38,911	45,727	38,697	99,558	1,466	
Unrealised gain/(loss)*		3,728,508	47,142	246,748	643,040	1,810,405	(48)	269,092	4,400,744	581,576	240,133	1,588,699	(1,948)	
Total income (A)		7,321,456	131,175	1,494,626	1,833,591	6,222,274	595,343	745,718	6,662,899	1,748,415	895,886	2,511,100	941,841	
Fund management expenses		291,163	5,669	131,500	58,539	287,640	47,891	36,226	234,886	113,659	38,076	86,828	74,959	
Fund administration expenses		-	-	-	73,174	-	-	-	-	-	-	-	-	
Other charges	F-5	43,323	10,367	389,929	12,882	34,424	225,727	83,370	642,516	64,551	6,136	203,389	124,474	
Service tax		43,911	2,546	63,965	18,654	41,009	32,994	14,748	107,856	21,946	5,712	35,467	24,206	
Total expenditure (B)		378,397	18,582	585,394	163,249	363,073	306,612	134,344	985,258	200,156	49,924	325,684	223,639	
Net income for the year (A-B)		6,943,059	112,593	909,232	1,670,342	5,859,201	288,731	611,374	5,677,641	1,548,259	845,962	2,185,416	718,202	
Add: Fund revenue account at the beginning of the year		12,410,215	51,617	56,850	5,047,347	16,151,641	230,167	83,587	(178,341)	847,240	778,762	(131,925)	1,690,074	
Fund revenue account at the end of the year		19,353,274	164,210	966,082	6,717,689	22,010,842	518,898	694,961	5,499,300	2,395,499	1,624,724	2,053,491	2,408,276	

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3.13 FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2015

Form A-RA(UL)

(₹ in '000)

Particulars	Schedule	Linked Pension Funds									
		Pension Protector Fund	Pension Protector Fund II	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)	
		ULIF 006 03/05/02 PProtect1 105	ULIF 017 17/05/04 PProtect2 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	
Income from investments											
Interest income		1,300,281	568,176	(41)	1,285	4,951	24,023	14,683	4,389	10,011	
Dividend income		-	-	-	-	-	-	-	-	-	
Profit/(loss) on sale of investment		465,111	218,826	74	193	876	3,655	1,427	714	3,312	
Profit/(loss) on inter fund transfer/ sale of investment		649	20,898	1,145	(139)	(749)	9,017	4,508	861	1,883	
Unrealised gain/(loss)*		416,792	213,284	(1,174)	126	831	(7,575)	3,205	1,541	2,488	
Total income (A)		2,182,833	1,021,184	4	1,465	5,909	29,120	23,823	7,505	17,694	
Fund management expenses		37,606	49,642	5	250	915	4,695	2,574	788	1,830	
Fund administration expenses		188,032	-	-	-	-	-	-	-	-	
Other charges	F-5	227,969	8,692	(482)	(534)	402	1,867	11	4	25	
Service tax		55,707	8,155	(71)	18	191	780	319	98	229	
Total expenditure (B)		509,314	66,489	(548)	(266)	1,508	7,342	2,904	890	2,084	
Net income for the year (A-B)		1,673,519	954,695	552	1,731	4,401	21,778	20,919	6,615	15,610	
Add: Fund revenue account at the beginning of the year		4,326,034	2,745,464	153,391	58,786	81,740	105,293	31,621	9,666	20,375	
Fund revenue account at the end of the year		5,999,553	3,700,159	153,943	60,517	86,141	127,071	52,540	16,281	35,985	

(₹ in '000)

Particulars	Schedule	Linked Pension Funds					Total
		Pension Return Guarantee Fund XI (10 Yrs)	Pension RICH Fund	Pension RICH Fund II	Pension Secure Fund	Secure Plus Pension Fund	
		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		1,038	11,177	2,581	37,239	9,054	5,528,413
Dividend income		-	225,177	146,194	-	307	2,014,768
Profit/(loss) on sale of investment		343	2,026,070	1,387,205	18,990	7,918	25,516,282
Profit/(loss) on inter fund transfer/ sale of investment		170	316,162	386,799	(651)	42	1,577,934
Unrealised gain/(loss)*		198	4,274,859	2,535,106	10,820	5,973	28,290,340
Total income (A)		1,749	6,853,445	4,457,885	66,398	23,294	62,927,737
Fund management expenses		190	373,555	161,961	6,200	1,626	3,005,510
Fund administration expenses		-	-	-	-	-	331,099
Other charges	F-5	22	235,588	24,993	11,355	1,167	3,500,316
Service tax		26	75,382	25,027	2,825	381	852,629
Total expenditure (B)		238	684,525	211,981	20,380	3,174	7,689,554
Net income for the year (A-B)		1,511	6,168,920	4,245,904	46,018	20,120	55,238,183
Add: Fund revenue account at the beginning of the year		2,378	4,752,631	5,313,268	10,457	66,695	68,435,055
Fund revenue account at the end of the year		3,889	10,921,551	9,559,172	56,475	86,815	123,673,238

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Continued

3.13 FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2015

Form A-RA(UL)

(₹ in '000)

Particulars	Schedule	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 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 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		13,540	12,921	5,656	51	5,317	97,157	(1)	17	24	57	134,739		
Dividend income		1,268	2,817	50,866	6,034	-	-	-	-	-	-	60,985		
Profit/(loss) on sale of investment		23,209	21,271	280,194	57,928	287	65,922	2	3	2	3	448,821		
Profit/(loss) on inter fund transfer/ sale of investment		450	2,670	30,982	2,852	19	41	-	(8)	(2)	-	37,004		
Unrealised gain/(loss)*		18,295	57,820	1,084,116	74,316	(6)	11,122	(1)	9	4	2	1,245,677		
Total income (A)		56,762	97,499	1,451,814	141,181	5,617	174,242	-	21	28	62	1,927,226		
Fund management expenses		2,636	3,456	58,546	6,987	453	8,711	-	3	4	10	80,806		
Fund administration expenses		-	-	-	-	-	-	-	-	-	-	-		
Other charges	F-5	41,626	63,080	602,431	65,127	8,247	183,810	31	27	8	66	964,453		
Service tax		5,538	8,214	77,855	8,525	1,097	23,794	4	3	1	9	125,040		
Total expenditure (B)		49,800	74,750	738,832	80,639	9,797	216,315	35	33	13	85	1,170,299		
Net income for the year (A-B)		6,962	22,749	712,982	60,542	(4,180)	(42,073)	(35)	(12)	15	(23)	756,927		
Add: Fund revenue account at the beginning of the year		(108,878)	(151,092)	(1,833,300)	(215,609)	(16,990)	(541,792)	(22,086)	(12,371)	(7,163)	(3,822)	(2,913,103)		
Fund revenue account at the end of the year		(101,916)	(128,343)	(1,120,318)	(155,067)	(21,170)	(583,865)	(22,121)	(12,383)	(7,148)	(3,845)	(2,156,176)		

(₹ 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 Debt Fund	Group Capital Guarantee Debt Fund II	Group Capital Guarantee Debt Fund III	Group Capital Growth Fund	Group Capital Guarantee Growth Fund	Group Capital Growth Fund II	Group Capital Short Term Debt Fund	Group Capital Short Term Debt Fund II	Group Capital Short Term Debt Fund III	
		ULGF 001 03/04/03 GBalancer 105	ULGF 041 30/04/13 GBalancer2 105	ULGF 006 03/10/05 GCCBal1 105	ULGF 010 21/03/07 GCCBal2 105	ULGF 049 27/08/13 GCCBal3 105	ULGF 007 28/10/05 GCCDebt1 105	ULGF 011 21/03/07 GCCDebt2 105	ULGF 048 27/08/13 GCCDebt3 105	ULGF 008 11/12/06 GCCGrowth1 105	ULGF 012 05/07/07 GCCGrowth2 105	ULGF 005 27/08/13 GCCGrowth3 105	ULGF 009 24/02/04 GCCGrowthDebt1 105	ULGF 009 16/03/07 GCCGrowthDebt2 105	ULGF 031 01/03/12 GCCGSTDDebt3 105	
Income from investments																
Interest income		1,405,910	3,454	6,526	137,160	2,962	1,605	78,482	6,096	1,784	4,041	51	11,156	361,297	6,944	
Dividend income		43,402	53	222	4,466	51	-	-	-	181	384	2	-	-	-	
Profit/(loss) on sale of investment		1,070,142	2,737	6,103	123,685	1,592	1,252	31,570	2,538	3,283	6,771	17	565	9,219	537	
Profit/(loss) on inter fund transfer/ sale of investment		4,749	-	80	1,428	70	57	115	82	(18)	-	-	-	(3)	-	
Unrealised gain/(loss)*		692,661	3,092	4,060	65,191	2,463	491	21,828	2,333	2,266	5,130	61	(31)	(1,564)	7	
Total income (A)		3,216,864	9,336	16,991	331,930	7,138	3,405	131,995	11,049	7,496	16,326	131	11,690	368,949	7,488	
Fund management expenses		248,937	668	1,999	32,187	629	346	14,385	1,066	969	1,597	14	1,518	57,362	1,146	
Fund administration expenses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other charges	F-5	157	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service tax		30,752	83	247	3,978	78	43	1,778	132	120	197	2	188	7,090	142	
Total expenditure (B)		279,846	751	2,246	36,165	707	389	16,163	1,198	1,089	1,794	16	1,706	64,452	1,288	
Net income for the year (A-B)		2,937,018	8,585	14,745	295,765	6,431	3,016	115,832	9,851	6,407	14,532	115	9,984	304,497	6,200	
Add: Fund revenue account at the beginning 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	
Fund revenue account at the end of the year		10,207,320	8,607	102,067	967,407	6,535	8,657	604,704	10,150	18,272	41,313	115	92,467	1,557,300	6,891	

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3.13 FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2015

Form A-RA(UL)

(₹ in '000)

Particulars	Schedule	Linked Group Funds									
		Group Debt Fund	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 002 03/04/03 GDebt 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	
Income from investments											
Interest income		1,340,579	72,366	254,988	230	68,536	10,752	52,199	3,828	81	
Dividend income		-	-	46,304	18	2,236	-	-	-	-	
Profit/(loss) on sale of investment		590,380	43,499	1,100,534	290	54,303	7,059	5,152	1,076	7	
Profit/(loss) on inter fund transfer/ sale of investment		(6,354)	440	87,169	47	441	(30)	422	(28)	-	
Unrealised gain/(loss)*		460,227	22,559	186,315	762	41,421	3,769	(84)	(404)	(1)	
Total income (A)		2,384,832	138,864	1,675,310	1,347	166,937	21,550	57,689	4,472	87	
Fund management expenses		200,756	11,379	88,114	84	12,640	1,712	7,916	855	18	
Fund administration expenses		-	-	-	-	-	-	-	-	-	
Other charges	F-5	-	-	-	-	-	-	131	-	-	
Service tax		24,813	1,406	10,891	10	1,562	212	995	106	2	
Total expenditure (B)		225,569	12,785	99,005	94	14,202	1,924	9,042	961	20	
Net income for the year (A-B)		2,159,263	126,079	1,576,305	1,253	152,735	19,626	48,647	3,511	67	
Add: Fund revenue account at the beginning of the year		3,658,658	606	3,666,888	1	265,891	29,954	132,945	645,448	27,353	
Fund revenue account at the end of the year		5,817,921	126,685	5,243,193	1,254	418,626	49,580	181,592	648,959	27,420	

(₹ in '000)

Particulars	Schedule	Linked Group Funds								Grand total
		Group Return Guarantee Fund III	Group Return Guarantee Fund - S5	Group Return Guarantee Fund - S7	Group Short Term Debt Fund	Group Short Term Debt Fund II	Group Short Term Debt Fund III	Group Superannuation Corporate Bond Fund		
Income from investments		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 046 27/08/13 GSTDebt2 105	ULGF 039 30/04/13 GSTDebt3 105	ULGF 015 22/12/08 GSACorBon 105		
Interest income		443	12,610	43,299	655,712	101,618	985	188,196	4,833,890	22,723,488
Dividend income		-	-	-	-	-	-	-	97,319	5,380,574
Profit/(loss) on sale of investment		-	-	-	-	-	-	-		
Profit/(loss) on inter fund transfer/ sale of investment		52	5,094	19,963	15,222	4,002	29	38,301	3,144,974	70,662,721
Unrealised gain/(loss)*		-	(37)	1,190	(237)	(785)	-	(3)	88,795	2,966,938
Total income (A)		(1)	(1,213)	(2,424)	251	(3,112)	-	38,363	1,544,416	72,402,678
Fund management expenses		494	16,454	62,028	670,948	101,723	1,014	264,857	9,709,394	174,136,399
Fund administration expenses		99	2,626	10,342	93,254	16,014	144	30,258	839,034	9,306,697
Other charges	F-5	-	-	-	-	-	-	-		
Service tax		-	-	-	3	-	-	-	291	11,117,429
Total expenditure (B)		12	325	1,278	11,526	1,979	18	3,740	103,705	3,069,358
Net income for the year (A-B)		111	2,951	11,620	104,783	17,993	162	33,998	943,030	24,675,851
Add: Fund revenue account at the beginning of the year										
Fund revenue account at the end of the year		383	13,503	50,408	566,165	83,730	852	230,859	8,766,364	149,460,548
		639,232	29,688	102,095	2,856,856	-	-	472,013	22,426,455	216,230,730
		639,615	43,191	152,503	3,423,021	83,730	852	702,872	31,192,819	365,691,278

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SCHEDULE: F - 5

OTHER EXPENSES AT MARCH 31, 2015

Particulars	Linked Life Funds												₹ in '000)	
	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	ULIF 002 22/10/01 LBalancer1	ULIF 014 17/05/04 LBalancer2	ULIF 023 13/03/06 LBalancer3	ULIF 039 27/08/07 LBalancer4	ULIF 087 24/11/09 LBuChip105	ULIF 008 11/08/03 LCashPlus105	ULIF 100 01/07/10 LDiscoun105	ULIF 097 11/01/10 LDynamicPE105	ULIF 031 20/03/07 LFlexiBal105	ULIF 032 20/03/07 LFlexiBal2105	ULIF 033 20/03/07 LFlexiBal3105		
Policy administration charge	131	5	10,705	495	4,380	44,512	6,241	-	202,096	-	3,827	109		
Surrender charge	-	236	827	12	73	4,277	34,577	-	14,111	73	282	3		
Switching charge	-	85	37	8	7	134	-	-	125	30	11	1		
Mortality charge	54	32,354	18,232	1,130	5,945	43,360	14,679	-	184,658	2,608	4,703	291		
Rider premium charge	-	7,703	9,162	-	93	1,789	-	-	13,175	628	3,232	-		
Partial withdrawal charge	-	-	-	-	-	-	-	-	-	-	-	-		
Discontinued charges	-	-	-	-	-	3,464	-	-	9,140	-	-	-		
Policy foreclosure charges	5	(4,004)	(28)	-	(110)	5,061	268	-	26,235	(258)	(92)	-		
Miscellaneous charges	-	(4,160)	(2,060)	-	(241)	(109)	-	-	(506)	(358)	(8)	-		
Total	190	32,219	36,875	1,645	10,147	102,488	55,765	-	449,034	2,723	11,955	404		

Particulars	Linked Life Funds												₹ in '000)	
	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	Maximise India Fund		
	ULIF 040 27/08/07 LFlexiBal4	ULIF 026 20/03/07 LFlexiGro1	ULIF 027 20/03/07 LFlexiGro2	ULIF 028 20/03/07 LFlexiGro3	ULIF 038 27/08/07 LFlexiGro4	ULIF 116 15/03/11 LHighNavB	ULIF 089 24/11/09 LIncome105	ULIF 020 03/01/05 LInvCash105	ULIF 018 03/01/05 LInvShld105	ULIF 134 19/09/13 LGF 105	ULIF 135 19/09/13 LSF 105	ULIF 136 11/2014 MIF 105		
Policy administration charge	1,331	-	69,333	2,724	65,518	377,047	344,947	34,556	13,844	53,495	43,088	1,993		
Surrender charge	11	961	4,320	52	871	-	11,944	99,314	25,013	-	-	-		
Switching charge	5	252	98	17	61	2	422	-	-	-	-	-		
Mortality charge	1,943	33,441	71,619	3,642	62,318	649,463	442,026	49,600	11,063	62,880	59,817	2,579		
Rider premium charge	60	9,477	43,105	-	2,873	-	7,537	147	1,561	-	-	2,003		
Partial withdrawal charge	-	-	-	-	-	36,015	35,946	-	-	101	68	-		
Discontinued charges	-	-	-	-	-	(1,146)	-	9,318	181	(63)	-	-		
Policy foreclosure charges	-	(5,149)	(165)	-	(6,444)	(684)	(313)	57	728	95	99	-		
Total	2,899	34,098	188,226	6,435	124,051	1,061,843	851,827	183,865	52,146	116,571	103,072	6,575		

Particulars	Linked Life Funds												₹ in '000)	
	Maximiser Fund	Maximiser Fund II	Maximiser Fund III	Maximiser Fund IV	Maximiser Fund V	Maximiser Fund Mkt	Money Market Fund	Multi Cap Balanced Fund	Multi Cap Growth Fund	Multiplier Fund	Multiplier Fund II	Multiplier Fund III	Multiplier Fund IV	
	ULIF 001 22/10/01 LMaximis1	ULIF 012 17/05/04 LMaximis2	ULIF 022 13/03/06 LMaximis3	ULIF 037 27/08/07 LMaximis4	ULIF 114 15/03/11 LMaximis5	ULIF 090 24/11/09 LMoneyMkt105	ULIF 088 24/11/09 LMCapBal105	ULIF 085 24/11/09 LMCapGro105	ULIF 042 22/11/07 LMultipl105	ULIF 044 25/02/08 LMultipl2105	ULIF 046 25/02/08 LMultipl3105	ULIF 047 25/02/08 LMultipl4105		
Policy administration charge	3	33,083	3,625	2,404	375,150	197,464	46,001	249,152	-	11,254	348	4,399		
Surrender charge	(1)	835	(3)	-	10,289	2,200	32,268	270	738	18	60			
Switching charge	564	130	38	23	233	807	88	473	111	38	3	25		
Mortality charge	98,062	57,145	5,421	3,233	555,891	250,126	53,628	195,826	12,033	13,578	414	6,753		
Rider premium charge	28,897	21,920	-	221	184	4,203	2,308	16,984	3,111	8,507	-	314		
Partial withdrawal charge	-	-	22	-	29,580	15,806	4,286	16,731	-	-	-	-		
Discontinued charges	-	-	-	-	-	-	-	-	-	-	-	-		
Policy foreclosure charges	(1,378)	(667)	-	(21)	-	5,996	3,207	41,662	(2,964)	(25)	-	(469)		
Miscellaneous charges	(30,524)	(4,063)	-	(29)	(158)	(49)	(162)	(2,055)	(313)	72	-	(445)		
Total	95,623	108,405	9,081	5,831	960,880	484,642	111,556	551,041	12,248	34,162	783	10,637		

Particulars	Linked Life Funds												₹ in '000)	
	New Invest Shield Balanced Fund	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 IV		
	ULIF 025 21/08/06 LInvShldNw	ULIF 086 24/11/09 LPopport105	ULIF 081 26/10/09 LPinnacle105	ULIF 105 26/10/10 LPinnacle2105	ULIF 010 17/05/04 LPreserv105	ULIF 021 13/03/06 LPreserv3105	ULIF 036 27/08/07 LPreserv4105	ULIF 003 22/10/01 LProtect105	ULIF 016 17/05/04 LProtect2105	ULIF 024 13/03/06 LProtect3105	ULIF 041 27/08/07 LProtect4105	ULIF 069 31/03/09 LRGF(14) 105		
Policy administration charge	19,720	52,237	(89)	43,487	6,534	383	3,868	3	10,729	598	26,687	(2)		
Surrender charge	49,620	9,910	26,059	-	1,147	12	90	298	869	27	382	-		
Switching charge	-	83	-	-	903	48	92	457	154	25	55	-		
Mortality charge	15,489	40,161	31,150	59,272	22,007	929	5,956	27,821	23,920	1,521	33,172	2		
Rider premium charge	-	3,684	-	-	7,269	(2,207)	176	5,562	9,061	-	1,081	-		
Partial withdrawal charge	-	-	-	298	-	-	-	-	-	-	-	-		
Discontinued charges	-	3,863	-	-	-	-	-	-	-	-	-	-		
Policy foreclosure charges	(110)	11,206	11,109	-	(155)	-	-	(1,226)	(310)	-	(169)	(195)		
Miscellaneous charges	193	(209)	-	3	(1,667)	-	(359)	(2,368)	(893)	-	(2,744)	-		
Total	84,912	120,935	68,229	103,060	36,038	(835)	9,823	30,547	43,530	2,171	58,464	(195)		

schedules



forming part of the financial statements

Continued

SCHEDULE: F - 5

OTHER EXPENSES AT MARCH 31, 2015

(₹ 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)	
	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(S1) 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	
Policy administration charge	22	37	57	96	11	110	14	439	291	3,721	140	
Surrender charge	15	37	42	10	-	-	-	-	-	-	-	
Switching charge	-	-	-	-	-	-	-	-	-	-	-	
Mortality charge	28	64	58	1,216	542	2,262	338	10,206	2,135	5,211	124	
Rider premium charge	11	29	35	1	2	-	2	4	8	36	12	
Partial withdrawal charge	-	-	-	-	-	-	-	-	-	-	-	
Discontinued charges	-	-	-	(15)	(3)	(9)	-	20	3	45	6	
Policy foreclosure charges	(27)	(102)	(32)	-	-	-	-	-	-	-	-	
Miscellaneous charges	-	-	-	-	-	-	-	-	-	(1)	-	
Total	49	65	160	1,308	552	2,363	354	10,669	2,437	9,012	282	

(₹ in '000)

Particulars	Linked Life Funds								Total
	RICH Fund	RICH Fund II	RICH Fund III	RICH Fund IV	Secure Plus Fund	Secure Save Builder Fund	Secure Save Guarantee Fund		
	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	-	68,778	1,170	25,184	1,218	396	1,515	2,470,624	
Surrender charge	1,106	4,936	66	159	2,544	78	264	341,302	
Switching charge	72	44	7	26	-	-	-	5,794	
Mortality charge	11,144	56,166	1,150	30,398	1,816	-	-	3,394,773	
Rider premium charge	2,666	42,517	-	1,125	-	-	-	260,268	
Partial withdrawal charge	-	-	-	-	-	-	-	-	
Discontinued charges	-	-	-	-	-	-	-	155,367	
Policy foreclosure charges	(3,674)	54	-	(625)	55	(15)	(151)	91,027	
Miscellaneous charges	(239)	(7)	-	(1,442)	(4)	-	-	(66,786)	
Total	11,075	172,488	2,393	54,825	5,629	459	1,628	6,652,369	

(₹ in '000)

Particulars	Linked Pension Funds											
	Discontinued Fund - Pension	Easy Retirement Fund	Easy Retirement Fund	Easy Retirement Fund	Invest Shield Fund	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
	ULIF 101 01/07/10 PDiscont 105	ULIF 132 02/11/12 ERBF 105	ULIF 136 25/03/13 ERSPBF 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
Policy administration charge	-	10,878	1	2,916	1,751	22,392	10,525	52,638	370,402	7,196	1,957	165,471
Surrender charge	-	2	-	3	9,272	29,374	5,641	15,175	119,656	9,046	288	188,921
Switching charge	-	-	-	-	463	695	1,066	235	1,774	13	319	89
Mortality charge	-	-	-	-	74	382	321	-	1	6	70	52
Rider premium charge	-	-	-	-	-	-	-	-	-	-	-	-
Partial withdrawal charge	-	-	-	-	-	-	-	-	-	-	-	-
Discontinued charges	-	306	-	149	-	(4,482)	(1,556)	15,349	129,712	(598)	1,248	(17,652)
Policy foreclosure charges	-	-	-	-	-	358	(1)	(1,117)	(364)	(2,290)	(578)	-
Total	-	11,186	1	3,068	11,918	48,403	14,917	83,122	619,345	15,686	3,323	337,180

(₹ in '000)

Particulars	Linked Pension Funds											
	Pension Flexi Growth Fund II	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
	ULIF 030 20/03/07 PFlexiGro2 105	ULIF 127 01/12/11 PGROWTH 105	ULIF 095 11/01/10 Plincome 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
Policy administration charge	46,079	5,834	240,796	7,172	27,141	144,683	55,249	377,299	35,313	5,789	132,074	48,659
Surrender charge	4,112	(36)	86,218	4,352	8,314	54,842	13,551	137,053	34,245	711	52,124	76,762
Switching charge	185	-	191	96	240	512	45	354	101	65	78	881
Mortality charge	6,768	2,058	2,091	1,142	2,239	575	170	3,548	13	1,084	577	791
Rider premium charge	1,319	-	-	776	1,069	-	-	-	7	193	-	152
Partial withdrawal charge	-	-	-	-	-	-	-	-	-	-	-	-
Discontinued charges	-	2,511	-	-	-	-	-	-	-	-	-	-
Policy foreclosure charges	(11,257)	-	62,758	(656)	(4,579)	25,410	14,789	127,752	(5,128)	(991)	19,409	(2,283)
Miscellaneous charges	(3,883)	-	(2,125)	-	-	(295)	(434)	(3,490)	-	(715)	(873)	(488)
Total	43,323	10,367	389,929	12,882	34,424	225,727	83,370	642,516	64,551	6,136	203,389	124,474

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Continued

SCHEDULE: F - 5

OTHER EXPENSES AT MARCH 31, 2015

Particulars	Linked Pension Funds										(₹ in '000)
	Pension Protector Fund	Pension Protector Fund II	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)	
	ULIF 006 03/05/02 PProtect1 105	ULIF 017 17/05/04 PProtect2 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		
Policy administration charge	102,035	12,198	(12)	78	412	1,118	8	3	23		
Surrender charge	132,631	1,707	-	70	497	1,695	3	-	2		
Switching charge	267	216	-	-	-	-	-	-	-		
Mortality charge	728	2,342	-	2	1	1	-	-	1		
Rider premium charge	413	235	-	-	-	-	-	-	-		
Partial withdrawal charge	-	-	-	-	-	-	-	-	-		
Discontinued charges	-	-	-	-	-	-	-	-	-		
Policy foreclosure charges	(8,104)	(6,127)	(470)	(684)	(508)	(947)	-	-	-		
Miscellaneous charges	(1)	(1,879)	-	-	-	-	-	-	-		
Total	227,969	8,692	(482)	(534)	402	1,867	11	4	25		

Particulars	Linked Pension Funds					(₹ in '000)
	Pension Return Guarantee Fund XI (10 Yrs)	Pension RICH Fund	Pension RICH Fund II	Pension Secure Fund	Secure Plus Pension Fund	
	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	15	112,520	30,885	6,557	211	2,038,266
Surrender charge	7	145,500	5,061	(36)	756	1,137,514
Switching charge	-	118	75	-	-	4,029
Mortality charge	-	2	4,824	2,276	219	36,106
Rider premium charge	-	-	1,016	-	-	6,086
Partial withdrawal charge	-	-	-	-	-	
Discontinued charges	-	-	-	2,558	-	5,524
Policy foreclosure charges	-	(22,551)	(14,575)	-	-	293,279
Miscellaneous charges	-	(1)	(2,293)	-	(19)	(20,488)
Total	22	235,588	24,993	11,355	1,167	3,500,316

Particulars	Linked Health Funds										(₹ in '000)
	Health Balancer Fund	Health Flexi Balanced Fund	Health Flexi Growth Fund	Health Multiplier Fund	Health Preserver Fund	Health Protector Fund	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 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	4,235	6,608	62,739	6,698	827	17,992	3	1	1	7	99,111
Surrender charge	-	2	1	17	12	18	15	-	-	-	65
Switching charge	34,299	49,566	473,058	52,391	7,197	152,548	28	26	7	59	769,179
Mortality charge	-	-	-	-	-	-	-	-	-	-	
Rider premium charge	-	-	-	-	-	-	-	-	-	-	
Partial withdrawal charge	-	-	-	-	-	-	-	-	-	-	
Discontinued charges	-	-	-	-	-	-	-	-	-	-	
Policy foreclosure charges	2,701	6,457	62,762	5,830	196	12,277	-	-	-	-	90,223
Miscellaneous charges	389	448	3,855	196	9	978	-	-	-	-	5,875
Total	41,626	63,080	602,431	65,127	8,247	183,810	31	27	8	66	964,453

Particulars	Linked Group Funds										(₹ in '000)
	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	
	ULGF 001 03/04/03 GBalancer 105	ULGF 041 30/04/13 GBalancer 2 105	ULGF 006 03/10/05 GCBal1 105	ULGF 010 21/03/07 GCBal2 105	ULGF 049 27/08/13 GCBal3 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 050 27/08/13 GCGGrowth3 105
Policy administration charge	-	-	-	-	-	-	-	-	-	-	
Surrender charge	157	-	-	-	-	-	-	-	-	-	
Switching charge	-	-	-	-	-	-	-	-	-	-	
Mortality charge	-	-	-	-	-	-	-	-	-	-	
Rider premium charge	-	-	-	-	-	-	-	-	-	-	
Partial withdrawal charge	-	-	-	-	-	-	-	-	-	-	
Discontinued charges	-	-	-	-	-	-	-	-	-	-	
Policy foreclosure charges	-	-	-	-	-	-	-	-	-	-	
Miscellaneous charges	-	-	-	-	-	-	-	-	-	-	
Total	157	-	-	-	-	-	-	-	-	-	-

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Continued

SCHEDULE: F - 5

OTHER EXPENSES AT MARCH 31, 2015

(₹ in '000)

Particulars	Linked Group Funds											
	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	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	
	ULGF 005 24/02/04 GCGSTDDebt1 105	ULGF 009 16/03/07 GCGSTDDebt2 105	ULGF 031 01/03/12 GCGSTDDebt3 105	ULGF 002 03/04/03 GDebt 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	
Policy administration charge	-	-	-	-	-	-	-	-	-	-	-	
Surrender charge	-	-	-	-	-	-	-	-	-	131	-	
Switching charge	-	-	-	-	-	-	-	-	-	-	-	
Mortality charge	-	-	-	-	-	-	-	-	-	-	-	
Rider premium charge	-	-	-	-	-	-	-	-	-	-	-	
Partial withdrawal charge	-	-	-	-	-	-	-	-	-	-	-	
Discontinued charges	-	-	-	-	-	-	-	-	-	-	-	
Policy foreclosure charges	-	-	-	-	-	-	-	-	-	-	-	
Miscellaneous charges	-	-	-	-	-	-	-	-	-	-	-	
Total	-	-	-	-	-	-	-	-	-	131	-	

(₹ in '000)

Particulars	Linked Group Funds								Total	Grand Total
	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 Short Term Debt Fund Fund II	Group Short Term Debt Fund III	Group Superannuation Corporate Bond Fund		
	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 046 27/08/13 GSTDebt2 105	ULGF 039 30/04/13 GSTDebt3 105	ULGF 015 22/12/08 GSACorBon 105		
Policy administration charge	-	-	-	-	-	3	-	-	-	4,608,001
Surrender charge	-	-	-	-	-	3	-	-	291	1,479,107
Switching charge	-	-	-	-	-	-	-	-	-	9,888
Mortality charge	-	-	-	-	-	-	-	-	-	4,200,058
Rider premium charge	-	-	-	-	-	-	-	-	-	266,354
Partial withdrawal charge	-	-	-	-	-	-	-	-	-	-
Discontinued charges	-	-	-	-	-	-	-	-	-	160,891
Policy foreclosure charges	-	-	-	-	-	-	-	-	-	474,529
Miscellaneous charges	-	-	-	-	-	-	-	-	-	(81,399)
Total	-	-	-	-	-	3	-	-	291	11,117,429

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Continued

3.14. ANNEXURE TO THE REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2016

POLICYHOLDERS' ACCOUNT (TECHNICAL ACCOUNT)

Particulars	Schedule	Linked Life			Linked Pension			Linked Health			Linked Group			Total Unit Linked (₹ in '000)
		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		4,260,423	113,893,723	118,154,146	59,427	7,892,891	7,952,318	39,611	1,383,074	1,422,685	(8,791)	16,309,033	16,300,242	143,829,391
(b) Reinsurance ceded		(412,674)	—	(412,674)	(110)	—	(110)	(315,806)	—	(315,806)	(29)	—	(29)	(728,619)
(c) Reinsurance accepted		—	—	—	—	—	—	—	—	—	—	—	—	—
Sub-total		3,847,749	113,893,723	117,741,472	59,317	7,892,891	7,952,208	(276,195)	1,383,074	1,106,879	(8,820)	16,309,033	16,300,213	143,100,772
Income from Investments														
(a) Interest, Dividend & Rent - Gross		514,905	14,606,919	15,121,824	91,452	5,407,232	5,498,684	9,867	204,753	214,620	49,753	3,932,859	3,982,612	24,817,740
(b) Profit on sale/redemption of investments		101,591	28,730,103	28,831,694	33,842	18,635,536	18,669,378	3,142	397,063	400,205	11,597	1,569,178	1,580,775	49,482,052
(c) Loss on sale/redemption of investments		(11,681)	(6,846,765)	(6,858,446)	(5,188)	(2,574,326)	(2,579,514)	(446)	(83,363)	(83,809)	(2,432)	(828,495)	(830,927)	(10,352,696)
(d) Unrealised gain/(loss)		—	(43,315,051)	(43,315,051)	—	(25,859,855)	(25,859,855)	—	(686,176)	(686,176)	—	(1,830,284)	(1,830,284)	(71,691,366)
(e) Accretion of discount/(amortisation of premium)		83,054	3,761,725	3,844,779	18,845	668,658	687,503	1,892	8,531	10,423	14,110	673,266	687,376	5,230,081
Sub-total		687,869	(3,063,069)	(2,375,200)	138,951	(3,722,755)	(3,583,804)	14,455	(159,192)	(144,737)	73,028	3,516,524	3,589,552	(2,514,189)
Other income														
(a) Linked income	UL1	14,817,151	(14,817,151)	—	3,877,512	(3,877,512)	—	1,055,567	(1,055,567)	—	352,594	(352,594)	—	—
(b) Contribution from the Shareholders' a/c		—	—	—	—	—	—	—	—	—	—	—	—	—
(c) Fees & charges		578	—	578	—	—	—	—	—	—	—	—	—	578
(d) Misc. income		21,484	—	21,484	1,211	—	1,211	126	—	126	444	—	444	23,265
Sub-total		14,839,213	(14,817,151)	22,062	3,878,723	(3,877,512)	1,211	1,055,693	(1,055,567)	126	353,038	(352,594)	444	23,843
TOTAL (A)		19,374,831	96,013,503	115,388,334	4,076,991	292,624	4,369,615	793,953	168,315	962,268	417,246	19,472,963	19,890,209	140,610,426
Commission		3,316,824	—	3,316,824	52,741	—	52,741	9,905	—	9,905	501	—	501	3,379,971
Operating expenses related to insurance business		12,530,831	25,989	12,556,820	716,493	(26,868)	689,625	76,140	981	77,121	162,537	482	163,019	13,486,585
Provision for doubtful debts		1,391	—	1,391	(513)	—	(513)	(222)	—	(222)	(50)	—	(50)	606
Bad debts written off		25,468	—	25,468	985	—	985	172	—	172	5	—	5	26,630
Provisions (other than taxation)														
(a) For diminution in the value of investments (Net)		—	—	—	—	—	—	—	—	—	—	—	—	—
(b) Others		—	—	—	—	—	—	—	—	—	—	—	—	—
Service tax charge on linked charges		—	2,661,882	2,661,882	—	547,981	547,981	—	136,839	136,839	—	118,254	118,254	3,464,956
TOTAL (B)		15,874,514	2,687,871	18,562,385	769,706	521,113	1,290,819	85,995	137,820	223,815	162,993	118,736	281,729	20,358,748
Benefits paid (Net)	UL2	1,196,095	42,301,155	43,497,250	88,896	43,452,352	43,541,248	272,522	92,629	365,151	12,369	21,453,140	21,465,509	108,869,158
Interim bonus paid		—	—	—	—	—	—	—	—	—	—	—	—	—
Change in valuation of policy liabilities		—	—	—	—	—	—	—	—	—	—	—	—	—
(a) Policy liabilities (non-unit/mathematical reserves)(Gross)		679,619	—	679,619	(137,622)	—	(137,622)	210,021	—	210,021	(9,408)	—	(9,408)	742,610
(b) Amount ceded in reinsurance		—	—	—	—	—	—	—	—	—	—	—	—	—
(c) Amount accepted in reinsurance		—	—	—	—	—	—	—	—	—	—	—	—	—
(d) Fund reserve		—	41,217,532	41,217,532	—	(43,928,845)	(43,928,845)	—	(62,134)	(62,134)	—	(2,098,913)	(2,098,913)	(4,872,360)
(e) Funds for discontinued policies		—	9,811,358	9,811,358	—	255,489	255,489	—	—	—	—	—	—	10,066,847
TOTAL (C)		1,875,714	93,330,045	95,205,759	(48,726)	(221,004)	(269,730)	482,543	30,495	513,038	2,961	19,354,227	19,357,188	114,806,255
SURPLUS/(DEFICIT) (D) = (A)-(B)-(C)		1,624,603	(4,413)	1,620,190	3,356,011	(7,485)	3,348,526	225,415	—	225,415	251,292	—	251,292	5,445,423
Provision for taxation														
(a) Current tax credit/(charge)		—	—	—	—	—	—	—	—	—	—	—	—	—
(b) Deferred tax credit/(charge)		(636)	—	(636)	—	—	—	—	—	—	—	—	—	(636)
SURPLUS/(DEFICIT) AFTER TAX		1,623,967	(4,413)	1,619,554	3,356,011	(7,485)	3,348,526	225,415	—	225,415	251,292	—	251,292	5,444,787
APPROPRIATIONS														
Transfer to Shareholders' a/c		1,623,967	—	1,623,967	3,347,626	—	3,347,626	219,613	—	219,613	251,292	—	251,292	5,442,498
Transfer to Other Reserves		—	—	—	—	—	—	—	—	—	—	—	—	—
Balance being funds for future appropriations		—	—	(4,413)	(4,413)	8,385	(7,485)	900	5,802	—	5,802	—	—	2,289
Total (D)		1,623,967	(4,413)	1,619,554	3,356,011	(7,485)	3,348,526	225,415	—	225,415	251,292	—	251,292	5,444,787

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Annexure to the Revenue Account for the year ended March 31, 2015

POLICYHOLDERS' ACCOUNT (TECHNICAL ACCOUNT)

Particulars	Schedule													(₹ in '000)	
		Linked Life			Linked Pension			Linked Health			Linked Group				
		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		3,203,384	89,318,450	92,521,834	64,121	10,073,029	10,137,150	67,734	1,602,437	1,670,171	103,629	7,210,764	7,314,393	111,643,548	
(b) Reinsurance ceded		(359,769)	—	(359,769)	(81)	—	(81)	(316,350)	—	(316,350)	(914)	—	(914)	(677,114)	
(c) Reinsurance accepted		—	—	—	—	—	—	—	—	—	—	—	—	—	
Sub-total		2,843,615	89,318,450	92,162,065	64,040	10,073,029	10,137,069	(248,616)	1,602,437	1,353,821	102,715	7,210,764	7,313,479	110,966,434	
Income from Investments															
(a) Interest, Dividend & Rent - Gross		451,995	12,774,807	13,226,802	115,985	6,504,380	6,620,365	8,869	184,472	193,341	37,859	4,063,177	4,101,036	24,141,544	
(b) Profit on sale/redemption of investments		84,102	45,784,938	45,869,040	35,247	28,462,895	28,498,142	6,009	504,553	510,562	7,919	3,411,609	3,419,528	78,297,272	
(c) Loss on sale/redemption of investments		(61,683)	(2,969,089)	(3,030,772)	(31,947)	(1,368,679)	(1,400,626)	—	(18,728)	(18,728)	(20,210)	(177,840)	(198,050)	(4,648,176)	
(d) Unrealised gain/(loss)		—	41,322,245	41,322,245	—	28,290,340	28,290,340	—	1,245,677	1,245,677	—	1,544,416	1,544,416	72,402,678	
(e) Accretion of discount/(amortisation of premium)		48,492	2,659,141	2,707,633	13,624	1,038,801	1,052,425	2,578	11,252	13,830	3,953	868,032	871,985	4,645,873	
Sub-total		522,906	99,572,042	100,094,948	132,909	62,927,737	63,060,646	17,456	1,927,226	1,944,682	29,521	9,709,394	9,738,915	174,839,191	
Other income:															
(a) Linked income	UL1	12,884,984	(12,884,984)	—	6,836,925	(6,836,925)	—	1,045,259	(1,045,259)	—	372,850	(372,850)	—	—	
(b) Contribution from the Shareholders' a/c		—	—	—	—	—	—	—	—	—	—	—	—	—	
(c) Fees & charges		774	—	774	—	—	—	—	—	—	—	—	—	774	
(d) Misc. income		19,717	—	19,717	2,089	—	2,089	213	—	213	425	—	425	22,444	
Sub-total		12,905,475	(12,884,984)	20,491	6,839,014	(6,836,925)	2,089	1,045,472	(1,045,259)	213	373,275	(372,850)	425	23,218	
TOTAL (A)		16,271,996	176,005,508	192,277,504	7,035,963	66,163,841	73,199,804	814,312	2,484,404	3,298,716	505,511	16,547,308	17,052,819	285,828,843	
Commission		2,877,172	—	2,877,172	84,580	—	84,580	19,178	—	19,178	50	—	50	2,980,980	
Operating expenses related to insurance business		10,674,208	6,394	10,680,602	966,494	(92,492)	874,002	96,540	904	97,444	177,605	722	178,327	11,830,375	
Provision for doubtful debts		(54,101)	—	(54,101)	32,655	—	32,655	(613)	—	(613)	147	—	147	(21,912)	
Bad debts written off		71,906	—	71,906	(34,773)	—	(34,773)	154	—	154	119	—	119	37,406	
Provisions (other than taxation)															
(a) For diminution in the value of investments (Net)		—	—	—	—	—	—	—	—	—	—	—	—	—	
(b) Others		—	—	—	—	—	—	—	—	—	—	—	—	—	
Service tax charge on linked charges		—	1,987,984	1,987,984	—	852,629	852,629	—	125,040	125,040	—	103,705	103,705	3,069,358	
TOTAL (B)		13,569,185	1,994,378	15,563,563	1,048,956	760,137	1,809,093	115,259	125,944	241,203	177,921	104,427	282,348	17,896,207	
Benefits paid (Net)	UL2	841,564	47,005,849	47,847,413	52,251	56,001,347	56,053,598	245,164	71,504	316,668	29,159	10,466,437	10,495,596	114,713,275	
Interim bonus paid		—	—	—	—	—	—	—	—	—	—	—	—	—	
Change in valuation of liability in respect of life policies		—	—	—	—	—	—	—	—	—	—	—	—	—	
(a) Policy liabilities (Gross)		621,613	—	621,613	(333,347)	—	(333,347)	20,477	—	20,477	(57,493)	—	(57,493)	251,250	
(b) Amount ceded in reinsurance		—	—	—	—	—	—	—	—	—	—	—	—	—	
(c) Amount accepted in reinsurance		—	—	—	—	—	—	—	—	—	—	—	—	—	
(d) Fund reserve		—	115,709,760	115,709,760	—	9,428,418	9,428,418	—	2,286,956	2,286,956	—	5,976,444	5,976,444	133,401,578	
(e) Funds for discontinued policies		—	11,394,237	11,394,237	—	302,549	302,549	—	—	—	—	—	—	11,696,786	
TOTAL (C)		1,463,177	174,109,846	175,573,023	(281,096)	65,732,314	65,451,218	265,641	2,358,460	2,624,101	(28,334)	16,442,881	16,414,547	260,062,889	
SURPLUS/ (DEFICIT) (D) = (A)-(B)-(C)		1,239,634	(98,716)	1,140,918	6,268,103	(328,610)	5,939,493	433,412	—	433,412	355,924	—	355,924	7,869,747	
Provision for taxation															
(a) Current tax credit/(charge)		—	—	—	—	—	—	—	—	—	—	—	—	—	
(b) Deferred tax credit/(charge)		(13,957)	—	(13,957)	—	—	—	—	—	—	—	—	—	(13,957)	
SURPLUS/ (DEFICIT) AFTER TAX		1,225,677	(98,716)	1,126,961	6,268,103	(328,610)	5,939,493	433,412	—	433,412	355,924	—	355,924	7,855,790	
APPROPRIATIONS															
Transfer to Shareholders' a/c		1,510,276	—	1,510,276	6,543,169	—	6,543,169	442,719	—	442,719	355,924	—	355,924	8,852,088	
Transfer to Other Reserves		—	—	—	—	—	—	—	—	—	—	—	—	—	
Balance being funds for future appropriations		(284,599)	(98,716)	(383,315)	(275,066)	(328,610)	(603,676)	(9,307)	—	(9,307)	—	—	—	(996,298)	
Total (D)		1,225,677	(98,716)	1,126,961	6,268,103	(328,610)	5,939,493	433,412	—	433,412	355,924	—	355,924	7,855,790	

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SCHEDULE-UL1

LINKED INCOME (RECOVERED FROM LINKED FUNDS)* FOR THE YEAR ENDED MARCH 31, 2016

(₹ in '000)

Particulars	Life Linked Unit	Pension Linked Unit	Linked Health Unit	Linked Group Unit	Total
	(1)	(2)	(3)	(4)	(5) = (1)+(2)+(3)+(4)
Fund administration charges	810,625	303,557	—	—	1,114,182
Fund management charge	6,384,876	2,681,269	92,061	849,746	10,007,952
Policy administration charge	2,805,011	758,168	94,249	—	3,657,428
Surrender charge	131,761	222,487	—	533	354,781
Switching charge	4,869	2,810	64	—	7,743
Mortality charge	4,375,170	29,566	761,282	—	5,166,018
Rider premium charge	249,012	5,125	—	—	254,137
Partial withdrawal charge	—	—	—	—	—
Policy foreclosure charge	(24,985)	(78,942)	104,014	—	87
Discontinued charges	172,574	3,294	—	—	175,868
Miscellaneous charge	(91,762)	(49,822)	3,897	(497,685)	(635,372)
TOTAL (UL-1)	14,817,151	3,877,512	1,055,567	352,594	20,102,824

* net of service tax, if any

LINKED INCOME (RECOVERED FROM LINKED FUNDS)* FOR THE YEAR ENDED MARCH 31, 2015

(₹ in '000)

Particulars	Life Linked Unit	Pension Linked Unit	Linked Health Unit	Linked Group Unit	Total
	(1)	(2)	(3)	(4)	(5) = (1)+(2)+(3)+(4)
Fund administration charges	851,268	331,099	—	—	1,182,367
Fund management charge	5,381,347	3,005,510	80,806	839,034	9,306,697
Policy administration charge	2,470,624	2,038,266	99,111	—	4,608,001
Surrender charge	341,302	1,137,514	—	291	1,479,107
Switching charge	5,794	4,029	65	—	9,888
Mortality charge	3,394,773	36,106	769,179	—	4,200,058
Rider premium charge	260,268	6,086	—	—	266,354
Partial withdrawal charge	—	—	—	—	—
Policy foreclosure charge	91,027	293,279	90,223	—	474,529
Discontinued charges	155,367	5,524	—	—	160,891
Miscellaneous charge	(66,786)	(20,488)	5,875	(466,475)	(547,874)
TOTAL (UL-1)	12,884,984	6,836,925	1,045,259	372,850	21,140,018

* net of service tax, if any

schedules



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SCHEDULE-UL2

BENEFITS PAID [NET] FOR THE YEAR ENDED MARCH 31, 2016

(₹ in '000)

Sl. No.	Particulars	Linked Life			Linked Pension			Linked Health			Linked Group			Total Unit Linked (13)=(3)+(6)+(9)+(12)
		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)	
1	Insurance claims													
(a)	Claims by death	1,425,644	650,456	2,076,100	15,308	593,356	608,664	18	9,001	9,019	12,229	51,002	63,231	2,757,014
(b)	Claims by maturity	—	2,808,595	2,808,595	25,137	1,104,092	1,129,229	—	—	—	—	—	—	3,937,824
(c)	Annuities / Pension payment	—	—	—	—	—	—	—	—	—	—	—	—	—
(d)	Other benefits													
	- Surrender/Withdrawal	4,235	38,842,104	38,846,339	768	41,754,904	41,755,672	—	—	—	—	21,402,138	21,402,138	102,004,149
	- Survival	—	—	—	—	—	—	—	—	—	—	—	—	—
	- Rider	36,630	—	36,630	1,262	—	1,262	—	—	—	—	—	—	37,892
	- Health	—	—	—	—	—	—	580,737	83,628	664,365	—	—	—	664,365
	- Interest on unclaimed amounts	30,339	—	30,339	46,421	—	46,421	560	—	560	140	—	140	77,460
	Sub Total (A)	1,496,848	42,301,155	43,798,003	88,896	43,452,352	43,541,248	581,315	92,629	673,944	12,369	21,453,140	21,465,509	109,478,704
2	Amount ceded in reinsurance													
(a)	Claims by death	(300,753)	—	(300,753)	—	—	—	—	—	—	—	—	—	(300,753)
(b)	Claims by maturity	—	—	—	—	—	—	—	—	—	—	—	—	—
(c)	Annuities / Pension payment	—	—	—	—	—	—	—	—	—	—	—	—	—
(d)	Other benefits													
	- Surrender/Withdrawal	—	—	—	—	—	—	—	—	—	—	—	—	—
	- Survival	—	—	—	—	—	—	—	—	—	—	—	—	—
	- Rider	—	—	—	—	—	—	—	—	—	—	—	—	—
	- Health	—	—	—	—	—	—	(308,793)	—	(308,793)	—	—	—	(308,793)
	Sub Total (B)	(300,753)	—	(300,753)	—	—	—	(308,793)	—	(308,793)	—	—	—	(609,546)
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)	1,196,095	42,301,155	43,497,250	88,896	43,452,352	43,541,248	272,522	92,629	365,151	12,369	21,453,140	21,465,509	108,869,158
	Benefits paid to claimants:													
In India	1,496,848	42,301,155	43,798,003	88,896	43,452,352	43,541,248	581,315	92,629	673,944	12,369	21,453,140	21,465,509	109,478,704	
Outside India	—	—	—	—	—	—	—	—	—	—	—	—	—	—
	TOTAL (UL2)	1,496,848	42,301,155	43,798,003	88,896	43,452,352	43,541,248	581,315	92,629	673,944	12,369	21,453,140	21,465,509	109,478,704

SCHEDULE-UL2

BENEFITS PAID [NET] FOR THE YEAR ENDED MARCH 31, 2015

(₹ in '000)

Sl. No.	Particulars	Linked Life			Linked Pension			Linked Health			Linked Group			Total Unit Linked (13)=(3)+(6)+(9)+(12)
		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)	
1	Insurance claims													
(a)	Claims by death	1,025,181	540,345	1,565,526	21,421	811,554	832,975	12	6,023	6,035	29,159	51,887	81,046	2,485,582
(b)	Claims by maturity	—	717,446	717,446	28,749	1,510,155	1,538,904	—	—	—	—	—	—	2,256,350
(c)	Annuities / Pension payment	—	—	—	—	—	—	—	—	—	—	—	—	—
(d)	Other benefits													
	- Surrender/Withdrawal	456	45,748,058	45,748,514	278	53,679,638	53,679,916	—	—	—	—	10,414,550	10,414,550	109,842,980
	- Survival	—	—	—	—	—	—	—	—	—	—	—	—	—
	- Rider	33,625	—	33,625	1,803	—	1,803	—	515,279	65,481	580,760	—	—	35,428
	- Health	—	—	—	—	—	—	—	—	—	—	—	—	580,760
	- Interest on unclaimed amounts	—	—	—	—	—	—	—	—	—	—	—	—	—
	Sub Total (A)	1,059,262	47,005,849	48,065,111	52,251	56,001,347	56,053,598	515,291	71,504	586,795	29,159	10,466,437	10,495,596	115,201,100
2	(Amount ceded in reinsurance)													
(a)	Claims by death	(217,698)	—	(217,698)	—	—	—	—	—	—	—	—	—	(217,698)
(b)	Claims by maturity	—	—	—	—	—	—	—	—	—	—	—	—	—
(c)	Annuities / Pension payment	—	—	—	—	—	—	—	—	—	—	—	—	—
(d)	Other benefits													
	- Surrender/Withdrawal	—	—	—	—	—	—	—	—	—	—	—	—	—
	- Survival	—	—	—	—	—	—	—	—	—	—	—	—	—
	- Rider	—	—	—	—	—	—	—	—	—	—	—	—	—
	- Health	—	—	—	—	—	—	(270,127)	—	(270,127)	—	—	—	(270,127)
	Sub Total (B)	(217,698)	—	(217,698)	—	—	—	(270,127)	—	(270,127)	—	—	—	(487,825)
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)	841,564	47,005,849	47,847,413	52,251	56,001,347	56,053,598	245,164	71,504	316,668	29,159	10,466,437	10,495,596	114,713,275
	Benefits paid to claimants:													
In India	1,059,262	47,005,849	48,065,111	52,251	56,001,347	56,053,598	515,291	71,504	586,795	29,159	10,466,437	10,495,596	115,201,100	
Outside India	—	—	—	—	—	—	—	—	—	—	—	—	—	—
	Total	1,059,262	47,005,849	48,065,111	52,251	56,001,347	56,053,598	515,291	71,504	586,795	29,159	10,466,437	10,495,596	115,201,100

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3.15. Employee benefits

Provision for staff benefits as per AS 15 (Revised):

(a) Defined contribution plans

The amount recognised as an expense during the year ended March 31, 2016 is ₹ 43,188 thousand (year ended March 31, 2015: ₹ 40,069 thousand).

(b) Defined benefit plans

Gratuity

Particulars	Year ended	
	March 31, 2016	March 31, 2015
Reconciliation of benefit obligations and planned assets for the period:		
Present value of the defined benefit obligations at period end (A)	787,608	656,645
Fair value of plan assets at period end (B)	747,780	621,030
Net asset/(liability) recognised in Balance Sheet at end of the year (B-A)	(39,828)	(35,615)
Total net cost recognised as employee remuneration in Revenue / Profit and loss account	189,776	45,320
Change in defined benefit obligation:		
Opening obligations at April 1	656,645	593,293
Service cost	76,881	77,195
Interest cost	52,394	53,245
Actuarial (gain)/loss	74,362	18,094
Past service costs	-	-
Liability assumed on transfer of employees.	-	-
Benefits paid	(72,674)	(85,182)
Present value of the defined benefit obligations at period end (A)	787,608	656,645
Change in Plan Asset:		
Opening plan assets, at fair value at April 1	621,030	554,816
Expected return on plan assets	43,991	41,725
Actuarial gain/(loss)	(30,130)	61,489
Contributions	185,563	48,182
Assets acquired on acquisition/(settled on divestiture)	-	-
Benefits paid	(72,674)	(85,182)
Fair value of plan assets at period end (B)	747,780	621,030
Cost for the period:		
Service cost	76,881	77,196
Interest cost	52,394	53,245
Expected return on plan assets	(43,991)	(41,726)
Actuarial (gain)/loss	104,492	(43,395)
Past service cost	-	-
Losses /(gains) on acquisition/divestiture	-	-
Total net cost recognised as employee remuneration in Revenue / Profit and loss account	189,776	45,320
Investment details of plan assets:		
Plan assets invested in insurer managed funds	100.0%	100.0%
Fund earning rate	3.3%	16.8%
Asset allocation:		
Debentures and Bonds	28.6%	19.2%
Fixed deposits	1.3%	12.4%
Government securities	36.7%	40.0%
Equity shares	16.6%	15.0%
Money market instruments	13.2%	7.9%
Others	3.6%	5.5%
Total	100.0%	100.0%
Assumptions:		
Discount rate	7.65%	7.95%
Salary escalation rate *		
Level 1 to 3	8.0%	5.0%
Level 4 and above	8.0%	8.0%
Estimated rate of return on plan assets #	7.5%	7.5%
Expected future contribution from employer for next year	80,000	80,000

* 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, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Defined benefit obligation	787,608	656,645	593,293	500,636	397,433
Plan assets	747,780	621,030	554,816	476,280	301,856
Surplus/(deficit)	(39,828)	(35,615)	(38,477)	(24,356)	(95,577)
Experience adjustments					
- on plan liabilities	60,235	(5,301)	26,710	49,715	24,870
- on plan assets	(30,130)	61,489	4,319	10,794	6,835

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, 2016	March 31, 2015
Discount rate for the term of the obligation	7.65%	7.95%
Average historic yield on the investment portfolio	9.01%	9.00%
Discount rate for the remaining term to maturity of the investment portfolio	7.95%	7.95%
Expected investment return	8.71%	9.00%
Guaranteed rate of return	8.75%	8.75%

(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, 2016	March 31, 2015
Discount rate per annum	7.40%	8.00%

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, 2016	March 31, 2015
Discount rate per annum	7.65%	7.95%
Salary escalation rate (per annum)		
Level 1 to 3	8.0%	5.0%
Level 4 and above	8.0%	8.0%

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Leave accumulation policy of the Company is given below:

Criteria	Level 1 to 6	Level 7 & above
Employment upto 5 years	NA	60 days
Employment more than 5 years	60 days	90 days

While computing liability, 2% leave avialment has been assumed for each subsequent year following the valuation date.

3.16. Employee Stock Option Scheme ("ESOS")

The Company Employees Stock Option Scheme (2005) ("ESOS 2005") presently has six tranches namely 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 Company. The maximum number of options that can be granted to any eligible employee is restricted to 1% of the issued capital. The exercise price was finalised by the Board Compensation and Nominations Committee in concurrence with the Board of Directors of the Company.

The scheme allowed an exercise period of "later of the tenth anniversary of the date of grant of Options or the fifth anniversary of the date of vesting of Options". During the year ended March 31, 2015, in the interest of employees, the Company had extended the exercise period from 10 years to 13 years for the options granted namely Founder I, 2004-05, 2005-06, 2006-07 and Founder II. The Company follows intrinsic value method and hence there was no charge in the Revenue Account and Profit and Loss account on account of modification of the Scheme.

The salient features of tranches issued under ESOS 2005 are as stated below:

Date of Grant	Founder I	2004-05	2005-06	2006-07 Founder II	2007-08
	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
Maximum term of options granted	Thirteenth anniversary of the date of grant of options			Tenth anniversary of the date of grant of options	
Graded Vesting Period					
1 st Year	50% of options granted	25% of options granted			
2 nd Year		25% of options granted			
3 rd Year		25% of options granted			
4 th Year	-	25% of options granted			
Mode of settlement	Equity				

Exercise price of all the options outstanding as at March 31, 2016 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, 2016	March 31, 2015
Outstanding at the beginning of the year	7,057,417	10,201,948
Add: Granted during the period	-	-
Less: Forfeited/lapsed during the period	(559,175)	(588,000)
Less: Exercised during the period	(499,067)	(2,556,531)
Outstanding at the end of the period	5,999,175	7,057,417
Exercisable at the end of the year	5,999,175	7,057,417

During the year ended March 31, 2016, the Company has recognised a compensation cost of ₹ nil (year ended March 31, 2015: ₹ nil) as the intrinsic value of the options.

For the year ended March 31, 2016 there would have been an additional cost of ₹ nil in the Revenue account and Profit & Loss account had the Company followed the fair value method for valuing its options (year ended March 31, 2015 : ₹ 22,261 thousand). Accordingly, the profit after tax for the year ended March 31, 2015 would have been at ₹ 16,320,654 thousand. Consequently, the Company's basic earnings per share would have been at ₹ 11.41 and diluted earnings per share would have been at ₹ 11.39 for the year ended March 31, 2015.

The weighted average price of options exercised during the year ended March 31, 2016 is ₹ 108.4 (year ended March 31, 2015: ₹ 82.1). The weighted average remaining contractual life of options outstanding at the end of the period is as follows:

	At March 31, 2016	At March 31, 2015		
Exercise price range (in ₹)	Options outstanding	Weighted average remaining contractual life (in years)	Options outstanding	Weighted average remaining contractual life (in years)
30	21,438	2.0	28,438	3.0
42	152,175	2.1	155,175	3.1
70	832,612	3.1	1,105,927	4.1
130	2,445,850	4.1	2,783,002	5.1
400	2,547,100	2.1	2,984,875	3.1
Total	5,999,175	3.0	7,057,417	4.0

3.17. 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, 2016 is ₹ 1,445 thousand (year ended March 31, 2015: loss ₹ 3,330 thousand).

3.18. Earnings per share

Sr. No.	Particulars	March 31, 2016	March 31, 2015
I	Net profit as per profit and loss account available for equity shareholders for both basic and diluted earnings per equity share of ₹ 10 each	16,504,607	16,342,915
II	Weighted average number of equity shares for earnings per equity share		
	(a) For basic earnings per equity share	1,432,016,936	1,429,853,060
	(b) For diluted earnings per equity share		
	Number of equity shares for basic earnings per equity share as per (II) (a)	1,432,016,936	1,429,853,060
	Add: Weighted average outstanding employee stock options deemed to be issued for no consideration	1,927,727	2,663,925
	Weighted number of equity shares for diluted earnings per equity share	1,433,944,663	1,432,516,985
III	Earnings per equity share		
	Basic (in ₹)	11.53	11.43
	Diluted (in ₹)	11.51	11.41

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3.19. Managerial remuneration

The remuneration of the Managing Director and Executive Directors' included in employee remuneration and welfare benefits is as follows:

(₹ in '000)

FY2016	Basic	Bonus	Retirals	Allowances/ Perquisites	LTRS ¹	Total
Sandeep Bakhshi, Managing Director & CEO	17,279	11,876	3,901	12,162	20,409	65,627
Puneet Nanda, Executive Director	9,720	8,099	2,138	9,818	8,750	38,525
Sandeep Batra, Executive Director	7,806	7,274	937	15,054	-	31,071
Total	34,805	27,249	6,976	37,034	29,159	135,223

(₹ in '000)

FY2015	Basic	Bonus	Retirals	Allowances/ Perquisites	LTRS ¹	Total
Sandeep Bakhshi, Managing Director & CEO	15,025	10,923	3,406	8,973	27,409	65,736
Puneet Nanda, Executive Director	8,452	7,682	1,859	35,112	13,750	66,856
Sandeep Batra, Executive Director ²	6,969	5,251	836	21,590	-	34,647
Total	30,446	23,856	6,101	65,676	41,159	167,238

¹Long Term Reward Scheme paid during the year

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 (amended by the Insurance Laws (Amendment) Act, 2015) and as approved by the IRDAI. Managerial remuneration in excess of the limits prescribed by IRDAI has been charged to the Shareholders' account.

3.20. Commitments

Commitments made and outstanding (net of advances) for Company's investment in Real estate (Investment property) is ₹ 487,113 thousand (March 31, 2015 ₹ 1,711,497 thousand).

Estimated amount of contracts remaining to be executed on fixed assets to the extent not provided for (net of advance) is ₹ 91,398 thousand (March 31, 2015: ₹ 129,602 thousand)

There are no loan commitments made by the Company (March 31, 2015 ₹ nil).

3.21. 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.

3.22. Restructured assets

There are no assets including loans subject to re-structuring (March 31, 2015: ₹ Nil).

3.23. Valuation of 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 Company has revalued all its investment properties held for more than one year and market value for such properties is based on valuation performed by an independent valuer at March 31, 2016. 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 ₹ 2,553,528 thousand at March 31, 2016 (March 31, 2015: ₹ 2,528,667 thousand). The historical cost of the

property is ₹ 1,966,588 thousand (March 31, 2015: ₹ 1,966,588 thousand).

3.24. 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, 2016 is ₹ 170,326 thousand (year ended March 31, 2015: ₹ 67,498 thousand).

3.25. Encumbrances 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 ₹ 1,050,000 thousand (March 31, 2015: ₹ 1,050,200 thousand) and ₹ 99,000 thousand (March 31, 2015: ₹ 299,000 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)

(₹ in '000)

Particulars	At March 31, 2016		At March 31, 2015	
	Market value	Amortised cost	Market value	Amortised cost
Pledged under securities segment				
Government securities	1,487,550	1,425,730	1,556,400	1,428,906
Cash	70,000	70,000	70,000	70,000
Pledged under Collateralized Borrowing and Lending Obligation segment (CBLO)				
Government securities	207,848	206,938	209,850	207,080
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

The Company has placed fixed deposits with banks for issuing bank guarantee/based on the directive from the Court as per below details:

(₹ in '000)

Particulars	March 31, 2016	March 31, 2015
Fixed deposit placed with bank based on the directive from the Hon. Patna High Court in case of one death claim settlement pertaining to a deceased policyholder	561	518
Bank guarantees issued		
- in favour of Sub-Divisional Judicial Magistrate, Patna with respect to a criminal case filed against a fraudulent policyholder	5,000	5,000
- towards purchase of postage on policy welcome kit document	2,000	-
- in lieu of earnest money deposit towards tender of Indian Oil Corp Refineries Trust for administration of EDLI scheme	139	-

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3.26. 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 as at March 31, 2016 (March 31, 2015: ₹ nil) except the assets disclosed in the note 3.25.

3.27. 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, 2016 is ₹ 1,113,943 thousands (March 31, 2015: ₹ 115,122 thousands).

3.28. Reverse Repo transactions in Government securities/Corporate Debt Securities

Disclosures pursuant to IRDAI 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	
	FY2016	FY2015	FY2016	FY2015	FY2016	FY2015	FY2016	FY2015
Securities sold under repo								
i. Government Securities	—	—	—	—	—	—	—	—
ii. Corporate debt securities	—	—	—	—	—	—	—	—
Securities purchased under reverse repo								
i. Government Securities	1,499,972	261,190	26,999,331	4,467,273	7,698,661	2,237,088	-	261,190
ii. Corporate debt securities	-	679,969	-	679,969	-	679,969	-	-

3.29. Value of investment contracts where settlement or delivery is pending is as follows:

(₹ in '000)

Particulars	March 31, 2016			March 31, 2015		
	Shareholders	Policyholders	Unit linked	Shareholders	Policyholders	Unit linked
Purchases where deliveries are pending	-	195,873	2,990,007	-	1,544,054	3,732,938
Sales where receipts are pending	50,693	387,925	5,280,066	266,223	1,643,870	6,050,842

There are no investment contracts where sales have been made and payments are overdue at the Balance Sheet date.

3.30. 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 MSMED Act (March 31, 2015: ₹ nil).

3.31. Additional disclosures on expenses

The additional disclosures on expenses pursuant to the IRDAI Circular 067/IRDA/F&A/CIR/MAR-08 dated March 28, 2008 have been detailed herein below:

(₹ in '000)

Particulars	FY2015	FY2014
Outsourcing expenses	2,222,833	2,390,593
Business development expenses	1,027,138	941,756
Market support expenses	4,527,932	3,443,728

3.32. Disclosure on fines and penalties

The additional disclosures with respect to fines and penalties for penal actions pursuant to the IRDAI 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	Penalty awarded	Penalty paid	Penalty waived/Reduced
1	Insurance Regulatory and Development Authority of India	Non- compliance observed towards outsourcing guidelines	500	500	-
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, 2013	NIL	-	-	-
7	Penalty awarded by any Court / Tribunal for any matter including claim settlement but excluding compensation	Non-compliance under section 22(4) & under 18 (1)R & 29 (1) of Minimum Wages Act Non – compliance to Section 29, R – 24(11) of Karnataka Shops & Commercials Establishment Act	2 2	2 2	-
8	Competition Commission of India	Contravention of Section 381 B of the MMC Act	4	4	-
9	Any other State / Central / Local Government / Statutory Authority Shop and Establishment Act	NIL	-	-	-

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Sr. No.	Authority	Non-compliance/violation	Penalty awarded	Penalty paid	Penalty waived/Reduced
	Equal Remuneration Act	NIL	-	-	-
	Electricity Act	NIL	-	-	-
	Contract Labour (Regulation and Abolishment) Act	NIL	-	-	-
	Profession Tax Act	NIL	-	-	-
	Industrial Dispute Act	NIL	-	-	-
	Maternity Benefit Act	NIL	-	-	-
	Payment of Gratuity Act	NIL	-	-	-
Total			508	508	-

During the year ended March 31, 2015 there were no penalties awarded and paid by the company.

3.33. Disclosures on other work given to auditors

There are no services other than audit of financial statements rendered by Statutory auditor that requires disclosure as per clause 7.1 (g) of Corporate Governance Guidelines issued by the IRDAI on August 5, 2009.

3.34. 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	FY 2016	FY 2015
Rural – Number of policies	183,695	138,442
– Percentage of total policies	31.6%	21.7%
Social – Gross premium underwritten for new lives (₹ '000)	4,876	7,620
– Number of policies issued (including group business)	29,755	1
– Number of new lives covered	65,012	89,711
– Percentage of total lives	3.6%	5.8%
Total – Number of policies (including group business)	580,685	639,137
– Number of total lives	1,784,405	1,538,941

3.35. Risk retained and reinsured

Extent of risk retained and reinsured based on sum at risk, is as follows:

Particulars	At March 31, 2016	At March 31, 2015
Individual business		
Risk retained	51%	61%
Risk reinsured	49%	39%
Group business		
Risk retained	52%	52%
Risk reinsured	48%	48%

3.36. Discontinued Policy Fund

Pursuant to the IRDAI 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:

Particulars	At March 31, 2016	At March 31, 2015
Opening balance of funds for discontinued policies	22,977,463	11,280,677
Add: Fund of policies discontinued during the year	22,041,796	17,005,466
Less: Fund of policies revived during the year	(9,332,742)	(6,687,948)
Add: Income on investments of fund	2,378,328	1,505,894
Less: Fund management charges	(168,276)	(97,565)
Less: Amount refunded to policyholders during the year	(4,852,259)	(29,061)
Closing balance of fund for discontinued policies	33,044,310	22,977,463

b) Number of policies discontinued during the year ended March 31, 2016 is 117,080 (year ended March 31, 2015:118,902).

c) Percentage of discontinued to total policies (product wise):

Product Name	March 31, 2016	March 31, 2015
ICICI Pru Elite Wealth	16.2%	21.3%
ICICI Pru Elite Life	15.3%	22.0%
ICICI Pru Shubh Retirement	14.1%	32.2%
ICICI Pru Wealth Builder	13.9%	24.3%
ICICI Pru Easy Retirement	13.0%	3.0%
ICICI Pru SmartKld Premier	12.4%	17.8%
ICICI Pru Pinnacle Super	12.2%	17.7%
ICICI Pru Guaranteed Wealth Protector	11.7%	0.1%
ICICI Pru LifeStage Wealth II	11.0%	20.7%
ICICI Pru Wealth Builder II	8.5%	0.9%
ICICI Pru Elite Wealth II	8.4%	0.2%
ICICI Pru LifeTime Premier	7.9%	19.6%
ICICI Pru Elite Life II	7.3%	0.3%
ICICI PruPinnacle II	4.1%	13.0%
ICICI Pru Smart Life RP	0.6%	0.0%

d) Number and percentage of policies revived:

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Number of policies revived	99,107	48,981
Number of policies discontinued	355,990	287,552
Percentage of policies revived	27.8%	17.0%

e) Charges imposed/readjusted on account of discontinued policies/revival of discontinued policies are as follows:

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Charges imposed on account of discontinued policies	297,130	276,869
Charges readjusted on account of revival of discontinued policies	(96,700)	(96,264)
Total	200,430	180,605

3.37. 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 (amended by the Insurance Laws (Amendment) Act, 2015)

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 in-charge during the year or at March 31, 2016	: ICICI Prudential Pension Funds Management Company Limited, Chairman FINO Pay Tech Limited, Chairman

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3.38. Extra allocation

Total extra allocation made with respect to group products (Group Unit Linked Superannuation and Group Unit Linked Employee Benefit Plan) for the year ended March 31, 2016 is ₹ 35,397 thousand (for the year ended March 31, 2015: ₹ 2,551 thousand).

The amount of recovery towards extra allocation for the year ended March 31, 2016 is ₹ 550 thousand (for the year ended March 31, 2015: ₹ 39 thousand).

3.39. Dividend

Interim dividend appropriation for the year ended March 31, 2016 amounted to ₹ 10,858,715 thousand (for the year ended March 31, 2015: ₹ 6,353,777 thousand) including dividend distribution tax of ₹ 1,836,674 thousand (year ended March 31, 2015: ₹ 992,596 thousand).

The Board of directors have also proposed a final dividend of ₹ 3,007,883 thousand (Previous year ₹ 3,006,835 thousand). Dividend distribution tax on the same amounts to ₹ 612,334 thousand (Previous year ₹ 612,192 thousand).

The Central Government in consultation with National Advisory Committee on Accounting Standards has amended Companies (Accounting Standards) Rules, 2006 ('principal rules'), vide notification issued by Ministry of Corporate Affairs dated March 30, 2016. The Companies (Accounting Standards) Rules, 2016 is effective March 30, 2016. According to the amended rules, the above mentioned proposed dividend will not be recorded as a liability as at March 31, 2016. (Refer Para 8.5 of AS-4 – Contingencies and Events occurring after Balance Sheet date). The Company believes that the Rule 3(2) of the principal rules has not been withdrawn or replaced and accordingly, the Companies (Accounting Standards) Rule, 2016 will apply for the accounting periods commencing on or after March 30, 2016. Therefore the Company has recorded ₹ 3,620,217 thousand as liability for proposed dividends (including dividend distribution tax) as at March 31, 2016.

The final dividend amounting to ₹ 17 thousand and dividend distribution tax of ₹ 3 thousand pertains to dividend for the year ended March 31, 2015 on 8,000 equity shares allotted between date of Board Meeting i.e. April 24, 2015 and Record Date i.e. June 23, 2015.

The dividend distribution tax for the year ended March 31, 2016 includes a reversal of ₹ 70 thousand due to rounding off of provision for dividend distribution tax for the year ended March 31, 2015.

3.40. Summary of financial statements

(₹ in lacs)

Sr.No.	Particulars	FY2016	FY2015	FY2014	FY2013	FY2012
	Policyholders' Account					
1	Gross premium income	1,916,439	1,530,662	1,242,865	1,353,824	1,402,158
2	Net premium income #	1,899,870	1,516,045	1,228,265	1,341,724	1,392,788
3	Income from investments (net)##	119,573	1,871,770	920,825	618,044	(14,181)
4	Other income	2,088	5,938	11,190	56,532	36,371
	Contribution from the Shareholders a/c	-	4,146	9,465	54,125	34,980
	Fees and Charges	2,088	1,792	1,725	2,407	1,391
5	Total income	2,021,531	3,393,753	2,160,280	2,016,300	1,414,978
6	Commissions	61,998	55,317	62,749	76,542	60,547
7	Brokerage	-	-	-	-	-
8	Operating expenses related to insurance business@	224,001	195,844	192,653	203,825	200,885
9	Provisions for tax	7,035	5,040	4,374	2,385	4,356
10	Total Expenses	293,034	256,201	259,776	282,752	265,787
11	Payment to policy holders *	1,242,742	1,225,736	1,208,334	1,329,273	845,736
12	Increase in actuarial liability	299,603	344,627	278,489	268,960	245,045
13	Provision for Linked Liabilities	51,945	1,450,984	287,684	(9,653)	(74,786)
14	Surplus/Deficit from operations	134,207	116,205	125,997	144,968	133,196
	Shareholders' Account					
15	Total income under Shareholders Account @	59,518	53,351	37,109	41,607	22,029
16	Total expenses under Shareholder's Account	3,126	4,537	1,141	585	172
17	Profit /(loss) before tax	177,157	158,528	152,921	156,961	141,372
18	Provisions for tax	12,111	(4,901)	(3,745)	7,367	2,955
19	Profit/ (loss) after tax	165,046	163,429	156,666	149,594	138,417
20	Profit /(loss) carried to Balance sheet	25,077	4,820	(58,878)	(87,634)	(194,670)
	MISCELLANEOUS					
21	(A) Policyholders account:					
	Total funds **	9,657,844	9,326,570	7,462,421	6,873,444	6,611,387
	Total Investments	9,681,141	9,363,549	7,476,714	6,880,782	6,692,814
	Yield on investments (%) ^	1.3%	22.2%	12.8%	9.1%	-0.2%
	(B) Shareholders account :					
	Total funds	532,478	526,782	439,302	396,487	300,528
	Total Investments	621,567	585,677	535,277	491,996	347,701
	Yield on investments (%) ^	9.9%	9.5%	7.0%	9.8%	8.0%
22	Yield on total investments ^	1.8%	21.4%	12.4%	9.1%	0.1%
23	Paid up equity capital	143,232	143,172	142,926	142,894	142,885
24	Net worth	532,478	526,782	439,302	396,487	300,528
25	Total Assets	10,256,514	9,906,101	7,952,127	7,320,756	6,987,837
26	Earnings per share					
	Basic earnings per share (₹)	11.53	11.43	10.96	10.47	9.69
	Diluted earnings per share (₹)	11.51	11.41	10.94	10.44	9.66
27	Book value per share (₹)	37.18	36.79	30.74	27.75	21.03

Net of reinsurance

* Inclusive of interim bonuses, if any

Net of losses (includes diminution in the value of investments)

** Includes Provision for linked liabilities

@ Includes unit fund expenses

^ Investment income/((Opening investments + Closing investments)/2)

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Continued

3.41 Accounting ratios

Sr No.	Particulars	March 31, 2016	March 31, 2015
1	New business premium income growth (segment-wise)		
	Participating Life	12.4%	2.1%
	Participating Pension	(103.2%)	(1150.0%)
	Non Participating	143.0%	(78.1%)
	Annuities Non Participating	(15.1%)	(3.6%)
	Health	152.4%	(96.2%)
	Linked Life	7.9%	81.6%
	Linked Pension	(10.0%)	(2.6%)
	Linked Health	(114.6%)	(98.1%)
	Linked Group	262.6%	482.8%
2	Net retention ratio (Net premium divided by gross premium)	99.1%	99.0%
3	Ratio of expenses of management (Expenses of management including commission divided by the total gross direct premium)	13.1%	14.4%
4	Commission Ratio (Gross commission paid to Gross premium)	3.2%	3.6%
5	Ratio of policyholders liabilities to shareholders funds	1826.2%	1780.5%
6	Growth rate of shareholders fund	1.1%	19.9%
7	Ratio of surplus to policyholders liability		
	Participating Life	1.7%	0.9%
	Participating Pension	2.7%	1.9%
	Non Participating	4.5%	3.3%
	Annuities Non Participating	7.1%	(2.0%)
	Health	105.9%	34.4%
	Linked Life	0.3%	0.2%
	Linked Pension	2.0%	2.8%
	Linked Health	3.0%	5.8%
	Linked Group	0.4%	0.5%
8	Change in networth (₹ '000)	569,532	8,748,010
9	Profit after tax / Total income	7.9%	4.7%
10	(Total Real Estate + Loans) / Cash & invested assets	0.4%	0.4%
11	Total Investment / (Capital + Surplus)	1934.9%	1888.7%
12	Total Affiliated Investment / (Capital+Surplus)	2.2%	4.7%
13	Investment Yield (Gross and Net)		
	A. Without unrealised gains		
	- Shareholders' Fund	10.6%	10.0%
	- Policyholders' Fund		
	- Non Linked		
	Par	8.7%	9.3%
	Non Par	8.1%	8.0%
	- Linked		
	Non Par	9.1%	17.6%
	B. With unrealised gains		
	- Shareholders' Fund	5.8%	18.5%
	- Policyholders' Fund		
	- Non Linked		
	Par	5.7%	20.5%
	Non Par	5.8%	20.5%
	- Linked		
	Non Par	(2.1%)	28.1%
14	Conservation Ratio		
	Participating Life	88.3%	84.0%
	Participating Pension	92.8%	24.3%
	Non Participating	96.1%	90.2%
	Annuities Non Participating	NA	NA
	Health	90.6%	89.2%
	Linked Life	82.7%	85.9%
	Linked Pension	73.5%	68.3%
	Linked Health	85.2%	83.7%
	Linked Group	98.5%	80.1%
15	Persistency Ratio*		
	13th Month	83.0%	79.0%
	25th Month	71.7%	65.9%
	37th Month	62.5%	64.3%
	49th Month	62.9%	54.4%
	61th Month	42.6%	14.5%
16	NPA Ratio		
	- Gross NPA Ratio	NIL	NIL
	- Net NPA Ratio	NIL	NIL
17	Solvency Ratio	320.0%	336.9%

* The ratio is computed based on the original premiums issued. Calculations are in accordance with the IRDA circular IRDA/ACT/CIR/035/01/2014 dated January 23, 2014 For FY2015, policies issued in the April to March period of the relevant year have been measured on April 30, 2015.
For 11m-2016, policies issued in the April to February period of the relevant year have been measured on March 31, 2016.

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3.42 Statement showing the Controlled Fund of ICICI Prudential Life Insurance Company Limited

(₹ in crores)

Sr No.	Particulars	2015-2016	2014-2015
1	Computation of Controlled fund as per the Balance Sheet		
	Policyholders' Fund (Life Fund)		
	Participating		
	Individual Assurance	7,305	5,801
	Individual Pension	768	743
	Group Assurance	146	216
	Group Pension	170	937
	Non-participating		
	Individual Assurance	9,948	7,978
	Group Assurance	-	-
	Individual Annuity	2,119	2,040
	Health	32	54
	Linked		
	Individual Assurance	52,112	46,942
	Group Assurance	-	-
	Individual Pension	16,891	21,272
	Group Superannuation & Gratuity	6,329	6,540
	Health	758	743
	Funds for Future Appropriations	662	527
	Total (A)	97,240	93,793
	Shareholders' Fund		
	Paid up Capital*	1,432	1,433
	Reserves & Surplus	3,642	3,432
	Fair Value Change	251	403
	Total (B)	5,325	5,268
	Misc. expenses not written off	-	-
	Credit / (Debit) from P&L A/c.	-	-
	Total (C)	-	-
	Total shareholders' funds (B+C)	5,325	5,268
	Controlled Fund (Total (A+B-C))	102,565	99,061
2	Reconciliation of the Controlled Fund from Revenue and Profit & Loss Account		
	Opening Balance of Controlled Fund	99,061	79,521
	Add: Inflow		
	Premium Income	19,164	15,307
	Less: Reinsurance ceded	(166)	(146)
	Net Premium	18,998	15,161
	Investment Income**	1,196	18,718
	Other Income	21	18
	Funds transferred from Shareholders' Accounts	-	41
	Total Income	20,215	33,938
	Less: Outgo		
	(i) Benefits paid (Net)	12,408	12,246
	(ii) Interim Bonus Paid	19	12
	(iii) Change in Valuation of Liability	3,516	17,957
	(iv) Commission	620	553
	(v) Operating Expenses	1,894	1,651
	(vi) Service tax charge on linked charges	346	307
	(vii) Provision for Taxation		
	(a) FBT	-	-
	(b) I.T.	70	50
	Total Outgo	18,873	32,776
	Surplus of the Policyholders' Fund	1,342	1,162

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Sr No.	Particulars	2015-2016	2014-2015
	Less: transferred to Shareholders' Account	1,208	1,139
	Net Flow in Policyholders' account	134	23
	Add: Net income in Shareholders' Fund	1,650	1,634
	Net Inflow / Outflow	1,784	1,657
	Add: change in valuation Liabilities	3,516	17,957
	Add: Increase in Paid up Capital	6	21
	Less: Dividend & dividend distribution tax	(1,447)	(997)
	Closing balance of controlled fund as per cash flow	102,920	98,159
	Change in fair value change & revaluation reserve account	(355)	902
	Closing balance of controlled fund	102,565	99,061
	As Per Balance Sheet	102,565	99,061
	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	18,289	14,059
	Add: Surplus of the Revenue Account	134	123
	Add: change in valuation Liabilities	2,923	3,422
	Total	21,346	17,604
	Change in fair value change & revaluation reserve account	(203)	685
	Total	21,143	18,289
	As per Balance Sheet	21,143	18,289
	Difference, if any	-	-
3.2	Policyholders' Funds - Linked		
	Opening Balance of the Policyholders' Fund	75,504	61,069
	Add: Surplus of the Revenue Account	-	(100)
	Add: change in valuation Liabilities	593	14,535
	Total	76,097	75,504
	As per Balance Sheet	76,097	75,504
	Difference, if any	-	-
3.3	Shareholders' Funds		
	Opening Balance of Shareholders' Fund	5,268	4,393
	Add: net income of Shareholders' account (P&L)	1,650	1,634
	Add: Infusion of Capital	6	21
	Less: Dividend & dividend distribution tax	(1,447)	(997)
	Closing Balance of the Shareholders' fund	5,477	5,051
	Change in fair value change	(152)	217
	Closing Balance of the Shareholders' fund	5,325	5,268
	As per Balance Sheet	5,325	5,268
	Difference, if any	-	-

* Includes Share application money pending allotment

** Includes provision for diminution in the value of investments

3.43. Pending litigations

The Company's pending litigations comprise of claims against the Company primarily by the customers and proceedings pending with Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial results at March 31, 2016. Refer note 3.1 for details on contingent liabilities. In respect of litigations, where the management assessment of a financial outflow is probable, the Company has made a provision of ₹ 135,466 thousand at March 31, 2016.

3.44. Long term contracts

The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long term contracts including derivative contracts has been made in the financial statements.

For insurance contracts, actuarial valuation of liabilities for policies in force is done by the Appointed Actuary of the Company. The assumptions used in valuation of

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liabilities are in accordance with the guidelines and norms issued by the Insurance Regulatory and Development Authority of India ("IRDAI") and the Institute of Actuaries of India in concurrence with the IRDAI.

3.45. Previous year comparatives

Previous period's figures have been regrouped and reclassified wherever necessary to conform to current period's presentation. The details for regrouping are as follows:

Sr. No.	Regrouped to	Regrouped from	Amount (₹ in '000)	Reason
1	Schedule 3 Agents training, recruitment and incentives	Schedule 3 Miscellaneous expenses	8,151	The reclassification has been done for appropriate presentation.
2	Schedule 3 Rents, rates and taxes	Schedule 3 Miscellaneous expenses	182,531	The reclassification has been done for appropriate presentation.
3	Schedule 3 Advertisement and publicity	Schedule 3 Miscellaneous expenses	49,344	The reclassification has been done for appropriate presentation.
4	Receipts and Payments Account Commission paid	Receipts and Payments Account Other expenses	11,068	TDS on Commission is reclassified for correct presentation.
5	Receipts and Payments Account Commission paid	Receipts and Payments Account Other expenses	14,207	Stale cheque relating to advisor payouts is reclassified for correct presentation.
6	Receipts and Payments Account Policy benefits paid	Receipts and Payments Account Other expenses	419,800	Stale cheque relating to claim payouts is reclassified for correct presentation.
7	Receipts and Payments Account Other expenses	Receipts and Payments Account Commission paid	62,832	Provisions for Doubtful balances is reclassified for correct presentation.
8	Receipts and Payments Account Policy benefits paid	Receipts and Payments Account Other expenses	287	TDS on Annuity Payments is reclassified for correct presentation.
9	Receipts and Payments Account Cash and cash equivalents at beginning of the period	Receipts and Payments Account Other expenses	230,316	Banks having negative book balance is reclassified for correct presentation.
10	Receipts and Payments Account Commission paid	Receipts and Payments Account Other expenses	7,338	Amount due to holding company has been split and reclassified as per the nature of transaction for correct presentation.
11	Receipts and Payments Account Premium and other receipts	Receipts and Payments Account Other expenses	5,817	
12	Receipts and Payments Account Advances and deposits	Receipts and Payments Account Other expenses	121	

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 B S R & Co. LLP
Chartered Accountants
ICAI Firm Reg. No. 101248W/W-100022

VENKATARAMANAN VISHWANATH
Partner
Membership No. 113156

CHANDA KOCHHAR
Chairperson
DIN: 00043617

SANDEEP BATRA
Executive Director
DIN: 03620913

VYOMA MANEK
Company Secretary

For and on behalf of the Board of Directors

V. SRIDAR
Director
DIN: 02241339

SATYAN JAMBUNATHAN
Appointed Actuary

SANDEEP BAKHSHI
Managing Director and CEO
DIN: 00109206

BINAY AGARWALA
Chief Financial Officer

Place: Mumbai
Date: April 26, 2016

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Continued

FORM AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries

(₹ '000)

Sr. No.	Particulars	March 31, 2016	March 31, 2015
1	Name of the subsidiary	ICICI Prudential Pension Funds Management Company Limited	
2	Reporting period for the subsidiary	March 31, 2016	March 31, 2015
3	Share Capital	270,000	270,000
4	Reserves & surplus	(14,434)	(11,282)
5	Extent of interest of ICICI Prudential Life Insurance Company Limited in capital of subsidiary	100%	100%
6	Total Assets	263,182	265,066
7	Total liabilities	7,766	6,348
8	Investments	50,465	58,037
9	Turnover	470	1,913
10	Profit before taxation	(2,143)	1,114
11	Provision for taxation	1,009	113
12	Profit after taxation	(3,152)	1,001
13	Proposed dividend	Nil	Nil

For and on behalf of the Board of Directors

Chanda Kochhar
Chairperson
DIN:00043617

V. Sridar
Director
DIN: 02241339

Sandeep Bakhshi
Managing Director and CEO
DIN:00109206

Sandeep Batra
Executive Director
DIN:03620913

Satyan Jambunathan
Appointed Actuary

Binay Agarwala
Chief Financial Officer

Vyoma Manek
Company Secretary

Place: Mumbai
Date: April 26, 2016

independent auditors' report



to the members of ICICI Prudential Life Insurance Company Limited

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of ICICI Prudential Life Insurance Company Limited (hereinafter referred to as "the Holding Company") and its subsidiary 'ICICI Prudential Pension Funds Management Company Limited'(the Holding Company and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2016, the related Consolidated Revenue Account (also called the "Policyholders' Account" or the "Technical Account"), the Consolidated Profit and Loss Account (also called the "Shareholders' Account" or "Non-Technical Account") and the Consolidated Receipts and Payments Account for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and the consolidated Receipts and Payments Account of the Group in accordance with accounting principles generally accepted in India, including the provisions of The Insurance Act, 1938 (the "Insurance Act") (amended by the Insurance Laws (Amendment) Act, 2015), 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/circulars issued by the Insurance Regulatory and Development Authority (the "IRDAI") in this regard, and the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view 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 the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (b) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Insurance Act, the IRDA Act, the IRDA Financial Statements Regulations and the Act 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, of the consolidated state of affairs of the Group as at March 31, 2016, the related consolidated Revenue Account (also called the "Policyholders' Account" or the "Technical Account"), the consolidated Profit and Loss Account (also called the "Shareholders' Account" or "Non-Technical Account") and the Consolidated Receipts and Payments Account for the year ended on that date.

OTHER MATTERS

- 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, 2016 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 ("IRDAI"

/ "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 consolidated financial statements of the Group.

- We did not audit the financial statements of subsidiary company, whose financial statements reflect total assets of Rs. 263,182 thousand as at March 31, 2016, total revenues of Rs. 23,701 thousand and net cash inflow amounting to Rs. 220 thousand for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report have been furnished to us by the management and our opinion on consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of such subsidiary and our report in terms of sub-sections (3) and (11) of section 143 of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the report of other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the IRDA Financial Statements Regulations, read with section 143(3) of the Act, we report, to the extent applicable, that:

- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of the audit of the aforesaid consolidated financial statements.
- In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor;
- The consolidated Balance Sheet, the consolidated Revenue Account, the consolidated Profit and Loss Account and the consolidated Receipts and Payments Account dealt with by this Report are in agreement with the relevant books of account for the purpose of preparation of the consolidated financial statements;
- In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and with the accounting principles as prescribed in the IRDA Financial Statements Regulations and orders / directions issued by IRDAI in this regard;
- 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 IRDAI in this regard;
- On the basis of written representations received from the Directors of the Holding Company, as on March 31, 2016 and taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its subsidiary company, none of the directors of the Group companies is disqualified as on March 31, 2016 from being appointed as a Director in terms of Section 164 (2) of the Act.
- With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to "Annexure A" to this report;
- With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer schedule 16 note 3.19 to the consolidated financial statements;
 - Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer schedule 16 note 3.20 to the consolidated financial statements;
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary Company.

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

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No: 101248W/W-100022

per SHRAWAN JALAN
Partner
Membership No.: 102102

VENKATARAMAN VISHWANATH
Partner
Membership No: 113156

Place: Mumbai,
Date: April 26, 2016

Place: Mumbai,
Date: April 26, 2016

annexure a to the independent auditor's report

of even date on the consolidated financial statements of ICICI Prudential Life Insurance Company Limited

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

To the Members of
ICICI Prudential Life Insurance Company Limited

In conjunction with our audit of the consolidated financial statements of ICICI Prudential Life Insurance Company Limited as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of ICICI Prudential Life Insurance Company Limited (hereinafter referred to as "the Holding Company") and its subsidiary company 'ICICI Prudential Pension Funds Management Company Limited' (the Holding Company and its subsidiary together referred to as "the Group"), which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company and its subsidiary, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

The Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately

and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Holding Company and its subsidiary company which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

OTHER MATTERS

- a. We report that the actuarial valuation of liabilities for life policies in force and policies where premium is discontinued but liability exists as at March 31, 2016 has been certified by the Appointed Actuary as per the regulations, and has been relied upon by us, as mentioned in para other matters of our audit report on the financial statements for the year ended March 31, 2016. Our opinion is not modified in respect of above matter.
- b. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting, insofar as it relates to the subsidiary company, which is a company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

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

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No: 101248W/W-100022

per SHRAWAN JALAN
Partner
Membership No.: 102102

VENKATARAMAN VISHWANATH
Partner
Membership No: 113156

Place: Mumbai,
Date: April 26, 2016

Place: Mumbai,
Date: April 26, 2016

consolidated revenue account



for the year ended March 31, 2016

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	21,406,731	357,518	24,029,129	1,867,461	153,679	118,154,146	7,952,318	1,422,685	16,300,242	191,643,909
(b) Reinsurance ceded		(9,948)	(57)	(880,824)	-	(37,490)	(412,674)	(110)	(315,806)	(29)	(1,656,938)
(c) Reinsurance accepted		-	-	-	-	-	-	-	-	-	-
Sub-total		21,396,783	357,461	23,148,305	1,867,461	116,189	117,741,472	7,952,208	1,106,879	16,300,213	189,986,971
Income from Investments											
(a) Interest, dividend & rent - Gross		4,562,620	931,891	6,052,155	1,757,617	47,004	15,121,824	5,498,684	214,620	3,982,612	38,169,027
(b) Profit on sale/redemption of investments		714,919	134,113	470,729	25,008	4,327	28,831,694	18,669,378	400,205	1,580,775	50,831,148
(c) (Loss) on sale/redemption of investments		(98,875)	(44,171)	(125,104)	(869)	-	(6,858,446)	(2,579,514)	(83,809)	(830,927)	(10,621,715)
(d) Transfer/gain on revaluation/change in fair value		-	-	-	-	-	(43,315,051)	(25,859,855)	(686,176)	(1,830,284)	(71,691,366)
(e) Accretion of discount/(amortisation of premium) (Net)		99,947	59,817	(2,304)	8,444	601	3,844,779	687,503	10,423	687,376	5,396,586
Sub-total		5,278,611	1,081,650	6,395,476	1,790,200	51,932	(2,375,200)	(3,583,804)	(144,737)	3,589,552	12,083,680
Other income											
Contribution from the Shareholders' account		-	-	-	-	-	-	-	-	-	-
Fees and charges		74,433	1,056	100,919	-	194	578	-	-	-	177,180
Miscellaneous income		5,640	46	2,569	84	18	21,484	1,211	126	444	31,622
Sub-total		80,073	1,102	103,488	84	212	22,062	1,211	126	444	208,802
Total (A)		26,755,467	1,440,213	29,647,269	3,657,745	168,333	115,388,334	4,369,615	962,268	19,890,209	202,279,453
Commission	2	1,811,551	3,078	999,660	1,593	3,915	3,316,824	52,741	9,905	501	6,199,768
Operating expenses related to Insurance business	3	3,630,199	26,151	1,685,608	43,319	11,627	12,556,820	689,625	77,121	163,019	18,883,489
Provision for doubtful debts		5,652	95	1,082	17	(73)	1,391	(513)	(222)	(50)	7,379
Bad debts written off		8,280	40	9,164	43	55	25,468	985	172	5	44,212
Provisions (other than taxation)		66,150	311	59,957	-	-	-	-	-	-	126,418
(a) For diminution in the value of investments (Net) - Refer note 3.14 of schedule 16		-	-	-	-	-	-	-	-	-	-
(b) Others		-	-	-	-	-	-	-	-	-	-
Service tax charge on linked charges		-	-	-	-	-	2,661,882	547,981	136,839	118,254	3,464,956
Total (B)		5,521,832	29,675	2,755,471	44,972	15,524	18,562,385	1,290,819	223,815	281,729	28,726,222
Benefits paid (Net)	4	4,148,799	8,448,046	1,262,321	1,326,416	32,081	43,497,250	43,541,248	365,151	21,465,509	124,086,821
Interim bonus paid		183,788	3,623	-	-	-	-	-	-	-	187,411
Change in valuation of policy liabilities											
(a) Policy liabilities (non-unit/mathematical reserves)(Gross)		14,910,258	(7,344,630)	28,146,723	789,050	(220,219)	679,619	(137,622)	210,021	(9,408)	37,023,792
(b) Amount ceded in reinsurance		-	-	(7,063,465)	-	-	-	-	-	-	(7,063,465)
(c) Amount accepted in reinsurance		-	-	-	-	-	-	-	-	-	-
(d) Fund reserve		-	-	-	-	-	41,217,532	(43,928,845)	(62,134)	(2,098,913)	(4,872,360)
(e) Funds for discontinued policies		-	-	-	-	-	9,811,358	255,489	-	-	10,066,847
Total (C)		19,242,845	1,107,039	22,345,579	2,115,466	(188,138)	95,205,759	(269,730)	513,038	19,357,188	159,429,046
Surplus/(deficit) (D) = (A)-(B)-(C)		1,990,790	303,499	4,546,219	1,497,307	340,947	1,620,190	3,348,526	225,415	251,292	14,124,185
Provision for taxation											
(a) Current tax credit/(charge) - Refer note 3.3 of schedule 16		(702,871)	-	-	-	-	-	-	-	-	(702,871)
(b) Deferred tax credit/(charge) - Refer note 3.3 of schedule 16		-	-	-	-	-	(636)	-	-	-	(636)

consolidated revenue account

for the year ended March 31, 2016

Particulars	Schedule	Par Life	Par Pension	Non Par	Annuity Non Par	Health	Linked Life	Linked Pension	Linked Health	Linked Group	Total	
Surplus/(deficit) after tax		1,287,919	303,499	4,546,219	1,497,307	340,947	1,619,554	3,348,526	225,415	251,292	13,420,678	
Apropiations												
Transfer to Shareholders' account		337,682	41,053	4,416,948	1,497,307	340,947	1,623,967	3,347,626	219,613	251,292	12,076,435	
Transfer to other Reserves		-	-	-	-	-	-	-	-	-	-	
Balance being funds for future appropriation		950,237	262,446	129,271	-	-	(4,413)	900	5,802	-	1,344,243	
Total		1,287,919	303,499	4,546,219	1,497,307	340,947	1,619,554	3,348,526	225,415	251,292	13,420,678	
Details of Surplus before tax												
(a) Interim bonuses paid		183,788	3,623	-	-	-	-	-	-	-	187,411	
(b) Allocation of bonus to policyholders'		2,855,345	365,849	-	-	-	-	-	-	-	3,221,194	
(c) Surplus shown in the Revenue Account		1,990,790	303,499	4,546,219	1,497,307	340,947	1,620,190	3,348,526	225,415	251,292	14,124,185	
Total Surplus		5,029,923	672,971	4,546,219	1,497,307	340,947	1,620,190	3,348,526	225,415	251,292	17,532,790	
Funds for future appropriation												
Opening balance as at April 1, 2015		2,028,450	1,508,366	1,667,866	-	-	9,281	13,385	47,542	-	5,274,890	
Add: Current period appropriation		950,237	262,446	129,271	-	-	(4,413)	900	5,802	-	1,344,243	
Balance carried forward to Balance Sheet		2,978,687	1,770,812	1,797,137	-	-	-	4,868	14,285	53,344	-	6,619,133
Significant accounting policies & notes	16											

The schedules and accompanying notes referred to herein form an integral part of the Revenue Account.

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.

As per our report of even date attached.

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

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Reg. No. 101248W/W-100022

For and on behalf of the Board of Directors

per SHRAWAN JALAN
Partner
Membership No. 102102

VENKATARAMANAN VISHWANATH
Partner
Membership No. 113156

CHANDA KOCHHAR
Chairperson
DIN:00043617

V. SRIDAR
Director
DIN:02241339

SANDEEP BAKHSHI
Managing Director and CEO
DIN:00109206

Place : Mumbai
Date : April 26, 2016

SANDEEP BATRA
Executive Director
DIN:03620913

SATYAN JAMBUNATHAN
Appointed Actuary

BINAY AGARWALA
Chief Financial Officer

VYOMA MANEK
Company Secretary

consolidated revenue account



for the year ended March 31, 2015

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	16,398,514	385,239	22,270,343	2,199,364	169,167	92,521,834	10,137,150	1,670,171	7,314,393	153,066,175
(b) Reinsurance ceded		(4,288)	(22)	(740,900)	-	(39,386)	(359,769)	(81)	(316,350)	(914)	(1,461,710)
(c) Reinsurance accepted		-	-	-	-	-	-	-	-	-	-
Sub-total		16,394,226	385,217	21,529,443	2,199,364	129,781	92,162,065	10,137,069	1,353,821	7,313,479	151,604,465
Income from Investments											
(a) Interest, dividend & rent - Gross		3,858,089	1,271,634	4,523,955	1,553,027	54,469	13,226,802	6,620,365	193,341	4,101,036	35,402,718
(b) Profit on sale/redemption of investments		708,195	170,078	439,015	49,147	4,068	45,869,040	28,498,142	510,562	3,419,528	79,667,775
(c) (Loss) on sale/redemption of investments		(93,194)	(21,067)	(235,590)	(25,574)	(7,800)	(3,030,772)	(1,400,626)	(18,728)	(198,050)	(5,031,401)
(d) Transfer/gain on revaluation/change in fair value		-	-	-	-	-	41,322,245	28,290,340	1,245,677	1,544,416	72,402,678
(e) Accretion of discount/(amortisation of premium) (Net)		6,733	215,876	(35,641)	(29,101)	(1,052)	2,707,633	1,052,425	13,830	871,985	4,802,688
Sub-total		4,479,823	1,636,521	4,691,739	1,547,499	49,685	100,094,948	63,060,646	1,944,682	9,738,915	187,244,458
Other income											
Contribution from the Shareholders' account		-	-	-	414,567	-	-	-	-	-	414,567
Fees and charges		57,258	1,361	86,989	-	304	774	-	-	-	146,686
Miscellaneous income		7,592	53	2,241	121	70	19,717	2,089	213	425	32,521
Sub-total		64,850	1,414	89,230	414,688	374	20,491	2,089	213	425	593,774
Total (A)		20,938,899	2,023,152	26,310,412	4,161,551	179,840	192,277,504	73,199,804	3,298,716	17,052,819	339,442,697
Commission	2	1,687,699	2,958	853,054	2,470	4,562	2,877,172	84,580	19,178	50	5,531,723
Operating expenses related to Insurance business	3	3,412,167	27,475	1,161,183	53,313	35,712	10,680,602	874,002	97,444	178,327	16,520,225
Provision for doubtful debts		(44,398)	(406)	(55,673)	(388)	850	(54,101)	32,655	(613)	147	(121,927)
Bad debts written off		31,483	303	43,649	16	3,805	71,906	(34,773)	154	119	116,662
Provisions (other than taxation)		54,998	-	12,500	-	-	-	-	-	-	67,498
(a) For diminution in the value of investments (Net) - Refer note 3.14 of schedule 16		-	-	-	-	-	-	-	-	-	-
(b) Others		-	-	-	-	-	-	-	-	-	-
Service tax charge on linked charges		-	-	-	-	-	1,987,984	852,629	125,040	103,705	3,069,358
Total (B)		5,141,949	30,330	2,014,713	55,411	44,929	15,563,563	1,809,093	241,203	282,348	25,183,539
Benefits paid (Net)	4	3,654,354	1,837,987	1,017,976	1,196,092	37,546	47,847,413	56,053,598	316,668	10,495,596	122,457,230
Interim bonus paid		113,336	3,055	-	-	-	-	-	-	-	116,391
Change in valuation of policy liabilities		10,988,192	(202,177)	23,213,899	2,910,048	(89,029)	621,613	(333,347)	20,477	(57,493)	37,072,183
(a) Policy liabilities (non-unit/mathematical reserves)(Gross)		-	-	(2,609,515)	-	-	-	-	-	-	(2,609,515)
(b) Amount ceded in reinsurance		-	-	-	-	-	-	-	-	-	-
(c) Amount accepted in reinsurance		-	-	-	-	-	-	-	-	-	-
(d) Fund reserve		-	-	-	-	115,709,760	9,428,418	2,286,956	5,976,444	133,401,578	-
(e) Funds for discontinued policies		-	-	-	-	11,394,237	302,549	-	-	-	11,696,786
Total (C)		14,755,882	1,638,865	21,622,360	4,106,140	(51,483)	175,573,023	65,451,218	2,624,101	16,414,547	302,134,653
Surplus/(deficit) (D) = (A)-(B)-(C)		1,041,068	353,957	2,673,339	-	186,394	1,140,918	5,939,493	433,412	355,924	12,124,505
Provision for taxation		(490,087)	-	-	-	-	-	-	-	-	(490,087)
(a) Current tax credit/(charge) - Refer note 3.3 of schedule 16		-	-	-	-	-	-	-	-	-	-

consolidated revenue account

for the year ended March 31, 2015

Continued

Particulars	Schedule	Par Life	Par Pension	Non Par	Annuity Non Par	Health	Linked Life	Linked Pension	Linked Health	Linked Group	Total
(b) Deferred tax credit/(charge) - Refer note 3.3 of schedule 16		-	-	-	-	(13,957)	-	-	-	-	(13,957)
Surplus/(deficit) after tax		550,981	353,957	2,673,339	-	186,394	1,126,961	5,939,493	433,412	355,924	11,620,461
Apropiations											
Transfer to Shareholders' account		280,134	110,944	1,956,402	-	186,394	1,510,276	6,543,169	442,719	355,924	11,385,962
Transfer to other Reserves		-	-	-	-	-	-	-	-	-	-
Balance being funds for future appropriation		270,847	243,013	716,937	-	(383,315)	(603,676)	(9,307)	-	-	234,499
Total		550,981	353,957	2,673,339	-	186,394	1,126,961	5,939,493	433,412	355,924	11,620,461
Details of Surplus before tax											
(a) Interim bonuses paid		113,336	3,055	-	-	-	-	-	-	-	116,391
(b) Allocation of bonus to policyholders'		2,407,870	995,448	-	-	-	-	-	-	-	3,403,318
(c) Surplus shown in the Revenue Account		1,041,068	353,957	2,673,339	-	186,394	1,140,918	5,939,493	433,412	355,924	12,124,505
Total Surplus		3,562,274	1,352,460	2,673,339	-	186,394	1,140,918	5,939,493	433,412	355,924	15,644,214
Funds for future appropriation											
Opening balance as at April 1, 2014		1,757,603	1,265,353	950,929	-	-	392,596	617,061	56,849	-	5,040,391
Add: Current period appropriation		270,847	243,013	716,937	-	(383,315)	(603,676)	(9,307)	-	-	234,499
Balance carried forward to Balance Sheet		2,028,450	1,508,366	1,667,866	-	-	9,281	13,385	47,542	-	5,274,890
Significant accounting policies & notes	16										

The schedules and accompanying notes referred to herein form an integral part of the Revenue Account.

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.

As per our report of even date attached.

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

per SHRAWAN JALAN
Partner
Membership No. 102102

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Reg. No. 101248W/W-100022

VENKATARAMANAN VISHWANATH
Partner
Membership No. 113156

For and on behalf of the Board of Directors

V. SRIDAR
Director
DIN:02241339

SANDEEP BAKHSHI
Managing Director and CEO
DIN:00109206

CHANDA KOCHHAR
Chairperson
DIN:00043617

SANDEEP BATRA
Executive Director
DIN:03620913

SATYAN JAMBUNATHAN
Appointed Actuary

BINAY AGARWALA
Chief Financial Officer

VYOMA MANEK
Company Secretary

Place : Mumbai
Date : April 26, 2016

consolidated profit & loss account consolidated balance sheet



for the year ended March 31, 2016

at March 31, 2016

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, 2016	March 31, 2015
Amounts transferred from Policyholders' account (Technical account)		12,076,435	11,385,962
Income from investments			
(a) Interest, dividend & rent - Gross		3,900,209	3,789,192
(b) Profit on sale/redemption of investments		2,005,049	1,436,627
(c) (Loss) on sale/redemption of investments		(196,145)	(171,776)
(d) Accretion of discount/(amortisation of premium) (Net)		309,798	303,641
Other income		490	6,586
Total (A)		18,095,836	16,750,232
Expenses other than those directly related to the insurance business	3A	338,409	481,723
Bad debts written-off		-	-
Provisions (other than taxation)			
(a) For diminution in value of investments (Net) - Refer note 3.14 of schedule 16		43,908	-
(b) Provision for doubtful debts		-	-
Contribution to Policyholders' account (Technical account)		-	414,567
Total (B)		382,317	896,290
Profit before Tax		17,713,519	15,853,942
Provision for Taxation			
(a) Current tax credit/(charge) - Refer note 3.3 of schedule 16		(1,212,122)	489,983
(b) Deferred tax credit/(charge) - Refer note 3.3 of schedule 16		58	(9)
Profit after Tax		16,501,455	16,343,916
Appropriations			
(a) Balance at the beginning of the period		470,736	(10,346,861)
(b) Interim dividends paid during the period - Refer note 3.18 of schedule 16		9,022,041	5,361,133
(c) Proposed final dividend - Refer note 3.18 of schedule 16		3,007,883	3,006,835
(c) Final dividend - Refer note 3.18 of schedule 16		17	284
(d) Dividend distribution tax - Refer note 3.18 of schedule 16		2,448,941	1,604,836
(e) Transfer to/(from) general reserve - Refer schedule 6		-	(4,446,769)
Profit carried to Balance Sheet		2,493,309	470,736
Earnings per equity share - Refer note 3.11 of schedule 16			
Basic earnings per equity share ₹		11.52	11.43
Diluted earnings per equity share ₹		11.51	11.41
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

Particulars	Schedule	March 31, 2016	March 31, 2015
Sources of funds			
Shareholders' funds :			
Share capital	5	14,323,193	14,317,170
Share application money		780	11,658
Reserve and surplus	6	36,400,578	34,309,171
Credit/(debit) fair value change account		2,508,793	4,028,965
Deferred tax liability - Refer note 3.3 of schedule 16		147	205
Sub - total		53,233,491	52,667,169
Borrowings	7	-	-
Policyholders' funds :			
Credit/(debit) fair value change account		9,712,325	11,754,692
Revaluation reserve - Investment property - Refer note 3.13 of schedule 16		577,076	562,079
Policy liabilities (A)+(B)+(C)		955,495,047	920,340,233
Non unit liabilities (mathematical reserves) (A)		202,547,867	172,587,540
Provision for linked liabilities (fund reserves) (B)		719,902,870	724,775,230
(a) Provision for linked liabilities		650,825,008	584,006,002
(b) Credit/(debit) fair value change account (Linked)		69,077,862	140,769,228
Funds for discontinued policies (C)		33,044,310	22,977,463
(a) Discontinued on account of non-payment of premium		33,027,408	22,977,463
(b) Other discontinuance		16,902	-
(c) Credit/(debit) fair value change account		-	-
Total linked liabilities (B)+(C)		752,947,180	747,752,693
Sub - total		965,784,448	932,657,004
Funds for Future Appropriations			
Linked		10,768	22,666
Non linked		6,608,365	5,252,224
Sub - total		6,619,133	5,274,890
Total		1,025,637,072	990,599,063
Application of funds			
Investments			
Shareholders'	8	62,123,939	58,552,024
Policyholders'	8A	215,156,198	188,579,514
Asset held to cover linked liabilities	8B	752,957,948	747,775,359
Loans	9	442,718	201,121
Fixed assets - net block	10	2,195,962	2,150,915
Deferred tax asset - Refer note 3.3 of schedule 16		702	1,338
Current assets			
Cash and Bank balances	11	2,002,288	2,554,806
Advances and Other assets	12	12,770,348	12,333,007
Sub-Total (A)		14,772,636	14,887,813
Current liabilities	13	18,215,724	17,783,007
Provisions	14	3,797,307	3,766,014
Sub-Total (B)		22,013,031	21,549,021
Net Current Assets (C) = (A-B)		(7,240,395)	(6,661,208)
Miscellaneous expenditure (to the extent not written-off or adjusted)	15	-	-
Debit Balance in Profit & Loss Account (Shareholders' account)		-	-
Total		1,025,637,072	990,599,063
Contingent liabilities - Refer note 3.1 of schedule 16		2,006,489	1,932,394
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.Batlboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No.301003E

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Reg. No. 101248W/W-100022

For and on behalf of the Board of Directors

per SHRAWAN JALAN

Partner

Membership No. 102102

VENKATARAMAN VISHWANATH

Partner

Membership No. 113156

CHANDA KOCHHAR

Chairperson

DIN:00043617

V. SRIDAR

Director

DIN:02241339

SANDEEP BAKHSHI

Managing Director and CEO

DIN:00109206

SANDEEP BATRA
Executive Director
DIN:03620913

SATYAN JAMBUNATHAN
Appointed Actuary

BINAY AGARWALA
Chief Financial Officer

VYOMA MANEK
Company Secretary

Place : Mumbai
Date : April 26, 2016

consolidated receipts & payments account

for the year ended March 31, 2016

Particulars	April 1, 2015 to March 31, 2016	April 1, 2014 to March 31, 2015
(₹ in '000)		
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers:		
Premium and other receipts		
Tax Refund	215,148,025	178,372,017
Cash paid towards operating activities:	391	2,818
Commission paid	(6,182,997)	(5,579,688)
Policy benefits paid	(124,291,893)	(123,069,515)
Other expenses	(42,446,559)	(40,750,761)
Service tax paid	(3,651,481)	(3,326,182)
Reinsurance premium ceded (net of recovery amount)	(308,784)	(420,387)
Advances and deposits	24,753	5,884
Taxes paid	(1,943,811)	-
Net cash from operating activities (A)	36,347,644	5,234,186
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(529,838)	(568,946)
Sale of fixed assets	21,024	42,897
Purchase of investments	(1,047,502,572)	(900,112,499)
Loan	(241,597)	(82,045)
Sale of investments	1,004,868,219	882,342,527
Advance/deposit for investment property	(1,395,827)	(188,367)
Interest & rent received (net of Tax deducted at source)	36,238,140	31,517,036
Dividend received	6,085,481	5,945,238
Investments in money market instruments and in liquid mutual funds (Net)	2,899,797	(36,955,452)
Expense related to investment	(171,102)	(159,029)
Net cash from/(used in) investing activities (B)	271,725	(18,218,640)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of share capital*	54,116	209,874
Final Dividend	(3,006,852)	(3,001,721)
Interim Dividend Paid	(9,022,041)	(5,361,133)
Dividend Distribution tax paid	(2,448,798)	(1,502,739)
Net cash used in financing activities (C)	(14,423,575)	(9,655,719)
Effect of foreign exchange rates on cash and cash equivalents (net) (D)	(755)	627
Net increase/(decrease) In cash and cash equivalents (A+B+C+D)	22,195,039	(22,639,546)
Cash and cash equivalents at beginning of the period	18,780,382	41,419,928
Cash and cash equivalents at end of the period	40,975,421	18,780,382
Note:		
Cash and cash equivalents at the end of the year		
- Cash (Including cheques in hand and stamps in hand)	1,286,298	1,363,056
- Bank Balances and Money at call and short notice	720,269	1,193,037
[Including bank balance for linked business of ₹ 4,279 thousands (₹ 1,287 thousands at March 31, 2015)]		
- Other short term liquid investment.		
[Forming part of investments in financials]	39,937,787	16,224,289
- Banks having negative book balance		
[Forming part of Other Liabilities under Schedule 13 in financials]	(968,933)	-
	40,975,421	18,780,382

*Includes movement in share application money

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.

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 B S R & Co, LLP
Chartered Accountants
ICAI Firm Reg. No. 101248W/W-100022

VENKATARAMANAN VISHWANATH
Partner
Membership No. 113156

CHANDA KOCHHAR
Chairperson
DIN:00043617

SANDEEP BATRA
Executive Director
DIN:03620913

For and on behalf of the Board of Directors

V.SRIDAR
Director
DIN:02241339

SANDEEP BAKHSHI
Managing Director and CEO
DIN:00109206

SATYAN JAMBUNATHAN
Appointed Actuary

BINAY AGARWALA
Chief Financial Officer

VYOMA MANEK
Company Secretary

Place : Mumbai
Date : April 26, 2016

Schedules



forming part of consolidated financial statements

SCHEDULE – 1

PREMIUM (Net of service tax)

For the year ended March 31, 2016

(₹ 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	6,922,295	2	1,156,735	-	429	40,737,639	427,200	(509)	-	49,243,791
Renewal premiums	14,484,436	357,516	20,839,607	-	153,250	75,599,639	7,263,517	1,423,194	3,865,242	123,986,401
Single premiums	-	-	2,032,787	1,867,461	-	1,816,868	261,601	-	12,435,000	18,413,717
Total Premium	21,406,731	357,518	24,029,129	1,867,461	153,679	118,154,146	7,952,318	1,422,685	16,300,242	191,643,909
Premium Income from business written:										
In India	21,406,731	357,518	24,029,129	1,867,461	153,679	118,154,146	7,952,318	1,422,685	16,300,242	191,643,909
Outside India	-	-	-	-	-	-	-	-	-	-
Total Premium	21,406,731	357,518	24,029,129	1,867,461	153,679	118,154,146	7,952,318	1,422,685	16,300,242	191,643,909

For the year ended March 31, 2015

(₹ 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	6,157,827	(63)	724,811	-	170	38,299,991	505,487	3,496	40,000	45,731,719
Renewal premiums	10,240,687	385,302	20,957,818	-	168,997	53,068,265	9,371,968	1,666,675	3,885,184	99,744,896
Single premiums	-	-	587,714	2,199,364	-	1,153,578	259,695	-	3,389,209	7,589,560
Total Premium	16,398,514	385,239	22,270,343	2,199,364	169,167	92,521,834	10,137,150	1,670,171	7,314,393	153,066,175
Premium Income from business written:										
In India	16,398,514	385,239	22,270,343	2,199,364	169,167	92,521,834	10,137,150	1,670,171	7,314,393	153,066,175
Outside India	-	-	-	-	-	-	-	-	-	-
Total Premium	16,398,514	385,239	22,270,343	2,199,364	169,167	92,521,834	10,137,150	1,670,171	7,314,393	153,066,175

Note: Refer Schedule 16 Note 2.3.1 for accounting policy on Premium recognition.

SCHEDULE – 2

COMMISSION EXPENSES

For the year ended March 31, 2016

(₹ 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	1,273,258	-	179,360	-	69	2,286,143	5,416	(127)	-	3,744,119
– Renewal premiums	538,293	3,078	790,457	-	3,846	1,010,391	46,173	10,032	-	2,402,270
– Single premiums	-	-	29,843	1,593	-	20,290	1,152	-	501	53,379
Total	1,811,551	3,078	999,660	1,593	3,915	3,316,824	52,741	9,905	501	6,199,768
Add: Commission on re-insurance accepted	-	-	-	-	-	-	-	-	-	-
Less: Commission on re-insurance ceded	-	-	-	-	-	-	-	-	-	-
Net Commission	1,811,551	3,078	999,660	1,593	3,915	3,316,824	52,741	9,905	501	6,199,768
Break-up of the commission by distribution network										
Individual agents	658,977	2,326	263,300	673	2,620	664,251	28,888	8,803	301	1,630,139
Corporate agents	925,615	748	606,566	744	1,160	2,627,981	18,074	708	-	4,181,596
Brokers	226,959	4	129,794	176	135	24,592	5,779	394	200	388,033
Total Commission	1,811,551	3,078	999,660	1,593	3,915	3,316,824	52,741	9,905	501	6,199,768

For the year ended March 31, 2015

(₹ 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	1,302,568	(10)	47,439	-	54	2,183,204	7,642	426	-	3,541,323
– Renewal premiums	385,131	2,968	803,975	-	4,508	681,947	76,024	18,752	-	1,973,305
– Single premiums	-	-	1,640	2,470	-	12,021	914	-	50	17,095
Total	1,687,699	2,958	853,054	2,470	4,562	2,877,172	84,580	19,178	50	5,531,723
Add: Commission on re-insurance accepted	-	-	-	-	-	-	-	-	-	-
Less: Commission on re-insurance ceded	-	-	-	-	-	-	-	-	-	-
Net Commission	1,687,699	2,958	853,054	2,470	4,562	2,877,172	84,580	19,178	50	5,531,723
Break-up of the commission by distribution network										
Individual agents	618,850	2,524	182,638	937	3,095	605,623	43,647	17,028	-	1,474,342
Corporate agents	863,027	419	549,229	1,506	1,309	2,233,203	32,370	1,283	-	3,682,346
Brokers	205,822	15	121,187	27	158	38,346	8,563	867	50	375,035
Total Commission	1,687,699	2,958	853,054	2,470	4,562	2,877,172	84,580	19,178	50	5,531,723

Note: Refer Schedule 16 Note 2.4 for accounting policy on Acquisition cost.

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Continued

SCHEDULE – 3 OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

For the year ended March 31, 2016

(₹ 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	1,617,844	19,122	677,430	14,789	3,323	4,547,857	348,634	30,787	90,342	7,350,128
Travel, conveyance and vehicle running expenses	56,406	224	29,040	772	303	279,887	18,330	1,577	15,258	401,797
Agents training, recruitment and incentives	326,883	-	87,165	468	155	640,790	22,314	1,389	984	1,080,148
Rents, rates and taxes	110,930	480	207,434	1,614	578	603,469	29,212	2,695	6,140	962,552
Repairs	48,125	245	26,543	769	307	233,164	16,058	1,481	2,475	329,167
Printing and stationery	9,615	138	7,035	262	150	20,437	3,058	511	399	41,605
Communication expenses	124,576	1,736	85,859	2,895	1,902	328,522	42,350	6,650	1,637	596,127
Legal and professional charges	105,855	1,100	61,941	2,458	1,069	224,272	27,148	4,033	5,286	433,162
Medical fees	5,884	-	65,790	-	-	10,160	14	(134)	234	81,948
Auditors' fees	3,164	45	2,315	89	49	6,623	981	165	-	13,431
Auditors' fees, expenses etc :										
(a) as auditor	3,164	45	2,315	89	49	6,623	981	165	-	13,431
(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)	-	-	-	-	-	-	-	-	-	-
Advertisement and publicity	160,148	5	55,318	1,104	207	701,619	37,850	2,274	5,922	964,447
Interest and bank charges	14,667	319	17,707	1,184	121	64,429	9,055	361	11,166	119,009
Others										
Administration support expenses	620,302	-	118,867	8,021	-	3,734,806	45,936	-	-	4,527,932
Business conferences and meetings	140,893	-	27,537	129	53	262,205	8,402	525	1,954	441,698
Information technology cost	124,601	903	87,431	3,645	997	247,303	20,734	3,342	2,590	491,546
Office running expenses	37,596	229	23,483	767	282	168,784	13,291	1,288	1,787	247,507
Data entry related expenses	27,300	548	20,687	640	592	59,059	11,765	2,026	3,813	126,430
Miscellaneous expenses	22,228	693	51,227	2,774	1,185	73,833	24,474	2,621	2,418	181,453
Depreciation	66,569	295	23,451	1,031	296	349,401	9,535	1,030	3,692	455,300
Service tax expenses	6,613	69	9,348	(92)	58	200	484	14,500	6,922	38,102
Total	3,630,199	26,151	1,685,608	43,319	11,627	12,556,820	689,625	77,121	163,019	18,883,489

For the year ended March 31, 2015

(₹ 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	1,612,092	19,224	510,872	17,085	25,899	4,051,167	454,072	49,531	92,550	6,832,492
Travel, conveyance and vehicle running expenses	46,833	195	21,413	784	71	240,687	21,452	1,457	13,221	346,113
Agents training, recruitment and incentives	308,273	2	49,578	942	151	583,485	29,712	1,553	1	973,697
Rents, rates and taxes	120,702	863	138,950	2,809	1,074	557,054	51,816	4,350	11,017	888,635
Repairs	43,663	350	23,930	1,156	449	185,575	23,233	1,918	3,936	284,210
Printing and stationery	11,823	228	9,826	325	279	26,186	7,158	927	18,840	75,592
Communication expenses	131,843	2,289	75,437	3,863	2,692	322,711	67,170	8,889	1,418	616,312
Legal and professional charges	115,290	925	48,294	3,133	974	231,367	32,650	3,759	5,480	441,872
Medical fees	1,824	-	13,188	-	-	8,533	16	-	77	23,638
Auditors' fees, expenses etc :										
(a) as auditor	2,880	41	1,484	86	49	6,030	1,108	155	-	11,833
(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)	-	-	-	-	-	-	-	-	-	-
Advertisement and publicity	89,484	7	32,602	617	189	413,763	40,066	1,906	(76)	578,558
Interest and bank charges	18,205	464	23,545	3,980	185	98,087	13,448	962	9,565	168,441
Others										
Administration support expenses	478,899	-	62,914	8,188	-	2,848,386	45,341	-	-	3,443,728
Business conferences and meetings	170,278	1	27,109	341	77	331,786	15,049	771	2,930	548,342
Information technology cost	106,879	744	41,313	3,604	902	211,856	21,544	2,834	1,585	391,261
Office running expenses	45,499	348	22,756	1,222	449	165,052	21,306	1,817	3,176	261,625
Data entry related expenses	26,800	580	17,569	749	699	58,803	15,455	2,206	3,472	126,333
Miscellaneous expenses	11,846	776	38,411	965	1,216	56,461	2,893	1,409	3,297	117,274
Depreciation	63,182	467	21,523	1,365	521	284,504	16,757	1,716	5,950	395,985
Service tax expenses	5,872	(29)	(19,531)	2,099	(164)	(891)	(6,244)	11,284	1,888	(5,716)
Total	3,412,167	27,475	1,161,183	53,313	35,712	10,680,602	874,002	97,444	178,327	16,520,225

SCHEDULE – 3A

EXPENSES OTHER THAN THOSE DIRECTLY RELATED TO THE INSURANCE BUSINESS

For the year ended March 31, 2016

(₹ in '000)

Particulars	March 31, 2016	March 31, 2015
Employees' remuneration and welfare benefits	118,891	158,508
Travel, conveyance and vehicle running expenses	278	318
Rent, rates and taxes	1,593	2,328
Printing and stationery	-	1
Communication expenses	91	62
Legal and professional charges	1,925	1,766
Interest and bank charges	581	1,076
CSR expenses	199,111	310,559
Information technology cost	1,304	1,479
Others	14,140	4,621
Depreciation	495	1,005
Total	338,409	481,723

Schedules



forming part of consolidated financial statements

Continued

SCHEDULE – 4
BENEFITS PAID [NET]

For the year ended March 31, 2016

(₹ 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	429,411	16,927	1,535,427	53,238	-	2,076,100	608,664	9,019	63,231	4,792,017
(b) Claims by maturity	757,786	185,816	25,936	-	-	2,808,595	1,129,229	-	-	4,907,362
(c) Annuities/Pension payment	-	-	-	1,270,916	-	-	-	-	-	1,270,916
(d) Other benefits										
- Surrender/Withdrawal	1,472,116	8,242,713	348,316	-	-	38,846,339	41,755,672	-	21,402,138	112,067,294
- Survival	1,463,288	-	-	-	-	-	-	-	-	1,463,288
- Rider	22,657	747	29,592	2	-	36,630	1,262	-	-	90,890
- Health	-	-	10,952	-	60,488	-	-	664,365	-	735,805
- Interest on unclaimed amounts	6,237	1,843	3,780	2,260	660	30,339	46,421	560	140	92,240
Sub Total (A)	4,151,495	8,448,046	1,954,003	1,326,416	61,148	43,798,003	43,541,248	673,944	21,465,509	125,419,812
2 (Amount ceded in reinsurance)										
(a) Claims by death	(2,696)	-	(691,182)	-	-	(300,753)	-	-	-	(994,631)
(b) Claims by maturity	-	-	-	-	-	-	-	-	-	-
(c) Annuities/Pension payment	-	-	-	-	-	-	-	-	-	-
(d) Other benefits										
- Surrender/Withdrawal	-	-	-	-	-	-	-	-	-	-
- Survival	-	-	-	-	-	-	-	-	-	-
- Rider	-	-	-	-	-	-	-	-	-	-
- Health	-	-	(500)	-	(29,067)	-	-	(308,793)	-	(338,360)
Sub Total (B)	(2,696)	-	(691,682)	-	(29,067)	(300,753)	-	(308,793)	-	(1,332,991)
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)	4,148,799	8,448,046	1,262,321	1,326,416	32,081	43,497,250	43,541,248	365,151	21,465,509	124,086,821
Benefits paid to claimants:										
In India	4,151,495	8,448,046	1,954,003	1,326,416	61,148	43,798,003	43,541,248	673,944	21,465,509	125,419,812
Outside India	-	-	-	-	-	-	-	-	-	-
Total	4,151,495	8,448,046	1,954,003	1,326,416	61,148	43,798,003	43,541,248	673,944	21,465,509	125,419,812

For the year ended March 31, 2015

(₹ 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	288,662	10,908	1,165,363	69,046	-	1,565,526	832,975	6,035	81,046	4,019,561
(b) Claims by maturity	734,329	150,899	9,035	-	-	717,446	1,538,904	-	-	3,150,613
(c) Annuities/Pension payment	-	-	-	1,126,588	-	-	-	-	-	1,126,588
(d) Other benefits										
- Surrender/Withdrawal	1,229,141	1,674,981	348,789	749	-	45,748,514	53,679,916	-	10,414,550	113,096,640
- Survival	1,380,353	-	-	-	-	-	-	-	-	1,380,353
- Rider	21,869	1,199	34,092	(291)	-	33,625	1,803	-	-	92,297
- Health	-	-	9,786	-	68,947	-	-	580,760	-	659,493
Sub Total (A)	3,654,354	1,837,987	1,567,065	1,196,092	68,947	48,065,111	56,053,598	586,795	10,495,596	123,525,545
2 (Amount ceded in reinsurance)										
(a) Claims by death	-	-	(547,589)	-	-	(217,698)	-	-	-	(765,287)
(b) Claims by maturity	-	-	-	-	-	-	-	-	-	-
(c) Annuities/Pension payment	-	-	-	-	-	-	-	-	-	-
(d) Other benefits										
- Surrender/Withdrawal	-	-	-	-	-	-	-	-	-	-
- Survival	-	-	-	-	-	-	-	-	-	-
- Rider	-	-	-	-	-	-	-	-	-	-
- Health	-	-	(1,500)	-	(31,401)	-	-	(270,127)	-	(303,028)
Sub Total (B)										
Sub Total (B)										
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)	3,654,354	1,837,987	1,017,976	1,196,092	37,546	47,847,413	56,053,598	316,668	10,495,596	122,457,230
Benefits paid to claimants:										
In India	3,654,354	1,837,987	1,567,065	1,196,092	68,947	48,065,111	56,053,598	586,795	10,495,596	123,525,545
Outside India	-	-	-	-	-	-	-	-	-	-
Total	3,654,354	1,837,987	1,567,065	1,196,092	68,947	48,065,111	56,053,598	586,795	10,495,596	123,525,545

Note: Note: Refer Schedule 16 Note 2.8 for accounting policy on Benefits paid.

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SCHEDULE – 5 SHARE CAPITAL

Particulars	March 31, 2016	March 31, 2015
Authorised capital		
1,500,000,000 Equity shares of ₹ 10/- each	15,000,000	15,000,000
Issued, subscribed and called-up capital		
1,432,319,348 Equity shares of ₹ 10/- each fully paid up (March 31, 2015: 1,431,716,991 Equity shares)	14,323,193	14,317,170
Total	14,323,193	14,317,170

Out of the total equity share capital, 969,157,662 equity shares (March 31, 2015 - 1,055,310,907 equity shares) 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, 2016			March 31, 2015
	Number of shares	% of holding	Number of shares	% of holding
Promoters				
Indian (ICICI Bank Limited)	969,157,662	67.66	1,055,310,907	73.71
Foreign (Prudential Corporation Holdings Limited)	370,784,884	25.89	370,784,884	25.90
Others	92,376,802	6.45	5,621,200	0.39
Total	1,432,319,348	100.00	1,431,716,991	100.00

SCHEDULE 6 RESERVES AND SURPLUS

Particulars	March 31, 2016	March 31, 2015
Capital reserves	-	-
Capital redemption reserve	-	-
Share premium	33,897,405	33,838,435
Revaluation reserve - Refer note 3.13 of schedule 16	9,864	-
General reserve		
Opening balance	-	4,446,769
Less: Transfer to Profit and Loss ¹	-	(4,446,769)
Closing balance	-	-
Less: Debit balance in Profit and Loss Account	-	-
Less: Amount utilized for buy-back	-	-
Catastrophe reserve	-	-
Other reserves	-	-
Balance of profit in Profit and Loss Account	2,493,309	470,736
Total	36,400,578	34,309,171

1. Credit balance of General reserve has been adjusted against Debit balance in Profit and Loss Account

SCHEDULE 7 BORROWINGS

Particulars	March 31, 2016	March 31, 2015
Debentures/Bonds	-	-
Banks	-	-
Financial Institutions	-	-
Others	-	-
Total	-	-

SCHEDULE - 8 INVESTMENTS- SHAREHOLDERS

Particulars	March 31, 2016	March 31, 2015
Long term investment		
Government securities¹²	24,864,463	22,149,645
(Market value at March 31, 2016: ₹ 25,546,690 thousands) (Market value at March 31, 2015: ₹ 23,505,561 thousands)		
Other approved securities	3,646,674	649,868
(Market value at March 31, 2016: ₹ 3,713,743 thousands) (Market value at March 31, 2015: ₹ 700,425 thousands)		
Other approved investments		
Equity shares (Historical value at March 31, 2016: ₹ 5,192,612 thousands) (Historical value at March 31, 2015: ₹ 99,840 thousands)	7,545,834	8,740,101
Preference shares (Market value at March 31, 2016: ₹ 331,262 thousands) (Market value at March 31, 2015: ₹ 294,455 thousands)	301,671	286,593
Debentures/Bonds (Market value at March 31, 2016: ₹ 2,924,687 thousands) (Market value at March 31, 2015: ₹ 4,093,623 thousands)	2,823,053	3,956,056
CCIL deposit (Market value at March 31, 2016: ₹ 70,029 thousands) (Market value at March 31, 2015: ₹ 70,029 thousands)	70,029	70,029
Fixed deposits ^{3,4} (Market value at March 31, 2016: ₹ 878,800 thousands) (Market value at March 31, 2015: ₹ 1,207,277 thousands)	878,800	1,207,277
Property (Historical value at March 31, 2016: ₹ 703,632 thousands) (Historical value at March 31, 2015: ₹ 703,632 thousands)	713,496	703,632

Particulars	March 31, 2016	March 31, 2015
Investments in infrastructure/housing sector		
Other approved Investments		
Debentures/Bonds (Market value at March 31, 2016: ₹ 6,683,621 thousands) (Market value at March 31, 2015: ₹ 8,870,858 thousands)	6,381,124	8,520,264
Equity shares (Historical value at March 31, 2016: ₹ 1,174,187 thousands) (Historical value at March 31, 2015: ₹ 271,710 thousands)	1,367,540	339,244
Other investments		
Debentures/Bonds (Market value at March 31, 2016: ₹ Nil) (Market value at March 31, 2015: ₹ 108,426 thousands)	-	100,000
Equity shares (Historical value at March 31, 2016: ₹ 226,864 thousands) (Historical value at March 31, 2015: ₹ 666,710 thousands)	189,081	887,880
Other investments		
Debentures/Bonds (Market value at March 31, 2016: ₹ 1,427,264 thousands) (Market value at March 31, 2015: ₹ 1,500,163 thousands)	1,371,006	1,400,000
Equity shares (Historical value at March 31, 2016: ₹ 21,665 thousands) (Historical value at March 31, 2015: ₹ 21,665 thousands)	21,665	21,665
Short term investment		
Government securities		
Debentures/Bonds (Market value at March 31, 2016: ₹ Nil) (Market value at March 31, 2015: ₹ 2,918 thousands)	-	2,917
Other approved securities		
Debentures/Bonds (Market value at March 31, 2016: ₹ Nil) (Market value at March 31, 2015: ₹ 1,695 thousands)	-	1,692
Other approved investments		
Debentures/Bonds (Market value at March 31, 2016: ₹ 924,494 thousands) (Market value at March 31, 2015: ₹ 937,525 thousands)	917,857	922,098
Fixed deposits (Market value at March 31, 2016: ₹ 1,659,199 thousands) (Market value at March 31, 2015: ₹ 2,568,918 thousands)	1,659,199	2,568,918
Certificate of deposits (Market value at March 31, 2016: ₹ 3,379,241 thousands) (Market value at March 31, 2015: ₹ 2,617,068 thousands)	3,379,241	2,617,068
Mutual fund (Historical value at March 31, 2016: ₹ Nil) (Historical value at March 31, 2015: ₹ 417,780 thousands)	-	417,780
Investments in infrastructure/housing sector		
Other approved investments		
Debentures/Bonds (Market value at March 31, 2016: ₹ 1,569,494 thousands) (Market value at March 31, 2015: ₹ 2,128,705 thousands)	1,569,494	2,143,207
Commercial papers (Market value at March 31, 2016: ₹ 3,225,705 thousands) (Market value at March 31, 2015: ₹ 838,053 thousands)	3,225,705	838,053
Certificate of deposits (Market value at March 31, 2016: ₹ 701,683 thousands) (Market value at March 31, 2015: ₹ 838,053 thousands)	701,683	-
Other investments		
Debentures/Bonds (Market value at March 31, 2016: ₹ 255,643 thousands) (Market value at March 31, 2015: ₹ Nil)	250,000	-
Mutual fund (Historical value at March 31, 2016: ₹ 245,859 thousands) (Historical value at March 31, 2015: ₹ Nil)	245,859	-
Mutual fund investment of subsidiaries (Market value at March 31, 2016: ₹ 476 thousands) (Market value at March 31, 2015: ₹ 8,352 thousands)	465	8,037
Total	62,123,939	58,552,024
In India	62,123,939	58,552,024
Total	62,123,939	58,552,024
1. Includes ₹ Nil (Market value: ₹ Nil) of securities under Section 7 of Insurance Act, 1938 at March 31, 2016. [At March 31, 2015: ₹ 110,978 thousands (Market value: ₹ 106,124 thousands). Refer 3.25 of Schedule 16.]		
2. Government securities of ₹ 927,356 thousands (Market value of ₹ 968,300 thousands) at March 31, 2016. [At March 31, 2015: ₹ 953,061 thousands (Market value of ₹ 1,037,600 thousands at March 31, 2015) has been deposited with Clearing Corporation of India Limited (CCIL) as Settlement Guarantee Fund (SGF) deposit - Refer 3.25 of Schedule 16.]		
3. Includes Fixed deposit of ₹ 1,050,000 thousands at March 31, 2016. [At March 31, 2015: ₹ 1,050,200 thousands and ₹ 99,000 thousands at March 31, 2016] [At March 31, 2015: ₹ 299,000 thousands] deposited with National Securities Clearing Corporation Limited and Indian Clearing Corporation Limited respectively towards margin requirement for equity trade settlement - Refer 3.5 of Schedule 16.]		
4. Includes Fixed deposit of ₹ 3,500 thousands at March 31, 2016 (at March 31, 2015: ₹ 3,500 thousands). Of this, ₹ 1,000 thousands at March 31, 2016 (at March 31, 2015: ₹ 1,000 thousands) pertains to a deposit made with State Bank of Travancore as a security towards guarantee issued by the bank on behalf of the ICICI Prudential Pension Funds Management Company Limited in favour of PFRDA and ₹ 2,500 thousands at March 31, 2016 (at March 31, 2015: ₹ 2,500 thousands) deposited with National Securities Clearing Corporation Limited towards margin requirement for equity trade settlement of Scheme E Tier I and II of ICICI Prudential Pension Funds Management Company Limited issued in favour of National Securities Clearing Corporation Limited - Refer 3.25 of Schedule 16.]		
5. Aggregate amount of Company's investments and the market value thereof:		
		(₹ in '000)
Particulars	March 31, 2016	March 31, 2015
Aggregate amount of Company's investments other than equity securities, mutual fund, investments in subsidiary, investment in property and derivative instruments	52,039,999	47,433,702
Market value of above Investments	53,301,962	49,535,266
Aggregate amount of Company's investments in Mutual Fund, Equity and investments in subsidiary and investment in property (at Historical cost)	7,835,283	7,359,374
6. For investment in holding company and other related entities - Refer note 3.6 of schedule 16.		
7. Investments made out of Catastrophe reserve is ₹ Nil. [at March 31, 2016 and at March 31, 2015]		
8. 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		

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**SCHEDULE - 8A
INVESTMENTS - POLICYHOLDERS**

Particulars	March 31, 2016										Total
	Par Life	Par Pension	Non Par	Annuity Non Par	Health	Linked Life	Linked Pension	Linked Health	Linked Group		
Long term investment											
Government securities¹ (Market value: ₹ 126,223,782 thousands)	42,113,368	5,437,942	53,155,150	16,580,873	346,758	4,971,550	330,373	137,010	-	123,073,024	
Other approved securities (Market value: ₹ 9,952,066 thousands)	4,045,239	603,687	4,104,808	905,118	-	102,178	-	-	-	9,761,030	
Other approved investments											
Equity shares (Historical value: ₹ 19,490,939 thousands)	11,096,887	1,198,769	16,222,249	-	-	-	-	-	-	28,517,905	
Preference shares (Market value: ₹ 110,278 thousands)	92,116	-	1,698	-	-	-	-	-	-	93,814	
Debentures/Bonds (Market value: ₹ 7,453,385 thousands)	2,415,101	855,372	2,711,456	708,584	76,925	274,458	78,155	-	97,055	7,217,106	
Property (Historical value: ₹ 1,262,956 thousands)	1,466,232	373,800	-	-	-	-	-	-	-	1,840,032	
CCIL deposit (Market value: ₹ 71 thousands)	-	-	-	-	-	51	18	-	2	71	
Fixed deposits (Market value: ₹ 1,820,000 thousands)	626,400	144,500	471,100	356,000	-	173,000	49,000	-	-	1,820,000	
Investments in infrastructure/housing sector											
Other approved investments											
Equity shares (Historical value: ₹ 2,763,746 thousands)	1,286,999	93,293	2,004,556	-	-	-	-	-	-	3,384,848	
Debentures/Bonds (Market value: ₹ 25,518,333 thousands)	8,184,225	1,432,413	11,255,208	2,277,226	100,000	1,028,502	240,056	9,607	313,595	24,840,832	
Other investments											
Equity shares (Historical value: ₹ 253,622 thousands)	92,223	-	200,409	-	-	-	-	-	-	292,632	
Debentures/Bonds (Market value: ₹ 207,846 thousands)	210,000	-	-	-	-	-	-	-	-	210,000	
Other investments											
Equity shares (Historical value: ₹ 105,596 thousands)	71,724	-	59,119	-	-	-	-	-	-	130,843	
Debentures/Bonds (Market value: ₹ 1,981,786 thousands)	613,576	-	1,336,898	-	-	-	50,675	-	-	2,001,149	
Venture fund (Market value: ₹ 156,854 thousands)	146,768	-	-	-	-	-	-	-	-	146,768	
Short term investment											
Government securities (Market value: ₹ 20,656 thousands)	-	-	20,521	-	-	-	-	-	-	20,521	
Other approved securities (Market value: ₹ 22,240 thousands)	-	699	-	-	-	21,411	-	-	-	22,110	
Other approved investments											
Debentures/Bonds (Market value: ₹ 2,059,932 thousands)	471,832	211,055	916,482	129,912	-	114,000	103,457	50,313	50,000	2,047,051	
Fixed deposits (Market value: ₹ 198,000 thousands)	99,000	99,000	-	-	-	-	-	-	-	198,000	
Certificate of deposits (Market value: ₹ 3,384,702 thousands)	325,455	493,528	391,015	531,976	-	1,056,740	323,642	56,392	205,954	3,384,702	
Mutual fund (Historical value: ₹ 1,051,504 thousands)	-	-	982,893	-	-	25,494	41,976	1,141	-	1,051,504	
Investments in infrastructure/housing sector											
Other approved investments											
Debentures/Bonds (Market value: ₹ 1,433,573 thousands)	556,453	161,389	308,401	114,855	-	205,860	81,289	-	-	1,428,247	
Certificate of deposits (Market value: ₹ 187,108 thousands)	187,108	-	-	-	-	-	-	-	-	187,108	
Commercial papers (Market value: ₹ 2,703,623 thousands)	644,131	-	1,913,083	-	-	146,409	-	-	-	2,703,623	
Other investments											
Debentures/Bonds (Market value: ₹ 48,646 thousands)	50,825	-	-	-	-	-	-	-	-	50,825	
Venture fund (Market value: ₹ 76,347 thousands)	74,735	-	-	-	-	-	-	-	-	74,735	
Mutual fund (Historical value: ₹ 657,718 thousands)	317,213	-	325,256	-	7,199	-	-	-	8,050	657,718	
Total	75,187,610	11,105,447	96,380,302	21,604,544	530,882	8,119,653	1,298,641	254,463	674,656	215,156,198	
In India	75,187,610	11,105,447	96,380,302	21,604,544	530,882	8,119,653	1,298,641	254,463	674,656	215,156,198	
Total	75,187,610	11,105,447	96,380,302	21,604,544	530,882	8,119,653	1,298,641	254,463	674,656	215,156,198	

1. Government securities of ₹ 498,374 thousands with market value of ₹ 519,250 thousands (at March 31, 2015); ₹ 475,846 thousands with market value of ₹ 518,800 thousands has been deposited with Clearing Corporation of India Limited (CCIL) as Settlement Guarantee Fund (SGF) deposit. Government securities of ₹ 206,938 thousands with market value of ₹ 207,848 thousands (at March 31, 2015); ₹ 207,080 thousands with market value of ₹ 209,850 thousands) has been deposited with CCIL for trades in the Collateralized borrowing and lending obligation segment - Refer 3.15 of Schedule 16

2. Aggregate amount of Company's investments and the market value thereof:

Particulars	March 31, 2016	March 31, 2015
Aggregate amount of Company's investments other than equity securities, mutual fund, investments in subsidiary, investment in property and derivative instruments	179,280,716	160,315,627
Market value of above Investments	183,559,226	166,298,979
Aggregate amount of Company's investments in Mutual Fund, Equity and investments in subsidiary and investment in property (at Historical cost)	25,586,083	15,947,133

3. For Investments in holding company and other related entities - Refer note 3.6 of schedule 16.

4. Investments made out of Catastrophe reserve is ₹ Nil. (at March 31, 2016 and at March 31, 2015)

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

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SCHEDULE - 8A INVESTMENTS - POLICYHOLDERS

Particulars	March 31, 2015										Total
	Par Life	Par Pension	Non Par	Annuity Non Par	Health	Linked Life	Linked Pension	Linked Health	Linked Group		
Long term investment											
Government securities¹ (Market value: ₹ 107,523,338 thousands)	33,355,357	6,046,687	44,247,267	14,788,118	393,760	3,433,818	679,342	110,992	-	103,055,341	
Other approved securities (Market value: ₹ 7,466,563 thousands)	1,808,668	1,276,042	2,993,236	1,095,323	-	21,388	-	-	-	7,194,657	
Other approved investments											
Equity shares (Historical value: ₹ 11,397,327 thousands)	8,489,140	1,150,288	12,849,862	-	-	-	-	-	-	22,489,290	
Preference shares (Market value: ₹ 98,025 thousands)	86,418	-	880	-	-	-	-	-	-	87,298	
Debentures/Bonds (Market value: ₹ 12,725,462 thousands)	3,937,729	2,859,263	3,677,426	1,064,348	76,643	316,504	204,862	51,004	178,255	12,366,034	
Property (Historical value: ₹ 1,262,956 thousands)	1,451,235	373,800	-	-	-	-	-	-	-	1,825,035	
CCIL deposit (Market value: ₹ 71 thousands)	-	-	-	-	-	51	18	-	2	71	
Fixed deposits (Market value: ₹ 1,892,000 thousands)	725,400	243,500	345,100	356,000	-	173,000	49,000	-	-	1,892,000	
Investments in infrastructure/housing sector											
Other approved investments											
Equity shares (Historical value: ₹ 1,028,216 thousands)	430,026	45,196	840,858	-	-	-	-	-	-	1,316,080	
Debentures/Bonds (Market value: ₹ 25,709,139 thousands)	8,406,386	3,184,459	8,787,756	2,249,397	100,000	1,503,262	422,705	9,712	225,961	24,889,638	
Other investments											
Equity shares (Historical value: ₹ 356,029 thousands)	219,983	-	482,189	-	-	-	-	-	-	702,172	
Debentures/Bonds (Market value: ₹ 206,864 thousands)	210,000	-	-	-	-	-	-	-	-	210,000	
Other investments											
Equity shares (Historical value: ₹ 8,500 thousands)	37,222	-	-	-	-	-	-	-	-	37,222	
Debentures/Bonds (Market value: ₹ 138,128 thousands)	113,650	-	25,000	-	-	-	-	-	-	138,650	
Venture fund (Market value: ₹ 226,001 thousands)	215,954	-	-	-	-	-	-	-	-	215,954	
Short term investment											
Government securities (Market value: ₹ 499,096 thousands)	-	499,096	-	-	-	-	-	-	-	499,096	
Other approved securities (Market value: ₹ 399 thousands)	-	397	-	-	-	-	-	-	-	397	
Other approved investments											
Debentures/Bonds (Market value: ₹ 474,624 thousands)	7,856	53,510	299,016	-	-	70,000	30,000	-	-	460,382	
Fixed deposits (Market value: ₹ 300,000 thousands)	-	50,000	250,000	-	-	-	-	-	-	300,000	
Certificate of deposits (Market value: ₹ 3,364,118 thousands)	478,746	-	463,849	-	-	1,673,999	571,602	49,854	126,068	3,364,118	
Reverse repo (Market value: ₹ 261,190 thousands)	-	261,190	-	-	-	-	-	-	-	261,190	
Collateralized borrowing and lending obligation (Market value: ₹ 1,990,514 thousands)	677,026	669,687	599,101	44,700	-	-	-	-	-	1,990,514	
Mutual fund (Historical value: ₹ 1,894,105 thousands)	412,277	-	1,289,585	-	16,216	105,188	50,812	3,495	16,532	1,894,105	
Investments in infrastructure/housing sector											
Other approved investments											
Debentures/Bonds (Market value: ₹ 1,629,600 thousands)	890,147	298,398	392,092	-	-	25,000	-	-	-	1,605,637	
Commercial papers (Market value: ₹ 1,704,178 thousands)	-	1,000,332	170,263	-	-	150,080	222,699	-	160,804	1,704,178	
Other investments											
Venture fund (Market value: ₹ 89,670 thousands)	80,455	-	-	-	-	-	-	-	-	80,455	
Total	62,033,675	18,011,845	77,713,480	19,597,886	586,619	7,472,290	2,231,040	225,057	707,622	188,579,514	
In India	62,033,675	18,011,845	77,713,480	19,597,886	586,619	7,472,290	2,231,040	225,057	707,622	188,579,514	
Total	62,033,675	18,011,845	77,713,480	19,597,886	586,619	7,472,290	2,231,040	225,057	707,622	188,579,514	

1. Government securities of ₹ 475,846 thousands with market value of ₹ 518,800 thousands at March 31, 2015 has been deposited with Clearing Corporation of India Limited (CCIL) as Settlement Guarantee Fund (SGF) deposit. Government securities of ₹ 207,080 thousands with market value of ₹ 209,850 thousands at March 31, 2015 has been deposited with CCIL for trades in the Collateralized borrowing and lending obligation segment - Refer 3.15 of Schedule 16

2. Aggregate amount of Company's investments and the market value thereof:

Particulars	March 31, 2015
Aggregate amount of Company's investments other than equity securities, mutual fund, investments in subsidiary, investment in property and derivative instruments	160,315,627
Market value of above Investments	166,298,979
Aggregate amount of Company's investments in Mutual Fund, Equity and investments in subsidiary and investment in property (at Historical cost)	15,947,133

3. For Investments in holding company and other related entities - Refer note 3.6 of schedule 16.

4. Investments made out of Catastrophe reserve is ₹ Nil at March 31, 2015.

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

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SCHEDULE - 8B

ASSETS HELD TO COVER LINKED LIABILITIES

Particulars	Linked Life Funds	Linked Pension Funds	March 31, 2016		
			Linked Health Funds	Linked Group Funds	Total
Long term investment					
Government securities (Historical value: ₹ 115,374,996 thousands)	86,649,122	13,502,614	807,842	16,577,173	117,536,751
Other approved securities (Historical value: ₹ 11,276,212 thousands)	6,237,748	2,235,513	140,215	2,722,282	11,335,758
Other approved investments					
Equity shares (Historical value: ₹ 290,082,870 thousands)	246,288,789	100,732,036	4,424,316	6,656,087	358,101,228
Preference shares (Historical value: ₹ 676,530 thousands)	327,753	186,441	9,155	309,508	832,857
Debentures/Bonds (Historical value: ₹ 15,011,618 thousands)	6,160,477	3,882,784	112,273	5,293,347	15,448,881
Fixed deposits (Historical value: ₹ 5,851,125 thousands)	3,037,229	1,352,291	6,900	1,454,705	5,851,125
Investments in infrastructure/housing sector					
Other approved investments					
Equity shares (Historical value: ₹ 57,743,549 thousands)	42,242,473	15,268,200	533,776	1,292,253	59,336,702
Debentures/Bonds (Historical value: ₹ 29,042,094 thousands)	14,095,789	6,805,810	267,818	8,477,341	29,646,758
Other investments					
Equity shares (Historical value: ₹ 12,482,094 thousands)	6,990,914	2,006,111	79,702	332,090	9,408,817
Debentures/Bonds (Historical value: ₹ 37,653 thousands)	-	-	-	39,962	39,962
Other investments					
Equity shares (Historical value: ₹ 4,101,151 thousands)	2,088,044	1,222,986	74,815	22,042	3,407,887
Debentures/Bonds (Historical value: ₹ 3,031,550 thousands)	1,290,978	812,465	28,826	875,335	3,007,604
Mutual fund (Historical value: ₹ 2,513,326 thousands)	1,983,730	317,521	6,176	35,789	2,343,216
Venture fund (Historical value: Nil)	-	-	-	-	-
Short term investment					
Government securities (Historical value: ₹ Nil)	-	-	-	-	-
Other approved securities (Historical value: ₹ Nil)	-	-	-	-	-
Other approved investments					
Debentures/Bonds (Historical value: ₹ 4,546,486 thousands)	3,472,953	599,754	10,077	474,467	4,557,251
Certificate of deposits (Historical value: ₹ 59,627,886 thousands)	44,944,783	7,067,337	186,173	7,583,978	59,782,271
Commercial papers (Historical value: ₹ 7,107,283 thousands)	5,130,158	937,113	1,430	1,123,792	7,192,493
Fixed deposits (Historical value: ₹ 4,566,350 thousands)	2,535,550	1,200,600	29,700	800,500	4,566,350
Collateralized borrowing and lending obligation (Historical value: ₹ 749,416 thousands)	545,621	164,919	-	39,021	749,561
Mutual fund (Historical value: ₹ 4,782,760 thousands)	2,923,960	1,584,773	77,649	196,377	4,782,759
Investments in infrastructure/housing sector					
Other approved investments					
Debentures/Bonds (Historical value: ₹ 7,996,580 thousands)	4,257,422	1,696,264	61,842	1,999,868	8,015,396
Certificate of deposits (Historical value: ₹ 11,180,905 thousands)	7,603,467	1,496,746	52,720	2,081,173	11,234,106
Commercial papers (Historical value: ₹ 16,646,884 thousands)	12,601,220	2,034,587	90,205	2,235,116	16,961,128
Other investments					
Debentures/Bonds (Historical value: ₹ 90,664 thousands)	70,711	20,177	-	-	90,888
Mutual fund (Historical value: ₹ 7,542,157 thousands)	5,629,503	1,581,104	135,586	195,964	7,542,157
Venture Fund (Historical value: ₹ 13,189 thousands)	13,473	-	-	-	13,473
Net current asset	7,118,361	1,523,177	93,074	2,437,957	11,172,569
Total	514,240,228	168,231,323	7,230,270	63,256,127	752,957,948
In India	514,240,228	168,231,323	7,230,270	63,256,127	752,957,948
Total	514,240,228	168,231,323	7,230,270	63,256,127	752,957,948

1. For Investments in holding company and other related entities refer note 3.6 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 3.16 of schedule 16.

Note: Refer schedule 16 note 2.11 for accounting policy related to investments

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**SCHEDULE - 8B
ASSETS HELD TO COVER LINKED LIABILITIES**

Particulars	March 31, 2015				Total
	Linked Life Funds	Linked Pension Funds	Linked Health Funds	Linked Group Funds	
Long term investment					
Government securities (Historical value: ₹ 117,389,930 thousands)	75,624,502	23,658,600	785,328	19,873,518	119,941,948
Other approved securities (Historical value: ₹ 439,307 thousands)	2,110	269,206	-	190,934	462,250
Other approved investments					
Equity shares (Historical value: ₹ 255,387,205 thousands)	242,865,023	128,909,306	4,385,870	6,357,510	382,517,709
Preference shares (Historical value: ₹ 605,561 thousands)	301,406	220,754	6,954	211,204	740,318
Debentures/Bonds (Historical value: ₹ 19,033,926 thousands)	7,863,510	5,686,202	138,823	6,010,791	19,699,326
Fixed deposits (Historical value: ₹ 6,964,075 thousands)	3,200,005	1,843,590	12,900	1,907,580	6,964,075
Investments in infrastructure/housing sector					
Other approved investments					
Equity shares (Historical value: ₹ 17,011,998 thousands)	12,237,594	7,871,895	190,685	196,363	20,496,537
Debentures/Bonds (Historical value: ₹ 16,908,567 thousands)	8,258,402	4,189,942	171,174	4,979,042	17,598,560
Other investments					
Equity shares (Historical value: ₹ 26,483,697 thousands)	21,398,927	9,604,509	358,556	932,410	32,294,402
Debentures/Bonds (Historical value: ₹ 37,028 thousands)	-	-	-	39,725	39,725
Other investments					
Equity shares (Historical value: ₹ 3,736,898 thousands)	2,503,762	1,290,467	74,592	3,587	3,872,408
Debentures/Bonds (Historical value: ₹ 120,673 thousands)	79,131	35,358	7,072	-	121,561
Mutual fund (Historical value: ₹ 2,292,944 thousands)	1,945,684	239,690	13,752	-	2,199,126
Short term investment					
Government securities (Historical value: ₹ 1,951,698 thousands)	1,956,155	-	-	-	1,956,155
Other approved securities (Historical value at March 31, 2015: ` Nil)	-	-	-	-	-
Other approved investments					
Debentures/Bonds (Historical value: ₹ 5,521,473 thousands)	3,715,528	538,026	88,312	1,235,009	5,576,875
Certificate of deposits (Historical value: ₹ 45,064,489 thousands)	33,492,862	6,044,680	220,996	5,519,588	45,278,126
Commercial papers (Historical value: ₹ 55,02,235 thousands)	3,107,178	1,403,708	20,847	1,028,212	5,559,945
Fixed deposits (Historical value: ₹ 28,060,800 thousands)	15,544,250	5,686,207	123,700	6,706,643	28,060,800
Collateralized borrowing and lending obligation (Historical value: ₹ 6,489 thousands)	82	6,407	-	-	6,489
Mutual fund (Historical value: ₹ 5,652,432 thousands)	3,804,474	1,658,368	69,556	120,034	5,652,432
Investments in infrastructure/housing sector					
Other approved investments					
Debentures/Bonds (Historical value: ₹ 5,909,019 thousands)	3,494,532	1,183,856	89,047	1,348,167	6,115,602
Commercial papers (Historical value: ₹ 23,375,567 thousands)	12,217,323	6,051,798	122,028	5,315,969	23,707,118
Other investments					
Commercial papers (Historical value: ₹ 1,720,139 thousands)	698,280	991,600	33,447	-	1,723,327
Mutual fund (Historical value: ₹ 5,463,682 thousands)	3,364,713	1,661,882	305,569	131,518	5,463,682
Venture fund (Historical value: ₹ 14,198 thousands)	15,824	-	-	-	15,824
Net current asset	5,524,939	2,865,667	73,196	3,247,237	11,711,039
Total	463,216,196	211,911,718	7,292,404	65,355,041	747,775,359
In India	463,216,196	211,911,718	7,292,404	65,355,041	747,775,359
Total	463,216,196	211,911,718	7,292,404	65,355,041	747,775,359

- For Investments in holding company and other related entities refer note 3.6 of schedule 16.
- 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 3.16 of schedule 16.

Note: Refer schedule 16 note 2.11 for accounting policy related to investments

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SCHEDULE - 9 LOANS

Particulars	March 31, 2016	March 31, 2015
(₹ in '000)		
1. Security-wise classifications		
Secured		
(a) On mortgage of property		
(aa) In India	—	—
(bb) Outside India	—	—
(b) On Shares, Bonds, Govt Securities, etc.	—	—
(c) Loans against policies	442,718	201,121
(d) Others	—	—
Unsecured	—	—
Total	442,718	201,121
2. Borrower wise classification		
(a) Central and State Governments	—	—
(b) Banks and Financial Institutions	—	—
(c) Subsidiaries	—	—
(d) Companies	—	—
(e) Policyholders - Loans against policies	442,718	201,121
(f) Others	—	—
Total	442,718	201,121

SCHEDULE - 10 FIXED ASSETS

Particulars	Gross Block				Depreciation				Net Block	
	At April 1, 2015	Additions	Deductions	At March 31, 2016	At April 1, 2015	For the year	Deductions	At March 31, 2016	At March 31, 2016	At March 31, 2015
Intangible assets										
Goodwill	989,138	178,737	185,350	982,525	782,643	148,155	184,869	745,929	236,596	206,495
Software ¹	—	—	—	—	—	—	—	—	—	—
Tangible assets										
Freehold land	903,280	—	—	903,280	—	—	—	—	903,280	903,280
Improvements to leasehold property	1,287,144	67,752	14,361	1,340,535	922,592	89,314	12,013	999,893	340,642	364,552
Office buildings on freehold land	89,000	—	—	89,000	11,632	1,469	—	13,101	75,899	77,368
Furniture and fixtures	219,383	31,374	20,364	230,393	135,112	23,325	13,123	145,314	85,079	84,271
Information technology equipment	377,719	125,634	124,367	378,986	258,446	92,428	111,653	239,221	139,765	119,273
Motor vehicles	48,991	19,000	8,495	59,496	31,167	9,993	5,668	35,492	24,004	17,824
Office equipment	350,106	79,691	54,328	375,469	208,694	51,981	51,383	209,292	166,177	141,412
Communication networks	312,577	12,337	36,692	288,222	135,746	39,130	36,252	138,624	149,598	176,831
Total	4,577,338	514,525	443,957	4,647,906	2,486,032	455,795	414,961	2,526,866	2,121,040	2,091,306
Capital work in progress including capital advances	—	—	—	—	—	—	—	—	74,922	59,609
Total	4,577,338	514,525	443,957	4,647,906	2,486,032	455,795	414,961	2,526,866	2,195,962	2,150,915
At March 31, 2015	4,407,494	555,874	386,030	4,577,338	2,436,720	396,990	347,678	2,486,032	—	—

1. All software are other than those generated internally.

Note: Refer Schedule 16 Note 2.13 for accounting policy on fixed assets.

SCHEDULE - 11 CASH AND BANK BALANCES

Particulars	March 31, 2016	March 31, 2015
Cash (including cheques, drafts and stamps)	1,286,298	1,363,056
Bank Balance		
(a) Deposit Account :		
(aa) Short-term (due within 12 months of the date of balance sheet)	—	—
(bb) Others	—	—
(b) Current accounts	715,990	1,191,750
(c) Others	—	—
Money at call and short notice		
(a) With Banks	—	—
(b) With other Institutions	—	—
Others		
Total	2,002,288	2,554,806
Balances with non-scheduled banks included above	8,022	7,840
CASH AND BANK BALANCES		
In India	1,981,742	2,537,909
Outside India	20,546	16,897
Total	2,002,288	2,554,806

SCHEDULE - 12 ADVANCES AND OTHER ASSETS

Particulars	March 31, 2016	March 31, 2015
Advances		
Reserve deposits with ceding companies	—	—
Application money for investments (including advance for investment property)	1,595,088	188,367
Prepayments	208,261	180,552
Advances to Directors/Officers	—	—
Advance tax paid and taxes deducted at source	1,618,531	1,566,334
(Net of provision for taxation)	—	—
Advances to Employees	11,016	—
Deposits		
Gross	384,477	409,229
Less: Provision for doubtful deposits	(39,439)	(39,754)
Net	345,038	369,475
Other advances		
Gross	121,103	255,716
Less: Provision for doubtful advances	(9,737)	(9,088)
Net	111,366	246,628
Other receivables		
Gross	90,867	56,424
Less: Provision for doubtful receivables	(24,121)	(14,155)
Net	66,746	42,269
Total (A)	3,956,046	2,593,625

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SCHEDULE - 12

ADVANCES AND OTHER ASSETS (contd.)

Particulars	March 31, 2016	March 31, 2015
Other assets		(₹ in '000)
Income accrued on investments and deposits	6,729,628	6,109,283
Outstanding premiums	1,489,510	1,408,251
Agents' balances		
Gross	93,373	88,553
Less: Provision for doubtful agents' balance	(74,303)	(77,224)
Net	19,070	11,329
Foreign agencies balances	-	-
Due from other entities carrying on insurance business (including reinsurers)	42,766	44,450
Deposit with Reserve Bank of India	-	-
Receivable towards investments sold	491,118	1,910,113
Service tax un-utilised credit	42,210	255,956
Total (B)	8,814,302	9,739,382
Total (A+B)	12,770,348	12,333,007

SCHEDULE - 13

CURRENT LIABILITIES

Particulars	March 31, 2016	March 31, 2015
Agents' balances	760,701	754,441
Balances due to reinsurance companies	63,567	50,086
Deposits held on re-insurance ceded	-	-
Premium received in advance	1,076,081	1,099,924
Unallocated premium	753,902	782,429
Sundry creditors	70,848	89,013
Due to holding company - Refer note 3.6 of Schedule 16	483,675	515,703
Claims outstanding	486,264	197,287
Due to Officers/ Directors	-	-
Deposits	24,137	13,243
Expenses payable	4,281,555	4,726,631
TDS payable	170,659	181,324
Payable towards investments purchased	195,948	1,544,592
Unclaimed amount of Policyholders	4,956,498	5,134,131
Payable to unit fund	3,004,460	2,618,487
Service tax payable	9,091	4,741
Other liabilities	1,878,338	70,975
Total	18,215,724	17,783,007

SCHEDULE - 14

PROVISIONS

Particulars	March 31, 2016	March 31, 2015
For taxation	-	-
For proposed dividends - Refer note 3.18 of schedule 16	3,007,883	3,006,835
For dividend distribution tax - Refer note 3.18 of schedule 16	612,334	612,192
For leave encashment and gratuity - Refer note 3.8 of schedule 16	177,090	146,987
Total	3,797,307	3,766,014

SCHEDULE - 15

MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

Particulars	March 31, 2016	March 31, 2015
Discount allowed in issue of shares / debentures	-	-
Others	-	-
Total	-	-

SCHEDULE: 16

Significant accounting policies and notes forming part of the Consolidated Financial Statements for the year ended March 31, 2016

1. Corporate Information

These financial statements comprise of the consolidated financial statements of ICICI Prudential Life Insurance Company Limited, the holding company, with the financial statements of its subsidiary ICICI Prudential Pension Funds Management Company Limited (together referred to as "the Group").

ICICI Prudential Life Insurance Company Limited is 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, 2013 ('the Act'). The holding company is licensed by the Insurance Regulatory and Development Authority of India ('IRDAI') for carrying life insurance business in India. The license is in force as at March 31, 2016.

The holding 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 holding company's proprietary sales force and the holding company's website.

ICICI Prudential Pension Funds Management Company Limited ('the Subsidiary') is a wholly owned subsidiary of ICICI Prudential Life Insurance Company Limited, incorporated on April 22, 2009 as a company under the Companies Act, 1956 ('the Act'). The Subsidiary 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, 2016.

2. Summary of significant accounting policies

2.1. Basis of preparation

The accompanying consolidated financial statements are prepared and presented under the historical cost convention, unless otherwise stated, and on accrual basis of accounting, in accordance with accounting principles generally accepted in India (Indian GAAP). The Group has prepared the consolidated financial statements in compliance with the accounting standards notified under section 133 of the Companies Act 2013 further amended by Companies (Accounting Standards) Amendment Rules, 2016, read together with paragraph 7 of the Companies (Accounts) Rules 2014, section 129(4) of the Companies Act, 2013 and in accordance with the provisions of the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015), Insurance Regulatory and Development Authority Act, 1999, and the regulations framed thereunder, various circulars issued by the IRDAI and the practices prevailing within the insurance industry in India. Accounting policies applied have been consistent with previous year except where differential 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 Group'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 consolidated financial statements. The estimates and assumptions used in the accompanying consolidated financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of the consolidated 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 for non-linked policies 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. In case of Life insurance business, amortisation of premium or accretion of discount on debt securities is recognised over the remaining term of such instruments on the basis of effective interest rate method.

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In case of Pension Fund Management business, 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, equity ETF 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

In case of Life Insurance business, interest income on loans is recognised on an accrual basis. Fees and charges include policy reinstatement fee and loan processing fee which are recognised on receipt basis.

In case of Pension Fund Management business, Investment management fees are recognised on an accrual basis in accordance with the terms of contract between the subsidiary and the National Pension System Trust, established by the PFRDA.

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 holding company has both defined contribution and defined benefit plans.

Defined contribution plan

The holding 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 holding 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 holding company is as per the provisions of the Payment of Gratuity Act, 1972 or the holding company's gratuity plan, whichever is higher. The gratuity liability of the holding company is actuarially determined at each Balance Sheet date using projected unit credit method.

The holding company contributes towards net liabilities to ICICI Prudential Life Insurance Company Limited Employees' Group Gratuity Cum Life Insurance Scheme.

The holding 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 holding 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 holding company and includes long term retention incentive payable to employees on fulfilment of criteria prescribed by the holding company. The holding 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 Employee Stock Option Scheme ('the Scheme') provides that eligible employees are granted options to subscribe to equity shares of the holding company which vest in a graded manner. The vested options may be exercised within a specified period.

In accordance with the Guidance Note on Accounting for Employee Share-based Payments, the holding 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 Group 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 (amended by the Insurance Laws (Amendment) Act, 2015), 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 (Unit 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.

FFA (Non-unit and Non-participating)

On the basis of recommendation of the Appointed Actuary surplus in the non-unit fund of linked line of business and non-participating funds may be held as Funds for Future Appropriations or appropriated to the Shareholders' funds. When held in the policyholders' funds, FFA provides capital for contingencies such as revival of lapsed or foreclosed policies.

FFA (Participating)

Based on the recommendation of Appointed Actuary unappropriated surplus is 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 (amended by the Insurance Laws (Amendment) Act, 2015), 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 Group and various other circulars/notifications issued by the IRDAI in this context from time to time.

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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

In case of Life Insurance 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 remaining period to maturity on effective interest rate method.

Money market instruments are valued at historical cost, subject to accretion of discount over the remaining period to maturity based on effective interest rate method.

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 Group retains all the associated risks and rewards of these securities.

Mutual fund units are valued based on the previous days' net asset values.

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 Group. 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 Group 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, based on effective interest rate method over the remaining period to maturity of instrument.

Money market instruments are valued at historical cost, subject to accretion of discount over the period of maturity/holding based on effective interest rate method.

Listed equity shares, redeemable preference shares and equity ETF 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 Group retains all the associated risks and rewards of these securities.

Mutual fund units are valued based on previous day's Net Asset Value. 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. Valuation - Pension fund management business

Short term investments are carried at lower of cost or fair value determined on an individual investment basis. Long term investments are carried at cost.

2.11.5. Transfer of investments

In case of Life insurance business, 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 linked 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 upto 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 its previously assessed standard of performance.

The useful life of various category of assets is as below:

Asset	Useful life
Office buildings on freehold land	60
Improvement to leasehold properties	Lease period, subject to maximum of 9 years
Furniture and fixtures	10
Office equipment	5
Information technology equipment	3
Communication networks and servers	6
Motor vehicles	5

Schedule II of the Companies Act 2013 specifies the useful life of eight years for motor vehicle. As per the holding company policy, the motor vehicle is transferred to employee on completion of five years or at written down value (WDV) in case of separation of employee before five years. Accordingly, the holding company has depreciated the motor vehicle over five years. Assets costing upto ₹ 5,000 are considered to be immaterial in value and hence fully depreciated in the year of acquisition.

Depreciation is provided using straight-line method ('SLM') prorated from the date of being ready to use, upto 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

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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 Group calculates tax for 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 consolidated 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

Provision is recognized when the group has a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined based on the management estimate of amount required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. 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

In case of Life Insurance business, 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" notified under section 133 of the Companies Act 2013 and rules thereunder, the Group 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 premium 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, 2016	At March 31, 2015
Partly-paid up investments	—	—
Claims, other than those under policies, not acknowledged as debts comprising of:		
- Claims made by vendors for disputed payments	534	425
- Claims for damages made by landlords (of premises taken on lease)	39,420	40,079
- Claims made by employees and advisors for disputed dues and compensation	4,076	3,305
Underwriting commitments outstanding (in respect of shares and securities)	—	—
Guarantees given by or on behalf of the Company by various banks in favour of government authorities, hospital and court	—	—
Statutory demands/liabilities in dispute, not provided for#	1,536,996	1,536,996
Reinsurance obligations to the extent not provided for	—	—
Policy related claims under litigation in different consumer forums:		
- Claims for service deficiency	101,661	137,772
- Claims against repudiation	323,802	213,817
Others	—	—
Total	2,006,489	1,932,394

₹ 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.

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.

A brief of the assumptions used in actuarial valuation is as below:

- a) The interest rates used for valuing the liabilities are in the range of 4.92% to 5.53% per annum. The interest rates used at March 31, 2015 were in the range of 4.47% to 5.39% per annum.
- b) 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.
- c) Expenses are provided for at least at the current levels in respect of renewal expenses, with no allowance for any future improvement but

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with an allowance for any expected worsening.

- d) Per policy renewal expenses are assumed to inflate at 5.18% per annum. The expense inflation assumption used at March 31, 2015 was 4.49%.
 - e) No allowance is made for expected lapses in the future.
 - f) The bonus rates for participating business to be declared in the future is consistent with the valuation assumptions.
 - g) The tax rate applicable for valuation at March 31, 2016 is 14.42% p.a.
- 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 2.80%. The free look cancellation assumption used at March 31, 2015 was 3.70%.
 - e. Reserves for lapsed policies eligible for revivals.

3.3. Direct taxes

The current tax provision is determined in accordance with the provisions of the Income Tax Act, 1961. The provision for current tax for the year ended March 31, 2016 is ₹ 1,914,993 thousand (year ended March 31, 2015: ₹ 104 thousand).

The provision for current tax includes an amount of ₹ 702,871 thousand for the year ended March 31, 2016 (year ended March 31, 2015: ₹ 490,087 thousand) which has been charged on the total surplus of the participating line of business in Revenue Account, in line with the Group's accounting policy. Further, tax expense amounting to ₹ 1,212,122 thousand for the year ended March 31, 2016 (year ended March 31, 2015: credit of ₹ 489,983 thousand) pertaining to other than participating line of business has been charged to Profit & loss account. Deferred tax asset is recognised on the linked funds for future appropriation 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 realized. The deferred tax position and the movement for the year ended March 31, 2016 is summarised below :

(₹ in '000)			
Deferred tax asset	At April 1, 2015	(Charge)/ Credit for the period	At March 31, 2016
Deferred tax assets on:			
- Linked funds for future appropriation	1,338	(636)	702
Total	1,338	(636)	702
Deferred tax liability on:			
- Amortisation of computer software and incorporation expenses (net)	(205)	58	(147)
Total	(205)	58	(147)

Deferred tax charge for the year ended March 2016 is ₹ 578 thousand (year ended March 31, 2015: ₹ 13,966 thousand).

3.4. Operating lease commitments

The Company takes premises, motor vehicles, office equipment's, 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 for the year ended March 31, 2016 is ₹ 685,977 thousand (year ended March 31, 2015: ₹ 683,563 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, 2016 is ₹ 223,114 thousand (year ended March 31, 2015: ₹ 207,709 thousand). The

future minimum lease payments in respect of these non-cancellable leases at the Balance Sheet date are summarised below:

Particulars	At March 31, 2016	At March 31, 2015
Not later than one year	31,570	201,650
Later than one year but not later than five years	113,126	-
Later than five years	-	-

3.5. Assets given on operating lease

The Company has entered into an agreement in the nature of leave and license for leasing out the 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, 2016 is ₹ 52,909 thousand (year ended March 31, 2015: ₹ 52,973 thousand).

3.6. 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
Fellow subsidiaries and entities jointly controlled by holding company	ICICI Securities Limited ICICI Securities Inc. ICICI Securities Holding Inc. ICICI Venture Funds Management Company Limited ICICI Home Finance Company Limited ICICI Trusteeship Services Limited ICICI Securities Primary Dealership Limited ICICI Investment Management Company Limited ICICI International Limited ICICI Bank UK PLC. ICICI Bank Canada ICICI Lombard General Insurance Company Limited ICICI Prudential Asset Management Company Limited ICICI Prudential Trust Limited
Consolidated under AS-21 by holding company	ICICI Strategic Investments Fund I-Ven Biotech Limited
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 ICICI Prudential Life insurance Advisors Benefit trust
Key management personnel as per AS-18 disclosure	Sandeep Bakhshi, Managing Director and CEO Puneet Nanda, Executive Director Sandeep Batra, Executive Director Judhajit Das, Chief – Human Resources Satyan Jambunathan, Appointed Actuary

Relatives of Key management personnel as per AS-18 disclosure

Relatives of KMP	Mr. Sandeep Bakhshi	Mr. Sandeep Batra	Mr. Puneet Nanda	Mr. Satyan Jambunathan	Mr Judhajit Das
Spouse	Mona Bakhshi	Deepa Batra	Deepti Nanda	Shanti Satyan	Isheetaa Ganguly
Parent	Swarn Bakhshi	Veena Batra	Kul Bhushan Nanda Asha Nanda	P N Jambunathan Girija Jambunathan	Shankar Das Mita Das
Brother/Sister	Sameer Bakhshi	Vivek Batra	Pankaj Nanda	Harish Jambunathan Chitra Venkatraman	Satrjit Das
Children & their Spouse	Shivam Bakhshi Esha Thakurta Ritwik Thakurta Minal Bakhshi	Arushi Batra Pranav Batra	Rikhil Nanda Rishita Nanda	Surabhi Satyan	Adarsh Ganguly Das Akaash Ganguly Das

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The following represents significant transactions between the Company and its related parties:

(₹ in '000)

Name of related party	Relation	Nature of transaction	Transactions for the year		Amount recoverable/ (Payable)	
			FY 2016	FY 2015	At March 31, 2016	At March 31, 2015
ICICI Bank Limited	Holding company	Premium income	111,190	111,190	(719)	(6,314)
		Claims	(83,414)	(83,414)	(7,000)	-
		Interest income on investments	181,039	181,039	1,789	14,050
		Recovery of expenses				
		- Rent, rates and taxes	3,480	3,480	600	687
		- Employees' remuneration and welfare benefits	-	-	-	-
		Reimbursement of other expenses				
		- Legal and Professional Charges	(10,080)	(10,080)	(11,575)	(11,256)
		- Employees' remuneration and welfare benefits	(5,242)	(5,242)	(76)	(175)
		- Rent, rates and taxes	(1,811)	(1,811)	(431)	(544)
		- Information technology cost	(198,176)	(198,176)	(71,358)	(52,552)
		Advertisement & Publicity	(9,877)	(9,877)	-	(11,098)
		Administration support expenses	(3,243,414)	(3,243,414)	(298,261)	(362,462)
		Commission expenses	(3,065,545)	(3,065,545)	(90,762)	(66,658)
		Bank charges	(100,688)	(100,688)	(4,212)	(5,452)
		Security Deposit outstanding	-	-	121	121
		Dividend	(3,957,415)	(3,957,415)	-	-
		Sale of fixed assets	23,017	23,017	-	-
		Purchase of investments	(2,902,669)	(2,902,669)	-	-
		Sale of investments	4,118,381	4,118,381	-	-
		Outstanding investments	-	-	265,983	1,580,410
		Cash & bank balances	-	-	(968,749)	789,653
		Proposed dividend	-	-	(2,035,231)	(2,216,153)
ICICI Securities Limited	Fellow subsidiary	Premium income	1,950	2,419	(347)	(276)
		Claims	(495)	-	-	-
		Recovery of expenses				
		- Rent, rates and taxes	-	100	-	-
		Reimbursement of other expenses				
		- Rent, rates and taxes	(51)	(12)	-	-
		Administration support expenses	(48,345)	(85,947)	(23,625)	(112)
		Advertisement & Publicity	(265,020)	(168,330)	(90,890)	-
		Commission expenses	(272,721)	(209,741)	(16,808)	(11,558)
		Brokerage	(11,689)	(13,952)	(190)	(1,002)
ICICI Venture Funds Management Company Limited	Fellow subsidiary	Sale of investments	-	-	-	-
		Premium income	523	651	(789)	(737)
		Claims	-	(2,250)	-	-
		Reimbursement of other expenses				
		- Rent, rates and taxes	(5)	(5)	-	(6)
ICICI Home Finance Company Limited	Fellow subsidiary	Interest income on investments	-	4,182	-	-
		Recovery of expenses				
		- Rent, rates and taxes	943	-	1,079	-
		Commission Expenses	(1,408)	(330)	(82)	(9)
		Brokerage	-	(390)	-	-
		Sale of investments	-	500,000	-	-
ICICI Securities Primary Dealership Limited	Fellow subsidiary	Premium income	324	260	(177)	(32)
		Claims	(1,001)	-	-	-
		Interest income on investments	57,197	58,590	30,939	30,867
		Purchase of investments	(12,149,080)	(6,600,905)	-	-
		Sale of investments	1,596,033	2,758,281	-	-
		Outstanding investments	-	-	626,292	628,924

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Name of related party	Relation	Nature of transaction	Transactions for the year		Amount recoverable/ (Payable)	
			FY 2016	FY 2015	At March 31, 2016	At March 31, 2015
ICICI Prudential Asset Management Company Limited	Fellow subsidiary	Premium income Claims Reimbursement of other expenses - Employees' remuneration and welfare benefits	3,753 (650) (240)	3,631 (450) (240)	(600) - -	(623) - -
ICICI Lombard General Insurance Company Limited	Fellow subsidiary	Premium income Claims Claims received (loss of asset) Reimbursement of other expenses - Rent, rates and taxes Premium expense Employees' remuneration and welfare benefits Purchase of investments Sale of investments Security Deposit outstanding	5,980 (3,000) 432 (2,365) (147,921) (1,089) (3,282,935) 2,351,936 -	5,389 (3,000) 426 (3,749) (192,039) - (2,509,507) 2,691,901 -	(315) - - (27) 38,994 - - 547	(102) - - (290) 44,075 - - 891
Prudential Corporation Holdings Limited	Substantial interest	Recovery of expenses - Travel Cost - Employees's remuneration and welfare benefits Reimbursement of other expenses - Employees's remuneration and welfare benefits - Agents training, recruitment and incentives Dividend Proposed Dividend	213 - (15) (9,253) (3,114,593) -	- - (2,551) (24,844) (1,390,443) -	- - - - - - - (778,648)	- - - - - - - (778,648)
ICICI Prudential Life Insurance Company Limited Employees' Group Gratuity Cum Life Insurance Scheme	Significant influence	Premium income Contribution to trust	(186,024) (189,776)	50,418 (50,406)	(274) -	(272) -
ICICI Prudential Life Insurance Company Limited Superannuation Scheme	Significant influence	Premium income Contribution to trust	7,401 (7,401)	7,695 (7,695)	- -	- -
ICICI Prudential Life Insurance Company Limited Employees' Provident Fund	Significant influence	Contribution to trust	(200,009)	(187,567)	(33,604)	(33,111)
ICICI Prudential life Insurance advisor benefit trust	Significant influence	Premium income Contribution to trust	5,818 (6,644)	6,901 (7,754)	- -	- -
Key management personnel	Key management personnel	Premium income Dividend Managerial remuneration Employee stock options outstanding (numbers) Employee stock options exercised	2,401 (3,890) (186,640) - -	2,272 (470) (220,804) - -	(954) - - 671,000 30,000	(744) - - 701,000 419,375
Key management personnel	Relatives of key management personnel	Premium income Claims expense	140 -	140 -	- -	- -

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3.7. Segmental reporting

Segment wise information of various items as required under AS 17 "Segmental reporting" are given below:

For the year ended March 31, 2016

(₹ 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)	26,755,467	1,440,213	29,647,269	3,657,745	168,333	115,388,334	4,369,615	962,268	19,890,209	6,019,401	208,298,854
Segment result - Surplus/ Deficit (net of contribution from the Shareholders' account)	1,990,790	303,499	4,546,219	1,497,307	340,947	1,620,190	3,348,526	225,415	251,292	5,637,084	19,761,269
Depreciation/ Amortisation	66,569	295	23,451	1,031	296	349,401	9,535	1,030	3,692	495	455,795
Significant non-cash expenses*	14,990,340	(7,344,184)	21,153,461	789,110	(220,237)	51,735,368	(43,810,506)	147,837	(2,108,366)	43,908	35,376,731

For the year ended March 31, 2015

(₹ 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)											
Segment result - Surplus/ Deficit (net of contribution from the Shareholders' account)	20,938,899	2,023,152	26,310,412	3,746,984	179,840	192,277,504	73,199,804	3,298,716	17,052,819	5,364,270	344,392,400
Depreciation/ Amortisation	1,041,068	3,53,957	2,673,339	(414,567)	186,394	1,140,918	5,939,493	433,412	355,924	4,882,547	16,592,485
Significant non-cash expenses*	63,182	467	21,523	1,365	521	284,504	16,757	1,716	5,950	1,005	396,990
	11,030,275	(202,280)	20,604,860	2,909,676	(84,374)	127,743,415	9,395,502	2,306,974	5,919,217	-	179,623,265

* 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.

3.8. Employee benefits

Provision for staff benefits as per AS 15 (Revised):

(a) Defined contribution plans

The amount recognised as an expense during the year ended March 31, 2016 is ₹ 43,188 thousand (year ended March 31, 2015: ₹ 40,069 thousand).

(b) Defined benefit plans

Gratuity

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Reconciliation of benefit obligations and planned assets for the period:		
Present value of the defined benefit obligations at period end (A)	787,608	656,645
Fair value of plan assets at period end (B)	747,780	621,030
Net asset/(liability) recognised in Balance Sheet at end of the year (B-A)	(39,828)	(35,615)
Total net cost recognised as employee remuneration in Revenue / Profit and loss account	189,776	45,320
Change in defined benefit obligation:		
Opening obligations at April 1	656,645	593,293
Service cost	76,881	77,195
Interest cost	52,394	53,245
Actuarial (gain)/loss	74,362	18,094
Past service costs	-	-
Liability assumed on transfer of employees.	-	-
Benefits paid	(72,674)	(85,182)
Present value of the defined benefit obligations at period end (A)	787,608	656,645
Change in Plan Asset:		
Opening plan assets, at fair value at April 1	621,030	554,816
Expected return on plan assets	43,991	41,725
Actuarial gain/(loss)	(30,130)	61,489
Contributions	185,563	48,182
Assets acquired on acquisition/(settled on divestiture)	-	-
Benefits paid	(72,674)	(85,182)
Fair value of plan assets at period end (B)	747,780	621,030

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Fair value of plan assets at period end (B)	747,780	621,030
Cost for the period:		
Service cost	76,881	77,196
Interest cost	52,394	53,245
Expected return on plan assets	(43,991)	(41,726)
Actuarial (gain)/loss	104,492	(43,395)
Past service cost	-	-
Losses /(gains) on acquisition/divestiture	-	-
Total net cost recognised as employee remuneration in Revenue / Profit and loss account	189,776	45,320
Investment details of plan assets:		
Plan assets invested in insurer managed funds	100.0%	100.0%
Fund earning rate	3.3%	16.8%
Asset allocation:		
Debentures and Bonds	28.6%	19.2%
Fixed deposits	1.3%	12.4%
Government securities	36.7%	40.0%
Equity shares	16.6%	15.0%
Money market instruments	13.2%	7.9%
Others	3.6%	5.5%
Total	100.0%	100.0%
Assumptions:		
Discount rate	7.65%	7.95%
Salary escalation rate *		
Level 1 to 3	8.0%	5.0%
Level 4 and above	8.0%	8.0%
Estimated rate of return on plan assets #	7.5%	7.5%
Expected future contribution from employer for next year	80,000	80,000

* 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.

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Experience adjustments on gratuity provisioning

(₹ in '000)

Particulars	Period ended				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Defined benefit obligation	787,608	656,645	593,293	500,636	397,433
Plan assets	747,780	621,030	554,816	476,280	301,856
Surplus/(deficit)	(39,828)	(35,615)	(38,477)	(24,356)	(95,577)
Experience adjustments					
- on plan liabilities	60,235	(5,301)	26,710	49,715	24,870
- on plan assets	(30,130)	61,489	4,319	10,794	6,835

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	At March 31, 2016	At March 31, 2015
Discount rate for the term of the obligation	7.65%	7.95%
Average historic yield on the investment portfolio	9.01%	9.00%
Discount rate for the remaining term to maturity of the investment portfolio	7.95%	7.95%
Expected investment return	8.71%	9.00%
Guaranteed rate of return	8.75%	8.75%

(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	At March 31, 2016	At March 31, 2015
Discount rate per annum	7.40%	8.00%

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	At March 31, 2016	At March 31, 2015
Discount rate per annum	7.65%	7.95%
Salary escalation rate (per annum)		
Level 1 to 3	8.0%	5.0%
Level 4 and above	8.0%	8.0%

Leave accumulation policy of the Company is given below:

Criteria	Level 1 to 6	Level 7 & above
Employment upto 5 years	NA	60 days
Employment more than 5 years	60 days	90 days

While computing liability, 2% leave availing has been assumed for each subsequent year following the valuation date.

3.9. Employee Stock Option Scheme ("ESOS")

The Company Employees Stock Option Scheme (2005) ("ESOS 2005") presently has six tranches namely 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 Company. The maximum number of options that can be granted to any eligible employee is restricted to 1% of the issued capital. The exercise price was finalised by the Board Compensation and Nominations Committee in concurrence with the Board of Directors of the Company.

The scheme allowed an exercise period of "later of the tenth anniversary of the date of grant of Options or the fifth anniversary of the date of vesting of Options". During the year ended March 31, 2015, in the interest of employees, the Company had extended the exercise period from 10 years to 13 years for the options granted namely Founder I, 2004-05, 2005-06, 2006-07 and Founder II. The Company follows intrinsic value method and hence there was no charge in the Revenue Account and Profit and Loss account on account of modification of the Scheme.

The salient features of tranches issued under ESOS 2005 are as stated below:

Date of Grant	Founder I	2004-05	2005-06	2006-07	2007-08
				Founder II	
March 28, 2005				April 25, 2006	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
Maximum term of options granted		Thirteenth anniversary of the date of grant of options			Tenth anniversary of the date of grant of options
Graded Vesting Period					
1st Year	50% of option granted		25% of options granted		
2nd Year			25% of options granted		
3rd Year			25% of options granted		
4th Year	-		25% of options granted		
Mode of settlement				Equity	

Exercise price of all the options outstanding as at March 31, 2016 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	Year ended March 31, 2016	Year ended March 31, 2015
Outstanding at the beginning of the year	7,057,417	10,201,948
Add: Granted during the period	-	-
Less: Forfeited/lapsed during the period	(559,175)	(588,000)
Less: Exercised during the period	(499,067)	(2,556,531)
Outstanding at the end of the period	5,999,175	7,057,417
Exercisable at the end of the year	5,999,175	7,057,417

During the year ended March 31, 2016, the Company has recognised a compensation cost of ₹ nil (year ended March 31, 2015: ₹ nil) as the intrinsic value of the options. For the year ended March 31, 2016 there would have been an additional cost of

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₹ nil in the Revenue account and Profit & Loss account had the Company followed the fair value method for valuing its options (year ended March 31, 2015: ₹ 22,261 thousand). Accordingly, the profit after tax for the year ended March 31, 2015 would have been at ₹ 16,320,654 thousand. Consequently, the Company's basic earnings per share would have been at ₹ 11.41 and diluted earnings per share would have been at ₹ 11.39 for the year ended March 31, 2015.

The weighted average price of options exercised during the year ended March 31, 2016 is ₹ 108.4 (year ended March 31, 2015: ₹ 82.1). The weighted average remaining contractual life of options outstanding at the end of the period is as follows:

Exercise price range (in ₹)	At March 31, 2016		At March 31, 2015	
	Options outstanding	Weighted average remaining contractual life (in years)	Options outstanding	Weighted average remaining contractual life (in years)
30	21,438	2.0	28,438	3.0
42	152,175	2.1	155,175	3.1
70	832,612	3.1	1,105,927	4.1
130	2,445,850	4.1	2,783,002	5.1
400	2,547,100	2.1	2,984,875	3.1
Total	5,999,175	3.0	7,057,417	4.0

3.10. 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, 2016 is ₹ 1,445 thousand (year ended March 31, 2015: loss ₹ 3,330 thousand).

3.11. Earnings per share

(₹ in '000)

Sr. No.	Particulars	March 31, 2016	March 31, 2015
I	Net profit as per profit and loss account available for equity shareholders for both basic and diluted earnings per equity share of ₹ 10 each	16,501,455	16,343,916
II	Weighted average number of equity shares for earnings per equity share		
(a)	For basic earnings per equity share	1,432,016,936	1,429,853,060
(b)	For diluted earnings per equity share		
	Number of equity shares for basic earnings per equity share as per (II) (a)	1,432,016,936	1,429,853,060
	Add: Weighted average outstanding employee stock options deemed to be issued for no consideration	1,927,727	2,663,925
	Weighted number of equity shares for diluted earnings per equity share	1,433,944,663	1,432,516,985
III	Earnings per equity share		
	Basic (in ₹)	11.52	11.43
	Diluted (in ₹)	11.51	11.41

3.12. Commitments

Commitments made and outstanding (net of advances) for Company's investment in Real estate (Investment property) is ₹ 487,113 thousand (March 31, 2015 ₹ 1,711,497 thousand).

Estimated amount of contracts remaining to be executed on fixed assets to the extent not provided for (net of advance) is ₹ 91,398 thousand (March 31, 2015: ₹ 129,602 thousand)

There are no loan commitments made by the Company (March 31, 2015 ₹ nil).

3.13. Valuation of 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 Company has revalued all its

investment properties held for more than one year and market value for such properties is based on valuation performed by an independent valuer at March 31, 2016. 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 ₹ 2,553,528 thousand at March 31, 2016 (March 31, 2015: ₹ 2,528,667 thousand). The historical cost of the property is ₹ 1,966,588 thousand (March 31, 2015: ₹ 1,966,588 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, 2016 is ₹ 170,326 thousand (year ended March 31, 2015: ₹ 67,498 thousand).

3.15. Encumbrances 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 ₹ 1,050,000 thousand (March 31, 2015: ₹ 1,050,200 thousand) and ₹ 99,000 thousand (March 31, 2015: ₹ 299,000 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)

(₹ in '000)

Particulars	At March 31, 2016		At March 31, 2015	
	Market value	Amortised cost	Market value	Amortised cost
Pledged under securities segment				
Government securities	1,487,550	1,425,730	1,556,400	1,428,906
Cash	70,000	70,000	70,000	70,000
Pledged under Collateralized Borrowing and Lending Obligation segment (CBLO)				
Government securities	207,848	206,938	209,850	207,080
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

The Company has placed fixed deposits with banks for issuing bank guarantee/based on the directive from the Court as per below details:

(₹ in '000)

Particulars	At March 31, 2016	At March 31, 2015
Fixed deposit placed with bank based on the directive from the Hon. Patna High Court in case of one death claim settlement pertaining to a deceased policyholder	561	518
Fixed deposit placed with State Bank of Travancore as a security towards guarantee issued by the bank on behalf of the Company in favour of PFRDA	1,000	1,000
Fixed deposit placed 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	2,500	2,500
Bank guarantees issued		
-in favour of Sub-Divisional Judicial Magistrate, Patna with respect to a criminal case filed against a fraudulent policyholder	5,000	5,000

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Particulars	At March 31, 2016	At March 31, 2015
-towards purchase of postage on policy welcome kit document	2,000	-
-in lieu of earnest money deposit towards tender of Indian Oil Corp Refineries Trust for administration of EDLI scheme	139	-

3.16. 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, 2016 is ₹ 1,113,943 thousands (March 31, 2015: ₹ 115,122 thousands).

3.17. 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 MSMED Act (March 31, 2015: ₹ nil).

3.18. Dividend

Interim dividend appropriation for the year ended March 31, 2016 amounted to ₹ 10,858,715 thousand (year ended March 31, 2015: ₹ 6,353,777 thousand) including dividend distribution tax of ₹ 1,836,674 thousand (year ended March 31, 2015: ₹ 992,596 thousand).

The Board of directors have also proposed a final dividend of ₹ 3,007,883 thousand (Previous year ₹ 3,006,835 thousand). Dividend distribution tax on the same amounts to ₹ 612,334 thousand (Previous year ₹ 612,192 thousand). The Central Government in consultation with National Advisory Committee on Accounting Standards has amended Companies (Accounting Standards) Rules, 2006 ('principal rules'), vide notification issued by Ministry of Corporate Affairs dated March 30, 2016. The Companies (Accounting Standards) Rules, 2016 is effective March 30, 2016. According to the amended rules, the above mentioned proposed dividend will not be recorded as a liability as at March 31, 2016. (Refer Para 8.5 of AS-4 – Contingencies and Events occurring after Balance Sheet date). The Company believes that the Rule 3(2) of the principal

rules has not been withdrawn or replaced and accordingly, the Companies (Accounting Standards) Rule, 2016 will apply for the accounting periods commencing on or after March 30, 2016. Therefore the Company has recorded ₹ 3,620,217 thousand as liability for proposed dividends (including dividend distribution tax) as at March 31, 2016.

The final dividend amounting to ₹ 17 thousand and dividend distribution tax of ₹ 3 thousand pertains to dividend for year ended March 31, 2015 on 8,000 equity shares allotted between date of Board Meeting i.e. April 24, 2015 and Record Date i.e. June 23, 2015.

The dividend distribution tax for the year ended March 31, 2016 includes a reversal of ₹ 70 thousand due to rounding off of provision for dividend distribution tax for the year ended March 31, 2015.

3.19. Pending litigations

The Company's pending litigations comprise of claims against the Company primarily by the customers and proceedings pending with Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial results at March 31, 2016. Refer note 3.1 for details on contingent liabilities. In respect of litigations, where the management assessment of a financial outflow is probable, the Company has made a provision of ₹ 135,466 thousand at March 31, 2016.

3.20. Long term contracts

The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long term contracts including derivative contracts has been made in the financial statements.

For insurance contracts, actuarial valuation of liabilities for policies in force is done by the Appointed Actuary of the Company. The assumptions used in valuation of liabilities are in accordance with the guidelines and norms issued by the Insurance Regulatory and Development Authority of India ("IRDAI") and the Institute of Actuaries of India in concurrence with the IRDAI.

3.21. Previous year comparatives

Previous period's figures have been regrouped and reclassified wherever necessary to conform to current period's presentation.

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 B S R & Co. LLP
Chartered Accountants
ICAI Firm Reg. No. 101248W/W-100022

VENKATARAMANAN VISHWANATH
Partner
Membership No. 113156

For and on behalf of the Board of Directors

CHANDA KOCHHAR
Chairperson
DIN:00043617

V. SRIDAR
Director
DIN:02241339

SANDEEP BAKHSHI
Managing Director and CEO
DIN:00109206

SANDEEP BATRA
Executive Director
DIN:03620913

SATYAN JAMBUNATHAN
Appointed Actuary

BINAY AGARWALA
Chief Financial Officer

VYOMA MANEK
Company Secretary

Place : Mumbai
Date : April 26, 2016

ICICI PRUDENTIAL PENSION FUNDS MANAGEMENT COMPANY LIMITED

7TH ANNUAL REPORT AND ACCOUNTS 2015-2016

Directors

Sandeep Bakhshi, *Chairman*
 Vinod Kumar Dhall
 M. N. Gopinath
 Uday Chitale
 Puneet Nanda
 Sandeep Batra

Auditors

Khandelwal Jain and Co.,
Chartered Accountants

Meghana Baji
Chief Executive Officer

Registered & Corporate Office

1089, Appasaheb Marathe Marg
 Prabhadevi
 Mumbai - 400 025

directors' report

to the members,

Your Directors have pleasure in presenting the Seventh Annual Report of ICICI Prudential Pension Funds Management Company Limited (the Company) with the audited statement of accounts for the year ended March 31, 2016.

OPERATIONS REVIEW & OUTLOOK

Industry in FY2016

The industry AUM as at March 31, 2016 was ₹ 1,188.10 billion (FY2015: ₹ 808.55 billion). This largely comprises funds from government sector of ₹ 1,058.27 billion and corporate sector (central government pattern) of ₹ 68.05 billion. The AUM from private sector and NPS lite segments was ₹ 35.64 billion and ₹ 21.08 billion respectively, a growth of 77% and 31% over FY2015.

Company in FY2016

The subscribers' funds managed by the Company increased from ₹ 3,690.0 million at March 31, 2015 to ₹ 7,011.4 million at March 31, 2016, an increase of 90% during the year.

The details of the subscribers' funds are as follows:

Asset class	March 31, 2015		March 31, 2016	
	% to total	(₹ million)	% to total	(₹ million)
Equity (E)	1,456.9	39%	2,660.8	38%
Credit Risk Bearing Fixed Income Instruments (C)	1,070.4	29%	2,075.1	30%
Government Securities (G)	1,162.7	32%	2,275.5	32%
Total	3,690.0	100%	7,011.4	100%

The performance for financial year ended March 31, 2016 is summarised as follows:

Particulars	(₹ million)	
	FY2015	FY2016
Investment management fees	1.9	0.5
Investment income	27.1	23.2
Interest on income tax refund	0.1	-
Total revenue	29.1	23.7
Personnel expenses	18.4	16.3
Other operating expenses	8.7	9.2
Depreciation/Amortisation expenses	0.9	0.4
Total expenses	28.0	25.9
Profit/(loss) before tax	1.1	(2.1)
Tax expense	(0.1)	1.0
Profit/(loss) after tax	1.0	(3.2)

For the year ended March 31, 2016, the PFM registered a loss of ₹ 3.2 million compared to a profit of ₹ 1.0 million for the year ended March 31, 2015.

The investment management fee was revised from 0.25% p.a. to 0.01% p.a. on August 1, 2014. Accordingly, the investment management fee has reduced from ₹ 1.9 million in FY2015 to ₹ 0.5 million in FY2016 despite an increase in assets under management.

The decrease in other operating expenses is on account of one off provision of ₹ 3.4 million made against unutilised service tax credit in FY2015. The Company managed

to offset the reduction in operating revenue by containing costs and the overall operational loss for the Company was lower in FY2016.

The reduction in profit after tax in FY2016 is primarily on account of decrease in income on shareholders' funds. The income on shareholders' funds in FY2015 was higher due to realisation of gain of ₹ 7.0 million on sale of entire mutual fund investments.

The increase in current tax provision is on account of disallowance of provision for unutilised cervat credit pertaining to previous financial year.

DIVIDEND

The financial operations of the Company have resulted in a loss after tax of ₹ 3.2 million. In view of the loss incurred, the Directors are unable to recommend any dividend.

Statement in respect of adequacy of internal financial controls with reference to the Financial Statements

The Company has established a governance framework and a control environment, commensurate with the size, scale and complexity of its operations. The corporate governance framework of the Company is based on an effective independent Board, separation of Board's supervisory role from the executive management and constitution of Board Committees, generally comprising a majority of independent /non-executive directors and chaired by independent/non-executive directors to oversee critical areas.

The internal financial controls with reference to financial statements of the Company comprises multiple levels of oversight as follows:

1. The Company follows a reporting and review framework comprising quarterly review of financials. The financials prepared are reviewed by Audit Committee.
2. The Company has fully automated processes and authority matrix based workflow to compute/ account investment management fee, investment income and operating expenses. System and process controls have been built on various sub processes and activities to ensure completeness and accuracy.
3. No significant observations have been made or are outstanding against the Company by auditors or regulators.
4. The Company has a documented risk control matrix against which the controls pertaining to financial reporting are tested. All the controls are in place and functioning.
5. The Company also has got internal audit conducted by an external consultant and no observations have been made by them.

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.

There were four Meeting of the Board held during FY2016 on April 24, 2015, July 27, 2015, October 26, 2015 and January 19, 2016. The maximum interval between any two meetings did not exceed 120 days.

directors' report

The names of the Directors and their attendance at Board Meetings during the year are set out in the following table:

Name of Director	Number of meetings attended
Sandeep Bakhshi, Chairman	4/4
Puneet Nanda	4/4
Sandeep Batra	4/4
Vinod Kumar Dhall	4/4
M. N. Gopinath	2/4
Uday Chitale	4/4

As per provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Puneet Nanda (DIN: 02578795) will retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment. Mr. Puneet Nanda has offered himself for re-appointment.

MEETING OF INDEPENDENT DIRECTORS

There was one Independent Directors Meeting held during FY2016 on April 24, 2015. The names of the Independent Directors and their attendance at Independent Directors Meeting during the year are set out in the following table:

Name of the member	Number of meetings attended/held
Vinod Kumar Dhall	1/1
Uday Chitale	1/1
M. N. Gopinath	0/1

ANNUAL EVALUATION BY THE BOARD

Performance evaluation mechanism for the Board/Chairperson/whole-time directors were evaluated by independent directors. In addition, the performance evaluation of the independent Directors were evaluated by the entire Board, excluding the Director being evaluated. The evaluation was completed through an online survey portal.

BOARD COMMITTEES

I. 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, 2013 and Pension Fund Regulatory & Development Authority (PFRDA).

Composition

The Board Risk Management & Audit Committee comprises two independent Director and at March 31, 2016 was chaired by Vinod Kumar Dhall. 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
Vinod Kumar Dhall, Chairman	4/4
Uday Chitale	4/4
Sandeep Batra	4/4
Meghana Baji ^	4/4
Beram Gazdar ^	4/4
Vishal Mehta* ^	4/4
Geeta Makhijani** ^	—

* upto March 4, 2016

** from March 7, 2016

^ As per Investment Management Agreement signed with National Pension System Trust, Risk Management Committee shall also have Chief Executive Officer, Chief Investment Officer or Fund Manager and Compliance Officer.

BOARD NOMINATION AND REMUNERATION COMMITTEE

The Board Nomination & Remuneration Committee was constituted as per the requirements of Companies Act, 2013 and following are the terms of reference:

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.

Composition

The Board Nomination and Remuneration Committee comprises two independent Director and at March 31, 2016 was chaired by Vinod Kumar Dhall. There was 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
Vinod Kumar Dhall	1/1
M. N. Gopinath	0/1
Sandeep Batra	1/1

INVESTMENT COMMITTEE

Terms of reference:

Overseeing the investment function of the Company, directing and implementing 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 Investment Committee comprises two non – executive Director, a Chief Executive Officer and a Fund Manager and at March 31, 2016 was chaired by Sandeep Bakhshi. There was four Meetings of the Committee during a year.

The details of the composition of the Committee and attendance at its Meeting are set out in the following table:

Name of the member	Number of meetings attended
Sandeep Bakhshi	4/4
M. N. Gopinath*	1/3
Puneet Nanda*	3/3
Sandeep Batra	4/4
Meghana Baji	4/4
Beram Gazdar**	1/1

* upto October 25, 2015, as the Committee was subsequently renamed and reconstituted

** since October 26, 2015, as the Committee was subsequently renamed and reconstituted

General Body Meetings

The details of the last three Annual General Meetings (AGM) are given below:

Financial Year ended	Day, Date	Start time	Venue
Fourth AGM	Thursday, June 20, 2013	11.00 a.m.	1089, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025
Fifth AGM	Monday, June 23, 2014	10.00 a.m.	1089, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025
Sixth AGM	Thursday, June 25, 2015	9.00 a.m.	1089, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025

Only one following special resolution was passed by the members during the last three Annual General Meeting:

Annual General Meeting held on June 20, 2013

- Approval of remuneration payable to Meghana Baji, CEO & Manager.

General Shareholder Information

General Body Meeting	Day, Date & Time	Venue
Seventh AGM	Friday, June 24, 2016 10:00 a.m.	1089, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400025

directors' report



forming part of the accounts

Continued

PARTICULARS OF EMPLOYEES

The provisions of Section 197 of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment & Remuneration) Rules, 2014, 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 at March 31, 2016 was ₹ 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 73 of the Companies Act, 2013.

AUDITORS

M/s Khandelwal Jain and Company, Chartered Accountants were appointed as the statutory auditor of the Company for FY2016 at the Sixth 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, the Board proposes to re-appoint M/s Khandelwal Jain and Company, retiring Auditor as the Statutory Auditors for FY2017 on recommendation of the Audit Committee of the Company.

Auditor's Report

There are no qualification, reservation or adverse remark or disclaimer made by the auditor in his report.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as Annexure A.

Particulars of contracts or arrangements with related parties

The Company has a board approved policy on dealing with related party transactions on an arm's length basis. The Company shares personnel and infrastructure with its holding company i.e. ICICI Prudential Life Insurance Company Limited. The company has a board approved transfer pricing policy for pricing these transactions at arm's length and all the transactions between the Company and ICICI Prudential Life Insurance Company Limited have been done in conformity with the same.

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto is disclosed in Form No. AOC -2 is appended as Annexure B.

Sitting fees paid to independent Directors during the financial year ended March 31, 2016:

Name of the Director	Amount (in ₹)
Vinod Kumar Dhall	180,000
M. N. Gopinath	60,000
Uday Chitale	160,000

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 Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 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:

Particulars	FY2015	FY2016
Foreign exchange earnings and outgo		(₹'000)
- 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 134(3)(c) of the Companies Act, 2013 and the Corporate Governance Guidelines, the Board of Directors confirm:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had 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 and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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 and guidance received from time to time, from the auditors and the statutory authorities. The Directors express their appreciation to all employees. The Directors also 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

Place: Mumbai
Date: April 25, 2016

directors' report

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ANNEXURE A

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2016

[PURSUANT TO SECTION 92(3) OF THE COMPANIES ACT, 2013 AND RULE 12(1) OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	U66000MH2009PLC191935
Registration Date	22/04/2009
Name of the Company	ICICI Prudential Pension Funds Management Company Limited
Category / Sub-Category of the Company	Company Limited by Shares
Address of the Registered office and contact details	1089, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400025.
Whether listed company	No
Name, Address and Contact details of Registrar and Transfer Agent, if any	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

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding.

Sl. No.	Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters										
(1) Indian		—	—	—	—	—	—	—	—	—
(a) Individual		6	—	—	0.00	6	—	—	0.00	Nil
(b) Central Govt		—	—	—	—	—	—	—	—	—
(c) State Govt		—	—	—	—	—	—	—	—	—
(d) Bodies Corporate		—	—	—	—	—	—	—	—	—
(e) Banks/FIs		26,999,994	—	26,999,994	100	26,999,994	—	26,999,994	100	Nil
(f) Any other		—	—	—	—	—	—	—	—	—
Sub-total (A) (1)		27,000,000	—	27,000,000	100	27,000,000	—	27,000,000	100	—
(2) Foreign		—	—	—	—	—	—	—	—	—
(a) NRIs - Individuals		—	—	—	—	—	—	—	—	—
(b) Other - Individuals		—	—	—	—	—	—	—	—	—
(a) Bodies Corporate		—	—	—	—	—	—	—	—	—
(b) Banks/FIs		—	—	—	—	—	—	—	—	—
(c) Any other		—	—	—	—	—	—	—	—	—
Sub-total (A) (2)		—	—	—	—	—	—	—	—	—
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)		27,000,000	—	—	100	27,000,000	—	—	100	Nil
B. Public Shareholding										
(1) Institutions		—	—	—	—	—	—	—	—	—
(a) Mutual Funds		—	—	—	—	—	—	—	—	—
(b) Banks/FIs		—	—	—	—	—	—	—	—	—
(c) Central Govt		—	—	—	—	—	—	—	—	—
(d) State Govt		—	—	—	—	—	—	—	—	—
(e) Venture Capital Funds		—	—	—	—	—	—	—	—	—
(f) Insurance Companies		—	—	—	—	—	—	—	—	—
(g) FIs		—	—	—	—	—	—	—	—	—
(h) Foreign Venture Capital Funds		—	—	—	—	—	—	—	—	—
Sub-total (B) (1)		—	—	NIL	—	—	—	NIL	—	—
2. Non-Institutional										
(a) Bodies Corp.		—	—	—	—	—	—	—	—	—
(i) Indian		—	—	—	—	—	—	—	—	—
(ii) Overseas		—	—	—	—	—	—	—	—	—
(b) Individuals		—	—	—	—	—	—	—	—	—
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh		—	—	—	—	—	—	—	—	—
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh		—	—	—	—	—	—	—	—	—
(c) Others		—	—	—	—	—	—	—	—	—
Sub-total (B) (2)		—	—	—	—	—	—	—	—	—
Total Public Shareholding (B) = (B) (1) + (B) (2)		—	—	—	—	—	—	—	—	—
B. Shares held by Custodian for GDRs & ADRs		—	—	—	—	—	—	—	—	—
Grand Total (A+B+C)		27,000,000	—	—	100	27,000,000	—	—	100	Nil

directors' report



forming part of the accounts

Continued

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	% change in shareholding during the year
	ICICI Prudential Life Insurance Company Limited	27,00,000	100	Nil	27,00,000	100	Nil	Nil

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

No Change

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Shareholding at the beginning of the year		Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/Transfer/bonus/sweat equity etc)	Cumulative Shareholding during the year (at the end of the year)	
	No. of shares	% of total shares of the company		No. of shares	% of total shares of the company
1.			Nil		

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Shareholding at the beginning of the year		Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/Transfer/bonus/sweat equity etc)	Cumulative Shareholding during the year (at the end of the year)	
	No. of shares	% of total shares of the company		No. of shares	% of total shares of the company
1.	1	0.00	Nil	1	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid				
iii) Interest accrued but not				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
Addition	NIL	NIL	NIL	NIL
Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid				
iii) Interest accrued but not				
Total (i+ii+iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹'000)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager Meghana Baji, Manager
1	Gross salary a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b) Value of perquisites u/s 17(2) Income-tax Act, 1961 c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	4,917 217 0
2.	Stock Options	—
3.	Sweat Equity	—
4.	Commission - as % of profit - others, specify.	—
5.	Others, please specify*	462
	Total (A)	5,596

* Include – Tax-free Medical, Tax-free LTA, Provident Fund, Superannuation and National Pension Scheme (Amounts rounded off to nearest decimal)

directors' report

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ANNEXURE A

B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Name of Directors			(In ₹)
		Vinod Kumar Dhall	M. N. Gopinath	Uday Chitale	Total Amount
1.	Independent Directors • Fee for attending board & committee meetings • Commission • Others, please specify	180,000 —	60,000 —	160,000 —	400,000 —
	Total (1)	180,000	60,000	160,000	400,000
2.	Others Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify	—	—	—	—
	Total (2)	—	—	—	—
	Total (B) = (1+2)	180,000	60,000	160,000	400,000

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	Total Amount
		Harvinder Jaspal, Chief Financial Officer ^	Vishal Mehta, Company Secretary (April 1, 2015 to March 4, 2016)
1.	Gross salary a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b) Value of perquisites u/s 17(2) Income-tax Act, 1961 c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	459 4	838 0
2.	Stock Option*	—	—
3.	Sweat Equity	—	—
4.	Commission - as % of profit - Others, specify...	—	—
5.	Others, please specify**	27	40
	Total	490	878
			1,368

* Perquisite value of stock options exercised of the holding Company.

** Include – Tax-free Medical, Tax-free LTA, Provident Fund, Superannuation and National Pension Scheme

^ 5% of total remuneration borne by the Company.

(Amount rounded off to nearest decimal)

VIII. PENALITIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Sections of the Companies Act	Brief Description	Details of Penalty/Punishment/ Compounding fees imposed	Authority [RD/ NCLT/COURT]	Appeal made, if any
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

ANNEXURE B

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

The Company has a framework on mechanism of taking approvals for all transactions with related parties which was placed in Board Risk Management & Audit Committee Meeting on January 15, 2015. The transactions between the Company and its related parties, during the year ended March 31, 2016, were based on the principles of arm's length.

1. Details of contracts or arrangements or transactions not at arm's length basis:

There are no such transactions

2. Details of material contracts or arrangement or transactions at arm's length basis

The details of material related party transactions at arm's length principles for the year ended March 31, 2016 on an aggregate basis is given below:

(₹ million)

Sl. No.	Name of the related party	Nature of relationship	Nature of contracts/ transactions	Duration of contracts	Salient term of contracts/transactions	FY2016
1.	ICICI Prudential Life Insurance Company Limited	Holding Company	Compensation/ reimbursement of expenses towards infrastructure sharing, deputation of employees and other expenses		1. Deputed personnel cost and reimbursement of expenses – at actuals 2. Use of office space – at market rates 3. Use of infrastructure and utilities – at actuals	18.1

independent auditors' report



to the Members of ICICI Prudential Pension Fund Management Company Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **ICICI Prudential Pension Fund Management Company Limited ("the Company")**, which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, 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 Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility includes design, implementation and maintenance of adequate internal controls 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, on a test basis, 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 entity's internal control. An audit also includes evaluating the appropriateness of the 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 aforesaid standalone 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 Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- b) in the case of the Statement of Profit and Loss, of the loss 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of the section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. We have inquired into the matters specified under section 143(1) and based on the information and explanations given to us, there is no matter to be reported under this section.
3. As required by Section 143(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 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 aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) In our opinion and based on the information and explanations given to us, there are no financial transactions or matters which have any adverse effect on the functioning of the company.
 - f) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - g) There is no qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith.
 - h) The company has adequate internal financial controls system in place and there is an operating effectiveness of such controls. A report giving our responsibilities and opinion has been annexed herewith.
 - i) Such other matters as are prescribed by Companies (Audit and Auditors) Rules, 2014 namely:
 - i. the Company does not have any pending litigations which would impact its financial position.
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. there are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm Registration No. 105049W

(CHIRAG DOSHI)
PARTNER
Membership No. 119079

Place: Mumbai
Date: April 25, 2016

annexure to the auditors' report

(Referred to in Paragraph 1 of our report of other Legal and Regulatory requirement of even date)

1. (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.
2. The activities of the Company and the nature of its business do not involve the use of inventory. Accordingly, paragraph 3 (ii) of the Order is not applicable.
3. The Company has neither granted nor taken any loans, secured or unsecured to/ from companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the Order is not applicable.
4. In our opinion and according to the information and explanations given to us, the Company has, in respect of loans, investments, guarantees, and security provisions, complied with section 185 and 186 of the Companies Act, 2013.

5. The Company has not accepted any deposits from the public and hence paragraph 3 (v) of the Order is not applicable.
6. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act.
7. 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, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues wherever applicable, with the appropriate authorities.
 - (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, Value Added Tax and Cess with the appropriate authority.
8. The Company has not borrowed any amounts from banks, financial institutions or by issue of debentures. Accordingly paragraph 3 (vii) of the Order is not applicable.

annexure to the auditors' report

9. As per information given to us, no money was raised by way of initial public offer or further public offer (including debt instruments) nor have any fresh term loans been taken by the company during the year. Hence the provisions of clause (ix) are not applicable to the company.
10. According to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.
11. According to the information and explanation given to us and the books of accounts verified by us, the Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
12. The Company is not a Nidhi Company, hence the provision of clause (xii) are not applicable to the company.
13. All transactions with related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. According to the information and explanation given to us, the Company during the year has not made any preferential allotment or private placement of shares or fully or partly convertible debentures, hence the provision of clause (xiv) are not applicable to the company.
15. According to the information and explanation given to us and the books of

- accounts verified by us, the Company has not entered into any non-cash transactions with directors or persons connected with him.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm Registration No. 105049W

(CHIRAG DOSHI)
PARTNER
Membership No. 119079

Place: Mumbai
Date: April 25, 2016

annexure to the independent auditor's

Report of even date on the financial statements of ICICI Prudential Pension Fund Management Company Limited as on 31st March, 2016

Report on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("The Act")

To the members of **ICICI Prudential Pension Fund Management Company Limited**

We have audited the internal financial controls over financial reporting of **ICICI Prudential Pension Fund Management Company Limited ("the Company")**, as of March 31, 2016, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation, and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also projections of any evaluation of the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criterial established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm Registration No. 105049W

(CHIRAG DOSHI)
PARTNER
Membership No. 119079

Place: Mumbai
Date: April 25, 2016

balance sheet

at March 31, 2016

statement of profit & loss

for the year ended March 31, 2016

Particulars	Note	March 31, 2016	(in ₹) March 31, 2015	Particulars	Note	Year ended March 31, 2016	(in ₹) Year ended March 31, 2015				
EQUITY AND LIABILITIES											
Shareholders' funds											
Share capital	3.1	270,000,000	270,000,000	Investment management fees	3.13	469,738	1,913,032				
Reserves and surplus	3.2	(14,433,736)	(11,282,107)	Other income							
		255,566,264	258,717,893	Interest on fixed deposits		17,846,823	17,410,744				
Non-current liabilities											
Deferred tax liabilities (net)	3.3	146,751	204,872	Interest on non-convertible debentures		4,700,131	2,726,959				
Current liabilities											
Other current liabilities	3.4	7,469,335	6,039,949	Interest on income tax refund		20,383	69,724				
Total		263,182,350	264,962,714	Gain on sale of investments		663,659	7,022,854				
ASSETS											
Non-current assets											
Fixed assets											
Tangible assets		113,131	177,450	Total revenue (A)		23,700,734	29,143,313				
Intangible assets		502,649	837,715	Expenses							
		615,780	1,015,165	Employee benefits expense	3.14	16,285,892	18,455,658				
Non-current investments	3.6	50,000,000	50,000,000	Other expenses & provisions	3.15	9,158,515	8,717,003				
Other non-current assets	3.7	206,221,620	199,107,020	Depreciation and amortisation expense	3.5	399,385	856,795				
Current assets											
Current investments	3.8	465,334	8,036,675	Total expenses (B)		25,843,792	28,029,456				
Trade receivables	3.9	149,362	86,037	Profit/(Loss) before tax (A-B)		(2,143,058)	1,113,857				
Cash and bank balances	3.10	2,725,897	3,505,759	Tax expense							
Short-term loans and advances	3.11	76,439	88,210	Current tax	3.20	1,066,692	103,500				
Other current assets	3.12	2,927,918	3,123,848	Deferred tax charge/(credit)	2.7	(58,121)	9,046				
Total		263,182,350	264,962,714	Profit/(Loss) for the year		(3,151,629)	1,001,311				
Refer accompanying significant accounting policies and other explanatory information											
Earnings/(losses) per equity share:											
Basic and diluted earnings/(losses) per equity share (₹)											
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 Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No. 105049W

For and on behalf of the Board of Directors

CHIRAG DOSHI
Partner
Membership No. 119079

SANDEEP BAKHSHI
Chairman

SANDEEP BATRA
Director

Place: Mumbai
Date: April 25, 2016

MEGHANA BAJI
Chief Executive Officer

HARVINDER JASPAL
Chief Financial Officer

cash flow statement

for the year ended March 31, 2016

Particulars	Year ended March 31, 2016	Year ended March 31, 2015 (in ₹)
CASH FLOWS FROM OPERATING ACTIVITIES		
Management fees received	425,166	2,805,438
Expenses paid	(24,069,012)	(54,179,829)
(Payment)/Refund of income tax - net	370,537	2,748,416
Interest on income tax refund	20,383	69,724
Net cash used in operating activities (A)	(23,252,927)	(48,556,251)
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of investments	19,135,000	262,909,061
Purchase of investments	(10,900,000)	(274,522,650)
Maturity proceeds of fixed deposit	12,533,498	250,394,739
Placement of fixed deposit	(2,500,000)	(195,277,077)
Interest on fixed deposit	509,567	5,010,852
Interest on NCD	4,695,000	-
Net cash from investing activities (B)	23,473,065	48,514,925
CASH FLOWS FROM FINANCING ACTIVITIES		
Nil	-	-
Net cash used in financing activities (C)	-	-
Net increase in cash and cash equivalents (A+B+C)	220,138	(41,326)
Cash and cash equivalents at the beginning of the year	5,759	47,085
Cash and cash equivalents at the end of the year	225,897	5,759
Notes to the cash flow statement:		
Cash and cash equivalents at the end of the year	225,897	5,759
Other bank balances	2,500,000	3,500,000
Cash and bank balances at the end of the year	2,725,897	3,505,759
Components of cash and cash equivalents:		
Balance in current account	225,897	5,759

As per our report of even date attached

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No. 105049W

For and on behalf of the Board of Directors

CHIRAG DOSHI
Partner
Membership No. 119079

SANDEEP BAKHSHI
Chairman

SANDEEP BATRA
Director

Place: Mumbai
Date: April 25, 2016

MEGHANA BAJI
Chief Executive Officer

HARVINDER JASPAL
Chief Financial Officer

significant accounting policies and notes



forming part of the Accounts

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, 2016.

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, and on accrual basis of accounting, in accordance with accounting principles generally accepted in India, in compliance with the Accounting Standards ('AS') notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. 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 its 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.

Asset	Useful Life
Office equipments	5 years

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.

Provision is made for unutilised service tax credit where the utilisation is uncertain.

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 dates indicated, the details of outstanding share capital.

Particulars	At March 31, 2016	At March 31, 2015	(in ₹)
Authorised:			
35,000,000 (At March 31, 2015: 35,00,000) Equity shares of ₹ 10 each	350,00,000	350,00,000	
Issued, subscribed and fully paid up:			
27,000,000 (At March 31, 2015: 27,00,000) 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 its nominees)	270,00,000	270,00,000	
Total			
	270,00,000	270,00,000	

Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10

significant accounting policies and notes

forming part of the Accounts

Continued

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, 2016		Year ended March 31, 2015	
	Number of shares	Amount (in ₹)	Number of shares	Amount (in ₹)
At the beginning of the period	27,000,000	270,000,000	27,000,000	270,000,000
Issued during the period	-	-	-	-
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.

Particulars	(in ₹)	
	At March 31, 2016	At March 31, 2015
Surplus - Opening balance	(11,282,107)	(12,283,418)
Add: Profit/(Loss) for the period	(3,151,629)	1,001,311
Surplus – Closing balance	(14,433,736)	(11,282,107)

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 ₹ 58,121 is recognised during the year ended March 31, 2016. (Previous period: Deferred tax charge of ₹ 9,046).

A net deferred tax liability of ₹ 146,751 is carried forward as detailed below:

Particulars	(in ₹)	
	At March 31, 2016	At March 31, 2015
Deferred tax liabilities		
-Difference in amortisation/depreciation on fixed assets as per tax books and accounting books	146,751	204,872
Net deferred tax liabilities	146,751	204,872

3.4 Other current liabilities

The following table sets forth, for the dates indicated, the details of other current liabilities.

Particulars	(in ₹)	
	At March 31, 2016	At March 31, 2015
Other payables		
- Payable to holding company	5,062,584	4,635,751
- Tax deducted at source payable	523,095	494,887
- Payable to others for expenses	295,103	334,668
Provision for other expenses	1,588,553	574,643
Total	7,469,335	6,039,949

3.5 Fixed assets

The following table sets forth, for the dates indicated, the details of fixed assets.

Particulars	Gross Block		Depreciation and amortisation				Net Block		
	Balance as at April 1, 2015	Additions/ (Disposals)	Balance as at March 31, 2016	Balance as at April 1, 2015	For the year	On Disposals	Balance at March 31, 2016	Balance at March 31, 2016	Balance at March 31, 2015
Tangible assets									
Office equipment	351,664	-	351,664	174,214	64,319	-	238,533	113,131	177,450
Intangible assets									
Computer software	4,660,901	-	4,660,901	3,823,186	335,066	-	4,158,252	502,649	837,715
Total	5,012,565	-	5,012,565	3,997,400	399,385	-	4,396,785	615,780	1,015,165
At March 31, 2015	4,865,131	147,434	5,012,565	3,140,605	856,795	-	3,997,400		

significant accounting policies and notes



forming part of the Accounts

Continued

3.9 Trade receivables

The following table sets forth, for the dates indicated, the details of trade receivables.

Particulars	At March 31, 2016	At March 31, 2015
Trade receivables outstanding for a period less than six months from the date they are due for payment		
- Unsecured considered good		
o Investment management fees receivable	149,362	86,037
	149,362	86,037
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	149,362	86,037

3.10 Cash and bank balances

The following table sets forth, for the dates indicated, the details of cash and bank balances

Particulars	At March 31, 2016	At March 31, 2015
Cash and cash equivalents		
Balances with banks		
- Balance in current account	225,897	5,759
Other bank balances		
- Term deposit with original maturity of more than 3 months (Refer note 3.20)	186,800,000	196,277,077
Sub-total	187,025,897	196,282,836
Amount disclosed under other non-current assets*	(184,300,000)	(192,777,077)
Total	2,725,897	3,505,759

* Term deposits with residual maturity of more than 12 months have been disclosed under non-current assets

3.11 Short-term loans and advances

The following table sets forth, for the dates indicated, the details of short term loans and advances.

Particulars	At March 31, 2016	At March 31, 2015
Others (Unsecured, considered good)		
Prepaid expenses	76,439	88,210
Total	76,439	88,210

3.12 Other current assets

The following table sets forth, for the dates indicated, the details of other current assets.

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Interest accrued on fixed deposit	21,966,476	5,349,687
Less: Amount disclosed under other non-current assets	(21,860,689)	(5,042,839)
Net interest accrued on fixed deposit	105,787	306,848
Interest accrued on debenture/bonds	2,822,131	2,817,000
Total	2,927,918	3,123,848

3.13 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 letter no. PFRDA/6/PFM/9/2 dated July 31, 2014, the Company has started charging investment

management fee of 0.01% per annum, with effect from August 01, 2014. The investment management fee charged upto July 31, 2014 was 0.25% per annum.

3.14 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 Transfer Pricing Policy with the Sponsor. The expenses cross charged to the Company under such agreement have been shown as transactions with related parties under note 3.18.

The details of salary cross charged to the company is as follows:

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Salary cross charged (Net of service tax)	16,158,512	17,953,882
Add: Cenvat unavailed on current period outstanding net of cenvat availed pertaining to previous financial year	127,380	501,776
Net salary expense as per statement of Profit and Loss	16,285,892	18,455,658

3.15 Other expenses

The following table sets forth, for the periods indicated, the details of other expenses.

Nature of transaction	Year ended March 31, 2016	Year ended March 31, 2015
Provision for unutilised service tax credit	2,514,769	2,360,312
Rent and utilities charges	1,444,771	2,066,358
Legal and professional fees	1,355,985	1,285,522
Information technology expenses	1,303,643	1,479,347
Brokerage expenses	1,046,692	313,368
PFRDA annual license fees	1,000,000	687,500
Payments to the auditor as:		
- auditor	130,147	99,514
- for reimbursement of expenses	5,618	4,416
Travelling and conveyance expenses	209,353	317,061
Miscellaneous charges	147,537	103,605
Total	9,158,515	8,717,003

3.16 Earnings per equity share

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
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 ₹)	(3,151,629)	1,001,311
Weighted average number of equity shares for earnings per equity share		
(a) For basic earnings per equity share	270,000,000	270,000,000
(b) For diluted earnings per equity share	270,000,000	270,000,000
Earnings per equity share		
Basic and Diluted (in ₹)	(0.12)	0.04

significant accounting policies and notes

forming part of the Accounts

Continued

3.17 Details of related parties and transactions with related parties

Related parties and nature of relationship:

Ultimate holding company	ICICI Bank Limited
Holding company (Sponsor)	ICICI Prudential Life Insurance Company Limited
Fellow subsidiaries of holding company 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 Lombard General Insurance Company Limited ICICI Prudential Asset Management Company Limited ICICI Prudential Trust Limited
Consolidated under AS-21 by ultimate holding company	ICICI Strategic Investments Fund
Key management personnel	Meghana Baji, Chief Executive Officer and Chief Investment Officer

The following represents transactions between the Company and its related parties.

Particulars	At March 31, 2016	At March 31, 2015
ICICI Bank Limited		
Conference room charges	5,000	-
Total	5,000	-
(in ₹)		
Nature of transaction	Year ended March 31, 2016	Year ended March 31, 2015
ICICI Prudential Life Insurance Company Limited		
Employee benefits expenses	16,158,512	17,953,882
Rent and utilities	1,414,234	2,025,378
Information technology expense	143,302	487,091
Travelling & conveyance	204,500	229,714
Miscellaneous charges	136,803	103,345
Total	18,057,350	20,799,410

Balances with related parties are as follows:

Particulars	At March 31, 2016	At March 31, 2015
ICICI Prudential Life Insurance Company Limited	5,062,584	4,635,751
ICICI Bank Limited	2,000	-
Total	5,064,584	4,635,751

3.18 Contingent liabilities

Particulars	At March 31, 2016	At March 31, 2015
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 Letter of appointment under the new RFP (Request for proposal) dated July 23, 2014 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 Letter of appointment under the new RFP for whatever reason, PFRDA may invoke the PBG submitted by the Company.

3.19 Encumbrances of assets

The assets of the Company are free from all encumbrances at March 31, 2016, except for fixed deposits of ₹ 3,500,000 (at March 31, 2015: ₹ 3,500,000). Of this, ₹ 1,000,000 (at March 31, 2015: ₹ 1,000,000) 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 3.19 Contingent Liability). Balance of ₹ 2,500,000 (at March 31, 2015: ₹ 2,500,000) (Refer Note 3.11 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.

3.20 Direct taxes

Current tax of ₹ 1,066,692 (Previous period: ₹ 103,500) includes tax provision of ₹ 916,566 (Previous period: nil) towards provision for unutilised cenvat credit pertaining to earlier year.

3.21 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, 2016 (At March 31, 2015: Nil).

3.22 Previous period comparatives

Previous period amounts have been regrouped and reclassified wherever necessary to conform to current period's presentation.

For Khandelwal Jain & Co.
Chartered Accountants
 Firm Registration No. 105049W

For and on behalf of the Board of Directors

CHIRAG DOSHI
Partner
 Membership No. 119079

SANDEEP BAKHSHI
Chairman

SANDEEP BATRA
Director

Place: Mumbai
 Date: April 25, 2016

MEGHANA BAJI
Chief Executive Officer

HARVINDER JASPAL
Chief Financial Officer

ICICI LOMBARD GENERAL INSURANCE COMPANY LIMITED

16TH ANNUAL REPORT AND ACCOUNTS 2015-2016

Directors

Chanda Kochhar, *Chairperson*
 R. Athappan
 Vijay Chandok (*w.e.f. January 15, 2016*)
 Dileep Choksi
 Uday Chitale (*w.e.f. April 19, 2016*)
 Zarin Daruwala (*upto January 5, 2016*)
 N. S. Kannan
 S. Mukherji
 Ashvin Parekh
 Chandran Ratnaswami
 M. K. Sharma (*upto July 31, 2015*)
 Bhargav Dasgupta, *Managing Director & CEO*
 Alok Kumar Agarwal, *Executive Director*
 Sanjeev Mantri, *Executive Director*

Auditors

Khandelwal Jain & Co.
Chartered Accountants
 Chaturvedi & Co.
Chartered Accountants

Registered Office

ICICI Lombard House
 414, Veer Savarkar Marg,
 Near Siddhi Vinayak Temple,
 Prabhadevi, Mumbai - 400 025.

directors' report

to the members

Your Directors have pleasure in presenting the Sixteenth 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, 2016.

INDUSTRY OVERVIEW

The gross direct premium (GDP) of the industry grew from ₹ 846.86 billion in FY2015 to ₹ 964.02 billion in FY2016*, a growth of about 13.8%. ICICI Lombard's gross written premium (GWP) increased from ₹ 69.14 billion in FY2015 to ₹ 83.07 billion in FY2016, a growth of 20.2%. ICICI Lombard led the private players in the general insurance sector with a market share of 18.4% and had an overall industry market share of 8.4%.

FINANCIAL HIGHLIGHTS

The financial performance for FY2016 is summarised in the following table:

	FY2015	(₹ billion) FY2016
Gross written premium	69.14	83.07
Earned premium	42.35	48.22
Income from Investments	9.28	11.57
Profit before tax	6.91	7.08
Profit after tax	5.36	5.07

APPROPRIATIONS

The profit after tax for the year ended March 31, 2016 is ₹ 5.07 billion. The profit available for appropriation is ₹ 13.55 billion after taking into account the balance of profit of ₹ 8.48 billion brought forward from the previous year. The Directors are pleased to recommend aggregate interim dividends declared and paid during the year ₹ 1.34 billion as final dividend for the year.

DIRECTORS

Dileep Choksi was appointed as an Independent Director of the Company in 2002. The Board at its Meeting held on January 14, 2015 had approved the appointment of Dileep Choksi as Independent Director of ICICI Lombard till Annual General Meeting (AGM) to be held in 2016. Accordingly, Dileep Choksi is liable 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 19, 2016, approved the appointment of Uday Chitale, as an Additional Director of the Company in place of Dileep Choksi. Uday Chitale is a Chartered Accountant and is a Senior Partner of M/s M. P. Chitale & Co., Chartered Accountants. He has over 40 years of work experience in Corporate Auditing, Commercial Dispute Resolution (Mediation/Conciliation and Arbitration), Business negotiations and valuation. He has been a member of several Committees constituted by Ministry of Finance, ICAI, RBI, SEBI, IRDAI and Indian Banks Association.

During the year under review, M. K. Sharma, Independent Director of the Company had resigned effective July 31, 2015 consequent to his appointment as Non-Executive Chairman of ICICI Bank Limited. The Board placed on record its deep appreciation and gratitude for his guidance and contribution to ICICI Lombard. Further, ICICI Bank Limited vide letter dated January 5, 2016 had withdrawn the nomination of Zarin Daruwala as Non-executive Director of ICICI Lombard. Vijay Chandok was appointed

as a Nominee Director effective January 15, 2016 by ICICI Bank Limited in place of Zarin Daruwala.

The Board at its Meeting held on January 15, 2016 approved the proposal for the re-appointment of Alok Kumar Agarwal as Wholetime Director (designated as Executive Director) of ICICI Lombard for a period of five years effective January 19, 2016 to January 18, 2021. The requisite approval was received from Members of ICICI Lombard and Insurance Regulatory and Development Authority of India (IRDAI) for the aforesaid re-appointment.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and 'fit and proper' declaration as laid down under Corporate Governance Guidelines of IRDAI.

In terms of the provisions of Section 152 of the Companies Act, 2013, N. S. Kannan and R. Athappan, being Non-executive Directors of ICICI Lombard 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.

BOARD EVALUATION

The Companies Act, 2013 vide Section 178(2) provides that every listed company and such other class of companies as may be prescribed shall carry out evaluation of every Director's performance.

ICICI Lombard, being a prescribed class of company, carried out an evaluation of the performance of the Board, its Directors, Chairperson and the Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

AUDITORS

The Joint Statutory Auditors, Khandelwal Jain & Co., Chartered Accountants and Chaturvedi & Co., Chartered Accountants, will retire at the ensuing AGM. Khandelwal Jain & Co., would complete their tenure of five years as statutory auditors of ICICI Lombard at the conclusion of the ensuing Annual General Meeting which is the maximum term of appointment of auditors permitted by IRDAI. Hence Khandelwal Jain & Co., shall not be eligible for re-appointment. The Audit Committee and the Board of Directors have placed on record their sincere appreciation of the professional services rendered by Khandelwal Jain & Co. as statutory auditors.

On the basis of the recommendation of the Audit Committee, the Board at its Meeting held on April 19, 2016, has proposed the appointment of PKF Sridhar & Santhanam LLP in place of Khandelwal Jain & Co., Chartered Accountants and Chaturvedi & Co., Chartered Accountants, as Joint Statutory Auditors to audit the accounts of ICICI Lombard for the financial year ending March 31, 2017. You are requested to consider their appointment.

CAPITAL

The total capital invested by shareholders till March 31, 2016 including share premium, was ₹ 19.48 billion. The net worth of ICICI Lombard stood at ₹ 31.76 billion at March 31, 2016 as compared to ₹ 28.23 billion at March 31, 2015. The solvency position of ICICI Lombard at March 31, 2016 was 1.82 times as against 1.50 times prescribed by IRDAI.

*Source: IRDAI & GI Council

directors' report

Continued

During the year, pursuant to amendment to joint venture agreement between ICICI Bank Limited and Fairfax Financial Holdings Limited, ICICI Bank Limited sold 9% of total outstanding shares of ICICI Lombard as on March 31, 2016 to FAL Corporation an affiliate of Fairfax Financial Holdings Limited. Post this transaction ICICI Bank Limited holds 63.82% and FAL Corporation holds 34.58% respectively in ICICI Lombard.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Board at its Meeting held on April 18, 2014 had constituted a Corporate Social Responsibility Committee of ICICI Lombard. The Board had approved adoption of Corporate Social Responsibility Policy (Policy) and Plan for CSR activities of ICICI Lombard at its Meetings held on October 15, 2014 and July 20, 2015 respectively.

The approved CSR Policy and report on CSR activities is annexed as "Annexure A".

RURAL AND SOCIAL RESPONSIBILITY

ICICI Lombard issued more than 675,000 policies in rural areas and covered more than 200,000 lives falling within the norms of social responsibility, as prescribed by IRDAI.

PUBLIC DEPOSITS

During the year under review, ICICI Lombard has not accepted any deposit from the public.

FOREIGN EXCHANGE EARNING AND EXPENDITURE

During FY2016, expenditure in foreign currencies amounted to ₹ 3.45 billion and earning in foreign currencies amounted to ₹ 1.98 billion.

SECRETARIAL AUDIT REPORT

As per Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, prescribed class of Companies shall obtain a Secretarial Audit Report from Company Secretary in Practice and such Secretarial Audit report shall form part this report.

The Board at its Meeting held on April 24, 2015 had appointed Dholakia & Associates, practising company secretary, to conduct the secretarial audit of the Company for FY2016. The Secretarial Audit Report confirms that ICICI Lombard has complied with all the applicable provisions of various laws as mentioned in the audit report.

The Secretarial Audit Report is annexed herewith as "Annexure B".

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form of MGT 9 is annexed herewith as "Annexure C".

RELATED PARTY TRANSACTIONS

Section 188(1) of the Companies Act, 2013 prescribed that the company shall not enter into a transaction with a related party (as defined vide clause 76 of Section 2 of the Act), except with the consent of the Board of Directors of the Company with respect to the transactions as prescribed. The Board at its Meeting held on April 18, 2014 had approved the Policy on Related Party Transactions (Policy). The Policy was subsequently amended at the Board Meeting held on January 15, 2016 wherein Audit Committee was empowered to provide omnibus approval for the related party transactions not exceeding ₹ 10.0 million per transaction where the need for related party transactions cannot be foreseen and required details are not available.

During the year, ICICI Lombard had entered into related party transactions with the related parties as defined vide Section 2(76) of the Companies Act, 2013 in the ordinary course of its business and on an arm's length basis.

All materially significant related party transactions are placed before the Audit Committee on a quarterly basis.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

WHISTLE BLOWER POLICY

ICICI Lombard has formulated a Whistle Blower Policy (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 ICICI Lombard's intranet and an extract of the same has been posted on the website of ICICI Lombard.

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.

The Board at its Meeting held on January 14, 2015 and the Members at the Extra-Ordinary General Meeting held on March 4, 2015 had approved the amendment in the Employee Stock Option Scheme, 2005 to extend the exercise period by three more years in respect of options granted in the years 2005, 2006 and 2007. The said extension will provide additional years to the employees to exercise their options and in the event of the Company getting listed during this period, the employees will automatically have the liquidity option. In absence of such extension, the options will start lapsing from April 2015 which will be detrimental to the interests of the employees.

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 a period of 13 years in respect of options granted in 2005, 2006 and 2007. Option other than those years can be exercised over a period of 10 years from the date of grant or five years from the date of vesting.

Particulars of options granted by ICICI Lombard up to March 31, 2016 are given below:

Options granted	23,572,260
Options vested	18,204,108
Options exercised	7,753,590
Number of shares allotted pursuant to exercise of options	7,753,590
Options forfeited/lapsed	8,814,422
Extinguishment or modification of options	-
Amount realised by exercise of options (₹)	406,443,580
Total number of options in force	7,004,248

IMPLEMENTATION STRATEGY ON IND-AS

IRDAI vide the circular dated March 1, 2016 had advised all Insurers to follow the Indian Accounting Standards as notified under the Companies (Indian Accounting Standards) Rules, 2015, subject to any guideline or direction issued by the IRDAI. Insurance Companies are required to comply with Ind AS for financial statements for accounting periods beginning from April 1, 2018 onwards, with comparatives for the period ending March 31, 2018.

In compliance with the regulatory requirements, the Company has constituted a Steering Committee headed by Sanjeev Mantri, Executive Director to oversee the implementation of Ind AS. The scope of the Steering Committee includes evaluating the impact on the following areas:

- Ind AS technical requirements
- Systems and processes
- Business impact
- People
- Project management

The Steering Committee will oversee the implementation of Ind AS and update to the Audit Committee on a quarterly basis.

ADDITIONAL INFORMATION

As required by provisions of Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of the employees are set out in the "Annexure D" 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 ICICI Lombard excluding the Annexure. Any shareholder interested in obtaining a copy of the Annexure may write to the Company Secretary.

The provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 relating to conservation of energy and technology absorption do not apply to ICICI Lombard. ICICI Lombard has, however, used information technology extensively in its operations.

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;
- 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;
- that they have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the IRDAI (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 and provisions of the Companies Act, 2013 for safeguarding the assets of ICICI Lombard and for preventing and detecting fraud and other irregularities;
- that they have prepared the annual accounts on a going concern basis;
- that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively and;
- that they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

directors' report



ANNEXURE A

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

- 1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs**

CSR has been a long standing commitment at ICICI Lombard and forms an integral part of its activities. The Company's objective is to pro-actively support meaningful socio economic development. It works towards developing an enabling environment that will help citizens realise their aspirations towards leading a meaningful life.

In line with its objectives, the following areas have been shortlisted for the CSR roadmap health care, road safety, education, skill development and sustainable livelihoods, support employee volunteering in CSR activities and other areas such as disaster relief.

The CSR policy was approved by the Board of Directors in the Meeting held on October 15, 2014 and subsequently was put up on the ICICI Lombard website. Web-link to the CSR policy:

https://www.icicilombard.com/content/ilom-en/csr-policy/CSR_Policy.pdf

- 2. The Composition of the CSR Committee**

The CSR Committee comprises one Independent Director, two Non-executive Directors and the Managing Director & CEO of ICICI Lombard and is chaired by an Independent Director. The composition of the Committee is set out below:

Dileep Choksi, Chairman (Independent Director)

R. Athappan (Non-executive Director)

S. Mukherji (Non-executive Director)

Bhargav Dasgupta (Managing Director & CEO)

The functions of the Committee includes review of corporate social responsibility (CSR) initiatives undertaken by the ICICI Lombard, formulation and recommendation to the Board of a CSR Policy indicating the activities to be undertaken by the ICICI Lombard and recommendation of the amount of the expenditure to be incurred on such activities, review and recommend the annual CSR plan to the Board, making recommendations to the Board with respect to the CSR initiatives, monitor the CSR activities, implementation and compliance with the CSR Policy and to review and implement, if required, any other matter related to CSR initiatives as recommended/suggested by Companies Act.

- 3. Average net profit of the Company for last three financial years**

The average net profit of the Company for the last three financial years calculated as specified by the Companies Act, 2013 was ₹ 480.6 million.

- 4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)**

The prescribed CSR expenditure requirement for FY2016 was ₹ 96.1 million.

- 5. Details of CSR spent during the financial year**

- (a) Total amount spent for the financial year:

Total amount spent towards CSR during FY2016 was ₹ 97.1 million.

- (b) Amount unspent, if any : Nil

- (c) Manner in which the amount spent during the financial year is detailed below:

Sr. No.	Projects/Activities	Sector	Location Districts (State)	Amount outlay (budget) project or program wise (₹ million)	Amount spent on the projects or programs (₹ million)	Cumulative Expenditure upto the reporting Period (₹ million)	Amount spent: Direct or through implementing agency
1	Ride to Safety – Unique initiative to spread awareness about road safety. Make Indian Roads safer for children through direct contact program and distribution of helmets.	Promoting road safety education	Mumbai, Delhi and Pune	22.0	20.7	20.7	Through NGO partners
2	Eye check-up camps for under-privileged school kids led by employees covering 28,574 children. 4,230 Cases of poor vision provided with spectacles.	Promoting healthcare	Conducted at 235 schools across 96 cities	7.8 (including employee volunteering cost of ₹ 1.7 million)	6.9 (including employee volunteering cost of ₹ 1.5 million)	6.9	Direct
3	Contribution towards relief and welfare in calamity affected areas	Contribution to Prime Minister's/Chief Minister's Relief Fund	Chennai	0	3.2	8.2 (Include contribution made last year to PM relief fund for J&K)	Direct
4	Projects of ICICI Foundation for Inclusive Growth	1. Promoting education, employment enhancing vocational skills, livelihood enhancement projects, 2. Eradication of hunger, poverty and malnutrition; promoting preventive healthcare	All India Baran, Rajasthan	66.3	66.3	80.5 (Include contribution made to IFIG last year)	ICICI Foundation

- 6. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.**

The CSR Committee hereby confirms that the implementation and monitoring of CSR activities is in compliance with CSR objectives and the CSR Policy of the Company.

Bhargav Dasgupta
Managing Director & CEO

Dileep Choksi
CSR Committee Chairman

directors' report

ANNEXURE B

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016

[Issued in Pursuance to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with modifications as deemed necessary, without changing the substance of format given in MR-3]

To,
The Members,
ICICI Lombard General Insurance Company Limited.
ICICI Lombard House, 414, Veer Savarkar Marg,
Near Siddhi Vinayak Temple, Prabhadevi,
Mumbai 400025.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ICICI Lombard General Insurance Company Limited (CIN U67200MH2000PLC129408) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon. This Company is governed mainly under the provisions of the Insurance Act, 1938 and the Insurance Regulatory and Development Authority of India Act, 1999 ("Insurance Laws") and under the Companies Act, 2013 and rules framed thereunder when there is no inconsistency with the Insurance Laws.

A. In expressing our opinion it must be noted that-

- i. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis of our opinion.
- iii. We have not verified correctness and appropriateness of financial records and books of accounts of the Company.
- iv. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
- v. The compliance and provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- vi. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

B. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-process (duly evolved) and compliance-mechanism in place to the extent and as applicable to the Company (being an unlisted entity) in the manner and subject to the reporting made hereinafter.

C. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V. None of the Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are applicable to the Company except The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

VI. And the Company being in the business of Insurance other than Life Insurance, the Special Act as applicable to it is the Insurance Act, 1938 and extant Rules & Regulation framed under Insurance Regulatory and Development Authority of India Act, 1999 (IRDAI).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above and that (1) The Company has paid penalty levied by IRDAI arising out of an inspection of certain policies issued between the period 2004 to 2009 during the period under audit and (2) the matter relating to Management Expenses is Pending with IRDAI authorities to be considered under the revised broad limits for the same.

D. We further report that--

- I. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013.
- II. Adequate notice is given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent well in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- III. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

E. We further report that there are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

F. We further report that during the audit period the Company has undertaken, the following Corporate Actions having the major bearing on the Company's affairs in pursuance of the aforesaid rules and regulations, guidelines, standards etc.

- I. Sale of Equity Shares of the Company by ICICI Bank to Fairfax Financial Holding Limited resulting in reduction of 9% shareholding of the ICICI Bank in the Company
- II. The members of the Company at its Extra-ordinary General Meeting held on February 9, 2016 has passed a Special Resolution to issue and allot 4,865 unsecured sub-ordinated, listed, redeemable, non-convertible debenture having face value of ₹ 1.0 million each to eligible persons for an aggregate consideration of upto ₹ 4,865.0 million on private placement basis subject to necessary regulatory approvals. These Debentures would be listed on the Indian Exchanges as may be decided by the Board, in accordance with the provisions of the SEBI (Issue and Listing of Debt Securities) Regulations, 2008.

For Dholakia & Associates LLP,
(Company Secretaries)

Place: Mumbai
Date: April 18, 2016

CS Bhumitra V. Dholakia
Designated Partner
FCS-977 CP No. 507

directors' report



ANNEXURE C

FORM NO. MGT - 9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED MARCH 31, 2016

[PURSUANT TO SECTION 92(3) OF THE COMPANIES ACT, 2013 AND RULE 12(1) OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	U67200MH2000PLC129408
Registration Date	October 30, 2000
Name of the Company	ICICI Lombard General Insurance Company Limited
Category / Sub-Category of the Company	Company Having Share Capital/ Indian Non-Government Company
Address of the registered office and contact details	ICICI Lombard House, 414, Veer Savarkar Marg, Near Siddhivinayak Temple, Prabhadevi, Mumbai – 400025 Tel. : (+91 - 22) 6196 1100
Whether listed company Yes / No	No
Name, Address and Contact details of Registrar and Transfer Agent, if any	3i Infotech Limited International Infotech Park, Tower 5, 3rd Floor, Vashi Railway Station Complex, Vashi, Navi Mumbai – 400 073 Tel. : (+91 - 22) 6792 8000 Fax : (+91 - 22) 6792 8098

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i. Category-wise Shareholding.

S. No.	Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A	Promoters									
(1)	Indian									
a)	Individual/HUF	—	—	—	—	—	—	—	—	—
b)	Central Govt	—	—	—	—	—	—	—	—	—
c)	State Govt(s)	—	—	—	—	—	—	—	—	—
d)	Bodies Corp.	—	—	—	—	—	—	—	—	—
e)	Banks/FI	325,883,744	—	325,883,744	72.97	285,605,284	—	285,605,284	63.82	(9.15)
f)	Any Other	—	—	—	—	—	—	—	—	—
	Sub-total (A) (1) :-	325,883,744	—	325,883,744	72.97	285,605,284	—	285,605,284	63.82	(9.15)
(2)	Foreign	—								
a)	NRIs - Individuals	—	—	—	—	—	—	—	—	—
b)	Other - Individuals	—	—	—	—	—	—	—	—	—
c)	Bodies Corp.	114,499,002	—	114,499,002	25.64	154,777,462	—	154,777,462	34.58	8.95
d)	Banks/FI	—	—	—	—	—	—	—	—	—
e)	Any Other	—	—	—	—	—	—	—	—	—
	Sub-total (A) (2) :-	114,499,002	—	114,499,002	25.64	154,777,462	—	154,777,462	34.58	8.95
	Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	440,382,746	—	440,382,746	98.61	440,382,746	—	440,382,746	98.40	(0.21)
B	Public Shareholding									
(1)	Institutions	—	—	—	—	—	—	—	—	—
a)	Mutual Funds / UTI-II	—	—	—	—	—	—	—	—	—
b)	Banks /FI / UTI-I	—	—	—	—	—	—	—	—	—
c)	Central Govt	—	—	—	—	—	—	—	—	—
d)	State Govt(s)	—	—	—	—	—	—	—	—	—
e)	Venture Capital Funds	—	—	—	—	—	—	—	—	—
f)	Insurance Companies	—	—	—	—	—	—	—	—	—
g)	FII's	—	—	—	—	—	—	—	—	—
h)	Foreign Venture Capital Funds	—	—	—	—	—	—	—	—	—

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Company shall be stated:-

Name and Description of main products/service	NIC Code of the Product/Service	% to the total turnover of the Company
General Insurance	6512	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Name and address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% Of Shares Held	Applicable Section
ICICI Bank Limited ICICI Bank Towers Bandra-Kurla Complex Mumbai - 400051	L65190GJ1994 PLC021012	Holding Company	63.82	2(46)

directors' report

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S. No.	Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i)	Other (specify)	—	—	—	—	—	—	—	—	—
	Foreign Banks	—	—	—	—	—	—	—	—	—
	FII - DR	—	—	—	—	—	—	—	—	—
	Sub-total (B) (1) :-	—	—	—	—	—	—	—	—	—
(2)	Non-Institutions	—	—	—	—	—	—	—	—	—
a)	Bodies Corp.									
i)	Indian	29,800	—	29,800	0.01	1,424,630	—	1,424,630	0.32	0.31
ii)	Overseas	—	—	—	—	—	—	—	—	—
b)	Individuals	—	—	—	—	—	—	—	—	—
i)	Individual shareholders holding nominal share capital upto ₹1 lakh	527,866	156,568	684,434	0.15	598,620	88,110	686,730	0.15	0.00
ii)	Individual shareholders holding nominal share capital excess of ₹1 lakh	4,186,036	700,700	4,886,736	1.09	4,799,624	12,500	4,812,124	1.08	(0.02)
c)	Others (specify)									
	Trust	—	—	—	—	—	—	—	—	—
	Directors & their Relatives (Resident)	—	—	—	—	—	—	—	—	—
	Non-Resident Indian Directors	—	—	—	—	—	—	—	—	—
	Foreign Nationals	—	—	—	—	—	—	—	—	—
	Non-Resident Indians	595,084	—	595,084	0.13	204,750	—	204,750	0.05	(0.09)
	Clearing Member	—	—	—	—	—	—	—	—	—
	Hindu Undivided Families	15,232	—	15,232	0	27,466	—	27,466	0.01	0.00
	Foreign Companies									
	Foreign Bodies - DR	—	—	—	—	—	—	—	—	—
	NRI - DR	—	—	—	—	—	—	—	—	—
	Sub-total (B) (2) :-	5,354,018	857,268	6,211,286	1.39	7,055,090	100,610	7,155,700	1.60	0.21
	Total Public Shareholding (B) = (B)(1)+(B)(2)	5,354,018	857,268	6,211,286	1.39	7,055,090	100,610	7,155,700	1.60	0.21
C	Shares held by Custodian for GDRs & ADRs	—	—	—	—	—	—	—	—	—
	Grand Total (A+B+C)	445,736,764	857,268	446,594,032	100.00	447,437,836	100,610	447,538,446	100.00	—

(ii) Shareholding of Promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year				% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares		
1	ICICI Bank Limited	325,883,744	72.97	—	285,605,284	63.82	—	—	(9.15)
2	FAL Corporation	114,499,002	25.64	—	154,777,462	34.58	—	—	8.94
	Total	440,382,746	98.61	—	440,382,746	98.40	—	—	(0.21)

Note: ICICI Bank Limited had transferred 40,278,460 shares equivalent to 9% of total outstanding shares as on March 31, 2016 to FAL Corporation an affiliate of Fairfax Financial Holdings Limited.

directors' report



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(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1 At the beginning of the year					
	ICICI Bank Limited	325,883,744	72.97	325,883,744	72.97
	FAL Corporation	114,499,002	25.64	114,499,002	25.64
	date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	ICICI Bank Limited: Transfer to FAL Corporation on March 31, 2016	40,278,460	9.00	285,605,284	63.82
	FAL Corporation: Transfer from ICICI Bank Limited on March 31, 2016	40,278,460	9.00	154,777,462	34.58
2 At the End of the year					
	ICICI Bank Limited	285,605,284	63.82	285,605,284	63.82
	FAL Corporation	154,777,462	34.58	154,777,462	34.58

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl No		Shareholding at the beginning of the year April 1, 2014		Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/ sweat equity etc):	Shareholding at the end of the year March 31, 2015		Cummulative Shareholding during the year	
		No.of Shares	% of total shares of the company		No.of Shares	% of total shares of the company	No.of Shares	% of total shares of the company
1	IVF Trustee Company Private Limited	425,000	0.10	932,000	Transfer	1,357,200	0.30	-
2	Sandeep Bakhshi	700,000	0.16	—	—	700,000	0.16	—
3	Rakesh Jain	337,500	0.08	—	—	337,500	0.08	—
4	Neelish Garg	460,000	0.10	(175,000)	Transfer	285,000	0.06	—
5	Anuj Gulati	190,000	0.04	—	—	190,000	0.04	—
6	Rajive Kumaraswami	125,000	0.03	—	—	125,000	0.03	—
7	Ritesh Kumar	122,500	0.03	—	—	122,500	0.03	—
8	Hitesh Chandrakant Kotak	101,000	0.02	—	—	101,000	0.02	—
9	Kartik Jain	100,000	0.02	—	—	100,000	0.02	—
10	Meera Malhotra	95,000	0.02	—	—	95,000	0.02	—

(v) Shareholding of Directors and Key Managerial Personnel:

Sl No	For Each of the Directors and KMP	Shareholding at the beginning of the year April 1, 2014		Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc):	Shareholding at the end of the year March 31, 2015		Cummulative Shareholding during the year	
		No.of Shares	% of total shares of the company		No.of Shares	% of total shares of the company	No.of share	% of total shares of the company
1	Gopal Balachandran	54,000	0.01	—	—	54,000	0.01	—
2	Vikas Mehra	—	—	—	—	—	—	—

directors' report

Continued

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment-NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in lacs)				
Sr. No	Particulars of Remuneration	Bhargav Dasgupta Managing Director & CEO	Alok Agrawal Executive Director	Sanjeev Mantri Executive Director
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	600.39	304.15	171.98
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	6.01	0.08	—
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—	—
2	Stock Options	—	—	—
3	Sweat Equity	—	—	—
4	Commission	—	—	—
	- as % of profit			
	- others, specify...			
5	Others - Retirals*	18.39	9.34	8.96
	Total (A)	624.79	313.57	180.94

* 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.

B. Remuneration to other Directors :

1. Independent Directors

(₹ in lacs)				
Sr. No.	Particulars of Remuneration	Name of Directors		
		Dileep Choksi	Ashvin Parekh	M. K. Sharma
1	Fee for attending Board/Committee Meeting	8.2	8.8	2.2
2	Commission	—	—	—
3	Others, please specify	—	—	—
	Total B (1)	8.2	8.8	2.2

2. Other Non Executive Directors

(₹ in lacs)				
Sr. No.	Particulars of Remuneration	No attending fees for Board/Committee or Commission is being paid to Non Executive Directors		
1	Fee for attending Board/Committee Meeting			
2	Commission			
3	Others, please specify			
	Total B (2)	8.2	8.8	2.2
	Total B = B(1) + B(2)			

directors' report



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C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(₹ in lacs)

Sr. No	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Gopal Balachandran Chief Financial Officer	Vikas Mehra Company Secretary	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	151.55	51.59	203.14
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—	—	—
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—	—
2.	Stock Options	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission	—	—	—
	- as % of profit			
	- others, specify...			
5.	Others, Retirals*	6.87	2.69	9.56
	Total (C)	158.42	54.28	212.70

*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.

VII. Penalties/Punishment/Compounding of Offences :

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]
			NIL	

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to the members

Continued

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 top management, 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, 2016, the Company's Board of Directors consisted of eleven members. Out of the eleven members of the Board, four are nominated by ICICI Bank Limited, two are nominated by Fairfax Financial Holdings Limited, two are Independent Directors and three are Wholotime Directors including the Managing Director & CEO. Except the Wholotime 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 IRDAI. There is a clear segregation of responsibility and authority between the Chairperson and the Wholotime 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. J. V. Prasad, Appointed Actuary of the Company is a permanent invitee of the Board Meeting.

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: 00915847)	Non- Executive, Nominee of Fairfax	B.E. (Electrical), A.I.I.I.	Insurance
Vijay Chandok (DIN: 01545262) w.e.f January 15, 2016	Non- Executive, Nominee of ICICI Bank	MMS, Bachelor in Technology	Banking & finance
Dileep Choksi (DIN:00016322)	Non- Executive, Independent	F.C.A, LL.B, ICWA	Accounting, Taxation, Corporate Restructuring and Mergers & Acquisitions
Zarin Daruwala (DIN:00034655) upto January 5, 2016	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
Ashvin Parekh (DIN:06559989)	Non- Executive, Independent	F.C.A	Business strategy, Corporate planning, business transformation across various industries

Name of the Director	Category	Qualification	Field of Specialisation
S. Mukherji (DIN:00057492)	Non- Executive, Nominee of ICICI Bank	B.A. (Eco.), M.Sc Economics (London School of Economics), MMS	Banking & finance.
Chandran Ratnawami (DIN:00109215)	Non- Executive, Nominee of Fairfax	B.E. (Civil), MBA.	Investment & insurance.
M. K. Sharma (DIN:00327684 upto July 31, 2015)	Non- Executive, Independent	B.A., LL.B, Diploma in Personnel Management	Corporate law, human resources management & risk management
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.
Sanjeev Mantri (DIN: 07192264)	Executive Director	F.C.A, ICWA	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 six times in the year under review on April 24, 2015, July 21, 2015, September 10, 2015, October 12, 2015, December 28, 2015 and January 15, 2016. 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 during the year
Chanda Kochhar	6/6
R. Athappan	1/6
Dileep Choksi	6/6
Zarin Daruwala (upto January 5, 2016)	4/5
N. S. Kannan	6/6
S. Mukherji	6/6
Chandran Ratnawami	4/6
M. K. Sharma (upto July 31, 2015)	1/2
Ashvin Parekh	6/6
Bhargav Dasgupta	6/6
Alok Kumar Agarwal	5/6
Sanjeev Mantri	5/6

Name of the Appointed Actuary	Number of Board Meetings Attended during the year
Manalur Sandilya (Appointed Actuary upto November 30, 2015)	4/4
J. V. Prasad (Appointed Actuary wef December 1, 2015)	1/2

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, Share Transfer & Investor Grievance Redressal Committee and Debenture Committee comprising Non-executive Director, Wholotime 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 FY2016 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, framing an evaluation framework for the evaluation of the performance of the wholotime/independent Directors and 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/long term performance pay payable to the members of the staff and wholotime Directors of the Company, framing of guidelines for the Employees Stock Options Scheme and recommendation of the grant of stock options to the employees and wholotime Directors of the Company.

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Composition

In terms of the provisions of Companies Act, 2013, the Board Nomination and Remuneration Committee (the Committee) comprises four Non-executive Directors, two of whom are Independent Directors. The Committee was chaired by Dileep Choksi, an Independent Director.

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 24, 2015, July 21, 2015, September 10, 2015, December 28, 2015 and January 15, 2016.

Attendance record of the Members:

Name of Member	Number of Meetings attended
M. K. Sharma, Chairman (<i>upto July 31, 2015</i>)	1/2
Dileep Choksi, Chairman (<i>wef September 10, 2015</i>)	5/5
Chanda Kochhar, <i>Non-executive Director</i>	5/5
Chandran Ratnaswami, <i>Non-executive Director</i>	4/5
Ashvin Parekh, <i>Non-executive Director</i> (<i>wef September 10, 2015</i>)	2/2

The Board of Directors at its Meeting held on September 10, 2015 had re-constituted the Board Nomination and Remuneration Committee pursuant to which Ashvin Parekh was appointed as Member of the Committee and Dileep Choksi was appointed as Chairman of the Committee in place of M. K. Sharma.

(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 update to the Board with regard to investment activities of the Company, 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 the 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 Chief-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 24, 2015, July 21, 2015, October 9, 2015 and January 15, 2016.

Attendance record of the Members:

Name of Member	Number of Meetings attended
Chandran Ratnaswami ¹ , <i>Chairman</i>	2/4
N. S. Kannan, <i>Non-executive Director</i>	4/4
Bhargav Dasgupta, <i>Managing Director & CEO</i>	4/4
Manalur Sandilya, <i>Appointed Actuary</i> (<i>upto November 30, 2015</i>)	3/3
J. V. Prasad, <i>Appointed Actuary</i> (<i>wef December 1, 2015</i>)	1/1
S. Gopalakrishnan, <i>Chief-Investments</i>	4/4
Gopal Balachandran, <i>Chief Financial Officer</i>	2/4

1. The meetings of the Committee held on April 24, 2015 and October 9, 2015 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 including management report and solvency margin position, 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 thereon, 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, show cause/

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 of three Non-executive Directors, two of whom are Independent Directors. The Chief Financial Officer and the Chief Risk Officer, Internal Auditor, the Head of Group 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 23, 2015, June 25, 2015, July 20, 2015, October 12, 2015 and January 14, 2016.

Attendance record of the Members:

Name of Member	Number of Meetings attended
Dileep Choksi, <i>Chairman</i>	5/5
R. Athappan, <i>Non-executive Director</i> (<i>upto September 10, 2015</i>)	—
S. Mukherji, <i>Non-executive Director</i>	5/5
Ashvin Parekh, <i>Non executive Director</i>	5/5
M. K. Sharma, <i>Non executive Director</i> (<i>upto July 31, 2015</i>)	2/3

The Board of Directors at its Meeting held on September 10, 2015 had re-constituted the Audit Committee pursuant to which R. Athappan had stepped down as the 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, review of outsourcing guidelines.

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 of India (IRDAI). It comprises of three Non-executive Directors and one Executive Director. The Chief Financial Officer and Chief Risk Officer and other officials at senior management level are invitees to the Committee Meetings. The Committee was chaired by S. Mukherji, 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 23, 2015, July 20, 2015, October 9, 2015 and January 14, 2016.

Attendance record of the Members:

Name of Member	Number of Meetings attended
S. Mukherji, <i>Chairman</i>	4/4
R. Athappan, <i>Non-executive Director</i>	—
Ashvin Parekh, <i>Non-executive Director</i>	4/4
Bhargav Dasgupta, <i>Managing Director & CEO</i>	4/4

(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 IRDAI. It comprises three Non-executive Directors and one Executive Director. The Committee was chaired by Ashvin Parekh, 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 23, 2015, July 20, 2015, October 9, 2015 and January 14, 2016.

directors' report

to the members

Continued

Attendance record of the Members:

Name of Member	Number of Meetings attended
M. K. Sharma', Chairman (upto July 31, 2015)	1/2
Ashvin Parekh, Chairman (wef September 10, 2015)	2/2
S. Mukherji, Non-executive Director	4/4
Chandran Ratnaswami, Non-executive Director	2/4
Bhargav Dasgupta, Managing Director & CEO	4/4

1 The meeting of the Committee held on July 20, 2015 was chaired by S. Mukherji in absence of M. K. Sharma, Chairman of the Committee.

The Board of Directors at its Meeting held on September 10, 2015 had re-constituted the Policyholder Protection Committee pursuant to which Ashvin Parekh was appointed as Member and Chairman of the Committee in place of M. K. Sharma.

(v) Corporate Social Responsibility Committee

Terms of reference

The functions of the Committee include review of corporate social responsibility (CSR) initiatives undertaken by the ICICI Lombard, formulation and recommendation to the Board of a CSR Policy indicating the activities to be undertaken by the ICICI Lombard and recommendation of the amount of the expenditure to be incurred on such activities, review and recommend the annual CSR plan to the Board, making recommendations to the Board with respect to the CSR initiatives, monitor the CSR activities, implementation and compliance with the CSR Policy and to review and implement, if required, any other matter related to CSR initiatives as recommended/suggested by Companies Act.

Composition

The Corporate Social Responsibility Committee (the Committee) has been formed in accordance with the provisions of the Companies Act, 2013. The Committee was constituted in the Board Meeting held on April 18, 2014. It comprises of three Non-executive Directors and one Executive Director. The Committee was chaired by Dileep Choksi, an Independent Director.

The composition of the Committee is given below along with the attendance of the members. The Committee met two times in the year under review on April 23, 2015 and July 20, 2015.

Attendance record of the Members:

Name of Member	Number of Meetings attended
M. K. Sharma, Chairman (upto July 31, 2015)	1/2
Dileep Choksi, Chairman (wef September 10, 2015)	—
S. Mukherji, Non-executive Director	2/2
R. Athappan, Non-executive Director	—
Bhargav Dasgupta, Managing Director & CEO	2/2

The Board of Directors at its Meeting held on September 10, 2015 had re-constituted the Corporate Social Responsibility Committee pursuant to which Dileep Choksi was appointed as Member and Chairman of the Committee in place of M. K. Sharma.

Independent Director's Meeting

The code of conduct for Independent Directors prescribed vide Schedule IV of the Companies Act, 2013, provides for an evaluation mechanism for the Board/Chairperson/Non-executive Directors/Wholename Directors which would need to be done at a separate Meeting of Independent Directors, without the attendance of Non-independent Directors and members of management.

Independent Directors of the Company met on April 19, 2016 for FY2016 without the presence of Executive Directors, Non-executive Directors and management personnel to discuss the framework for evaluation of Directors. They also have a separate Meeting every quarter with the Non-executive Chairperson, without any of the Executive Directors being present, to discuss issues and concerns, if any.

Evaluation Mechanism

The Companies Act, 2013 provided that every listed company and such other class of companies as may be prescribed shall carry out evaluation of every Director's performance. The Companies Act, 2013 has also prescribed the code of conduct (the Code) for Independent Directors which provided that the Independent Directors shall meet atleast once in a year to review the performance of Non-independent Directors and the Board as a whole and the Chairperson of the Company. The Code also mentioned that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated.

The Company with the approval of its Board Nomination & Remuneration Committee has put in place an evaluation framework for evaluation of the Board, Directors and Chairperson. The Board also carries out an evaluation of the working of its Audit Committee, Board Nomination & Remuneration Committee, Risk Management Committee, Investment Committee, Policyholder Protection Committee and Corporate Social Responsibility Committee.

The evaluation of the Committees is based on the assessment of the compliance with the terms of reference of the Committees. The evaluations for the Directors and the Board were done through circulation of two questionnaires, one for the Directors and the other for the Board which assessed the performance of the Board on select parameters related to roles, responsibilities and obligations of the Board and functioning of the Committees including assessing the quality, quantity and timeliness of flow of information between the company management and the Board

that is necessary for the Board to effectively and reasonably perform their duties. The evaluation criteria for the Directors were based on their participation, contribution and offering guidance to and understanding of the areas which are relevant to them in their capacity as members of the Board.

Policy on Directors' Appointment and Remuneration

The Board at its Meeting held on January 14, 2010 had approved adoption of Policy on appointment and compensation of employees (including Wholename Directors and senior management). The Compensation Guidelines forming part of Policy on appointment and compensation of employees was approved by the Board Nomination and Remuneration Committee at its Meeting held on April 13, 2012. The sitting fee payable to Independent Directors (other than Nominee Directors) as prescribed under the Companies Act, 2013 for attending Board and Committee Meetings was approved by the Board at its Meeting held on April 18, 2014. Further the Company at the Board Meeting held on March 31, 2015 approved the criteria for appointment of a Director, key managerial personnel and senior management.

IV. Details of Managerial Remuneration for FY2016:

(i) Wholename Directors:

The Board based on the recommendation of the Board Nomination and Remuneration Committee approved revision in the remuneration, performance bonus and long term performance pay payable to the Wholename Directors. In terms of provisions of Insurance Amendment Act, 2015, prior approval of IRDAI is obtained to effect the remuneration of Wholename Directors.

The details of remuneration of Wholename Directors' are as under:

Particulars	FY2015	FY2016
Salaries and allowances	123,096	107,652
Contribution to provident fund	3,214	3,668
Perquisites including perquisites, tax on ESOP's	36,170	608

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 Board at its Meeting held on April 18, 2014 had increased the sitting fees of Non-executive Independent Director to ₹ 100,000 for attending Board Meetings and the sitting fees for attending Committee Meetings is ₹ 20,000.

The details of sitting fees paid to Non-executive Independent Directors are as follows:

Names	Amount (in ₹)
Dileep Choksi	820,000
M. K. Sharma (upto July 31, 2015)	220,000
Ashvin Parekh	880,000

(iii) Non-executive nominee Directors:

Non-executive Nominee Directors were not paid any sitting fees during FY2016.

V. Internal Control

ICICI Lombard has adopted the following Frameworks in accordance with the requirements laid down under Corporate Governance Guidelines.

(i) Internal Audit Framework

ICICI Lombard has established an internal audit framework with a risk based approach. The internal audit covers auditing of processes as well as transactions.

ICICI Lombard 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/Committee 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 IRDAI 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) Internal Controls over Financial Reporting

The Company has in place adequate internal financial controls commensurate with size, scale and complexity of its operations. During the year, such controls were tested and no reportable material weakness in the design or operations were observed. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

directors' report



Continued

(iii) Risk Management Framework

The objective of the Risk Management Framework (the Framework) of the Company is to ensure that various risks are identified, measured, mitigated and that policies, procedures and standards are established to address these risks for systemic response and adherence.

The Company has identified enterprise wide risks, which are categorised under 5 broad groups namely Credit Risk, Market Risk, Underwriting Risk, Operational Risk and Strategic Risk. The broad structure of the Framework is as follows:

- Risk identification, assessment and mitigation process;
- Risk management and oversight structure; and
- Risk monitoring and reporting mechanism.

As part of the Enterprises Risk Management exercise, critical risks along with the detailed mitigation plan are presented to the Risk Management Committee on a quarterly basis. The risk mitigation plans are monitored regularly by the Company to ensure their timely and appropriate execution. The Company further measures each of its risk items against a set of predefined tolerance levels. These levels and the subsequent tolerance scores are classified as high, medium and low risk respectively. The risks are further monitored on a quarterly basis by using a heat map based on probability and severity. A Risk Register is maintained to capture inventory of risks that the Company is exposed to along with mitigation and corrective action plans. The Risk Management Committee is updated on the progress on a quarterly basis.

The senior management of the Company is responsible for periodic review of the risk management process to ensure that the process initiatives are aligned to the desired objectives. The Internal Audit Department is responsible for review of risk management processes within the Company and for the review of self-assessments of risk management activities. Further, compliance testing is done on a periodic basis and the Risk Management Committee is kept apprised of the outcome of the same.

The Company's Reinsurance Program defines the retention limit for various classes of products. Further, the Company has in place a risk retention reinsurance philosophy, which defines the product-wise retention limits on a per-risk basis as well as a retention limit on a per-event basis. The Underwriting Policy defines product-wise approval limits for various underwriters. The Investment Policy lays down the asset allocation strategy to ensure financial liquidity, security and diversification. The Company also has in place a Capital Adequacy and Liquidity Management Framework and an Asset Liability Management Policy. These policies ensure maintenance of adequate level of capital at all times to meet diverse risk related to market and operations. The Operational Risk Policy defines the tolerance limits and lays down the framework for monitoring, supervision, reporting and management of operational risks of the Company.

Stress testing is conducted on a periodic basis to identify and quantify the overall impact of different stress scenarios on the Company's financial position. These tests do not predict what will happen, but are useful for examining what might happen.

The Risks Management Framework of the Company is overseen by the Risk Management Committee of the Board. The Company has a Chief Risk Officer who is responsible for the implementation and monitoring of the framework.

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
Thirteenth AGM	Monday, June 17, 2013	11.15 a.m.	
Fourteenth AGM	Friday, June 20, 2014	11.00 a.m.	ICICI Lombard House, 414, Veer Savarkar Marg, Prabhadevi, Mumbai 400 025
Fifteenth AGM	Thursday, June 25, 2015	11.00 a.m.	

Extraordinary General Meeting (EGM)

ICICI Lombard held Extraordinary General Meeting on July 31, 2015 for ratification in remuneration payable to MD & CEO and on February 9, 2016 for Issuance of subordinated debt, Grant of stock options of ICICI Bank Limited to Bhargav Dasgupta, Managing Director & CEO and Sanjeev Mantri, Executive Director and Re-appointment of Alok Kumar Agarwal as wholetime Director designated as Executive Director. One special resolution was passed by requisite majority at the EGM held on February 9, 2016 for Issuance of subordinated debt and other 3 ordinary resolution were passed unanimously.

(ii) History of Dividends declared during last five years

Financial year	Dividend type	Percentage
2015-2016	Final Dividend	30%
2014-2015	Final Dividend	20%
2013-2014	—	—
2012-2013	—	—
2011-2012	—	—
2010-2011	Final Dividend	14%

(iv) Details of the orders passed by the Regulators/Courts/Tribunals during the year

The Company in its ordinary course of business receives order from Regulators/Courts/Tribunals. There are no significant material orders passed by the Regulators/Courts/Tribunals which would impact the going concern status of the Company and its future operations.

(iv) Means of Communication

The Company's website www.icilombard.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 IRDAI 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.

(v) 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.

(vi) 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

(vii) 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 of India, 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.

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For and on behalf of the Board

Place: Mumbai
Date: April 19, 2016

CHANDA KOCHHAR
Chairperson

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

management report

to the members

Continued

In accordance with the provisions of the Insurance Regulatory & Development Authority of India ('IRDAI') (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 ('Regulation') the following Management Report for the year ended March 31, 2016 is submitted:

1. The Company obtained Regulatory approval to undertake General Insurance business on August 3, 2001 from the Insurance Regulatory and Development Authority of India ('IRDAI') and holds a valid certificate of registration.
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 IRDAI, 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 IRDAI, 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 ₹ 30.0 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 of India ('IRDAI') (Preparation of Financial Statements and Auditors' 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's Security Level Valuation (SLV) in respect of other debt instruments.

Listed equity securities and convertible preference shares as at the balance sheet date are stated at fair value being the last quoted closing price on NSE. However, in case of any stock not being traded on NSE, the Company has valued them based on the last quoted closing price on BSE.

Mutual fund investments are stated at fair value, being the closing net asset value as at balance sheet date.

Investment Properties - Real Estate is stated at historical cost less accumulated depreciation.

Investments other than those mentioned above are valued at cost.

In accordance with the Regulation, unrealised gain/loss arising due to changes in fair value of listed equity shares, convertible preference 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.

The Company assesses at each balance sheet date whether any impairment has occurred in respect of investment in equity and units of mutual fund. The impairment loss, if any, is recognised in the profit and loss account and the carrying value of such investment is reduced to its recoverable value. If on the assessment at balance sheet date a previously impaired loss no longer exists, then such loss is reversed to the profit and loss account and the investment is restated to that extent.

Impairment for Investment properties is assessed at each balance sheet date. The impairment loss, if any is recognised in the profit and loss account and the carrying value of such investment is reduced to its recoverable value.

11. Investments as at March 31, 2016 amount to ₹115,625.2 million (Refer schedule 8, previous year: ₹ 101,997.2 million). Income from Investments amounted to ₹ 11,574.4 million (previous year: ₹ 9,280.3 million).

Investments other than deposits with the banks, 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, 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 IRDAI.

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 profits 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

SANJEEV MANTRI
Executive Director

GOPAL BALACHANDRAN
Chief Financial Officer

VIKAS MEHRA
Company Secretary

Mumbai, April 19, 2016

management report

Continued

(₹ 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 Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	Grand Total		
	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims		
0-30 days	538	18,832.8	1,161	7,610.3	7	1,275.5	2,028	43,533.5	2,028	2,028	2,028	2,028	2,028	53,533.5		
30 days to 6 months	203	20,200.1	1,538	6,180.6	9	292.5	12,986	8,049.7	8,036	26,923.6	384	642.1	5	4.7	21,520.3	
6 months to 1 year	224	5,100.9	579	3,341.8	10	684.5	388	921.5	7,438	25,562.4	170	292.9	4	24.0	33,983.5	
1 year to 5 years	886	19,425.8	268	3,727.2	40	2,905.3	80	316.7	27,587	87,496.1	-	20	615.3	325	7,347.7	
More than 5 years	219	2,533.5	51	1,035.2	64	924.6	-	16,832	38,572.8	-	-	1	1.9	122	1,173.3	
Grand Total	2,070	66,993.1	3,542	22,065.1	130	6,052.4	55,452	52,821.4	61,981	447,811.0	782	3,890.0	31	1,283.5	1,005	25,533.9

(₹ 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 Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	Grand Total		
	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims		
0-30 days	445	16,375.4	1,147	6,216.5	7	1,604.4	2,028	30,272	52,827.9	1,701	23,447.2	97	2,463.2	7	429.5	
30 days to 6 months	302	11,651.5	1,207	4,084.2	11	2,871.3	9,105	6,145.5	7,702	448	275.6	6	63.6	192	3,481.3	
6 months to 1 year	532	15,732.7	227	1,804.2	9	1,648.2	3,061	8,329.8	7,294	1,648.2	210	255.0	6	120.4	1,581.4	
1 year to 5 years	931	19,061.1	190	3,378.6	49	2,916.9	47	165.0	32,423	80,044.9	4	5.9	14	94.5	309	3,366.9
More than 5 years	207	2,523.3	42	154.7	63	947.4	-	14,712	28,150.9	-	-	3	4.3	166	1,125.9	
Grand Total	2,417	65,399.0	3,007	15,638.0	133	9,988.2	39,730	53,978.2	63,832	37,248.3	759	3,449.7	36	712.3	22,420.3	

(₹ 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 Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	Grand Total		
	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims		
0-30 days	227	17,116.5	1,446	4,055.4	19	1,695.9	25,447	39,508.2	1,636	324,243.8	265	2,250.0	7	268.0		
30 days to 6 months	317	12,236.1	1,264	3,894.2	13	1,914.3	8,018	5,426.2	7,850	14,858.0	514	568.8	2	50.8		
6 months to 1 year	297	4,598.9	230	1,001.2	12	376.2	448	332.0	6,876	13,339.2	292	243.2	5	65.1		
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		
More than 5 years	129	1,106.7	84	1,761	62	781.3	-	-	-	10,002	17,637.2	-	3	9.3	82	923.0
Grand Total	2,230	46,984.3	3,421	12,231.3	149	5,705.2	33,452	45,812.0	62,225	454,812.0	1,038	3,098.4	24	346.0	1,122	23,984.4

(₹ 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 Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	Grand Total		
	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims		
0-30 days	560	7,769.5	831	2,697.9	4	224.7	21,963	25,297.2	1,720	32,790.8	93	1,986.9	372	596.0	458	2,592.0
30 days to 6 months	249	4,689.9	548	1,392.9	5	57.1	4,289.8	7,548	14,653.1	611	7,662	638	222.0	202	2,132.8	
6 months to 1 year	231	3,937.9	123	431.9	13	80.8	276	9,165.5	7,796	18,052.6	193	253.3	90	40.5	77	2,531.1
1 year to 5 years	1,244	20,056.6	723	5,391.0	109	1,474.8	15	73.1	41,815.5	91,461.5	11	202	51	103.8	397	8,325.5
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	
Grand Total	2,322	37,076.4	2,236	1,179.8	167	4,088.5	27,965	30,576.6	63,892	405,340.5	908	2,338.6	1,152	955.4	1,160	15,796.8

(₹ 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 Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	Grand Total		
	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims		
0-30 days	96	6,585.5	1,864	2,667.3	8	233.6	4,084	2,056	17,547.1	8,600	4,517.9	3,10	465.5	353	1,095.5	
30 days to 6 months	209	17,316.0	1,000	3,374.7	8	480.0	8,984	1,040.7	6,605	1,040.7	6,605	1,040.7	6,605	21	1,544.1	
6 months to 1 year	94	1,659.0	140	646.4	12	346.9	602	-	-	-	-	-	-	46.8	31,767.4	
1 year to 5 years	1,271	19,894.6	631	5,462.9	144	6,818.0	362	902.0	39,880	79,228.7	54	1,227.2	1,227.2	2	35.0	2,527.0
More than 5 years	24	21.6	-	19	907.0	-	-	-	-	-	-	-	-	3	-	8
Grand Total	1,896	45,726.7	3,635	12,151.3	191	8,787.5	26,009	24,007.7	60,425	57,891.5	567	1,920.0	903	475.4	776	13,567.5

(₹ 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 Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	No of Amount	Grand Total	
	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	Claims	
0-30 days	538	18,832.8	1,161	7,610.3	7	1,275.5	42,398	43,533.5	2,028	2,028	2,028	2,028	2,028	53,533.5	
30 days to 6 months	203	20,200.1	1,538	6,180.6	9	292.5	12,986	8,049.7	8,036	26,923.6	384	642.1	5	4.7	1,275.5
6 months to 1 year	224	5,100.9	579	3,341.8	10	684.5	388	921.5	7,438	25,562.4	170	292.9	4	24.0	1,275.5
1 year to 5 years	896	19,425.8	268	3,727.2	40	2,905.3	80	316.7	27,587	87,496.1	-	20	615.3	325	7,347.7
More than 5 years	219	2,533.5	51	1,035.2	64	924.6	-	16,832	38,572.8	-	-	1	1.9	122	1,173.3
Grand Total	2,070	66,993.1	3,542	22,065.1	130	6,052.4	55,452	52,821.4	61,981	447,811.0	782	3,890.0	31	1,283.5</	

management report

Continued

Annexure - 2

Details of Average Claim Settlement time for the preceding five years*

Particulars	For the year ended March 31, 2016		For the year ended March 31, 2015		For the year ended March 31, 2014		For the year ended March 31, 2013		For the year ended March 31, 2012	
	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 Settlement Time (Days)
Fire	3,499	124	3,187	309	2,587	397	1,837	141	1,326	120
Marine Cargo	31,817	31	26,973	76	26,259	44	24,058	55	22,763	59
Marine Hull	33	785	44	842	69	1,026	56	894	74	728
Motor	911,306	11	763,418	12	658,080	14	544,309	15	454,501	16
Workmen's Compensation	1,275	155	1,689	134	1,434	148	1,149	162	699	80
Public/Product Liability	110	180	212	52	4,125	60	13,413	58	9,784	26
Engineering	2,278	78	1,674	239	2,516	175	1,520	113	1,606	107
Aviation	199	192	135	246	175	296	105	256	52	177
Personal Accident	5,541	52	6,625	46	6,365	58	7,356	92	9,277	54
Health	611,066	6	2,584,015	9	5,698,323	13	4,443,879	15	3,827,703	15
Credit Insurance	93	122	96	270	45	119	56	598	15	165
Others	23,276	54	24,659	46	16,202	43	12,729	102	11,659	87
Total	1,590,493	10	3,412,727	11	6,416,180	14	5,050,467	16	4,339,459	16

*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, 2016		For the year ended March 31, 2015	
	Claims intimated	Amount (₹ in lacs)*	Claims intimated	Amount (₹ in lacs)*
Fire	3,152	46,333.0	3,374	42,129.4
Marine Cargo	32,352	26,931.8	26,559	22,716.9
Marine Hull	30	701.8	28	5,930.8
Motor OD	927,028	169,966.1	769,196	134,008.8
Motor TP	24,625	127,411.5	23,149	80,684.2
Workmen's Compensation	1,278	2,580.4	1,410	2,495.5
Public/Product Liability	105	508.4	224	285.8
Engineering	2,150	16,475.3	1,685	8,893.1
Aviation	291	6,161.8	195	6,314.7
Personal Accident	7,103	14,246.4	6,338	12,517.1
Health	593,067	115,638.0	2,137,983	129,052.5
Credit Insurance	89	835.9	54	569.3
Others	23,317	127,401.8	24,806	71,133.1
Grand Total	1,614,587	655,192.2	2,995,001	516,731.2

*Amount of claims intimated includes change in reserve

management report



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, 2016	For the year ended March 31, 2015
1	Asian Paints Limited	M.K.Sharma ¹	Director	32.7	460.9
2	Arvind Limited	Dileep Choksi ²	Director	130.6	15.4
3	Associated Chambers of Commerce and Industry of India (ASSOCHAM)	Chanda Kochhar	Director	2.0	—
4	Blue Star Limited	M.K.Sharma ¹	Member	—	9.4
5	Bombay Gymkhana Limited	Chanda Kochhar	Member	2.0	1.7
		Dileep Choksi	Member		
6	Cricket Club of India	Dileep Choksi	Member	—	3.9
		N. S. Kannan	Member		
7	FAL Corporation	Chandran Ratnaswami	Director	3,435.0	2,290.0
8	ICICI Bank Limited	Chanda Kochhar	Director	19,267.7	15,896.5
		N. S. Kannan	Director		
		Dileep Choksi	Director		
9	ICICI Foundation for Inclusive Growth	Chanda Kochhar	Trustee	663.2	525.6
		Bhargav Dasgupta	Trustee		
		N. S. Kannan	Trustee		
10	ICICI Home Finance Company Limited	Dileep Choksi	Director	201.2	224.1
11	ICICI Prudential Life Insurance Company Limited	Chanda Kochhar	Chairperson	171.2	65.8
		N. S. Kannan	Director		
12	ICICI Prudential Asset Management Company Limited	Chanda Kochhar	Chairperson	1.0	—
		N. S. Kannan	Director		
		M.K.Sharma ¹	Director		
13	ICICI Securities Limited	Chanda Kochhar	Chairperson	354.7	371.2
		Zarin Daruwala ⁵	Director		
14	ICICI Securities Primary Dealership Limited	N. S. Kannan	Chairman	15.1	18.9
		Ashvin Parekh ³	Director		
15	International Insurance Society, New York, USA	Bhargav Dasgupta	Director Member	5.1	3.1
16	International Paper APPM Limited (formerly: The Andhra Pradesh Paper Mills Limited)	M.K.Sharma ¹	Director	0.7	73.3
17	Knight Frank (India) Private Limited	Dileep Choksi	Advisor	—	8.7
18	Lupin Limited	Dileep Choksi	Director	1,580.5	1,146.9
19	Thomas Cook (India) Limited	M.K.Sharma ¹	Director	2,207.5	1,360.2
		Chandran Ratnaswami	Director		
20	Wipro Limited	M.K.Sharma ¹	Director	127.5	1,428.7
21	Others ⁶				
	National Sports Club of India	Neelesh Garg ⁴	Member		
		Zarin Daruwala ⁵	Member		
	ICICI Venture Fund Management Company Limited	S. Mukherji	Director		
	The Willingdon Sports Club	Chanda Kochhar	Member		
		N. S. Kannan	Member		
		Bhargav Dasgupta	Member		
	Total others			1.0	1.0

1 ceased to be Director in ICICI Lombard w.e.f. July 31, 2015

2 appointed as Director in Arvind Limited w.e.f. May 12, 2014

3 appointed as Director in ICICI Securities Primary Dealership Limited w.e.f. March 30, 2015

4 ceased to be Director in ICICI Lombard w.e.f. February 2, 2015

5 ceased to be Director in ICICI Lombard w.e.f. January 5, 2016

6 Individual payments to parties during the year and aggregate payments during the previous year are less than ₹ 1 lac pertaining to previous year where individual payments are less than ₹ 1 lac

7 Vijay Chandok appointed as Director in ICICI Lombard w.e.f. January 15, 2016. No payments are made to parties in which the director is interested

independent auditors' report

to the Members of ICICI Lombard General Insurance Company Limited

Continued

REPORT ON FINANCIAL STATEMENTS

- 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, 2016, 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 thereto, a summary of the significant accounting policies and other explanatory notes thereon.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

- The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, the Insurance Act, 1938, Insurance Laws (Amendment) Act, 2015 (to the extent notified), 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 of India ('IRDAI') in this behalf and current practices prevailing within the insurance industry in India. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the Insurance Act, 1938, Insurance Laws (Amendment) Act, 2015 (to the extent notified), 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 of India ('IRDAI') in this behalf, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies Regulations), 2002 ('the Regulations').
 - We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's 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 on the financial statements.

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, Insurance Act, 1938, Insurance Laws (Amendment) Act, 2015 (to the extent notified), the Insurance Regulatory and Development Act, 1999 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:
 - in the case of Balance Sheet, of the state affairs of the Company as at March 31, 2016;
 - in the case of Revenue Account, 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

- 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 report that:
 - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - 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.
 - 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.
 - The Balance sheet, the Revenue account, the Profit and Loss account and the Receipts and Payments account dealt with by this report are in agreement with the books of account.
 - The aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and with the accounting principles prescribed by the Regulations and orders/directions prescribed by IRDAI in this regard.
 - Investments have been valued in accordance with the provisions of the Insurance Act, 1938 and Insurance Laws (Amendment) Act, 2015 (to the extent notified), the Regulations and orders/directions issued by IRDAI in this regard.
 - On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - The actuarial valuation of liabilities in respect of Incurred But Not Reported ('IBNR') and Incurred But Not Enough Reported ('IBNER') as at March 31, 2016, 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 IRDAI and the Actuarial Society of India in concurrence with the IRDAI. In respect of reinsurance accepted from DR Pool, IBNR / IBNER has been recognised based on estimates received from DR Pool.
 - With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

independent auditors' report



Continued

10. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note no. 5.2.20 to the financial statements;
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The Company did not have any outstanding long term derivative contracts – Refer Note no. 5.2.21 to the financial statements;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company – Refer Note no. 5.2.22 to the financial statements.

11. 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:

INDEPENDENT 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, 2016, 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 and Insurance Laws (Amendment) Act, 2015 (to the extent notified) relating to the application and investment of the policyholders' funds.

a) We have reviewed the Management Report attached to the financial statements for the year ended March 31, 2016 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 IRDAI.

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 19, 2016

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 19, 2016

Annexure 'A' independent auditors' report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Continued

We have audited the internal financial controls over financial reporting of ICICI Lombard General Insurance Company Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the "internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

Other Matter

The Actuarial valuation of liabilities in respect of Incurred But Not Reported ('IBNR') and Incurred But Not Enough Reported ('IBNER') as at March 31, 2016, other than for reinsurance accepted from Declined Risk Pool ('DR Pool') has been duly certified by the Appointed Actuary of the Company as per the Regulations and has been relied upon by us as mentioned in para 9(h) of our Audit Report on the financial statements for the year ended March 31, 2016. Accordingly, our opinion on the internal financial controls over financial reporting does not include reporting on the adequacy and operating effectiveness of the internal controls over the valuation and accuracy of the aforesaid actuarial liabilities.

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 19, 2016

balance sheet

at March 31, 2016

profit and loss account

for the year ended March 31, 2016

Particulars	Schedule	(₹ in 000's)	Particulars	Schedule	(₹ in 000's)
		March 31, 2016			March 31, 2016
					March 31, 2015
Sources of funds					
Share capital	5	4,475,384	4,465,940	1. Operating profit/(loss)	976,555
Reserves and Surplus	6	27,281,080	23,767,351	(a) Fire Insurance	387,540
Share application money-pending allotment		—	(b) Marine Insurance	(529,974)	
Fair value change account		3,090,130	(c) Miscellaneous Insurance	4,355,608	
Borrowings	7	—	2. Income from investments	5,664,326	
Total		34,846,594	(a) Interest, Dividend & Rent – Gross	1,602,584	
			(b) Profit on sale/redemption of investments	694,553	
			Less : Loss on sale/redemption of investments	(22,578)	
			3. Other income	(63,507)	
			(a) Interest income on tax refund	138,869	
			(b) Profit on sale/discard of fixed assets	5,277	
			(c) Recovery of bad debts written off	1,037	
			Total (A)	7,220,894	
					7,456,615
Application of funds					
Investments	8	115,625,186	101,997,176	4. Provisions (Other than taxation)	
Loans	9	—	—	(a) For diminution in the value of investments	—
Fixed assets	10	3,831,368	3,896,625	(b) For doubtful debts	(6,796)
Deferred tax asset (Refer note 5.2.16)		1,341,914	(c) For future recoverable under reinsurance contracts	(35,436)	
Current assets			(d) Others	—	
Cash and bank balances	11	1,948,029	1,416,861	5. Other expenses	
Advances and other assets	12	34,011,547	28,346,497	(a) Expenses other than those related to Insurance Business	
Sub-Total (A)		35,959,576	29,763,358	(i) Employees' remuneration and other expenses	15,494
				(ii) Managerial remuneration	66,929
				(iii) Directors' fees	1,920
				(iv) CSR Expenditure (Refer note 5.2.18)	97,117
Current liabilities	13	90,753,688	79,884,545	(b) Bad debts written off	2,014
Provisions	14	31,157,762	25,057,835	(c) Loss on sale/discard of fixed assets	1,724
Sub-Total (B)		121,911,450	104,942,380	(d) Penalty (Refer note 5.1.14)	1,000
				Total (B)	143,966
					549,394
Net current assets (C) = (A - B)		(85,951,874)	(75,179,022)	Profit before tax	
Miscellaneous expenditure (to the extent not written off or adjusted)	15	—	—	Provision for taxation:	
Debit balance in profit and loss account		—	—	(a) Current tax /MAT payable	2,264,383
Total		34,846,594	31,794,771	(b) Deferred tax (Income) / Expense (Refer note 5.2.16)	(261,922) 2,002,461 (666,096) 1,551,076
Significant accounting policies and notes to accounts	16			Profit after tax	5,074,467
The schedules referred to above & notes to accounts form an integral part of the Financial Statements				Appropriations	5,356,145
				(a) Interim dividends paid during the year	1,341,696
				(b) Proposed final dividend	—
				(c) Dividend distribution tax	273,138
				(d) Transfer to General Reserves	—
				Balance of Profit / (Loss) brought forward from last year	1,614,834
				Balance carried forward to Balance sheet	1,056,064
				Basic earnings per share of ₹ 10 face value (Refer note 5.2.15)	8,484,640
				Diluted earnings per share of ₹ 10 face value (Refer note 5.2.15)	11,944,273
				Significant accounting policies & notes to accounts	4,184,559
				16	8,484,640
					₹ 11.35 ₹ 12.03
					₹ 11.27 ₹ 11.93
				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

For CHATURVEDI & CO.
Chartered Accountants
Firm Regn No.: 302137E

NARENDRA JAIN
Partner
Membership No.: 048725

SN CHATURVEDI
Partner
Membership No.: 040479

Mumbai, April 19, 2016

For and on behalf of the Board

CHANDA KOCHHAR
Chairperson

DILEEP CHOKSI
Director

ALOK KUMAR AGARWAL
Executive Director

GOPAL BALACHANDRAN
Chief Financial Officer

S. MUKHERJI
Director

BHARGAV DASGUPTA
Managing Director & CEO

SANJEEV MANTRI
Executive Director

VIKAS MEHRA
Company Secretary

revenue accounts

for the year ended March 31, 2016

Registration No. 115 dated August 3, 2001

(₹ in 000's)

Particulars	Schedule	Fire		Marine		Miscellaneous		Total	
		2015—2016	2014—2015	2015—2016	2014—2015	2015—2016	2014—2015	2015—2016	2014—2015
1. Premiums earned (net)	1	995,012	1,088,513	1,849,297	1,601,131	45,371,864	39,663,704	48,216,173	42,353,348
2. Profit on sale/redemption of investments		84,779	61,212	68,044	45,094	2,645,174	1,914,587	2,797,997	2,020,893
Less : Loss on sale/redemption of investments		(2,815)	(8,054)	(2,259)	(5,933)	(87,835)	(251,901)	(92,909)	(265,888)
3. Others -									
Foreign exchange gain / (loss)		(3,416)	(1,059)	(8,523)	(2,051)	(6,633)	(5,831)	(18,572)	(8,941)
Investment income from pool (Terrorism)		205,183	176,736	—	—	36,869	41,482	242,052	218,218
Miscellaneous Income		444	456	785	632	175,890	16,751	177,119	17,839
4. Interest, Dividend & Rent – Gross (Refer note 5.2.5)		199,822	181,536	160,379	133,736	6,234,580	5,571,473	6,594,781	5,886,745
Total (A)		1,479,009	1,499,340	2,067,723	1,772,609	54,369,909	46,950,265	57,916,641	50,222,214
1. Claims Incurred (net)	2	633,010	1,023,548	1,803,253	1,579,920	36,845,879	31,830,900	39,282,142	34,434,368
2. Commission (net)	3	(490,877)	(288,312)	210,581	100,264	(2,999,436)	(3,550,165)	(3,279,732)	(3,738,213)
3. Operating expenses related to insurance business	4	360,321	376,564	583,863	488,819	16,167,858	13,005,204	17,112,042	13,870,587
4. Premium deficiency		—	—	—	—	—	—	—	—
Total (B)		502,454	1,111,800	2,597,697	2,169,003	50,014,301	41,285,939	53,114,452	44,566,742
Operating Profit / (Loss) C = (A - B)		976,555	387,540	(529,974)	(396,394)	4,355,608	5,664,326	4,802,189	5,655,472
APPROPRIATIONS									
Transfer to Shareholders' Account		976,555	387,540	(529,974)	(396,394)	4,355,608	5,664,326	4,802,189	5,655,472
Transfer to Catastrophe Reserve		—	—	—	—	—	—	—	—
Transfer to Other Reserves		—	—	—	—	—	—	—	—
Total (C)		976,555	387,540	(529,974)	(396,394)	4,355,608	5,664,326	4,802,189	5,655,472
Significant accounting policies and notes to accounts	16								

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 and on behalf of the Board

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm Regn No.: 105049W

For CHATURVEDI & CO.
Chartered Accountants
Firm Regn No.: 302137E

CHANDA KOCHHAR
Chairperson

S. MUKHERJI
Director

NARENDRA JAIN
Partner
Membership No.: 048725

SN CHATURVEDI
Partner
Membership No.: 040479

DILEEP CHOKSI
Director

BHARGAV DASGUPTA
Managing Director & CEO

Mumbai, April 19, 2016

ALOK KUMAR AGARWAL
Executive Director

SANJEEV MANTRI
Executive Director

GOPAL BALACHANDRAN
Chief Financial Officer

VIKAS MEHRA
Company Secretary

schedules

forming part of the financial statements

Continued

(₹ in 000's)

Particulars	Fire	Marine			Motor			Motor-TP			Motor- Total			Workmen's Compensation			Miscellaneous			Total
		Marine-Cargo	Marine-Others	Marine- Total	Motor-OD	Motor-TP	Motor- Total	Public/ Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Others	Miscellaneous					
	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016		
Premium from direct business written-net of service tax	6,327,029	2,304,300	693,726	2,998,026	25,230,855	16,267,246	41,498,101	414,202	117,129	1,983,358	517,273	2,785,635	13,842,739	324,674	10,098,905	71,582,016	80,907,071			
Add: Premium on reinsurance accepted	731,608	176,037	71,988	248,025	23,889	(114,737)	(90,848)	—	3,200	256,910	487,470	5,715	333,959	—	76,812	1,073,218	2,052,851			
Less: Premium on reinsurance ceded	6,000,176	694,709	682,580	1,377,289	6,353,608	917,741	7,271,349	30,928	79,615	1,619,149	561,513	689,560	4,473,910	300,551	6,206,963	21,233,538	28,611,003			
Net Premium	1,058,461	1,785,628	83,134	1,868,762	18,901,136	15,234,768	34,135,904	383,274	40,714	621,119	443,230	2,101,790	9,702,788	24,123	3,968,754	51,421,636	54,348,919			
Adjustment for change in reserve for unexpired risks	63,449	2,592	16,873	19,465	2,839,469	1,706,235	4,545,704	18,425	2,519	38,321	(54,918)	705,052	353,569	(79)	441,239	6,049,832	6,132,746			
Total Premium earned (net)	995,012	1,783,036	66,261	1,849,297	16,061,667	13,528,533	29,530,200	364,849	38,195	582,798	498,148	1,396,738	9,349,219	24,202	3,527,515	45,371,884	48,216,173			

PREMIUM EARNED (NET)

Particulars	Fire	Marine			Motor			Motor-TP			Motor- Total			Workmen's Compensation			Miscellaneous			Total
		Marine-Cargo	Marine-Others	Marine- Total	Motor-OD	Motor-TP	Motor- Total	Public/ Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Others	Miscellaneous					
	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015		
Premium from direct business written-net of service tax	5,447,351	1,943,601	520,700	2,464,301	21,318,777	12,839,309	34,158,086	371,241	138,288	1,711,910	494,383	2,326,667	13,178,238	272,379	6,215,112	58,866,304	66,777,956			
Add: Premium on reinsurance accepted	1,016,558	145,794	45,448	191,242	13,169	227,494	240,663	—	10,118	301,435	489,391	4,080	307,839	—	28,070	1,381,696	2,589,476			
Less: Premium on reinsurance ceded	5,331,296	557,436	529,345	1,086,781	7,449,394	769,668	8,219,082	27,746	82,785	1,472,605	599,449	665,548	3,938,365	253,233	3,413,688	18,672,501	25,090,578			
Net Premium	1,132,563	1,531,959	36,803	1,568,762	13,882,552	12,297,115	26,179,667	343,495	65,621	540,740	384,325	1,665,199	9,547,812	19,146	2,829,494	41,575,499	44,276,054			
Adjustment for change in reserve for unexpired risks	44,080	(19,406)	(12,963)	(32,369)	(675,066)	1,887,459	1,212,393	(3,023)	10,942	(16,905)	(2,062)	522,893	79,108	(539)	109,048	1,911,795	1,923,506			
Total Premium earned (net)	1,088,513	1,557,365	49,765	1,601,131	14,557,618	10,409,656	24,967,274	346,518	54,679	537,645	386,387	1,142,306	9,468,704	19,745	2,720,446	39,663,704	42,353,348			

(₹ in 000's)

schedules

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Continued

SCHEDULE – 2 CLAIMS INCURRED (NETT)

Particulars	Fire	Marine	Marine-Cargo	Marine-Others	Marine-Total	Motor-OD	Motor-TP	Motor-Total	Workmen's Compensation	Public/ Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Others	Total
	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	
Claims paid- Direct	3,231,181	1,820,994	470,042	2,291,036	14,963,195	7,351,567	22,314,762	124,372	5,042	1,032,035	40,702	589,078	8,234,334	83,594	10,769,993	43,191,712	48,713,929
Add: Re-insurance accepted	843,784	121,281	(121)	121,160	—	(65,653)	(65,653)	—	—	26,526	431,213	2,643	276,118	—	463,790	1,134,637	2,089,581
Less: Re-insurance ceded	3,362,984	582,474	441,873	1,024,347	4,936,128	3,781,366	8,717,494	7,260	1,321	814,053	115,022	144,654	822,798	78,836	8,193,043	18,894,481	23,281,812
Net Claims paid	711,981	1,389,801	28,048	1,387,849	10,027,067	3,504,548	13,531,615	117,112	3,721	244,508	356,893	447,867	7,684,654	4,758	3,040,740	25,431,868	27,551,698
Add: Claims outstanding at the end of the year	1,701,868	1,393,897	183,882	1,577,779	4,374,902	36,360,453	40,735,355	382,678	106,769	802,682	596,151	1,851,154	3,441,735	33,779	2,089,495	50,049,798	53,329,445
Less: Claims outstanding at the beginning of the year	1,780,839	1,380,435	131,940	1,162,375	3,863,042	26,649,287	30,512,329	338,022	58,977	642,649	372,347	1,400,624	3,203,621	26,409	2,080,809	38,635,787	41,579,001
Total Claims incurred	633,010	1,723,263	79,990	1,803,253	10,538,927	13,215,714	23,754,641	161,768	51,513	404,541	580,697	898,397	7,922,768	12,128	3,059,426	36,845,879	39,292,142

(₹ in 000's)

CLAIMS INCURRED (NETT)

Particulars	Fire	Marine	Marine-Cargo	Marine-Others	Marine-Total	Motor-OD	Motor-TP	Motor-Total	Workmen's Compensation	Public/ Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Others	Total
	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	
Claims paid- Direct	1,704,486	1,796,361	159,746	1,956,107	12,319,801	6,059,086	18,379,787	123,783	14,264	958,434	47,672	632,960	10,096,579	83,971	6,387,706	36,725,156	40,395,749
Add: Re-insurance accepted	51,540	139	51,679	1,048	15,017,268	15,018,316	—	—	21,519	648,983	11,405	289,522	—	1,356	15,991,101	16,559,777	
Less: Re-insurance ceded	1,584,514	528,807	154,401	683,208	3,543,486	3,644,736	7,188,222	8,984	663,049	411,317	175,818	1,750,325	77,560	3,809,908	14,088,473	16,396,195	
Net Claims paid	636,969	1,319,094	5,484	1,324,578	8,777,363	17,432,518	26,209,881	114,799	10,974	316,904	285,338	468,547	8,635,776	6,411	2,579,154	38,627,764	40,589,331
Add: Claims outstanding at the end of the year	1,780,839	1,030,435	131,940	1,162,375	3,863,042	26,649,287	30,512,329	338,022	58,977	642,649	372,347	1,400,624	3,203,621	26,409	2,080,809	38,635,787	41,579,001
Less: Claims outstanding at the beginning of the year	1,394,260	808,459	98,574	907,033	3,648,181	33,068,023	36,716,204	300,246	27,497	525,636	3,310,047	959,012	3,477,576	23,067	3,090,386	45,432,671	47,733,964
Total Claims incurred	1,023,548	1,541,070	38,050	1,579,920	8,992,224	11,013,782	20,006,006	152,575	42,454	433,917	344,639	970,159	8,361,821	9,753	1,569,577	31,830,900	34,434,368

(₹ in 000's)

schedules

(₹ in 000's)

Particulars	Fire			Marine			Miscellaneous						Total			
	Marine-Cargo	Marine-Others	Marine-Total	Motor-OD	Motor-TP	Motor- Total	Workmen's Compensation	Public/ Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Others	Miscellaneous	Total
2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	
Commission paid -Direct	202,099	188,974	11,089	200,003	1,186,433	—	1,186,433	36,953	11,356	98,925	9,858	288,000	1,134,987	24,548	298,054	3,090,614
Add: Commission on re-insurance accepted	76,343	28,648	19,883	48,531	24	—	24	—	699	50,589	80,785	57	36,832	—	14,393	183,379
Less: Commission on re-insurance ceded	769,319	25,239	12,774	38,013	1,680,287	88,747	1,759,034	3,107	2,526	313,191	8,864	469,981	3,082,658	45,592	578,476	6,273,429
Net Commission	(490,877)	192,383	18,198	210,531	(493,830)	(88,747)	(582,577)	33,746	9,529	(163,677)	81,779	(180,924)	(1,910,839)	(21,044)	(255,429)	7,080,161
																(3,279,732)

COMMISSION

Particulars	Fire			Marine			Miscellaneous						Total			
	Marine-Cargo	Marine-Others	Marine-Total	Motor-OD	Motor-TP	Motor- Total	Workmen's Compensation	Public/ Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Others	Miscellaneous	Total
2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	
Commission paid -Direct	156,237	151,242	4,668	155,930	993,947	—	933,947	31,712	10,452	77,233	9,676	236,183	1,043,535	17,673	254,053	2,675,364
Add: Commission on re-insurance Accepted	123,093	30,473	13,901	44,374	—	—	—	—	538	38,012	92,513	41	13,178	—	5,975	150,257
Less: Commission on re-Insurance Ceded	567,642	29,298	70,742	100,040	2,270,477	46,745	2,317,222	5,829	9,130	331,730	6,119	474,915	2,810,761	42,373	377,707	6,375,786
Net Commission	(288,312)	152,417	(52,153)	100,264	(1,276,530)	(46,745)	(1,323,275)	25,883	1,860	(216,485)	96,070	(238,591)	(1,754,048)	(24,700)	(116,779)	(3,550,165)
																(3,738,237)

SCHEDULE- 3 A
COMMISSION PAID - DIRECT

Particulars	2015-2016		(₹ in 000's)
	2014-2015	2015-2016	
Agents	843,917	754,503	
Brokers	1,615,282	1,226,942	
Corporate agency	1,033,577	1,006,086	
Referral	—	—	
Total	3,492,776	2,987,531	

schedules

forming part of the financial statements

Continued

SCHEDULE – 4 OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

Particulars	Miscellaneous												Total								
	Fire	Marine-Cargo	Marine-Others	Motor-OD	Motor-TP	Motor-Total	Workmen's Compensation	Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Others	Miscellaneous						
2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016	2015-2016						
Employees' remuneration & welfare benefits	70,099	118,257	5,505	123,763	1,257,764	1,008,932	2,260,716	25,383	2,696	41,135	29,354	139,195	642,566	1,598	262,838	3,405,501					
Travel, conveyance and vehicle running expenses	5,917	9,982	465	10,447	10,664	85,168	190,832	2,143	228	3,478	11,750	54,242	135	22,187	287,467	3,599,363					
Training expenses	854	1,441	67	1,508	15,253	12,294	27,547	309	33	501	358	1,696	7,830	19	3,203	41,496	43,958				
Rents, rates & taxes*	12,476	21,047	980	22,027	222,788	179,573	402,361	4,518	480	7,321	5,224	24,774	114,367	284	46,780	606,109	640,812				
Repairs & maintenance	5,937	10,016	466	10,482	106,026	85,489	191,485	2,150	228	3,484	2,488	11,790	54,428	135	22,263	288,449	304,868				
Printing & stationery	1,730	2,919	136	3,055	30,901	24,907	55,808	627	67	1,015	725	3,436	15,863	39	6,488	84,068	88,953				
Communication	7,763	13,087	610	13,707	138,629	111,759	250,368	2,811	299	4,556	3,251	15,415	71,165	177	29,109	377,151	398,921				
Legal & professional charges	38,863	15,595	726	16,311	64,968	132,968	29,936	3,345	355	5,421	3,868	18,344	84,885	211	138,556	592,721	607,995				
Auditors fees, expenses etc	—	—	—	294	496	23	519	5,254	4,235	9,489	107	11	173	123	584	2,697	7	1,103	14,294	15,107	
(a) as auditor	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
(b) as adviser or in any other capacity, in respect of	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
(i) Taxation matters	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
(ii) Management services and	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
(c) in any other capacity	19	32	1	33	339	273	612	7	1	11	8	38	174	—	71	922	974	1,046,572	1,06,149	144,961	
Advertisement and publicity	21,543	36,342	1,692	38,034	384,890	310,069	694,759	7,801	829	12,641	9,021	42,777	19,478	491	80,775	137,153	137,153	137,153	137,153	137,153	
Interest & Bank charges	2,823	4,763	222	4,985	50,414	40,634	91,048	1,022	109	1,657	1,182	5,606	25,879	64	10,586	—	—	—	—	—	—
Others	123,743	208,755	9,719	218,474	2,209,707	1,781,076	3,980,783	44,808	4,760	72,644	51,817	245,717	1,134,340	2,820	463,982	6,011,661	6,353,058	6,353,058	6,353,058	6,353,058	
(a) Business support services	55,953	94,394	4,395	98,789	99,172	805,932	1,004,528	20,261	2,152	32,834	23,430	111,107	512,919	1,275	209,800	2,718,306	2,873,048	2,873,048	2,873,048	2,873,048	
(b) Sales promotion expenses	1,298	2,190	102	2,292	22,138	17,843	39,981	470	51	762	543	2,577	11,898	30	4,867	61,179	64,669	64,669	64,669	64,669	
(c) Miscellaneous expenses	11,009	18,572	865	19,437	19,638	158,495	355,043	3,986	423	6,460	4,610	21,860	100,917	251	41,279	534,829	565,275	565,275	565,275	565,275	
Depreciation	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Service tax on premium account	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	360,321	557,888	25,915	582,063	5,904,295	4,759,001	10,663,296	119,748	12,722	194,057	138,478	656,666	3,031,468	7,536	1,343,887	16,167,858	17,112,942	17,112,942	17,112,942	17,112,942	17,112,942

* Rent expense is net off rental income of ₹ 26,489 thousand [previous year : ₹ 24,421 thousand]

OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

Particulars	Miscellaneous												Total									
	Fire	Marine-Cargo	Marine-Others	Motor-OD	Motor-TP	Motor-Total	Workmen's Compensation	Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Others	Miscellaneous							
2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015	2014-2015						
Employees' remuneration & welfare benefits	82,263	117,270	2,673	113,943	1,008,320	893,167	1,901,487	24,949	4,766	39,275	27,914	120,947	69,479	1,391	205,511	3,019,779	3,215,925	3,215,925	3,215,925	3,215,925		
Travel, conveyance and vehicle running expenses	8,796	11,898	2,866	12,184	107,821	95,507	203,328	2,668	510	4,200	2,985	12,833	7,455	149	21,976	322,904	343,884	343,884	343,884	343,884		
Training expenses	1,200	1,623	39	1,622	14,705	13,026	27,730	364	573	407	1,764	10,113	20	2,999	44,040	46,902	46,902	46,902	46,902	46,902		
Rents, rates & taxes*	14,293	19,333	464	19,797	175,197	155,180	330,386	4,335	828	6,824	4,850	21,015	120,493	242	35,709	524,682	558,772	558,772	558,772	558,772		
Repairs & Maintenance	8,124	10,899	264	11,253	39,584	88,212	187,796	2,644	471	3,879	2,757	11,945	68,490	137	20,296	298,235	317,612	317,612	317,612	317,612		
Printing & stationery	2,643	3,575	866	3,661	32,393	28,693	61,086	801	153	1,262	897	3,895	7,278	45	6,602	103,313	103,313	103,313	103,313	103,313		
Communication	10,969	14,837	356	15,93	134,455	119,099	253,554	3,327	636	5,237	3,722	16,128	92,472	185	27,404	402,665	428,827	428,827	428,827	428,827		
Legal & professional charges	41,441	24,060	578	24,638	218,035	193,134	411,169	5,395	1,031	8,493	6,036	26,153	149,955	301	96,318	704,851	770,930	770,930	770,930	770,930		
Auditors fees, expenses etc	249	337	8	345	3,053	2,705	5,758	76	14	119	85	366	2,100	4	622	9,144	9,738	9,738	9,738	9,738		
(a) as auditor	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
(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	41	56	57	506	449	955	1,264,727	563,585	7,395	1,413	11,611	1,084	4,697	26,330	54	7,362	117,268	124,888	124,888	124,888	124,888	
Advertisement and publicity	24,382	32,979	792	33,771	288,858	264,727	53,685	73,842	969	13	2	20	14	61	348	205,641	412	60,911	895,020	963,173	963,173	963,173
Interest & Bank Charges	3,195	4,321	104	4,425	30,157	34,685	73,842	969	185	1,155	1,084	4,697	26,330	54	7,362	117,268	124,888	124,888	124,888	124,888	124,888	
Others	114,762	155,228	3,729	158,957	1,406,668	1,246,022	2,652,690	34,805	5,479	54,791	38,942	168,529	967,445	1,940	286,702	4,212,693	4,496,412	4,496,412	4,496,412	4,496,412		
(a) Business support services	49,435	66,867	1,606	68,473	605,945	536,743	1,142,688	14,933	2,864	2,864	2,864	416,442	836	123,501	1,814,683	1,932,597	1,932,597	1,932,597	1,932,597	1,932,597		
(b) Sales promotion	1,044	1,412	34	1,446	12,026	10,953	22,679	317	60	498	354	8,020	18	2,568	36,871	39,361	40,903	40,903	40,903	40,903		
(c) Miscellaneous expenses	13,227	18,568	446	19,014	168,259	149,044	317,303	4,613	795	6,554	4,658	20,183	115,722	232	34,293	503,903	556,644	556,644	556,644	556,644		
Depreciation	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Service tax on premium account	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	376,564	477,353	11,466	488,819	4,324,982	3,831,054	8,1															

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SCHEDULE – 5 SHARE CAPITAL

Particulars	(₹ in 000's)	
	At March 31, 2016	At March 31, 2015
Authorised Capital		
475,000,000 (previous year : 475,000,000) Equity Shares of ₹ 10 each	<u>4,750,000</u>	<u>4,750,000</u>
Issued Capital		
447,538,446 (previous year : 446,594,032) Equity Shares of ₹ 10 each	<u>4,475,384</u>	<u>4,465,940</u>
Subscribed Capital		
447,538,446 (previous year : 446,594,032) Equity Shares of ₹ 10 each	<u>4,475,384</u>	<u>4,465,940</u>
Called up Capital		
447,538,446 (previous year : 446,594,032) Equity Shares of ₹ 10 each	<u>4,475,384</u>	<u>4,465,940</u>
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	<u><u>4,475,384</u></u>	<u><u>4,465,940</u></u>

Note:

Of the above, 285,605,284 shares are held by the holding company, ICICI Bank Limited (previous year : 325,883,744 shares)

SCHEDULE – 5A SHARE CAPITAL

Pattern of shareholding

[As certified by the management]

Shareholder	At March 31, 2016		At March 31, 2015	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Promoters				
- Indian	285,605,284	63.82%	325,883,744	72.97%
- Foreign	154,777,462	34.58%	114,499,002	25.64%
Others-(Employees/ others)	7,155,700	1.60%	6,211,286	1.39%
Total	447,538,446	100.00%	446,594,032	100.00%

SCHEDULE – 6 RESERVES AND SURPLUS

Particulars	(₹ in 000's)	
	At March 31, 2016	At March 31, 2015
1. Capital Reserve	-	-
2. Capital Redemption Reserve	-	-
3. Share Premium (refer note 4.16)		
Opening balance	14,949,069	14,842,165
Additions during the period	54,096	106,904
Deductions during the period- share issue expenses	-	-
Closing balance	15,003,165	14,949,069
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 utilised for Buy-back	-	-
5. Catastrophe Reserve	-	-
6. Other Reserves	-	-
7. Balance of Profit in Profit and Loss Account	11,944,273	8,484,640
TOTAL	27,281,080	23,767,351

SCHEDULE - 7 BORROWINGS

Particulars	(₹ in 000's)	
	At March 31, 2016	At March 31, 2015
Debentures/ Bonds	-	-
Banks	-	-
Financial Institutions	-	-
Others	-	-
Total	=====	=====

SCHEDULE- 8 INVESTMENTS

Particulars	(₹ in 000's)	
	At March 31, 2016	At March 31, 2015
Long term investments		
Government securities and Government guaranteed bonds including Treasury Bills	46,091,685	38,183,566
Other Approved Securities	-	-
Other Investments		
(a) Shares		
(aa) Equity (note 4 below)	15,172,500	10,391,422
(bb) Preference	56,602	53,970
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	22,573,238	16,795,957
(e) Other Securities (note 5 below)	-	1,470,000
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate (note 8 below)	1,367,513	1,390,844
Investments in Infrastructure and Social Sector	16,731,754	21,211,396
Other than Approved Investments	1,223,397	377,661
Total Long Term Investments	103,216,689	89,874,816
Short term investments		
Government securities and Government guaranteed bonds including Treasury Bills	-	-
Other Approved Securities (note 7 below)	-	424,129
Other Investments		
(a) Shares		
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	1,800,000	750,090
(e) Other Securities (note 6 below)	7,117,518	7,728,771
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
Investments in Infrastructure and Social Sector	248,314	1,662,127
Other than Approved Investments (note 3 below)	3,242,665	1,557,243
Total Short Term Investments	12,408,497	12,122,360
Total Investments	115,625,186	101,997,176

Notes:

- Aggregate book value of investments (other than listed equities) is ₹ 100,138,012 thousand (previous year: ₹ 91,510,895 thousand).
- Aggregate market value of investments (other than listed equities) is ₹ 101,686,774 thousand (previous year: ₹ 98,925,088 thousand).
- Includes investment in mutual fund amounting to ₹ 2,742,665 thousand (previous year: ₹ 957,972 thousand).
- Includes investments qualifying for infrastructure and social sector investments of ₹ 2,050,638 thousand (previous year: ₹ 1,995,187 thousand).
- Long term other securities includes fixed deposit amounting to ₹ NIL thousand (previous year: Fixed deposits of ₹ 1,470,000 thousand).
- Short term other securities includes Certificate of deposits amounting to ₹ 4,237,682 thousand, Fixed deposits amounting to ₹ 1,470,000 thousand and Commercial Paper amounting to ₹ 1,409,836 thousand (previous year: Certificate of deposits amounting to ₹ 5,841,809 thousand, Fixed deposits amounting to ₹ 500,000 thousand and Commercial Paper amounting to ₹ 1,386,962 thousand).
- Short term "Other approved securities" consists of investment in reverse repo amounting to ₹ NIL (previous year: ₹ 424,129 thousand).
- Investment Properties-Real Estate is shown at cost less accumulated depreciation of ₹ 32,358 thousand (previous year: ₹ 9,027 thousand). The fair value is ₹ 1,758,796 thousand (previous year: ₹ 1,399,872 thousand) which is based on a valuation report.

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SCHEDULE - 9 LOANS

Particulars	(₹ in 000's)	
	At March 31, 2016	At March 31, 2015
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 - 10 FIXED ASSETS

Particulars	Cost/ Gross Block			Depreciation	On Sales/ Adjustments	March 31, 2016	Net Block	
	April 01, 2015	Additions	Deductions				April 01, 2015	March 31, 2015
Goodwill	—	—	—	—	—	—	—	—
Intangibles - Computer Software*	2,547,879	312,310	—	2,860,189	1,799,808	363,673	—	696,708
Land-Freehold	2,411,770	—	—	2,411,770	—	—	—	2,411,770
Leasehold Property	—	—	—	—	—	—	—	—
Buildings	237,611	—	—	237,611	18,446	3,966	—	22,412
Furniture & Fittings	687,923	46,003	18,590	715,336	529,586	50,121	18,065	561,642
Information Technology Equipment	539,439	59,642	97,117	501,964	408,971	85,323	96,944	397,350
Vehicles	3,293	—	—	3,293	2,966	327	—	3,293
Office Equipment	362,078	46,572	7,665	400,985	220,201	38,611	6,123	252,689
Others	—	—	—	—	—	—	—	—
Total	6,789,993	464,527	123,372	7,131,148	2,979,978	542,021	121,132	3,400,867
Work in Progress	—	—	—	—	—	—	—	—
Grand total	6,789,993	464,527	123,372	7,131,148	2,979,978	542,021	121,132	3,400,867
Previous year (refer note no. 4.10)	6,216,641	614,211	40,859	6,789,993	2,487,128	527,624	34,774	2,979,978

*Deductions from gross block includes grant received ₹ NIL (previous year: ₹ 2,255 thousand) and adjustments in depreciation includes accumulated depreciation thereon ₹ NIL (previous year: ₹ 1,274 thousand) (refer note no. 5.2.8)

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**SCHEDULE - 13
CURRENT LIABILITIES**

Particulars	(₹ in 000's)		Particulars	(₹ in 000's)	
	At March 31, 2016	At March 31, 2015		At March 31, 2016	At March 31, 2015
Agents' Balances	76,714	72,085	Reserve for unexpired risk	30,735,580	24,602,834
Balances due to other insurance companies (net)	2,203,311	2,083,665	Reserve for premium deficiency	—	—
Deposits held on re-insurance ceded	2,229,952	2,788,889	For taxation (less advance tax paid and taxes deducted at source)	—	—
Premiums received in advance	709,536	1,010,614	For proposed dividends	—	—
Unallocated Premium	2,914,249	2,083,648	For dividend distribution tax	—	—
Sundry Creditors	2,493,465	2,257,967	Others		
Due to subsidiaries/ holding company	53,065	52,601	- Gratuity	—	1,502
Claims Outstanding (gross)	75,407,234	65,623,094	- Long term performance pay	252,162	258,029
Due to Officers/ Directors	—	—	- Accrued leave	81,818	71,832
Others:			- For future recoverable under reinsurance contracts	88,202	422,182
- Statutory Dues	261,923	202,089		123,638	455,001
- Salary Payable	21,617	19,500	Total	31,157,762	25,057,835
- Collections - Environment Relief fund (refer note no. 5.2.9)	96	131			
- Unclaimed amount of policyholders	1,231,496	1,151,153			
- Book Overdraft	2,510,112	1,917,935			
- Employee rewards	539,277	593,183			
- Deposits	33,285	27,954			
- Interim dividends payable	25	37			
- Dividend distribution tax on interim dividend	68,331	—			
- Service Tax Liability	—	4,666,162			
Total	—	90,753,688			

**SCHEDULE - 14
PROVISIONS**

Particulars	(₹ in 000's)		Particulars	(₹ in 000's)	
	At March 31, 2016	At March 31, 2015		At March 31, 2016	At March 31, 2015
Reserve for unexpired risk	30,735,580	24,602,834			
Reserve for premium deficiency	—	—			
For taxation (less advance tax paid and taxes deducted at source)	—	—			
For proposed dividends	—	—			
For dividend distribution tax	—	—			
Others					
- Gratuity	—	1,502			
- Long term performance pay	252,162	258,029			
- Accrued leave	81,818	71,832			
- For future recoverable under reinsurance contracts	88,202	422,182	123,638	455,001	
Total	31,157,762	25,057,835			

**SCHEDULE - 15
MISCELLANEOUS EXPENDITURE**
(To the extent not written off or adjusted)

Particulars	(₹ in 000's)	
	At March 31, 2016	At March 31, 2015
Discount allowed on issue of shares/ debentures	—	—
Others	—	—
Total	—	—

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SCHEDULE - 16

Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2016

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 of India ('IRDAI') and holds a valid certificate of registration.

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 section 133 of the Companies Act, 2013, and in accordance with the provisions of the Insurance Act, 1938, Insurance Laws (Amendment) Act, 2015 (to the extent notified), Insurance Regulatory and Development Authority Act, 1999, the Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditor's Report of Insurance Companies Regulations), 2002 ('the Regulations') and orders / directions prescribed by the IRDAI in this behalf, the provisions of the Companies Act, 2013 (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 as confirmed by reinsurers and combined with commission on reinsurance ceded.

Income earned on investments

Interest/rental 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 constant yield basis.

Dividend income is recognised when the right to receive dividend is established. Dividend income in respect of listed equity shares is recognised on ex-dividend date.

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 fund units 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.

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. Salvaged stock is recognised at estimated net realisable value based on independent valuer's report.

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 revaluated 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 IRDAI 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 at segmental revenue account level 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 reinsurance acceptances from declined risk pool is not considered as per regulatory guidelines. 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 constant yield basis over the holding period/maturity.

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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.

Investment Properties – Real Estate

Investment Properties- Real Estate are stated at historical cost less accumulated depreciation.

Investments other than those mentioned above are valued at cost.

(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 convertible preference 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.

(D) Impairment of Investments

The Company assesses at each balance sheet date whether any impairment has occurred in respect of investment in equity and units of mutual fund. The impairment loss, if any, is recognised in the profit and loss account and the carrying value of such investment is reduced to its recoverable value. If on the assessment at balance sheet date a previously impaired loss no longer exists, then such loss is reversed to the profit & loss account and the investment is restated to that extent.

Impairment for Investment properties is assessed at each balance sheet date. The impairment loss, if any is recognised in the profit and loss account and the carrying value of such investment is reduced to its recoverable value.

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 the rates based on the economic useful life of assets as estimated by the management/limits specified in Schedule II of the Companies Act, 2013 as below:

Nature of Fixed Assets	Management Estimate of Useful Life in years	Useful life as per the limits prescribed in Schedule II of the Companies Act, 2013 in Years
Building	60.00	60.00
Information Technology equipment – Servers & Networks	3.00	6.00
Information Technology equipment – Others	3.00	3.00
Furniture & Fittings	6.67	10.00
Office Equipment	10.00	5.00
Vehicles	5.00	8.00

In case of Office Equipment, the management estimate of the useful life is higher and for Information Technology equipment (Servers & Networks), Furniture & Fitting and Vehicles, the management estimate of the useful life is lower than that prescribed in Schedule II of the Companies Act, 2013. This is based on the consistent practices followed, past experience and is duly supported by technical advice.

Depreciation on Furniture & Fittings in leased premises is recognised on a straight-line basis over the primary period of lease or useful life as determined by management, whichever is lower.

All assets including intangibles individually costing up to ₹ 5,000 are fully depreciated/amortised in the year in which they are acquired.

Intangibles Assets

Intangible assets comprising computer software are stated at cost less accumulated 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.

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

Payments made towards assets/premises taken on operating lease are recognised as an expense in the revenue account(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 are provided on the basis of prescribed percentage of salary and are 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 are recognised in the revenue account(s) and profit and loss account.

Long Term Performance Pay

Long Term Performance Pay is 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.

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.

The premium or discount arising at the inception of a forward exchange contract, not intended for trading or speculation purpose, is amortised as expense or income as the case may be over the life of the contract. Exchange difference on account of change in rates of underlying currency at the expiry of the contract period is recognised in the revenue account(s) and profit and loss account. Any profit or loss arising on cancellation or roll-over of such a forward exchange contract is recognised as income or expense for the contract period.

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.

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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 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 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.

Show Cause Notices issued by various Government Authorities are not considered as obligation. When the demand notices are raised against such show cause notices and are disputed by the Company, these are classified as disputed obligations.

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 IRDAI

5.1.1 Contingent liabilities

Particulars	At March 31, 2016	At March 31, 2015
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)	100,662	681,404
Reinsurance obligations to the extent not provided for in accounts	—	—
Others	—	—

Note: The Company has disputed the demand raised by Income Tax Authorities of ₹ 23,487 thousand (previous year: ₹ 606,781 thousand) and Service Tax Authorities of ₹ 77,175 thousand (previous year: ₹ 74,623 thousand), the appeals of which are pending before the appropriate Authorities. This excludes Income Tax demand related to Assessment Years 2003-2004, 2005-2006, 2006-2007, 2009-2010 & 2010-2011 in respect of which the Company has received favourable appellate orders, which are 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 ₹ 238,162 thousand (previous year: ₹ 215,481 thousand).

5.1.4 Commitment in respect of loans is ₹ NIL (previous year: ₹ NIL) and investments is ₹ 1,808 thousand (previous year: ₹ 85,459 thousand).

5.1.5 Claims

Claims, less reinsurance paid to claimants in/outside India are as under:

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
In India	49,956,723	40,289,722
Outside India	856,787	289,609

Ageing of gross claims outstanding is set out in the table below:

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
More than six months	23,537,837	21,941,570
Others	51,869,397	43,681,524

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

Particulars	For the year ended March 31, 2016		For the year ended March 31, 2015	
	Count	Amount	Count	Amount
Intimated	273	149,907	225	121,000
Paid	459	38,902	288	19,011
Outstanding	184	154,282	150	96,332

5.1.6 Sector wise details of the policies issued are given below:

Sector	For the year ended March 31, 2016					For the year ended March 31, 2015				
	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	7,290,652	693,465	4.39	-	9.01	5,116,227	529,854	3.82	-	7.66
Social	25,923	8	0.00	233,707	0.03	41,332	2	0.00	77,050	0.06
Urban	73,590,496	15,106,671	95.61	-	90.96	61,620,397	13,336,943	96.18	-	92.28
Total	80,907,071	15,800,144	100.00		100.00	66,777,956	13,866,799	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, 2016		For the year ended March 31, 2015	
			Retention	Ceded	Retention	Ceded
Fire	Total sum insured		21%	79%	25%	75%
Marine – Cargo	Value at risk		77%	23%	80%	20%
Marine – Hull	Value at risk		19%	81%	18%	82%
Miscellaneous						
- Engineering	Total sum insured		34%	66%	33%	67%
- Motor (refer note 5.2.4)	Total sum insured		83%	17%	76%	24%
- Workmen Compensation	Value at risk		95%	5%	95%	5%
- Public Liability	Value at risk		65%	35%	61%	39%
- Personal Accident	Value at risk		76%	24%	73%	27%
- Aviation	Value at risk		60%	40%	63%	37%
- Health	Value at risk		68%	32%	71%	29%
- Credit Insurance	Value at risk		7%	93%	7%	93%
- Others	Value at risk		42%	58%	51%	49%

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5.1.8 Investments

Value of contracts in relation to investments for:

- Purchases where deliveries are pending ₹ 600 thousand (previous year: ₹ 11,731 thousand); and
- Sales where payments are overdue ₹ NIL (previous year: ₹ NIL).

Historical cost of investments that are valued on fair value basis is ₹ 15,127,283 thousand (previous year: ₹ 7,884,287 thousand).

All investments are made in accordance with Insurance Act, 1938 and Insurance Regulatory and Development Authority of India (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.

(C) Investment Properties – Real Estate

The fair value of the investment properties as at March 31, 2016 is ₹ 1,758,796 thousand (previous year: ₹ 1,399,872 thousand) which based on a valuation report.

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, 2016	For the year ended March 31, 2015
Contribution to staff provident fund	138,202	131,544

(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.

Reconciliation of Benefit Obligations and Plan Assets	For the year ended March 31, 2016	For the year ended March 31, 2015
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	384,444	307,903
Current Service Cost	56,855	48,491
Interest Cost	31,868	31,001
Actuarial Losses/(Gain)	(26,975)	27,324
Liabilities assumed on Acquisition	14,379	5,218
Benefits Paid	(43,106)	(35,493)
Closing Defined Benefit Obligation	417,465	384,444
Change in the Fair Value of Assets		
Opening Fair Value of Plan Assets	382,942	293,845
Expected Return on Plan Assets	28,502	22,479
Actuarial Gains/(Losses)	(11,373)	26,893
Contributions by Employer	50,000	70,000
Assets acquired on acquisition	14,379	5,218
Benefits paid	(43,106)	(35,493)
Closing Fair Value of Plan Assets	421,344	382,942
Expected Employer's contribution Next Year	—	—

Reconciliation of Present Value of the obligation and the Fair Value of the Plan Assets	At March 31, 2016	At March 31, 2015
Fair Value of Plan Assets at the end of the year	(421,344)	(382,942)
Present Value of the defined obligations at the end of the year	417,465	384,444
Liability recognised in the balance sheet	—	1,502
Asset recognised in the balance sheet	3,879	—
Investment details of plan assets		
100% Insurer Managed Funds	421,344	382,942
Assumptions		
Discount Rate	7.65% p.a.	7.90% 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.

Expenses to be recognised in statement of Profit and Loss Account	For the year ended March 31, 2016	For the year ended March 31, 2015
Current Service Cost	56,855	48,491
Interest on Defined Benefit Obligation	31,868	31,001
Expected return on Plan Assets	(28,502)	(22,479)
Net Actuarial Losses/(Gains) recognised in year	(15,602)	431
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	44,619	57,444

Experience adjustments of five years is given below

	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Defined Benefit Obligation	417,465	384,444	307,903	272,949	228,357
Plan assets	421,344	382,942	293,845	236,474	237,011
Surplus / (Deficit)	3,879	(1,502)	(14,059)	(36,475)	8,654
Exp.Adj on Plan Liabilities	(32,494)	5,957	25,459	3,634	10,137
Exp.Adj on Plan Assets	(11,373)	26,894	14,860	7,996	(290)

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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. Assumptions stated above are applicable for accrued leaves also.

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Opening balance	71,832	67,645
Add: Provision made during the year	9,986	4,187
Closing balance	81,818	71,832

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.

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Opening balance	258,029	348,701
Add: Provision made during the year	(5,867)	(90,672)
Closing balance	252,162	258,029
Assumptions		
Discount Rate	7.35% p.a.	8.00% 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:

Particulars (see note below)	For the year ended March 31, 2016	For the year ended March 31, 2015
Salaries and allowances	107,652	123,096
Contribution to provident and other funds	3,668	3,214
Perquisites	608	455

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, 2016 the Company has allotted 944,414 equity shares (previous year: 1,538,516 shares) under ESOP raising ₹ 63,540 thousand (previous year: ₹ 122,289 thousand).

During the year the Company has not made any preferential allotment (previous year: ₹ NIL).

(B) Share Application

At March 31, 2016 there is no outstanding share application money pending for allotment (previous year: ₹ 1,986 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:

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Outsourcing expenses	1,093,345	1,337,551
Business development		
- Sales promotion	2,873,098	1,932,635
- Business support services	6,353,875	4,486,432
Marketing support	1,106,173	953,173

5.1.14 Details of penal actions taken by various Govt. authorities during year ended March 31, 2016:

Sl No.	Authority	Non-Compliance/ Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority	1,000	1,000	1,000	—
		(5,000)	(5,000)	(5,000)	(—)
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
9	Competition Commission of India	—	—	—	—
10	Any other Central/State/Local Govt / Statutory Authority (Tariff Advisory Committee)	—	—	—	—

Figure in brackets pertain to year ended March 31, 2015

5.1.15 Summary of Financial Statements for five years:

Particulars	FY 2015-2016	FY 2014-2015	FY 2013-2014	FY 2012-2013	FY 2011-2012
Operating Result					
Gross direct premium	80,907,071	66,777,956	68,561,645	61,339,850	51,501,386
Net premium income*	54,348,919	44,276,854	44,979,957	41,454,927	41,087,394
Income from investments (net) [®]	9,299,869	7,641,750	6,593,546	4,634,211	3,082,833
Other income	400,599	227,116	195,955	132,742	881,528
Total income	64,049,387	52,145,720	51,769,458	46,221,880	45,051,755
Commissions (net) (including brokerage)	(3,279,732)	(3,738,213)	(2,290,885)	(1,831,182)	(613,538)
Operating expenses	17,112,042	13,870,587	12,145,729	10,180,673	8,728,920
Net incurred claims & other outgoes	39,282,142	34,434,368	36,189,051	33,788,889	36,007,854
Change in unexpired risk reserve	6,132,746	1,923,506	1,450,824	1,362,412	5,597,396
Operating Profit/(Loss)	4,802,189	5,655,472	4,274,739	2,721,088	(4,668,877)
Non - Operating Result					
Total income under shareholder's account/(net of expenses)	2,274,739	1,251,749	927,634	95,676	716,732
Profit/(Loss) before tax	7,076,928	6,907,221	5,202,373	2,816,764	(3,952,145)
Provision for tax	2,002,461	1,551,076	88,814	(240,989)	211,147
Profit/(Loss) after tax	5,074,467	5,356,145	5,113,559	3,057,753	(4,163,292)
Miscellaneous					
Policy holder's account:					
Total funds	88,920,306	70,427,250	73,972,565	66,485,230	60,322,530
Not applicable as investments are not earmarked					
Total investments					
Yield on investments					
Shareholder's account:					
Total funds	31,756,464	28,233,291	23,810,921	17,657,566	14,580,600
Not applicable as investments are not earmarked					
Paid up equity capital	4,475,384	4,466,940	4,450,555	4,370,152	4,365,839
Net worth **	31,756,464	28,233,291	23,810,921	17,657,566	14,580,600
Total assets	156,758,044	136,563,891	135,448,793	118,686,969	105,251,554
Yield on total investments (annualised)	11%	10%	9%	9%	8%
Earnings per share (₹)	11.35	12.03	11.50	7.00	(9.56)
Book value per share (₹)	70.96	63.22	53.50	40.40	33.40
Total dividend (excluding dividend tax)	1,341,696	891,225	—	—	—
Dividend per share (₹)	3.00	2.00	—	—	—

Net of Reinsurance

@ Net of Losses

** Shareholders funds / Net worth = (Share capital + Reserve & Surplus) – (Miscellaneous Expenditure + Debit balance in profit & loss account)

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5.1.16 Ratio Analysis:

- (A) For ratios at March 31, 2016 refer Annexure 1a and 1b and for March 31, 2015 refer Annexure 2a and 2b
 (B) Solvency Margin

Solvency Margin	At March 31, 2016	At March 31, 2015
Required solvency margin under IRDAI Regulations (A)	14,508,100	11,894,700
Available solvency margin (B)	26,387,600	23,156,100
Solvency ratio actual (times) (B/A)	1.82	1.95
Solvency ratio prescribed by Regulation	1.50	1.50

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	
1 st Year	50% of option
2 nd Year	50% of option
Maximum term of option granted	Later of the thirteenth 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):

Scheme	
Date of grant	2005
	2006
	2007
No. of Options granted (in 000's)	13,322
Grant Price	₹ 35 – ₹ 60
Graded Vesting Period	
1 st Year	20% of option
2 nd Year	20% of option
3 rd Year	30% of option
4 th Year	30% of option
Maximum term of option granted	Later of the thirteenth anniversary of the date of grant of options or fifth anniversary of the date of vesting
Mode of settlement	Equity

Performance ESOPs (2008):

Scheme	
Date of grant	2008
No. of Options granted (in 000's)	5,050
Grant Price	₹ 200
Graded Vesting Period	
1 st Year	20% of option
2 nd Year	20% of option
3 rd Year	30% of option
4 th 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
No. of Options granted (in 000's)	July 21, 2009
Grant Price	1,249
Graded Vesting Period	₹ 91
1 st Year	0% of option
2 nd Year	20% of option
3 rd Year	20% of option
4 th Year	30% of option
5 th 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
No. of Options granted (in 000's)	April 19, 2010
Grant Price	2,312
Graded Vesting Period	₹ 114
1 st Year	20% of option
2 nd Year	20% of option
3 rd Year	30% of option
4 th 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
No. of Options granted (in 000's)	April 25, 2011
Grant Price	723
Graded Vesting Period	₹ 109
1 st Year	40% of option
2 nd 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

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The estimated fair value is computed on the basis of binomial tree pricing model, of each stock option granted for Founder ESOPs and Performance ESOPs.

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:

Particulars	(in 000's)			
	Other than Wholetime Directors'		Wholetime Directors'	
	At March 31, 2016	At March 31, 2015	At March 31, 2016	At March 31, 2015
Outstanding at the beginning of the year	7,021	8,009	1,100	1,835
Add: Granted during the year	—	—	—	—
Add/Less: Options reclassified during the year*	—	715	—	(715)
Less: Forfeited / lapsed during the year	(200)	(254)	—	—
Less: Exercised during the year	(917)	(1,449)	—	(20)
Outstanding at the end of the year	5,904	7,021	1,100	1,100
Exercisable at the end of the year	5,904	7,021	1,100	1,100

*Consequent to resignation of Mr. Neelesh Garg – Executive Director with effect from February 2, 2015.

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, 2016 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 IRDAI from time to time and the applicable provisions of the Guidance Note 21 issued by the Institute of Actuaries of India.

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 IRDAI 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 are ceded at 100% of the terrorism premium collected to the Terrorism Pool, subject to conditions and an overall limit of ₹ 15 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, 2015 (previous year: December 31, 2014) as per the last confirmation received.

5.2.4 Declined Risk Pool

In accordance with the directions of the IRDAI, effective April 1, 2012, the Company, together with other insurance companies has participated in the Declined Risk 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 Risk Pool. Accordingly, the Company has ceded 75% of the third party premium collected to the Declined Risk Pool in accordance with the IRDAI instructions and guidelines.

During the year ended March 31, 2016 the Company has received the audited statements from the DR Pool for the year ended March 2015 and provisional statements for the nine months ended December 31, 2015 and revised statements for the year ended March 31, 2013 & March 31, 2014. The Company has recognised 100% of its share of premium as earned premium and claims based on such audited statement for the year ended March 31, 2015 and revised statements for the year ended March 31, 2013 & March 31, 2014.

Further, for the quarter ended March 31, 2016, pending the receipt of the audited statement and final ultimate loss ratio from the DR pool, the Company has recognised its share of the pool based on internal estimates of market gross premium, DR pool size, its share and the ultimate loss ratio as per last audited statement received from the DR pool. Necessary revision in estimates will be made upon receipt of the audited statements from the DR pool.

During the year ended March 31, 2016, IRDAI, in its Order no. IRDA/NL/MTP/DRP/2013-15/01/2016 dated February 10, 2016 declared the ultimate loss ratio (ULR) for the DR pool for the year 2014-2015 at 184% against provisional estimate of 175% as well as advised a provisional ultimate loss ratio of 184% for the year 2015-2016.

The change in ultimate loss ratio (ULR) from 175% to 184% has resulted in an impact of ₹ 7,779 thousand pertaining to 2014-15 and consequently profit before tax for the year ended March 31, 2016 is lower to that extent and the impact on the profit before tax of revised statements for the year ended March 31, 2013 & March 31, 2014 is not material.

Necessary impact consequent to revision in estimated ultimate loss ratios for the year ended March 31, 2016 will be given upon receipt of final ultimate loss ratio from the DR pool.

5.2.5 Interest, Rent and Dividend income

- (a) Interest, Dividend & Rent income under Miscellaneous segment is net of interest expense of ₹ NIL (previous year: ₹ 106,680 thousand) on dues to Indian Motor Third Party Insurance Pool (IMTPIP) @ 7.5% p.a consequent to clean cut settlement.
- (b) Interest, Dividend & Rent income is net of interest expense of ₹ 3,144 thousand (previous year: ₹ NIL) on account of REPO transactions.

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 IRDAI 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 ended March 31, 2016, the Company has not received any disbursement (previous year: ₹ 1,904 thousand (US\$ 30,000)). The cumulative disbursement received up to March 31, 2016 is ₹ 16,040 thousand (US\$ 300,000) (previous year: ₹ 16,040 thousand (US\$ 300,000)) 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 Swasthya Bima Yojana (RSBY). The position of the capital and revenue expenses incurred as well as the unspent amount has been shown as under:

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	During the current year	As At March 31, 2016	(₹ in 000's)
Disbursement received	—	16,040	
	(1,904)	(16,040)	
Capital expenditure incurred	—	9,666	
	(2,255)	(9,666)	
Revenue expenditure incurred	—		
Employees' remuneration & welfare benefits	—	1,667	
	(—)	(1,667)	
Travel, conveyance and vehicle running expenses	—	401	
	(—)	(401)	
Legal & professional charges	—	2,575	
	(590)	(2,575)	
Miscellaneous expenses	—	300	
	(—)	(300)	
Business & Sales promotion	—	1,360	
	(—)	(1,360)	
Total	—	6,303	
	(590)	(6,303)	
Foreign exchange gain	-71	-71	
Unspent amount	—	—	
		(71)	

Figures in brackets pertain to year ended March 31, 2015

Note:

- 1) Revenue expenditure in Schedule – 4 is net of grant received.
- 2) The unspent amount was included under the head "Current Liabilities – Sundry Creditors".

5.2.9 Environment Relief Fund

An amount of ₹ 96 thousand is outstanding (previous year: ₹ 131 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, 2016	At March 31, 2015
a. not later than one year	1,692	2,152
b. later than one year and not later than five years	1,444	2,595
c. later than five years	—	—

An amount of ₹ 2,980 thousand (previous year: ₹ 2,262 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, 2016. 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. Segment revenue & results have been disclosed in the Revenue accounts.

Segmental Assets & Liabilities to the extent identifiable to business segments are given below:

Segment	Year	Current Liabilities	Current Assets
		Claims Outstanding	Outstanding Premium
Fire	2015-2016	6,609,308	8,676
	2014-2015	6,538,900	8,015
Engineering	2015-2016	2,551,387	13,654
	2014-2015	2,242,032	17,212
Marine Cargo	2015-2016	2,206,512	301
	2014-2015	1,563,804	—
Marine Hull	2015-2016	606,246	—
	2014-2015	998,826	—
Motor OD	2015-2016	5,282,138	—
	2014-2015	5,997,814	—
Motor TP	2015-2016	45,781,095	—
	2014-2015	37,528,833	—
Workmen Compensation	2015-2016	389,999	—
	2014-2015	344,964	—
Public/Product Liability	2015-2016	128,355	—
	2014-2015	71,229	—
Personal Accident	2015-2016	2,288,315	12,600
	2014-2015	1,781,630	—
Aviation	2015-2016	1,262,505	—
	2014-2015	963,088	—
Health	2015-2016	3,905,814	2,130,129
	2014-2015	3,627,259	2,437,082
Credit Insurance	2015-2016	92,868	—
	2014-2015	88,852	—
Others	2015-2016	4,302,692	3,095,846
	2014-2015	3,875,863	1,710,875
Total Amount	2015-2016	75,407,234	5,261,206
	2014-2015	65,623,094	4,173,184

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Secondary reportable segments

There are no reportable geographical segments since the Company provides services only to customers in the Indian market or Indian interests aboard 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 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 Bank UK PLC	Fellow Subsidiary
ICICI Equity 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

Sanjeev Mantri, Executive Director (Director w.e.f. May 2, 2015)

Neelesh Garg, Executive Director (ceased to be Director w.e.f. February 2, 2015)

Relatives of KMP with whom transactions have taken place during the year:

Ranjana Dasgupta :	Spouse of Bhargav Dasgupta
Brij Mohan Gupta:	Brother of Alok Kumar Agarwal
Meghna Dasgupta:	Daughter of Bhargav Dasgupta
Manoj Kumar Agarwal:	Brother of Alok Kumar Agarwal
Vibha Mantri :	Spouse of Sanjeev Mantri

Details of transaction with related parties for the year ended March 31, 2016 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	1,180,231 (1,070,117)	9,944 (8,228)	3,722 (2,744)	141,500 (161,986)	80,361 (66,449)	38,465 (32,440)	— (—)	83 (135)
Income from interest & dividend	19,886 (17,347)	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)
Issue of share capital	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)	— (200)
Share premium on share issued	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)	— (500)
Claim payments net of claims received	72,971 (158,468)	— (—)	1,405 (1,886)	-212 (-1,627)	28,503 (27,246)	124 (39)	— (—)	— (—)
Commission/ Brokerage payouts	732,215 (677,193)	21,181 (25,875)	— (—)	— (—)	7,542 (9,146)	— (—)	— (—)	— (—)
Investment								
- Purchases	22,472,852 (15,608,696)	— (—)	582,729 (6,474,688)	2,351,936 (2,691,901)	— (—)	— (—)	— (—)	— (—)
- Sales	19,700,000 (14,500,074)	— (—)	2,316,876 (878,455)	3,282,935 (2,509,507)	— (—)	— (—)	— (—)	— (—)
Premium Paid	— (—)	— (—)	— (—)	6,711 (5,402)	— (—)	— (—)	— (—)	— (—)
Establishment & other expenditure	292,507 (256,736)	-15,687 (-12,682)	— (—)	-3,454 (-3,749)	-627 (599)	— (—)	— (—)	111,929 (126,765)
Dividend Paid	977,651 (651,767)	— (—)	— (—)	— (—)	— (—)	— (—)	343,497 (228,998)	— (113)

Figure in brackets pertain to year ended March 31, 2015

Balances with related parties at March 31, 2016, 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	
Assets								
Cash, Bank balances & Deposits	-908,528 (-827,574)	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)
Income accrued on investment	257 (499)	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)
Liabilities								
Capital	2,856,053 (3,258,837)	— (—)	— (—)	— (—)	— (—)	— (—)	1,547,775 (1,144,990)	— (—)
Share premium	10,872,192 (10,872,192)	— (—)	— (—)	— (—)	— (—)	— (—)	3,819,959 (3,819,959)	— (—)
Premium received in advance / Cash deposits	43,824 (420,986)	3,792 (2,141)	161 (61)	3,070 (955)	743 (596)	1,487 (1,027)	— (—)	— (—)
Others liabilities/ Payables	267,959 (187,221)	-905 (5,205)	702 (267)	18,615 (17,069)	6,430 (7,233)	2,640 (2,611)	— (—)	— (—)

Figure in brackets pertain to year ended March 31, 2015

5.2.14 Details of age-wise analysis of the unclaimed amount of the policyholders for the year ended March 31, 2016

At March 31, 2016 the Company has not appropriated / written back the unclaimed amount of policyholders. (Reference IRDAI circular no IRDA/F&I/CIR/CMP/174/11/2010 dated 4th November, 2010)

Particulars	Total Amount	₹ in 000's)						
		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	192,356 (193,233)	76 (5,570)	88 (9,455)	5,090 (5,740)	9,108 (5,810)	5,601 (7,626)	172,393 (159,032)	
Cheques issued but not encashed by the policyholder/ insured	841,153 (797,307)	74,186 (81,397)	33,394 (60,052)	48,717 (58,069)	48,401 (56,359)	52,116 (68,029)	584,339 (473,401)	
Total	1,033,509 (990,540)	74,262 (86,967)	33,482 (69,507)	53,807 (63,809)	57,509 (62,169)	57,717 (75,655)	756,732 (632,433)	

Figure in brackets pertain to year ended March 31, 2015

5.2.15 Details of earning per share for the year ended March 31, 2016

Particulars	(in 000's)	
	At March 31, 2016	At March 31, 2015
Profit/(loss) available to equity shareholders ₹	5,074,467	5,356,145
Weighted average number of equity shares		
Number of shares at the beginning of the year	446,594	445,056
Share issued during the year	944	1,538
Total number of equity share outstanding at the end of the year	447,538	446,594
Weighted average number of equity shares outstanding during the year	447,164	445,319
Add : Effect of dilutive issues of options and share application pending allotment	3,022	3,683
Diluted weighted average number of equity shares outstanding during the year	450,186	449,002
Nominal value of equity shares ₹	10.00	10.00
Basic earning per share ₹	11.35	12.03
Diluted earning per share ₹	11.27	11.93

5.2.16 Deferred taxes

The major components of deferred tax are as under:

Particulars	Deferred tax asset at March 31, 2016	Deferred tax asset at March 31, 2015
Timing differences on account of:		
Reserve for Unexpired Risks	854,171	581,457
Provision for escalation in lease rentals	25,750	25,381
Leaves accrued	28,317	24,861
Provision for doubtful debts	433,676	448,293
Total	1,341,914	1,079,992
Net deferred tax asset/(liability)	1,341,914	1,079,992
Deferred tax expense/(income) recognised in the Profit and Loss A/c	(261,922)	(666,096)

5.2.17 REPO / Reverse repo transactions

(₹ in 000's)				
For the year ended March 31, 2016				
	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Outstanding at March 31, 2016
Securities sold under repo (At cost)				
Government Securities	499,916 (—)	2,303,106 (—)	1,422,404 (—)	(—)
Corporate Debt Securities	(—)	(—)	(—)	(—)
Securities purchased under reverse repo (At cost)				
Government Securities	19,917 (175,248)	5,559,809 (2,511,807)	2,843,480 (69,110)	(424,129)
Corporate Debt Securities	(—)	(—)	(—)	(—)

Figure in brackets pertain to year ended March 31, 2015

5.2.18 During the year ended March 31, 2016 the Company has incurred expenditure towards CSR activities which are as below:

- (a) Gross amount required to be spent by the company during the year was ₹ 96,127 thousand (previous year: ₹ 27,113 thousand).
- (b) Amount spent during the year is ₹ 97,117 thousand (previous year: ₹ 27,756 thousand).

(₹ in 000's)			
	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	(—)	(—)	(—)
(ii) On purposes other than (i) above	97,117 (27,756)	— (—)	97,117 (27,756)
(a) Contribution to ICICI Foundation projects (Skill development & sustainable livelihoods; elementary education & healthcare)	66,320 (14,180)	— (—)	66,320 (14,180)
(b) Ride to safety (helmet distribution to children)	20,661 (—)	— (—)	20,661 (—)
(c) Access to Healthcare: Sanitation and Healthcare (Preventive and Curative)	— (800)	— (—)	— (800)
(d) Eye check-up camps for under privileged school children led by employees	6,918 (7,730)	— (—)	6,918 (7,730)
(e) Contribution to Disaster Relief fund	3,218 (5,046)	— (—)	3,218 (5,046)

Figure in brackets pertain to year ended March 31, 2015

5.2.19 As at March 31, 2016 there are no outstanding forward exchange contracts.

5.2.20 The Company's pending litigations comprise of claims against the Company and proceedings pending with Tax Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position. (Refer Note no. 5.1.1 for details on contingent liabilities)

5.2.21 (A) The Company periodically reviews all its long term contracts to assess for any material foreseeable losses. Based on such review, the Company has made adequate provisions for these long term contracts in the books of account as required under any applicable law/accounting standard.

(B) As at March 31, 2016 the Company did not have any outstanding long term derivative contracts.

5.2.22 For the year ended March 31, 2016, the company is not required to transfer any amount into the Investor Education & Protection Fund.

5.2.23 IRDAI has vide its Notification no. F.No.IRDAI/R/11/101/2015 dated August 18, 2015 (received by the Company on September 22, 2015) revised the terms and conditions for the reinsurance cessions to the "Indian Reinsurer" wherein, inter alia, the limit of cession in sum insured has been revised for the underwriting year 2015-2016. The Company has made a representation to the IRDAI that the said revision should be made effective from October 1, 2015 due to practical difficulties of retrospective implementation. Pending receipt of confirmation from IRDAI no effect has been given in respect of the changes proposed in the notification for the period April 1, 2015 to September 30, 2015. The management does not expect any material impact on the profits of the Company for the same. However, the Company has given effect from October 1, 2015 to the changes proposed in the notification.

5.2.24 The Company had been providing for receivables outstanding beyond a period of three years. During the current year, the Company has decided to make provision in respect of Government receivables outstanding for more than three years based on a review conducted on a case to case basis given the sovereign nature of these dues. Due to the above change, the profit before tax for the year and outstanding premiums are higher by ₹ 802,242 thousand.

5.2.25 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 12 (Other Assets) - Due from other entities carrying on Insurance business (net) (including reinsurers)	Schedule 13 (Current Liabilities) - Balances due to other insurance companies (net)	March 2015	173,260	Facultative reinsurance balances have been regrouped for better presentation
2	Schedule 4 (Operating expenses related to insurance business) Others - - Business support services were included under Miscellaneous expenses	Schedule 4 (Operating expenses related to insurance business) Others - - Business support services	March 2015	4,486,412	Better classification
3	Schedule 4 (Operating expenses related to insurance business) Others - - Miscellaneous expenses were net of miscellaneous income	Revenue Accounts Others - - Miscellaneous Income	March 2015	17,839	Better classification

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

SANJEEV MANTRI
Executive Director

GOPAL BALACHANDRAN
Chief Financial Officer

VIKAS MEHRA
Company Secretary

Mumbai, April 19, 2016

schedules

forming part of the financial statements

Continued

Annexure-1a Analytical Ratios as at March 31, 2016

Sr. No.	Particulars	Total	Fire	Marine-Cargo	Marine-Others	Motor-total	Motor-OD	Motor-TP	Workmen's compensation	Public/Product Liability	Engineering	Aviation	PA	Health	Credit	Others	Total-miscellaneous	Basis of calculations
1	Gross Direct Premium Growth Rate	21%	16%	19%	33%	22%	18%	27%	21%	12%	-15%	16%	5%	20%	5%	19%	62%	(GDPI current year- GDPI previous year)/ GDPI previous year
2	Gross Direct Premium to Net Worth Ratio	2.55																GDPI / Net worth
3	Growth rate of Net Worth	12%																(Net worth current year- Net worth previous year) / Net worth previous year
4	Net Retention Ratio	66%	15%	72%	11%	58%	75%	94%	82%	93%	34%	28%	44%	75%	68%	7%	39%	(NWP / (GDPI + RI accepted))
5	Net Commission Ratio	-6%	-46%	11%	22%	11%	-3%	-1%	-2%	9%	23%	-26%	18%	-9%	-20%	-87%	-7%	-6%
6	Expense of Management to Gross Direct Premium Ratio	25%																Expenses of management/ GDPI
7	Expense of Management to Net Written Premium Ratio	38%																Expenses of management/ NWP
8	Net Incurred Claims to Net Earned Premium	81%																Net Incurred Claims / Net Earned Premium
9	Combined Ratio	107%																((Net Incurred Claims / Net Earned Premium) + ((Net Commission + Operating Expenses)/NWP))
10	Technical Reserves to Net Premium Ratio	1.95																(Reserve for Unexpired Risk + Reserve for premium deficiency + Reserve for outstanding claims including IBNR and IBNER)/ NWP
11	Underwriting balance Ratio	(0.10)	0.50								(0.40)							(0.10) (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	14%																Liquid Assets / Policyholders Liabilities
14	Net earnings Ratio	11%																Profit after tax/ Net Earned Premium
15	Return on Net Worth Ratio	16%																Profit after tax/ Net Worth
16	Available Solvency margin Ratio to Required Solvency Margin Ratio (times)	1.82																
17	NPA Ratio																	
	Gross NPA Ratio	-																
	Net NPA Ratio	-																

Annexure-1b - Equity Holding Pattern

1 (a)	No. of shares	447,538,446
2 (b)	Percentage of shareholding (Indian / Foreign)	65.4% / 34.6%
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	₹ 11.35 and ₹ 11.27
5 (b)	Basic and diluted EPS after extraordinary items (net of tax expense) for the year	₹ 11.35 and ₹ 11.27
6 (iv)	Book value per share (₹)	70.96

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 = Claims 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

schedules

forming part of the financial statements

Continued

Annexure-2a Analytical Ratios as at March 31, 2015

Sr. No.	Particulars	Total	Fire	Marine-Cargo	Marine-Others	Motor-total	Motor-0D	Motor-TP	Workmen's compensation	Public/Product Liability	Engineering	Aviation	PA	Health	Credit	Others	Total-miscellaneous	Basis of calculations
1	Gross Direct Premium Growth Rate	-3%	12%	2%	-16%	-2%	3%	13%	6%	-2%	-9%	-6%	18%	16%	-1%	6%	-32%	-4% (GDPI current year- GDPI previous year/ GDPI previous year)
2	Gross Direct Premium to Net Worth Ratio	2.37																GDPI / Net worth
3	Growth rate of Net Worth	19%																(Net worth current year / Net worth previous year) / Net worth previous year
4	Net Retention Ratio	64%	18%	73%	7%	59%	65%	94%	76%	93%	44%	27%	39%	71%	71%	7%	45%	69% NWP / (GDPI + RI accepted)
5	Net Commission Ratio	-8%	-25%	10%	-142%	6%	-9%	0%	-5%	8%	3%	-40%	25%	-14%	-18%	-129%	-4%	-9% Net commission / NWP
6	Expense of Management to Gross Direct Premium Ratio	25%																Expenses of management/ GPDI
7	Expense of Management to Net Written Premium Ratio	38%																Expenses of management/ NWP
8	Net Incurred Claims to Net Earned Premium	81%																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	2.04																(Reserve for Unexpired Risk + Reserve for premium deficiency + Reserve for outstanding claims including IBNR and IBNER)/ NWP
11	Underwriting balance Ratio	(0.05)	(0.02)															(0.04) (Underwriting profit/loss) / Net Earned Premium
12	Operating Profit Ratio	13%																(Underwriting profit/loss + Investment income) / Net Earned Premium
13	Liquid Assets to Liabilities Ratio	15%																Liquid Assets/ Policyholders liabilities
14	Net earnings Ratio	13%																Profit after tax/ Net Earned Premium
15	Return on Net Worth Ratio	19%																Profit after tax/ Net Worth
16	Available Solvency margin Ratio to Required Solvency Margin Ratio (times)	1.95																
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 - Dabit 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 = Claims 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	446,594,032
2 (b) Percentage of shareholding (Indian / Foreign)	74.4% / 25.6%
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	₹ 12.03 and ₹ 11.93
5 (b) Basic and diluted EPS after extraordinary items (net of tax expense) for the year	₹ 12.03 and ₹ 11.93
6 (iv) Book value per share (₹)	63.22

receipts & payment account



for the year ended March 31, 2016

(₹ in 000's)
March 31,
2016

Particulars		March 31, 2016	March 31, 2015
A CASH FLOW FROM OPERATING ACTIVITIES			
1 - Premium received from policyholders, including advance receipt	88,077,170	73,525,871	
2 - Other receipts (including-environment relief fund & Motor TP pool and Terrorism Pool)*	559,883	255,279	
3 - Receipt / (payment) from/to re-insurer net of commissions & claims recovery	(5,834,833)	4,054,329	
4 - Receipt / (payment) from / to co-insurer net of claims recovery	1,878,093	1,045,562	
5 - Payments of claims (net of salvage)	(49,412,253)	(56,171,861)	
6 - Payments of commission and brokerage	(4,206,933)	(3,770,969)	
7 - Payments of other operating expenses* ²	(17,668,538)	(13,825,363)	
8 - Preliminary and preoperative expenses	—	—	
9 - Deposits, advances & staff loans (net)	61,338	(171,384)	
10 - Income tax paid (net)	(1,811,683)	(1,234,124)	
11 - Service taxes paid	(6,527,585)	(4,686,212)	
12 - Cash flows before extraordinary items	5,114,659	(978,872)	
13 - Cash flows from extraordinary operations	—	—	
14 - Net cash from operating activities	5,114,659	(978,872)	
B CASH FLOW FROM INVESTING ACTIVITIES			
1 - Purchase of fixed assets (including capital advances)	(528,366)	(520,662)	
2 - Proceeds from sale of fixed assets	5,793	(522,573)	4,451
3 - Purchase of investments	(80,314,137)	(83,740,452)	(516,211)
4 - Loans disbursed	—	—	
5 - Sale of investments	69,269,886	78,508,474	
6 - Repayments received	—	—	
7 - Rent/interest/dividends received	7,200,305	6,821,058	
8 - Investments in money mkt instruments and liquid mutual fund (net)	1,283,482	1,598,936	
9 - Other payments (Interest on IMTPIP)	—	(962,465)	
10 - Other payments (Advance payment for purchase of real estate)	—	—	
11 - Expenses related to investments	(15,494)	(14,365)	
12 - Other (Deposit received on leasing of premises)	—	(2,575,958)	15,919
13 - Net cash from investing activities	(3,098,531)	2,227,105	1,710,894
C CASH FLOW FROM FINANCING ACTIVITIES			
1 - Proceeds from issuance of share capital / application money (including share premium & net of share issue expenses)	61,554	121,206	
2 - Proceeds from borrowing	—	—	
3 - Repayments of borrowing	—	—	
4 - Interest / Dividends paid	(1,546,514)	(1,056,028)	
5 - Net cash from financing activities	(1,484,960)	(934,822)	—
D Effect of foreign exchange rates on cash and cash equivalents, net			
E Net increase/(decrease) in cash and cash equivalents			
1 Cash and cash equivalents at the beginning of the year	531,168	(202,800)	
2 Cash and cash equivalents at end of the year*	1,416,861	1,619,661	
	1,948,029	1,416,861	

*1 Cash and cash equivalent at the end of the year includes short term deposits of ₹ 420,242 thousand (previous year: ₹ 590,230 thousand), balances with banks in current accounts ₹ 1,291,505 thousand (previous year: ₹ 500,429 thousand) and cash including cheques and stamps in hand amounting to ₹ 236,282 thousand (previous year: ₹ 326,202 thousand)

*2 Includes payments towards Corporate Social Responsibility of ₹ 97,117 thousand (previous year: ₹ 27,756 thousand)

As per our attached report of even date

For KHANDELWAL JAIN & CO. <i>Chartered Accountants</i> Firm Regn No.: 105049W	For CHATURVEDI & CO. <i>Chartered Accountants</i> Firm Regn No.: 302137E	CHANDA KOCHHAR <i>Chairperson</i>	S. MUKHERJI <i>Director</i>
NARENDRA JAIN <i>Partner</i> Membership No.: 048725	SN CHATURVEDI <i>Partner</i> Membership No.: 040479	DILEEP CHOKSI <i>Director</i>	BHARGAV DASGUPTA <i>Managing Director & CEO</i>
		ALOK KUMAR AGARWAL <i>Executive Director</i>	SANJEEV MANTRI <i>Executive Director</i>
		GOPAL BALACHANDRAN <i>Chief Financial Officer</i>	VIKAS MEHRA <i>Company Secretary</i>

Mumbai, April 19, 2016

ICICI HOME FINANCE COMPANY LIMITED

17TH ANNUAL REPORT AND ACCOUNTS 2015-2016

Directors

Rajiv Sabharwal, Chairman
 Maninder Juneja, Vice-Chairman
 Dileep C. Choksi
 S. Santhanakrishnan
 CA S. Santhanakrishnan
 Shilpa Kumar
 Rohit Salhotra, Managing Director & CEO

Pankaj Jain
 Chief Financial Officer
 Pratap Salian
 Company Secretary

Auditors

S.R. Batliboi & Co. LLP
 Chartered Accountants

Registered & Corporate Office

ICICI Bank Towers
 Bandra-Kurla Complex
 Mumbai – 400 051

directors' report

to the members

On behalf of the Board of Directors, it is our pleasure to present the Seventeen Annual Report with the Audited Financial Statement of Accounts of ICICI Home Finance Company Limited ("the Company") for the year ended March 31, 2016.

BUSINESS REVIEW/STATE OF THE COMPANY'S AFFAIRS

MARKET OVERVIEW

The mortgage market continues to grow, particularly in Tier III & IV cities, driven by primary consumption demand. This has led to increased focus by most lenders and builders on these markets. Demand and supply in these markets is also balanced leading to stable prices.

It has also been observed that demand for home equity and commercial loans against property are on the rise with borrowers seeking to leverage on such assets. Given the flat to negative growth in real estate prices and low transaction propensity, the management feels the need for higher due diligence in such segments. Also, increased activity of all banks in the housing finance domain have resulted in higher Balance Transfer (BT) cases, resulting in increased pressure on asset book growth and consequently on portfolio yield.

Going forward the management is optimistic of increased traction in real estate volumes with higher "end-user" participation, as against a significant presence of the investor segment earlier. Expectations of a good monsoon are expected to improve market sentiment and resultant volumes going forward. Additionally, notification of Real Estate Regulatory Agency (RERA) & its adoption by states would also drive market specific demand, given enhanced customer confidence.

Our Company continues to focus on the emerging markets which provide a reasonable growth opportunity. We will continue to invest in distribution and build organisational capabilities to offer mortgage related products and services in these markets.

FINANCIAL HIGHLIGHTS

The financial performance for FY2016 is summarized in the following table:

	₹ in million	FY 2016	FY 2015
Total Income	10,713.7	9,877.3	
Profit before tax	2,724.2	2,956.8	
Provision for tax	925.7	981.1	
Profit after tax	1,798.5	1,975.7	

The profit before tax for the year ended March 31, 2016 is ₹ 2,724.2 million (previous year ₹ 2,956.8 million) after general provision on standard assets and provision, write off of non performing assets of ₹ 164.6 million (previous year ₹ 62.4 million), and operating expenses of ₹ 8,012.7 million (previous year ₹ 6,941.6 million), which includes finance charges of ₹ 6,607.5 million (previous year ₹ 5,743.0 million).

The profit after tax for the year ended March 31, 2016 is ₹ 1,798.5 million (previous year ₹ 1,975.7 million). The profit available for appropriation is ₹ 1,813.7 million (previous year ₹ 2,349.5 million). The profit appropriations including the interim dividend and proposed final dividend is summarized below:

	₹ in million	FY 2016	FY 2015
Special Reserve created and maintained in terms of Section 29 C of National Housing Bank Act, 1987	360.0	396.0	
Dividend			
- Equity Shares (Interim- including tax)	1,423.0	1,469.0	
- Proposed final dividend on equity share capital: nil (previous year 0.85%) including tax	-	95.5	
Utilised for Deferred Tax Liability creation	-	373.8	
Retained Earning	30.7	15.2	
Total	1,813.7	2,349.5	

DIVIDENDS

The Company has distributed interim dividend of 2.65% in June 2015, 2.74% in September 2015, 2.65% in December 2015 and 2.72% in March 2016 on fully paid up equity share capital of ₹ 10,987.5 million. The Company has paid four interim dividends (excluding dividend distribution tax) of ₹ 1,182.3 million (10.76%) in FY2016, which shall be considered as the final dividend for FY2016.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company from the end of the financial year 2016 and the date of the report.

DISCLOSURES AS PER THE HOUSING FINANCE COMPANIES (NHB) DIRECTIONS, 2010 (AS AMENDED FROM TIME TO TIME)

PUBLIC DEPOSITS

As required by National Housing Bank, the details of public deposits unclaimed as at March 31, 2016, are given below :-

- i. The total number of accounts of public deposit of the housing finance company which have not been claimed by the depositors after the date on which the deposit became due for re-payment : 2,062
- ii. The total amounts due under such accounts remaining unclaimed beyond the dates referred to in clause (i) as aforesaid : ₹ 222.5 million

The total amount of interest due on such unclaimed deposits stands at ₹ 42.1 million as at March 31, 2016.

The Company has sent reminders to the depositors and requested them to claim the same. There are no overdue deposits other than unclaimed deposits.

In addition, the Company has raised deposits worth ₹ 1,941.0 million during FY2016. The Company's Fixed Deposits have received the highest credit ratings of "MAAA" by ICRA and "CARE AAA (FD)" by CARE.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of the Investor Education Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has already filed the necessary form and uploaded the details of unpaid and unclaimed amounts lying with the Company, as on the date of last AGM (i.e. June 26, 2015) with the Ministry of Corporate Affairs.

The matured deposits with the Company which were unclaimed for more than 7 years from the date of maturity of ₹ 1.7 million have been transferred to IEPF as required by the Companies Act, 2013.

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 became due for redemption - Nil

DETAILS OF DEBENTURE TRUSTEES

As per SEBI circular no. CIR/IMD/DF/18/2013 dated October 29, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of Debenture Trustees are as under:

1. Name: IDBI Trusteeship Services Limited
 Contact details – Asian Building, Ground Floor, 17, R, Kamani Marg, Ballard Estate, Mumbai-400-001. Tel No. 022-40807008
2. Name: Axis Trustee Services Limited
 Contact details: Axis House, 2nd Floor, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai-400 025.
 Tel. No.: 022-24255215 Fax No.: 022-24255216

OPERATIONAL REVIEW

We have in the course of the year achieved reasonable traction in retail mortgages and construction finance business. Supported by organic growth of 13.0% in retail mortgages business, the total loan assets of the Company grew to ₹ 87,219.6 million during the year. The Property Services and Mortgage Valuation groups have contributed 6.4% 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.

ANNUAL RETURN

An extract of the annual return as required under Section 92 (3) of the Companies Act, 2013 in Form No. MGT-9 is attached as Annexure 1.

directors' report



CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES

The particulars of contracts or arrangement with related parties pursuant to Section 188 (1) of the Companies Act, 2013 along with the justification entering into the contracts or arrangements is given in **Annexure 2**.

DETAILS OF BOARD MEETINGS

During the year, four Board meetings were held and attendance details of Board members are given below:

	Number of Board Meetings Held	Number of Board Meetings Attended
Rajiv Sabharwal	4	4
Maninder Juneja	4	4
Rohit Salhotra	4	4
S. Santhanakrishnan	4	4
Dileep Choksi	4	3
CA S. Santhanakrishnan	4	4
Shilpa Kumar	4	3

S. Santhanakrishnan, Dileep Choksi and CA S. Santhanakrishnan are independent Directors on the Board of the Company. In the opinion of the Board and as confirmed by these Directors, they fulfil the conditions specified in section 149 of the Act and the Rules made thereunder about their status as independent directors of the Company. Independent directors are not liable to retire by rotation and terms of appointment of independent directors will be governed by the provisions of the Companies Act, 2013.

COMMITTEES OF BOARD

The details of composition of the Committees of the Board of Directors and meetings held are as under:-

a. Audit and Risk Management Committee

SI.No.	Name	Chairman/ Members
1	Dileep Choksi	Chairman
2	S. Santhanakrishnan	Member
3	Maninder Juneja	Member

During the year, four meetings of the Committee were held on April 21, 2015, July 24, 2015, October 20, 2015 and January 22, 2016.

b. Nomination & Remuneration Committee

SI.No.	Name	Chairman/ Members
1	Dileep Choksi	Chairman
2	S. Santhanakrishnan	Member
3	Maninder Juneja	Member

During the year, one meeting of the Committee was held on April 21, 2015

c. Corporate Social Responsibility Committee

SI.No.	Name	Chairman/ Members
1	Maninder Juneja	Chairman
2	Dileep Choksi	Member
3	S. Santhanakrishnan	Member

During the year, two meetings of the Committee were held on April 21, 2015 and October 20, 2015.

d. Stakeholders Relationship Committee

SI.No.	Name	Chairman/ Members
1	Maninder Juneja	Chairman
2	CA S. Santhanakrishnan	Member
3	Rohit Salhotra	Member

No Committee meeting held during the financial year 2016, as there were no complaints or pending grievances from the institutional lenders & bond holders of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and Rules thereunder, S. Santhanakrishnan, Dileep Choksi and CA S. Santhanakrishnan have been appointed as independent directors for a period of 5 years. They will hold office as independent directors of the Company upto March 31, 2019, March 31, 2019 and October 15, 2019 respectively.

Pursuant to the provisions of Section 203 of the Companies Act, 2013 Rohit Salhotra (Managing Director & Chief Executive Officer), Pankaj Jain (Chief Financial Officer) and Pratap Salian (Company Secretary) are Key Managerial Personnel of the Company.

APPOINTMENT AND REMUNERATION POLICY FOR DIRECTOR, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

The Board at its meeting held on March 31, 2015 has adopted criteria for appointment of directors. The Board while appointing a director considers the areas of expertise as required to be possessed by a director under the Companies Act, 2013 and the due diligence checks to confirm the fit and proper status. The fundamental core attributes which may be considered for the position of an executive director would be proven leadership capability, ability to successfully manage diverse stakeholder relationships and ability to devise and drive the business strategy of the Company with focus on productivity and risk management.

The Company while appointing senior management candidates consider proven skills, performance track record, relevant competencies, maturity and experience in handling core functions relevant to the role.

The wholetime directors should have sufficient tenure to enable them to deliver on the Company's long term business strategy.

Remuneration for the non-executive/independent directors includes fees for attending each meeting of Committee/Board or for any other purpose whatsoever as may be approved by the Board from time to time within the limits as provided under Companies Act, 2013.

The non-executive/independent director would be entitled to reimbursement of expenses for attending Board/Committee meetings, official visits and participation in various forums on behalf of the Company and any other expenses as may be approved by the Board.

The Company is a 100% subsidiary of ICICI Bank. Currently, all employees of the Company are on deputation from ICICI Bank and the compensation policy of the Bank to the extent applicable would be applicable to the Company.

BOARD EVALUATION

The Company has adopted a framework for annual evaluation of the Board and individual directors as per the provisions of the Companies Act, 2013. In terms of the framework adopted by the Company the Board members evaluate the performance of the Board and individual directors, excluding the director being evaluated. The separate meeting of independent directors without the attendance of non-independent directors and the management team was held during the year as per the provisions of Schedule IV of the Companies Act, 2013.

VIGIL MECHANISM

The Company has put in place a Whistleblower Policy ('the Policy') which aims to set up a mechanism that enables employees to report about potentially illegal and/or unacceptable practices. It seeks to enable employees to report such practices without fear of victimisation and reprisal. The Policy aims to administer good governance practices in the Company and to ensure that serious concerns are properly raised and addressed.

The purpose of the Whistleblower Policy is to enable a person who observes an unethical practice (whether or not a violation of law) to approach the Audit Committee without necessarily informing his supervisors and without revealing his identity, if he chooses to do so. The Policy governs reporting and investigation of allegations of suspected improper activities.

Employees of the Company are encouraged to use guidance provided in the Policy for reporting all alleged or suspected improper activities. In all instances, the Company retains the prerogative to determine when circumstances warrant an investigation and, in conformity with the Policy and applicable laws and regulations, the appropriate investigative process is employed.

INFORMATION REQUIRED UNDER THE SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

There were no complaints reported during the year under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has partnered ICICI Foundation for Inclusive Growth to support the cause of elementary education, primary health, sustainable, livelihood and skill development. The Company has a CSR policy approved by the Board and the CSR budget & activities are overseen by the CSR Committee.

Detailed report on CSR Activities/ Initiatives is enclosed as **Annexure 3**.

RISK MANAGEMENT:

The Company is exposed to various kinds of risks viz. credit risk, market risk and operational risk arising out of business operations which include mortgage lending, liability management etc. In order to mitigate these risks a broad risk management framework approved by the Board and under the supervision of Audit and Risk Management Committee (ARMC) of the Company is in place, with an objective to ensure that the Company has in place policies and procedures to manage the above mentioned risks. The Board of the Company exercise oversight over the risk management framework applicable to Company. The Company ensures that appropriate reporting systems are laid down to facilitate reporting pertaining to key risks to the Board of Directors/ Board Committees /the senior management.

Credit risk is managed and controlled through the existing risk analysis, measurement, monitoring and reporting systems. A detailed credit risk management framework is implemented through various policies, which include core and centralized risk evaluation process of security, rating, lending terms and conditions as appropriate to the borrower and transactions risk profile.

Market risk of the treasury investments of ICICI HFC is governed by the Investment Policy. The Investment Policy has established limits for various risk metrics, which help to control the market risk. It describes investment functions, incorporating various limits approved for investment, in line with regulations of National Housing Bank (NHB) Act, 1987 & Housing Finance Company (HFC) Directions, 2001.

Additionally, Risk Management group also analyses the results of various stress testing scenarios from the perspective of ensuring Company's capital adequacy under any unfavourable / unforeseen market circumstances and ensuring timely actions, wherever required, towards ensuring avoidance of situation that could threaten the financial stability of 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. The operations of the Company are periodically subjected to Internal Audit, as per the annual risk based audit plan duly approved by the Audit & Risk Management Committee, to ensure that the business operations of the Company are being undertaken as per the Board approved policies and risk management framework.

The Board is satisfied with the overall risk management framework and regular monitoring of all major risk areas within the Company.

directors' report

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The policies approved by the Board of Directors form the governing framework for Internal Financial Control. Business activities are undertaken within these frameworks which are further detailed in process notes (PAC).

Independent support groups such as Compliance and Policy and Risk have been constituted to facilitate independent evaluation, monitoring and reporting of controls as defined in these Policy and Process notes. Additionally, there is an internal audit function whose scope and authority is defined in the Group Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit and Risk Management Committee (ARMC) of the Board. Risk based audit plan is approved by the ARMC on an annual basis. The Internal Audit function monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Key audit findings and corrective actions thereon are presented to the ARMC of the Board.

STATUTORY AUDITOR

Pursuant to Section 139 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules 2014 shareholders of the Company at the Annual General Meeting held on June 27, 2014, has appointed M/s. S.R. Batliboi & Co. LLP, Chartered Accountants as Statutory Auditors of the Company for a period of 3 years subject to ratification of their appointment at every Annual General Meeting. The auditors have indicated their willingness to get their appointments ratified by the members. Accordingly, ratification of appointment of Statutory Auditors is being sought from the members of the Company at the ensuing AGM.

Further, the report of the Statutory Auditors along with notes to schedules is enclosed to this report.

SECRETARIAL AUDIT

In terms of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Alwyn Jay & Co, a firm of Practicing Company Secretaries has been appointed Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as Annexure 4 to this report.

ADDITIONAL INFORMATION

The provisions of Section 134 (3) (m) of the Companies Act, 2013 relating to conservation of energy and technology absorption do not apply to the Company. The Company used information technology extensively in its operations.

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year, the total foreign exchange used was ₹ nil (previous year ₹ nil) and the total foreign exchange earned was ₹ nil (previous year ₹ nil).

CHANGE OF NATURE OF BUSINESS

There have been no changes in the nature of the business of the Company during the year under review.

SUBSIDIARIES

The Company does not have any existing subsidiary and no new subsidiaries were formed during the year under review.

SIGNIFICANT AND MATERIAL ORDERS

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

PERSONNEL

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in **Annexure 5** and **Annexure 5A**.

DECLARATION

No director of the Company has received commission from the Company including holding and subsidiary Company

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, Directors confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had 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 2016 and of the profit and loss of the Company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis;
- (e) The directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

The Directors thank National Housing Bank, other statutory authorities and the bankers and lenders to the Company 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 ICICI 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 continued support.

For and on behalf of the Board
ICICI Home Finance Company Limited

RAJIV SABHARWAL
Chairman

Place : Mumbai
Date : April 26, 2016

directors' report



Annexure 1

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2016 OF
ICICI HOME FINANCE COMPANY LIMITED

[Pursuant to Section 92(1) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN - U65922MH1999PLC120106
- ii) Registration Date – 28/05/1999
- iii) Name of the Company – ICICI Home Finance Company Limited
- iv) Category / Sub-Category of the Company – Company having Share Capital
- v) Address of the Registered Office and contact details
ICICI Home Finance Company Limited, Registered office ICICI Bank Towers, Bandra-Kurla Complex, Mumbai 400051, India.
Tel : 022-40093480 / 022-40093408
- vi) Whether listed Company -- Yes
- vii) Name, Address and contact details of Registrar & Transfer Agents (RTA),
3i infotech Ltd, Tower #5, 3rd to 6th Floor, International infotech Park, Vashi, Navi Mumbai-400-703. Tel: 022-67928000

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	-	-	-	-	-	-	-	-	-
(a) Individuals/HUF	-	-	-	-	-	-	-	-	-
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.*	700	400	1,100	0%	800	300	1,100	0%	-
(e) Banks / FI	1,098,748,900	-	1,098,748,900	100%	1,098,748,900	-	1,098,748,900	100%	-
(i) Any Other.	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	1,098,749,600	400	1,098,750,000	100%	1,098,749,600	300	1,098,750,000	100%	-
(2) Foreign	-	-	-	-	-	-	-	-	-
(a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b) Other – Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other.	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	1,098,749,600	400	1,098,750,000	100%	1,098,749,600	300	1,098,750,000	100%	-
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Banks / FI	-	-	-	-	-	-	-	-	-
(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FII's	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(ii) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions	-	-	-	-	-	-	-	-	-
(a) Bodies Corp.	-	-	-	-	-	-	-	-	-
(i) Indian	-	-	-	-	-	-	-	-	-
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals	-	-	-	-	-	-	-	-	-
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
(c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	1,098,749,600	400	1,098,750,000	100%	1,098,749,700	300	1,098,750,000	100%	-

*Beneficial interest on the above shares are held by the Promoter, ICICI Bank Limited

Datamatics Financial Services Limited Plot No. B-5, Part B Crosslane, MIDC, Andheri (East), Mumbai 400 093
Tel No.: 022-66712196 Fax No.: 022-66712209

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:

Sl. No.	Name and Description No. of main Products/Services	NIC Code of the Product/Service	% to Total Turnover of the Company
1.	Interest income on Loans	-	89%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% Of Shares Held	Applicable Section
1.	ICICI Bank Limited(Holding Company & its nominees)	L65190GJ1994PLC021012	Holding Company	100%	

directors' report

Annexure 1

(ii) Shareholding of Promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1.	ICICI Bank Limited (Holding Company & its nominees)	1,098,748,900	100%	-	1,098,748,900	100%	-	-

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	1,098,748,900	100%	1,098,748,900	100%
	Date wise Increase / Decrease in Promoters Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	1,098,748,900	100%	1,098,748,900	100%

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	ICICI Securities Limited*	600	0.00%	600	0.00%
2	ICICI Lombard General Insurance Company Limited*	100	0.00%	100	0.00%
3	ICICI Investment Management Company Limited*	100	0.00%	100	0.00%
4	ICICI Trusteeship Services Limited *	100	0.00%	100	0.00%
5	ICICI Venture Funds Management Company Limited*	100	0.00%	100	0.00%
6	ICICI Securities Primary Dealership Limited*	100	0.00%	100	0.00%

*Beneficial interest on the above shares are held by the Promoter, ICICI Bank Limited

(v). Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	-	-	-	-
	Date wise increase / decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ In millions)

	Secured Loans excluding Deposits	Unsecured Loans	Fixed Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	18,755.0	42,496.9	2,841.1	64,093.0
ii) Interest due but not paid	536.6	516.4	341.4	1,394.4
Total (i+ii+iii)	19,216.6	43,013.4	3,182.5	65,487.4
Change in Indebtedness during the financial year				
• Addition		36,889.4	2,345.1	39,234.6
• Reduction	(2,000.0)	(25,190.6)	(2,095.5)	(29,286.1)
Net Change	(2,000.0)	11,698.9	249.6	9,948.5
Indebtedness at the end of the financial year				
i) Principal Amount	16,755.0	54,195.8	3,090.7	74,041.5
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	775.4	1,016.3	253.4	2,045.1
Total (i+ii+iii)	17,530.4	55,212.1	3,344.1	76,086.6

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No	Particulars of Remuneration	Name MD/WTD/Manager Rohit Salhotra	Total Amount	
			1	2
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 : (i) Salary and Allowances for Fiscal 16 * (ii) Bonus Paid in Fiscal 16 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 : (c) Profits in lieu of salary under section 17(3) of the Income tax Act, 1961 :		6,909,000 1,830,180 567,696	6,909,000 1,830,180 567,696
2.	Perquisites on Employee Stock Option exercised in Fiscal 2016, w.r.t Options granted upto 10 years prior to date of exercise		3,588,100	3,588,100
3.	Sweat Equity		-	-
4.	Commission - as % of profit - others, specify		-	-
5.	Others (HRA)		1,813,560	1,813,560
	Total (1a(i) + a(ii) + b) + (5) Total Remuneration paid in Fiscal 16 (excludes Perquisites on Stock Options exercised in Fiscal 16 as mentioned in (2))		11,120,436	11,120,436
	Ceiling as per section 197 of the Companies Act, 2013			139,263,345

* Please note that Salary and Allowances is net of HRA exemption claimed under Sec.10(13A) of Income Tax Act, 1961, which is reported under the head 'others'.

directors' report



Annexure 1

B. Remuneration to other directors:

(₹ In millions)

Particulars of Remuneration	Name of Directors						Total Amount
	CA S. Santhanakrishnan	Dileep Choksi	S. Santhanakrishnan	Maninder Juneja	Rajiv Sabharwal	Shilpa Kumar	
1. Independent Directors							
• Fee for attending board / Committee meetings	0.4	0.4	0.5	-	-	-	1.3
• Commission	-	-	-	-	-	-	-
• Others, please specify	-	-	-	-	-	-	-
Total (1)	0.4	0.4	0.5	-	-	-	1.3
2. Other Non-Executive Directors							
• Fee for attending board / committee meetings	-	-	-	-	-	-	-
• Commission	-	-	-	-	-	-	-
• Others, please specify	-	-	-	-	-	-	-
Total (2)	-	-	-	-	-	-	-
Total = (1+2)	0.4	0.4	0.5	-	-	-	1.3
Total Managerial Remuneration	0.4	0.4	0.5	-	-	-	1.3
Overall Ceiling	As per the Companies Act, 2013						

C. Remuneration to Key Managerial Personnel Other than MD/ Manager/ WTD:

Sl. No.		Key Managerial Personal		
		Pankaj Jain (CFO)	Pratap Salian (CS)	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 :			
	(i) Salary and Allowances for Fiscal 16*	4,932,347	1,552,480	6,484,827
	(ii) Bonus Paid in Fiscal 16	1,392,732	184,296	1,577,028
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 :	486,389	31,986	518,375
	(c) Profits in lieu of salary under section 17(3) of the income tax Act, 1961 :	-	-	-
2	Perquisite on Employee Stock Option exercised in Fiscal 2016, w.r.t Options granted upto 10 years prior to date of exercise	656,250	-	656,250
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others (HRA & LTA)	863,988	91,484	955,472
	Total (1a(i) + a(ii) + b) + (5)	7,675,456	1,860,246	9,535,702
	Total Remuneration paid in Fiscal 16 (excludes Perquisites on Stock Options exercised in Fiscal 16 as mentioned in (2))			

* Please note that Salary and Allowances is net of HRA and LTA exemption claimed under Sec.10(13A) and Sec. 10(5) of Income Tax Act, 1961 respectively, which is reported under the head 'others'.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding Fees Imposed	Authority [RD/ NCLT/COURT]	Appeal Made, if Any (Give Details)
A. COMPANY					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
B. DIRECTORS					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
C. OTHER OFFICERS IN DEFAULT					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—

Annexure 2

Related party transactions

The details of material related party transactions at arm's length principles for the year ended March 31, 2016 on an aggregate basis is given below:

Sr. No.	Nature of Contracts/ Transactions	Name of the Related Party	Nature of Relationship	Duration of Contracts	Salient terms of Contracts/ Transactions	₹ in million
1	Income towards service provider arrangements	ICICI Bank Limited	Holding Company	20 years	Verification and valuation services of the borrowers' properties	600.7
2	Interest expense	ICICI Bank Limited	Holding Company	-	Interest on borrowings availed at applicable rates	720.3

Sd/-
ROHIT SALHOTRA
Managing Director & CEO

directors' report

Annexure 3

REPORT ON CSR ACTIVITIES/ INITIATIVES

- 1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs**

Corporate Social Responsibility (CSR) has been a long-standing commitment at ICICI Home Finance Company Ltd. The Company contribution to social sector development includes several pioneering interventions and is implemented through the involvement of stakeholders within the Company and through the broader community. As per the CSR Policy, CSR activities could be undertaken by the Company directly or through ICICI Foundation or through any other entity. Over the last few years ICICI Foundation has developed significant projects in specific areas, and has built capabilities for direct project implementation as opposed to extending financial support to other organisations.

The CSR Policy of the Company sets the framework guiding the Companies CSR activities. It outlines the governance structure, operating framework, monitoring mechanism, and CSR activities that would be undertaken. The CSR committee is the governing body that articulates the scope of CSR activities and ensures compliance with the CSR policy. The Company CSR activities are largely focused in the areas of education, health, skill development and financial inclusion and other activities as the Company may choose to select in fulfilling its CSR objectives.

The CSR policy was approved by the Committee in October 2014, and subsequently was put up on the Company website. Web-link to the Company CSR policy:

http://www.icicihfc.com/pdf/CSR_policy_hfc.pdf

2. The Composition of the CSR Committee

The Companies CSR Committee comprises two independent directors, and the vice chairman of the Company, and is chaired by a non executive director. The composition of the Committee is set out below:

1	2	3	4	5	6	7	8
Sr. No	CSR Project/ Activity Identified	Sector in which the Project is Covered	Projects/Programmes 1. Local area/others- 2. Specify the state /district (Name of the District/s, State/s where Project/ Programme was Undertaken)	Amount Outlay (Budget) Project/ Programme wise	Amount Spent on the Project/ Programme Sub-heads: 1. Direct Expenditure on Project/ Programme, 2. Overheads:	Cumulative Spend upto to the Reporting Period	Amount Spent: Direct/ Through Implementing Agency
1	Projects of ICICI Foundation for Inclusive Growth	Skill development & sustainable livelihoods; elementary education & healthcare	<ul style="list-style-type: none"> • 22 skill training centres located in Bangalore, Bhubaneswar, Chennai, Coimbatore, Delhi, Durg, Guwahati, Hyderabad, Indore, Jaipur, Kochi, Kolkata, Lucknow, Mumbai, Mysore, Nagpur, Narsobawadi, Patna, Pune, Trichy, Vijaywada and Zirakpur. • Elementary education projects in Rajasthan and Chhattisgarh. • Healthcare programmes including in Baran (Rajasthan). 	₹ 61.1 million	₹ 61.1 million	₹ 125.6 million	Amount spent through ICICI Foundation for Inclusive Growth. The Foundation was set up in 2008 to focus on activities in the area of CSR.

6. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

The CSR Committee hereby confirms that the implementation and monitoring of CSR activities is in compliance with CSR objectives and the CSR Policy of the Company.

Sd/-
Rohit Salhotra
Managing Director & CEO

Sd/
Maninder Juneja
CSR Committee Chairman

Annexure 4

FORM NO. MR.3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
ICICI Home Finance Company Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the ICICI Home Finance Company Limited (hereinafter called "the Company").

The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct and statutory compliance to express our opinion thereon.

Based on our verification of the Company's statutory registers, minutes, forms and returns filed and other records maintained by the Company and the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016-

- (a) complied with the statutory provisions listed hereunder; and
- (b) It has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;

- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), as applicable:-

 - a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993;
 - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

directors' report



Annexure 4

- (vi) National Housing Bank Act, 1987; and
 (vii) Directions, guidelines, circulars and notifications issued by the National Housing Bank.
- We have also examined compliance of the following to the extent applicable:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) The Listing Agreement entered into by the Company with the Bombay Stock Exchange, with respect to the Company's listing of Non-Convertible Debentures; and
- (iii) Legal regulations including labour law, as applicable to the Company.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards mentioned above.

We further report that –

- (a) the Board of Directors of the Company is duly constituted with proper balance of Non-Executive and Independent Directors;
- (b) the changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act;
- (c) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting; and

- (d) The minutes of the Board meetings have not identified any dissent by members of the Board, hence we have no reason to believe that the decisions by the Board were not approved by all the directors present.

We further report that there are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period no material event or action has taken place in pursuance of the above referred laws, rules, regulations, guidelines and standards except that the Shareholders of the Company have approved a private placement of Non-Convertible Debentures aggregating ₹ 22.50 billion, in accordance with the provisions of sections 42 and 71 of the Companies Act, 2013.

*Place: Mumbai
Date: April 25, 2016*

**ALWYN JAY & CO.,
Company Secretaries**

*Office Address:
Annex-103, Dimple Arcade
Asha Nagar, Kandivli East
Mumbai-400101.*

*Sd/-
(Ronald D'Mello; FCS 3818)
Partner
Certificate of Practice No.:14353*

Annexure 5

Statement of Particulars of employees pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sl. No.	Name	Designation / Nature of Duties	Gross Remuneration (Without ESOP) Received [₹]	Qualification	Experience in years	Age in years	Date of Commencement of Employment	Last Employment held
1	2	3	4	5	6	7	8	9
1	Rohit Salhotra	MD/CEO	12,228,902	PGDM, BE	27	51	November 21, 2006	ICICI Bank
2	Pankaj Jain	CFO	8,546,151	BTECH, MMS	21	45	October 03, 2000	ICICI Bank
3	Sunir Ramchandani	JGM	8,692,183	BE, MBA	18	42	June 18, 2001	ICICI Bank

Notes:

- 1 All appointments are / were non-contractual.
- 2 Remuneration as shown above comprises of Salary, Leave Salary, Bonus, Gratuity where paid, Leave Travel Assistance, Medical Benefit, House Rent Allowance, Perquisites and Company's Contribution to Provident Fund and Superannuation Fund.
- 3 None of the above employees is related to any Director of the Company.

Annexure 5A

Equity shares of the Company are not listed on any stock exchange. The change in the net worth of the Company is as under:

Particular	(₹ in million)
Opening net worth	14,916.6
Increase/(decrease) during the FY16	375.5
Closing net worth	15,292.1

- (viii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

The average percentage increase made in the salaries of total employees other than the Key Managerial Personnel for FY2016 is around 10%, while the average increase in the remuneration of the Key Managerial Personnel is in the range of 5% to 9%. This increment is in line with the factors outlined in point (v) above.

- (ix) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company;

The ratio of the remuneration of each KMP to the PAT of the Company is given below:

MD & CEO	0.56%
Chief Financial Officer	0.39%
Company Secretary	0.11 %

- (x) The key parameters for any variable component of remuneration availed by the directors;

The Company's compensation policy and practices are similar to that of ICICI Bank, its parent Company. The KPIs of the MD & CEO are fixed at the start of the year. These KPIs, in addition to financial parameters, include non-financial parameters. At the end of financial year, the performance of the Company as well as performance of the MD & CEO based on his KPI (including those pertaining to compliance and risk) is evaluated, along with the performance of the Company. The variable portion of the compensation is decided based on the performance of both the Company and the Bank, as well as the individual performance of the MD & CEO.

- (xi) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;

Not applicable

- (xii) Affirmation that the remuneration is as per the remuneration policy of the Company.
Yes

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, 2016, 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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view 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 the Company's 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 on the financial statements.

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 of the state of affairs of the Company as at March 31, 2016, its profit/loss, and its 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
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;
 - (b) 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;
 - (c) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016;
 - (d) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164 (2) of the Act;
 - (e) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 32 and 33(a) to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For S.R. Batliboi & CO. LLP
Chartered Accountants

ICAI Firm Registration Number: 301003E

per Shrawan Jalan

Partner

Membership Number: 102102

Place of Signature: Mumbai
Date: April 26, 2016

annexure 1 to the auditor's report



Annexure 1 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) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the title deeds of immovable properties included in fixed assets are held in the name of the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 4(ii) of the Order are not applicable to the Company and hence not commented upon.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) 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 are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.
- (v) In respect of deposits accepted from public, in the opinion of the management of the Company, since the Company is a housing finance company, directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under, are not applicable to the Company. Further, 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.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services of the Company.
- (vii) (a) Undisputed statutory dues including provident fund, investor education and protection fund, income-tax, wealth-tax, sales tax, professional tax, value added tax, labour welfare fund, employees' state insurance, cess and other material statutory dues have been generally regularly deposited with the appropriate authorities though there have been delays in a few cases pertaining to, service tax, employees' state insurance, sales 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, service tax, sales-tax, professional tax, value added tax, labour welfare fund, 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	59,909,709	FY 2004-2005	Assistant Commissioner of Income Tax, Mumbai
		27,442,423	FY 2007-2008	Assistant Commissioner of Income Tax, Mumbai
		58,439,648	FY 2008-2009	Income Tax Appellate Tribunal, Mumbai
		115,206,650	FY 2010-2011	Commissioner of Income Tax Appeals
		200,027,804	FY 2011-2012	Assistant Commissioner of Income Tax, Mumbai
Finance Act 1994	Service tax demand raised against the Company	715,590	FY 2006-2007 to 2009-2010	Commissioner of Central Excise (Appeals), Mumbai

- (viii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to 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 or government.
- (ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer (including debt instruments). Monies raised by the Company by way of term loans were applied for the purpose for which the loans were obtained.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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

Place of Signature: Mumbai
Date: April 26, 2016

Per Shrawan Jalan
Partner
Membership No.: 102102

annexure 2 to the Independent auditor's report

Annexure 2 to the Independent Auditor's Report of even date on the financial statements of ICICI Home Finance Company Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of ICICI Home Finance Company Limited

We have audited the internal financial controls over financial reporting of ICICI Home Finance Company ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of fi-

nancial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

EXPLANATORY PARAGRAPH

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the financial statements of ICICI Home Finance Company Limited, which comprise the Balance Sheet as at March 31, 2016, and the related 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, and our report dated April 26, 2016 expressed an unqualified opinion thereon.

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

Place of Signature: Mumbai
Date: April 26, 2016

per Shrawan Jalan
Partner
Membership Number: 102102

balance sheet

statement of profit and loss

as on March 31, 2016

for the year ended March 31, 2016

Particulars	Note	(₹ in millions)		Particulars	Note	(₹ in millions)	
		March 31, 2016	March 31, 2015			March 31, 2016	March 31, 2015
I EQUITY AND LIABILITIES				I Revenue from operations	19	10,665.3	9,841.4
(1) Shareholders' funds:				II Other income	20	48.4	35.9
(a) Share capital	3	10,987.5	10,987.5	III Total revenue(I+II)		10,713.7	9,877.3
(b) Reserves and surplus	4	4,304.6	3,929.1				
		15,292.1	14,916.6	IV Expenses:			
(2) Non-current liabilities				Finance cost	21	6,607.5	5,743.0
(a) Long term borrowings	5	49,016.5	39,707.3	Employee benefit expense	22	426.0	387.6
(b) Deferred tax liabilities (Net)	13	389.5	262.8	Depreciation and amortization expense	11	29.3	22.4
(c) Other long term liabilities	6	82.5	51.9	Establishment and other expenses	23	785.3	726.2
(d) Long term provisions	7	1,388.7	1,509.4	Provision / write offs (net)	24	164.6	62.4
		50,877.2	41,531.4	Less : Expenses recovered	23	23.2	21.1
(3) Current liabilities						7,989.5	6,920.5
(a) Short term borrowings	8	8,272.6	7,783.2				
(b) Trade payables	9	230.4	192.2			8,012.7	6,941.6
(c) Other current liabilities	10	19,080.6	18,299.3				
(d) Short term provisions	7	131.1	268.6				
		27,714.7	26,543.3				
		93,884.0	82,991.3				
II ASSETS				V Profit before exceptional and extraordinary items and Tax(III-IV)		2,724.2	2,956.8
(1) Non-current assets				VI Exceptional items		—	—
(a) Fixed assets	11			VII Profit before extraordinary items and tax(V-VI)		2,724.2	2,956.8
(i) Tangible assets		575.4	583.5	VIII Extraordinary items		—	—
(ii) Intangible assets		4.4	2.4	IX Profit before tax(VII-VIII)		2,724.2	2,956.8
(iii) Capital work in progress		1.7	11.0	X Tax expense:			
		581.5	596.9	Current tax		799.0	911.0
(b) Non-current investments	12	1,799.8	1,984.3	Deferred tax		126.7	70.1
(c) Long term loans and advances	14	77,236.2	68,896.6	XI Profit for the year from continuing operations (IX-X)		1,798.5	1,975.7
(d) Other non-current assets	16	—	205.3	XII Earnings per equity share:	25		
		79,036.0	71,086.2	(1) Basic (₹)		1.64	1.80
(2) Current assets				(2) Diluted (₹)		1.64	1.80
(a) Trade receivables	15	120.3	103.0	Summary of significant accounting policies	2.1		
(b) Cash and bank balances	17	3,077.7	2,052.6	The accompanying notes are an integral part of the financial statements			
(c) Short term loans & advances	14	10,424.9	8,562.1				
(d) Other current assets	16	643.6	590.5				
		14,266.5	11,308.2				
		93,884.0	82,991.3				
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 and on behalf of the Board

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

RAJIV SABHARWAL
Chairman

ROHIT SALHOTRA
Managing Director & CEO

per SHRAWAN JALAN
Partner
Membership No.:102102

MANINDER JUNEJA
Vice Chairman

PANKAJ JAIN
Chief Financial Officer

Place: Mumbai
Dated: April 26, 2016

PRATAP SALIAN
Company Secretary

cash flow statement

for the year ended March 31, 2016

Particulars	March 31, 2016	(₹ in millions) March 31, 2015
A Cash flow from operating activities :		
Profit before taxation and exceptional items	2,724.2	2,956.8
Adjustments for:		
Depreciation / amortisation (net of write back)	29.3	22.4
Amortisation of premium on investments	4.5	4.2
Provision for gratuity and other staff benefits	2.1	(3.4)
Provision / (write back) against standard assets	52.8	53.2
Loss/(Gain) on sale of fixed assets/written off	(0.3)	0.3
Provision for contingencies and others	111.8	9.2
Profit on sale of government securities	(1.9)	(7.4)
Interest received on investments	(127.4)	(168.3)
Dividend income	(84.2)	(83.2)
Profit on sale of mutual fund units	(27.7)	(36.0)
Operating profit before working capital changes	2,683.2	2,747.8
Adjustments for increase or decrease in :		
Trade receivables	(17.3)	(2.4)
Other receivables	(49.5)	(61.0)
Trade payables	38.2	(44.9)
Other liabilities	225.5	(43.5)
Provisions	(263.1)	(19.4)
Loans given (net movement)	(10,145.2)	(10,598.4)
Cash generated from Operations	(7,528.2)	(8,021.8)
Income taxes paid	(854.5)	(999.5)
Net cash from operating activities - A	(8,382.7)	(9,021.3)
B Cash Flow from investing activities :		
Purchase of fixed assets (including capital work in progress)	(14.0)	(14.1)
Proceeds from sale of fixed assets	0.4	—
Purchase of investments	(447.0)	(915.1)
Proceeds from sale of investments	627.0	1,034.5
Profit on sale of government securities	1.9	7.4
Net proceeds from sale of mutual fund units	27.7	36.0
Dividend income	84.2	83.2
Interest received on investments	127.4	168.3
Fixed deposits placed with the banks	380.0	—
Net cash from investing activities - B	787.6	400.2
C Cash flow from financing activities :		
Dividend and dividend distribution tax paid	(1,584.8)	(1,833.4)
Proceeds from borrowings (net)	10,385.0	10,763.4
Net cash used in financing activities - C	8,800.2	8,930.0
Net increase in cash and cash equivalents (A+B+C)	1,205.1	308.9
Cash and cash equivalents as at beginning	1,672.6	1,363.7
Cash and Cash equivalents as at end	2,877.7	1,672.6
Notes :		
1. Cash and cash equivalents consists of :		
A. Bank balances		
1) Current accounts (including bank deposits with original maturity less than 3 months)	131.8	75.3
2) Book overdraft	(194.5)	(10.5)
B. Investments in mutual fund units	1,750.2	1,107.8
C. Investment redemption receivable	1,190.2	500.0
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.	2,877.7	1,672.6

As per our report of even date

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

per SHRAWAN JALAN
Partner
Membership No.:102102

Place: Mumbai
Dated: April 26, 2016

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

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 accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 and other accounting principles generally accepted in India. 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 Company prepares its financial statements as per Schedule III under the Companies Act 2013 applicable for preparation and presentation of 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 Schedule III notified under Companies Act 2013.

b) Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the 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 or liabilities in future periods.

c) Revenue Recognition

Income from loan

Repayment of Housing Loans is by way of Equated Monthly Installments (EMI) comprising of principal and interest. Interest income on EMI/Pre-EMI cases on housing loan is accounted for on accrual basis as per NHB guidelines. Loan origination income i.e. processing fees and other charges collected upfront, are recognised on origination of the loan. Interest on non-performing assets and charges for delayed payments and additional interest income on delayed EMI/Pre-EMI and cheque bouncing, if any, which are accounted for on receipt basis as per the guidelines issued by the NHB.

Income from Investment

Interest on Government Securities and Bank deposits are recognised on accrual basis. Dividend is accounted on an accrual basis when the right to receive the dividend is established.

Fees Income

Property Service Fees are recognised to the extent of invoice raised on the customer, when right to receive payment is established. Mortgage Valuation Fees are recognised on accrual basis.

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 based on economic useful life as limits specified in Part 'C' to Schedule II of the Companies Act, 2013. During the financial year 2015 Company has aligned the depreciation rate as per Company Act, 2013. Impact of such changes is not material and adjusted against the Statement of Profit & Loss Account.

Particulars	Useful life as per Schedule II	Depreciation rate
Office Buildings on Freehold Land	60 Years	1.67%
Improvements to Leasehold Property	3 Years	33.33%
Furniture and Fixtures	10 Years	10.00%
Office Equipments	5 Years	20.00%
Computers	3 Years	33.33%
Software	4 Years	25.00%
Capital WIP	Nil	Nil

Items costing upto ₹ 5,000/- are depreciated fully over the period of 12 months from the date of purchase.

h) Retirement and Other Employee Benefits

- i) The Company is statutorily required to maintain a provident fund as a part of retirement benefits to its employees. Each employee contributes a certain percentage of his or her basic salary and the Company contributes an equal amount for eligible employees. The Company makes contribution as required by The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 to Employees' Pension Scheme administered by the Regional Provident Fund Commissioner. The Company makes balance contributions to a fund administered by trustees. The funds are invested according to the rules prescribed by the Government of India.
- 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.

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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) 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 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.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or nonoccurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements. Contingent assets are neither recognized nor disclosed.

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 includes liquid investments in mutual fund units of short term debt instruments that are readily convertible into cash at its NAV and subject to an insignificant risk of changes in value.

q) Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss Account.

The difference between the discounted amount mobilized and redemption value of Commercial Papers/ Zero Coupon Bond/ NCD is apportioned on time basis over the life of instrument and charged as interest expense in the Statement of Profit and Loss Account.

3. Share Capital

Particulars	(₹ in millions)	
	As at March 31, 2016	As at March 31, 2015
Authorised shares		
2,385,000,000 Equity shares of ₹ 10 each (March 2015 - 2,385,000,000)	23,850.0	23,850.0
15,000,000 Preference shares of ₹ 10 each (March 2015 - 15,000,000)	150.0	150.0
Total authorized 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 2015 - 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

Particulars	As at March 31, 2016		As at March 31, 2015	
	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 period	—	—	—	—
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 period ended March 31, 2016, the amount of per share dividend recognized as distribution to equity shareholder is ₹ 1.076 (excluding dividend distribution tax) (March 31, 2015 - ₹ 1.315).

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

Particulars	As at March 31, 2016		As at March 31, 2015	
	No.	(₹ millions)	No.	(₹ millions)
At the beginning of the year	—	—	—	—
Issued during the period	—	—	—	—
Outstanding at the end of the year	—	—	—	—

(ii) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2016			As at March 31, 2015		
	No.	(₹ millions)	% holding in the class	No.	(₹ millions)	% holding in the class
Equity shares of ₹ 10 each fully paid	—	—	—	—	—	—
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

Particulars	(₹ in millions)	
	As at March 31, 2016	As at March 31, 2015
(i) General reserve		
As per last balance sheet	249.3	579.4
Add : Transferred from statement of profit and loss	—	—
Less : Utilised for DTL creation (Refer note (b) below)	—	(330.1)
Closing balance	249.3	249.3
(ii) Statutory Reserve		
(As per Section 29C of National Housing Bank Act, 1987) (Refer note (a) below)		
Opening Balance	3,664.6	3,268.6
Additional during the year	360.0	396.0
Appropriation during the year	—	—
Closing balance	4,024.6	3,664.6
(iii) Surplus in the statement of profit and loss		
Opening balance	15.2	373.8
Add : Net profit for the year	1,798.5	1,975.7
Less : Proposed dividend (₹ Nil per equity share, March 2015 - ₹ 0.085 per equity share) (including dividend distribution tax ₹ Nil, March 2015 - ₹ 16.2 million)	—	(95.5)
Less : Interim dividend including dividend distribution tax	(1,423.0)	(1,469.0)
Less : Transfer to Statutory Reserve	(360.0)	(396.0)
Less : Transfer to General Reserve	—	—
Less : Utilised for DTL creation (Refer note (b) below)	—	(373.8)
Closing balance	30.7	15.2
Total Reserves & Surplus	4,304.6	3,929.1

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(a) Details of Statutory Reserves

Particulars	(₹ in millions)	
	As at March 31, 2016	As at March 31, 2015
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of National Housing Bank, Act 1987	3,664.6	3,268.6
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	—	—
c) Total	3,664.6	3,268.6
Addition / Appropriation / Withdrawal during the year		
Add: a) Amount transferred u/s 29C of the NHB Act, 1987	360.0	396.0
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	—	—
Less: a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	—	—
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	—	—
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	4,024.6	3,664.6
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	—	—
c) Total	4,024.6	3,664.6

Note : (a) The Special Reserve created as per Section 29C 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.

(b) During the previous year ended March 31, 2015, pursuant to NHB Circular 'Circular No. 62/2014' dated May 27, 2014, and as a matter of prudence the Company had created Deferred Tax Liability (DTL) on Special Reserve created as per Section 29C of NHB Act, 1987 and claimed as deduction u/s 36 (1) (viii) of Income Tax Act, 1961, amounting ₹ 703.9 million on such Special Reserve as at March 31, 2014 has been adjusted from Reserves and Surplus.

5. Long-Term Borrowings

Particulars	(₹ in millions)			
	Non - Current portion		Current Maturities	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
[A] Secured				
a) Non-Convertible Debentures / Bonds (Refer note i below)	10,280.0	13,590.0	3,310.0	—
b) Zero Coupon Debentures / Bonds (Refer note ii below)	1,490.0	3,165.0	1,675.0	2,000.0
Add: Premium accrued on redemption (net of unamortized discount)	153.4	53.0	193.1	56.9
Total[A]	11,923.4	16,808.0	5,178.1	2,056.9
Amount disclosed under head "other current liabilities" (refer Note 10)	—	—	(5,178.1)	(2,056.9)
Net Amount	11,923.4	16,808.0	—	—
[B] Unsecured				
(a) Debenture / Bonds (refer note iii below)				
• Debentures / Bond - private placement	8,440.0	2,640.0	1,650.0	510.0
• Debenture / Bond – subordinate debt private placement	2,573.0	2,573.0	—	—
• Debenture / Bonds - ZCB	4,960.0	850.0	3,100.0	2,300.0
Add: Premium accrued on redemption (net of unamortized discount)	210.5	157.4	381.0	263.4
	5,170.5	1,007.4	3,481.0	2,563.4
	16,183.5	6,220.4	5,131.0	3,073.4
(b) Term loans (refer note iii below)				
Loans from banks	14,813.0	9,634.4	4,564.7	8,742.0
	14,813.0	9,634.4	4,564.7	8,742.0

(c) Deposits (refer note iv below)

Fixed deposits including unclaimed fixed deposits	1,624.6	1,196.5	1,163.6	1,581.6
	1,624.6	1,196.5	1,163.6	1,581.6

(d) Loans and advances from related parties (refer note v below)

Loans from holding company – other loans	4,472.0	5,848.0	1,376.0	1,376.0
	4,472.0	5,848.0	1,376.0	1,376.0

Total[B=a+b+c+d] 37,093.1 22,899.3 12,235.3 14,773.0

Amount disclosed under head "other current liabilities" (ref Note 10) — — (12,235.3) (14,773.0)

Net amount 37,093.1 22,899.3 — —

Total = [A] + [B] 49,016.5 39,707.3 — —

- i. The Non convertible debentures (NCD) / Bonds are issued with fixed coupon rate and redeemable at par. The NCD / Bonds to the extent of ₹ 8,800.0 million (March 2015 - ₹ 8,800.0 million) are secured by charge on the immovable property and negative lien on the assets of the Company. The NCD / Bonds to the extent of ₹ 4,790.0 million (March 2015 - ₹ 4,790.0) are secured by a pari passu charge on immovable property and hypothecation of loan receivable for upto 1.05 times the value of the NCD / Bonds outstanding.

The details of secured NCD / bonds are as under:

Description	Date of Allotment	Date of Redemption	Rate of Interest	(₹ in millions)	
				As at March 31, 2016	As at March 31, 2015
Non Current:					
a)					
4,000 NCD's of ₹ 1,000,000 each	November 25, 2009	November 25, 2019	9.29%	4,000.0	4,000.0
3,000 NCD's of ₹ 1,000,000 each	March 18, 2009	March 18, 2019	10.75%	3,000.0	3,000.0
1,800 NCD's of ₹ 1,000,000 each	September 23, 2008	September 23, 2018	11.35%	1,800.0	1,800.0
Total (a)				8,800.0	8,800.0
b)					
1,000 NCD's of ₹ 500,000 each	November 13, 2014	November 15, 2017	8.80%	500.0	500.0
1,600 NCD's of ₹ 500,000 each	October 31, 2014	October 30, 2017	9.05%	800.0	800.0
360 NCD's of ₹ 500,000 each	October 31, 2014	October 3, 2017	9.05%	180.0	180.0
1,500 NCD's of ₹ 500,000 each	November 13, 2014	March 13, 2017	8.80%	—	750.0
920 NCD's of ₹ 500,000 each	December 30, 2014	December 30, 2016	9.00%	—	460.0
3,500 NCD's of ₹ 500,000 each	October 10, 2014	October 10, 2016	9.35%	—	1,750.0
500 NCD's of ₹ 500,000 each	October 10, 2014	September 23, 2016	9.35%	—	250.0
200 NCD's of ₹ 500,000 each	February 27, 2015	February 27, 2017	8.70%	—	100.0
Total (b)				1,480.0	4,790.0
Total (a+b)				10,280.0	13,590.0
Current:					
c)					
500 NCD's of ₹ 500,000 each	October 10, 2014	September 23, 2016	9.35%	250.0	—
920 NCD's of ₹ 500,000 each	December 30, 2014	December 30, 2016	9.00%	460.0	—
3,500 NCD's of ₹ 500,000 each	October 10, 2014	October 10, 2016	9.35%	1,750.0	—
1,500 NCD's of ₹ 500,000 each	November 13, 2014	March 13, 2017	8.80%	750.0	—
200 NCD's of ₹ 500,000 each	February 27, 2015	February 27, 2017	8.70%	100.0	—
Total (c)				3,310.0	—
Total (Non Current+Current)				13,590.0	13,590.0

- ii. Zero Coupon Bonds (ZCB): These bonds are issued at par and redeemable at premium. The ZCB are secured by way of a pari passu charge on immovable property and hypothecation of loan receivable for upto 1.05 times the value of the bonds outstanding.

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The details of secured ZCB are as under:

Description	Date of Allotment	Date of Redemption	Rate of Interest (XIRR)	As at March 31, 2016	As at March 31, 2015	(₹ in millions)
Non Current:						
1,000 ZCB of ₹ 500,000 each	November 13, 2014	November 14, 2016	8.80%	—	500.0	
1,000 ZCB of ₹ 500,000 each	December 30, 2014	July 4, 2016	8.90%	—	500.0	
800 ZCB of ₹ 500,000 each	December 30, 2014	April 4, 2016	8.90%	—	400.0	
550 ZCB of ₹ 500,000 each	February 27, 2015	February 16, 2017	8.70%	200.0	200.0	
400 ZCB of ₹ 500,000 each	February 27, 2015	April 18, 2017	8.70%	200.0	200.0	
1,000 ZCB of ₹ 500,000 each	February 27, 2015	February 26, 2018	8.68%	500.0	500.0	
1,580 ZCB of ₹ 500,000 each	February 27, 2015	March 5, 2018	8.68%	790.0	790.0	
Total				1,490.0	3,165.0	
Add: Premium accrued on redemption (net of unamortized discount)				153.4	53.0	
Total (a)				1,643.4	3,218.0	
Current:						
3,000 ZCB of ₹ 500,000 each	December 4, 2014	March 21, 2016	8.70%	—	1,500.0	
1,000 ZCB of ₹ 500,000 each	December 4, 2014	Februray 19, 2016	8.70%	—	500.0	
800 ZCB of ₹ 500,000 each	December 30, 2014	April 4, 2016	8.90%	400.0	—	
1,000 ZCB of ₹ 500,000 each	December 30, 2014	July 4, 2016	8.90%	500.0	—	
1,000 ZCB of ₹ 500,000 each	November 13, 2014	November 14, 2016	8.80%	500.0	—	
550 ZCB of ₹ 500,000 each	Februray 27, 2015	Februray 16, 2017	8.70%	275.0	—	
Total				1,675.0	2,000.0	
Add: Premium accrued on redemption (net of unamortized discount)				193.1	56.9	
Total (b)				1,868.1	2,056.9	
Total (a+b)				3,511.5	5,274.9	

iii. Terms of redemption of unsecured bonds/debentures and for repayment terms of term loans are as under:

Maturities -	1-3 years	3-5 years	5 years and above	Total	(₹ in millions)
Rates of Interest					
(a) Unsecured bonds/ debenture					
8.00% to 9.50%	11,108.1 (500.0)	2,502.4 (990.0)	(—)	13,610.5 (1,490.0)	
9.51% to 11.00%	503.0 (2,157.4)	2,070.0 (2,573.0)	(—)	2,573.0 (4,730.4)	
Total (a)	11,611.1 (2,657.4)	4,572.4 (3,563.0)	(—)	16,183.5 (6,220.4)	
(b) Term loans (including loan from holding company)					
8.00% to 9.50%	3,948.0 (52.8)	192.7 (26.0)	339.0 (—)	4,479.7 (78.8)	
9.51% to 11.00%	14,705.3 (11,807.6)	100.0 (3,596.0)	(—)	14,805.3 (15,403.6)	
Total (b)	18,653.3 (11,860.4)	292.7 (3,622.0)	339.0 (—)	19,285.0 (15,482.4)	

*Figures in bracket pertain to March 31, 2015

- iv. Fixed deposits include deposits from corporates ₹ 519.9 million (March 2015 - ₹ 492.5 million) and deposits from public ₹ 2,268.3 million (March 2015 - ₹ 2,285.6 million) and carry rate of interest in the range of 6.50% 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 ₹ 2.0 million (March 2015 - ₹ 3.5 million) and deposits from public includes ₹ 222.5 million (March 2015 - ₹ 223.9 million). Fixed deposits accepted from Directors and their relatives are ₹ Nil (March 2015 - ₹ Nil). Floating charge has been created on Government Securities (for statutory liquidity ratio (SLR) purpose) as per NHB Directions.
- v. Loans from related parties carry rate of interest of 9.60% p.a. and tenure of 104.00 months from the date of issue.
- vi. The funds raised by the Company are primarily utilised for core business purposes i.e. mortgage retail finance and construction finance in addition to repayment to existing lenders of the Company.

6. Other Long Term Liabilities

Particulars	As at March 31, 2016	As at March 31, 2015	(₹ in millions)
(a) Trade payables			
(b) Others	—	—	
Interest accrued but not due on borrowings			
- cumulative fixed deposits	82.5	51.9	
Total(b)	82.5	51.9	
Total(a+b)	82.5	51.9	

7. Provisions

Particulars	Long Term		Short Term		(₹ in millions)
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015	
(a) Provision for employee benefits					
Provision for Gratuity (refer note 22(i) - Balance Sheet)	2.8	3.2	—	—	
Provision for leave encashment (refer note 22(ii) - Balance Sheet)	10.7	10.1	5.4	4.8	
Provision for bonus	—	—	42.1	40.8	
Total (a)	13.5	13.3	47.5	45.6	
(b) Others					
Provision for contingencies (Refer Note 7(i) below)	—	160.0	—	—	
Provision against standard assets	424.3	393.9	83.6	61.1	
Provision for sub standard assets-Housing loans	25.2	17.0	—	—	
Provision for sub standard assets-Other loans	39.9	55.8	—	—	
Provision for doubtful assets-Housing loans	18.4	22.4	—	—	
Provision for doubtful assets-Other loans	94.0	71.4	—	—	
Provision for loss assets-Housing loans	229.4	277.9	—	—	
Provision for loss assets-Other loans	487.5	445.3	—	—	
Provision for others	51.2	49.2	—	—	
Provision for proposed dividend	—	—	79.4	—	
Provision for dividend distribution tax	—	—	82.5	—	
Provision for 1% subsidy on EMI	5.3	3.2	—	—	
Total (b)	1,375.2	1,496.1	83.6	223.0	
Total(a+b)	1,388.7	1,509.4	131.1	268.6	

(i) Disclosure of provision for contingencies:

Particulars	As at		(₹ in millions)
	March 31, 2016	March 31, 2015	
(a) Servicing expenses provision on loans securitized			
Opening balance	2.4	2.4	
Utilisations / (write back)	(2.4)	—	
Closing balance	—	2.4	
(b) Provision for delinquencies, prepayment and conversion risk on loans securitized			
Opening balance	157.6	157.6	
Utilisations / (write back)	(157.6)	—	
Closing balance	—	157.6	
Total(a+b)	—	160.0	

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

Particulars	As at		(₹ in millions)
	March 31, 2016	March 31, 2015	
Unsecured			
(a) Fixed deposit	302.5	63.0	
(b) Commercial paper	7,250.0	6,750.0	
Less : Unamortised interest	(277.0)	(303.4)	
(c) Bank Overdraft*	6,973.0	6,446.6	
(d) Loans from holding company (Overdraft)	997.1	1,273.6	
Total(a+b+c+d)	8,272.6	7,783.2	

*Amount of bank overdraft is less than ₹ 0.1 million.

- (i) Fixed deposits includes deposits from corporates ₹ 230.0 million (March 2015 - ₹ Nil million) and deposits from public ₹ 72.5 million (March 2015 - ₹ 63.0 million) and carries interest in the range of 7.90% 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 2015 - ₹ Nil).
- (ii) Commercial paper carries interest in the range of 8.10% to 9.10% p.a. and tenure of 90 to 365 days repayable in bullet payment.

9. Trade Payables

Particulars	As at		(₹ in millions)
	March 31, 2016	March 31, 2015	
Trade payables			
(a) Total outstanding dues of Micro and Small Enterprises (Refer Note 9(i) below)	1.2	3.2	
(b) Total outstanding dues to creditors other than Micro and Small Enterprises	229.2	189.0	
Total(a+b)	230.4	192.2	

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- (i) Details of dues to Micro and Small Enterprises as per MSMED Act, 2006

Particulars	(₹ in millions)	
	As at March 31, 2016	As at March 31, 2015
The principal amount and the interest due thereon (Interest- March 31, 2016 ₹ Nil, March 31, 2015 ₹ Nil) remaining unpaid to any supplier as at the end of each accounting year	1.2	3.2
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	—	—
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.	—	—
The amount of interest accrued and remaining unpaid at the end of each accounting year; and 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	—	—

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

Particulars	(₹ in millions)	
	As at March 31, 2016	As at March 31, 2015
(a) Current maturities of long term debt (ref note no. 5)		
Secured	5,178.1	2,056.9
Unsecured	12,010.8	14,545.6
	17,188.9	16,602.5
(b) Interest accrued but not due on borrowings	1,281.0	1,110.7
(c) Unclaimed matured deposits and interest accrued thereon (ref note no. 5)	267.1	283.5
(d) Other payable		
(i) Statutory dues	12.1	27.1
(ii) Other liabilities	331.5	275.5
	343.6	302.6
Total(a+b+c+d)	19,080.6	18,299.3

11. Fixed Assets

Particulars	Gross Block			Depreciation / Amortisation			Net Block		
	As At April 01, 2015	Additions	Deductions	As At March 31, 2016	As At For the period	Adjustments/ deductions	As At March 31, 2016	As At March 31, 2016	As At March 31, 2015
(i) Tangible assets:									
Free Hold Land	0.7	—	—	0.7	—	—	—	0.7	0.7
Office building	623.3	—	—	623.3	54.0	10.4	—	64.4	558.9
Improvement to lease hold property	0.9	0.9	—	1.8	0.9	0.3	—	1.2	0.6
Computers	20.7	6.4	—	27.1	11.9	6.8	—	18.7	8.4
Office equipments	5.7	3.3	—	9.0	1.3	1.2	—	2.5	6.5
Furniture & fixtures	0.9	0.3	0.4	0.8	0.6	0.2	0.3	0.5	0.3
Total	652.2	10.9	0.4	662.7	68.7	18.9	0.3	87.3	575.4
Previous year (March 31, 2015)	645.3	13.7	6.8	652.2	55.6	19.6	6.5	68.7	583.5
(ii) Intangible assets:									
Software	25.8	12.4	—	38.2	23.4	10.4	—	33.8	4.4
Total	25.8	12.4	—	38.2	23.4	10.4	—	33.8	4.4
Previous year (March 31, 2015)	23.6	2.2	—	25.8	20.6	2.8	—	23.4	2.4

1. The Company has Capital work in progress of ₹ 1.7 million (March 2015 - ₹ 11.0 million).
2. A negative charge on the Gross block of office building amounting to ₹ 23.8 million (March 2015 - ₹ 23.8 million) and pari passu charge on Free Hold land has been created on secured bonds.

12. Non-Current Investments

Particulars	(₹ in millions)	
	As at March 31, 2016	As at March 31, 2015
Non-trade investments(valued at cost unless otherwise stated)		
Investments in government securities - (Quoted)		
Government securities (Face value - ₹ 1,083,990,000 , March 2015 - ₹ 1,263,990,000)*	1,090.4	1,274.9
	1,090.4	1,274.9
Investments in equity shares - (Unquoted)		
7,340,000 (March 2015 - 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 2015 - 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)		
16,556.38 (March 2015 - 16,556.38) units of Emerging India Fund of face value ₹ 10,000 each at par	165.6	165.6
	165.6	165.6
Total	1,799.8	1,984.3
Aggregate amount of quoted investments	1,090.4	1,274.9
Market value of quoted investments	1,076.3	1,242.7
Aggregate amount of unquoted investments	709.4	709.4

* Floating charge has been created on Government Securities (for statutory liquidity ratio (SLR) purpose) and includes securities, which are in excess of the minimum SLR requirement as per NHB Directions.

The management assesses that there is no indication of impairment of Company's investments. Provision for diminution in value of Investment is ₹ Nil (March 2015 - ₹ Nil).

13. Deferred Tax (net)

The composition of deferred tax assets and liabilities into major items is given below:

Particulars	(₹ in millions)	
	As at March 31, 2016	As at March 31, 2015
(i) Deferred tax assets on account of		
Provision for NPAs and Standard assets	485.3	465.4
Retirement benefits	3.5	3.9
Others	58.8	124.5
	547.6	593.8
(ii) Deferred tax liability on account of		
Special Reserve created as per section 29C of NHB Act, 1987 and claimed as deduction u/s 36 (1) (viii) of Income Tax Act, 1961 (includes ₹ 703.9 millions created as per NHB circular refer note 4 (b))	(856.6)	(784.3)
Depreciation	(80.5)	(72.3)
	(937.1)	(856.6)
Net deferred tax Asset / (Liability)	(389.5)	(262.8)

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14. Loans and Advances

Particulars	(₹ in millions)			
	Long term		Short term	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
a. Security Deposits				
Unsecured, considered good	4.7	7.8	—	—
Doubtful	14.4	14.0	—	—
Less: Provisions for doubtful deposits	(14.4)	(14.0)	—	—
	4.7	7.8	—	—
b. Loans & other credit facilities				
Housing Loans	47,355.9	42,238.5	5,734.1	4,339.8
Loan against property, Corporate realty finance and other loans	29,448.2	26,278.4	4,681.4	4,217.7
	76,804.1	68,516.9	10,415.5	8,557.5
Secured, considered good	75,388.4	67,100.6	10,415.5	8,557.5
Doubtful (Non performing assets as per NHB guidelines)	1,415.7	1,416.3	—	—
	76,804.1	68,516.9	10,415.5	8,557.5
c. Advance tax (net of provision for taxation)	427.4	371.9	—	—
d. Others	—	—	9.4	4.6
Total -- (a+b+c+d)	77,236.2	68,896.6	10,424.9	8,562.1

(i) Classification of loans and other credit facilities :

Particulars	(₹ in millions)				
	Standard	Sub Standard	Doubtful	Loss	Total
Loans Outstanding					
Housing loans	52,652.8	167.8	40.0	229.4	53,090.0
	(46,137.4)	(113.1)	(49.9)	(277.9)	(46,578.3)
Other loans	33,151.1	266.1	224.9	487.5	34,129.6
	(29,520.6)	(372.0)	(158.2)	(445.3)	(30,496.1)
Total	85,803.9	433.9	264.9	716.9	87,219.6
	(75,658.0)	(485.1)	(208.1)	(723.2)	(77,074.4)
Housing loans	281.3	25.2	18.4	229.4	554.3
	(252.9)	(17.0)	(22.4)	(277.9)	(570.2)
Other loans	226.6	39.9	94.0	487.5	848.0
	(202.1)	(55.8)	(71.4)	(445.3)	(774.6)
Total	507.9	65.1	112.4	716.9	1,402.3
	(455.0)	(72.8)	(93.8)	(723.2)	(1,344.8)

*Figures in bracket pertain to March 31, 2015

- (i) 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 ₹ 507.9 million (March 31, 2015 - ₹ 455.0 million) towards standard loans as per the prudential norms of National Housing Bank.
- (ii) Loans given by the Company are secured by the underlying property or fixed deposit.
- (iii) Loan and other credit facilities include loan of ₹ Nil (March 2015 - ₹ Nil) which is secured by way of capital market exposure.
- (iv) Loans and other credit facilities include subordinated interest of ₹ Nil (March 2015 - ₹ 156.0 million) in the underlying trust property of mortgage backed securities.
- (v) Security deposit includes deposit of ₹ Nil (March 2015 - ₹ 3.2 million) with MBS trust created in favour of IDBI Trusteeship Services Limited.

15. Trade Receivable

Particulars	(₹ in millions)			
	Non - Current portion		Current Portion	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
Other receivable				
Trade Receivables-Unsecured, considered good less than six months	—	—	120.3	103.0
Less: Provisions for doubtful trade receivables	—	—	—	—
Total	—	—	120.3	103.0

Trade receivable includes ₹ 112.4 millions (March 2015 ₹ 100.8 millions) from related parties.

16. Other Assets

Particulars	(₹ in millions)			
	Non - Current portion		Current Portion	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
(i) Advances recoverable				
Unsecured, considered good	—	—	11.2	16.5
Doubtful	4.5	4.7	—	—
Less: Provisions for doubtful advances	(4.5)	(4.7)	—	—
	—	—	11.2	16.5
(ii) Interest accrued on Loans	—	—	583.5	523.3
(iii) Accrued interest- fixed Deposits	—	5.3	22.6	18.7
(iv) Accrued interest- fixed deposits placed with ICICI Bank	—	—	—	0.6
(v) Accrued interest - GOI securities - INV	—	—	19.6	24.7
(vi) Bank deposits with original maturity for more than 12 months	—	200.0	—	—
(vii) Others	—	—	6.7	6.7
Total	—	205.3	643.6	590.5

17. Cash and Bank Balances

Particulars	(₹ in millions)			
	Non - Current portion		Current portion	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
A. Cash & cash equivalents				
a. Investments in mutual funds (Liquid Plan)	—	—	1,750.2	1,107.8
b. Investments redemption receivable	—	—	1,190.2	500.0
c. Balances with banks	—	—	131.8	75.3
d. Book overdraft	—	—	(194.5)	(10.5)
Total (A)	—	—	2,877.7	1,672.6
B. Other bank balances				
a. Bank deposits with original maturity for more than 12 months	—	200.0	200.0	300.0
b. Margin money deposits*	—	—	—	80.0
Total (B)	—	200.0	200.0	380.0
Amount disclosed under other assets (ref note 16)	—	(200.0)	—	—
Total (A) + (B)	—	—	3,077.7	2,052.6

*Margin money deposit is lien marked in favour IDBI Trusteeship Services Limited.

18. Current Investments

Particulars	(₹ in millions)			
	As at March 31, 2016		As at March 31, 2015	
	Investment in Mutual Funds – Liquid investments	Market value of Mutual Fund of ₹ 1,752.3 millions (₹ 1,109.2 millions March 31, 2015)	(1,750.2)	(1,107.8)
Amount disclosed under head "Cash & Cash equivalent" (ref Note 17 A(a))	—	—	—	—
Total	—	—	—	—
Aggregate amount of quoted investments	—	—	—	—
Market value of quoted investments	—	—	—	—
Provision for diminution in value of Investment is ₹ Nil (March 2015 - ₹ Nil).	—	—	—	—
The details of Mutual fund are as under :				
Particulars	(₹ in millions)			
	No. of Units		Amount as at	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
Axis Liquid Fund Direct Plan - Growth	—	32,333.394	—	50.1
Birla Sun Life Cash Plus Direct Plan - Growth	2,056,944.450	1,207,542.490	500.0	270.5
HDFC Liquid Fund Direct Plan - Growth	—	4,199,164.248	—	115.8
HSBC Cash Fund Direct Plan - Growth	—	71,759.300	—	100.0
ICICI Pru Money Market Direct Plan - Growth	—	1,142,741.108	—	221.0
Birla Sun Life Floating Rate Fund Short Term Plan Direct Growth	1,240,156.256	—	250.0	—
Kotak Floater Short Term Direct Plan - Growth	80,561.735	—	200.0	—
SBI Premier Liquid Fund Direct Plan - Growth	—	113,766.160	—	250.0
UTI Money Market Fund Institutional Direct Plan - Growth	—	64,049.242	—	100.4
Reliance Liquid Fund - Cash Plan - DIRECT Growth	204,741.267	—	500.0	—
ICICI Prudential Liquid Direct Plan Growth	1,339,828.231	—	300.2	—
Total	4,922,231.939	6,831,355.942	1,750.2	1,107.8

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19. Revenue From Operations

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Interest income on loans	9,549.3	8,599.9
Other operating income		
Fee income (refer note (a))	882.1	946.7
Other interest income received (Includes ₹ 1.2 million (March 2015 ₹ 2.2 million) in respect of investments held as current investments)	127.4	168.2
Profit on sale of liquid mutual fund units on current investment	27.7	36.0
Profit on sale of GOI securities (Includes ₹ 1.3 million (March 2015 ₹ 7.3 million) in respect of investments held as current investments)	1.9	7.4
Dividend income on current investment	76.9	83.2
Total	10,665.3	9,841.4

Note: (a) Pursuant to NHB Circular 'NHB (ND)/DRS/Policy Circular No. 71/2014-15 dated April 22, 2015, fee income includes ₹ 22.7 million (March 2015 ₹ 26.2 million) towards insurance agency business.

20. Other Income

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Dividend income-long term (Equity Shares)	7.3	—
Rent income	37.0	35.7
Miscellaneous income	4.1	0.2
Total	48.4	35.9

21. Finance Cost

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
(a) Interest expense on:		
Loans from banks	2,661.5	2,600.1
Commercial paper	522.9	501.8
Fixed deposits	257.0	313.0
Bonds	3,105.7	2,286.2
	6,547.1	5,701.1
(b) Other charges		
Brokerage on fixed deposits	10.2	4.3
Bank charges	1.0	0.5
Other financial charges	49.2	37.1
	60.4	41.9
Total (a+b)	6,607.5	5,743.0

(i) Interest expense (net) includes ₹ 48.7 million (March 2015 - ₹ 87.5 million) under Loans from banks being interest expenses / (income) booked on the Interest Rate Swaps (IRS). The notional principal of hedge IRS is ₹ 5,500.0 million (March 2015 - ₹ 5,500.0 million). During the year, the Company has entered into Interest Rate Swap (IRS) transactions amounting to ₹ Nil (March 2015 - ₹ Nil).

22. Employee Benefit Expenses

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Salaries, wages and bonus	395.6	359.4
Contribution to gratuity fund	4.1	9.1
Contribution to provident and other funds	17.2	16.6
Staff welfare expenses	9.1	2.5
Total	426.0	387.6

(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 summaries 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 29, 2016 employees detail).

Profit and Loss account:

Net employee benefit expense (Recognised in Employee Cost):

Gratuity	(₹ in millions)	
Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Current service cost	6.4	4.8
Interest on defined benefit obligation	3.4	2.7
Expected return on plan assets	(2.7)	(2.5)
Net actuarial (gains) / losses recognised in the year	(3.4)	4.2
Effect of the limit in Para 59(b)	—	(0.1)
Net employee benefit expenses	3.7	9.7
Actual return on plan assets	5.1	3.8

Balance Sheet:

Details of provision for gratuity and leave encashment:

Gratuity (₹ millions)	Leave Encashment (₹ millions)			
Particulars	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
Present value of funded obligations	43.8	39.4	16.1*	14.9*
Fair value of plan assets	(41.0)	(36.2)	—	—
Net liability / (asset)	2.8	3.2	16.1	14.9
Liability / (Asset)	2.8	3.2	16.1	14.9

* Includes short term leave encashment provision of ₹ 5.4 million (March 2015 - ₹ 4.8 million)

Changes in the present value of the defined benefit obligation are as follows:

Gratuity	(₹ in millions)	
Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Opening defined benefit obligation	39.4	27.4
Interest cost	3.4	2.7
Current service cost	6.4	4.8
Benefits paid	(4.5)	(0.9)
Actuarial (gains) / losses on obligation	(0.9)	5.4
Closing defined benefit obligation	43.8	39.4

Changes in the fair value of plan assets are as follows:

Gratuity	(₹ in millions)	
Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Opening fair value of plan assets	36.2	33.4
Expected return on plan assets	2.8	2.5
Contributions by employer	4.1	—
Benefits paid	(4.5)	(0.9)
Actuarial gains / (losses)	2.4	1.2
Closing fair value of plan assets	41.0	36.2
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, 2016	As at March 31, 2015
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 (%)	Leave Encashment (%)
	As at March 31, 2016	As at March 31, 2015
Discount rate	7.85%	7.90%
Expected rate of return on assets	8.00%	8.00%
Increase in compensation cost	7.00%	7.00%

Discount Rate:

The discount rate is based on the prevailing market yields of Indian government securities as at March 22, 2016 for the estimated term of the obligations.

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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	38%
25 - 29	28%
30 - 34	16%
35 - 44	12%
45 and above	8%

Disability:

Leaving service due to disability is included in the provision made for all causes of leaving service.

EXPERIENCE ADJUSTMENTS

Gratuity		(₹ in millions)				
Particulars		As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Defined benefit obligation	43.8	39.4	27.4	24.4	21.2	
Plan assets	41.0	36.2	33.4	33.8	32.8	
Surplus / (deficit)	(2.8)	(3.2)	6.0	9.4	11.6	
Experience adjustments on plan liabilities	(1.2)	2.0	0.9	(3.5)	1.2	
Experience adjustments on plan assets	2.4	1.2	(0.8)	(2.2)	0.2	
Leave Encashment		(₹ in millions)				
Particulars		As at March 31, 2016	As at March 31, 2015			
Defined benefit obligation*		16.1	14.9			
Experience adjustments on plan liabilities	Not determined	Not determined				

* Includes short term leave encashment provision of ₹ 5.4 million (March 2015 - ₹ 4.8 million)

23. Establishment and Other Expenses

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Advertisement and sales promotion	16.9	14.9
Customer acquisition cost	167.6	143.8
Professional and legal charges	266.0	268.5
Rent	29.5	27.2
Communication	6.9	6.2
Traveling and conveyance	30.4	34.3
Loss on sale of fixed assets / written off	—	0.3
Printing and stationery	5.6	5.1
Audit fees (Refer note 23(i) below)	6.3	5.9
Insurance	10.1	9.0
Electricity	13.5	9.5
Rates & taxes	56.2	52.9
Repairs and maintenance – Building	11.9	7.2
Repairs and maintenance – IT Software & Others	81.0	60.0
Office expenses	8.8	8.9
Directors sitting fees	1.4	1.5
CSR expenditures*	61.1	64.5
Computer consumable	1.2	1.1
Miscellaneous expenses	10.9	5.4
Total	785.3	726.2

*The Company has partnered ICICI Foundation for Inclusive Growth to support the cause of elementary education, primary health, sustainable livelihood and skill development.

(i) Auditor's remuneration (excluding service tax):

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Statutory audit fees	3.1	3.1
Tax audit fees	0.4	0.3
Certification and other charges	2.8	2.5
Total	6.3	5.9

(ii) The Company has recovered the following common expenses (as per the sharing arrangement) from the holding company:

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Rent & electricity	10.9	11.2
Printing and stationery	—	(0.1)
Rates and taxes	3.2	4.4
Repairs and maintenance – others	3.1	2.1
Miscellaneous expenses	6.0	3.5
Service tax	23.2	21.1
Total	26.4	23.7

Expense recovery from the holding company is recognised as per the sharing arrangement.

24. Provision / write offs (net)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Provision / write offs (net) against non-performing assets	106.4	33.2
Provision / write back (net) against standard assets	52.8	53.2
Provision / write offs (net) of loan assets, contingencies and other assets	5.4	(24.0)
Total	164.6	62.4

25. Earnings Per Share

The computation of earning per share is given below:

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Basic		
Weighted average number of equity shares outstanding during the period ended March 31, 2016 (Nos.)	1,098,750,000	1,098,750,000
Net profit (net of preference dividend and the dividend tax)	1,798.5	1,975.7
Basic earnings per share (₹)	1.64	1.80
Diluted		
Diluted number of equity shares (Nos.)	1,098,750,000	1,098,750,000
Net profit	1,798.5	1,975.7
Diluted earnings per share (₹)	1.64	1.80
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

Names of related parties and related party relationship as per Accounting Standard – AS 18.

Sr. No.	Name of the Related Party	Nature of Relationship
1	ICICI Bank Limited	Holding Company
2	ICICI Securities Limited	Fellow Subsidiary/ Fellow Entity
3	ICICI Securities Primary Dealership Limited	- do -
4	ICICI Prudential Life Insurance Company Limited	- do -
5	ICICI Lombard General Insurance Company Limited	- do -
6	ICICI Securities Inc.	- do -
7	ICICI Securities Holdings Inc.	- do -
8	ICICI Venture Funds Management Company Limited	- do -
9	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 Equity Fund	- do -
15	ICICI Strategic Investments Fund	- do -
16	ICICI Prudential Asset Management Company Limited	- do -
17	ICICI Prudential Trust Limited	- do -
18	ICICI Prudential Pension Funds Management Company Limited	- do -
19	I-Ven Biotech Limited	- do -
20	Rohit Salhotra, Managing Director and CEO	Key Management Personnel
Key managerial Personnel as per Companies Act, 2013.		
1	Pankaj Jain, Chief Financial Officer	Key Management Personnel
2	Pratap Salian, Company Secretary	Key Management Personnel

notes



forming part of the accounts

Continued

The following are the details of transactions with related parties:

Particulars	Holding Company	Fellow Subsidiary / Associate Company	Key Personnel	Total
ASSETS				
Asset Purchased	11.9	—	—	11.9
(—)	(—)	(—)	(—)	(—)
Fee receivable	127.8	0.7	—	128.5
(99.1)	(1.7)	(—)	(—)	(100.8)
Other receivable	9.4	—	—	9.4
(31.7)	(—)	(—)	(—)	(31.7)
LIABILITIES				
Equity share capital	10,987.5	—	—	10,987.5
(10,987.5)	(—)	(—)	(—)	(10,987.5)
Loan from holding company	5,848.0	—	—	5,848.0
(7,224.0)	(—)	(—)	(—)	(7,224.0)
Fee Payable	7.2	7.5	—	14.7
(27.0)	(21.2)	(—)	(—)	(48.2)
Book overdraft	1,059.9	—	—	1,059.9
(Including bank balance as per books and interest outstanding on Fixed Deposit)	(1,128.4)	(—)	(—)	(1,128.4)
Amount payable (including on account of expenses)	113.6	2.6	—	116.2
(151.8)	(0.6)	(—)	(—)	(152.4)
Proposed equity dividend	—	—	—	(79.4)
INCOME				
Valuation fee	600.7	—	—	600.7
(613.5)	(—)	(—)	(—)	(613.5)
Other Fee income	—	22.7	—	22.7
(—)	(26.6)	(—)	(—)	(26.6)
Interest on fixed deposit	2.8	—	—	2.8
(7.5)	(—)	(—)	(—)	(7.5)
Servicing fee	0.2	—	—	0.2
(0.3)	(—)	(—)	(—)	(0.3)
Rent received	37.0	—	—	37.0
(35.7)	(—)	(—)	(—)	(35.7)
Expense recovery	23.2	—	—	23.2
(21.1)	(—)	(—)	(—)	(21.1)
EXPENDITURE				
Interest & other finance expenses	771.3	4.1	—	775.4
(1,030.3)	(7.7)	(—)	(—)	(1,038.0)
DMA Commission	19.1	0.1	—	19.2
(18.6)	(0.2)	(—)	(—)	(18.8)
Collection cost	150.9	—	—	150.9
(155.0)	(—)	(—)	(—)	(155.0)
Travel Cost	29.3	—	—	29.3
(33.9)	(—)	(—)	(—)	(33.9)
IT Cost	85.9	—	—	85.9
(65.0)	(—)	(—)	(—)	(65.0)
Fee Expenses	47.0	31.8	—	78.8
(90.9)	(37.2)	(—)	(—)	(128.1)
Remuneration to KMP (Including additional related parties as Companies Act, 2013)	—	—	26.1	26.1
(—)	(—)	(23.8)	(—)	(23.8)
Insurance premium	—	10.1	—	10.1
(—)	(8.4)	(—)	(—)	(8.4)
Rent paid	4.6	16.6	—	21.2
(14.6)	(12.8)	(—)	(—)	(27.4)
Servicing fee	7.8	—	—	7.8
(9.8)	(—)	(—)	(—)	(9.8)
Miscellaneous	54.3	0.2	—	54.5
(53.1)	(0.3)	(—)	(—)	(53.4)
OTHERS				
SWAP (Notional Principal)	5,500.0	—	—	5,500.0
(5,500.0)	(—)	(—)	(—)	(5,500.0)
Letter of comfort (utilized)	12,486.1	—	—	12,486.1
(12,748.0)	(—)	(—)	(—)	(12,748.0)
Bond payment made during the period	—	(500.0)	(—)	(500.0)
Bank loan taken earlier and repaid during the period	1,376.0	—	—	1,376.0
(2,635.0)	(—)	(—)	(—)	(2,635.0)
Purchased of Bond	—	(101.9)	(—)	(101.9)
(—)	(—)	(—)	(—)	(—)
Sale of Bond	—	250.0	—	250.0
(—)	(49.9)	(—)	(—)	(49.9)
Equity dividend	1,182.3	—	—	1,182.3
(1,318.8)	(—)	(—)	(—)	(1,318.8)

*Figures in bracket pertain to March 31, 2015

Related party transaction which are in excess of 10% of the total related party transactions of similar nature are as follows:

Particulars	Name of the Related Party	As at March 31, 2016	As at March 31, 2015
ASSETS			
Asset Purchased	ICICI Bank Limited	11.9	—
Fee receivable	ICICI Bank Limited	127.8	99.1
Other receivable	ICICI Bank Limited	9.4	31.7
LIABILITIES			
Equity share capital	ICICI Bank Limited	10,987.5	10,987.5
Proposed final equity dividend	ICICI Bank Limited	—	79.4
Loan from holding company	ICICI Bank Limited	5,848.0	7,224.0
Book overdraft (Including bank balance as per books and interest outstanding on Fixed Deposit)	ICICI Bank Limited	1,059.9	1,128.4
Fee Payable	ICICI Bank Limited	7.2	27.0
Amount payable (including on account of expenses)	ICICI Securities Limited	7.5	21.2
INCOME			
Valuation fee	ICICI Bank Limited	600.7	613.5
Other Fee income	ICICI Lombard General Insurance Company Limited	21.2	26.2
Interest on fixed deposit	ICICI Bank Limited	2.8	7.5
Rent received	ICICI Bank Limited	37.0	35.7
Expense recovery	ICICI Bank Limited	23.2	21.1
Servicing fee	ICICI Bank Limited	0.2	0.3
EXPENDITURE			
Interest & other finance expenses	ICICI Bank Limited	771.3	1,030.3
DMA Commission	ICICI Bank Limited	19.1	18.6
Fee Expenses	ICICI Bank Limited	47.0	90.9
ICICI Securities Limited	ICICI Securities Limited	31.8	37.2
ICICI Lombard General Insurance Company Limited	ICICI Lombard General Insurance Company Limited	10.1	8.4
Rent paid	ICICI Bank Limited	4.6	14.6
ICICI Lombard General Insurance Company Limited	ICICI Lombard General Insurance Company Limited	15.7	12.8
Servicing fee	ICICI Bank Limited	7.8	9.8
Collection Cost	ICICI Bank Limited	150.9	155.0
Travel Cost	ICICI Bank Limited	29.3	33.9
IT Cost	ICICI Bank Limited	85.9	65.0
Remuneration	Rohit Salhotra	15.2	11.1
Miscellaneous	ICICI Bank Limited	54.3	53.1
OTHERS			
SWAP (Notional Principal)	ICICI Bank Limited	5,500.0	5,500.0
Letter of comfort (utilized)	ICICI Bank Limited	12,486.1	12,748.0
Bond payment made during the period	ICICI Prudential Life Insurance Company Limited	—	500.0
Bank loan taken earlier and repaid during the period	ICICI Bank Limited	1,376.0	2,635.0
Purchased of Bond	ICICI Securities Primary Dealership limited	—	101.9
Sale of Bond	ICICI Securities Primary Dealership limited	250.0	49.9
Equity dividend	ICICI Bank Limited	1,182.3	1,318.8

28. 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.	Items	Year ended March 31, 2016	Year ended March 31, 2015
1)	CRAR %	26.06%	27.01%
2)	CRAR - Tier I capital %	23.11%	23.25%
3)	CRAR - Tier II capital %	2.95%	3.76%

During the FY 2016, the Company has provided ₹ 62.4 million towards non-performing loans due to change in computation method from days past dues to seasoning period of default of loan amount. Accordingly, Net Owned Fund decreased by ₹ 62.4 million from ₹ 15,350.1 million to ₹ 15,287.7 million and Capital Risk Assets ratio decreased by 0.07% from 26.13% to 26.06%.

notes

forming part of the accounts

Continued

- (ii) Exposure to Real estate sector

Particulars	(₹ in millions)									
	Year ended March 31, 2016	Year ended March 31, 2015								
a) Direct exposure										
i) Residential mortgages	61,798.2	53,914.9								
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'16 - ₹ 14,679.3 million, March'15 - ₹ 11,929.4 million)										
ii) Commercial real estate	25,420.1	23,114.4								
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.										
iii) Investments in mortgage backed securities (MBS) & other securitised exposures	—	—								
a) Residential	—	—								
b) Commercial real estate	1.3	45.1								
iv) Others (These contains exposures not covered above)										
b) Indirect exposure										
Fund based & non fund based exposures on National Housing Bank (NHB) & Housing Finance Companies (HFC's)	—	—								
(iii) Asset Liability Management										
Maturity pattern of certain types of items of Assets & Liabilities*	(₹ in millions)									
	1 Day to 30-31 Days (one month)	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 Year	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years to 7 Years	Over 7 Years to 10 Years	Total
Liabilities										
Borrowings from banks	1,047.0	111.1	1,022.2	826.2	3,931.3	18,653.3	292.8	67.8	101.7	169.4
Market borrowings (including CP & Bonds)	1,193.6	2,474.3	500.0	4,035.8	9,078.4	19,534.5	8,572.4	—	—	45,389.0
Fixed deposit	91.9	75.6	176.8	409.7	487.6	1,299.6	325.0	—	—	2,866.2
	2,332.5	2,661.0	1,699.0	5,271.7	13,497.3	39,487.4	9,190.2	67.8	101.7	169.4
										74,478.0
Assets										
Advances	1,895.9	1,971.9	1,832.8	7,286.4	15,721.2	19,150.9	13,957.3	10,796.9	8,039.7	6,566.6
Investments	2,398.8	—	—	—	—	441.8	165.6	—	—	543.8
Fixed deposit	200.0	—	—	—	—	—	—	—	—	200.0
	4,494.7	1,971.9	1,832.8	7,286.4	15,721.2	19,592.7	14,122.9	10,796.9	8,039.7	7,110.4
										90,969.6

29. Impairment of assets: As per management Accounting Standard (AS 28) would not apply to financial assets such as loans and advances as the same have been covered by provisions 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.
30. The Company has paid an amount of ₹ Nil as penalty to NHB (FY 2014-15 ₹ 5,000 relating to operational aspects of fixed deposits).
31. The Company has ₹ Nil foreign currency exposures as at March 31, 2016 (March 2015 - ₹ Nil).
32. The Company has income tax matters pending assessment for various years of ₹ 6,972.0 million (March 2015 - ₹ 6,173.0 million). The Company has paid advance tax (net of such provision) of ₹ 427.4 million (March 2015 - ₹ 371.9 million) (refer note no 14(c)). Further, in case of pending legal matters, the Company has additional provision of ₹ 6.3 million (March 2015 - ₹ 7.3 million).
33. Contingent liabilities and commitments not provided for:
- (a) Contingent liabilities
- The Company is involved in various litigations, the outcome of which are possible and probable as March 31, 2016. In respect of obligations which are possible, the contingent liabilities are as follows:
- (i) Income tax matters in appeal - ₹ 461.0 million (March 2015 - ₹ 517.1 million)
- (ii) Service tax matters in appeal - ₹ 0.7 million (March 2015 - ₹ 0.7 million)
- (iii) The contingent liability on account of claims filed against the company not acknowledged as debt is ₹ 9.3 million (March 2015 - ₹ 8.7 million).
- As per management, the company has good chances of winning the cases 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 - ₹ 8.5 million (March 2015 - ₹ 8.5 million) (Net of advances - ₹ 6.9 million, March 2015 - ₹ 8.1 million)
- (ii) Commitment towards investment in Emerging India Fund ₹ 80.9 million (March 2015 - ₹ 80.9 million)
- (iii) Commitment towards part disbursement and non-disbursed sanctions amount to ₹ 2,346.8 million (March 2015 - ₹ 3,167.8 million) and ₹ 1,147.7 million (March 2015 - ₹ 2,683.6 million) respectively.
34. 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 Registration No.: 301003E
Chartered Accountants

per SHRAWAN JALAN
Partner
Membership No.: 102102

Place: Mumbai
Dated: April 26, 2016

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

ICICI INVESTMENT MANAGEMENT COMPANY LIMITED

16TH ANNUAL REPORT AND ACCOUNTS 2015-2016

Directors
 Vijay Chandok, Chairman
 DIN: 01545262
 N.L.Bhatia
 DIN: 00021847
 Chandrashekhar Lal
 DIN: 00078377

Auditors
 B S R & Co. LLP
Chartered Accountants
 (Registration No: 101248w/w-100022)

Registered Office
 ICICI Bank Towers
 Bandra- Kurla Complex
 Mumbai – 400 051

Vaishali Mehta
Chief Financial Officer

Vivek Ranjan
Company Secretary

directors' report

to the members

Your Directors have pleasure in presenting the Sixteenth Annual Report of the Company with the audited statement of accounts for the financial year ended March 31, 2016.

FINANCIAL HIGHLIGHTS

The summary of the financial results for the year under review is as follows:

Particulars	Fiscal 2015	Fiscal 2016
Gross Income	36,096	34,111
Profit/(loss) Before Tax	(20,673)	(18,518)
Provision for Tax	420	(26)
Profit/(loss) After Tax	(20,253)	(18,544)
Transfer to Reserves	(20,253)	(18,544)

OPERATIONS AND FUTURE PROSPECTS

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 is administering a private equity fund named Emerging India Fund, a Venture Capital Fund registered with Securities and Exchange Board of India. The Company acts as an Investment Manager to the Fund. As part of the investment strategy, Emerging India Fund has focused mainly on providing growth capital to unlisted companies in small and mid-market segment in India. FY16 was the year of consolidation for the Company with the primary focus being on working on exit strategy for the portfolio companies of EIF and leveraging the experience for raising the second Fund.

The Company worked extensively with the Fund's portfolio companies and managed to make significant progress in this direction. Considering that most of the portfolio companies are fast growing and cash generating with passionate management, initial response has been quite encouraging. Depending on the market conditions and price, the Company may decide to exit fully or partially from some of these portfolio companies as and when they get listed on the Indian Stock Exchanges.

Business growth of portfolio companies has also provided a lot of confidence and created overall positive sentiment for raising corpus of the second fund in the Emerging India Fund series. Initial interest has been encouraging and the team continues its efforts in this direction.

In FY2016, your Company made a loss of ₹ 18.5 million as compared to a loss of ₹ 20.2 million in FY2015. In FY2016, your Company's networth was ₹ 115.5 million as compared to ₹ 134.0 million in FY2015. The networth of the Company reduced by ₹ 18.5 million. The revenue from operations of the Company is mainly from the management fees that are charged for administering the Fund. The management fees are earned on the aggregate acquisition cost of unrealized investments, i.e.,

on the funds deployed in Emerging India Fund. The Company expects to enhance its revenues once the second Fund announces its first close. The second Fund is registered with SEBI under the Alternate Investment Category II under the name of Emerging India Fund II. The philosophy of the second Fund continues to be in line with the first Fund.

DIVIDEND

Your Directors do not recommend payment of dividend for the year ended March 31, 2016.

TRANSFER TO RESERVE

Loss of ₹ 18.5 million has been adjusted against reserves.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, the Company has not advanced any loan/given guarantee.

The particulars of investments made under Section 186 by the Company is as under:

Name of the Company	No. of shares	₹ in INR
First Source Solutions Limited	200	2000
ICICI Venture Fund Management Company Limited	1	10
Total	-	2010

Your Company has not purchased the securities of any other body corporate exceeding sixty percent of its paid up capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is more.

PUBLIC DEPOSITS

Your Company has not accepted any fixed deposits during the year, under Section 73 of the Companies Act, 2013. Hence, there is no outstanding amount as on the Balance Sheet date.

DETAILS OF DIRECTORS

In terms of provisions of the Articles of Association of the Company, Vijay Chandok will retire at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

In view of the provisions of Companies Act, 2013, the members at their Extraordinary General meeting held on March 25, 2015, have appointed Chandrashekhar Lal and N. L. Bhatia as Independent Directors of the Company for a period of five years effective April 1, 2014.

KEY MANAGERIAL PERSONNEL

Appointment:

The Board of the Company at its Meeting held on July 24, 2015 appointed Vivek Ranjan as Company Secretary of the Company.

Cessation

The term of Sharad Malpani as Manager of the Company ended on November 30, 2015.

directors' report

AUDITORS

In the Annual General Meeting held on June 19, 2014, B S R & Co. LLP, Chartered Accountants, Mumbai, were appointed Statutory Auditors of the Company for a period of five years. Ratification of appointment of Statutory Auditors is being sought from the members of the Company at the ensuing AGM. The Company has received confirmation from B S R & Co. LLP, Chartered Accountants, Mumbai that their appointment, falls within the limits specified under section 141(3)(g) of the Act and they are not disqualified to be appointed as statutory auditor.

Further, the report of the Statutory Auditors along with notes to Schedules is enclosed to this report. There are no qualifications or observations in the Auditors' Report.

THE BOARD OF DIRECTORS

At March 31, 2016, the Board of Directors consisted of three members. During the year, there were five Board meetings on April 20, 2015, April 24, 2015, July 24, 2015, October 23, 2015 and January 21, 2016.

The names of the Directors and their attendance at Board Meetings during the year are set out in the following table:

Name of Director	Meetings attended during the year
Vijay Chandok, Chairman	5/5
Chandrashekhar Lal	5/5
N. L. Bhatia	5/5

AUDIT COMMITTEE

At March 31, 2016, the Audit Committee comprised of Chandrashekhar Lal, Chairman, N. L. Bhatia and Vijay Chandok. During the year, there were four meetings of the Committee on April 20, 2015, July 24, 2015, October 23, 2015 and January 21, 2016.

The details of the composition of the Committee and attendance at its Meetings during the year are set out in the following table:

Name of Director	Meetings attended during the year
Chandrashekhar Lal, Chairman	4/4
Vijay Chandok	4/4
N. L. Bhatia	4/4

NOMINATION AND REMUNERATION COMMITTEE

At March 31, 2016, the Nomination and Remuneration Committee comprised of Chandrashekhar Lal, Chairman, N. L. Bhatia and Vijay Chandok. During the year, the Committee met twice on April 20, 2015 and October 23, 2015.

The details of the composition of the Committee and attendance at its Meetings during the year, are set out in the following table:

Name of Director	Meetings attended during the year
Chandrashekhar Lal, Chairman	2/2
Vijay Chandok	2/2
N. L. Bhatia	2/2

The Company has in place a policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director as well as a policy for the remuneration for the directors, key managerial personnel and other employees. The Company is a 100% subsidiary of ICICI Bank and its employees are on deputation from ICICI Bank, as presently there are no employees on the rolls of the Company, the Company as and when any employee is recruited in the future, would adopt the Bank's compensation policy practices to the extent applicable to it. The remuneration payable to non-executive/independent Directors would be governed by the provisions of the Companies Act, 2013 and its applicable rules. The remuneration for the non-executive/independent Directors would be sitting fee for attending each meeting of the Board/Committee thereof or for any other purpose whatsoever as may be approved by the Board from time to time within the limits as provided under Companies Act, 2013 and related rules.

All the non-executive/independent Directors would be entitled to reimbursement of expenses for attending Board/Committee Meetings, official visits and participation in various forums on behalf of the Company or for any other expense as may be approved by the Board.

DECLARATION BY INDEPENDENT DIRECTORS

Section 149 of the Companies Act, 2013 (CA 2013) prescribes the criteria for independence of a director and the requirement of taking an annual declaration from the directors confirming their adherence to the criteria.

In order to ensure compliance with the aforesaid provision, declaration of independence has been taken in accordance with Section 149 of the CA 2013 from Independent Directors and has been placed before the Board at its Meeting held on April 22, 2016.

EXTRACT OF ANNUAL RETURN

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of annual return is annexed as **Annexure-1**.

DETAILS OF CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

In view of the nature of business activities of the Company, the provisions of Section 134 (3)(m) of the Companies Act, 2013 relating to conservation of energy and technology absorption do not apply to the Company. The Company, however, uses information technology in its operations.

During the year under review, pursuant to Section 134 (3) (m) read with Rule 8 (3) of Companies (Accounts) Rules, 2014, Foreign exchange earnings and Outgo are as follows:

During the year March 31, 2016	
Foreign exchange earnings	: Nil
Foreign exchange Outgo	: ₹ 0.28 million

RELATED PARTY TRANSACTIONS

The Company primarily enters into following types of transactions with its related parties in its ordinary course of business adhering to arm's length principles as laid down in the Groups' arm's length policy:

- a) Placing fixed deposits
- b) Borrowings
- c) Credit facilities (fund based and non-fund based facilities)
- d) Purchase/sale of investments
- e) Other treasury transactions, like money market borrowings and placements
- f) Revenue transactions like interest income and expenses, dividends, brokerage, commission and fee – income and expenses, insurance premium and insurance claims, payment of expenses for shared infrastructure and services, sale/purchase and leasing of properties
- g) Remuneration, including stock options, to Key Managerial Persons (KMPs)

In terms of the Companies Act, 2013, approval of the Audit Committee is required for undertaking these transactions. The Company has taken the pre-approval of the Audit Committee in its meeting held on January 21, 2016 for continuing to undertake these transactions because we believe that these satisfy both the conditions specified in the Act, i.e., ordinary course of business and arm's length basis. Similarly, the Audit Committee is apprised about these transactions, on a quarterly basis.

The details of transactions entered into with the Related Parties are enclosed in Form AOC-2 as **Annexure-2**.

INTERNAL FINANCIAL CONTROLS - RULE 8(5)(VIII) OF COMPANIES (ACCOUNTS) RULES, 2014

The internal financial controls with reference to the Financial Statements are adequate with the size and nature of business of the Company.

HOLDING AND SUBSIDIARIES- RULE 8(5)(IV) OF COMPANIES (ACCOUNTS) RULES, 2014

Your Company continues to be the Subsidiary of ICICI Bank Limited.

CHANGE IN NATURE OF BUSINESS

During the year, there was no change in nature of business of the company.

POLICY ON CORPORATE SOCIAL RESPONSIBILITY

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within the purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

ORDER PASSED BY REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There are no orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations.

RISK MANAGEMENT POLICY

In terms of the requirement under Section 134(3)(n) of the Act, effective steps are being taken and continue to be taken with respect to development and implementation of a risk management policy and other related aspects.

PARTICULARS OF EMPLOYEES

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.

As there are no employees on the rolls of the Company, the information required under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 is not applicable.

directors' report



EVALUATION OF PERFORMANCE OF BOARD AND DIRECTORS

The Company, with the approval of its Nomination and Remuneration Committee (Committee), has put in place an evaluation framework for evaluation of the Board, Directors and Chairperson.

The evaluations for the Directors and the Board were done through circulation of two questionnaires, one for the Directors and the other for the Board which assessed the performance of the Board on select parameters, related to roles, responsibilities and obligations of the Board, functioning of the Committees including assessing the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The criteria for performance evaluation of Directors (Independent/Non-Independent) relates to the roles, expectations and contribution to areas which are relevant to the Directors in their capacity as members of the Board or Committees of the Board.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, your Directors confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had 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 loss of the company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

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
DIN: 01545262
Chairman

Mumbai, April 22, 2016

annexure 1

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2016 of
ICICI Investment Management Company Limited
[Pursuant to Section 92 of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN - U65990MH2000PLC124773
- ii) Registration Date – 09/03/2000
- iii) Name of the Company – ICICI Investment Management Company Limited
- iv) Category / Sub-Category of the Company – Public Company
- v) Address of the Registered Office and contact details –
ICICI Bank Towers, Bandra Kurla Complex, Bandra East, Mumbai 400051
Tel: 022 40087885
- vi) Whether listed company - No
- vii) Name, Address and contact details of Registrar & Transfer Agents (RTA), if any
3i Infotech Limited
Tower 5, 3rd Floor, Block B, International Infotech Park,
Vashi Railway Station Complex, Vashi, Navi Mumbai - 400 703,
www.3i-infotech.com
Tel:022 6792 8020

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

Sr No	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1.	Management Fees	66309	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

SI. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1.	ICICI Bank, ICICI Bank Tower, Bandra Kurla Complex, Bandra East, Mumbai 400051	L65190GJ1994 PLC 021012	Holding	100%	2 (46)

directors' report

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year %				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual/HUF	—	—	—	—	—	—	—	—	—
(b) Central Govt	—	—	—	—	—	—	—	—	—
(c) State Govt(s)	—	—	—	—	—	—	—	—	—
(d) Bodies Corp.	—	—	—	—	—	—	—	—	—
(e) Banks / FI*	1,00,00,100	600	1,00,00,700	100	1,00,00,100	600	1,00,00,700	100	—
(f) Any Other....	—	—	—	—	—	—	—	—	—
Sub-total (A) (1):-	1,00,00,100	600	1,00,00,700	100	1,00,00,100	600	1,00,00,700	100	—
(2) Foreign									
(a) NRIs -Individuals	—	—	—	—	—	—	—	—	—
(b) Other – Individuals	—	—	—	—	—	—	—	—	—
(c) Bodies Corp.	—	—	—	—	—	—	—	—	—
(d) Banks / FI	—	—	—	—	—	—	—	—	—
(e) Any Other....	—	—	—	—	—	—	—	—	—
Sub-total (A) (2):-	—	—	—	—	—	—	—	—	—
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	1,00,00,100	600	1,00,00,700	100	1,00,00,100	600	1,00,00,700	100	—
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds	—	—	—	—	—	—	—	—	—
(b) Banks / FI	—	—	—	—	—	—	—	—	—
(c) Central Govt	—	—	—	—	—	—	—	—	—
(d) State Govt(s)	—	—	—	—	—	—	—	—	—
(e) Venture Capital Funds	—	—	—	—	—	—	—	—	—
(f) Insurance Companies	—	—	—	—	—	—	—	—	—
(g) FII's	—	—	—	—	—	—	—	—	—
(h) Foreign Venture Capital Funds	—	—	—	—	—	—	—	—	—
(i) Others (specify)	—	—	—	—	—	—	—	—	—
Sub-total (B)(1):-	—	—	—	—	—	—	—	—	—
2. Non-Institutions									
(a) Bodies Corp.	—	—	—	—	—	—	—	—	—
(i) Indian	—	—	—	—	—	—	—	—	—
(ii) Overseas	—	—	—	—	—	—	—	—	—
(b) Individuals	—	—	—	—	—	—	—	—	—
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	—	—	—	—	—	—	—	—	—
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	—	—	—	—	—	—	—	—	—
(c) Others (specify)	—	—	—	—	—	—	—	—	—
Sub-total (B)(2):-	—	—	—	—	—	—	—	—	—
Total Public Shareholding (B)=(B)(1)+(B)(2)	—	—	—	—	—	—	—	—	—
C. Shares held by Custodian for GDRs & ADRs	—	—	—	—	—	—	—	—	—
Grand Total (A+B+C)	1,00,00,100	600	1,00,00,700	100	1,00,00,100	600	1,00,00,700	100	—

directors' report

ICICI Investment Management

* Beneficial Interest of 700 shares is held by the Bank through the following entities:

Folio No	Name of the shareholder	No of shares
9000462	ICICI VENTURE FUNDS MANAGEMENT COMPANY LIMITED	100
IIN1002	ICICI HOME FINANCE COMPANY LIMITED	100
IIN1003	ICICI SECURITIES LIMITED	100
IIN1004	ICICI LOMBARD GENERAL INSURANCE CO LTD	100
IIN1005	ICICI SECURITIES PRIMARY DEALERSHIP LTD	100
IINV014	ICICI TRUSTEESHIP SERVICES LIMITED	200
Total		700

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change In share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	ICICI Bank Limited	1,00,00,700	100	—	1,00,00,700	100	—	—

(iii) Change in Promoters' Shareholding (No change)

Sl. No.	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
	At the beginning of the year	—	—	—	—
	Date wise Increase / Decrease in Promoters Shareholding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	—	—	—	—
	At the end of the year	—	—	—	—

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): (Not Applicable)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	—	—	—	—
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	—	—	—	—
	At the End of the year (or on the date of separation, if Separated during the year)	—	—	—	—

(v). Shareholding of Directors and Key Managerial Personnel: (Not Applicable)

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	—	—	—	—
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	—	—	—	—
	At the end of the year	—	—	—	—

directors' report

(vi). INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (not applicable)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	—	—	—	—
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	—	—	—	—
Change in Indebtedness during the financial year	—	—	—	—
• Addition				
• Reduction				
Net Change	—	—	—	—
Indebtedness at the end of the financial year	—	—	—	—
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	—	—	—	—

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Sharad Malpani (Manager) [@]	Total Amount In ₹
1.	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (i) Salary and Allowances for fiscal 2016 (ii) Bonus paid in fiscal 2016 (b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	4,012,167 652,795 40,899 —	
2.	Stock Option	533,700	
3.	Sweat Equity	—	
4.	. Commission - as % of profit - others, specify...	—	
5.	Others, please specify	—	
	Total (1a(i) + a(ii) + b) Total Remuneration paid in fiscal 2016 (excludes perquisites on stock options reported in point 2)	4,705,861	
	Ceiling as per the Act	8,400,000	

[@] Sharad Malpani was Manager of the Company till November 30, 2015. His remuneration has been calculated for the period April 1, 2015 to November 30, 2015.

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount In ₹
	Independent Directors • Fee for attending board / committee meetings	Chandrashekhar Lal N.L.Bhatia	110,000 110,000
	Total (1)		220,000
	2. Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify		—
	Total (2)		—
	Total (B)=(1+2)		220,000
	Total Managerial Remuneration		49,25,861
	Overall Ceiling as per the Act		84,00,000

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Company Secretary	Company Secretary	CFO	Total Amount In ₹
		Arpita Goyal [#] (Note 1)	Vivek Ranjan* (Note-2)	Vaishali Mehta*	
1	Gross salary (a) (Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (i) Salary and allowance for Fiscal 2016 (ii) Bonus Paid in fiscal 2016 (b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	55,449	464,247	3,152,454	3,672,150
2	Stock Option	—	—	587,478 43,034	587,478 43,034
3	Sweat Equity	—	—	—	—
4	Commission - as % of profit - others, specify...	—	—	—	—
5	Others*	—	—	—	—
	Total	55,449	464,247	3,782,966	4,302,662

Note1) Arpita Goyal was holding the office of Compliance Officer and Company Secretary till April 20, 2015.

Note 2) Vivek Ranjan is holding the office of Compliance Officer from April 20, 2015 and was also appointed as Company Secretary on July 24, 2015.

*On deputation from the holding company, i.e., ICICI Bank Limited

*Please note that salary and allowances is net of HRA exemption claimed under Section 10 (13A) of Income Tax Act, 1961, which is reported in Others in point 5.

directors' report

ICICI Investment Management

VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
B. DIRECTORS					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
C. OTHER OFFICERS IN DEFAULT					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—

annexure 2

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

- (a) Name(s) of the related party and nature of relationship - NA
- (b) Nature of contracts/arrangements/transactions - NA
- (c) Duration of the contracts / arrangements/transactions - NA

2. Details of material contracts or arrangement or transactions at arm's length basis

Sr. no	Nature of contracts/ transactions	Name of the related party	Nature of relationship	Duration of contracts	Term of contracts/ transactions	Amount in ₹
1	Common corporate, Use of office space and other facilities expenses reimbursed	ICICI Bank Limited	Holding Company	—	Rentals, common corporate expenses, sharing charges and DNO insurance charged by ICICI Bank Limited.	5,711,849
2	Secondment of employees	ICICI Bank Limited	Holding Company	—	Reimbursement of staff deputation cost of employees.	40,507,659

Mumbai, April 22, 2016

VIJAY CHANDOK
Chairman

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 31 March 2016, 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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation 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 specified under 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, this responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's 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 on the financial statements.

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, of the state of affairs of the Company as at 31 March 2016, and its loss and its cash flows for the year ended on that date.

Report on other legal and regulators matters

As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the said Order.

As required by section 143(3) of the Act, we report that:

- (i) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (ii) 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;
- (iii) 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;
- (iv) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (v) on the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
- (vi) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
- (vii) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. the Company has no pending litigations outstanding as at 31 March 2016 - Refer Note 3.18 to the financial statements;
 - b. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses - Refer Note 3.18 to the financial statements; and
 - c. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

VENKATARAMANAN VISHWANATH
Partner

Mumbai, April 22, 2016

Membership No: 113156

annexure a to the independent auditors' report

ICICI Investment Management

31 March 2016 (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 has a programme of physical verification of its fixed assets by which all fixed assets are verified on a yearly basis. 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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any immovable properties as at 31 March 2016.
2. The Company is a service company, primarily rendering investment advisory services to Emerging India Fund. Accordingly it does not hold any physical inventories. Thus, Paragraph 3(ii) of the Order is not applicable.
3. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made.
5. The Company has not accepted any deposits from the public.
6. The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for any of the services rendered by the Company. Accordingly paragraph 3(vi) of the Order is not applicable.
7. (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 provident fund, employees' state insurance, income-tax, service tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, wealth tax, excise duty, customs duty, value added tax and investor education and protection fund. According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, service tax, cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of Income tax, Service tax and Cess which have not been deposited with the appropriate authorities on account of any dispute.
8. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
10. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

VENKATARAMAN VISHWANATH
Partner
Membership No: 113156

Mumbai, April 22, 2016

annexure - b to the auditors' report

31 March 2016 (Referred to in our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of ICICI Investment Management Company Limited ('the Company') as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

VENKATARAMAN VISHWANATH
Partner
Membership No: 113156

Mumbai, April 22, 2016

balance sheet

at March 31, 2016

profit and loss statement

for the year ended March 31, 2016

	Note No.	At March 31, 2016	(₹ in '000)	At March 31, 2015	Note No.	Year ended March 31, 2016	(₹ in '000)	Year ended March 31, 2015
EQUITY AND LIABILITIES								
Shareholders' funds					Income			
Share capital	3.1	100,007		100,007	Revenue from operations	3.11	28,447	28,601
Reserves and surplus	3.2	15,537		34,081	Other income	3.12	5,664	7,495
		115,544		134,088	Total Revenue		34,111	36,096
Current liabilities								
Trade payables	3.3	14,023		16,489	Expenses			
Other current liabilities	3.4	337		539	Employee benefits expense	3.13	40,508	45,909
		14,360		17,028	Depreciation and amortisation expense	3.5	12	10
TOTAL		129,904		151,116	Other expenses	3.14	12,109	10,850
ASSETS								
Non-current assets								
Fixed assets					Total expenses		52,629	56,769
Intangible assets	3.5	1		11	Profit before tax		(18,518)	(20,673)
Office Equipments	3.5	17		-	Tax expense:			
Non-current investments	3.6	52		52	Less: Current tax/ mat payable			
Other Non Current Assets	3.7	9,501		8,682	Add: Excess provision - earlier years		(26)	420
		9,571		8,745				
Current assets								
Current investments	3.8	103,675		128,220	Profit after tax		(18,544)	(20,253)
Cash and bank balances	3.9	475		1,041				
Other current assets	3.10	16,183		13,110	Earnings Per Equity Share	3.15		
		120,333		142,371	Basic		(1.85)	(2.03)
TOTAL		129,904		151,116	Diluted		(1.85)	(2.03)

Significant accounting policies and notes to financial statements (Note No. 2 to 3.19)
The accompanying notes form an integral part of the Balance Sheet.

Significant accounting policies and notes to financial statements (note no. 2 to 3.19)
The accompanying notes 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/W-100022

VENKATARAMAN VISHWANATH
Partner
Membership No: 113156

Place: Mumbai
Date: April 22, 2016

For and on behalf of the Board of Directors

VIJAY CHANDOK
Chairman

CHANDRASHEKHAR LAL
Director

VAISHALI MEHTA
Chief Financial Officer

VIVEK RANJAN
Company Secretary

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 and presented on the accrual basis of accounting, and comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, the relevant provisions of the Companies Act, 2013. The financial statements are presented in Indian rupees rounded off to the nearest rupee, unless otherwise stated.

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:

- It is expected to be realised in, or is intended for sale or consumption in, company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is expected to be realized within 12 months after reporting date; or
- 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:

- It is expected to be settled in the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is due to be settled within 12 months after reporting date; or
- 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 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.

Based on the Contribution Agreement, Management Fee comprises 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 comprises 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 began at the date of the Initial Closing of the Fund, viz. September 20, 2010 and with the extension of 6 months ended on March 19, 2014.

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 the relevant provisions of the Companies Act, 2013 or based on management estimate as given below:

- Intangible asset at 25%
- Office equipment at 20%

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 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 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 statement of profit and loss 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 period are recognised in the statement of profit and loss of the period. 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.

2.8 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 statement of profit and loss 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 obligation in respect of which a reasonable estimate can be made.

notes

forming part of the accounts

Continued

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 period.

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, 2016

3.1 Share Capital

Particulars	Par value per share	(₹ in '000)	
		At March 31, 2016	At March 31, 2015
Authorised: 25,000,000 equity shares of ₹ 10 each	10	250,000	250,000
Issued, subscribed and paid up: 10,000,700 equity shares of ₹ 10 each fully paid up	10	100,007	100,007

a. Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	At March 31, 2016		At March 31, 2015	
	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

Particulars	At March 31, 2016		At March 31, 2015	
	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 than 5 % of the aggregate shares in the company

Particulars	At March 31, 2016		At March 31, 2015	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares of ₹ 10/- each held by ICICI Bank Limited, the Holding Company	10,000,700	100,007	10,000,700	100,007

Share held by holding company:

- All the above shares are held by ICICI Bank Limited (the Holding Company) and its nominees.
- 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.
- The Company declares and pays dividend in Indian rupees. No dividend has been declared by the Company during the year ended March 31, 2016.
- 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

Particulars	(₹ in '000)	
	At March 31, 2016	At March 31, 2015
Surplus in the statement of Profit and Loss:		
Balance as per last financial statements	34,081	54,334
Add: Loss for the year	(18,544)	(20,253)
Total	15,537	34,081

3.3 Trade Payables

Particulars	(₹ in '000)	
	At March 31, 2016	At March 31, 2015
Sundry creditors:		
a) Payable to Holding Company	11,127	9,970
b) Other liabilities	2,896	6,519
Total	14,023	16,489

3.4 Other Current Liabilities

Particulars	(₹ in '000)	
	At March 31, 2016	At March 31, 2015
Other creditors:		
Tax deducted at source payable	337	539
Total	337	539

3.5 Fixed Assets

(₹ in '000)

Description	Gross Block				Depreciation				Net Block	
	At April 1, 2015	Additions during the year	Deletions during the year	At March 31, 2016	At April 1, 2015	For the year	Deletions	At March 31, 2016	As at March 31, 2016	As at March 31, 2015
Intangibles	41	-	-	41	30	10	-	40	1	11
Office equipment	-	18	-	18	-	2	-	2	17	-
Total	41	18	-	59	30	12	-	42	17	11
Previous year	41		-	41	20	10	-	30	11	

notes

3.6 Non Current Investments

(Valued at cost unless stated otherwise)

Particulars	(₹ in '000)		Particulars	(₹ in '000)	
	At March 31, 2016	At March 31, 2015		Year ended March 31, 2016	Year ended March 31, 2015
Trade investments	—	—	Gross management fee	32,348	32,136
Non trade investments:			Less: Service tax	3,901	3,535
Investment in equity instruments:			Net Management fee	28,447	28,601
First Source Solutions Limited- 200 shares (March 31, 2015 - 200 shares of ₹10 each)	2	2			
Emerging India Fund- 5 Class B units (March 31, 2015 - 5 Class B units) of ₹ 10,000 each	50	50			
ICICI Venture Funds Management Company Limited – 1 share (March 31, 2015 - 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	7	6			
Aggregate provision for diminution in value of investments	—	—			

3.7 Other Non Current Assets

Particulars	(₹ in '000)		Particulars	(₹ in '000)	
	At March 31, 2016	At March 31, 2015		Year ended March 31, 2016	Year ended March 31, 2015
Other receivables:					
a) Tax paid in advance/tax deducted at source (net)	6,642	5,823			
b) MAT credit entitlement	2,859	2,859			
Total	9,501	8,682			

3.8 Current Investments:

Particulars	(₹ in '000)		Particulars	(₹ in '000)	
	At March 31, 2016	At March 31, 2015		Year ended March 31, 2016	Year ended March 31, 2015
Investment in mutual funds (Unquoted)	—	—			
2,00,000 units of ICICI Prudential Yearly FMP Series 68-369 D Plan K DP Cumulative (Mar 31, 2015 - 2,00,000 units)	20,000	20,000			
Nil units of ICICI Prudential Ultra Short Term Plan - daily dividend (March 31, 2015 - 1,304,776.117 units)	—	13,182			
791,357.774 units of ICICI Prudential Flexible Income Plan - direct daily dividend (March 31, 2015 - 898,823.188 units)	83,675	95,038			
Total	103,675	128,220			

3.9 Cash and Cash Equivalents

Particulars	(₹ in '000)		Particulars	(₹ in '000)	
	At March 31, 2016	At March 31, 2015		Year ended March 31, 2016	Year ended March 31, 2015
a) Balance with Banks	475	1,041			
b) Others	—	—			
Total	475	1,041			

3.10 Other Current Assets (Unsecured, Considered good)

Particulars	(₹ in '000)		Particulars	(₹ in '000)	
	At March 31, 2016	At March 31, 2015		Year ended March 31, 2016	Year ended March 31, 2015
Other receivables:					
a) Advances recoverable in cash or in kind or for value to be received	42	43			
b) Service tax input (net)	7,461	4,361			
c) Income tax refund receivable	8,680	8,707			
Total	16,183	13,110			

3.11 Revenue from Operations

Particulars	(₹ in '000)		Year ended March 31, 2016	(₹ in '000)	
	At March 31, 2016	At March 31, 2015		Year ended March 31, 2015	Year ended March 31, 2015
Gross management fee	32,348	32,136			
Less: Service tax	3,901	3,535			
Net Management fee	28,447	28,601			

3.12 Other Income

Particulars	(₹ in '000)		Year ended March 31, 2016	(₹ in '000)	
	At March 31, 2016	At March 31, 2015		Year ended March 31, 2015	Year ended March 31, 2015
Dividend income:					
From others	5,654	7,241			
Interest on income tax refund	—	254			
Interest Income on deposit	9	—			
Profit on Sale of Investment	1	—			
Total	5,664	7,495			

3.13 Employee Benefit Expenses

Particulars	(₹ in '000)		Year ended March 31, 2016	(₹ in '000)	
	At March 31, 2016	At March 31, 2015		Year ended March 31, 2016	Year ended March 31, 2015
Salaries and wages (refer note 3.13 (a))	40,508	45,909			
Total	40,508	45,909			

3.14 Other Expenses

Particulars	(₹ in '000)		Year ended March 31, 2016	(₹ in '000)	
	At March 31, 2016	At March 31, 2015		Year ended March 31, 2015	Year ended March 31, 2015
a) Director sitting fee	220	220			
b) Professional tax	2	2			
c) Miscellaneous expenses	426	153			
d) General and administrative expenses (Refer note 3.14 (1))	5,712	6,343			
e) Contribution charges	2,222	2,240			
f) Auditors' remuneration (Refer note 3.14 (2))	446	354			
g) Legal and professional fees	2,570	1,009			
k) Seminar & conference fees	313	43			
l) Subscription charges	197	486			
Total	12,109	10,850			

- General and administrative expenses includes allocation of expenses relating to certain corporate support services, such as legal, secretarial and taxation services provided by the Holding Company to the Company.
- The detailed break-up of auditor's remuneration is given in the table below.

Particulars	(₹ in '000)		Year ended March 31, 2016	(₹ in '000)	
	At March 31, 2016	At March 31, 2015		Year ended March 31, 2015	Year ended March 31, 2015
Statutory audit fees	365	290			
Tax audit fees	75	60			
Reimbursement of out of pocket expenses	6	4			
Total	446	354			

3.15 Earning per share

Particulars	(₹ in '000)		Year ended March 31, 2016	(₹ in '000)	
	At March 31, 2016	At March 31, 2015		Year ended March 31, 2015	Year ended March 31, 2015
Net Profit after tax	(18,544)	(20,253)			
Weighted average number of Equity shares outstanding during the year (in units)	10,000,700	10,000,700			
Basic and diluted earning per share	(1.85)	(2.03)			
Face value per share	10	10			

notes

forming part of the accounts

3.16 Related Party Disclosures:

Consequent to the mandatory Accounting Standard – AS 18 issued by ICAI on "Related Party Disclosure" following person will be considered as related persons by the year ended March 31, 2016.

Sr. No.	Name of the Related Party	Nature of Relationship
01	ICICI Bank Limited	Holding Company
02	ICICI Venture Funds Management Company Limited	Fellow Subsidiary
03	ICICI Securities Limited	Fellow Subsidiary
04	Sharad Malpani ((refer to note 3.16 (1) (a))	Key Management Personnel
05	Vaishali Mehta	Key Management Personnel
06	Arpita Goyal ((refer to note 3.16 (1) (c))	Key Management Personnel
07	Vivek Ranjan ((refer to note 3.16 (1) (b))	Key Management Personnel

The following are the details of the transaction with the related parties:

1) Key managerial personnel

Remuneration paid to the Key Managerial Person of the Company excluding the perquisite value on account of employee stock options exercised, during FY2016 was ₹ 9,008,522 (FY2015: ₹ 10,654,090). The remuneration paid to Sharad Malpani was ₹ 4,705,860 (FY2015: ₹ 6,779,802) ((refer to note 3.16 (1) (a)), Vaishali Mehta was ₹ 3,782,966 (FY2015: ₹ 3,272,869), Vivek Ranjan was ₹ 464,247 (FY2015: Nil) ((refer to note 3.16 (1) (b)), and Arpita Goyal was ₹ 55,449 (9M-FY2015: ₹ 601,419) ((refer to note 3.16 (1) (c)).

Notes:

- a) Sharad Malpani was holding the office of Manager till November 30, 2015.
- b) Vivek Ranjan is holding the office of Compliance Officer from April 20, 2015 and was also appointed as a Company Secretary on July 24, 2015.
- c) Arpita Goyal was holding the office of Compliance Officer and Company Secretary till April 20, 2015.

2) Holding Company (parent): ICICI Bank Limited

Particulars	At March 31, 2016	At March 31, 2015
Share capital	100,007	100,007
Current account	475	1,041
Payables (refer note 3.16 (2)(a))	11,127	9,970

- i. 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. Payables to Holding Company excludes bonus accrual of ₹ 2,500,000 for the year (March 31, 2015 ₹ 5,934,000).

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

VENKATARAMANAN VISHWANATH
Partner
Membership No: 113156

Place: Mumbai
Date: April 22, 2016

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Interest Income on deposit	9	-
Employee cost (refer note 3.13 (a) & 3.16 (2)(a))	38,008	39,975
General and administrative expenses	5,712	6,343

- a. Also includes remuneration paid to key managerial personnel.
- b. Fellow subsidiaries and fellow entities, of the Holding Company consolidated.
- c. ICICI Venture Funds Management Company Limited.

Particulars	At March 31, 2016	At March 31, 2015
Equity investment	0.01	0.01
b) ICICI Securities Limited	-	-

Particulars	At March 31, 2016	At March 31, 2015
Professional Fees paid	-	200

3.17 Segment Reporting

The Company is mainly organized into one business segment as asset management services. Hence primary segment disclosures are not applicable to the Company. Geographical segment reporting does not require separate disclosure as all activities of the Company are within India.

3.18 Other Disclosures

Particulars	At March 31, 2016	At March 31, 2015
Deferred tax liability (A)	-	-
Deferred Tax Assets:	-	-
Carry forward losses & accumulated depreciation	-	-
Total deferred tax asset (B)	17,766	10,475
Net deferred tax assets recognized in the financial statements	17,766	10,475

- 1) In absence of virtual certainty that sufficient future taxable income will be available, in the current year, the Company has recognized deferred tax assets only to the extent of deferred tax liability.

3.18 Other Disclosures

- a) There are no contingent liabilities as at March 31, 2016 (March 31, 2015: nil).
- b) Total foreign exchange expenditure for year ended March 31, 2016 was ₹ 283,850 (March 31, 2015: ₹ 338,742).
- 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.
- d) The Company does not have any long – term contracts including derivative contracts for which there are any materially foreseeable losses. Further, the Company also has no pending litigations outstanding as at 31 March 2016.

For and on behalf of the Board of Directors

VIJAY CHANDOK
Chairman

CHANDRASHEKHAR LAL
Director

VAISHALI MEHTA
Chief Financial Officer

VIVEK RANJAN
Company Secretary

cash flow statement

ICICI Investment Management

for the year ended March 31, 2015

		Year ended March 31, 2015	(₹ in '000) Year ended March 31, 2014
A) Cash Flow from Operating Activities			
Profit before tax		(18,518)	(20,673)
Add: Adjustments for:			
Depreciation / Amortisation		12	10
Excess provision - earlier years		(26)	420
Less: Adjustments for:			
Dividend received		(5,654)	(7,241)
Interest Income on deposit		(9)	(9)
Profit on sale of investments		(1)	-
Operating (loss)/profit before working capital changes		(24,197)	(27,484)
Adjustments for:			
Movement in current assets, loans and advances		(3,073)	971
Movement in current liabilities and provisions		(2,668)	(2,451)
Cash generated from Operations		(29,938)	(28,963)
Income taxes paid (includes tax deducted at source)		(819)	(870)
Net cash from operating activities - A		(30,757)	(29,833)
B) Cash Flow from Investing Activities :			
Dividend received		5,654	7,241
Proceeds from sale of investments		52,200	41,800
Purchase of investments		(27,654)	(20,091)
Purchase of fixed assets		(18)	-
Interest received		9	-
Net cash from investing activities - B		30,191	28,950
C) Cash Flow from Financing Activities :			
Creation of Term deposit		(11,700)	—
Maturity of Term deposit		11,700	—
Net Cash from in Financing Activities - C		—	—
Net increase/(decrease) in cash and cash equivalents (A+B+C)		(566)	(883)
Cash and cash equivalents at beginning of the year		1,041	1,924
Cash and cash equivalents at end of the year (see note 1)		475	1,041

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		475	1,041
b) In fixed deposit		—	—
Total		475	1,041

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

VENKATARAMANAN VISHWANATH
Partner
Membership No: 113156

Place: Mumbai
Date: April 22, 2016

For and on behalf of the Board of Directors

VIJAY CHANDOK
Chairman

CHANDRASHEKHAR LAL
Director

VAISHALI MEHTA
Chief Financial Officer

VIVEK RANJAN
Company Secretary

17TH ANNUAL REPORT AND ACCOUNTS 2015-2016

Directors

P. Sanker, Chairman
DIN:00008187
Sanjay Chougule
DIN:00073782
Supritha Shetty
DIN:02101473

Auditors

Khandelwal Jain & Co.
Chartered Accountants
(Registration No.: 105049W)

Vivek Ranjan
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 Seventeenth Annual Report of the Company with the audited statement of accounts for the year ended March 31, 2016.

FINANCIAL HIGHLIGHTS

The summary of the financial results for the year under review is as follows

Particulars	Fiscal 2015	Fiscal 2016
Gross Income	568	739
Profit Before Tax	445	682
Provision for tax	124	151
Profit After Tax	321	531
Transfer to Reserves	Nil	Nil

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 Internet and Technology Fund, Emerging Sectors Trust, ICICI Centre for Elementary Education, ICICI Securities Fund, ICICI Centre for Child Health and Nutrition, Reconciliation Shares Trust, ICICI Foundation for Inclusive Growth and Disha Trust. 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 favour of one or more Transferor Companies in trust for the benefit of persons for whose benefit the pledge had been created.

DIVIDEND

Your Directors, in order to conserve reserves, do not recommend payment of dividend for the year ended March 31, 2016.

SECTION 186 PARTICULARS OF LOANS, GUARANTEE OR INVESTMENT

During the year under review, the Company has not advanced any loan/given guarantee.

Your Company has not purchased the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is more. Hence, this section shall not be applicable.

PUBLIC DEPOSITS

During the year under review, the Company has not accepted deposits under Section 73 of the Companies Act, 2013 and there is no outstanding amount as on the Balance Sheet date.

DIRECTORS

In terms of provisions of the Articles of Association of the Company, P. Sanker will retire at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

AUDITORS

In the Annual General Meeting held on June 17, 2014, M/s Khandelwal Jain & Co, Chartered Accountants have been appointed Statutory Auditors of the Company

for a period of 3 years. Ratification of appointment of Statutory Auditors is being sought from the Members of the Company at the ensuing AGM. The Company has received confirmation under Section 139 from M/s. Khandelwal Jain & Co, Chartered Accountants, Mumbai that their appointment falls within the limits specified under Section 141 of the Act and are not disqualified to be appointed as Statutory Auditor. The Members are requested to consider the ratification of their appointment for FY2016-17.

The report of the Statutory Auditors along with financial statements and notes to Accounts is enclosed to this report. There are no qualifications or adverse remarks in the Auditors' Report.

THE BOARD OF DIRECTORS

At March 31, 2016, the Board of Directors consisted of three members. During the year, there were four Board meetings on April 16, 2015, July 22, 2015, October 21, 2015 and January 20, 2016.

The names of the Directors and their attendance at Board Meetings during the year are set out in the following table:

Name of Director	Board Meetings attended during the year
P. Sanker, Chairman	4/4
Sanjay Chougule	4/4
Supritha Shetty	2/4

DECLARATION BY INDEPENDENT DIRECTORS

The provisions of Section 149(4) of the Companies Act 2013, requiring the appointment of Independent Directors, applies only to listed companies. Your Company being not listed, the provisions do not apply. In addition Section 149 of the Companies Act 2013 excludes a nominee director from the definition of independent director. All the directors of your Company are nominee directors. Therefore, declaration has not been obtained from any of the directors.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013 ('the Act') and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return is annexed as **Annexure 1**.

DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The provisions of Section 134 (3)(m) of the Companies Act, 2013 relating to conservation of energy and technology absorption do not apply to the Company.

During the year under review, pursuant to Section 134 (3) (m) read with Rule 8 (3) of Companies (Accounts) Rules, 2014, there was no income or expenditure in foreign currency during the period under review.

RELATED PARTY TRANSACTIONS

During the year under review, the Company has entered into contracts/arrangements with related parties at arm's length basis.

The details of transactions entered into with the Related Parties are enclosed as **Annexure 2- Form AOC-2**.

INTERNAL FINANCIAL CONTROLS

The internal financial controls with reference to the Financial Statements are adequate with the size and nature of business of the Company.

HOLDING AND SUBSIDIARIES

Your Company continues to be a subsidiary of ICICI Bank Limited. Further, the Company has no subsidiaries, associates or joint ventures.

directors' report



to the Members of ICICI Trusteeship Services Limited

CHANGE IN NATURE OF BUSINESS

During the year under review, there is no change in the nature of business of the Company.

ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There are no orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company.

PERSONNEL AND OTHER MATTERS

Since your Company does not have any employees, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable.

As there are no employees on the rolls of the Company, the information required under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 is not applicable.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134 (3) (c) read with Section 134 (5) of the Companies Act, 2013, your Directors confirm that:

1. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. 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 and 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 this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

4. they have prepared the annual accounts on a going concern basis; and

5. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

Your Company is grateful to the regulatory authorities for their valuable guidance and support and wishes to express sincere appreciation for their continued co-operation and assistance. We look 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

P. SANKER
DIN : 00008187
Chairman

Mumbai, April 20, 2016

Annexure 1

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2016 of
ICICI TRUSTEESHIP SERVICES LIMITED

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN: U65991MH1999PLC119683
- ii) Registration Date: 29/04/1999
- iii) Name of the Company: ICICI Trusteeship Services Limited
- iv) Category / Sub-Category of the Company: Company limited by shares
- v) Address of the Registered Office and contact details:
C-23, G Block, BKC, Bandra East, Mumbai - 400051
- vi) Whether listed company: No

IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

- (i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
A. Promoters									
(1) Indian									
(a) Individual/HUF	—	—	—	—	—	—	—	—	—
(b) Central Govt	—	—	—	—	—	—	—	—	—
(c) State Govt (s)	—	—	—	—	—	—	—	—	—
(d) Bodies Corp.	—	—	—	—	—	—	—	—	—
(e) Banks / FI *	49,400	600	50,000	100	49,400	600	50,000	100	—
(f) Any Other....	—	—	—	—	—	—	—	—	—
Sub-total (A) (1):-	49,400	600	50,000	100	49,400	600	50,000	100	—
(2) Foreign									
(a) NRIs-Individuals	—	—	—	—	—	—	—	—	—
(b) Other-Individuals	—	—	—	—	—	—	—	—	—
(c) Bodies Corp.	—	—	—	—	—	—	—	—	—
(d) Banks / FI	—	—	—	—	—	—	—	—	—
(e) Any Other....	—	—	—	—	—	—	—	—	—
Sub-total (A) (2):-	—	—	—	—	—	—	—	—	—
Total shareholding of Promoter (A) =	49,400	600	50,000	100	49,400	600	50,000	100	—
(A)(1)+(A)(2)									

directors' report

Continued

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds	—	—	—	—	—	—	—	—	—
(b) Banks / FI	—	—	—	—	—	—	—	—	—
(c) Central Govt	—	—	—	—	—	—	—	—	—
(d) State Govt(s)	—	—	—	—	—	—	—	—	—
(e) Venture Capital Funds	—	—	—	—	—	—	—	—	—
(f) Insurance Companies	—	—	—	—	—	—	—	—	—
(g) FII	—	—	—	—	—	—	—	—	—
(h) Foreign Venture Capital Funds	—	—	—	—	—	—	—	—	—
(i) Others (specify)	—	—	—	—	—	—	—	—	—
Sub-total (B)(1):-	—	—	—	—	—	—	—	—	—
2. Non-Institutions									
(a) Bodies Corp.									
(i) Indian	—	—	—	—	—	—	—	—	—
(ii) Overseas	—	—	—	—	—	—	—	—	—
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	—	—	—	—	—	—	—	—	—
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	—	—	—	—	—	—	—	—	—
(c) Others (specify)									
Sub-total (B)(2):-	—	—	—	—	—	—	—	—	—
Total Public Shareholding (B)=(B)(1)+(B)(2)	—	—	—	—	—	—	—	—	—
C. Shares held by Custodian for GDRs & ADRs	—	—	—	—	—	—	—	—	—
Grand Total (A+B+C)	49,400	600	50,000	100	49,400	600	50,000	100	—

* Beneficial Interest of 700 shares is held by the Bank through the following entities:

Folio No	Name of the shareholder	No of shares
9000462	ICICI VENTURE FUNDS MANAGEMENT COMPANY LIMITED	100
ITR0012	ICICI INVESTMENT MANAGEMENT COMPANY LIMITED	200
ITR0013	ICICI HOME FINANCE COMPANY LIMITED	100
ITR1002	ICICI LOMBARD GENERAL INSURANCE COMPANY LIMITED	100
ITR1004	ICICI SECURITIES LIMITED	100
ITR1005	ICICI SECURITIES PRIMARY DEALERSHIP LIMITED	100
Total		700

(ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change In share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	ICICI Bank Limited	50,000	100	—	50,000	100	—	—

(iii) Change in Promoters' Shareholding (No change)

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	—	—	—	—
	Date wise Increase / Decrease in Promoters Shareholding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	—	—	—	—
	At the end of the year				

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): (Not Applicable)

SI No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	—	—	—	—
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase /Decrease (e.g. allotment/transfer/bonus/sweat equity etc):	—	—	—	—
	At the End of the year (or on the date of separation, if Separated during the year)	—	—	—	—

directors' report



to the Members of ICICI Trusteeship Services Limited

(v). Shareholding of Directors and Key Managerial Personnel: (Not Applicable)

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	—	—	—	—
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	—	—	—	—
	At the end of the year	—	—	—	—

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	—	—	—	—
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	—	—	—	—
Change in Indebtedness during the financial year				
• Addition	—	—	—	—
• Reduction	—	—	—	—
Net Change	—	—	—	—
Indebtedness at the end of the financial year				
i) Principal Amount	—	—	—	—
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	—	—	—	—

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Not Applicable)

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount in ₹
1	Gross salary a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income-Tax Act, 1961	— — —	— — —
2.	Stock Option	—	—
3.	Sweat Equity	—	—
4.	. Commission - as % of profit - others, specify...	— — —	— — —
5	Others, please specify	—	—
	Total (A)	—	—
	Ceiling as per the Act	—	—

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount in ₹
1.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	— — —	— — —
	Total (1)	—	—
2.	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	— — —	— — —
	Total (2)	—	—
	Total (B)=(1+2)	—	—
	Total Managerial Remuneration	—	—
	Overall Ceiling as per the Act	—	—

directors' report

Continued

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD: (Not Applicable)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	— — —	— — —	— — —	— — —
2	Stock Option	—	—	—	—
3	Sweat Equity	—	—	—	—
4	Commission - as % of profit - others, specify...	— —	— —	— —	— —
5	Others, please specify	—	—	—	—
Total		—	—	—	—

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/ NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
B. DIRECTORS					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
C. OTHER OFFICERS IN DEFAULT					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—

Annexure 2

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: N.A.
 - (a) Name(s) of the related party and nature of relationship
 - (b) Nature of contracts/arrangements/transactions
 - (c) Duration of the contracts / arrangements/transactions
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any
 - (e) Justification for entering into such contracts or arrangements or transactions
 - (f) date(s) of approval by the Board
 - (g) Amount paid as advances, if any
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
2. Details of material contracts or arrangement or transactions at arm's length basis
 - (a) Name(s) of the related party and nature of relationship: Refer "Note 1"
 - (b) Nature of contracts/arrangements/transactions: Refer "Note 1"
 - (c) Duration of the contracts / arrangements/transactions: Refer "Note 1"
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Refer "Note 1"
 - (e) Date(s) of approval by the Board, if any: 22/01/2015
 - (f) Amount paid as advances, if any: Nil

Note 1:

Name of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts	Terms of contracts/ arrangements/ transactions	Value (₹ in '000)
ICICI Bank Limited	Holding Company	Trusteeship fees	—	Fees for trusteeship services	170.0
ICICI Venture Fund Management Company Limited	Fellow Subsidiary	Trusteeship fees	—	Fees for trusteeship services	150.0
ICICI Bank Limited	Holding Company	Fixed deposits placed with ICICI Bank Limited	Different maturities	Interest at applicable coupon rate	2,157.0

auditors' report



to the members of ICICI Trusteeship Services Limited

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of ICICI TRUSTEESHIP SERVICES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

Management is responsible for the preparation of these standalone 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 Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility includes design, implementation and maintenance of adequate internal controls relevant to the preparation and presentation of the standalone 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 standalone 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 standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence, on a test basis, about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 the accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the standalone 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 standalone 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 Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of the Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. We have inquired into the matters specified under Section 143(1) and based on the information and explanations given to us, there is no matter to be reported under this Section.
3. As required by Section 143(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 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 aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) In our opinion and based on the information and explanations given to us, there are no financial transactions or matters which have any adverse effect on the functioning of the company.
 - f) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - g) There is no qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith.
 - h) The company has adequate internal financial controls system in place and there is an operating effectiveness of such controls. A report giving our responsibilities and opinion has been annexed herewith.
 - i) Such other matters as are prescribed by Companies (Audit and Auditors) Rules, 2014 namely:
 - i. the Company does not have any pending litigations which would impact its financial position.
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. there are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

For KHANDELWAL JAIN & CO.

Chartered Accountants

ICAI Firm Registration No. 105049W

CHIRAG DOSHI

Partner

Membership no.: 119079

Place : Mumbai

Date : April 20, 2016

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 3 (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 3 (ii) of the Order is not applicable.
3. The Company has neither granted nor taken any loans, secured or unsecured to/from companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the Order is not applicable.
4. In our opinion and according to the information and explanations given to us, the Company has, in respect of loans, investments, guarantees, and security provisions, complied with Section 185 and 186 of the Companies Act, 2013.
5. The Company has not accepted any deposits from the public and hence paragraph 3 (v) of the Order is not applicable.
6. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-Section (1) of Section 148 of the Act.
7. 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, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues wherever applicable, with the appropriate authorities.
 - (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, Value Added Tax and Cess with the appropriate authority.
8. The Company has not borrowed any amounts from banks, financial institutions or by issue of debentures. Accordingly paragraph 3 (viii) of the Order is not applicable.
9. As per information given to us, no money was raised by way of initial public offer or further public offer (including debt instruments) nor have any fresh term loans been taken by the company during the year. Hence the provisions of clause (ix) are not applicable to the company.
10. According to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.
11. According to the information and explanation given to us and the books of accounts verified by us, the Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with schedule V to the Companies Act.
12. The Company is not a Nidhi Company, hence the provision of clause (xii) are not applicable to the company.
13. All transactions with related parties are in compliance with Section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
14. According to the information and explanation given to us, the Company during the year has not made any preferential allotment or private placement of shares or fully or partly convertible debentures, hence the provision of clause (xiv) are not applicable to the company.
15. According to the information and explanation given to us and the books of accounts verified by us, the Company has not entered into any non-cash transactions with directors or persons connected with him.
16. The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For KHANDELWAL JAIN & CO.
Chartered Accountants
ICAI Firm Registration no.: 105049W

Place : Mumbai
Date : April 20, 2016

CHIRAG DOSHI
Partner
Membership no.: 119079

annexure to the independent auditor's report



Annexure to the Independent Auditor's Report of even date on the standalone financial statements of ICICI Trusteeship Services Limited as on March 31, 2016

Report on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("The Act")

To the members of ICICI Trusteeship Services Limited

We have audited the internal financial controls over financial reporting of ICICI TRUSTEESHIP SERVICES LIMITED ("the Company"), as of March 31, 2016, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation, and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the standalone financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also projections of any evaluation of the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For KHANDELWAL JAIN & CO.
Chartered Accountants
ICAI Firm Registration no.: 105049W

CHIRAG DOSHI
Partner
Membership no.: 119079

Place : Mumbai
Date : April 20, 2016

balance sheet

profit and loss statement

at March 31, 2016

for the year ended March 31, 2016

	Note No.	At March 31, 2016	At March 31, 2015	(₹ in '000s)	Note No.	Year ended March 31, 2016	Year ended March 31, 2015	(₹ in '000s)
EQUITY AND LIABILITIES								
Shareholders' funds					Income			
Share capital	2A	500	500		Revenue from operations	2K	360	350
Reserves and surplus	2B	4,819	4,288		Other income	2L	379	218
		5,319	4,788		Total revenue (I)		739	568
Non-current liabilities								
Other long-term liabilities	2C	20	16		Expenses			
		20	16		Auditor's remuneration - statutory audit fees		23	23
Current liabilities								
Other current liabilities	2D	43	51		Directors' fees		—	34
		43	51		Professional fees		26	36
TOTAL		5,382	4,855		Conveyance expenses		—	19
ASSETS								
Non-current assets								
Non-current investments	2E	1,761	801		Miscellaneous expenses		7	9
Long-term loans and advances	2F	—	15		Profession tax		1	2
		1,761	816		Total expenses (II)		57	123
Current assets								
Current investments	2G	1,039	1,689		PROFIT BEFORE TAX (I)-(II)		682	445
Trade receivables	2H	150	—		Current tax		151	125
Cash and bank balances	2I	2,332	2,229		Excess provision of earlier year written back		(0)	(1)
Other current assets	2J	100	121		PROFIT FOR THE PERIOD/YEAR		531	321
		3,621	4,039		Earnings per share - Basic and Diluted	2P	10.62	6.42
TOTAL		5,382	4,855					
Significant Accounting Policies and Notes to Accounts	1 & 2				Significant Accounting Policies and Notes to Accounts	1 & 2		

As per our Report of even date

For and on behalf of the Board of Directors

For KHANDELWAL JAIN & CO.
Chartered Accountants
ICAI Firm Registration no.: 105049 W

P. SANKER
Chairman

SANJAY CHOURGULE
Director

CHIRAG DOSHI
Partner
Membership no.: 119079

SUPRITHA SHETTY
Director

VIVEK RANJAN
Compliance Officer

Place : Mumbai
Date : April 20, 2016

notes

forming part of the Accounts

Continued

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 Generally Accepted Accounting Principles in India ('Indian GAAP') under the historical cost convention on accrual basis. Indian GAAP comprises relevant provisions of Companies Act, 2013, mandatory accounting standards issued by the Institute of Chartered Accountants of India (ICAI) and notified under the Companies (Accounts) Rules, 2014 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 Indian 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 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 investments and non-current investments. Current investments are carried at lower of the cost and fair value. Non-current investments are carried at cost. Provision for diminution is made for non-current 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 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 of amounts 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 to this effect is made in the financial statements. In case of remote possibility neither provision nor disclosure is made in the financial statements. The Company does not account for or disclose contingent assets, if any.

2. Notes to accounts for the year ended March 31, 2016

A. Share capital

(₹ in '000s)

Particulars	At March 31, 2016	At March 31, 2015
Authorised: 1,000,000 (March 31, 2015: 1,000,000) equity shares of ₹ 10 each	10,000	10,000
Issued, subscribed and fully paid up 50,000 (March 31, 2015: 50,000) equity shares of ₹ 10 each, fully paid up	500	500
Total	500	500

Reconciliation of the number of shares outstanding at the beginning and at the end of the period/year

(₹ in '000s)

Particulars*	At March 31, 2016	At March 31, 2015
Opening balance	50,000	50,000
Issued/(redeemed) during the period/year	—	—
Closing balance	50,000	50,000

* All the above shares are of ₹10 each

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, 2016	At March 31, 2015
Surplus in profit and loss account		
Balance at the beginning of the period/year	4,288	3,967
Add: Profit/(Loss) during the period/year	531	321
Balance at the end of the period/year	4,819	4,288

C. Other long-term liabilities

(₹ in '000s)

Particulars	At March 31, 2016	At March 31, 2015
(i) Received from erstwhile ICICI Limited towards corpus fund ¹	10	10
(ii) Interest accrued on above	5	5
(iii) Received from ICICI Prudential Life Insurance Company Limited towards corpus fund ²	1	1
(iv) Provision for Tax (Net of advance payment of Income tax)	4	—
Total	20	16

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, 2016	At March 31, 2015
Audit fees	23	23
Miscellaneous liabilities	20	28
Total	43	51

E. Non-current investments

(₹ in '000s)

Particulars	At March 31, 2016	At March 31, 2015
1) Investments in Equity Instruments		
(A) Non trade investment (equity shares - quoted)		
First source Solutions Limited- 100 shares of ₹ 10 each (March 31, 2015: 100 shares of ₹ 10 each) (Market value at March 31, 2016: ₹ 3,355; March 31, 2015: ₹ 3,085)	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, 2015: 1 share of ₹ 10 each) ICICI Kintra Limited: Nil shares (March 31, 2015: 200 shares of ₹ 10 each)	—*	—*
ICICI Kintra Limited: 200 shares of ₹ 10 each (March 31, 2014: 200 shares of ₹ 10 each)	—	2
Total (B)	—	2
Total non trade investments (A+B)	1	3
Less: Aggregate provision for diminution in value of unquoted investments	—	(2)
Total investments in Equity Instruments (1)	1	1

Particulars	At March 31, 2016	At March 31, 2015
2) Investments in Mutual Funds		
55,000 units of ICICI Prudential FMP Series 74, Plan I (March 31, 2015: Nil) of ₹ 10 each		
550	550	550
25,000 units of ICICI Prudential FMP Series 73, Plan T (March 31, 2015: Nil) of ₹ 10 each	250	250
16,000 units of ICICI Prudential FMP Series 76, Plan Y (March 31, 2015: Nil) of ₹ 10 each	160	—
2,811.621 units of Flexible Income Plan (March 31, 2015: Nil units) of ₹ 284.533 each	800	—
Total Investments in Mutual Funds (2)	1,760	800
NAV of the portfolio	1,926	869
Total Non-current investments (1+2)	1761	801

F. Long-term loans and advances

(₹ in '000s)

Particulars	At March 31, 2016	At March 31, 2015
Advance payment of income tax (net of provision for tax)	—	15
Total	—	15

G. Current investments

(₹ in '000s)

Particulars	At March 31, 2016	At March 31, 2015
Investments in Mutual Funds		
65,000 units of ICICI Prudential Interval VI Annual Plan A (March 31, 2015: 65,000 units) of ₹ 10 each		
—	650	—
103,876 units of ICICI Prudential FMP Series 68, Plan H (March 31, 2015: 103,876 units) of ₹ 10 each	1,039	1,039
Total	1,039	1,689
NAV of the portfolio	1,309	2,000

H. Trade receivables

(₹ in '000s)

Particulars	At March 31, 2016	At March 31, 2015
Trusteeship fees	150	—
Total	150	—

I. Cash and bank balances

(₹ in '000s)

Particulars	At March 31, 2016	At March 31, 2015
(A) Cash and cash equivalents		
Current accounts	222	188
Saving accounts	17	16
Fixed deposits (maturity less than 3 months)	33	363
Total (A)	272	567
(B) Other bank balances		
Maturity upto 12 months	1,820	1,662
Maturity above 12 months	240	—
Total (B)	2,060	1,662
Total (A+B)	2,332	2,229

J. Other current assets

(₹ in '000s)

Particulars	At March 31, 2016	At March 31, 2015
Interest accrued on fixed deposits	90	121
Miscellaneous receivable	10	—
Total	100	121

K. Revenue from operations

(₹ in '000s)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Trusteeship fees	360	350
Total	360	350

L. Other income

(₹ in '000s)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Interest on deposits with banks	182	175
Profit on sale/redemption of investments	197	43
Total	379	218

M. Reporting as per Accounting Standard 18 (AS 18) on "Related Party Disclosures"

- 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.	<ul style="list-style-type: none"> • ICICI Venture Funds Management Company Limited (IVFMCL) • ICICI Prudential Life Insurance Company Limited (IPLICL)

notes



forming part of the Accounts

- ii) Transactions with related parties, as identified by the management for the year ended March 31, 2016 and outstanding balance at March 31, 2016.

(₹ in '000s)

Nature of transaction	Holding company	Fellow subsidiaries/entities		Total
	ICICI Bank ¹	IVFMCL ²	IPLICL	
Trusteeship fees	170	150	—	320
Interest on deposits with banks	182	—	—	182
Outstanding balances				
Trusteeship fees receivable	150	—	—	150
Bank balances	239			239
Fixed deposits	2,094	—	—	2,094
Accrued interest on deposits	90	—	—	90
Investments (* 1 share of ₹ 10)	—	—*	—	—*
Corpus fund (including interest)	15	—	1	16
Share capital	500	—	—	500

1. Settlor for ICICI Bank Pledged Shares Trust, ICICI Foundation for Inclusive Growth, Disha Trust and Reconciliation Shares Trust.
 2. Settlor for Equity Fund, Emerging Sectors Trust and Eco-net Fund.
- iii) Transactions with related parties, as identified by the management for the year ended March 31, 2015 and outstanding balance at March 31, 2015.

(₹ in '000s)

Nature of transaction	Holding company	Fellow subsidiaries/entities		Total
	ICICI Bank ¹	IVFMCL ²	IPLICL	
Trusteeship fees (* ₹ 100)	160	150	—*	310
Interest on deposits with banks	175	—	—	175
Outstanding balances				
Bank balances	204	—	—	204
Fixed deposits	2,025	—	—	2,025
Accrued interest on deposits	121	—	—	121
Investments (* 1 share of ₹ 10)	—	—*	—	—*
Corpus fund (including interest)	15	—	1	16
Share capital	500	—	—	500

1. Settlor for ICICI Bank Pledged Shares Trust, ICICI Foundation for Inclusive Growth, Disha Trust and Reconciliation Shares Trust.
2. Settlor for Equity Fund, Emerging Sectors Trust and Eco-net Fund.

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 20, 2016

N. Nature of business

The Company is engaged in the business of acting as a trustee for funds and trusts, which constitutes 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. Earnings per share

Earnings per share is calculated as follows:

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
(i) Net profit after tax (₹ in '000)	531	321
(ii) Weighted average number of Equity Shares (No.)	50,000	50,000
(iii) Earnings per share – basic and diluted (₹)	10.62	6.42

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. Figures of the previous year/period have been regrouped and reclassified wherever necessary to conform to the current period's presentation.

cash flow statement

for the year ended March 31, 2016

	Year ended March 31, 2016	(₹ in '000s) Year ended March 31, 2015
A Cash Flow from operating activities :		
Net profit before taxation	682	445
<i>Adjustments for:</i>		
Interest on deposits with banks	(182)	(175)
Net (appreciation)/depreciation in the value of investments	—	2
Profit on sale of investments	<u>(197)</u>	<u>(43)</u>
Operating profit before working capital changes	303	229
<i>Adjustments for:</i>		
Trade payables and other liabilities	(8)	7
Trade and other receivables	<u>(160)</u>	<u>2</u>
Cash generated from operations	135	238
Refund/(Payment) of direct taxes	<u>(132)</u>	<u>(116)</u>
Net cash flow from operating activities - A	3	122
B Cash flow from investing activities:		
Interest on deposits with banks	182	175
Sale of Investments	<u>847</u>	<u>554</u>
Purchase of investments (net)	<u>(960)</u>	<u>(800)</u>
Net cash from investing activities - B	69	(71)
C Cash flow from financing activities:		
Net cash used in financing activities - C	—	—
Net Increase / (Decrease) in cash and bank balances (A+B+C)	72	51
Cash and bank balances at beginning of the year	2,350	2,299
Cash and bank balances at end of the year	2,422	2,350

Notes to Cash Flow Statement

- Components of cash and bank balances include bank balances in current, savings and deposit accounts including interest accrued on deposits
- 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.
- 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 and on behalf of the Board of Directors

For KHANDELWAL JAIN & CO.
Chartered Accountants
ICAI Firm Registration no.: 105049 W

P. SANKER
Chairman

SANJAY CHOURGULE
Director

CHIRAG DOSHI
Partner
Membership no.: 119079

SUPRITHA SHETTY
Director

VIVEK RANJAN
Compliance Officer

Place : Mumbai
Date : April 20, 2016

ICICI BANK UK PLC

13TH ANNUAL REPORT AND ACCOUNTS 2015-2016

Directors

Chanda Kochhar	<i>Chairperson of the Board</i>
N.S. Kannan	<i>Non Executive Director</i>
Vijay Chandok	<i>Non Executive Director</i>
Robert Huw Morgan	<i>Independent Non Executive Director</i>
Jonathan Britton	<i>Independent Non Executive Director</i>
John Burbidge	<i>Independent Non Executive Director</i>
Sir Alan Collins	<i>Independent Non Executive Director</i>
Sudhir Dole	<i>Managing Director & CEO</i>

Auditors

KPMG Audit LLP,
15 Canada Square
London E15 5GL
United Kingdom

Aarti Sharma
Chief Financial Officer
& Company Secretary

Registered Office

ICICI Bank UK PLC
One Thomas More Square
London E1W 1YN
United Kingdom

strategic report

The Directors present their strategic report for the year ended March 31, 2016 (FY2016) for ICICI Bank UK PLC ("the Bank").

NATURE OF BUSINESS

ICICI Bank UK PLC offers retail, corporate banking and treasury 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 A3 from Moody's Investors Service Limited (Moody's).

BUSINESS REVIEW

The Bank delivers its corporate, commercial and retail banking products and services through eight branches located in the UK and two branches in mainland Europe, located in Antwerp (Belgium) and Eschborn (Germany) as well as through online banking.

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, overseas companies looking to invest in India and borrowing needs of local and overseas companies.

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, for large businesses owned by persons of Indian origin and for select companies primarily in the UK, EU and North American regions.

The Bank provides retail banking services to UK consumers with a varied product suite including retail and business current and savings accounts, online banking, debit cards, money transfers, travel solutions and property backed SME (Small and Medium Enterprises) lending. 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.

The Bank's overall strategy in the past few years has centred on a "diversification" theme. During the course of FY2016, the Bank remained focused on its key strategic objectives of diversification of the business profile, expanding non-interest income streams, continuing proactive risk management, effective liquidity and capital management and meeting the requirements of the changing regulatory environment. The Bank's focus is on building a sustainable business model with a strong 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 been presented in US\$ with additional disclosure in Indian Rupee (INR) currency for convenience using the year end exchange rate of US\$/INR 66.255 which has been applied across both FY2016 and FY2015.¹

KEY STRATEGIC HIGHLIGHTS: FY2016

During FY2016, the Bank's strategy continued to evolve so that it is effectively positioned to address the challenges arising from a subdued economic environment and a changing regulatory landscape. The Bank has established a Board approved risk appetite for all critical risks, including credit, market, operational and conduct risks. The business continued to operate within the defined risk appetite, with close monitoring by management and the Board Risk Committee. The Bank further diversified its corporate

portfolio through enhanced participation in the syndicated loan market. The Bank is well capitalized and is in compliance with the fully-phased in Capital requirements under the new CRD IV capital standards.

Further, the Bank continued to focus on effective liquidity and capital management with a focus on maintaining strong corporate governance and control environment. During the year, the Bank complied with the new regulatory reporting requirements related to liquidity and effectively stabilized its common reporting regime COREP platform for PRA reporting.

Total assets increased by 11% in FY2016 to US\$ 4,603 million (INR 304,989 million), primarily driven by growth in investments, cash & cash equivalent balances and loans and advances to banks and customers. As at March 2016, the Bank had adequate surplus of liquidity compared with regulatory requirements.

During the year, the Bank achieved reasonable growth in its local and overseas client base by extending loans to selective UK, EU and North America based corporates and leveraged its relationships by expanding its portfolio of supply chain financing as well as bill discounting. The focus was maintained on balancing geographical and sectoral concentration as well as further diversification of the loan portfolio. The loans and advances to banks and customers increased by 6%. During the year, the Bank successfully grew its corporate disbursements and demonstrated robust churning of the corporate portfolio.

On the funding side, the Bank continued to focus on rebalancing its funding sources and successfully diversified and broadened its funding profile and reduced the cost of funds by leveraging the retail and wholesale funding channels by raising bonds under its Medium Term Note (MTN) program and institutional deposits. During the year, the Bank accessed funding opportunities available in the wholesale markets at competitive pricing which helped in an overall reduction in the cost of funds.

The corporate and commercial banking fee income and retail remittance income streams continued to be the key sources of the non interest income. The non interest income decreased during the year mainly due to lower treasury gains and corporate banking fees. The Bank continued to remain focused on enhancing operating efficiencies without compromising the control environment. The operating expenses base decreased compared to the previous year mainly due to rationalization initiatives and lower bonus accruals. The Bank remains committed to maintaining a strong control framework to meet increasing regulatory and reporting obligations and continued to invest in people and technology to further strengthen the control framework.

Profit Before Tax (PBT) at US\$ 6.0 million (INR 398 million) decreased by 74% as compared with the previous year. The reduction in profitability was primarily caused by a decrease in operating income by 16% and an increase in specific provisions by 15%, which was partially offset by a 12% reduction in operating expenses as compared with the previous year. (Detailed financial highlights provided in the section "key financial highlights").

The Bank reviews its Risk Appetite Framework regularly to take into account inter alia changes to the operating environment, portfolio composition, experience with stressed assets and regulatory changes. The Bank's risk management group monitors adherence to the risk appetite and reports to the Board Risk Committee (BRC) on a quarterly basis. The Bank's Credit Forum, which meets monthly, also tracks risk concentrations, developments in the portfolio and industry trends, through a range of early warning indicators, to identify vulnerabilities and take timely actions including, where appropriate, making revisions to the Risk Appetite and Risk Management Framework.

The Bank continued to place considerable attention on the management of conduct risk, with conduct risk related matters reported regularly to the Board Conduct Risk Committee ("BCRC") and the Compliance, Conduct and Operational Risk management Committee ("CORMAC"). The Bank maintained its focus on sustaining its customer-centric culture and invested in various technology initiatives to enhance customer experience. These include launch of a mobile app for remittances and enhancing the business banking product suite including an on-line FX platform. Close management of complaints ensured that all complaints were closed well within the regulatory

¹ The numbers in INR are proforma only and should not be regarded as being in compliance with UK GAAP.

strategic report

stipulated timeframes.

The capital and liquidity position remained healthy throughout FY2016. 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 Bank complied with and maintained Liquid Assets Buffer (LAB) balances in line with the Individual Liquidity Guidance (ILG) until September 30, 2015 and the Bank continues to comply with and maintains the High Quality Liquid Assets in line with the new liquidity guidelines effective October 1, 2015. During June 2015, the PRA issued a new policy statement on Capital Requirements Directive (CRD) IV Liquidity (PS 11/15). Effective October 1, 2015, the PRA revoked the requirement of standardised stress testing and mandated to maintain liquidity as per the new directive (Liquidity Coverage Ratio).

During the year, the PRA issued final guidelines on assessment of capital adequacy under Pillar II. Under the final guidelines, the total capital adequacy requirement for the Bank equals the aggregate of the Pillar 1 capital requirement, the Pillar 2A capital requirement (derived from the existing Internal Capital Guidance), macro-prudential buffers if applicable (such as the Countercyclical Capital Buffer), the Capital Conservation Buffer (CCoB) and the 'PRA buffer'. During the year, the Bank continued to comply with the CRD IV liquidity and capital reporting requirements and has met 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 total loan & advances grew by 6% to US\$ 3,246 million (INR 215,064 million) compared with US\$ 3,063 million (INR 202,939 million) in the previous year. In the course of the year, the Bank registered portfolio growth emanating from the syndicated loan market and secondary market deals within the risk framework of the Bank. The corporate banking unit concluded a significant number of disbursements during the year and demonstrated an ability to churn the loan book to rebalance the portfolio. Through its established commercial banking desk, the Bank expanded business volumes in trade finance and bill discounting facilities. During the year, the Bank successfully churned its trade finance portfolio. As a strategic component of the Bank's commitment towards its business in the UK market, the Bank successfully implemented the risk framework for corporate lending secured against property.

During 2016, India's economic resilience was tested by an unfavourable global environment and a slow investment recovery. Although, the government has taken policy measures, the economic recovery has been uneven. As the pick-up in the investment cycle is yet to gain strength, the Bank registered a slowdown in corporate deals from Indian corporations resulting in a decrease in the India corporate loan portfolio.

The Bank maintained its Germany's branch portfolio by leveraging on the local market as well as Europe-India business opportunities. As part of its strategy, the Bank continues to diversify its asset base and improve its asset quality within its risk appetite.

RETAIL BANKING

In line with the strategy of diversification of funding sources, the retail liabilities channel remained one of the key funding sources for the Bank. The focus on rebalancing the retail and wholesale funding mix continued during the year in alignment with the Bank's funding strategy. During FY2016, the Bank launched HiSave supersaver series called 'HiSave Super saver Issue One' and raised incremental online saving deposits. The significant inflow of these deposits demonstrated resilience of the Bank's brand and franchise. The balanced mix of retail and wholesale funding helped in the continued reduction of cost of funds. The Bank demonstrated reasonable progress on building the Business Banking Loan Against Property (LAP) portfolio during the year.

The Bank made progress in expanding its Business banking clientele offering foreign exchange and international trade payments. With regard to UK & Europe remittances to India, the income remained flat as compared to the previous year. Despite new market entrants and significant increase in competition in the remittance market, the Bank increased salary accounts acquisition and launched innovative & market leading solutions such as a mobile app for its remittance product in the UK. During FY2016, the Bank began offering a payment platform to serve the online international payment needs of its business banking customers. During the year, the Bank was nominated for the Consumer Moneyfacts Award for Best Online Savings provider in 2015.

The Bank remains focused on strengthening its service delivery platform to ensure an enhanced customer experience and improved customer outcomes therefore managing the overall conduct risk for the Bank.

TREASURY

The Treasury Group manages the structure of the balance sheet of the Bank, supporting the capital needs and managing the market and liquidity risk of the Bank. The Bank complied with and maintained Liquid Assets Buffer (LAB) balances in line with the Individual Liquidity Guidance (ILG) until September 30, 2015 and the Bank continues to comply with and maintains the High Quality Liquid Assets in line with new guidelines effective October 1, 2015. 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 bonds under the MTN program at competitive cost.

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 and Global Markets Group. During the year, the investment desk invested in Indian bank bonds in line with the risk appetite of the Bank.

FINANCIAL HIGHLIGHTS

The financial performance for the financial year 2016 is summarised in the following table

Profit and loss account	Financial	Financial	% Change	Financial	Financial
	2016	2015		2016	2015
	US\$ 000s	US\$ 000s		₹ in million	₹ in million
Net interest income	71,488	64,652	11%	4,736	4,284
Non interest income	16,149	39,975	(60%)	1,070	2,648
Total operating income	87,637	104,627	(16%)	5,806	6,932
Operating expenses	(34,168)	(38,673)	(12%)	(2,264)	(2,563)
Profit before provisions, charges and taxes	53,469	65,954	(19%)	3,542	4,369
Impairment provision and charges	(59,442)	(51,483)	15%	(3,938)	(3,411)
Profit/(Loss) on sale of financial assets	11,984	8,299	44%	794	551
Profit before tax	6,011	22,770	(74%)	398	1,509
Provisions for tax	(5,468)	(4,441)	23%	(362)	(295)
Profit after tax	543	18,329	(97%)	36	1,214
Balance Sheet	Financial	Financial	% Change	Financial	Financial
	2016	2015		2016	2015
	US\$ 000s	US\$ 000s		₹ in million	₹ in million
Balances at central banks	500,136	449,154	11%	33,137	29,759
Loans and advances to banks	283,149	184,146	54%	18,760	12,201
Loans and advances to customers	2,962,535	2,878,811	3%	196,283	190,736
Investments	743,413	497,930	49%	49,255	32,990
Total assets	4,603,257	4,129,806	11%	304,989	273,620
Customer accounts	2,466,866	2,284,686	8%	163,442	151,372
Shareholders' funds	545,527	545,428	0%	36,144	36,137
Capital ²	Capital Ratios	Under CRDIV	Under CRDIV	March 31, 2016	March 31, 2015
					Decrease
Core Tier 1 ratio		13.1%		13.1%	14.6%
Tier 1 ratio		13.1%		13.1%	14.6%
Total ratio		16.7%		16.7%	19.2%
Risk weighted assets	Financial	Financial	% Change	Financial	Financial
	2016	2015		2016	2015
	US\$ 000s	US\$ 000s		₹ in million	₹ in million
Risk weighted assets	4,093,797	3,684,914	11%	271,235	244,144

² Pillar 3 disclosures are available online on the Bank's website: http://icicibank.co.uk/personal/basel_disclosures.html

Key Financial highlights: FY2016

As at March 31, 2016, the Bank had total assets of US\$ 4,603 million (INR 304,989 million) compared with US\$ 4,130 million (INR 273,620 million) as at March 31, 2015. The balance sheet increased by 11% primarily driven by an increase in investment portfolio, cash and cash equivalent balances and loans and advances. During the course of the year, the Bank had adequate liquidity surplus versus the regulatory requirements. The loans and advances to banks and customers increased by 6% mainly driven by growth in the corporate loan portfolio through participation in the syndicated loan market and secondary market deals. The loans to banks increased due to an increase in bill discounting facilities. During the year, the Bank remained focused on improving the rating profile of its corporate asset portfolio and remained within the key portfolio limits as prescribed in the risk appetite of the Bank.

Profit Before Tax (PBT) in FY2016 was US\$ 6.0 million (INR 398 million) compared with US\$ 22.8 million (INR 1,509 million) in the previous year mainly due to lower operating income, higher provisions, partially offset with reduction in operating expenses. Profit After Tax (PAT) at US\$ 0.54 million (INR 36 million) decreased as compared with the previous year by 97% mainly due to significantly higher tax expense in FY2016 as explained in the following sections.

The operating income decreased by 16% compared with last year primarily due to a reduction in non interest income by 60% partially offset with 11% growth in net interest income.

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The net interest income (NII) grew by 11% as compared with the previous year. Net Interest Margin (NIM) for FY2016 at 1.66% registered a healthy growth as compared to the previous year at 1.50%, mainly driven by lower cost of funds. The cost of funds reduced due to rebalancing of retail and wholesale deposits mix and further diversification of funding sources. The Bank accessed the available opportunities in the wholesale markets and raised funding at a competitive cost through bilateral loans and bonds. The Bank also raised retail deposits through re-launch of its Hisave Super Saver product.

The non interest income decreased during the year by 60% primarily due to reduction in Treasury income. The Bank made significant gains on sale of financial assets (investments and FCCBs) in the previous year driven by favourable market conditions. Such opportunities were not prevalent during FY2016. The corporate banking fees reduced during the year primarily due to opportunities of cross selling structuring and arrangement services to clients being limited. Retail fees remained flat as compared to the previous year.

Operating expenses at US\$ 34.2 million (INR 2,264 million) reduced by 12% compared to the previous year. The reduction in operating expenses was mainly due to lower bonus accruals and various premises rationalisation & vendor negotiation initiatives. The cost to income ratio³ remained consistent with previous year at 34% in FY2016.

The provisions made during the year were US\$ 59.4 million (INR 3,938 million) compared to US\$ 51.5 million (INR 3,411 million) in the previous year. The specific provisions on corporate loans at US\$ 51.6 million (INR 3,416 million) for FY2016 increased compared to US\$ 36.8 million (INR 2,438 million) for FY2015. The Bank made additional provisions primarily due to slow recovery in business performance of the borrowers and in some cases deterioration in the value of collateral.

The decline in business performance of the borrowers was mainly caused by industry specific issues and the slower recovery of the investment cycle in India. US\$ 5.9 million (INR 392 million) of specific provisions were made on investments as compared to previous year of US\$ 13.5 million (INR 897 million) mainly due to further deterioration of equity prices for some equity investments. The impaired assets coverage ratio increased to 48% compared to 43% in the previous year. The Bank reviews its risk appetite and risk management framework to incorporate the learnings from its experiences. Following the growth in the loan book, the collective provisions at US\$ 11.6 (INR 766 million) increased during the current year by US\$ 2.0 million (INR 130 million).

Provision for tax at US\$ 5.5 million was 23% higher as compared with the previous year despite a decrease in the PBT of 74%. The effective tax rate increased to 91.0%, compared with 19.5% in the previous year. The Bank's branch in Germany booked PBT of US\$ 17.2 million against which US\$ 5.1 million of tax provision was booked. PBT at UK consolidated level is taxed at the UK corporate tax rate of 20% which is the maximum that could be claimed as the Double tax relief under Sections 36 and 42 TIOPA 2010. As the UK (other than Germany) loss of US\$ 11.1 million was fully utilized during the financial year against the Germany branch profits, this loss could not be carried forward to future periods. As such, a deferred tax asset could not be recognised on this amount resulting in an increase of effective tax rate for FY2016. Previous year tax included a one off credit due to recycling of tax credit of US\$ 2.8 million (INR 184 million) from AFS reserve to tax account within P&L during the period.

The total capital adequacy continues to be strong at 16.7% with Tier 1 ratio of 13.1%. The Bank is in compliance with the CRDIV regulatory requirements. The Bank continues to comply with and maintains balances in High Quality Liquid Assets in line with the LCR regime. The Bank manages the capital and liquidity to ensure that current and expected regulatory capital and liquidity requirements are met.

Key economic and business outlook

As per the Interim Economic Outlook February 2016 publication, published by OECD, global growth in 2015 was at 3 percent and is likely to expand at the same rate in 2016. The OECD projects that the global economy will grow by 3 percent in 2016 and 3.3 percent in 2017, which is well below long run averages of around 3.75 percent. Financial instability risks are substantial, as demonstrated by recent falls in equity and bond prices worldwide, and increasing vulnerability of some emerging economies to volatile capital flows and the effects of high domestic debt. Trade and investments are weak while sluggish demand is leading to low inflation and inadequate wage and employment growth.

The UK economy is projected to grow at 2.1 percent in 2016 and 2 percent in 2017. As per the publication, the recovery in the advanced economies is being set to remain modest. In the Euro area, GDP growth is expected to pick up only slowly with investment remaining weak and unemployment remaining high. The positive effect of lower oil prices on activity has been less than expected, while very low interest rates and a weaker Euro have yet to lead to sustained stronger investment. The Euro area is projected to grow at 1.4 percent in 2016 and 1.7 percent in 2017.

In the United States, the domestic private-sector led recovery continues to have momentum, with ongoing gains in employment bolstering household demand. With export markets on course for sluggish growth, business investment remaining mediocre, and few signs of upward pressure on real wages, there is little sign that other sources of demand will reinforce GDP growth as employment gains normalise. It is projected that the US economy will grow by 2 percent this year and by 2.2 percent in 2017.

Growth in key emerging economies continues to be slow, following the pattern of recent years. With China expected to continue rebalancing its economy from manufacturing to services, this will have substantial implications for global commodity prices and trade. Managing the rebalancing process together with financial risks will prove challenging. Growth in China is forecasted at 6.5 percent in 2016 and 6.2 percent in 2017. Growth in India is projected to remain robust, although floods have had a negative impact in the short term and further progress is needed in implementing structural reforms to ensure positive developments are sustained. India will continue to grow robustly, by 7.4 percent in 2016 and 7.3 percent in 2017.

³ Cost to income is calculated based on income including profit on sale of financial assets

⁴ Interim Economic Outlook February 2016 published by OECD.

In consideration of the economic environment, the Bank will continue on its journey of diversifying its asset and liability portfolios and building a sustainable business model. The efforts to enhance the non-interest revenue streams will continue along with improving operating efficiencies and efficient capital and liquidity management. The Bank will continue to monitor the global economic environment as well as the economic situation and developments in India and Europe and strive to tap the market opportunities in line with its risk management framework and risk appetite.

Key risks

The Bank's business is subject to inherent risks relating to borrower credit quality as well as general global economic and India 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. Unfavourable wholesale market conditions could have an adverse impact on meeting the funding requirements of the Bank. The security of the Bank's information and technology infrastructure is a key focus area for maintaining banking applications and processes. Cyber-attacks disrupt the availability of customer facing websites and could compromise the Bank's customer data and information.

The impact of Brexit on the UK financial market and regulatory landscape is being discussed by all stakeholders within the financial services industry but the magnitude depends on the specific Brexit model and it would be difficult to predict at present. The Bank is closely monitoring the developments of the upcoming Brexit referendum and its impact on the Bank's operations including on its branches in Europe.

Strong controls around measurement of risks through effective risk management of the Bank helps in mitigating such risks. The Bank will continue to work 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 regulatory requirements mitigates the risk of regulatory action. The Bank makes sufficient investments in addressing the risks through infrastructure development, regular trainings to enhance awareness of employees, and increased monitoring and management of these risks and mitigates. The Bank's Directors and Management review the risk appetite on a regular basis and continue to make any relevant changes to ensure regulatory compliance. The detail around the Bank's risks and management is given in Note 39.

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 a strong governance and controls structure. The Bank has a total number of seven Non-Executive Directors on the Board, three of whom are representatives of the Bank's Parent, ICICI Bank Limited, and four are independent.

The Bank operates three lines 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.

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. It expects that the behaviour and motivation of every employee must be about good conduct and adherence to established controls to deliver fair and appropriate outcomes to our customers. The conduct risk philosophy builds on the work undertaken by the Bank on 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.

The Bank has continued to operate within its defined conduct risk appetite. Performance against the appetite and other conduct risk related matters are reviewed and monitored by the Bank's Board Conduct Risk Committee ("BCRC") and the Compliance, Conduct and Operational Risk Management Committee ("CORMAC"). Both Committees usually meet on a monthly basis and receive regular updates from both business and Compliance.

The Bank is committed to invest in Information Security which is essential to ensure the long term viability of the organisation and its data. The Bank has implemented a pragmatic and integrated approach to security and made significant progress in enhancing its Information Security governance through holding the Information Security forum periodically, regular presentation to the Board Risk Committee on cyber threats and ICICI Measures. During the year, the Bank was awarded the "Cyber Essentials" certificate and badge which demonstrated that the Bank's Information Security processes and procedures meet the UK market standards.

Senior Managers Regime: During 2015, the Prudential Regulation Authority ("PRA") and the Financial Conduct Authority ("FCA") finalised the requirements for a new regulatory regime for individuals, with the aim of strengthening individual accountability in the

financial services industry. The new regime, which came into effect on March 7, 2016 comprises of three elements: the Senior Managers' Regime; the Certification Regime; and a new set of Conduct Rules. Specifically, the regime requires firms to:

1. Allocate a range of responsibilities to Senior Managers (including Non-Executive Directors) and to regularly vet their fitness and propriety. This will focus accountability on a narrower number of senior individuals in banks than the previous Approved Persons Regime.
2. Assess the fitness and propriety of certain employees (certification employees) who could pose a risk of significant harm to the bank or any of its customers and issue them certificates on an annual basis.
3. Apply a new set of Conduct rules to a broad range of staff, including the Senior Managers and the Certification staff.

The Bank has implemented the requirements of the new regime and made the required notifications to the regulators.

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 has reporting lines 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 cognizance of the risk appetite framework, so that the Bank will continue to operate within its risk appetite limits.

The Bank operates within 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.

The Bank maintains detailed Recovery and Resolution Plans (RRP). It also maintains a Liquidity Contingency Plan (LCP), which forms an integral part of the RRP. The plans include a range of recovery and liquidity indicators which allow the Bank to take preventative measures to forestall a severe stress. They also include a communication plan, which would be followed in the event of a crisis and a contingency funding plan, which sets out the corrective measures to be invoked when there is a potential or actual risk to the Bank's liquidity position.

Liquidity Regulation

The Liquidity Coverage Ratio (LCR) is intended to ensure that a bank maintains an adequate level of unencumbered, high quality liquid assets which can be used to offset the net stressed outflows the bank could encounter under a combined stress scenario lasting 30 days. The LCR was implemented in the UK on October 1, 2015 and the minimum requirement under the CRD IV transitional arrangements is 80%. The Bank implemented all relevant requirements relating to LCR prior to October 1, 2015 and as at March 31, 2016 its LCR ratio was significantly higher than the regulatory requirement.

In October 2014, the Basel Committee published its final standard for the Net Stable Funding Ratio (NSFR) which will take effect on 1 January 2018. The NSFR is defined as the amount of available stable funding relative to the amount of required stable funding. Banks are expected to hold a NSFR of at least 100% on an on-going basis and report its NSFR at least quarterly. Ahead of its planned implementation on 1 January 2018, the NSFR will remain subject to an observation period. During FY2016, the Bank contributed to the Basel quantitative impact study through quarterly submissions and maintained its NSFR above the expected ratio.

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 39.

By order of the Board

SUDHIR DOLE
*Managing Director &
Chief Executive Officer*

AARTI SHARMA
*Chief Financial Officer
& Company Secretary*

April 27, 2016
Registered address:
One Thomas More Square
London E1W 1YN

directors' report

to the members,

The Directors have pleasure in presenting the thirteenth annual report of ICICI Bank UK PLC, together with the audited financial statements for the year ended March 31, 2016.

FINANCIAL RESULTS

The financial statements for the reporting year ended March 31, 2016 are shown on pages 407 to 431.

DIRECTORS

Chanda Kochhar	Chairperson of the Board
N.S. Kannan	Non Executive Director
Vijay Chandok	Non Executive Director
Robert Huw Morgan	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

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, 2016, the issued and fully paid share capital amounted to US\$ 420 million (₹ 27,833 million).

EMPLOYEES

As at March 31, 2016 the Bank had 184 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 by the Bank. Generally, all permanent 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 permanent employees and their dependents in UK.

The Bank is committed to employment practices and policies which recognise the diversity of its workforce and ensure 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 and follows a policy of providing same employment opportunities for disabled persons as for others.

The Bank follows a conservative and comprehensive approach towards remuneration. The Bank has adopted and implemented a Remuneration Policy which has been approved by the Board Governance Committee. The Bank ensures that it adheres to the Remuneration Code guidelines published by the PRA and FCA. The Bank's remuneration policy disclosures are made available on the Bank's website: http://www.icicibank.co.uk/personal/basel_disclosures.html. Effective July 2016, these disclosures will be available as part of Pillar 3 disclosures.

Political contributions

The Bank made no political donations or incurred any political expenditure during the year.

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 20, 2015 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
*Managing Director &
Chief Executive Officer*

AARTI SHARMA
*Chief Financial Officer
& Company Secretary*

April 27, 2016
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 FRS102 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.

The Directors are responsible for the preparation of the schedule in accordance with the Capital Requirements (Country-by-Country Reporting) Regulations 2013, for the appropriateness of the basis of preparation and the interpretation of the Regulations as they affect the preparation of the schedule. The Capital Requirements (Country-by-Country Reporting) Regulations 2013 came into effect on 1 January 2014 and place certain reporting obligations on financial institutions that are within the scope of the EU's Capital Requirements Directive (CRD IV) which are outlined in Note 37.

By order of the Board

SUDHIR DOLE
*Managing Director &
Chief Executive Officer*

AARTI SHARMA
*Chief Financial Officer
& Company Secretary*

April 27, 2016

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, 2016, set out on pages 407 to 431. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 those matters 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 on page 405, 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, and express an opinion on, 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 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 website 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, 2016 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 the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

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 LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London E15 5GL.
April 27, 2016

profit and loss account

for the year ended March 31, 2016

Convenience translation
(Refer to Note 2 (b))

	Note	Year ended March 31, 2016 US\$ 000s	Year ended March 31, 2015 US\$ 000s	Year ended March 31, 2016 ₹ in million	Year ended March 31, 2015 ₹ in million
Interest income and similar income arising on debt securities	5	16,541	9,375	1,096	621
Other interest income and similar income	5	124,518	125,289	8,250	8,301
Interest expense	6	(69,571)	(70,012)	(4,610)	(4,638)
Net interest income		71,488	64,652	4,736	4,284
Fees and commissions receivable		17,285	20,812	1,145	1,379
Foreign exchange revaluation gains		4,820	6,689	320	442
Income/(Loss) on financial instruments at fair value through profit and loss	7	(6,638)	12,023	(440)	797
Other operating income	8	682	451	45	30
Operating income		87,637	104,627	5,806	6,932
Administrative expenses	9,10	(33,142)	(37,259)	(2,196)	(2,469)
Depreciation	23	(1,026)	(1,414)	(68)	(94)
Specific impairment on investment securities	21	(5,917)	(13,538)	(392)	(897)
Impairment on loans and advances	20	(53,525)	(37,945)	(3,546)	(2,514)
Profit/(Loss) on sale of debt securities		11,984	8,299	794	551
Operating profit before tax		6,011	22,770	398	1,509
Tax on operating profit	12	(5,468)	(4,441)	(362)	(295)
Profit after tax		543	18,329	36	1,214

The dividends paid during the year (not included above) are detailed below:

	Year ended March 31, 2016 US\$ 000s	Year ended March 31, 2015 US\$ 000s	Year ended March 31, 2016 ₹ in million	Year ended March 31, 2015 ₹ in million
Ordinary shares Dividend	-	(30,000)	-	(1,988)

The result for the year is derived entirely from continuing activities. The notes on pages 411 to 431 form part of these financial statements.

statement of other comprehensive income



for the year ended March 31, 2016

Convenience translation
(Refer to Note 2 (b))

	Note	March 31, 2016 US\$ 000s	March 31, 2015 US\$ 000s	March 31, 2016 ₹ in million	March 31, 2015 ₹ in million
Profit on ordinary activities after tax		543	18,329	36	1,214
Other comprehensive Income					
Movement in available for sale reserve					
Movement in fair value during the year		(1,733)	6,585	(115)	437
Taxation relating to available for sale reserve		(131)	(4,191)	(9)	(278)
Net movement in available for sale reserve		(1,864)	2,394	(124)	159
Other comprehensive income for the period, net of tax		(1,864)	2,394	(124)	159
Total comprehensive income for the year		(1,321)	20,723	(88)	1,373

The notes on pages 411 to 431 form part of these financial statements.

balance sheet

at March 31, 2016

Convenience translation
(Refer to Note 2 (b))

	Note	March 31, 2016 US\$ 000s	March 31, 2015 US\$ 000s	March 31, 2016 ₹ in million	March 31, 2015 ₹ in million
Assets					
Cash		482	598	32	40
Balances at central banks		500,136	449,154	33,137	29,759
Loans and advances to banks	17	283,149	184,146	18,760	12,201
Loans and advances to customers	18	2,962,535	2,878,811	196,283	190,736
Investment in Treasury Bills	21	129,352	84,951	8,570	5,628
Other Investment Securities	21	614,061	412,979	40,685	27,362
Tangible fixed assets	23	3,866	4,411	256	292
Intangible fixed assets	23	318	363	21	24
Other assets	24	53,236	77,293	3,527	5,121
Prepayment and accrued income		56,122	37,100	3,718	2,457
Total assets		4,603,257	4,129,806	304,989	273,620
Liabilities					
Deposits by banks	25	591,280	365,417	39,175	24,211
Customer accounts	26	2,466,866	2,284,686	163,442	151,372
Bonds and medium term notes	27	511,453	250,530	33,886	16,599
Subordinated liabilities	28	234,242	233,402	15,520	15,464
Other liabilities	29	76,075	126,762	5,040	8,398
Accruals and deferred income		24,431	29,546	1,620	1,958
Repurchase Agreements	30	153,383	294,035	10,162	19,481
Total Liabilities		4,057,730	3,584,378	268,845	237,483
Shareholders' funds:					
Issued share capital	31	420,095	420,095	27,833	27,833
Capital contribution		7,332	5,912	487	392
Retained earnings		128,632	128,089	8,522	8,486
Available for sale reserve		(10,532)	(8,668)	(698)	(574)
Total Equity		545,527	545,428	36,144	36,137
Total Equity and Liabilities		4,603,257	4,129,806	304,989	273,620

The notes on pages 411 to 431 form part of these financial statements. These financial statements were approved by the Board of Directors on April 27, 2016 and were signed on its behalf by:

SUDHIR DOLE
*Managing Director &
Chief Executive Officer*

ICICI Bank UK PLC
Registered number 4663024

AARTI SHARMA
*Chief Financial Officer
& Company Secretary*

statement of change in equity



for the year ended March 31, 2016

Continued

	Issued Share Capital	Retained earnings	Capital Redemption Reserve	Other Comprehensive Income	Other	US\$ 000s Total
As at April 1, 2014	495,095	89,760	50,000	(11,062)	5,256	629,049
Reduction in equity share capital	(75,000)	-	-	-	-	(75,000)
Cancellation of capital redemption reserve	-	50,000	(50,000)	-	-	-
Capital contribution (share based payments)	-	-	-	-	656	656
Other comprehensive income	-	-	-	2,394	-	2,394
Profit on ordinary activities after tax	-	18,329	-	-	-	18,329
Dividends paid during the year	-	(30,000)	-	-	-	(30,000)
As at April 1, 2015	420,095	128,089	-	(8,668)	5,912	545,428
Capital contribution (share based payments)	-	-	-	-	1,420	1,420
Other comprehensive income	-	-	-	(1,864)	-	(1,864)
Profit on ordinary activities after tax	-	543	-	-	-	543
Closing shareholders' funds as at March 31, 2016	420,095	128,632	-	(10,532)	7,332	545,527

The notes on pages 411 to 431 form part of these financial statements.

	Issued Share Capital	Retained earnings	Capital Redemption Reserve	Other Comprehensive Income	Other	₹ in million Total
Convenience translation (Refer to Note 2 (b))						
As at April 1, 2014	32,803	5,947	3,313	(733)	348	41,678
Reduction in equity share capital	(4,970)	-	-	-	-	(4,970)
Cancellation of capital redemption reserve	-	3,313	(3,313)	-	-	-
Capital contribution (share based payments)	-	-	-	-	44	44
Other comprehensive income	-	-	-	159	-	159
Profit on ordinary activities after tax	-	1,214	-	-	-	1,214
Dividends paid during the year	-	(1,988)	-	-	-	(1,988)
As at April 1, 2015	27,833	8,486	-	(574)	392	36,137
Capital contribution (share based payments)	-	-	-	-	95	95
Other comprehensive income	-	-	-	(124)	-	(124)
Profit on ordinary activities after tax	-	36	-	-	-	36
Closing shareholders' funds as at March 31, 2016	27,833	8,522	-	(698)	487	36,144

The notes on pages 411 to 431 form part of these financial statements.

notes

forming part of the financial statement

Continued

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

The Financial Reporting Council (FRC) (the body responsible for setting UK standards for accounting, auditing and actuarial work) has published a suite of new financial reporting standards which replace UK GAAP in its entirety. Companies in the UK and Ireland are required to adopt this new accounting framework in their financial statements for periods commencing on or after January 1, 2015.

The Bank has adopted the Financial Reporting Standard 102 (FRS 102) with reduced disclosures for the period ended March 31, 2016 statutory financial statements. In these financial statements, the Bank is considered to be a qualifying entity and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes;
- Key Management Personnel compensation; and
- Certain disclosures required by FRS 102.26 Share Based Payments.

The accounting policies adopted by the Bank under old UK GAAP are also permitted under FRS 102 hence, there is no significant impact in the financial position and financial performance of the Bank upon transition to FRS 102. The financial statements have been transitioned from previously extant UK GAAP to FRS 102 as at April 1, 2014. The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. However, the disclosure requirements under new financial reporting standards have changed and accordingly the Bank has aligned to its disclosure under new FRS.

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.

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The significant judgements and estimates have been in note 4.

(a) Statement of Compliance

The financial statements of the Bank have been prepared in accordance with Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102").

(b) 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. All amounts in the financial statements have been rounded to the nearest \$1,000. The financials are also presented in Indian Rupee (INR) currency for convenience using the year end exchange rate. These numbers are proforma only and should not be regarded as being in compliance with FRS102.

(c) Cash flow exemptions

Under section 1 of FRS 102, 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 45).

(d) Related party transactions

As the Bank is a wholly owned subsidiary of ICICI Bank Limited, the Bank has taken advantage of the exemption contained in section 33 of FRS 102 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of ICICI Bank Limited and disclosure requirement of any transactions with key management personnel of the entity or its parent. (See Note 45).

The company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

(e) 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 liquid assets. With regard to Capital, the Bank maintains adequate surplus over regulatory capital requirements. The Bank's risk management policies and procedures are outlined in Note 39.

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 the 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.

Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

(d) 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.

(e) Investment securities

Investment securities are initially measured at fair value plus incremental direct transaction costs except when the investments are classified at fair value through profit and loss as described in Note 3(h). The investments are 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.

(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.

notes



forming part of the financial statement

Continued

Policy in relation to impairment: The Policy on impairment of loans and receivables is described in Note 4.

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 of impairment allowance and any recovery related to a written off asset shall be recognised in profit or 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 21 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;
- 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; or
- 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 reserves since it cannot be reversed through the profit and loss account.

(k) Reclassification of financial assets

The amendment to FRS 26 (FRS 26 has now been superseded by FRS 102) issued on October 10, 2008 permitted 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 permitted 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. Under FRS 102, the Bank chose to continue following IAS 39 for financial assets classification and measurement and disclosure as per Section 11 and 12 and 34 of FRS 102.

(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 102 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

notes

forming part of the financial statement

Continued

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.

(m) Other derivatives

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.

(n) 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.

(o) 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.

(p) Fixed assets

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. Depreciation on intangible assets is provided on a straight-line basis over their estimated useful economic life. The useful economic life of the fixed assets is expected 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

¹The useful life is on an average currently between 1-5 years

Depreciation methods, useful life and residual values are reviewed at each balance sheet date. Depreciation is charged to the profit and loss account for all the fixed assets.

(q) 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.

(r) 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.

(s) 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 section 29 of FRS 102 "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.

(t) 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.

(u) 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.

(v) 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 the 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 FRS 102 Section 26, 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 Bank. The corresponding entry is to equity as the amounts are considered to be capital contributions by the Parent Bank.

As the Bank is a wholly owned subsidiary of ICICI Bank Limited, the Bank has taken advantage of the exemption contained in section 26 of FRS 102 and has therefore not disclosed certain information under section 26.18(b), 26.19 to 26.23 of FRS 102.

(w) 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.

(x) Other liabilities

The other liabilities consist of liabilities for the creditors, settlement balances, derivatives financial instruments, Corporation tax payable and other creditors. The derivative financial instruments are measured at fair value through profit and loss; other creditors are measured at amortised cost. These liabilities are de-recognised when liabilities are extinguished.

(y) 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. Considering the inherent uncertainty and subjectivity in making judgements and estimates, outcomes in future periods may be different from those on which the management's estimates are based. 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:

- Net worth of the risk counterparty/borrower turning negative
- Delay in interest and/or principal repayments

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- 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.

Identification of specific impairment in an account: 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'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 following disclosure practices have been adopted in Note 19:

Loans are disclosed as impaired where an individual allowance has been raised against the loan. Past due not impaired loans comprises (i) loans with overdue principal, interest or other amounts at the balance sheet date but no loss is expected; and (ii) past due loans with adequate collateral cover.

The objective of the policy is to maintain an appropriate 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 102, 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 possible outcomes, taking into account all relevant information available about conditions existing at the end of the reporting period. For determining the specific provisions on individual impaired cases, the management exercises judgment involving matters such as realisable value of the security, estimation of the future cash flows and their timing. Consequently these allowances can be subject to variation as time progresses and the circumstances of the borrower become clearer.

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 102 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. The Bank considers a time horizon of one year to be appropriate for estimating collective provisions, as it believes that this is reflective of the emergence period for losses in its portfolio. 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 for the externally rated ABS portfolio 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 and 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 etc. 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.

Available-for-sale equity investments: A significant or prolonged decline in the fair value of the equity below its cost is an objective evidence of impairment. In assessing whether it is significant, the decline in fair value is evaluated against the original cost of the asset at initial recognition. In assessing whether it is prolonged, the decline is evaluated against the continuous period in which the fair value of the asset has been below its original cost at initial recognition.

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

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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. The Bank values the equity option embedded in the financial instruments such as FCCBs based on valuation techniques with observable market inputs.

5 INTEREST INCOME AND SIMILAR INCOME ON ARISING ON DEBT SECURITIES AND OTHERS

(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, 2016 US\$ 000s	Year ended March 31, 2015 US\$ 000s	Year ended March 31, 2016 ₹ in million	Year ended March 31, 2015 ₹ in million
Interest income on financial assets under AFS category	10,232	9,199	678	609
Interest income on financial assets under HTM category	6,309	176	418	12
Total	16,541	9,375	1,096	621
Other interest income and similar income				
Interest income on financial assets under Loans and receivable category	119,854	119,418	7,941	7,912
Interest income on financial assets measured at FVTPL	4,664	5,871	309	389
Total	124,518	125,289	8,250	8,301

6 INTEREST EXPENSES

Interest expense is 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 through the expected life of the financial liability (or where appropriate, a shorter period) to the carrying amount of the financial liability.

	Year ended March 31, 2016 US\$ 000s	Year ended March 31, 2015 US\$ 000s	Year ended March 31, 2016 ₹ in million	Year ended March 31, 2015 ₹ in million
Interest expense on financial liabilities measured at amortised cost	69,571	70,012	4,610	4,638
Total	69,571	70,012	4,610	4,638

7 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, 2016 US\$ 000s	Year ended March 31, 2015 US\$ 000s	Year ended March 31, 2016 ₹ in million	Year ended March 31, 2015 ₹ in million
Income on other financial assets	-	-	-	-
Realised gains/(losses) on derivative instruments (incl equity option of FCCBs*)	(5,647)	6,150	(374)	407
Unrealised gains/(losses) on derivative instruments	(991)	5,873	(66)	390
Total	(6,638)	12,023	(440)	797

Other financial assets include, 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.

8 OTHER OPERATING INCOME

Other operating income primarily consists of retail branch related fees and other corporate banking related income.

Profit on ordinary activities before tax is stated after charging

9 ADMINISTRATIVE EXPENSES

	Year ended March 31, 2016 US\$ 000s	Year ended March 31, 2015 US\$ 000s	Year ended March 31, 2016 ₹ in million	Year ended March 31, 2015 ₹ in million
Staff costs (including Directors' emoluments):				
Wages and salaries	17,958	19,024	1,190	1,260
Social security costs	1,505	1,776	100	118
Other pension costs	515	533	34	35
Operating lease expenses	2,548	2,761	169	183
Other administrative expenses	10,616	13,165	703	873
Total	33,142	37,259	2,196	2,469

The number of persons employed by the Bank (including Directors) during the year was as follows:

	Year ended March 31, 2016 No. of Employees	Year ended March 31, 2015 No. of Employees
Management	41	45
Non Management	143	151
Total	184	196

10 AUDITOR'S REMUNERATION

	Year ended March 31, 2016 US\$ 000s	Year ended March 31, 2015 US\$ 000s	Year ended March 31, 2016 ₹ in million	Year ended March 31, 2015 ₹ in million
Fees payable to the Bank's statutory auditors and their associates for the audit of Bank's annual accounts	486	509	32	34
Fees payable to the Bank's statutory auditors and their associates for other services:				
Audit related assurance services	430	460	28	30
Tax compliance services	27	29	2	2
Total	943	998	62	66

11 SEGMENTAL REPORTING

The Bank centrally manages its banking activities as a single business from its offices in the UK, Germany and Belgium. The Board reviews the Bank's performance as a single business.

12 TAXATION

(a) Analysis of charge in the year

	Year ended March 31, 2016 US\$ 000s	Year ended March 31, 2015 US\$ 000s	Year ended March 31, 2016 ₹ in million	Year ended March 31, 2015 ₹ in million
Current tax				
UK Corporation tax 1 at 20% (2015: 21%) on the taxable profit for the year	1,209	4,497	80	298
Double taxation relief	(1,209)	(4,444)	(80)	(294)
Overseas corporation charge	5,142	6,756	340	448
	5,142	6,809	340	452
Adjustments for prior years ²	(4)	(2,774)	-	(184)
	5,138	4,035	340	268
Adjustments for prior years ²	(2,774)	134	(173)	8
	4,035	10,492	252	656
Deferred tax				
Origination and reversal of timing differences	330	406	22	27
Tax on profit on ordinary activities	5,468	4,441	362	295

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(b) Analysis of total taxation in the year

	Year ended March 31, 2016			Year ended March 31, 2015			US\$ 000s
	Current tax	Deferred tax	Total tax	Current tax	Deferred tax	Total tax	
Recognised in Profit and loss account	5,138	330	5,468	4,035	406	4,441	
Recognised in other comprehensive income	-	-	-	(1,383)	-	(1,383)	
Total tax	5,138	330	5,468	2,652	406	3,058	₹ in million

	Year ended March 31, 2016			Year ended March 31, 2015			
	Current tax	Deferred tax	Total tax	Current tax	Deferred tax	Total tax	
Recognised in Profit and loss account	340	22	362	268	26	294	
Recognised in other comprehensive income	-	-	-	(92)	-	(92)	
Total tax	340	22	362	176	26	202	

(c) Reconciliation of tax

	Year ended March 31, 2016 US\$ 000s	Year ended March 31, 2015 US\$ 000s	Year ended March 31, 2016 ₹ in million	Year ended March 31, 2015 ₹ in million
Profit on ordinary activities before tax	6,010	22,770	398	1,509
Tax using the UK corporation tax rate of 20% for FY2016 (2015: 21%)	1,202	4,782	80	317
Effect of tax rates in foreign jurisdictions	3,934	2,312	260	153
Reduction in tax rate on deferred tax balances	2	19	0	1
Expenses not deductible for tax purposes	99	167	7	11
Differences in relation to share schemes	235	(65)	15	(4)
Under / (over) provided in prior years	(4)	(2,774)	0	(183)
Total tax expense included in profit and loss account	5,468	4,441	362	295

(d) The movements in deferred tax asset during the year were:

	Year ended March 31, 2016 US\$ 000s	Year ended March 31, 2015 US\$ 000s	Year ended March 31, 2016 ₹ in million	Year ended March 31, 2015 ₹ in million
Balance as at March 31	373	779	25	52
Debit to profit and loss account :				
Reversal of Deferred tax asset	(327)	(387)	(22)	(26)
Rate differential from 21% to 20% in FY2016 and 23% to 21% in FY2015	(2)	(19)	-	(1)
Balance as at March 31	44	373	3	25

(e) Deferred tax is composed of the tax impact of the following items:

	Year ended March 31, 2016 US\$ 000s	Year ended March 31, 2015 US\$ 000s	Year ended March 31, 2016 ₹ in million	Year ended March 31, 2015 ₹ in million
Collective provision	-	43	-	3
Effect of:	-	-	-	-
- Fees Income amortisation	-	174	-	12
- Recognition of fair value of derivatives	-	67	-	4
Excess of tax written down value over book value of tangible fixed assets	44	89	3	6
Total	44	373	3	25

In addition to above deferred tax assets as above, the Bank does not have any unused tax losses or unused tax credit.

(f) Factors that may affect future tax charges

Reductions in the UK corporation tax rate from 23% to 21% (effective from April 1, 2014) and 20% (effective from April 1, 2015) were substantively enacted on July 2, 2013. Further reductions to 19% (effective from April 1, 2017) and to 18% (effective April 1, 2020) were substantively enacted on October 26, 2015, and an additional reduction to 17% (effective from April 1, 2020) was announced in the Budget on March 16, 2016. These reductions will reduce the company's future current tax charge accordingly. The entire outstanding of US\$ 0.04 million in deferred tax assets arising on timing difference is expected to be reversed in FY2017. The overseas tax rate is higher than corporate tax rate in the UK primarily due to profits earned in Germany branch of the Bank, effective tax rate for FY2016 is 29% (FY2015-32%). Any change in effective tax rate in UK and overseas jurisdiction may affect the future tax charge.

¹The UK corporation tax rate reduced from 23% to 21% effective from April 1 2014. Further changes to 20%, effective from April 1 2015 were enacted in the budget announcement on April 15, 2015. The deferred tax asset at March 31 2016 has been calculated based on the rate of 19% at the balance sheet date.

²Adjustment to prior years for the year March 2016 includes recycling of tax credit of US\$ 0.004 million (INR 0.3 million) (2015: US\$ 2.8 million, INR 184 million) from AFS reserve to tax account within P&L.

13 EMOLUMENTS OF DIRECTORS

Year ended March 31, 2016 US\$ 000s	Year ended March 31, 2015 US\$ 000s	Year ended March 31, 2016 ₹ in million	Year ended March 31, 2015 ₹ in million
Directors' fees and gross emoluments	970	1,092	64

The gross emoluments¹ of the highest paid director were US\$ 611,999 (INR 40,547,994) (2015: US\$ 698,094; INR 46,252,218) excluding share based payments. Post-employment benefits are accruing for one director (2015: One) under a money purchase pension scheme amounted to US\$ 25,658 (INR 1,699,971) (2015: US\$ 25,923; INR 1,717,528). Stock options² are granted to one director (2015: One) the number of stock options granted to the director during the year was 460,000 (2015: 230,000).

¹Gross emoluments include base salary and performance bonus

²Refer note 14 for the details of the stock option scheme.

14 SHARE-BASED PAYMENTS

During the year, US\$ 1.4 million (INR 92.8 million) was charged to the profit and loss account in respect of equity-settled share-based payment transactions (2015: US\$ 0.66 million; INR 43.4 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 2015 vest in a graded manner over a three-year period, with 30%, 30%, and 40% of the grants vesting in each year, commencing from the end of 12 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. The option expires after the exercisable period is over as above.

15 RELATED PARTY TRANSACTION

During the year the Bank entered into transactions with other related parties, in the ordinary course of business. Transactions entered into, and balances outstanding at 31 March, are as follows. The Bank is exempt from disclosing other related party transactions as they are with the companies that are wholly owned within the Group. (see note 2 (d))

ICICI Lombard General Insurance Company Limited: 63.8% owned by parent company.

FY2016 US\$ 000s	FY2015 US\$ 000s	FY2016 ₹ in million	FY2015 ₹ in million
Purchase of Insurance policies	60	-	4
Outstanding balances	-	-	-

16 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

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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 15.7 billion as per the FSCS Plan and Budget for 2016/2017. 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. As per the FSCS Plan and Budget for 2016/2017, FSCS expects to levy the deposit taking sector a levy of GBP 363 million of indicative annual levy compared to a final levy of GBP 319 million for 2015/16. The Bank is obligated to pay its share of interest cost, other levies for Dunfermline contribution and capital shortfall based on the Bank's market share of deposits protected under the FSCS. The actual amount of levy will be billed to the Bank based its share of deposits protected under the FSCS.

The Bank has recognized an expense of US\$ 1.6 million (₹ 106 million) during FY2016 (FY2015: US\$ 2.3 million; INR 152 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 and regular deposit protection charges. The Bank has accrued the SDD levy based on its estimated share of total market protected deposits. The Bank has adopted IFRIC 21 'Levies', effective FY2014 for accounting for the FSCS liability. There is no equivalent guidance within FRS 102 and section 10 of FRS 102 (Accounting Policies) allows the use of alternative accounting frameworks where this is the case.

17 LOANS AND ADVANCES TO BANKS

(a) Residual Maturity

	March 31, 2016 US\$ 000s	March 31, 2015 US\$ 000s	March 31, 2016 ₹ in million	March 31, 2015 ₹ in million
Banks				
Repayable on demand	53,684	32,614	3,557	2,161
Other loans and advances				
Remaining Maturity :				
Over 5 years	-	-	-	-
5 year or less but over 1 year	-	-	-	-
1 year or less but over 3 months	45,000	39,744	2,981	2,633
3 months or less	181,553	106,524	12,029	7,058
	280,237	178,882	18,567	11,852

Parent and Group Companies

	March 31, 2016 US\$ 000s	March 31, 2015 US\$ 000s	March 31, 2016 ₹ in million	March 31, 2015 ₹ in million
Parent and Group Companies				
Repayable on demand	2,952	5,290	196	350
Other loans and advances				
Remaining Maturity :				
1 year or less but over 3 months	-	-	-	-
3 months or less				
	2,952	5,290	196	350
Sub Total	283,189	184,172	18,763	12,202
Collective provision	(40)	(26)	(3)	(1)
Specific impairment allowance	-	-	-	-
Total	283,149	184,146	18,760	12,201

(b) Concentration of exposure

The Bank has the following concentrations of gross loans and advances to banks:

	March 31, 2016 US\$ 000s	March 31, 2015 US\$ 000s	March 31, 2016 ₹ in million	March 31, 2015 ₹ in million
Total gross advances to banks located in:				
UK	25,593	25,610	1,696	1,697
Europe	12,718	5,420	843	359
North America	14,801	1,405	981	93
India	209,505	144,444	13,880	9,570
Rest of the World	20,572	7,293	1,363	483
Total	283,189	184,172	18,763	12,202

As at March 31, 2016, the Bank had no direct exposure to banks in Portugal, Italy, Ireland, Greece, Spain, Cyprus, Ukraine or Russia (2015: 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.

The increase during the current year is mainly driven by bill discounting facilities.

18 LOANS AND ADVANCES TO CUSTOMERS

(a) Residual Maturity

	March 31, 2016 US\$ 000s	March 31, 2015 US\$ 000s	March 31, 2016 ₹ in million	March 31, 2015 ₹ in million
<i>Repayable on demand or at short notice</i>				
	10,653		45,797	705
<i>Other loans and advances</i>				
Remaining Maturity :				
Over 5 years	497,542		384,331	32,965
5 years or less but over 1 year	1,373,284		1,356,346	90,987
1 year or less but over 3 months	604,654		315,877	40,061
3 months or less	559,028		837,482	37,039
Sub total	3,045,161		2,939,833	201,757
Collective provision	(11,518)		(9,577)	(763)
Specific impairment allowance	(71,108)		(51,445)	(4,711)
Total	2,962,535		2,878,811	196,283
				190,736

(b) Concentration of exposure

Geographical concentrations of loans and advances to customers

	March 31, 2016 US\$ 000s	March 31, 2015 US\$ 000s	March 31, 2016 ₹ in million	March 31, 2015 ₹ in million
UK				
	766,863		532,292	50,809
Europe	475,893		549,652	31,530
North America	478,001		322,863	21,391
India	848,497		1,047,628	56,217
Rest of the World	475,907		487,398	31,531
Total	3,045,161		2,939,833	201,757
				194,779

As at March 31, 2016, the outstanding exposure to customers in Ireland was nil (2015: nil) and to Spain was nil (2015: Nil). As at March 31, 2016, the Bank had no direct exposure to customers in Portugal, Italy, Greece, Cyprus, Ukraine or Russia. (2015: 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.

19 POTENTIAL CREDIT RISK ON FINANCIAL INSTRUMENTS

March 31, 2016

	US\$ 000s
Carrying amount of loans	34,152
Past due not impaired	32,240
Impaired	2,263
Impairment allowances & collective provision	2,136
Total	482
Cash	482
Balances at central banks	500,136
Loans and advances to banks	283,189
Loans and advances to customers	2,767,417
Investment securities	741,938
Other assets*:	
- Cheques in clearing	416
- Deposits receivable	5,411
- Derivative financial instruments	40,878
- Unsettled securities	-
Accrued income and other receivables	58,028
Total financial instruments	4,397,895
	74,939
	254,319
	(132,705)
	4,594,448

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March 31, 2016

	Neither past due nor impaired	Past due not impaired	Impaired	Impairment allowances	Total	₹ in million	Loans and advances to customers			
	March 31, 2016 US\$ 000s	March 31, 2015 US\$ 000s				March 31, 2016 ₹ in million	March 31, 2015 ₹ in million	March 31, 2016 ₹ in million	March 31, 2015 ₹ in million	
Cash	32	-	-	-	32					
Balances at central banks	33,137	-	-	-	33,137	Loans contractually overdue as to principal or interest				
Loans and advances to banks	18,763	-	-	(3)	18,760	- Less than 60 days	6,815	9,148	452	
Loans and advances to customers	183,355	4,965	13,437	(5,474)	196,283	- 61 to 90 days	22,255	-	1,475	
Investment securities	49,157	-	3,413	(3,315)	49,255	- more than 90 days	208,909	233,932	13,841	
Other assets*:						Total	237,979	243,080	15,768	
- Cheques in clearing	28	-	-	-	28					
- Deposits receivable	359	-	-	-	359					
- Derivative financial instruments	2,708	-	-	-	2,708					
- Unsettled securities										
Accrued income and other receivables										
Total financial instruments	291,383	4,965	16,850	(8,792)	304,406					

March 31, 2015

	Neither past due nor impaired	Past due not impaired	Impaired	Impairment allowances & collective provision	Total	US\$ 000s
Cash	598	-	-	-	598	
Balances at central banks	449,154	-	-	-	449,154	
Loans and advances to banks	184,172	-	-	(26)	184,146	
Loans and advances to customers	2,665,869	101,160	172,804	(61,022)	2,878,811	
Investment securities	490,539	-	51,590	(44,199)	497,930	
Other assets*:						
- Cheques in clearing	182	-	-	-	182	
- Deposits receivable	9,671	-	-	-	9,671	
- Derivative financial instruments	59,106	-	-	-	59,106	
- Unsettled securities	2,357	-	-	-	2,357	
Accrued income and other receivables	37,960	-	-	-	37,960	
Total financial instruments	3,899,608	101,160	224,394	(105,247)	4,119,915	

March 31, 2015

	Neither past due nor impaired	Past due not impaired	Impaired	Impairment allowances & collective provision	Total	₹ in million
Cash	40	-	-	-	40	
Balances at central banks	29,759	-	-	-	29,759	
Loans and advances to banks	12,202	-	-	(1)	12,201	
Loans and advances to customers	176,628	6,702	11,449	(4,043)	190,736	
Investment securities	32,500	-	3,418	(2,928)	32,990	
Other assets*:						
- Cheques in clearing	12	-	-	-	12	
- Deposits receivable	641	-	-	-	641	
- Derivative financial instruments	3,916	-	-	-	3,916	
- Unsettled securities	156	-	-	-	156	
Accrued income and other receivables	2,513	-	-	-	2,513	
Total financial instruments	258,367	6,702	14,867	(6,972)	272,964	

*Exclusive deferred tax assets, prepaid expenses and fixed assets

Loans and advances to customers

	March 31, 2016 US\$ 000s	March 31, 2015 US\$ 000s	March 31, 2016 ₹ in million	March 31, 2015 ₹ in million
Loans contractually overdue as to principal or interest				
- Less than 60 days	6,815	9,148	452	606
- 61 to 90 days	22,255	-	1,475	-
- more than 90 days	208,909	233,932	13,841	15,499
Total	237,979	243,080	15,768	16,105

Concentration of overdue exposure

	United Kingdom	Europe	India	Rest of the World	Total
	-	-	-	-	-
Europe	-	32,450	53,245	2,150	3,528
India	-	174,275	189,835	11,547	12,577
Rest of the World	-	31,254	-	2,071	-
Total	237,979	243,080	15,768	16,105	

Past due whether impaired or not

	Past due not impaired	Past due impaired	Total
Past due not impaired	74,939	101,160	4,965
Past due impaired	163,040	141,920	10,803
Total	237,979	243,080	15,768

Past due not impaired*

	Less than 60 days	61 to 90 days	more than 90 days	Total
- Less than 60 days	-	9,148	-	606
- 61 to 90 days	22,255	-	1,475	-
- more than 90 days	52,684	92,012	3,490	6,096
Total	74,939	101,160	4,965	6,702

*Past due not impaired are stated at the total value of the exposure. The total overdue contractual payments of principal or interest are US\$ 41.0 million (INR 2,716 million) (2015: US\$ 52.5 million, INR 3,478 million) of which US\$ 9.0 million (INR 596 million) relates to a case under litigation where the Bank believes that it has strong case for full recovery based on external legal advice. The above excludes accounts with total gross exposure of US\$ 8.2 million (INR 543 million) and overdue of US\$ 2.9 million (INR 192 million) which have been paid subsequent to the yearend. 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, 2016 the Bank had not renegotiated/restructured any loan (2015: US\$ 9.8 million, INR 649 million). As on March 31, 2016, included in the impaired loans was loan restructured in previous years of US\$ 39.8 million (INR 2,637 million) (2015: US\$ 26.0 million; INR 1,723 million).

20 IMPAIRMENT ON LOANS AND ADVANCES

Net loan impairment charge to profit and loss account

	March 31, 2016 US\$ 000s	March 31, 2015 US\$ 000s	March 31, 2016 ₹ in million	March 31, 2015 ₹ in million
New charges	(52,767)	(35,650)	(3,496)	(2,362)
Release of allowance	-	-	-	-
Write off directly to profit and loss	(758)	(2,295)	(50)	(152)
	(53,525)	(37,945)	(3,546)	(2,514)

Movement in impairment allowance on loans and advances

	March 31, 2016 US\$ 000s		March 31, 2015 US\$ 000s			
	Specific Impairment	Collective Provision	Total	Specific Impairment	Collective Provision	Total
Opening Balance	51,445	9,603	61,048	52,673	8,500	61,173
Charge to profit and loss account	50,812	1,955	52,767	34,547	1,103	35,650
Other provision on interest income	1,660	-	1,660	-	-	-
Amounts written off	(32,809)	-	(32,809)	(35,388)	-	(35,388)
Recovery	-	-	-	-	-	-
Others (incl FX)	-	-	-	(387)	-	(387)
Closing Balance	71,108	11,558	82,666	51,445	9,603	61,048

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	March 31, 2016 ₹ in million			March 31, 2015 ₹ in million		
	Specific Impairment	Collective Provision	Total	Specific Impairment	Collective Provision	Total
Opening Balance	3,408	636	4,044	3,490	563	4,053
Charge to profit and loss account	3,367	130	3,497	2,289	73	2,362
Other provision on interest income	110	-	110	-	-	-
Amounts written off	(2,174)	-	(2,174)	(2,345)	-	(2,345)
Recovery	-	-	-	-	-	-
Others (incl FX)	-	-	-	(26)	-	(26)
Closing Balance	4,711	766	5,477	3,408	636	4,044

21 INVESTMENT SECURITIES

Classification of Investment securities

	March 31, 2016 Market Value US\$ 000s	March 31, 2015 Market Value US\$ 000s	March 31, 2016 Market Value ₹ in million	March 31, 2015 Market Value ₹ in million
Analyzed by class:				
Government Securities	129,352	84,951	8,570	5,628
Other securities				
- Bonds	588,313	347,062	38,979	22,994
- Asset Backed Securities	18,530	58,526	1,228	3,878
- Equity	7,218	7,391	478	490
Total other securities	614,061	412,979	40,685	27,362
Total	743,413	497,930	49,255	32,990

Analysed by designation:

Available for sale	468,598	482,703	31,047	31,981
Held to Maturity	274,815	15,227	18,208	1,009
Financial instruments at fair value through profit and loss	-	-	-	-
Total	743,413	497,930	49,255	32,990

	March 31, 2016 Market Value US\$ 000s	March 31, 2015 Market Value US\$ 000s	March 31, 2016 Market Value ₹ in million	March 31, 2015 Market Value ₹ in million
Analysed by issuer:				
Available for sale				
Issued by public bodies:				
Government Issued	110,618	79,969	7,328	5,298
Other Public sector securities	227,896	230,036	15,099	15,241
Issued by other issuers	130,084	172,698	8,619	11,442
Held to Maturity				
Government Issued	18,734	4,982	1,242	330
Issued by other issuers	256,081	10,245	16,967	679
Financial instruments at fair value through profit and loss				
Issued by other issuers				
Total	743,413	497,930	49,255	32,990

	March 31, 2016 Market Value US\$ 000s	March 31, 2015 Market Value US\$ 000s	March 31, 2016 Market Value ₹ in million	March 31, 2015 Market Value ₹ in million
Analysed by listing status				
Available for sale				
Unlisted	116,360	79,969	7,709	5,298
Listed	352,238	402,734	23,338	26,683
Held to Maturity				
Listed	274,815	15,227	18,208	1,009
Financial instruments at fair value through profit and loss				
Unlisted	-	-	-	-
Total	743,413	497,930	49,255	32,990

Analyzed by maturity*:

Due within 1 year	276,260	203,186	18,304	13,462
Due 1 year and above	459,935	287,353	30,473	19,038
Total	736,195	490,539	48,777	32,500

*does not include US\$ 5.7 million (INR 378 million) of investment in equity (FY2015: US\$ 7.4 million, INR 490 million)

Impairment on investment securities

During the year the Bank booked impairment of US\$ 5.9 million (INR 391 million) (2015: US\$ 13.5 million; INR 894 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, 2016, by valuation method:

	US\$ 000s			
	Level 1	Level 2	Level 3	Total
Treasury Bills & Government securities	110,617	—	—	110,617
Bonds	332,232	—	—	332,232
Asset Backed Securities	18,530	—	—	18,530
Equity	1,476	—	5,743	7,219
Total	462,855	—	5,743	468,598

	₹ in million			
	Level 1	Level 2	Level 3	Total
Treasury Bills & Government securities	7,329	—	—	7,329
Bonds	22,011	—	—	22,011
Asset Backed Securities	1,228	—	—	1,228
Equity	98	—	381	479
Total	30,666	—	381	31,047

Investments held at fair value at March 31, 2015, by valuation method:

	US\$ 000s			
	Level 1	Level 2	Level 3	Total
Treasury Bills & Government securities	79,969	—	—	79,969
Bonds	336,817	—	—	336,817
Asset Backed Securities	58,526	—	—	58,526
Equity	7,391	—	—	7,391
Total	482,703	—	—	482,703

	₹ in million			
	Level 1	Level 2	Level 3	Total
Treasury Bills & Government securities	5,298	—	—	5,298
Bonds	22,316	—	—	22,316
Asset Backed Securities	3,877	—	—	3,877
Equity	490	—	—	490
Total	31,981	—	—	31,981

Valuation Hierarchy

The valuation hierarchy is set out below:

Level 1: Investments valued using unadjusted quoted prices in active markets.
 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.

Investments placed as collateral against liabilities/borrowings

Under Repurchase agreements the Bank has assets transferred certain Bonds, ABSs & FCCBs issued by financial institutions & corporates (refer Note 30).

22 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' (FRS 26 and FRS 29 has now been superseded by FRS 102) issued which permitted an entity to reclassify certain financial assets out of the held for trading category. The amendment also permitted an entity to transfer from the available for sale category to the loans and receivable category in certain circumstances. Under FRS 102, the Bank chose to continue following IAS 39 for financial assets classification and measurement and disclosure as per Section 11 and 12 and 34 of FRS 102. During the year the Bank transferred certain asset backed securities of US\$ 32.4 million (INR 2,147 million) from the available for sale category to the loans and receivable category (2015: Nil).

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23 FIXED ASSETS

	Leasehold Improvements US\$ 000s	Tangible Fixed Assets US\$ 000s	Intangible Fixed Assets US\$ 000s	Total US\$ 000s	Leasehold Improvements ₹ in million	Tangible Fixed Assets ₹ in million	Intangible Fixed Assets ₹ in million	Total ₹ in million
Cost:								
At April 1, 2015	11,679	4,931	3,651	20,261	774	327	242	1,343
Additions	316	40	92	448	21	3	6	30
Disposal	(706)	(201)	(9)	(916)	(47)	(14)	(1)	(63)
At March 31, 2016	11,289	4,770	3,734	19,793	748	316	247	1,310
Accumulated depreciation:								
At April 1, 2015	7,556	4,643	3,288	15,487	501	308	217	1,026
Charge for year	761	128	137	1,026	50	8	10	68
Disposal	(709)	(186)	(9)	(904)	(47)	(12)	(1)	(60)
At March 31, 2016	7,608	4,585	3,416	15,609	504	304	226	1,034
Net book value:								
At March 31, 2016	3,681	185	318	4,184	244	12	21	276
At April 1, 2015	4,123	288	363	4,774	273	19	24	316

24 OTHER ASSETS

	March 31, 2016 US\$ 000s	March 31, 2015 US\$ 000s	March 31, 2016 ₹ in million	March 31, 2015 ₹ in million
Amounts in clearing	416	182	28	12
Deposits receivable	5,411	9,671	359	641
Deferred tax asset	44	373	3	25
Derivative financial instruments	40,878	59,106	2,708	3,916
Settlement balances ¹	0	2,357	0	156
Other receivables	3,487	2,604	231	172
Others ²	3,000	3,000	198	199
Total	53,236	77,293	3,527	5,121

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

25 DEPOSITS BY BANKS

With agreed maturity dates or periods of notice, by remaining maturity:

	March 31, 2016 US\$ 000s	March 31, 2015 US\$ 000s	March 31, 2016 ₹ in million	March 31, 2015 ₹ in million
Banks				
5 years or less but over 1 year	302,280	22,010	20,027	1,458
1 year or less but over 3 months	255,000	329,407	16,895	21,825
3 months or less but not repayable on demand	34,000	14,000	2,253	928
Total	591,280	365,417	39,175	24,211

26 CUSTOMER ACCOUNTS

With agreed maturity dates or periods of notice, by remaining maturity:

	March 31, 2016 US\$ 000s	March 31, 2015 US\$ 000s	March 31, 2016 ₹ in million	March 31, 2015 ₹ in million
More than 5 years	2,846	2,684	189	178
5 years or less but over 1 year	423,631	470,639	28,068	31,182
1 year or less but over 3 months	643,196	723,911	42,615	47,963
3 months or less but not repayable on demand	164,128	212,219	10,873	14,060
Repayable on demand	1,233,801	1,409,453	81,745	93,383
Total	2,466,866	2,284,686	163,442	151,372

27 BONDS AND MEDIUM TERM NOTES

	March 31, 2016 US\$ 000s	March 31, 2015 US\$ 000s	March 31, 2016 ₹ in million	March 31, 2015 ₹ in million
Bonds issued*				
Residual Maturity				
5 year or less but over 1 year	112,787	188,330	7,473	12,478
1 year or less but over 3 months	291,929	62,200	19,342	4,121
3 months or less	106,909	-	7,082	-
Total	511,625	250,530	33,897	16,599
Less: Bond issue expenses	(172)		(11)	-
Total bonds and medium term notes	511,453	250,530	33,886	16,599

* Listed with Singapore stock exchange.

Details of various bonds and notes under the medium term notes programmes issued by the Bank at March 31, 2016 are as follows:

Nature of Issue: Senior unsecured bonds

Date of Issue	Interest frequency	Interest Rate	Maturity	US\$ 000s	₹ in million
27-Mar-13	Quarterly	2.32%	Bullet payment in April 2016.	74,908	4,963
14-Oct-14	Semi-annual	1.03%	Bullet payment in October 2017.	8,887	589
22-Oct-14	Quarterly	1.87%	Bullet payment in October 2016.	100,000	6,626
09-Jan-15	Quarterly	1.77%	Bullet payment in July 2016.	5,000	331
27-Apr-15	Quarterly	1.82%	Bullet payment in May 2018.	10,000	663
08-Jun-15	Quarterly	1.84%	Bullet payment in June 2018.	10,000	663
29-Jul-15	Semi-annual	1.60%	Bullet payment in August 2016.	51,929	3,441
25-Aug-15	Quarterly	1.39%	Bullet payment in September 2016.	75,000	4,969
06-Aug-15	Quarterly	1.84%	Bullet payment in August 2017.	39,968	2,648
28-Sep-15	Quarterly	1.80%	Bullet payment in September 2018.	5,000	331
02-Sep-15	Quarterly	1.17%	Bullet payment in September 2016.	10,000	663
28-Sep-15	Quarterly	1.80%	Bullet payment in September 2018.	5,000	331
28-Sep-15	Semi-annual	2.50%	Bullet payment in September 2017.	14,837	983
28-Sep-15	Quarterly	1.48%	Bullet payment in March 2017.	50,000	3,312
18-Nov-15	Quarterly	1.67%	Bullet payment in November 2018.	5,000	331
14-Dec-15	Semi-annual	1.10%	Bullet payment in June 2016.	10,000	663
21-Dec-15	Semi-annual	1.05%	Bullet payment in June 2016.	10,000	663
29-Dec-15	Semi-annual	1.10%	Bullet payment in June 2016.	12,000	794
13-Jan-16	Semi-annual	2.35%	Bullet payment in January 2018.	14,096	933
			Total	511,625	33,897
Less: Bond issue expenses				(172)	(11)
Total bonds and medium term notes				511,453	33,886

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28 SUBORDINATED DEBT LIABILITIES

Sub-ordinated debt*	March 31, 2016		March 31, 2015	
	US\$ 000s	US\$ 000s	₹ in million	₹ in million
Residual Maturity				
Over 5 years	-	150,000	-	9,938
5 year or less but over 1 year	150,000	85,000	9,938	5,632
1 year or less but over 3 months	85,000	-	5,633	-
Less: Bond issue expenses	(335)	(568)	(22)	(38)
Less: Adjustments to carrying amount for change in the value of hedge which is ineffective	(423)	(1,030)	(29)	(68)
	234,242	233,402	15,520	15,464

* Listed with Singapore stock exchange.

Details of various bonds and notes under the medium term notes programmes issued by the Bank at March 31, 2016 are as follows:

Date of Issue	Nature of Issue	Interest Rate	Interest frequency	Maturity	US\$ 000s	₹ in million
12-Dec-06	Perpetual junior subordinated notes	6.38%	Semi-annually	Callable by issuer at par in 2016; no maturity	85,000	5,633
23-Nov-10	Unsecured subordinated fixed rate notes due 2020	7.00%	Semi-annually	Bullet payment in November 2020	150,000	9,938
				Total	235,000	15,571
Less: Bond issue expenses					(335)	(22)
Less: Adjustments to carrying amount for change in the value of hedge which is ineffective					(423)	(29)
					234,242	15,520

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.

29 OTHER LIABILITIES

	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	US\$ 000s	US\$ 000s	₹ million	₹ million
Amounts in clearing Corporation tax payable	1,158	1,612	76	106
Other creditors	2,279	1,687	151	112
Derivative financial instruments	4,571	2,409	303	159
Settlement balances	57,355	110,932	3,800	7,350
Total	10,712	126,762	710	671
	76,075		5,040	8,398

30 REPURCHASE AGREEMENTS

Repurchase agreements	March 31, 2016		March 31, 2015	
	US\$ 000s	US\$ 000s	US\$ 000s	US\$ 000s
Carrying amount of transferred liabilities	153,383	185,248	Carrying amount of transferred assets	294,035
Carrying amount of transferred liabilities	10,162	12,274	Carrying amount of transferred assets	19,481
Repurchase agreements	345,936	337,292	349,012	23,124

The repurchase transactions enable the Bank to raise funds using its portfolio of government bonds or corporate bonds and Asset Backed Securities (ABS) as collateral. These bonds and ABS are issued by financial institutions & corporates with carrying value of US\$ 185 million (INR 12,257 million) (2015: US\$ 349.0 million; INR 23,123 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 21 and Note 41). As per the contract, the Bank agrees to repay the principal along with the interest at maturity and receive the collateral from the counter party.

With agreed maturity dates or periods of notice, by remaining maturity:

	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	US\$ 000s	US\$ 000s	₹ in million	₹ in million
5 years or less but over 1 year	52,980	56,189	3,510	3,723
1 year or less but over 3 months	56,189	136,259	3,723	9,028
3 months or less	44,214	101,587	2,929	6,730
Total	153,383	294,035	10,162	19,481

31 CALLED UP SHARE CAPITAL

At March 31, 2016 the Issued share capital of ICICI Bank UK PLC was:

	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	US\$ 000s	US\$ 000s	₹ in million	₹ in million
420 million ordinary shares of US\$ 1 each	420,000	420,000	27,827	27,827
50,002 ordinary shares of £1 each	95	95	6	6
Total Share Capital	420,095	420,095	27,833	27,833

There is no movement in number of shares during the year. All the shares are allotted and fully paid and the holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Bank. There are no restrictions on the distribution of dividends and the repayment of capital.

32 EMPLOYEE BENEFITS

During the year, the Bank made a contribution of US\$ 515,360 (INR 34,145,177) (2015: US\$ 533,252 INR 35,330,608) to the pension scheme. Out of this amount, US\$ 38,771 (INR 2,568,754) was accrued at the yearend (2015: US\$ 40,668; INR 2,694,456).

33 CONTINGENT LIABILITIES AND COMMITMENTS (OFF BALANCE SHEET)

As a part of banking activities, the Bank issued bank guarantees to support business requirements of customers. Guarantees represent irrevocable assurances that the Bank will pay in the event a customer fails to fulfil its financial or performance obligations. The credit risks associated with these guarantees are similar to those relating to other types of unfunded facilities. The Bank enters into guarantee arrangements after conducting appropriate due diligence on the customers. Upon default by a customer under the terms of the guarantee, the beneficiary may exercise its rights under the guarantees, and the Bank is obligated to honour payments to the beneficiaries.

The Bank extends financing to its customers by loan facilities, credit lines and other commitments to lend. Depending upon customer's requirement and subject to its ability to maintain specific credit standards, the unexpired undrawn commitment can be withdrawn by customers. The interest rate on a significant portion of these commitments is dependent on the lending rates prevailing on the date of the loan disbursement. Further, the commitments have fixed expiration dates and are contingent upon the customer's ability to maintain specific credit standards.

(a) Guarantees and other commitments:

	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	US\$ 000s	US\$ 000s	₹ in million	₹ in million
Guarantees	325,614	333,083	21,574	22,068
Other commitments				
Undrawn formal standby facilities, credit lines and other commitments to lend maturing in: on guarantees				
Less than one year	20,322	4,209	1,346	279
More than one year	-	-	-	-
Total guarantees and commitments	345,936	337,292	22,920	22,347

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(b) Significant concentrations of contingent liabilities and commitments

Approximately 67% (2015: 68%) 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\$ 1,187 million (INR 78,645 million) (2015: US\$ 1,311 million; INR 86,860 million).

34 LITIGATION

In the ordinary course of business, the Bank pursues litigation in order to recover any overdue exposures. There are no material litigations against the Bank.

35 OPERATING LEASE COMMITMENTS

As at March 31, 2016, the Bank has the following non cancellable operating lease commitments:

	March 31, 2016 US\$ 000s	March 31, 2015 US\$ 000s	March 31, 2016 ₹ in million	March 31, 2015 ₹ in million
Land and Buildings				
Within 1 year	2,601	2,430	172	161
Between 1 and 5 years	7,516	7,895	498	523
More than 5 years	2,522	4,044	167	268
	12,639	14,369	837	952

During the year the Bank sub-let a portion of premise taken on lease, the sub-lease agreement provides for fixed lease rentals for the entire period. The lease will expire after more than 5 years. Following is the future minimum lease payments receivable under non cancellable operating leases:

**Assets:
As at March 31, 2016**

	Fair value through P&L	Available for Sale	Loans & Receivables	Held to maturity	US\$ 000s
Cash	-	-	482	-	482
Balances at central banks	-	-	500,136	-	500,136
Loans and advances to banks	-	-	283,149	-	283,149
Loans and advances to customers	-	-	2,962,535	-	2,962,535
Investment Securities	-	468,598	-	274,815	743,413
Other assets*	40,878	-	9,314	-	50,192
Accrued income	-	-	54,541	-	54,541
Total financial assets	40,878	468,598	3,810,157	274,815	4,594,448
As at March 31, 2016					
Cash	-	-	32	-	32
Balances at central banks	-	-	33,137	-	33,137
Loans and advances to banks	-	-	18,760	-	18,760
Loans and advances to customers	-	-	196,283	-	196,283
Investment Securities	-	31,047	-	18,208	49,255
Other assets*	2,708	-	617	-	3,325
Accrued income	-	-	3,613	-	3,613
Total financial assets	2,708	31,047	252,442	18,208	304,405

As at March 31, 2015

				₹ in million	US\$ 000s
Cash	-	-	598	-	598
Balances at central banks	-	-	449,154	-	449,154
Loans and advances to banks	-	-	184,146	-	184,146
Loans and advances to customers	-	-	2,878,811	-	2,878,811
Investment in Securities	-	482,703	-	15,227	497,930
Other assets*	59,106	-	14,814	-	73,920
Accrued income	-	-	35,356	-	35,356
Total financial assets	59,106	482,703	3,562,879	15,227	4,119,915

As at March 31, 2015

				₹ in million
Cash	-	-	40	-
Balances at central banks	-	-	29,759	-
Loans and advances to banks	-	-	12,201	-
Loans and advances to customers	-	-	190,736	-
Investment in Securities	-	31,981	-	1,009
Other assets*	3,916	-	981	-
Accrued income	-	-	2,341	-
Total financial assets	3,916	31,981	236,058	1,009
				272,964

* excludes deferred tax assets, prepaid expenses, fixed assets and assets acquired in settlement of loan claims, held as inventory at lower of cost or net realizable value

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Liabilities:

As at March 31, 2016

Deposits by banks	-	591,280	591,280
Customer accounts	-	2,466,866	2,466,866
Bonds and Medium term notes	-	511,453	511,453
Subordinated debts	-	234,242	234,242
Other liabilities	57,355	18,720	76,075
Accruals and deferred income	-	24,431	24,431
Repurchase agreements	-	153,383	153,383
Total financial liabilities	57,355	4,000,375	4,057,730

As at March 31, 2016

Deposits by banks	-	39,175	39,175
Customer accounts	-	163,442	163,442
Bonds and Medium term notes	-	33,886	33,886
Subordinated debts	-	15,520	15,520
Other liabilities	3,800	1,240	5,040
Accruals and deferred income	-	1,620	1,620
Repurchase agreements	-	10,162	10,162
Total financial liabilities	3,800	265,045	268,845

As at March 31, 2015

Deposits by banks	-	365,417	365,417
Customer accounts	-	2,284,686	2,284,686
Bonds and Medium term notes	-	250,530	250,530
Subordinated debts	-	233,402	233,402
Other liabilities	110,932	15,830	126,762
Accruals and deferred income	-	29,546	29,546
Repurchase agreements	-	294,035	294,035
Total financial liabilities	110,932	3,473,446	3,584,378

As at March 31, 2015

Deposits by banks	-	24,211	24,211
Customer accounts	-	151,372	151,372
Bonds and Medium term notes	-	16,599	16,599
Subordinated debts	-	15,464	15,464
Other liabilities	7,350	1,048	8,398
Accruals and deferred income	-	1,958	1,958
Repurchase agreements	-	19,481	19,481
Total financial liabilities	7,350	230,133	237,483

Refer to Note 3 for descriptions of categories of assets and liabilities

37 CAPITAL MANAGEMENT

The Bank's regulatory capital requirements are set and monitored by the PRA. The Bank implemented the CRD IV (Basel III) framework for calculating minimum capital requirements, with effect from January 1, 2014. 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.

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 CRD IV 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). Further, during the year, the PRA issued final guidelines on assessment of capital adequacy under Pillar II. Under the final guidelines, the total capital adequacy requirement for the Bank equals the aggregate of the Pillar 1 capital requirement, the Pillar 2A capital requirement (derived from the Internal Capital Guidance), macro-prudential buffers if applicable (such as the Countercyclical Capital Buffer), the Capital Conservation Buffer (CCoB) and the 'PRA buffer'. The 'PRA buffer' recognises

	Fair value though P&L	Non trading liability	US\$ 000s Total
Deposits by banks	-	591,280	591,280
Customer accounts	-	2,466,866	2,466,866
Bonds and Medium term notes	-	511,453	511,453
Subordinated debts	-	234,242	234,242
Other liabilities	57,355	18,720	76,075
Accruals and deferred income	-	24,431	24,431
Repurchase agreements	-	153,383	153,383
Total financial liabilities	57,355	4,000,375	4,057,730

		₹ in million
Deposits by banks	-	39,175
Customer accounts	-	163,442
Bonds and Medium term notes	-	33,886
Subordinated debts	-	15,520
Other liabilities	3,800	1,240
Accruals and deferred income	-	1,620
Repurchase agreements	-	10,162
Total financial liabilities	3,800	265,045
		268,845

		US\$ 000s
Deposits by banks	-	365,417
Customer accounts	-	2,284,686
Bonds and Medium term notes	-	250,530
Subordinated debts	-	233,402
Other liabilities	110,932	15,830
Accruals and deferred income	-	29,546
Repurchase agreements	-	294,035
Total financial liabilities	110,932	3,473,446
		3,584,378

		₹ in million
Deposits by banks	-	24,211
Customer accounts	-	151,372
Bonds and Medium term notes	-	16,599
Subordinated debts	-	15,464
Other liabilities	7,350	1,048
Accruals and deferred income	-	1,958
Repurchase agreements	-	19,481
Total financial liabilities	7,350	230,133
		237,483

the overlap between the Pillar 2B requirement under the ICAAP and the CCoB, and as a result, is estimated as the difference between the existing Capital Planning Buffer (a result of the Pillar 2B analysis under ICAAP) and the CCoB.

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 under CRDIV are as follows:

	March 31, 2016 US\$ in million	March 31, 2015 US\$ in million	March 31, 2016 ₹ in million	March 31, 2015 ₹ in million
Total Capital	684.3	707.0	45,338	46,842
- Tier I	537.6	538.8	35,619	35,698
- Tier II	146.7	168.2	9,719	11,144

38 COUNTRY BY COUNTRY REPORTING

The Capital Requirements Directive 4 ("CRD IV") requirements stipulate reporting on a consolidated basis, by country where the reporting institution has an establishment, the name, nature of activities, geographical location, number of employees, turnover, pre-tax profit/loss, corporation taxes paid and any public subsidies received.

The Bank has two branches in the EU which are outside UK, in Antwerp (Belgium) and Eschborn (Germany). The details of the business activities are

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provided in the Business Review section of the Strategic Report. Details as on March 31, 2016 are provided below:

Number of employees	UK		Belgium		Germany		
	167	3	14	US\$ million	₹ million	US\$ million	₹ million
Turnover ^{1,2}	71.2	4,714	5.9	394	22.5	1,491	
Pre-tax profit	(1.2)	(78)	(10.0)	(665)	17.2	1,140	
Corporation tax paid	0.4	26	-	-	5.1	336	

¹Income before operating expenses and provisions

²Includes P&L on sale of financial assets

There were no public subsidies received during the year. It may be noted that the Corporation tax paid are the cash taxes paid. Refer Note 12 for information on the current year taxation (which includes taxes accrued not yet paid).

39 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 Committee (BGC), the Board Risk Committee (BRC), the Board Credit Committee (BCC), and the Board Conduct Risk Committee (BCRC), 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 Compliance Conduct and Operational Risk Committee (CORMAC), 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 its strategy, 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 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 and 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, cyclicalities 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 Committee. 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, etc.
- 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, etc.
- 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 the 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.

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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, 2016 US\$ 000s	March 31, 2015 US\$ 000s	March 31, 2016 ₹ in million	March 31, 2015 ₹ in million
AAA	102,726	113,359	6,807	7,511
AA+	39,657	4,564	2,628	302
AA	3,441	24,471	228	1,621
AA-	24,011	-	1,591	-
A	-	23,042	-	1,527
A-	-	10,744	-	712
BBB-	557,208	287,148	36,918	19,025
BB+ and below	9,152	27,211	606	1,803
Unrated	7,218	7,391	477	489
Total	743,413	497,930	49,255	32,990

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 rating scale is a measure of relative credit worthiness and does not map exactly with that of external rating agencies.

The exposure detailed below for loans and advances to Banks and Customers are gross of collective and specific impairment.

Loans and advances to banks

Internal risk rating of loans and advances to banks

Rating	March 31, 2016 US\$ 000s	March 31, 2015 US\$ 000s	March 31, 2016 ₹ in million	March 31, 2015 ₹ in million
AAA to AA-	262,111	162,604	17,366	10,773
A+ to A-	21,078	21,031	1,397	1,393
BBB+ to BBB-	-	537	-	36
BB and below	-	-	-	-
Total	283,189	184,172	18,763	12,202

Loans and advances to customers

The details of the rating distribution have been provided in the following three categories:

(a) Internal risk rating of loans and advances to customers

Rating	March 31, 2016 US\$ 000s	March 31, 2015 US\$ 000s	March 31, 2016 ₹ in million	March 31, 2015 ₹ in million
AAA to AA-*	518,408	580,480	34,347	38,460
A+ to A-**	1,056,336	976,144	69,988	64,674
BBB+ to BBB-***	934,234	775,654	61,898	51,391
BB and below	398,053	378,857	26,373	25,101
Total	2,907,031	2,711,135	192,606	179,626

*Includes loans against FCNR deposits which are fully collateralised.

** Includes US\$ 177.4 million (INR 11,754 million) of loans classified as "Strong" (2015: Nil);

*** Includes US\$ 18.5 million (INR 1,226 million) of loans classified as "Good" (2015: Nil); the classification is based on the supervisory slotting criteria under the Basel framework.

(b) Investments held as loans and receivables which are internally rated:

Rating	March 31, 2016 US\$ 000s	March 31, 2015 US\$ 000s	March 31, 2016 ₹ in million	March 31, 2015 ₹ in million
AAA to AA-	-	-	-	-
A+ to A-	49,529	62,799	3,282	4,161
BBB+ to BBB-	-	-	-	-
BB and below	22,604	26,263	1,497	1,740
Total	72,133	89,062	4,779	5,901

(c) Investments held as loans and receivables which are externally rated:

	March 31, 2016 US\$ 000s	March 31, 2015 US\$ 000s	March 31, 2016 ₹ in million	March 31, 2015 ₹ in million
AAA to AA-	31,321	-	2,075	-
A+ to A-	5,609	8,874	372	588
BBB+ to BBB-	29,067	130,762	1,926	8,664
BB and below	-	-	-	-
Total	65,997	139,636	4,373	9,252

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, 2016 US\$ 000s	March 31, 2015 US\$ 000s	March 31, 2016 ₹ in million	March 31, 2015 ₹ in million
Industrials	246,202	194,376	16,311	12,879
Consumer	345,311	180,975	22,879	11,990
Discretionary	-	-	-	-
Consumer Staples	207,122	223,126	13,723	14,783
Energy	220,147	461,342	14,586	30,566
Financials	185,473	263,115	12,289	17,433
Gems and Jewellery	172,904	231,313	11,456	15,326
Healthcare	95,147	156,013	6,304	10,337
Information Technology	88,860	93,021	5,887	6,163
Materials	737,878	587,954	48,887	38,955
Real Estate*	331,779	161,050	21,982	10,670
Telecom Services	108,426	64,263	7,184	4,258
Utilities	16,404	19,416	1,087	1,286
Others	510	14,850	34	984
Retail loans**	288,998	289,019	19,148	19,149
Total	3,045,161	2,939,833	201,757	194,779

*Includes ABS/MBS portfolio held as loans and receivables which have been classified here for both FY2015 and FY2016

** Loans secured against FCNR deposits

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 Loss Given Default (LGD) and haircuts applicable against 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:

	March 31, 2016 US\$ 000s	March 31, 2015 US\$ 000s	March 31, 2016 ₹ in million	March 31, 2015 ₹ in million
Loans and advances to customers	1,147,608	842,121	76,166	55,795
Gross loans and advances	3,045,161	2,939,833	201,757	194,779
Less: Investments held as loans and receivables	(138,130)	(228,698)	(9,152)	(15,153)
Outstanding balance against which collateral held	2,907,031	2,711,135	192,605	179,626

No collateral is held against loans and advances to banks.

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Continued

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, 2016 is approximately US\$ 4.6 billion (INR 305 billion) (2015: US\$ 4.1 billion; INR 272 billion). The maximum amount of off balance sheet credit risk on guarantees and letters of credit is approximately US\$ 346 million (INR 22,924 million) (2015: US\$ 337 million; INR 22,328 million). Potential credit risk on financial instruments is detailed in Note 19.

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 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 -2.5 to +2.5 has been prescribed for the overall net DoE of the Bank.

Further, to manage the interest rate risk in the investment portfolio and ineffective derivatives, the bank uses various risk metrics such as value-at-risk (VaR), price value of basis point (PV01) and credit spread per basis point (CS01).

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, 2016 was US\$ 5.0 million (INR 331 million) (2015: US\$ 6.8 million; INR 451 million). Further, to manage the forex risk, the Bank uses value-at-risk measure.

- Equity Risk – Equity price risk arises due to the volatility of price movements on the Bank's investment in equity shares and convertibles. Threshold triggers are defined for falls in the values of equity investments and an escalation framework is in place. The value of the Bank's equity investments as at March 31, 2016 was US\$ 4.6 million (INR 305 million) (2015: US\$ 7.4 million, INR 490 million). The option value of convertibles was US\$ 0.4 million (INR 27 million) (2015: US\$ 5.4 million, INR 358 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 AFS book portfolio as at March 31, 2016 was US\$ 0.29 million (INR 19 million) (2015: US\$ 0.11

million; INR 7 million). The maximum, average and minimum VaR during the year for the AFS book portfolio was US\$ 0.34 million (INR 23 million) (2015: US\$ 0.16 million; INR 11 million), US\$ 0.21 million (INR 14 million) (2015: US\$ 0.08 million; INR 5 million) and US\$ 0.11 million (INR 7 million) (2015: US\$ 0.04 million; INR 3 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), assuming a parallel shift in yield curve, has been set out in the following table:

Particulars	March 31, 2016 US\$ 000s	March 31, 2015 US\$ 000s	March 31, 2016 ₹ in million	March 31, 2015 ₹ in million
Portfolio size (Market value)	461,380	475,311	30,569	29,707
Change in value due to 100 bps movement in interest rate	(5,535)	(4,451)	(367)	(295)
Change in value due to 200 bps movement in interest rate	(11,071)	(8,901)	(733)	(590)

The impact of a decrease in interest rates on investment securities held in the AFS category (bonds, asset backed securities and treasury bills), assuming a parallel shift in yield curve, has been set out in the following table:

Particulars	March 31, 2016 US\$ 000s	March 31, 2015 US\$ 000s	March 31, 2016 ₹ in million	March 31, 2015 ₹ in million
Portfolio size (Market value)	461,380	475,311	30,569	29,707
Change in value due to 100 bps movement in interest rate	5,483	4,306	367	285
Change in value due to 200 bps movement in interest rate	10,966	8,613	727	571

Volatility in interest rates has an impact on an entity's interest earnings. The impact of an increase/decrease in interest rates on the Bank's net interest income as at March 31, 2016, assuming a parallel shift in the yield curve, has been set out in the following table:

Currency	Equivalent in US\$ million		Equivalent in ₹ million	
	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
US\$	2.30	5.11	152.4	338.6
GBP	3.00	6.10	198.8	404.2
EUR	1.40	3.15	92.8	208.7
Other currencies	0.07	0.14	4.6	9.3
Total	6.77	14.50	448.6	960.8

Currency	Equivalent in US\$ million		Equivalent in ₹ million	
	Impact on Net Interest Income over a one year horizon		Impact on Net Interest Income over a one year horizon	
	Decrease in interest rates by 100 bps	Decrease in interest rates by 200 bps	Decrease in interest rates by 100 bps	Decrease in interest rates by 200 bps
US\$	1.35	3.64	89.4	241.2
GBP	(2.08)	(11.43)	(137.8)	(757.3)
EUR	(1.25)	(2.30)	(82.8)	(152.4)
Other currencies	(0.07)	(0.14)	(4.6)	(9.3)
Total	(2.05)	(10.23)	(135.82)	(677.8)

The impact of an increase in interest rates on the Bank's net interest income as at March 31, 2015, assuming a parallel shift in the yield curve, has been set out in the following table:

Currency	Equivalent in US\$ million		Equivalent in ₹ million	
	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
US\$	4.26	8.52	282.2	564.5
GBP	2.46	4.92	163.0	326.0
EUR	1.64	3.28	108.7	217.3
Other currencies	(0.12)	(0.24)	(8.0)	(15.9)
Total	8.24	16.48	545.9	1,091.9

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Currency	Equivalent in US\$ million				Equivalent in ₹ million			
	Impact on Net Interest Income over a one year horizon		Impact on Net Interest Income over a one year horizon					
	Decrease in interest rates by 100 bps	Decrease in interest rates by 200 bps	Decrease in interest rates by 100 bps	Decrease in interest rates by 200 bps				
US\$	(1.88)	(2.90)	(124.6)	(192.1)				
GBP	(3.35)	(11.39)	(222.0)	(754.6)				
EUR	(0.98)	(1.94)	(64.9)	(128.5)				
Other currencies	0.11	0.22	7.3	14.6				
Total	(6.10)	(16.01)	(404.2)	(1,060.6)				

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 certain liquidity risk drivers. ALCO and BRC review these parameters on monthly and quarterly basis 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 cash flow 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 cash flow 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, 2016 was 0.27 (0.21 as at March 31, 2015). 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, 2016 was 0.63 (0.66 as at March 31, 2015).

The Bank has implemented the CRD IV liquidity guidelines as specified by PRA. As per the guidelines, the Bank has prepared an Internal Liquidity Adequacy Assessment Process (ILAAP) document outlining the liquidity risk appetite of the Bank. The ILAAP document 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 robust liquidity stress testing under various identified scenarios. Under each scenario, the Bank assesses the behavior of each liquidity risk drivers and estimates the amount of liquidity required to mitigate net stress outflows. The stress testing is carried out daily. The results of the stress test are reported to the ALCO and BRC & Board on a monthly and quarterly basis respectively. Further, from October 1, 2015 the Bank maintains Liquidity Coverage Ratio (LCR) as stipulated by the PRA.

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 40 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.

The Compliance, Conduct and Operational Risk Management Committee (CORMAC) 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 CORMAC 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 CORMAC meetings held is presented to the BRC on a semi-annual basis. The CORMAC 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 strategic objectives, taking into account the interest of its stakeholder 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. In addition to quantitative measure, the Bank has also established qualitative measures of ORA both at strategic and business levels. At strategic level, the Bank has set thresholds as acceptable, tolerable and unacceptable in five categories, namely, financial, regulatory, client, reputation and employment practices and personnel safety. The qualitative measures set at business level are based around Risk and Control Self-Assessment (RCSA) results, Key Risk Indicators (KRIs) and Internal Audit and Compliance assessments.

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 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

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the CORMAC approved plan in consultation with the business groups and the results of the RCSA exercise are presented to the 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. The results of Bank level KRIs are presented to the CORMAC and the BRC on a quarterly basis. In case of entity level KRIs, parameters registering red for three consecutive months along with the action plan are presented to the CORMAC 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 CORMAC 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 are assessed for 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 CORMAC 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 materiality of changes proposed and/or 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 and important 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 CORMAC 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.

40 CASH FLOW PAYABLE UNDER CONTRACTUAL Maturity

At March 31, 2016, the contractual maturity comprised

	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	US\$ 000s
Deposits by banks	35,592	96,472	162,599	308,394	-	603,057
Customer accounts	1,397,193	307,822	335,374	423,631	2,846	2,466,866
Other liabilities	31,892	-	-	-	397	32,289
Derivative financial liabilities	10,993	12,811	13,592	6,262	106	43,764
Accruals and deferred income	24,431	-	-	-	-	24,431
Bonds and medium term notes	108,758	143,425	151,633	114,417	-	518,233
Subordinated debt	4,024	4,024	91,451	188,879	-	288,378
Repurchase Agreements	44,214	-	56,189	52,980	-	153,383
Total Liabilities	1,657,097	564,554	810,838	1,094,563	3,349	4,130,401

At March 31, 2016, the contractual maturity comprised

	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	₹ in million
Deposits by banks	2,358	6,392	10,773	20,432	-	39,955
Customer accounts	92,571	20,395	22,220	28,067	189	163,442
Other liabilities	2,114	-	-	-	26	2,140
Derivative financial liabilities	728	849	901	415	7	2,900
Accruals and deferred income	1,620	-	-	-	-	1,620
Bonds and medium term notes	7,206	9,503	10,046	7,581	-	34,336
Subordinated debt	267	267	6,059	12,514	-	19,107
Repurchase Agreements	2,929	-	3,723	3,510	-	10,162
Total Liabilities	109,793	37,406	53,722	72,519	222	273,662

At March 31, 2015, the contractual maturity comprised

	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	US\$ 000s
Deposits by banks	14,745	172,106	158,170	22,027	-	367,048
Customer accounts	1,087,452	292,437	431,473	470,639	2,685	2,284,686
Other liabilities	26,396	-	-	-	550	26,946
Derivative financial liabilities	30,714	14,442	15,025	38,797	838	99,816
Accruals and deferred income	29,408	-	-	-	138	29,546
Bonds and medium term notes	1,075	11,772	53,304	189,448	-	255,599
Subordinated debt	4,024	4,024	8,004	131,481	157,029	304,562
Repurchase Agreements	101,587	100,016	36,244	56,188	-	294,035
Total Liabilities	1,295,401	594,797	702,220	908,580	161,240	3,662,238

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	<i>Less than 3 months</i>	<i>More than 3 months but not more than 6 months</i>	<i>More than 6 months but not more than 1 year</i>	<i>More than 1 year but not more than 5 years</i>	<i>More than 5 years</i>	<i>₹ in million</i>
<i>Deposits by banks</i>	977	11,403	10,480	1,459	-	24,319
<i>Customer accounts</i>	72,049	19,375	28,587	31,182	179	151,372
<i>Other liabilities</i>	1,749	-	-	-	36	1,785
<i>Derivative financial liabilities</i>	2,035	957	995	2,570	56	6,613
<i>Accruals and deferred income</i>	1,948	-	-	-	10	1,958
<i>Bonds and medium term notes</i>	71	780	3,532	12,552	-	16,935
<i>Subordinated debt</i>	267	267	530	8,711	10,404	20,179
<i>Repurchase Agreements</i>	6,731	6,627	2,401	3,722	-	19,481
<i>Total Liabilities</i>	<u>85,827</u>	<u>39,409</u>	<u>46,525</u>	<u>60,196</u>	<u>10,685</u>	<u>242,642</u>

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).

The Bank does not have any convertible debt securities as on March 31, 2016 (Nil for March 2015)

41 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.

	<i>March 31, 2016</i>	<i>March 31, 2016</i>	<i>March 31, 2015</i>	<i>March 31, 2015</i>
	<i>Fair value</i>	<i>Book value</i>	<i>Fair value</i>	<i>Book value</i>
Non trading book financial assets and liabilities				
Assets:				
Cash	482	482	598	598
Balances at central banks	500,136	500,136	449,154	449,154
Loans and advances to banks	283,149	283,149	184,146	184,146
Loans and advances to customers	2,958,994	2,962,535	2,883,953	2,878,811
Investment securities	749,941	743,413	498,086	497,930
Liabilities:				
Deposits by banks and customer accounts	3,059,726	3,058,146	2,649,361	2,650,103
Bonds and medium term notes	512,138	511,453	252,327	250,530
Subordinated debts	253,409	234,242	254,658	233,402
Repurchase agreements	153,383	153,383	294,035	294,035
Financial assets and liabilities at fair value through profit and loss				
Assets:				
Derivative financial instruments	40,878	40,878	59,106	59,106
Liabilities:				
Derivative financial instruments	57,355	57,355	110,932	110,932

	<i>March 31, 2016</i>	<i>March 31, 2016</i>	<i>March 31, 2015</i>	<i>March 31, 2015</i>
	<i>Fair value</i>	<i>Book value</i>	<i>Fair value</i>	<i>Book value</i>
Non trading book financial assets and liabilities				
Assets:				
Cash	32	32	40	40
Balances at central banks	33,137	33,137	29,759	29,759
Loans and advances to banks	18,760	18,760	12,201	12,201
Loans and advances to customers	196,048	196,283	191,076	190,736
Investment securities	49,687	49,255	33,001	32,990
Liabilities:				
Deposits by banks and customer accounts	202,722	202,617	175,533	175,583
Bonds and medium term notes	33,932	33,886	16,718	16,599
Subordinated debts	16,790	15,520	16,872	15,464
Repurchase agreements				
Assets:				
Derivative financial instruments	2,708	2,708	3,916	3,916
Liabilities:				
Derivative financial instruments	3,800	3,800	7,350	7,350

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.

notes



forming part of the financial statement

Continued

42 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 section 11 and 12 of FRS 102 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.

Change in fair value under hedge accounting:

As at March 31, 2016, the notional amounts of interest rate swaps and foreign exchange contract designated as fair value hedges were US\$ 873 million (INR 57,850 million) (2015: US\$ 1,384 million; INR 91,728 million) and these contracts had a net negative fair value of US\$ 24.4 million (INR 1,613 million) (2015: net positive fair value of US\$ 28.1 million; INR 1,862 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.

	March 31, 2016 US\$ 000s	March 31, 2015 US\$ 000s	March 31, 2016 ₹ in million	March 31, 2015 ₹ in million
Change in fair value of hedged items recognised in profit and loss account	(22,001)	55,688	(1,458)	3,690
Investments	671	149	44	10
Borrowings, including repurchase	(9,910)	8,142	(656)	540
Loans and receivable	(434)	1,450	(29)	96
Deposits	(12,328)	45,947	(817)	3,044
Change in fair value of hedged instruments recognised in profit and loss account	21,838	(55,247)	1,447	(3,660)

Principal amounts of derivative financial instruments

As at March 31, 2016

Instrument	Non trading Notional Principal	Trading Notional Principal	Gross Positive Fair Value	Gross negative Fair Value
Foreign exchange & Cross currency interest rate swaps	342,375	1,328,527	19,190	32,819
Interest rate	530,773	930,749	21,295	10,946
Total	873,148	2,259,276	40,485	43,765

As at March 31, 2016

Instrument	₹ in million			
	Non trading Notional Principal	Trading Notional Principal	Gross Positive Fair Value	Gross negative Fair Value
Foreign exchange & Cross currency interest rate swaps	22,684	88,022	1,272	2,174
Interest rate	35,166	61,667	1,411	725
Total	57,850	149,689	2,683	2,899

Principal amounts of derivative financial instruments

As at March 31, 2015

Instrument	US\$ 000s			
	Non trading Notional Principal	Trading Notional Principal	Gross Positive Fair Value	Gross negative Fair Value
Foreign exchange & Cross currency interest rate swaps	545,841	1,559,139	29,016	87,803
Interest rate	838,631	546,169	24,152	12,012
Total	1,384,472	2,105,308	53,168	99,815

As at March 31, 2015

Instrument	₹ in million			
	Non trading Notional Principal	Trading Notional Principal	Gross Positive Fair Value	Gross negative Fair Value
Foreign exchange & Cross currency interest rate swaps	36,165	103,301	1,922	5,817
Interest rate	55,563	36,186	1,600	796
Total	91,728	139,487	3,522	6,613

In addition of the above the Bank holds equity options relating to their Foreign Currency Convertible Bonds. As at March 31, 2016 these equity options had a gross positive fair value of US\$ 0.4 million (INR 27 million) (March 31, 2015 gross positive fair value of US\$ 5.4 million; INR 358 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 21 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, 2016

Instrument	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	8	1	-	-
Level 2	19,182	32,818	21,295	10,946
Level 3	-	-	-	-
Total	19,190	32,819	21,295	10,946

As at March 31, 2016

Instrument	₹ 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	1	0	-	-
Level 2	1,271	2,174	1,411	725
Level 3	-	-	-	-
Total	1,272	2,174	1,411	725

notes

forming part of the financial statement

Continued

As at March 31, 2015

	US\$ 000s							
	Foreign exchange contracts		Interest rate		Gross Positive Fair Value		Gross Negative Fair Value	
	Gross Positive Fair Value	Gross Negative Fair Value	Gross Positive Fair Value	Gross Negative Fair Value				
Level 1	2	-	-	-				
Level 2	29,014	87,803	24,152	12,012				
<u>Total</u>	<u>29,016</u>	<u>87,803</u>	<u>24,152</u>	<u>12,012</u>				

As at March 31, 2015

	₹ in million							
	Foreign exchange contracts		Interest rate		Gross Positive Fair Value		Gross Negative Fair Value	
	Gross Positive Fair Value	Gross Negative Fair Value	Gross Positive Fair Value	Gross Negative Fair Value				
Level 1	0	-	-	-				
Level 2	1,922	5,817	1,600	796				
<u>Total</u>	<u>1,922</u>	<u>5,817</u>	<u>1,600</u>	<u>796</u>				

43 ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCY

	March 31, 2016 US\$ 000s	March 31, 2015 US\$ 000s	March 31, 2016 ₹ in million	March 31, 2015 ₹ in million
			Denominated in US Dollars	Denominated in Sterling
	2,982,475	2,799,412	197,604	185,475
Total assets	4,603,257	4,129,806	304,989	273,620

Denominated in US

Dollars	1,968,877	1,711,170	130,448	113,374
Denominated in Sterling	1,851,100	1,743,221	122,645	115,497
Denominated in other currencies	783,280	675,415	51,896	44,749
Total liabilities	4,603,257	4,129,806	304,989	273,620

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 42 which are held for hedging purposes.

44 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, 2016 financial statements.

45 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

12TH ANNUAL REPORT AND ACCOUNTS 2015 (as of December 31, 2015)

Directors

Chanda D. Kochhar, *Chairperson*
N.S. Kannan
Vijay Chandok
Yezdi Pavri
Lawrence Savage
Pamela G. Pitz
Glenn R. Rourke
Sriram H. Iyer, *President & CEO*

Auditors

KPMG LLP

Registered Office

150 Ferrand Drive
Suite 1200
Toronto, Ontario
Canada M3C 3E5

Corporate Secretary

Anthony Coulthard

management's report

to the members

The Management of ICICI Bank Canada (the "Subsidiary") is pleased to present their twelfth annual report and accounts 2015, together with the financial statements and auditors' report for the year ended December 31, 2015. All information provided in this Management Report is as at December 31, 2015.

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\$6.68 billion, as at December 31, 2015, 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, Mississauga, Scarborough, Gore Road and Don Valley), the Greater Vancouver Regional District (Surrey) and in Calgary, Alberta.

As a part of its corporate and commercial banking activities, the Subsidiary engages in lending to Canadian corporates through range of fund and non-fund credit facilities. Growth in the Canadian economy weakened in the first half of 2015, largely due to a sharp reduction in investment in the commodity centric regions and continued weakness in the metals & mining sector. Overall the growth remained steady, supported by an upturn in exports, as well as stable consumer spending and housing markets. The significant decline in commodity prices resulted in wide-ranging proactive actions by affected companies to increase efficiency, reduce costs, limit capital outflows, sell assets and strengthen equity base. Canada's economic growth and employment are expected to improve in 2016, benefitting from firm global demand, weak Canadian dollar, low interest rates and a moderate rise in commodity prices. ICICI Bank Canada undertook proactive rating actions by downgrading internal ratings on the bank's exposures impacted due to the above macro-economic deterioration in recognition of decline in portfolio credit quality.

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*
N.S. Kannan
Vijay Chandok
Yezdi Pavri
Lawrence Savage
Pamela G. Pitz
Glenn R. Rourke
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, 2015, 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\$18.60 million on its common shares to the Parent during the year ended December 31, 2015.

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, 2015, 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 at December 31, 2015 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 IIc), the accompanying financial statements have been prepared by translating the original financial statements prepared in ICICI Bank Canada's functional and presentation currency, the Canadian dollar, into Indian rupees using the foreign exchange rate as of December 31, 2015 for all amounts in these financial statements. The translation for amounts as at and for the year ended December 31, 2015 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 IIc), in relation to the financial statements taken as a whole.

For KPMG LLP

*Chartered Professional Accountants
Licensed Public Accountants*

Toronto, Canada
February 25, 2016

statements of financial position

statements of comprehensive income

as at

for the year ended December 31,

	December 31, 2015	₹ in millions December 31, 2014		₹ in millions 2015	2014
ASSETS					
Cash and deposits with banks [note 1]:			Interest income:		
Notes and coins	81.9	99.1	Loans	8,689.7	8,298.6
Deposits with regulated financial institutions:			Securities	170.6	221.4
Interest bearing	12,973.9	4,347.4	Deposits with regulated financial institutions	26.8	32.2
Non-interest bearing	936.6	2,076.9		8,887.1	8,552.2
	<u>13,992.4</u>	<u>6,523.4</u>			
Trading account securities [note 2]	—	—	Interest expense:		
Derivative assets [note 3]	895.7	192.6	Deposits	2,376.6	2,542.4
Investment securities [note 2]:			Subordinated notes [note 9]	70.1	167.9
Available-for-sale	26,909.4	23,201.5	Secured borrowings	2,453.4	2,089.0
Held-to-maturity	—	65.6	Short-term borrowings [note 11]	35.1	0.9
	<u>26,909.4</u>	<u>23,267.1</u>			
Loans, net of allowance for credit losses [note 4]:			Net interest income	4,935.2	4,800.2
Commercial and corporate loans and commercial mortgages	123,316.3	104,870.4		3,951.9	3,752.0
Residential mortgages	11,938.8	19,801.0	Fee and commission income [note 14]	276.5	238.5
Securitized residential mortgages	139,173.8	110,401.5	Net trading income [note 15]	9.2	89.5
Personal	191.2	2,040.5	Other income [note 16]	498.2	588.6
	<u>274,620.1</u>	<u>237,113.4</u>			
Other:			Total revenue	4,735.8	4,668.6
Interest accrued on loans and deposits	508.9	654.3	Net impairment loss on loans [note 4]	1,399.6	738.2
Property and equipment [note 5]	59.4	58.2	Personnel expenses	823.4	821.8
Current tax assets	—	97.4	Depreciation [note 5]	23.7	26.2
Deferred tax assets [note 13]	310.9	203.7	Other expenses [note 17]	711.6	652.4
Other assets [note 6]	909.3	809.2		2,958.3	2,238.6
	<u>1,788.5</u>	<u>1,822.8</u>			
Total assets	<u>318,206.1</u>	<u>268,919.3</u>	Profit before income taxes	1,777.5	2,430.0
LIABILITIES AND SHAREHOLDERS' EQUITY			Income tax expense [note 13]	476.5	653.9
Deposits from customers [note 7]:			Profit after income taxes	1,301.0	1,776.1
Personal	117,581.3	98,816.8	Other comprehensive income/ (loss), net of income taxes:		
Commercial	8,725.7	6,209.9	Items that may be reclassified subsequently to income:		
	<u>126,307.0</u>	<u>105,026.7</u>	- Cash flow hedges:		
Derivative liabilities [note 3]	4,614.4	2,969.7	Effective portion of changes in fair value	(72.4)	(62.5)
Deposits from banks	2,948.0	1,105.9	Net amount transferred to profit or loss	31.5	4.3
Current tax liabilities	11.8	—	- Income tax (expense)/ benefit:	10.8	15.4
Interest accrued on deposit liabilities	1,885.9	1,960.6	- Fair value reserve (available-for-sale financial assets):		
Accounts payable and other liabilities [note 8]	3,035.4	593.2	Net change in fair value	2.2	(3.4)
Subordinated notes [note 9]	—	2,383.3	Net amount transferred to profit or loss	(111.8)	(160.8)
Secured borrowings [note 10]	137,359.9	109,082.3	- Income tax (expense)/ benefit:	29.0	43.5
Total liabilities	<u>276,162.4</u>	<u>223,121.7</u>	Other comprehensive income/ (loss), net of income taxes	(110.7)	(163.5)
Shareholders' equity:			Total comprehensive income attributable to equity holders	<u>1,190.3</u>	<u>1,612.6</u>
Share capital [note 12]:					
Common share capital	32,626.7	36,439.9			
Additional paid-in capital	219.9	177.0			
Preferred share capital	4,420.1	4,420.1			
Retained earnings	4,682.4	4,555.3			
Accumulated other comprehensive income	94.6	205.3			
Total equity	<u>42,043.7</u>	<u>45,797.6</u>			
Total liabilities and shareholders' equity	<u>318,206.1</u>	<u>268,919.3</u>			

See accompanying notes to financial statements

For KPMG LLP
Chartered Professional Accountants
Licensed Public Accountants

Toronto, Canada, February 25, 2016

For and on behalf of the Board:

Director

For KPMG LLP
Chartered Professional Accountants
Licensed Public Accountants

Director

See accompanying notes to financial statements

For and on behalf of the Board:

Director

Director

statements of changes in shareholders' equity

for the year ended December 31

	₹ in millions							
	Common share capital [note 12]	Additional paid-in capital [note 12]	Preferred share capital [note 12]	Retained earnings	Accumulated other comprehensive income on AFS securities	Accumulated other comprehensive income on loans	Accumulated other comprehensive income on hedges	Total
Balance as at January 1, 2015	36,439.9	177.0	4,420.1	4,555.3	(0.3)	248.4	(42.8)	45,797.6
Comprehensive income								
Profit after income taxes	—	—	—	1,301.0	—	—	—	1,301.0
Other comprehensive income, net of income tax recovery of ₹39.9	—	—	—	—	1.6	—	—	1.6
Net unrealized gain/ (loss) during the year	—	—	—	—	—	—	(53.3)	(53.3)
Net realized gain/ (loss) on hedges during the year	—	—	—	—	—	(69.7)	23.2	(46.5)
Amortization of other comprehensive income during the year	—	—	—	—	—	—	—	—
Net amount transferred to profit or loss on sale/ redemption	—	—	—	—	1.8	(14.3)	—	(12.5)
Net unrealized gain on bonds reclassified to loans	—	—	—	—	—	—	—	—
Total comprehensive income	—	—	—	1,301.0	3.4	(84.0)	(30.1)	1,190.3
Transactions with owners, recorded directly in equity								
Additional paid-in capital expense	—	42.9	—	—	—	—	—	42.9
Dividends declared and paid	—	—	—	(1,173.9)	—	—	—	(1,173.9)
Repatriation of capital	(3,913.2)	—	—	—	—	—	—	(3,813.2)
Balance as at December 31, 2015	32,626.7	219.9	4,420.1	4,682.4	3.1	164.4	(72.9)	42,043.7
Balance as at January 1, 2014	36,439.9	143.3	4,420.1	4,222.4	1.3	367.5	—	45,594.5
Comprehensive income								
Profit after income taxes	—	—	—	1,776.1	—	—	—	1,776.1
Other comprehensive income, net of income tax recovery of ₹59.0	—	—	—	—	(2.5)	—	—	(2.5)
Net unrealized gain/ (loss) during the year	—	—	—	—	—	—	(45.9)	(45.9)
Net realized gain/ (loss) on hedges during the year	—	—	—	—	—	(79.4)	3.1	(76.3)
Amortization of other comprehensive income during the year	—	—	—	—	—	—	—	—
Net amount transferred to profit or loss on sale/ redemption	—	—	—	—	0.9	(39.7)	—	(38.8)
Net unrealized gain on bonds reclassified to loans	—	—	—	—	—	—	—	—
Total comprehensive income	—	—	—	1,776.1	(1.6)	(119.1)	(42.8)	1,612.6
Transactions with owners, recorded directly in equity								
Additional paid-in capital expense	—	33.7	—	—	—	—	—	33.7
Dividends declared and paid	—	—	—	(1,443.2)	—	—	—	(1,443.2)
Repatriation of capital	—	—	—	—	—	—	—	—
Balance as at December 31, 2014	36,439.9	177.0	4,420.1	4,555.3	(0.3)	248.4	(42.8)	45,797.6

See accompanying notes to financial statements

statements of cash flows

for the year ended December 31

	₹ in millions	
	2015	2014
Cash flow from operating activities:		
Profit after income taxes	1,301.0	1,776.1
Adjustments for:		
Net impairment loss on loans and advances	1,399.6	738.2
Depreciation	23.7	26.2
Net realized gain/(loss) on non-trading securities	(16.1)	108.3
Income tax expense	476.5	653.9
Net interest income	(3,951.9)	(3,752.0)
Net change in derivative financial instruments	941.5	1,552.7
Other items, net	2,394.2	(445.0)
	2,568.5	658.4
Change in:		
Deposits, net	21,280.3	(10,390.5)
Treasury borrowings, net	1,842.1	1,105.9
Treasury placements, net	(38,906.2)	(13,677.4)
Loans and advances, net	(15,783.8)	(22,962.0)
Interest received	9,032.7	8,623.6
Interest paid	(5,010.3)	(4,547.4)
Income taxes paid	(538.6)	(619.6)
	(9,731.5)	(18,847.0)
Net cash used in operating activities		
Cash flow from investing activities:		
Acquisition of securities	(51,304.1)	(69,239.9)
Net proceeds from sale of securities	47,677.9	68,973.0
Acquisition of property and equipment, net	(24.9)	(16.3)
	(3,651.1)	(283.2)
Net cash from/(used in) investing activities		
Cash flow from financing activities:		
Repatriation of common equity capital	(3,813.2)	—
Repayment of subordinated notes	(2,383.3)	—
Proceeds/(repayment) of secured borrowings, net	28,277.6	24,610.7
Dividends paid	(1,173.9)	(1,443.2)
	20,907.2	23,167.5
Net cash from financing activities		
Net increase/(decrease) in cash and cash equivalents	7,524.6	4,037.3
Effect of exchange rate fluctuations on cash and cash equivalents held	(55.6)	(32.3)
Cash and cash equivalents, beginning of year	6,523.4	2,518.4
Cash and cash equivalents, end of year [note 1]	13,992.4	6,523.4
Represented by:		
Notes and coins	81.9	99.1
Interest bearing deposits with regulated financial institutions	12,973.9	4,347.4
Non-interest bearing deposits with regulated financial institutions	936.6	2,076.9
	13,992.4	6,523.4

See accompanying notes to financial statements

notes to financial statements

(In millions of Indian Rupees)



forming part of 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 Chartered Professional Accountants of Canada.

The financial statements for the year ended December 31, 2015 have been approved for issue by the Bank's Board of Directors on February 25, 2016.

(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 currency and Indian Rupee financial statements

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 2014 and 2015 have been translated into Indian Rupees using the foreign exchange rate as at December 31, 2015 (1 C\$ = 47.665 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. Estimates 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 3 - accounting for hedges
- Note 4 - impairment of loans
- Note 10 - accounting for mortgage securitization
- Note 19 - classification of financial instruments

(ii) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the amounts reported in these financial statements 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. There were no new accounting policies/ revisions required to be adopted in the current year.

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, 2015, there were no deposits (2014 - nil) 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 values of trading account securities are based on quoted market prices where available; otherwise, the fair values are estimated using quoted market values for similar securities or other approaches (primarily, discounted cash flows) 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 Bank did not hold any trading account securities as at December 31, 2015 (2014 - nil). During the year ended December 31, 2014, the Bank received full repayment of ₹715.0 invested in commercial papers of Devonshire Trust and accordingly the marked-to-market provision of ₹67.9 was reversed into income during the year ended December 31, 2014. Further, during the year ended December 31, 2014, the Bank had also realized a gain of ₹4.0 on account of repayment of warrants.

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 from other comprehensive income to profit or loss. 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.

As at December 31, 2015, the fair value of AFS securities exceeded the amortized cost by ₹4.1 (2014 - amortized cost exceeded fair value by ₹0.4).

The composition and maturity profile of AFS securities are as follows:

December 31, 2015	₹ in millions			
	Under 1 year	1 to 5 years	Over 5 years	Total AFS securities
Canadian federal & provincial bonds and treasury bills	26,909.4	—	—	26,909.4
	<u>26,909.4</u>	<u>—</u>	<u>—</u>	<u>26,909.4</u>

December 31, 2014	₹ in millions			
	Under 1 year	1 to 5 years	Over 5 years	Total AFS securities
Canadian federal & provincial bonds and treasury bills	23,201.5	—	—	23,201.5
	<u>23,201.5</u>	<u>—</u>	<u>—</u>	<u>23,201.5</u>

The fair values and unrealized gains/losses on the AFS securities are as follows:

December 31, 2015	₹ in millions			
	Amortised cost	Gross unrealised gains	Gross unrealised losses	Fair value of AFS securities
Canadian federal & provincial bonds and treasury bills	26,905.3	5.3	1.2	26,909.4
	<u>26,905.3</u>	<u>5.3</u>	<u>1.2</u>	<u>26,909.4</u>

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December 31, 2014	Amortised cost	Gross unrealised gains	Gross unrealised losses	₹ in millions Fair value of AFS securities
Canadian federal & provincial bonds and treasury bills	23,201.9	0.9	1.3	23,201.5
	<u>23,201.9</u>	<u>0.9</u>	<u>1.3</u>	<u>23,201.5</u>

As at December 31, 2015, no AFS securities were denominated in currencies other than Canadian dollars (2014 - nil).

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 2015 (2014 - nil).

During the year ended December 31, 2013, the Bank had reclassified its corporate bonds with a carrying value of ₹25,362.2 from AFS securities classification to Loans classification [refer to note 4]. Further, net unrealized gains of ₹505.2, recognized in the OCI upto the date of reclassification of AFS securities to Loans classification are being amortized through interest income using the effective interest rate of the securities reclassified.

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 on an individual basis 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 are 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 2015 (2014 - nil).

During the year, all the asset-backed securities held by the Bank were fully repaid at par and the Bank did not hold any other HTM security. The composition and maturity profile of HTM securities as at December 31, 2014 was as follows:

December 31, 2014	Under 1 year	1 to 5 years	Over 5 years	₹ in millions Total HTM securities
Asset backed securities	—	—	65.6	65.6
	<u>—</u>	<u>—</u>	<u>65.6</u>	<u>65.6</u>

Further, there were no HTM securities denominated in currencies other than Canadian dollars as at December 31, 2014.

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 does not undertake proprietary trading positions. 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 above instruments

are treated as "trading" derivatives. Further, the Bank manages the interest rate risk on its secured borrowings by using appropriate hedging instruments, e.g. a bond forward, to lock the interest cost on these liabilities and mitigate the impact of rising interest costs from the date that it decides to issue the debt till the date that the debt is actually issued and classifies such derivatives as "hedging" derivatives. These hedging instruments have been designated as the hedging instruments under cash flow hedge relationship to hedge the benchmark interest rate risk on the secured borrowings.

The Bank formally documents all hedging relationships and its risk management objective and strategy for undertaking these hedge transactions at inception. The hedge documentation includes identification of the asset, liability, firm commitment or highly probable forecasted transaction being hedged, the nature of the risk being hedged, the hedging instrument used and the method used to assess the effectiveness of the hedge. The Bank also formally assesses, both at each hedge's inception and on an ongoing basis, whether the hedging instruments are highly effective in offsetting changes in cash flows of hedged items. The change in fair value of the hedging instrument, to the extent effective, is recorded in OCI until the corresponding gains and losses on the hedged item is recognized in income. Hedge ineffectiveness is measured and recorded in "Net trading income – Gain on derivative transactions", in the statements of comprehensive income.

The trading derivatives are carried at fair value with changes in fair value recorded in net trading income 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, 2015, the fair values of all derivative assets and derivative liabilities were ₹895.7 (2014 - ₹192.6) and ₹4,614.4 (2014 - ₹2,969.7) respectively.

The following is a summary of the notional amounts by remaining term to maturity of the Bank's outstanding derivative portfolio, all of which are over-the-counter, as at December 31:

	₹ in millions				
	Under 1 year	1 to 5 years	Over 5 years	Total	2014
Trading					
Forward foreign exchange contracts	5,277.5	—	—	5,277.5	4,423.7
Foreign currency swaps	98,683.5	—	—	98,683.5	66,875.3
Interest rate swaps	—	2,531.1	—	2,531.1	11,662.2
Hedging					
Interest rate swaps	—	—	—	—	—
	<u>103,961.0</u>	<u>2,531.1</u>	<u>—</u>	<u>106,492.1</u>	<u>82,961.2</u>

The following is a summary of the gross fair value of the Bank's outstanding derivative portfolio, before credit valuation adjustment ("CVA") of ₹1.3 (2014 - ₹2.2) on positive fair values and of ₹6.6 (2014 - ₹6.3) on negative fair values, as at December 31:

	₹ in millions			
	December 31, 2015	Positive fair value	Negative fair value	Net fair value
Trading				
Forward foreign exchange contracts	548.9	542.0	6.9	
Foreign currency swaps	331.8	4,062.7	(3,730.9)	
Interest rate swaps	16.3	16.3	—	
Hedging				
Interest rate swaps	—	—	—	
	<u>897.0</u>	<u>4,621.0</u>	<u>(3,724.0)</u>	

	₹ in millions			
	December 31, 2014	Positive fair value	Negative fair value	Net fair value
Trading				
Forward foreign exchange contracts	140.1	133.2	6.9	
Foreign currency swaps	35.0	2,815.8	(2,780.8)	
Interest rate swaps	19.7	27.0	(7.3)	
Hedging				
Interest rate swaps	—	—	—	
	<u>194.8</u>	<u>2,976.0</u>	<u>(2,781.2)</u>	

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The following is the summary of outstanding derivative contracts with the Parent and its subsidiaries, as at December 31:

₹ in millions			
December 31, 2015	Notional amounts	Negative fair value	Positive fair value
Trading			
Forward foreign exchange contracts	2,638.7	542.0	—
Foreign currency swaps	—	—	—
Interest rate swaps	1,265.6	16.3	—
Hedging			
Interest rate swaps	—	—	—
	3,904.3	558.3	—

₹ in millions			
December 31, 2014	Notional amounts	Negative fair value	Positive fair value
Trading			
Forward foreign exchange contracts	2,211.8	133.2	—
Foreign currency swaps	—	—	—
Interest rate swaps	1,105.4	15.1	—
Hedging			
Interest rate swaps	—	—	—
	3,317.2	148.3	—

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, 2015	Current replacement cost	Credit equivalent amount	Risk-weighted amount
Trading			
Forward foreign exchange contracts	548.9	601.1	601.1
Foreign currency swaps	331.8	1,318.4	514.3
Interest rate swaps	16.3	28.5	28.5
Hedging			
Interest rate swaps	—	—	—
	897.0	1,948.0	1,143.9

₹ in millions			
December 31, 2014	Current replacement cost	Credit equivalent amount	Risk-weighted amount
Trading			
Forward foreign exchange contracts	140.1	361.3	361.3
Foreign currency swaps	35.0	703.7	146.9
Interest rate swaps	19.7	30.7	27.1
Hedging			
Interest rate swaps	—	—	—
	194.8	1,095.7	535.3

In respect of the cash flow hedges undertaken by the Bank, no ineffectiveness was required to be recognized in the profit or loss account for the year (2014 - nil). Further, during the year a net loss of ₹30.0 (2014 - ₹42.8), net of taxes, was recognized in OCI in respect of the effective portion of the hedges.

Based on the expected timing and amounts of the hedged cash flows, the amounts deferred in AOCI for derivatives designated in cash flow hedges are

expected to be reclassified from the equity to profit or loss in the following periods:

₹ in millions		
	2015	2014
Less than 1 year	33.3	16.2
1 - 3 years	53.0	27.0
3 - 5 years	12.8	14.9
Greater than 5 years	—	—
	99.1	58.1

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.

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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 determined to be impaired, unless management determines that the loan is 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. An exception to these conditions is made for not more than 365 days from the date a loan is contractually in arrears where the loan is guaranteed or insured by a Canadian Government (federal or provincial) or a Canadian Government agency, the validity of the claim is not in dispute and, as a consequence, the lender has reasonable assurance of collection of the full principal and interest, including full compensation for any overdue payments calculated at the loan's contractual interest rate.

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:

Borrower Risk Rating categories	₹ in millions	
	2015	2014
Satisfactory (RR 1 through 4)	240,906.8	213,714.2
Especially mentioned (RR 5)	24,563.4	12,355.7
Substandard (RR 6)	1,554.5	3,818.0
	267,024.7	229,887.9

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, 2015, gross loans outstanding in BRR 7 and BRR 8 amounted to ₹10,950.3 (2014 - ₹8,554.8). For the year ended December 31, 2015, an amount of ₹338.0 (2014 - ₹417.6) is included as interest income from loans relating to such exposures.

Based on an assessment of these loans, the following table indicates the amount of specific provisions created in respect of loans:

	2015		2014	
	Gross Loans	Specific allowance	Gross loans	Specific allowance
Personal loans	—	—	—	—
Commercial & corporate loans and commercial mortgages	10,290.3	4,207.2	7,921.9	2,844.0
	10,290.3	4,207.2	7,921.9	2,844.0

The following table presents the carrying value of loans as at December 31, that were past due but not classified as impaired:

	2015		2014	
	Commercial & corporate loans and commercial mortgages	Residential & securitised residential mortgages	Commercial & corporate loans and commercial mortgages	Residential & securitised residential mortgages
1 - 30 days	702.7	458.8	978.7	750.7
31 - 60 days	248.4	101.2	—	197.2
61 - 90 days	—	0.1	—	69.8
Above 90 days	—	77.4	—	89.0
	951.1	637.5	978.7	1,106.7

Reclassified Financial assets - available for sale securities reclassified to loans

During the year ended December 31, 2013, the Bank had 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	2012
Carrying value		25,362.2
Unrealised fair value gains in OCI		505.2
Effective interest rates:		
- Upper range		7.3%
- Lower range		2.8%
Expected recoverable cash flows		31,873.5

The following table presents the carrying and fair values for the reclassified bonds as at December 31:

	₹ in millions	
	2015	2014
AFS securities reclassified to loans	Carrying value	Fair value
	22,184.6	21,232.4
	20,667.1	20,607.4

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	
	2015	2014
Interest income	Profit or loss	OCI
Net increase/ (decrease) in fair value	—	(779.1)
Amortization of net unrealized gain deferred in OCI	—	132.2
	—	(646.9)
	—	(293.5)

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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			
	2015		2014	
	Profit or loss	OCI	Profit or loss	OCI
Interest income®	1,374.8	—	1,386.9	—
Provision for credit losses, net	(25.5)	—	(56.0)	—
Amortization of net unrealized gain deferred in OCI	—	(132.2)	—	(123.8)
	1,349.3	(132.2)	1,330.9	(123.8)

®included as interest income on loans.

Impairment analysis for debt instruments required by IAS 39 continues even after reclassification and impairment losses, if any, are 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. For instruments reclassified to L&R, collective impairment charge in profit or loss is recorded for securities that are not individually impaired. If a reclassified financial asset subsequently is assessed as being individually impaired, then the gain or loss that was previously recognized in OCI is reclassified to profit or loss immediately on a proportionate basis.

The composition of the loan portfolio as at December 31 is as follows:

December 31, 2015	₹ in millions				
	Gross amount	Collective allowance	Specific allowance	Deferred loan fees	Net amount
Commercial & corporate loans and commercial mortgages	128,646.4	(732.2)	(4,207.2)	(390.7)	123,316.3
Conventional residential mortgages	146.3	(0.1)	—	—	146.2
Insured residential mortgages	11,793.3	(0.7)	—	—	11,792.6
Securitized residential mortgages	139,177.1	(3.3)	—	—	139,173.8
Personal	191.2	—	—	—	191.2
	279,954.3	(736.3)	(4,207.2)	(390.7)	274,620.1
Undrawn commitments and other credit instruments					
Commercial®	30,921.2	(1.0)	—	—	30,920.2
Personal	5,605.3	—	—	—	5,605.3
	36,526.5	(1.0)	—	—	36,525.5

December 31, 2014	₹ in millions				
	Gross amount	Collective allowance	Specific allowance	Deferred loan fees	Net amount
Commercial & corporate loans and commercial mortgages	108,538.0	(554.8)	(2,844.0)	(268.8)	104,870.4
Conventional residential mortgages	156.7	(0.1)	—	—	156.6
Insured residential mortgages	19,649.0	(4.6)	—	—	19,644.4
Securitized residential mortgages	110,412.2	(10.7)	—	—	110,401.5
Personal	2,041.0	(0.5)	—	—	2,040.5
	240,796.9	(570.7)	(2,844.0)	(268.8)	237,113.4
Undrawn commitments and other credit instruments					
Commercial®	27,479.1	(4.1)	—	—	27,475.0
Personal	5,882.9	—	—	—	5,882.9
	33,362.0	(4.1)	—	—	33,357.9

®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, 2015, no loan balances were written off (2014 - nil). The following is a summary of the changes in the allowance for impairment for the year ended December 31:

	₹ in millions			
	2015	2014	Total	Total
Balance, beginning of year	570.7	2,844.0	3,414.7	2,595.9
Provision for credit losses®	39.5	1,363.2	1,402.7	735.5
Effect of discounting	126.1	—	126.1	83.3
Write-offs	—	—	—	—
Balance, end of year	736.3	4,207.2	4,943.5	3,414.7

®excludes reversal of ₹3.1 (2014 - provision of ₹2.7) during the year on other credit instruments.

As at December 31, 2015, the Bank held loans, net of allowances, denominated in U.S. dollars and Euros of ₹74,648.4 (U.S.\$1,131.6 million) and ₹1,292.7 (€18.0 million) respectively.

As at December 31, 2014, the Bank held loans, net of allowances, denominated in U.S. dollars and Euros of ₹58,369.7 (U.S.\$1,055.6 million) and ₹2,107.3 (€31.5 million) respectively.

At December 31, 2015, ₹256,722.1 (2014 - ₹207,340.6) 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, 2015 is as follows:

	₹ in millions	
	2015	2014
Canada:		
Commercial and corporate loans and commercial mortgages	94,844.4	81,822.9
Conventional residential mortgages	146.3	156.7
Insured residential mortgages	11,793.3	19,649.0
Securitized residential mortgages	139,177.1	110,412.2
Personal	191.2	2,041.0
	246,152.3	214,081.8
Allowance for impairment	(1,309.7)	(932.3)
	244,842.6	213,149.5
India:		
Commercial and corporate loans and commercial mortgages	11,171.1	13,963.8
Allowance for impairment	(3,587.7)	(2,368.4)
	7,583.4	11,595.4
Other:		
Commercial and corporate loans and commercial mortgages	22,240.2	12,482.5
Allowance for impairment	(46.1)	(114.0)
	22,194.1	12,368.5
	274,620.1	237,113.4

The total fair value of loans at December 31, 2015 is ₹269,074.5 (2014 - ₹234,936.4), of which the fair value of loans relating to Canada is ₹239,314.6 (2014 - ₹210,965.2), India is ₹7,578.9 (2014 - ₹11,619.3) and other geographies is ₹22,181.1 (2014 - ₹12,351.9).

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The following table summarizes industry wise distribution of the Bank's loan portfolio, net of allowances for impairment and deferred loan fees, by category of borrower as at December 31:

	₹ in millions	2015	2014
Residential mortgages		151,116.7	130,217.9
Personal loans		191.2	2,041.0
		151,307.9	132,258.9
Allowance for loan losses		(4.1)	(15.9)
Net retail loans		151,303.8	132,243.0
Accommodation and food services		6,651.5	6,889.1
Admin & Support, Waste Mgmt and Remediation		6,224.4	7,227.2
Arts, entertainment and recreation		1,880.8	-
Construction		7,454.5	5,755.5
Finance & Insurance		1,331.5	1,880.2
Health care and social assistance		999.4	286.6
Information and Cultural Industries		8,420.2	7,869.4
Manufacturing		39,964.5	26,673.0
Mining, Quarrying and Oil and Gas Extraction		15,976.9	16,580.9
Professional, Scientific, & Technical Services		4,465.2	6,643.6
Real Estate and Rental and Leasing		6,327.4	5,504.0
Retail Trade		10,569.9	5,312.0
Transportation & Warehousing		2,091.4	1,466.6
Utilities		9,334.7	10,679.2
Wholesale Trade		6,913.5	5,735.2
		128,605.8	108,502.5
Deferred loan fees and premium		(350.1)	(233.3)
Allowance for loan losses		(4,939.4)	(3,398.8)
Net corporate & commercial loans		123,316.3	104,870.4
Total loans and acceptances net of allowance for loan losses		274,620.1	237,113.4

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	2015	2014		
	Useful life	Cost	Accumulated depreciation	Net book value	Net book value
Computer hardware and software	3 years	68.9	59.7	9.2	12.1
Furniture, fixtures and equipment	5 years	167.9	130.2	37.7	30.8
Leasehold improvements	Lease term	121.1	108.6	12.5	15.3
		357.9	298.5	59.4	58.2

The movement in balances of property and equipment was as follows:

	₹ in millions	2015	2014		
	Computer hardware and software	Furniture, fixtures and equipment	Leasehold improvements	Total	
Acquisition cost:					
Opening balance at January 1, 2015		71.5	154.5	120.2	346.2
Acquisitions		3.6	20.4	0.9	24.9
Disposals		—	—	—	—
Assets written off		(6.2)	(7.0)	—	(13.2)
Closing balance at December 31, 2015		68.9	167.9	121.1	357.9

	₹ in millions	2015	2014		
	Computer hardware and software	Furniture, fixtures and equipment	Leasehold improvements	Total	
Accumulated depreciation and impairment losses:					
Opening balance at January 1, 2015		(59.4)	(123.7)	(104.9)	(288.0)
Depreciation		(6.5)	(13.5)	(3.7)	(23.7)
Assets written off		6.2	7.0	—	13.2
Closing balance at December 31, 2015		(59.7)	(130.2)	(108.6)	(298.5)

	₹ in millions	Computer hardware and software	Furniture, fixtures and equipment	Leasehold improvements	Total
Acquisition cost:					
Opening balance at January 1, 2014		68.8	149.0	182.9	400.7
Acquisitions		7.9	8.9	0.5	17.3
Disposals		—	—	—	—
Assets written off		(5.2)	(3.4)	(63.2)	(71.8)
Closing balance at December 31, 2014		71.5	154.5	120.2	346.2

	₹ in millions	Computer hardware and software	Furniture, fixtures and equipment	Leasehold improvements	Total
Accumulated depreciation and impairment losses:					
Opening balance at January 1, 2014		(58.8)	(115.4)	(158.4)	(332.6)
Depreciation		(5.8)	(11.7)	(8.7)	(26.2)
Assets written off		5.2	3.4	62.2	70.8
Closing balance at December 31, 2014		(59.4)	(123.7)	(104.9)	(288.0)

There were no capitalized borrowing costs related to the acquisitions of property and equipment for the years ended December 31, 2015 and 2014.

6. Other assets

	₹ in millions	December 31, 2015	December 31, 2014
Prepaid expenses, deposits and accounts receivable		817.6	731.9
Receivable on account of Mortgage-backed securities ("MBS") pool collections		84.7	72.7
Others		7.0	4.6
Total		909.3	809.2

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:

	Payable on demand			₹ in millions		
	December 31, 2015	Interest bearing	Non-interest bearing	Payable after notice	Payable on fixed date	Total
Personal	2,474.8	—	18,624.2	13,616.4	34,715.4	
Commercial	1,606.6	2,900.2	2,038.7	2,180.2	8,725.7	
Broker:						
Personal	—	—	6,647.6	76,218.3	82,865.9	
Commercial	—	—	—	—	—	
	4,081.4	2,900.2	27,310.5	92,014.9	126,307.0	

	Payable on demand			₹ in millions		
	December 31, 2014	Interest bearing	Non-interest bearing	Payable after notice	Payable on fixed date	Total
Personal	2,186.4	—	18,605.8	14,038.2	34,830.4	
Commercial	1,742.2	2,098.0	1,818.6	551.1	6,209.9	
Broker:						
Personal	—	—	5,248.7	58,737.7	63,986.4	
Commercial	—	—	—	—	—	
	3,928.6	2,098.0	25,673.1	73,327.0	105,026.7	

^aIn prior years, the securitization related collection account was included as part of secured borrowings. In the current year, the balance is included as a part of deposits. Accordingly, the balance as at December 31, 2014 has also been reclassified.

The maturity profile of deposits payable on fixed date, as at December 31, is as follows:

	₹ in millions	2015	2014
Under 1 year		46,526.3	29,876.3
1 - 5 years		45,488.6	43,450.7
Total		92,014.9	73,327.0

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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, 2015, the Bank had unamortized broker commissions on deposits of ₹273.4 (2014 - ₹212.2) included in the above balances. There is no single depositor in excess of 0.5% (2014 - 0.3%) of the total liabilities.

8. Accounts payable and other liabilities

	₹ in millions	
	December 31, 2015	December 31, 2014
Payable for investments purchased	2,611.8	—
Accounts payable	358.3	429.9
Deferred income	53.8	76.1
Other	11.5	87.2
	3,035.4	593.2

9. Subordinated notes

Subordinated notes are measured at amortized cost using the effective interest method.

The Bank issued a subordinated note to ICICI Bank Limited (Bahrain branch) in the amount of ₹1,191.6 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 repaid these notes on May 29, 2015 after receiving necessary approvals from OSFI.

The Bank issued a subordinated note to ICICI Bank Limited (Bahrain branch) in the amount of ₹1,191.6 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 Bank repaid these notes on May 29, 2015 after receiving necessary approvals from OSFI.

The terms and conditions of these subordinated notes required 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, 2015 is 7.25% (2014 - 7.04%). The Bank incurred interest expense of ₹70.1 (2014 - ₹167.9) related to the notes during the year ended December 31, 2015, 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 MBSs 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. CMBs 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	2015	2014
Balance, beginning of year	110,412.2	86,655.4	
Add: Mortgage pools securitised	62,700.1	43,571.0	
	173,112.3	130,226.4	
Less:			
Repayment of mortgages in the pool	33,501.6	19,486.4	
Amortisation of premium	433.6	327.8	
Balance, end of year [®]	139,177.1	110,412.2	

[®]excludes provision of ₹3.3 (2014 - ₹10.7) on securitized residential mortgages.

At December 31, 2015, ₹ 129,047.1 (2014 - ₹101,976.4) 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 borrowings balance during the year ended December 31:

	₹ in millions	2015	2014
Balance, beginning of year	109,082.3	85,437.0	
Add: Proceeds of MBS/CMB issued, net of pooling fee and expenses	61,530.0	42,920.1	
Amortisation of pool fees and expenses	249.2	211.6	
Balance, end of year	170,861.1	128,568.7	
Less: Repayment of borrowing	33,501.6	19,486.4	
Balance, end of year	137,359.9	109,082.3	

For reclassification of collection account, please refer note 7 - Deposits.

The maturity profile of the pools of secured borrowings as at December 31, is as follows:

	₹ in millions	2015	2014
Under 1 year	8,665.4	7,867.2	
1 - 5 years	128,694.5	101,215.1	
Total	137,359.9	109,082.3	

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	2015	2014
Fair value of securitized residential mortgage assets	135,973.4	108,506.5	
Fair value of associated secured borrowings	135,028.6	107,731.7	
Fair value of net position	944.8	774.8	

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, 2015 and December 31, 2014. The Bank has incurred interest expense of ₹70.1 (2014 - ₹167.9) on the subordinated notes issued to ICICI Bank Limited, Bahrain branch. For details of subordinated notes from related parties, refer note 9. Further, a dividend of ₹0.3 (2014 - ₹0.2) has been received on the common share investment of ₹4.9 (£50,000) (2014 - ₹4.3) in ICICI Bank UK PLC.

In addition to the deposits and borrowing activities, the Bank also transacts with the Parent in the 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, 2015, the Bank incurred costs of ₹114.7 (2014 - ₹99.3) related to these services, of which ₹28.6 (2014 - ₹24.1) 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.

During the year ended December 31, 2014, loans of principal value of ₹2,352.3 [U.S.\$43.0 million], were sold by the Bank to ICICI Bank UK PLC., whereby the Bank has transferred all of the risks and rewards of the ownership of these loans and concluded that derecognition criteria were met. The transactions conducted in the year 2014, had resulted in a net gain of ₹24.4 to the Bank. The Bank does not have any continuing risk and rewards or other continuing involvement related to the portion of the loan transferred and derecognized. There were no such related party transactions undertaken during the year ended December 31, 2015.

In the normal course of business, the Bank enters into trade arrangements to participate in offering stand-by letters of credit facilities based on counter-guarantees received or offered to the New York Branch of the Parent. These transactions fall within the purview of "permitted transactions" under the Bank

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Act and were based on market prices similar to certain other transactions undertaken by the Bank and/or favourable to the Bank. As at December 31, 2015, there are no trade or other advances which were supported by a letter of undertaking issued by the Parent on behalf of its clients in the normal course of business (2014 - ₹1,185.8). Further, as at December 31, 2015, the Bank has issued performance guarantees of ₹367.3 (2014 - nil) for which it has received counter-guarantees from the Parent. For the year ended December 31, 2015, the Bank has earned a net income of ₹1.3 (2014 - nil) on such transactions and an amount of ₹0.1 (2014 - nil) is receivable.

(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	
	2015	2014
Short-term employee benefits	121.5	127.3
Post-employment benefits	7.2	7.0
	128.7	134.3

In addition, personnel expenses include the cost of stock options granted to employees of the Bank, primarily KMP, under the Employee Stock Option Plan of the Parent. During the year ended December 31, 2015, an amount of ₹42.9 (2014 - ₹33.7) 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 31, 2015		December 31, 2014	
	Number of Shares	Amount ₹ in millions	Number of shares	Amount ₹ in millions
Common shares	839,500,000	32,626.7	839,500,000	36,439.9
Preferred shares:				
Series A	10,000,000	476.6	10,000,000	476.6
Series B	509,280	606.9	509,280	606.9
Series C	600,000	715.0	600,000	715.0
Series D	1,000,000	1,191.6	1,000,000	1,191.6
Series E	1,200,000	1,430.0	1,200,000	1,430.0
	4,420.1		4,420.1	

The Bank has issued the common and preferred shares shown above for cash consideration to the Parent. During the year ended December 31, 2015, the Bank had repatriated in cash, by way of 'stated capital reduction', an amount of ₹3,813.2 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 in October 2003 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 in June 2007 and September 2007 respectively, 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 in August 2008 and September 2008 respectively, 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 a dividend of ₹0.001 (2014 - ₹0.001) per share amounting to ₹886.6 (2014 - ₹1,155.9) on its common shares. Further, the Bank has declared and paid a dividend of ₹0.005 per share on Series A preferred shares, ₹0.08 per share on Series B and Series C preferred shares and ₹0.09 per share on Series D and Series E preferred shares, amounting to a total of ₹287.3 in each of the years ended December 31, 2015 and 2014.

During the year ended December 31, 2015, an amount of ₹42.9 (2014 - ₹33.7) 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 they relate to items recognized directly in equity or in OCI.

The Bank's income taxes for the year ended December 31 are summarized as follows:

	₹ in millions	
	2015	2014
Current income taxes	583.8	576.4
Deferred tax expense/ (recovery)	(107.3)	77.5
	476.5	653.9

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	
	2015	2014
Income taxes at statutory tax rate	471.1	644.0
Permanent differences	12.1	9.7
Other	(6.7)	0.2
Income taxes	476.5	653.9

Deferred tax asset/ liability 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 based on management's assumptions regarding the expected timing of the reversal and 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.

Significant components of the Bank's deferred tax asset/(liability), as at December 31, are as follows:

	₹ in millions	
	2015	2014
Allowance for impairment	306.9	227.7
Deferred broker commission	(118.9)	(114.9)
Deferred loan & trade fees	110.2	78.9
Property and equipment	11.4	12.9
Securitization of mortgages	—	(6.2)
Other items	1.3	5.3
Net deferred tax asset	310.9	203.7

14. Fee and commission income

	₹ in millions	
	2015	2014
Commercial loan fees	110.7	96.6
Trade finance, other service fees and charges	165.8	141.9
	276.5	238.5

15. Net trading income

	₹ in millions	
	2015	2014
Gain on derivative transactions	9.2	17.6
Realized gain on sale of securities held for trading	—	71.9
	9.2	89.5

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16. Other income

	₹ in millions	
	2015	2014
Foreign exchange gain, net	482.1	660.6
Realized gain/ (loss) on sale of non-trading securities	16.1	(108.2)
Other	—	36.2
	498.2	588.6

17. Other expenses

	₹ in millions	
	2015	2014
Professional fees	170.6	156.5
Call center and outsourcing	140.5	118.8
General and administrative	128.1	106.7
Occupancy	103.4	106.7
Data processing fees	63.0	41.1
Marketing and business development	46.3	57.9
Travel, moving and entertainment	36.0	39.2
Communication	23.5	24.5
Capital and other taxes	0.2	1.0
	711.6	652.4

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 and 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:

December 31, 2015	₹ in millions			
	Level 1	Level 2	Level 3	Total
Securities	26,909.4	—	—	26,909.4
Derivative assets ¹	—	897.0	—	897.0
Derivative liabilities ¹	—	4,621.0	—	4,621.0

December 31, 2014	Level 1	Level 2	Level 3	Total
Securities	23,201.5	—	—	23,201.5
Derivative assets ¹	—	194.8	—	194.8
Derivative liabilities ¹	—	2,975.9	—	2,975.9

¹ Before deducting CVA of ₹1.3 (2014 - ₹2.2) on positive fair values and ₹6.6 (2014 - ₹6.2) on negative fair values.

There were no Level 3 instruments held by the Bank as at December 31, 2015 (2014 - nil). During the year ended December 31, 2014, the Bank received full repayment of ₹715.0 invested in ABCPs. 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	
	2015	2014
Balance, beginning of year	—	647.1
Total gains or losses included in:		
- net trading income [®]	—	67.9
- OCI	—	—
Foreign currency translation adjustment	—	—
Purchases, issuances and settlements, net	—	(715.0)
Transfer in and out of level 3	—	—
Balance, end of year	—	—

[®] There were no gains or losses for assets and liabilities held at the end of the year included in profit or loss (2014 - ₹67.9).

There were no HTM securities held by the Bank as at December 31, 2015. The following table presents the fair values of HTM securities which are categorized as Level 2 as at December 31, 2014:

December 31, 2014	Amortised cost	Fair value	Gross unrealised gain	Gross unrealised loss
Asset-backed securities	65.6	66.0	0.4	—
	65.6	66.0	0.4	—

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:

2015	Book value	Fair value	Fair value over/ (under) book value	Level 1	Level 2	Level 3
Fixed-rate loans and mortgages	139,843.0	134,297.5	(5,545.5)	—	35,678.0	98,619.5
Fixed-rate deposits	92,014.9	93,435.1	1,420.2	—	—	93,435.1
Secured borrowings	84,696.3	81,742.3	(2,954.0)	—	—	81,742.3

2014	Book value	Fair value	Fair value over/ (under) book value	Level 1	Level 2	Level 3
Fixed-rate loans and mortgages	120,321.4	118,144.3	(2,177.1)	—	28,222.9	89,921.4
Fixed-rate deposits	73,327.0	74,098.7	771.7	—	—	74,098.7
Secured borrowings	65,722.2	63,895.7	(1,826.5)	—	—	63,895.7

As at December 31, 2015 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.

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Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities:

	December 31, 2015					December 31, 2014				
	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	—	—	13,992.4	13,992.4	13,992.4	—	—	6,523.4	6,523.4	6,523.4
Derivative assets	895.7	—	—	895.7	897.0	192.6	—	—	192.6	194.8
Securities	—	26,909.4	—	26,909.4	26,909.4	—	23,201.5	65.6	23,267.1	23,267.6
Loans, net	—	—	274,620.1	274,620.1	269,074.5	—	—	237,113.4	237,113.4	234,936.4
Other assets	—	—	1,006.5	1,006.5	1,006.5	—	—	1,193.5	1,193.5	1,193.5
Total	895.7	26,909.4	289,619.0	317,424.1	311,879.8	192.6	23,201.5	244,895.9	268,290.1	266,115.7
Financial liabilities:										
Derivative liabilities	4,614.4	—	—	4,614.4	4,621.0	2,969.7	—	—	2,969.7	2,976.0
Deposits	—	—	126,307.0	126,307.0	127,727.2	—	—	105,026.7	105,026.7	105,798.4
Accounts payable and other liabilities	—	—	7,881.1	7,881.1	7,881.1	—	—	3,659.8	3,659.8	3,659.8
other liabilities	—	—	137,359.9	137,359.9	135,028.6	—	—	109,082.3	109,082.3	105,686.2
Secured borrowings	—	—	—	—	—	—	—	2,383.3	2,383.3	2,383.3
Subordinated notes	—	—	—	—	—	—	—	220,152.1	223,121.8	220,503.7
Total	4,614.4	—	271,548.0	276,162.4	275,257.9	2,969.7	—	220,152.1	223,121.8	220,503.7

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 dates:

December 31, 2015	Floating rate	Under 3 months	3 to 6 months	6 to 12 months	1 to 5 years	Over 5 years	Non-interest sensitive	₹ in millions
Assets								
Cash and deposits	—	13,910.5	—	—	—	—	81.9	13,992.4
Derivative assets	—	895.7	—	—	—	—	—	895.7
Securities	—	7,143.8	15,733.6	4,032.0	—	—	—	26,909.4
Loans, net	134,777.0	1,360.2	214.2	3,714.0	128,059.7	6,495.0	—	274,620.1
Property and equipment, net	—	—	—	—	—	—	59.4	59.4
Other assets	—	—	—	—	—	—	1,729.1	1,729.1
Total	134,777.0	23,310.2	15,947.8	7,746.0	128,059.7	6,495.0	1,870.4	318,206.1
Liabilities and Shareholders' Equity								
Derivative liabilities	—	4,614.4	—	—	—	—	—	4,614.4
Deposits	34,292.1	6,211.2	3,657.0	36,658.1	45,488.6	—	—	126,307.0
Accounts payable and other liabilities	—	—	—	—	—	—	7,881.1	7,881.1
Secured borrowing	53,286.2	118.4	13.5	1,417.9	82,523.9	—	—	137,359.9
Subordinated notes	—	—	—	—	—	—	—	—
Shareholders' equity	—	—	—	—	—	—	42,043.7	42,043.7
Total	87,578.3	10,944.0	3,670.5	38,076.0	128,012.5	—	49,924.8	318,206.1
On-balance sheet gap	47,198.7	12,366.2	12,277.3	(30,330.0)	47.2	6,495.0	(48,054.4)	—
Off-balance sheet gap	—	(2,971.5)	(1,811.4)	4,782.9	—	—	—	—
Interest rate sensitivity gap based on contractual repricing	47,198.7	9,394.7	10,465.9	(25,547.1)	47.2	6,495.0	(48,054.4)	—
Cumulative gap	47,198.7	56,593.4	67,059.3	41,512.2	41,559.4	48,054.4	—	—

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December 31, 2014	Floating rate							₹ in millions	
		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	—	6,424.3	—	—	—	—	99.1	6,523.4	
Derivative assets	—	192.6	—	—	—	—	—	192.6	
Securities	—	12,137.8	11,063.7	—	—	65.6	—	23,267.1	
Loans, net	116,792.0	778.5	707.7	9,891.7	96,458.2	12,485.3	—	237,113.4	
Property and equipment, net	—	—	—	—	—	—	58.2	58.2	
Other assets	—	—	—	—	—	—	1,764.6	1,764.6	
Total	116,792.0	19,533.2	11,771.4	9,891.7	96,458.2	12,550.9	1,921.9	268,919.3	
Liabilities and Shareholders' Equity									
Derivative liabilities	—	2,969.7	—	—	—	—	—	2,969.7	
Deposits	29,601.7	4,055.2	1,088.4	26,830.7	43,450.7	—	—	105,026.7	
Accounts payable and other liabilities	—	—	—	—	—	—	3,659.7	3,659.7	
Secured borrowing	43,836.0	185.2	—	6,564.4	58,496.7	—	—	109,082.3	
Subordinated notes	2,383.3	—	—	—	—	—	—	2,383.3	
Shareholders' equity	—	—	—	—	—	—	45,797.6	45,797.6	
Total	75,821.0	7,210.1	1,088.4	33,395.1	1,01,947.4	—	49,457.3	268,919.3	
On-balance sheet gap	40,971.0	12,323.1	10,683.0	(23,503.4)	(5,489.2)	12,550.9	(47,535.4)	—	
Off-balance sheet gap	—	(1,847.2)	(2,778.0)	4,618.3	6.9	—	—	—	
Interest rate sensitivity gap based on contractual repricing	40,971.0	10,475.9	7,905.0	(18,885.1)	(5,482.3)	12,550.9	(47,535.4)	—	
Cumulative gap	40,971.0	51,446.9	59,351.9	40,466.8	34,984.5	47,535.4	—	—	

The following table details the undiscounted future cash flows on the Bank's deposit liability and secured borrowings as at December 31:

	₹ in millions			
	2015		2014	
	Up to 1 year	1 to 5 years	Up to 1 year	1 to 5 years
Deposits	84,113.0	47,655.8	62,629.8	45,756.5
Secured borrowing	33,960.0	126,448.7	25,815.5	98,831.7
Total	118,073.0	174,104.5	88,445.3	144,588.2

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 mitigate losses realized under guarantees were ₹935.8 (2014 - ₹940.0), as at the statements of financial position date.

The gross outstanding amount of guarantees provided to its customers and other third parties as at December 31 are as follows:

	₹ in millions	
	2015	2014
BG	2,900.1	4,151.7
LC	—	—
SBLC	—	—
Total	2,900.1	4,151.7

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:

2015	BG	LC	SBLC	Total
Upto 1 year	1,784.1	—	—	1,784.1
Over 1 year	1,116.0	—	—	1,116.0
Total	2,900.1	—	—	2,900.1

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	₹ in millions			
2014	BG	LC	SBLC	Total
Upto 1 year	4,119.8	—	—	4,119.8
Over 1 year	31.9	—	—	31.9
Total	4,151.7	—	—	4,151.7

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, 2015, an amount of ₹91.5 (2014 - ₹94.3) has been recognized as expense for these 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
2016	94.2
2017	92.4
2018	42.1
2019	17.0
2020	11.0
Thereafter	45.8
	302.5

22. Capital adequacy

OSFI has issued the Capital Adequacy Requirements ("CAR") Guideline and the Leverage Requirements Guideline which establish two minimum standards: the leverage ratio and the risk-based capital ratio to provide a framework for assessing the adequacy of capital for all institutions. The leverage ratio test provides an overall measure of the adequacy of an institution's capital while the risk-based capital ratio focuses on risk faced by the institution. These capital adequacy requirements apply on a consolidated basis and apply to all institutions as defined in the CAR Guideline. OSFI requires all banks to maintain sufficient capital to meet or exceed its capital adequacy requirements. 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. Further, effective January 1, 2015, OSFI also expects all institutions to maintain a minimum leverage ratio which has replaced the Asset to capital multiple. The Bank is in compliance with OSFI's capital adequacy requirements in respect of risk-based Common Equity Tier 1, Tier 1 and Total capital ratios as well as the Leverage Ratio.

On conversion to IFRS, OSFI had 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.

As at December 31, 2015, the mortgages securitized under CMHC Programs upto March 31, 2010 are no longer outstanding and accordingly there are no exclusions considered in the current year (2014 - ₹44.7) were excluded 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	
	2015	2014

Regulatory Capital

Common Equity Tier 1 (CET1) Capital

Common shares	32,626.7	36,439.9
Additional paid-in capital	—	—
Retained earnings	4,682.4	4,555.2
Accumulated other comprehensive income	167.5	248.1
37,476.6	41,243.2	

Regulatory adjustments to CET1 Capital

Debit valuation adjustment on derivatives	4.9	4.6
Net CET1 Capital	37,471.7	41,238.6

Additional Tier 1 capital

Preferred share capital (after phase out arrangements for capital adequacy purposes)	3,094.0	3,536.1
Net Tier 1 Capital	40,565.7	44,774.7

Tier 2 Capital

Subordinated notes (after phase out arrangements and net of amortization for capital adequacy purposes)	—	1,430.0
Net Tier 2 Capital	—	1,430.0

Total Capital

Regulatory capital ratios:		
CET1 (%)	21.84%	29.61%
Tier 1 (%)	23.65%	32.15%
Total (%)	23.65%	33.17%
Leverage Ratio	12.09%	NA
Assets to capital multiple	NA	5.91

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, 2015 was ₹19.3 (2014 - ₹17.2) 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 Level 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 basis of 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.

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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 risk 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, derivative assets and investment in debt securities. The Bank's Corporate and Commercial Credit & Recovery Policy ("CCCRP"), Retail Credit & Recovery Policy ("RCRP") and Residential Mortgage Underwriting Policy ("RMUP"), which are approved by its Board, together describe 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 CCCR aims to maximize the Bank's risk-adjusted rate of return while maintaining the Bank's credit risk exposure on corporate counterparties within limits and parameters as approved by the Board. Additionally the Bank has implemented RCRP and RMUP. These policies provide guidelines in respect of the manner in which lending and recovery activities of retail lending business and residential mortgage business shall be conducted by the Bank. The principles underlying overall credit risk management are covered in CCCR, RCRP and RMUP for the Bank's corporate credit, retail credit and mortgage lending businesses respectively.

The Bank takes a two-tier approach to assessment of credit risk for its corporate and commercial lending business: initially, by a commercial lending officer proposing the transaction, followed by a risk officer independently assessing the same. The CCCR 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 and post-disbursement monitoring as per stipulated terms and conditions.

Additionally, the residential mortgage applications are electronically transmitted from the mortgage brokers into an underwriting system with built-in business rules to determine parameters/approval authorities to facilitate the underwriting process. Each application is also submitted to mortgage insurer for approval. Only the applications approved by the mortgage insurer are adjudicated by the underwriting team based on the Bank's RMUP. The underwriting team is also responsible for credit administration, which includes monitoring compliance with the terms and conditions for the committed mortgages prior to disbursement. The closing centers review the completeness of documentation and creation of security including title insurance for the mortgage.

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The Bank follows an approach consistent with the Parent Bank in terms of dealing with sovereign and financial institutions worldwide. The primary responsibility for evaluating global financial institution exposures rests with the Parent Bank's International Financial Institutions Group (IFIG). Global bank lines are advised by the Parent Bank annually. The Bank adopts the lower of the globally approved limit or the maximum permissible limits as applicable under large exposure limit under the Portfolio Management section in the CCCRP. Lending officers approach IFIG and obtain their first line approval for entering in to a relationship, before progressing on a proposal for a particular bank or non-bank financial institution or counterparty and present their evaluation in writing to MCC. The Bank has also setup aggregate exposure limits which are monitored and reported to MCC on a monthly basis and to RC on a quarterly basis.

The Bank has put in place a Board-approved comprehensive limit framework (as included in CCCRP, RCRP, RMUP and RMP) to prudently manage the credit risk profile of the Bank. The Bank complies with the norms on exposure stipulated by OSFI for both single borrower as well as at a connection level. Limits have been set as a percentage of the Bank's capital funds and are regularly monitored. The material limits included as part of the CCCRP include limits on single party exposure, connection exposure, risk rating category, industry, geographical exposures, portfolio exposures, type of borrower, class of security, tenor, and Loss Given Default ("LGD") profile. The material limits included as part of the RCRP include limits on risk rating category, product portfolio exposures, type of borrower, security, and tenor. Similarly, the material limits documented as part of the RMUP includes the limits on total portfolio, provincial exposures, private mortgage insurer exposures and unsecuritized exposures.

All credit exposures are measured and monitored using a centralized exposure management system. The analysis of the composition of the portfolio and limits compliance is presented to MCC on a monthly basis and quarterly to RC. In addition, credit limits for Corporate and Treasury clients are monitored by the Middle Office Groups and the monitoring reports which detail deficiencies and limit breaches, are sent to Senior Management on a regular basis.

Monitoring of credits, while ongoing as part of scheduled periodic credit reviews, 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.

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.

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. The types of acceptable collateral are documented in various relevant policy documents. The main types of collateral obtained are as follows:

- For corporate/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 on a case to case basis, 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.

The amount of loans based on the types of collateral held in respect of the loans as at December 31 are summarized below:

- Commercial and corporate loans of:
 - ₹6,426.6 (2014 - ₹6,028.2) are collateralized by guarantees.
 - ₹83,392.9 (2014 - ₹68,040.5) are collateralized by variety of assets and/ or charge on fixed/ current assets.
 - ₹38,436.2 (2014 - ₹34,200.5) are either unsecured or senior unsecured facilities.

- Personal loans include advances of ₹171.0 (2014 - ₹1,986.4), 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.
- Except for the conventional mortgages, all residential mortgages are fully insured with CMHC or approved private insurers.

(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, currency exchange rates, market liquidity and asset prices). Market risk events may impact the valuation of investments and the net interest income and net interest margin 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% of the Bank's current Tier 1 plus Tier 2 capital or ₹953.3 (whichever is lower). At December 31, 2015, the actual limit utilization was 1.32% of the Bank's current Tier 1 plus Tier 2 capital (₹533.7).

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, 2015, the actual DoE was 0.67 years, based on which the actual limit utilization was 0.67% of capital.

- (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.\$15.0 million. Generally, 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, a VaR limit (99%-1day) has been set on the aggregate overnight open position is U.S.\$250,000 and the actual VaR as at December 31, 2015 was U.S.\$50,000. 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, 2015.

- (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

notes to financial statements

(In millions of Indian Rupees)



forming part of financial statements

origin. It includes the risk of unexpected increases in the cost of funding the assets, and the risk of being unable to access the market or to liquidate investments in a timely manner at a reasonable price. The LMP 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).

The LCP serves as a framework for early identification and calibrated action in the event of tight liquidity conditions. The LCP includes various indicators which are monitored regularly, and lays down the mechanism for escalation, remedial action and crisis management until return to normalcy.

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 analyses 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 CRO 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 defines the guidelines adopted by the Bank towards minimizing losses due to process failures, product design flaws that can expose the Bank to losses due to fraud, impact of failures in technology/systems and continuity of Banking operations in contrary conditions.

The Bank has also developed and implemented an Information Security Policy. The policy gives direction towards development, maintenance and review of Information Security (IS) standards and procedures adopted by the Bank across people, process and technology. The policy endeavors to ensure compliance with all internal and regulatory IS requirements, including customer data protection.

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"). The PAC comprises of senior executives and approval is granted after obtaining inputs from the relevant groups and control functions in the Bank. The Operational Risk Management Group ("ORMG") under the supervision of Chief Risk Officer is responsible for providing oversight over operational risk within the Bank. The ORMG does this by undertaking activities of operational risk identification,

assessment, measurement, monitoring and reporting to management level Operational Risk Committee ("ORC") and the Risk Committee and the Board. All PAC proposals are internally rated by 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. Material performance shortfalls within these SLA's 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.

Operational risk incidents are reported regularly and transactions resulting in losses are routed through operational risk account. Root cause analysis is carried out for the significant operational risk incidents (beyond the threshold limits) reported and corrective actions are incorporated back into respective processes. The Bank has implemented incident reporting process, which facilitate capturing of operational risk incidents by the employees of the Bank.

The operational risk losses and incident analysis are submitted to the Risk Committee and to the Board on a periodic basis. Operational risk exposures (risk and control self-assessment results, operational risk incidents analysis and key risk indicators) are monitored by the ORC on a regular basis and reported to the Senior Management in the form of dashboards on a periodic basis.

In keeping with the Bank's enterprise-wide approach for managing Regulatory and Compliance Risks, the Bank has implemented a Legislative Compliance Management ("LCM") Policy. The policy applies to every aspect of the Bank's operations and activities without exception. The Bank recognizes the risk of legal and regulatory sanctions, material financial loss, and loss to reputation that it may suffer in the event of non-compliance with any of regulatory requirements. The Bank has implemented a formal risk assessment methodology which outlines the overall Regulatory Risk management process. This methodology uses international standards and best practices including the COSO Internal Control Framework and COSO ERM Integrated Framework, as guidelines.

Group risk management framework:

The Bank is aligned with 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 and are independently reviewed and approved by the Bank's Board.

notes to financial statements

(In millions of Indian Rupees)

forming part of financial statements

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, 2015 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"):

Classification and Measurement, Impairment and Hedging.

a) Classification and Measurement

The standard uses a single approach to determine whether a financial asset is measured at amortized cost or fair value. The new standard requires that assets be classified based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Financial assets will be measured at fair value through profit or loss unless certain conditions are met which permits measurement at amortized cost or at fair value through OCI. Most of the IFRS 9 requirements for financial liabilities have been carried forward unchanged from IAS 39.

b) Impairment

The standard introduces a new single model for the measurement of impairment losses on all financial instruments subject to impairment accounting. The expected credit loss (ECL) model replaces the current "incurred loss" model and is based on a forward looking approach. The ECL model contains a "dual stage" approach which is based on the change in credit quality of loans since initial recognition. Under the first stage, an amount equal to 12 months expected credit losses will be recorded for financial instruments where there has not been a significant increase in credit risk since initial recognition. Under the second stage, an amount equal to the lifetime expected losses will be recorded for those financial instruments where there has been a significant increase in credit risk since initial recognition.

c) Hedging

The standard expands the scope of hedged items and hedging items to which hedge accounting can be applied and aligns the accounting more closely with risk management. Quantitative measures for effectiveness testing are no longer specified under the new standard and the standard does not permit de-designation of the hedge.

The standard is effective for the Bank on January 1, 2018 on a retrospective basis with certain exceptions. The Bank is currently assessing the impact of adopting this new standard.

IFRS 15, Revenue from Contracts with Customers, ("IFRS 15"):

In May 2014, the IASB issued IFRS 15, Revenue from Contracts with Customers, which provides a single principle-based framework to be applied to all contracts with customers. IFRS 15 replaces the previous revenue standard IAS 18, Revenue, and the related Interpretations on revenue recognition. The standard scopes out contracts that are considered to be lease contracts, insurance contracts and financial instruments, and as such will impact the businesses that earn fee and commission revenues. The new standard is a control based model as compared to the existing revenue standard which is primarily focused on risks and rewards. Under the new standard, revenue is recognized when a customer obtains control of a good or service. Transfer of control occurs when the customer has the ability to direct the use of and obtain the benefits of the good or service. In July 2015, the IASB confirmed a one-year deferral of the effective date of the Standard to annual reporting periods beginning on or after January 1, 2018. Management currently is in process of assessing the impact that IFRS 15 will have on the financial statements.

IFRS 16, Leases, ("IFRS 16"):

IFRS 16 specifies how an IFRS reporter will recognise, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. IFRS 16 was issued in January 2016 and applies to annual reporting periods beginning on or after January 1, 2019. Management currently is in process of assessing the impact that IFRS 16 will have on the financial statements.

ICICI PRUDENTIAL ASSET MANAGEMENT COMPANY LIMITED

23RD ANNUAL REPORT AND ACCOUNTS 2015-2016

Directors

Chanda Kochhar, *Chairperson* (DIN: 00043617)
 N.S. Kannan (DIN: 00066009)
 Guy Strapp (DIN: 07245108)
 Vijay Thacker (DIN: 00761544)
 Suresh Kumar (DIN: 00494479)
 C. R. Muralidharan (DIN: 02443277)
 Lakshmi Venkatachalam (DIN: 00758451)
 Sankaran Naren (DIN: 07498176)
 Nimesh Shah, *Managing Director* (DIN: 01709631)

Statutory Auditors
 B S R & Co. LLP
Chartered Accountants

Secretarial Auditor
 P.K. Pandya & Co.
Company Secretary

Rakesh Shetty
Company Secretary

Registered Office
 12th Floor, Narain Manzil
 23, Barakhamba Road
 New Delhi - 110 001

Corporate Identity Number
 U99999DL1993PLC054135

Corporate Office
 ONE BKC, A-Wing,
 13th Floor,
 Bandra-Kurla Complex,
 Mumbai - 110 001.

directors' report

to the members,

Your Directors have pleasure in presenting the Twenty Third Annual Report of ICICI Prudential Asset Management Company Limited ("the AMC" or "the Company" or "Your Company") together with the audited financial statements of accounts for the year ended March 31, 2016 (fiscal 2016).

FINANCIAL RESULTS

A summary of the Company's financial results for fiscal 2016 are set out in the following table:

Particulars	Fiscal 2015	Fiscal 2016
Gross Income	8,399.8	10,123.6
Profit before tax	3,761.9	4,999.4
Provision for taxation	1,264.7	1,742.5
Profit after tax	2,478.9	3,256.9
Profit brought forward from previous year	1,708.6	3,045.2
Profit available for appropriation	4,176.7	6,302.1
Appropriations		
Transfer to General Reserve	190.1	—
Interim Dividend	794.3	1,059.1
Dividend Distribution Tax	147.2	215.6
Leaving balance to be carried forward to the new year	3,045.1	5,027.4

DIVIDEND

The Company has declared interim dividends during the year as set out in the following table:

Record Date for Dividend	Rate of Dividend	Total Dividend Amount (₹ in million)
June 25, 2015	₹ 8 per share (80% of the face value)	141.2
September 23, 2015	₹ 17 per share (170% of the face value)	300.1
December 28, 2015	₹ 17 per share (170% of the face value)	300.1
March 26, 2016	₹ 18 per share (180% of the face value)	317.7

OPERATIONS DURING THE YEAR

- Average Assets Under Management (AUM):** The average AUM of the Fund for fiscal 2016 was ₹ 1,672.24 billion.
- Awards received by ICICI Prudential Mutual Fund (the Fund):** In fiscal 2016, the Company won the Best Fund House (Equity Category) in the Morningstar Fund Awards 2016. Morningstar Investment Adviser India Pvt. Limited, a subsidiary of Morningstar, Inc. (NASDAQ: MORN), a leading provider of independent investment research, has announced the winning funds and fund houses for its 2016 India Fund Awards. The annual Morningstar India Fund Awards are designed to help investors identify the retail funds and fund houses that added the most value for investors within the context of their relevant peer group in 2015 and over longer time periods.

The Company also won the Best Debt Fund House Award in Business Today-Money Today Financial Awards 2016. The Business Today-Money Today Financial Awards are held with a view to recognize and honor the best organizations in the finance space who have demonstrated leadership in ensuring Financial Well-Being for Consumers. They have been jointly instituted by Business Today, India's largest circulated business fortnightly and Money Today, the personal finance magazine of the India Today Group.

Besides this, the Company received numerous other prestigious accolades during the year like Best Fund House - India 2016 at the APAC Investment Awards 2016 and Best Indian Fund House 2016 and Best Dynamic Asset Allocation/Volatility Fund (Since Inception): ICICI Prudential Balanced Advantage Fund (IPBAF) from Acquisition International Magazine"

- Sales, Operations and Consumer Service:** Your Company has established a wide network of 147 well-equipped offices for selling its products and rendering timely and efficient services to its customers at various locations across the country.
- Personnel:** Your Company continues to place emphasis on attracting and recruiting quality manpower and invests in training and retaining them. The total number of employees of the Company at March 31, 2016 was 1,184 against 1,006 at March 31, 2015.

UPDATE ON NEW PRODUCTS

During fiscal 2016, ICICI Prudential Mutual Fund launched 29 fixed maturity plans, 15 capital protection oriented schemes, 3 multiple yield funds and 8 close ended equity funds. These funds collected ₹ 66.53 billion in fiscal 2016.

PORTFOLIO MANAGEMENT AND OTHER SERVICES

As you are aware, the Company offers Portfolio Management and Advisory Services across equity, fixed income and real estate assets. At March 31, 2016, the AMC was rendering Portfolio Management services to 4,011 clients. The Company provides investment management services to the scheme under ICICI Prudential Venture Capital Fund under its Portfolio Management Services License. The Company also provides investment management services to the Alternative Investment Funds (AIFs) registered under Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 and is currently acting as an investment manager to ICICI Prudential Debt Fund and ICICI Prudential Real Estate AIF.

PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH RELATED PARTIES

The Company undertakes various transactions with related parties in the ordinary course of business. The Company has a Board-approved policy dealing with related party transactions. All related party transactions that were entered into during fiscal 2016, were in the ordinary course of business and at arm's length.

The details of the material related party transactions at an aggregate level for the year ended March 31, 2016 are annexed as Annexure A.

DEPOSITS

During fiscal 2016, the Company has not accepted any Deposits as covered under Chapter V of the Act.

PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments during fiscal 2016 covered under provisions of Section 186 of the Act are given in the notes to the financial statements.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Company has a Board of Directors constituted in accordance with the provisions of the Act. The Board of Directors of the Company at March 31, 2016 were as under:

- 1 Chanda Kochhar, Chairperson and Nominee Director
- 2 N. S. Kannan, Nominee Director
- 3 Guy Strapp, Nominee Director
- 4 Vijay Thacker, Independent Director
- 5 Suresh Kumar, Independent Director
- 6 C. R. Muralidharan, Independent Director
- 7 Lakshmi Venkatachalam, Independent Director
- 8 Nimesh Shah, Managing Director

During fiscal 2016, Barry Stowe and M. K. Sharma resigned from the Board of Directors of the Company with effect from July 28, 2015 and July 31, 2015 respectively. Your Directors place on record their appreciation and gratitude for the guidance offered by Stowe and Sharma during their tenure as Directors of the Company.

On recommendations of Nomination and Remuneration Committee, the Board at its meeting held on July 28, 2015 appointed Guy Strapp as the Nominee Director of Prudential Corporation Holdings Limited on the Board of the Company with effect from July 29, 2015.

directors' report

to the members,

Further, on recommendations of Nomination and Remuneration Committee, the Board of Directors appointed Lakshmi Venkatachalam as an Independent Director on the Board of the Company with effect from September 22, 2015 and Sankaran Naren as an Executive Director with effect from April 22, 2016. The above said appointments are subject to confirmation of shareholders at the ensuing Annual General meeting.

INDEPENDENT DIRECTORS

The Board of the Company consists of nine Directors, out of which four are independent Directors, two are ICICI Bank Nominee Directors, one is Prudential Corporation Holdings Limited Nominee Director and two are wholotime Directors.

All independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 of the Act which has been relied on by the Company and placed at the Board Meeting of the Company held on April 22, 2016. Further in accordance with Schedule IV to the Act, one meeting of Independent Directors was held during fiscal 2016.

None of the Directors of the Company are disqualified for being appointed as Directors under the provisions of Section 164 of the Act.

RETIREMENT BY ROTATION

Pursuant to Section 152 of the Act, Independent Directors are not liable to retire by rotation. Other Directors who have been longest in office since their last appointment retire by rotation at the Annual General Meeting ("AGM").

In terms of the aforesaid provisions, N. S. Kannan retires by rotation at the ensuing AGM and is eligible for re-appointment. The proposal for re-appointment of N. S. Kannan forms part of the Notice of the AGM.

In accordance with the provisions of Section 203 of the Act the following employees continue to be the Key Managerial Personnel of the Company:

1. Nimesh Shah, Managing Director
2. B. Ramakrishna, Chief Financial Officer
3. Rakesh Shetty, Company Secretary

MEETINGS OF THE BOARD AND ITS COMMITTEES AND DETAILS OF ATTENDANCE

During fiscal 2016, five meetings of the Board of Directors were held. The attendance record of Directors is set out in the following table:

Name of Director	Number of meetings attended
Chanda Kochhar	5
N. S. Kannan	3
Guy Strapp (appointed w.e.f July 29, 2015)	3
Vijay Thacker	4
C. R. Muralidharan	5
Suresh Kumar	5
Lakshmi Venkatachalam (appointed w.e.f September 22, 2015)	3
Nimesh Shah	5
M. K. Sharma (resigned w.e.f July 31, 2015)	1
Barry Stowe (resigned w.e.f July 28, 2015)	0

AUDIT AND RISK COMMITTEE

In accordance with Section 177 of the Act, the Board has constituted the Audit and Risk Committee ("the ARC").

During fiscal 2016, five meetings of the ARC were held. The details of the composition of the ARC as on March 31, 2016 and attendance of the members at its meetings is as under:

Name of the Member	Designation	Number of Committee Meetings attended
Vijay Thacker	Chairman	4
Suresh Kumar	Member	5
M. K. Sharma (resigned w.e.f July 31, 2015)	Member	2
Lakshmi Venkatachalam (appointed w.e.f October 1, 2015)	Member	3

M.K. Sharma resigned from the Board with effect from July 31, 2015. The ARC was reconstituted in October 2015 and Lakshmi Venkatachalam was appointed as a member of the ARC with effect from October 1, 2015.

NOMINATION AND REMUNERATION COMMITTEE

In accordance with Section 178 of the Act, the Board has constituted the Nomination and Remuneration Committee ("the NRC").

During fiscal 2016, two meetings of the NRC were held. The details of the composition of the NRC as on March 31, 2016 and attendance of the members at its meetings are as under:

Name of the Member	Designation	Number of Committee Meetings attended
Suresh Kumar	Chairman	2
Chanda Kochhar	Member	2
Vijay Thacker	Member	2
Guy Strapp (appointed w.e.f July 29, 2015)	Member	0

Barry Stowe resigned from the Board with effect from July 28, 2015. The NRC was reconstituted in July 2015 and Guy Strapp was appointed as a member of the Committee with effect from July 29, 2015.

INVESTMENT COMMITTEE

During fiscal 2016, five meetings of the Investment Committee were held. The composition of the Investment Committee as on March 31, 2016 and attendance of the members at its meetings are as under:

Name of the Member	Designation	Number of Committee Meetings attended
C. R. Muralidharan	Chairman	4
N. S. Kannan	Member	3
Nimesh Shah	Member	5

COMMITTEE OF DIRECTORS

During fiscal 2016, four meetings of the Committee of Directors were held. The composition of the Committee of Directors as on March 31, 2016 and attendance of the members at its meetings are as under:

Name of the Member	Designation	Number of Committee Meetings attended
N. S. Kannan	Member	4
Nimesh Shah	Member	4

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In accordance with the provisions of Section 135 of Act, the Board has constituted the Corporate Social Responsibility Committee ("the CSR Committee").

During fiscal 2016, two meetings of the CSR Committee were held. The composition of the CSR Committee as on March 31, 2016 and attendance of the members at its meetings are as under:

Name of the Member	Designation	Number of Committee Meetings attended
M.K. Sharma (resigned w.e.f July 31, 2015)	Chairman	1
N. S. Kannan	Chairman	1
Nimesh Shah	Member	2
Lakshmi Venkatachalam (appointed w.e.f October 1, 2015)	Member	1

M. K. Sharma resigned from the Board with effect from July 31, 2015. The Committee was reconstituted in October 2015 and Lakshmi Venkatachalam was appointed as member of the Committee with effect from October 1, 2015.

CSR ACTIVITIES

In accordance with the provisions of Section 135 of the Act and the Rules made thereunder and relevant circulars issued from time to time by the Ministry of Corporate Affairs (MCA), the Company has adopted a Corporate Social Responsibility Policy ("CSR Policy") which is also available on the Website of the Company. The Company, in line with the approved CSR policy, undertakes the CSR Activities either directly or through ICICI Foundation for Inclusive Growth or through any other entity. The annual report on CSR activities is enclosed herewith as Annexure B.

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

The Company has in accordance with the provisions of Section 178 of the Act devised a framework for identifying persons who are qualified to become Directors, including the criteria such as qualifications, positive attributes and independence of a Director. The Company has also framed a Compensation Policy which specifies that the Company's approach to compensation is intended to drive meritocracy within the framework of prudent risk management. The Managing Director of the Company is granted stock options of the holding company i.e. ICICI Bank Limited (Bank) under the Employee Stock Option Scheme of the Bank.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has a Whistle Blower Policy which provides a mechanism to ensure that concerns are properly raised, appropriately investigated and addressed. The

directors' report



to the members,

Whistle Blower Policy encourages employees to report matters without the risk of subsequent victimisation, discrimination or disadvantage. The Company recognises this mechanism as an important enabling factor in administering good governance practices. The Whistle Blower Policy of the Company is available on the website of the Company.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary and trainees) are covered under this policy. During the year, the Company has not received any sexual harassment complaints.

RISK MANAGEMENT

The Company has an independent risk management and control framework. The Company on an ongoing basis performs risk identification, measurement and control evaluation with an objective to administer risk and control effectiveness.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are 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 financial statements relate and the date of the report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There were no significant/material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company and its operations in future.

FOREIGN EXCHANGE EARNINGS AND EXPENDITURE ETC.

In fiscal 2016, your Company has earned ₹ 292.3 million (fiscal 2015 - ₹ 283.2 million) as foreign exchange income and has incurred ₹ 73.8 million (fiscal 2015 - ₹ 46.5 million) towards foreign exchange expenditure.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

In view of the nature of business activities of the Company, the provisions of Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 relating to Conservation of Energy and Technology Absorption do not apply to the Company. The Company, however, uses information technology extensively in its operations.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has adequate internal controls and processes in place with respect to its financial statements which provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements. These controls and processes are driven through various policies, procedures and certifications. The processes and controls are reviewed periodically.

AUDITORS

i. Statutory Auditors

The Members at the 21st AGM had approved the appointment of M/s. B S R and Co. LLP as Statutory Auditors of your Company for a period of three years to hold office from the conclusion of the 21st AGM until the conclusion of the 24th AGM subject to ratification by the members at every AGM in terms of Section 139 of the Act. M/s. B S R and Co. LLP have confirmed their eligibility to act as the Auditors of your Company.

ii. Secretarial Auditor

Pursuant to provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, the Company appointed M/s. P. K. Pandya & Co., a firm of Company Secretaries in Practice to undertake Secretarial Audit of the Company for fiscal 2016. The Report of the Secretarial Auditor is annexed herewith as Annexure C.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT - 9 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, are enclosed as Annexure D to this report.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and information and based on the information and explanations provided to them by the Company, your Directors make the following statement in terms of Section 134(3)(c) of the Act:

1. that in the preparation of the annual accounts for the year ended March 31, 2016, the applicable accounting standards had been followed and there are no material departures for the same;
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 as at March 31, 2016 and of the profit and loss of the Company for that period;
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, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the annual accounts of the Company have been prepared on a 'going concern basis';
5. that proper systems to ensure compliance with the provisions of all applicable laws were devised and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

Your Directors take this opportunity to thank all the employees for their dedicated service and firm commitment to the goals of the Company. Your Directors also wishes to place on record its sincere appreciation for the wholehearted support received from registrars, custodians, bankers, agents, distributor and all other business associates.

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 Holdings Limited.

Your Directors wish to place on record their sincere thanks to the investors and clients for their continued support and patronage.

We look forward to the continued support of all these partners in the progress of the Company.

For and on behalf of the Board

Place : Mumbai,
Date : April 22, 2016

Sd/-
Chanda Kochhar
Chairperson

directors' report

Annexure A

Form No. AOC-2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Details of material related party transactions at an aggregate level for year ended March 31, 2016

Sr. No.	Nature of contracts/ transactions	Name of the related party	Nature of relationship	Duration of contracts	Salient terms of contracts/transactions	₹ in million
NIL						

Annexure B

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2016

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

In terms of the provisions of section 135 of the Companies Act, 2013 (the Act), read with applicable Rules under the Companies (Corporate Social Responsibility) Rules, 2014, the Company has framed its Corporate Social Responsibility Policy ("CSR Policy").

The CSR Policy of the Company broadly describes overall framework for implementing, functioning and monitoring of CSR activities. The CSR Policy defines the broad framework of areas where CSR activities may be undertaken by the Company directly or through any not-for-profit entities including ICICI Foundation for Inclusive Growth (IFIG), with primary focus on the following areas:

- 1) Skill development and sustainable livelihoods;
- 2) Education;
- 3) Rural development;
- 4) Health care;
- 5) Sanitation;
- 6) Support employee engagement in CSR activities;
- 7) Capacity building for corporate social responsibility;
- 8) Other areas viz. continue to provide support to specific needs such as during natural disasters, through financial as well as logistical support.

The CSR Policy of the Company is available on the website of the Company. Following is the link of the Company's website:<https://www.icicipruamc.com>.

2. The Composition of the CSR Committee:

The CSR Committee comprises three members as detailed herein below:

- 1) N. S. Kannan, *Chairman*
- 2) Lakshmi Venkatachalam, *Member*
(Appointed with effect from October 1, 2015)
- 3) Nimesh Shah, *Member*

During the fiscal 2016, M.K. Sharma resigned as the member of the Committee with effect from July 31, 2015. The Committee was reconstituted in October 2015 and Lakshmi Venkatachalam was appointed as member of the Committee with effect from October 1, 2015.

The functions of the Committee include: formulation and recommendation to the Board of a CSR Policy indicating the activities to be undertaken by the Company and recommendation of the amount of the expenditure to be incurred on such activities; reviewing and recommending the annual CSR plan to the Board and monitoring the CSR activities, implementation of and compliance with the CSR Policy

3. Average net profit of the company for the last three financial years.

Average net profit of the company for the last three financial years calculated as specified by the Companies Act 2013: ₹ 2.72 billion

4. Prescribed CSR Expenditure for the FY2016 (two per cent of the amount as in item 3 above).

Prescribed CSR Expenditure for the FY2016 (two per cent of the amount as in item 3 above): ₹ 54.5 million.

5. Details of CSR spent during the financial year.

- (a) Total amount to be spent for the financial year:
Total amount spent towards CSR during FY2016 was ₹ 54.5 million.
- (b) Amount unspent, if any: Nil

(₹ in million)

(c) Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount in outlay (budget) project or programs wise	Amount in spent on the projects or programs Sub heads:	Cumulative expenditure upto the reporting Period in	Amount spent in: Direct or through implementing agency
1.	Projects of ICICI Foundation for Inclusive Growth (IFIG).	1. Promoting education, employment enhancing vocational skills, livelihood enhancement projects, 2. Eradication of hunger, poverty and malnutrition; promoting preventive healthcare	1. 22 skill training centres located in Bengaluru, Bhubaneswar, Chennai, Coimbatore, Delhi, Durg, Guwahati, Hyderabad, Indore, Jaipur, Kochi, Kolkata, Lucknow, Mumbai, Mysore, Nagpur, Narsobawadi, Patna, Pune, Trichy, Vijaywada and Zirakpur. 2. Elementary education projects in Rajasthan and Chhattisgarh. 3. Healthcare programmes including in Baran (Rajasthan).	50.88	Expenditure on Projects and Administration : 50.88	87.36 *	Amount spent through ICICI Foundation for Inclusive Growth.
2.	Contribution towards relief and welfare in calamity affected areas.	Contribution to Prime Minister's/ Chief Minister's Relief Fund.	Chennai	1.52	1.52	3.08**	Direct.
3.	Contribution towards rehabilitation of Chennai flood affected people.	Relief and Welfare Specific Project During Natural Disaster.	Chennai	1.50	1.50	1.50	Through United Way of Chennai.
4.	Creation of financial service entrepreneurs.	Skill development and sustainable livelihoods.	Ahmedabad, Goa, Kolkata	0.60	0.60	0.60	Through Tiksna Mission Trust.

* Includes previous year contribution of ₹ 36.46 million

** Includes previous year contribution of ₹ 1.56 million

directors' report



to the members,

6. In case the company has failed to spend the 2% of the average net profits of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

Not Applicable as the entire amount was spent.

7. The CSR Committee of the Company hereby certifies that the implementation and monitoring of CSR activities are in compliance with the CSR objectives and Policy of the Company

The CSR Committee of the Company hereby certifies that the implementation and monitoring of CSR activities are in compliance with the CSR objectives and Policy of the Company.

Sd/-
Managing Director

Sd/-
Chairman CSR Committee

ANNEXURE C

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,

ICICI Prudential Asset Management Company Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ICICI Prudential Asset Management Company Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) Secretarial Standards 1 and 2 relating to Board meetings and general meetings as issued by the Institute of Company Secretaries of India;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and
- (v) Other laws as specifically applicable to the Company:
 - (a) The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996;
 - (b) The Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993;
 - (c) The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
 - (d) The Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996; and
 - (e) The Prevention of Money Laundering Act, 2002.

Note: Though the following laws are prescribed in the format of Secretarial Audit Report by the Government, the same are not applicable to the Company.

- (a) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (b) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (h) The Listing Agreements as none of the securities of the Company are listed on any recognised stock exchanges of India or abroad

I further report that:-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and there was no instance of any of the Directors expressing dissent.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company had no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For P. K. Pandya & Co.
Practising Company Secretary

Sd/-
Prakash K. Pandya
FCS No.: 3901
C P No.: 2311

Place: Mumbai
Date: April 21, 2016

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

directors' report

Annexure A

To,
The Members,
ICICI Prudential Asset Management Company Limited

Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to ICICI Prudential Asset Management Company Limited (the 'Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The verification was done on test check basis to ensure that correct facts as reflected in secretarial and other records produced to us. We believe

that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.

4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the management representation about list of applicable laws, compliance of laws, rules and regulations and major events during the audit period.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For P. K. Pandya & Co.
Practising Company Secretary

Sd/-
Prakash K. Pandya
FCS No.: 3901
C P No.: 2311

Place: Mumbai
Date: April 21, 2016

Annexure D

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2016

[PURSUANT TO SECTION 92(3) OF THE COMPANIES ACT, 2013 AND RULE 12(1) OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN:- U99999DL1993PLC054135
ii)	Registration Date: June 22, 1993
iii)	Name of the Company: ICICI Prudential Asset Management Company Limited
iv)	Category / Sub-Category of the Company: Company Limited by Shares
v)	Address of the registered office and contact details: 12 th Floor, Narain Manzil 23, Barakhamba Road, New Delhi-110001.Tel no.022-26852000
vi)	Whether listed company: No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any: 3i Infotech Limited Tower #5, 3 rd to 6 th floor, International Infotech Park, Vashi Railway Station Complex, Vashi, Navi Mumbai - 400703, India Tel. : (+91 - 22) 6792 8000 Fax : (+91 - 22) 6792 8098.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company are as under:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Management Fees from the Schemes of ICICI Prudential Mutual fund	66301	89.94

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	ICICI Bank Limited Landmark Race Course Circle, Alkapuri, Baroda - 390015	L65190GJ-1994PLC021012	Holding	51%	2(46)
2	Prudential Corporation Holdings Limited Laurence Pountney Hill, London, EC4R 0HH, United Kingdom.	Foreign Company	Associate	49%	2(6)

directors' report



to the members,

Annexure D

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

S. No.	Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoters									
(1)	Indian									
(a)	Individual/HUF									
(b)	Central Govt									
(c)	State Govt (s)									
(d)	Bodies Corporate									
(e)	Banks / FI	9,001,873	Nil	9,001,873	50.996	9,001,873	Nil	9,001,873	50.996	Nil
(f)	Any Other....	Nil	700	700	0.004	Nil	700	700	0.004	Nil
	Sub-total (A) (1)	9,001,873	700	9,002,573	51	9,001,873	700	9,002,573	51	Nil
(2)	Foreign									
a)	NRIs - Individuals									
b)	Other -Individuals									
c)	Bodies Corp.	8,649,517	Nil	8,649,517	49	8,649,517	Nil	8,649,517	49	Nil
d)	Banks / FI									
e)	Any Other....									
	Sub-total (A) (2):-	8,649,517	Nil	8,649,517	49	8,649,517	Nil	8,649,517	49	Nil
	Total shareholding of Promoter (A) = (A) (1)+(A)(2)	17,651,390	700	17,652,090	100	17,651,390	700	17,652,090	100	Nil
B.	Public Shareholding									
(1)	Institutions									
(a)	Mutual Funds									
(b)	Banks/FI									
(c)	Central Govt									
(d)	State Govt(s)									
(e)	Venture Capital Funds									
(f)	Insurance Companies									
(g)	FII's									
(h)	Foreign Venture Capital Funds									
i)	Others (specify)									
	Sub-total (B)(1):-									
2.	Non-Institutions									
a)	Bodies Corp.									
i)	Indian									
ii)	Overseas									
b)	Individuals									
i)	Individual shareholders holding nominal share capital upto ₹1 lakh									
ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh									
c)	Others (specify)									
	Sub-total (B)(2):-									
	Total Public Shareholding (B)=(B)(1)+ (B)(2)									
C.	Shares held by									
	Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Grand Total (A+B+C)	17,651,390	700	17,652,090	100	17,651,390	700	17,652,090	100	Nil

directors' report

to the members,

(ii) Shareholding of Promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	% change in shareholding during the year
1	ICICI Bank Limited*	9,002,573	51	Nil	9,002,573	51	Nil	Nil
2	Prudential Corporation Holdings Limited	8,649,517	49	Nil	8,649,517	49	Nil	Nil

*Out of the above 9,002,573 shares held by ICICI Bank Limited, 700 shares are beneficially held by ICICI Bank Limited and registered in the name of various nominees.

iii) Change in Promoters' Shareholding

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of		Cumulative Shareholding during the	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			No changes	
	At the End of the year				

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of		Cumulative Shareholding during the	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			Nil, for shares held by top ten shareholders other than directors, promoters and holders of GDR and ADRs.	
	At the End of the year (or on the date of separation, if separated during the year)				

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No	For Each of the Directors and KMP	Shareholding at the beginning of		Cumulative Shareholding during the	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			Nil	
	At the End of the year				

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹' in million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,311.9	—	—	1,311.9
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	1,311.9	—	—	1,311.9
Change in Indebtedness during the financial year				
• Addition	276.1	—	—	276.1
• Reduction	(1,588.0)	—	—	(1,588.0)
Net Change	—	—	—	—
Indebtedness at the end of the financial year				
i) Principal Amount	—	—	—	—
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	—	—	—	—

directors' report



to the members,

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹' in million)

Sr. No	Particulars of Remuneration	Name of MD/WTD/Manager Nimesh Shah	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	52.21 0.29	52.21 0.29
2.	Stock Options	*	
3.	Sweat Equity		
4.	Commission - as % of profit - others, specify.		
5.	Others, please specify		
	Total (A)	52.50	52.50
	Ceiling as per the Act	249.97	249.97

B. Remuneration to other Directors:

(₹' in million)

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount
		C.R. Muralidharan	Mahendra Kumar Sharma	Suresh Kumar	Vijay Thacker	Lakshmi Venkatachalam	
1.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	0.58 — —	0.16 — —	0.64 — —	0.52 — —	0.38 — —	2.28
	Total (1)	0.58	0.16	0.64	0.52	0.38	2.28
2.	Other Non-Executive Directors • Fee for attending board /committee meetings • Commission • Others, please specify	— — —	— — —	— — —	— — —	— — —	—
	Total (2)	—	—	—	—	—	—
	Total (B)=(1+2)	0.58	0.16	0.64	0.52	0.38	2.28
	Total Managerial Remuneration						
	Overall Ceiling as per the Act (applicable for all the directors taken together)	50	50	50	50	50	50

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(₹' in million)

Sr. No	Particulars of Remuneration	CEO	Company Secretary	CFO	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	52.21 0.29	2.85 0.03	21.06 0.05	76.12 0.37
2.	Stock Option	*			
3.	Sweat Equity				
4.	Commission - as % of profit - others, specify...				
5.	Others, please specify				
	Total	52.50	2.88	21.11	76.49

Note: *The CEO (Managing Director) receives stock options from ICICI Bank Limited, in line with ICICI Bank Group Policy.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Sections of the Companies Act	Brief Description	Details of Penalty/Punishment/ Compounding fees imposed	Authority [RD/ NCLT/COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty Punishment Compounding			NIL		
B. DIRECTORS					
Penalty Punishment Compounding			NIL		
C. OTHER OFFICERS IN DEFAULT					
Penalty Punishment Compounding			NIL		

independent 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, 2016, the Statement of Profit and Loss, 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 FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to 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 specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's 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 on the financial statements.

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, of the state of affairs of the Company as at 31 March 2016, and its profit and its 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, 2016 ('the Order') issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraph 3 and 4 of the Order.

As required by Section 143 (3) of the Act, we report that:

- a) We have sought and 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 aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act; and
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 31 to the financial statements;
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

Sd/-
MILIND RANADE
Partner
Membership No.: 100564

Mumbai, April 22, 2016

Annexure to the Independent Auditors' Report

annexure to the independent auditors' report - March 31, 2016

Annexure A

(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 has a regular programme of physical verification of its fixed assets by which all the 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) According to the information and explanation given to us, the Company is not having any immovable properties.
- 2) The Company is a service company, primarily rendering asset management and advisory services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3 (ii) of the Order is not applicable to the Company.
- 3) According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act.
- 4) According to the information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of Companies Act, 2013 with respect to the loans and investments made.
- 5) According to the information and explanations given to us, the Company has not accepted any deposits to which the provisions of Section 73 to Section 76 or other relevant provisions of the Act and the rules framed there under apply.
- 6) The Central Government has not prescribed the maintenance of cost records under sub- section 1 of Section 148 of the Act, for any of the services rendered by the Company
- 7) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, wealth tax, service tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, duty of customs, duty of excise, value added tax, cess.
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth tax, service tax and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

(b) According to information and explanations given to us, the following dues of income tax and service tax have not been deposited by the Company on account of disputes:

Name of The Statute	Nature of Dues	Amount (₹ in million)	Period to which the amount relates	Forum where the dispute is pending)
Income Tax Act, 1961	Income tax demand	1.1	AY 2006-07	CIT (A)
Income Tax Act, 1961	Income tax demand	94.2	AY 2008-09	ITAT
Service Tax	Service Tax	1.3	April 2008 to March 2011	Service Tax Commissioner
Service Tax	Service Tax	2.8	April 2011 to March 2013	Service Tax Commissioner

- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to bank. During the year, the Company did not have any outstanding loans or borrowings from financial institutions, government or dues to debenture-holders.
- 9) According to the information and explanations given to us, during the year, the Company has not raised money by way of initial public offer or further public offer (including debt instrument) and term loans. Thus, paragraph 3 (ix) of the Order is not applicable to the Company.
- 10) According to the information and explanations given to us, no material fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- 11) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- 12) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Thus, paragraph 3 (xii) of the Order is not applicable to the Company.
- 13) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with the Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

independent auditors' report



to the members of ICICI Prudential Asset Management Company Limited

- 14) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- 15) According to the information and explanation given to us and based on our examination of the records of the Company, the Company not entered into any non-cash transactions with directors or persons connected with him. Thus, paragraph 3 (xv) of the Order is not applicable to the Company.

- 16) The Company is a service company primarily rendering asset management services and advisory services, thus the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

Sd/-
MILIND RANADE
Partner
Membership No.: 100564

Mumbai, April 22, 2016

annexure to the independent auditors' report - March 31, 2016

Annexure B

(Referred to in our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (II) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ('THE ACT')

We have audited the internal financial controls over financial reporting of ICICI Prudential Asset Management Company Limited ('the Company') as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

Sd/-
MILIND RANADE
Partner
Membership No.: 100564

Mumbai, April 22, 2016

balance sheet

as at March 31, 2016

statement of profit and loss

for the year ended March 31, 2016

	Notes	March 31, 2016	March 31, 2015	(₹ in million)	Note	March 31, 2016	March 31, 2015	(₹ in million)
Equity and liabilities								
Shareholders' funds								
Share capital	3	176.5	176.5	Revenue from operations	20	9,894.5	8,260.0	
Reserves and surplus	4	6,196.0	4,213.8	Other income	21	229.1	139.8	
		6,372.5	4,390.3					
Non-current liabilities								
Long term provisions	5	281.3	256.9	Total revenue		10,123.6	8,399.8	
Other long term liabilities	5A	63.7	89.4	Expenses				
		345.0	346.3	Employee benefit expenses	22	1,482.2	1,248.9	
Current liabilities				Finance cost	23	65.9	24.5	
Short term borrowings	6	—	1,311.9	Depreciation and amortization expenses		100.1	101.8	
Trade Payables	7	803.8	745.2	Operating and administrative expenses	24	3,476.0	3,262.7	
Other current liabilities	8	184.6	148.6			5,124.2	4,637.9	
Short-term provisions	9	474.6	341.0	Total expenses				
		1,463.0	2,546.7	Profit before tax		4,999.4	3,761.9	
TOTAL		8,180.5	7,283.3	Tax expenses:				
Assets				- Current tax		1,769.4	1,264.7	
Non-current assets				- Short/(Excess) provision of earlier years		9.3	(1.7)	
Fixed assets				- Deferred tax (credit) /expense		(36.2)	30.7	
Tangible assets	10	178.7	156.3	Total tax expense		1,742.5	1,293.7	
Intangible assets	11	33.6	36.3	Net Profit after tax		3,256.9	2,468.2	
Capital work-in-progress		22.2	6.7	Earnings per share of face value ₹ 10 each – Basic and Diluted (in ₹)	28	184.51	139.83	
Intangible assets under development		4.9	3.7	Significant accounting policies and notes to the financial statements	2-37			
Non-current investments	12	2,142.4	854.0	The Notes referred to above form an integral part of the statement of profit and loss.				
Deferred tax assets (net)	13	132.3	96.0					
Long term loans and advances	14	1,707.7	2,828.5					
		4,221.8	3,981.5					
Current assets								
Current investments	15	1,521.4	188.4					
Trade receivables	16	607.7	319.4					
Cash and bank balances	17	85.5	98.5					
Short-term loans and advances	18	1,691.1	2,637.8					
Other current assets	19	53.0	57.7					
		3,958.7	3,301.8					
TOTAL		8,180.5	7,283.3					
Significant accounting policies and notes to the financial statements	2 – 37							

As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Sd/-
MILIND RANADE
Partner
Membership No: 100564

For and on behalf of the Board of Directors of
ICICI Prudential Asset Management Company Limited

Sd/-
CHANDA KOCHHAR
Chairperson
DIN No:00043617

Sd/-
VIJAY THACKER
Director
DIN No:00761544

Sd/-
NIMESH SHAH
Managing Director
DIN No:01709631

Sd/-
B. RAMAKRISHNA
Chief Financial Officer

Sd/-
RAKESH SHETTY
Company Secretary

Mumbai, April 22, 2016

Mumbai, April 22, 2016

cash flow statement

for the year ended March 31, 2016



Cash flows from operating activities

	(₹ in million)	March 31, 2016	March 31, 2015
Net profit before tax for the year	4,999.4	3,761.9	
Adjustment for:			
Depreciation and amortization expenses	100.1	101.8	
(Profit)/Loss on sale of fixed assets	0.3	0.6	
Interest expense	65.9	24.5	
Interest on IT refund adjusted outstanding tax liability	(0.5)	—	
Dividend income from investments	(7.9)	(17.4)	
Interest income from PMS investments	(99.4)	(84.3)	
(Profit)/Loss on sale of investments (net)	(90.0)	(31.8)	
Amortised income/expenses from prepaid	51.1	38.8	
Working capital changes			
(Decrease)/Increase in long term provisions	24.5	(18.5)	
(Decrease)/Increase in short term provisions	104.9	29.7	
(Decrease)/Increase in trade payables	58.6	201.8	
(Decrease)/Increase in other current liabilities	13.6	42.9	
(Decrease)/Increase in Other Long term liabilities	(25.8)	—	
Decrease/(Increase) in other long-term loans and advances	1,077.9	(1,629.6)	
Decrease/(Increase) in trade receivables	(288.3)	67.4	
Decrease/(Increase) in short-term loans and advances	946.7	(1,732.4)	
Direct taxes paid (net of refunds)	(1,756.6)	(1,262.9)	
Cash generated from / (used in) working capital changes	175.1	(4,269.4)	
Net cash provided / (used) by operating activities	(5,174.5)	(507.5)	
Cash flows from investing activities			
Purchase of tangible assets/capital work-in-progress	(141.5)	(106.0)	
Purchase of investments	(12,911.4)	(9,803.6)	
Proceeds from sale of fixed assets	3.6	1.8	
Proceeds from sale of investments	10,380.1	9,676.8	
Dividend received	7.0	17.4	
Investment income on PMS investment	104.9	66	
Net Cash generated /(used) in Investing activities	(2557.3)	(147.6)	
Cash flows from financing activities			
Proceeds from short term borrowings	210.3	1,741.5	
Repayment of short term borrowings	(1,522.2)	(429.6)	
Interest paid	(65.9)	(24.5)	
Dividends paid (including dividend distribution tax)	(1,252.4)	(1,312.2)	
Net cash generated /(used) in financing activities	(2,630.2)	(24.8)	
Net (decrease)/increase in cash and cash equivalents (A)	(13.0)	(679.9)	
Add: Cash and cash equivalents at the beginning of the period (B)	98.5	778.4	
Cash and cash equivalents at the end of the period (A+B)	85.5	98.5	

As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Sd/-
MILIND RANADE
Partner
Membership No: 100564

For and on behalf of the Board of Directors of
ICICI Prudential Asset Management Company Limited

Sd/-
CHANDA KOCHHAR
Chairperson
DIN No:00043617

Sd/-
VIJAY THACKER
Director
DIN No:00761544

Sd/-
NIMESH SHAH
Managing Director
DIN No:01709631

Sd/-
B. RAMAKRISHNA
Chief Financial Officer

Sd/-
RAKESH SHETTY
Company Secretary

notes

to the financial statements for the year ended March 31, 2016 (Currency: Indian rupees million)

Continued

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%).

The Company is registered with Securities and Exchange Board of India ('SEBI') under SEBI (Mutual Funds) Regulations, 1996, SEBI (Portfolio Managers) Regulations, 1993, SEBI (Venture Capital Funds) Regulations, 1996 and SEBI (Alternative Investment Funds) Regulations, 2012.

The Company's principal activity is to act as an investment manager to ICICI Prudential Mutual Fund ('the Fund'), to provide services to the clients under SEBI (Portfolio Managers) Regulations, 1993, SEBI (Venture Capital Funds) Regulations, 1996 and SEBI (Alternative Investment Funds) Regulations, 2012. 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. The Company also provides advisory services to clients.

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 under the historical cost convention on the accrual basis of accounting and comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, the relevant provisions of the Companies Act, 2013 and other accounting principles generally accepted in India, to the extent applicable. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

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 / amortisation. 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.

Further, as disclosed in table below, the estimated useful life of fixed assets of the Company is different from useful life prescribed in Schedule II of the Companies Act, 2013. Based on the nature of fixed assets used by the Company and past experience of its usage, the Company considers that the useful life for respective assets to be appropriate.

Nature of Fixed Assets	Management Estimate of Useful Life in years	Useful life as per the limits prescribed in Schedule II of the Companies Act, 2013 in Years
Furniture & fixture	6	10
Computer – Servers & Networks	3	6
Office Equipment	3 -10	5
Vehicles	5	8

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

Management fees from mutual fund schemes are recognised on an accrual basis in accordance with the investment management agreement and SEBI (Mutual Fund) Regulations, 1996

Other 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 with counter parties.

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

notes



to the financial statements for the year ended March 31, 2016 (Currency: Indian rupees million)

Continued

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 Borrowing cost

All borrowing cost are expensed in the period when they occur. Borrowing cost consists of interest and other cost that an entity incurs in connection with the borrowing of the funds.

2.12 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.

2.13 Brokerage and incentives

Brokerage and incentive payments are charged to statement of profit and loss as and when incurred.

2.14 Long term incentive plan ('LTIP')

For LTIP 2013, LTIP 2014 and LTIP 2015 launched in the year ended 31 March 2013, 31 March 2014 and 31 March 2015 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 2016 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.

2.15 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.

2.16 Tax

Income tax expense comprises current tax (i.e. amount of tax for the year 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 year).

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.

2.17 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.

2.18 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, 2016	March 31, 2015
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.

No shares are issued as bonus or for consideration other than cash, in the preceding five years.

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 ₹ 60.0 per equity share (Previous year: ₹ 45.0). The total dividend appropriation for the year ended 31 March 2016 amounted to ₹ 1,274.7 (Previous year: ₹ 941.5) including dividend distribution tax of ₹ 215.6 (Previous year: ₹ 147.2).

	(₹ in million)	March 31, 2016	March 31, 2015
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	1,023.4	833.3	
Add: Transfer from surplus in the statement of profit and loss	—	190.1	
Balance at the end of the year	1,023.4	1,023.4	
Contingency reserve ¹	103.0	103.0	
Surplus in the statement of profit and loss			
Profit brought forward	3,045.2	1,708.6	

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	(₹ in million)	(₹ in million)				
	March 31, 2016	March 31, 2015				
Net profit after tax	3,256.9	2,468.2				
Transfer to general reserve	—	(190.1)				
Dividend	(1,059.1)	(794.3)				
Dividend distribution tax	(215.6)	(147.2)				
Net surplus in the statement of profit and loss	5,027.4	3,045.2				
Total reserves and surplus	6,196.0	4,213.8				
¹The contingency reserve is a free reserve, created voluntarily by the Company in earlier years, by transferring up to 5% of the profits.						
5. LONG TERM PROVISION						
Non-current portion of employee benefits						
- for Bonus	13.3	5.1				
- for LTIP¹	188.1	179.0				
- for leave encashment	5.2	3.6				
- for gratuity	—	30.8				
Other non-current provision						
- Lease equalization	74.7	38.4				
	281.3	256.9				
²Refer Foot Note to Note 12						
5A Other long term liabilities						
Other non-current provision	63.7	89.4				
- Income received in advance	63.7	89.4				
6. SHORT TERM BORROWING						
Cash credit from banks (secured)	—	1,311.9				
	—	1,311.9				
³Refer foot note to note 15						
10. TANGIBLE ASSETS		(₹ in million)				
		2016				
Description	Leasehold improvements	Furniture and fixtures	Office equipments	Computers	Vehicles	Total
Gross block						
As at 1 April,						
Additions during the year	175.0	50.3	108.8	252.1	54.3	640.5
Deletions during the year	15.7	4.0	8.5	50.7	16.3	95.2
As at 31 March,	(34.9)	(8.5)	(6.3)	(0.2)	(9.6)	(59.5)
Accumulated depreciation						
As at 1 April,	155.8	45.8	111.0	302.6	61.0	676.2
Charge for the year	138.1	44.2	69.3	206.4	26.2	484.2
On deletions during the year	14.9	3.3	8.7	31.7	10.8	69.4
As at 31 March,	(34.9)	(8.0)	(4.8)	(0.2)	(8.2)	(56.1)
Net block	118.1	39.5	73.2	237.9	28.8	497.5
As at 31 March,	37.7	6.3	37.8	64.7	32.2	178.7
			2015			
Description	Leasehold improvements	Furniture and fixtures	Office equipments	Computers	Vehicles	Total
Gross block						
As at 1 April,						
Additions during the year	173.6	50.0	96.1	218.2	45.7	583.6
Deletions during the year	18.8	3.5	15.3	34.1	13.7	85.0
As at 31 March,	(17.4)	(3.2)	(2.6)	(0.2)	(4.8)	(28.1)
Accumulated depreciation						
As at 1 April,	175.0	50.3	108.8	252.1	54.3	640.5
Charge for the year	126.0	43.3	62.1	179.3	20.8	431.5
On deletions during the year	29.2	3.9	8.9	17.2	8.9	78.1
As at 31 March,	(17.1)	(3.0)	(1.7)	(0.1)	(3.5)	(25.4)
Net block	138.1	44.2	69.3	206.4	26.2	484.2
As at 31 March,	36.9	6.1	39.5	45.7	28.1	156.3

Cash credit from bank was secured against the receivables of the company which included receivables on management fees from mutual fund operations and advances recoverable in cash or kind from the schemes of mutual fund. The cash credit was repayable on demand and carried interest of 10.35%.

7. TRADE PAYABLES

	March 31, 2016	March 31, 2015
Trade Payables⁴	775.4	729.5
Trade Payables to related parties	28.4	15.7
	803.8	745.2

⁴Refer note 32 for MSMED Disclosure

8. OTHER CURRENT LIABILITIES

Income received in advance	62.4	77.6
Others payables advance received for sale of investment	5.6	—
Dividend distribution tax payable	64.7	42.4
Statutory dues	45.8	26.9
Accrued expenses	6.1	1.7
	184.6	148.6

9. SHORT TERM PROVISION

Current portion of employee benefits towards		
- Bonus	290.0	251.4
- LTIP¹	79.8	78.5
- Leave encashment	2.3	1.8
- Gratuity	60.3	—
Other current provision		
- Lease Equalization	7.2	3.1
- Provision for tax (net of advance tax)	35.0	6.2
	474.6	341.0

⁵Refer foot note to note 15

notes



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	(₹ in million)	March 31, 2016	March 31, 2015		(₹ in million)	March 31, 2016	March 31, 2015
11. INTANGIBLE ASSETS							
Software							
Gross block							
As at 1 April,	155.2	135.0					
Additions during the year	28.1	20.2					
Deletions during the year	—	—					
As at 31 March,	183.3	155.2					
Accumulated amortisation							
As at 1 April,	118.9	95.2					
Charge for the year	30.8	23.7					
On deletions during the year	—	—					
As at 31 March,	149.7	118.9					
Net block							
As at 31 March,	33.6	36.3					
12. NON-CURRENT INVESTMENTS							
Trade Investment							
Unquoted (at cost)							
50,000,000 Units (Previous year 50,000,000 Units) Contribution made to ICICI Prudential Venture Capital Fund	500.0	500.0					
Investment in schemes of Portfolio Management Services	39.3	54.1					
3,773,628 Units (Previous year 500,000 Units) Investment in Alternative Investment Fund	258.5	15.0					
50,000 Units (Previous year 50,000 Units) Share Capital in MF Utility India Pvt Ltd	0.5	0.5					
Non – Trade Investment							
Quoted (at cost)							
Mutual fund units of face value of ₹10 each:							
Nil Units (Previous year 60,000 Units) of ICICI Prudential Fixed Maturity Plan Series 67 - 3 Year Plan F Direct Plan Cumulative	—	0.6					
2,50,000 Units (Previous year 250,000 Units) of ICICI Prudential Fixed Maturity Plan Series 72-785 Days Plan O Direct Plan Cumulative	2.5	2.5					
1,39,584 Units (Previous year 1,39,584 Units) of ICICI Prudential Interval Fund Plan I- Direct Monthly Growth	1.6	1.6					
4,18,851 Units (Previous year 4,18,851 Units) of ICICI Prudential Interval Fund Series VI Annual Plan D Direct Cumulative	5.0	5.0					
4,16,951 Units (Previous year 4,16,951 Units) of ICICI Prudential Interval Fund Series VI Annual Plan C Direct Plan Cumulative	5.0	5.0					
<i>2,25,334 Units (Previous year 2,25,334 Units) of ICICI Prudential Interval Fund Series V Monthly Plan A Direct Plan Growth</i>	2.6	2.6					
3,34,414 Units (Previous year 3,34,414 Units) of ICICI Prudential Interval Fund Series I Quarterly Plan I- Direct Plan Growth	5.0	5.0					
4,36,353 Units (Previous year 4,36,353 Units) of ICICI Prudential Interval Fund II Quarterly Plan C Direct Plan Growth	5.0	5.0					
2,58,113 Units (Previous year 2,58,113 Units) of ICICI Prudential Interval Fund Series VI Annual Plan A- Direct Plan Growth	3.1	3.1					
4,15,686 Units (Previous year 4,15,686 Units) of ICICI Prudential Interval Fund Series II Quarterly Plan B Direct Plan Growth	5.0	5.0					
4,55,377 Units (Previous year 4,55,377 Units) of ICICI Prudential Interval Fund Series VII Annual Interval C Direct Plan Growth	5.0	5.0					
Non – Trade Investment							
2,00,404 Units (Previous year 2,00,404 Units) of ICICI Prudential Interval Fund Series II Quarterly Plan F Direct Plan Growth	3.0	3.0					
4,34,511 Units (Previous year 4,34,510 Units) of ICICI Prudential Interval Fund Series II Quarterly Plan A Direct Plan Growth						5.0	5.0
3,37,617 Units (Previous year 3,37,616 Units) of ICICI Prudential Interval Fund Series III Quarterly Direct Plan Growth						5.0	5.0
3,00,000 Units (Previous year 3,00,000 Units) of ICICI Prudential Fixed Maturity Plan Series 74 -9 Years Plan U Direct Plan Cumulative						3.0	3.0
3,50,586 Units (Previous year 3,50,522 Units) of ICICI Prudential Interval Annual Plan -I Direct Plan Growth						5.0	5.0
55,523 Units (Previous year 55,523 Units) of ICICI Prudential Interval Annual Plan -II Direct Plan Growth						1.0	1.0
1,77,082 Units (Previous year 1,77,082 Units) of ICICI Prudential Interval Annual Plan -III Direct Plan Growth						2.5	2.5
3,03,418 Units (Previous year 3,03,363 Units) of ICICI Prudential Interval Annual Plan -IV Direct Plan Growth						5.0	5.0
30,137 Units (Previous year 30,137 Units) of ICICI Prudential Interval Half Yearly Plan -II Direct Plan Growth						0.4	0.4
3,39,466 Units (Previous year 3,39,466 Units) of ICICI Prudential Interval Fund II Quarterly Plan D Direct Plan Growth						5.0	5.0
60,501 Units (Previous year 60,501 Units) of ICICI Prudential Interval Fund II Quarterly Direct Plan Growth						1.0	1.0
101,517 Units (Previous year 1,01,517 Units) of ICICI Prudential Interval Fund IV Quarterly Plan B Direct Plan Growth						1.5	1.5
35,00,000 Units (Previous year Nil Units) of ICICI Prudential FMP Series 77 - 1473 Days Plan C Direct Plan Cumulative						35.0	—
Aggregate amount of non - current quoted investments ₹ 112.2 (Previous year ₹ 77.9) market value (net asset value) thereof ₹123.2 (Previous year ₹ 79.4)							
Unquoted (at cost)							
Mutual fund units of face value of ₹10 each:							
Nil Units (Previous Year 75,947 Units) ICICI Prudential Dynamic Bond Fund Direct Plan Growth ¹						—	10
736,677 Units (Previous Year Nil Units) of ICICI Prudential Balanced Advantage Fund Direct Plan Growth ¹						15.7	—
Nil Units (Previous Year 1,356,146 Units) of ICICI Prudential Dividend Yield Equity Fund Direct Plan Growth ¹						—	13.6
5,00,000 Units (Previous Year 5,00,000 Units) of ICICI Prudential Equity Income Fund Direct Plan Growth Cumulative						5.0	5.0
2,45,885 Units (Previous Year 2,45,885 Units) of ICICI Prudential Blended Plan B Direct Plan Growth Option I						5.0	5.0
7,50,000 Units (Previous Year 7,50,000 Units) of ICICI Prudential Constant Maturity Gilt Fund -Direct -Growth						7.5	7.5
1,163,862 Units (Previous Year 1,411,699 Units) of ICICI Prudential Value Discovery Fund Direct Plan Growth ¹						103.4	90.4
33,241 Units (Previous Year 472,435 Units) of ICICI Prudential Long Term Gilt Fund Direct Plan Growth ¹						1.4	19.3
20,487 Units (Previous Year 40,838 Units) of ICICI Prudential Dynamic Direct Plan Growth ¹						3.8	6.3

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	(₹ in million)		(₹ in million)		
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	
13,674 Units (Previous Year Nil Units) of ICICI Prudential Advisor Series - Long Term Savings - Direct Plan - Growth	0.7	—	18,601 Units (Previous Year Nil Units) of ICICI Prudential Long Term Equity Fund (Tax Saving) - Direct Plan - Growth	5.0	—
4,018 Units (Previous Year Nil Units) of ICICI Prudential Advisor Series - Dynamic Accrual Plan - Direct Plan - Growth	0.1	—	17,167,275 Units (Previous Year Nil Units) of ICICI Prudential Long Term Gilt Fund - Direct Plan - Growth	854.8	—
195,168 Units (Previous Year Nil Units) of ICICI Prudential Balanced Advantage Fund - Direct Plan - Growth	5.0	—	71,987 Units (Previous Year Nil Units) of ICICI Prudential Midcap Fund - Direct Plan - Growth	5.0	—
54,599 Units (Previous Year Nil Units) of ICICI Prudential Balanced Fund - Direct Plan - Growth	5.0	—	161,727 Units (Previous Year Nil Units) of ICICI Prudential MIP - 25 - Direct Plan - Growth	5.0	—
136,208 Units (Previous Year Nil Units) of ICICI Prudential Banking and Financial Services Fund - Direct Plan - Growth	5.0	—	128,207 Units (Previous Year Nil Units) of ICICI Prudential MIP - Direct Plan - Growth	5.0	—
318,860 Units (Previous Year Nil Units) of ICICI Prudential Banking and PSU Debt Fund - Direct Plan - Growth	5.0	—	12,988 Units (Previous Year Nil Units) of ICICI Prudential Moderate - Direct Plan - Growth	0.5	—
231,131 Units (Previous Year Nil Units) of ICICI Prudential Blended Plan A - Direct Plan - Growth	5.0	—	50,000 Units (Previous Year Nil Units) of ICICI Prudential Nifty ETF	4.2	—
9,701 Units (Previous Year Nil Units) of ICICI Prudential Cautious - Direct Plan - Growth	0.3	—	63,226 Units (Previous Year Nil Units) of ICICI Prudential Nifty Index Plan - Direct Plan Growth	5.0	—
49,482 Units (Previous Year Nil Units) of ICICI Prudential Child Care Plan Gift - Direct Plan	5.0	—	59,035 Units (Previous Year Nil Units) of ICICI Prudential Nifty Next 50 Index Fund - Direct Plan - Growth	1.0	—
73,162 Units (Previous Year Nil Units) of ICICI Prudential Child Care Plan Study - Direct Plan	4.0	—	133,865 Units (Previous Year Nil Units) of ICICI Prudential Regular Gold Savings Fund - Direct Plan - Growth	1.9	—
50,000 Units (Previous Year Nil Units) of ICICI Prudential CNX 100 ETF	4.3	—	215,526 Units (Previous Year Nil Units) of ICICI Prudential Select Large Cap fund - Direct Plan - Growth	5.0	—
227,818 Units (Previous Year Nil Units) of ICICI Prudential Corporate Bond Fund - Direct Plan - Growth	5.0	—	171,624 Units (Previous Year Nil Units) of ICICI Prudential Short Term - Direct Plan - Growth	5.0	—
500,000 Units (Previous Year Nil Units) of ICICI Prudential Dividend Yield Equity Fund Direct Plan Growth	5.0	—	141,776 Units (Previous Year Nil Units) of ICICI Prudential Short Term Gilt Fund - Direct Plan - Growth	5.0	—
26,490 Units (Previous Year Nil Units) of ICICI Prudential Dynamic - Direct Plan - Growth	5.0	—	129,137 Units (Previous Year Nil Units) of ICICI Prudential Technology Fund - Direct Plan - Growth	5.0	—
314,626 Units (Previous Year Nil Units) of ICICI Prudential Dynamic Bond Fund - Direct Plan - Growth	5.0	—	20,890 Units (Previous Year Nil Units) of ICICI Prudential Top 100 Fund - Direct Plan - Growth	5.0	—
256,867 Units (Previous Year Nil Units) of ICICI Prudential Equity Arbitrage Fund - Direct Plan - Growth	5.0	—	347,289 Units (Previous Year Nil Units) of ICICI Prudential Ultra Short Term - Direct Plan - Growth	5.0	—
115,212 Units (Previous Year Nil Units) of ICICI Prudential Exports and Other Services Fund - Direct Plan - Growth	5.0	—	271,455 Units (Previous Year Nil Units) of ICICI Prudential US Bluechip Equity Fund - Direct Plan - Growth	5.0	—
31,836 Units (Previous Year Nil Units) of ICICI Prudential FMCG Fund - Direct Plan - Growth	5.0	—	43,746 Units (Previous Year Nil Units) of ICICI Prudential Value Discovery Fund - Direct Plan - Growth	5.0	—
180,487 Units (Previous Year Nil Units) of ICICI Prudential Gilt Fund Investment Plan PF Option Growth - Direct Plan	5.0	—	9,004 Units (Previous Year Nil Units) of ICICI Prudential Very Aggressive - Direct Plan - Growth	5.0	—
258,902 Units (Previous Year Nil Units) of ICICI Prudential Gilt Fund Treasury Plan PF Option Growth - Direct Plan	5.0	—	10,000 Units (Previous Year Nil Units) of Sensex ICICI Prudential Exchange Traded Fund	2.7	—
411,201 Units (Previous Year Nil Units) of ICICI Prudential Global Stable Equity Fund Direct Plan Growth	5.0	—	25,026 Units (Previous Year Nil Units) of ICICI Prudential Multicap Fund - Direct Plan - Growth	5.0	—
111,388 Units (Previous Year Nil Units) of ICICI Prudential Income - Direct Plan - Growth	5.0	—	Mutual fund units of face value of ₹100 each:		
254,804 Units (Previous Year Nil Units) of ICICI Prudential Income Opportunities Fund - Direct Plan - Growth	5.0	—	25,664 Units (Previous Year 3,03,494 Units) of ICICI Prudential Money Market Fund-Direct Growth	5.0	58.5
234,201 Units (Previous Year Nil Units) of ICICI Prudential Indo Asia Equity Fund - Direct Plan - Growth	5.0	—	18,847 Units (Previous Year Nil Units) of ICICI Prudential Flexible Income - Direct Plan - Growth	5.0	—
119,422 Units (Previous Year Nil Units) of ICICI Prudential Infrastructure Fund - Direct Plan - Growth	5.0	—			
295,698 Units (Previous Year Nil Units) of ICICI Prudential Long Term - Direct Plan - Growth	5.0	—			

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	(₹ in million)	March 31, 2016	March 31, 2015		(₹ in million)	March 31, 2016	March 31, 2015
2,000 Units (Previous Year Nil Units) of ICICI Prudential Gold Exchange Traded Fund	5.2	—	—	Unquoted (at cost)			
23,977 Units (Previous Year Nil Units) of ICICI Prudential Liquid - Direct Plan - Growth	5.0	—	—	<i>Mutual fund units of face value of ₹ 10 each</i>			
23,641 Units (Previous Year Nil Units) of ICICI Prudential Savings Fund - Direct Plan - Growth	5.0	—	—	Nil Units (Previous year 1,878,779 Units) of ICICI Prudential Balanced Advantage fund Direct plan ¹	—	34.8	
Aggregate provision for diminution in value of non – current investments	—	—	—	1,519,500 Units (Previous year 747,354 Units) of ICICI Prudential Dividend Yield Equity Fund Direct Plan Growth ¹	15.2	7.5	
Total non-current investments	2,142.4	854.0	—	88,133 Units (Previous year 402,395 Units) of ICICI Prudential Dynamic Bond Fund Direct Plan Growth ¹	1.2	5.4	
Aggregate amount of non - current unquoted investments ₹ 2030.3 (Previous year ₹ 776.1)				Nil Units (Previous year 500,513 Units) of ICICI Prudential Short Term Plan-Direct – Growth Option ¹	—	11.8	
'In accordance with Long Term Incentive Plan ('LTIP') 2013, 2014 and 2015, 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.				97,208 Units (Previous year Nil Units) of ICICI Prudential Long Term Gilt Fund Direct Plan –Growth Option ¹	4.0	—	
13. DEFERRED TAX				152,596 Units (Previous year Nil Units) of ICICI Prudential Equity Arbitrage Fund - Direct Plan - Growth Option ¹	3.0	—	
The Company has net deferred tax asset of ₹ 132.3 (Previous year ₹96.0). The composition of deferred tax asset is as follows:				122,208 Units (Previous year Nil Units) of ICICI Prudential Dynamic - Direct Plan – Growth Option ¹	22.9	—	
Deferred tax asset	42.4	44.7	—	599,643 Units (Previous year 343,582 Units) of ICICI Prudential Value Discovery Fund Direct Plan Growth ¹	33.5	19.0	
Tangible assets	97.3	91.1	—	<i>Mutual fund units of face value of ₹ 100/- each</i>			
Employee benefit expenses	28.3	14.3	—	57,96,574 Units (Previous Year Nil Units) of ICICI Prudential Liquid - Direct Plan – Growth	1,298.0	—	
Lease equalization	(35.7)	(54.0)	—	3,36,165 Units (Previous Year Nil Units) of ICICI Prudential Money Market Fund Option - Direct Plan - Growth	67.2	—	
Prepaid expenses - VCF & AIF	—	(0.1)	—	Total current investments	1,521.4	188.4	
Unrealised gain on foreign exchange	132.3	96.0	—	Aggregate amount of current unquoted investments ₹1464.7 (Previous year ₹175.8)			
Total deferred tax asset				'In accordance with Long Term Incentive Plan ('LTIP') 2013, 2014 and 2015, 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.			
14. LONG TERM LOANS & ADVANCES							
Non Current loans & advances							
Security Deposits	158.3	113.0	—	16. TRADE RECEIVABLES			
Advance tax (net of provision for tax)	177.4	167.4	—	Unsecured and considered good			
Staff loan	1.1	0.9	—	- Less than six months	603.0	317.7	
Statutory dues recoverable	3.2	—	—	- More than six months	4.7	1.7	
Prepaid expenses	442.3	224.8	—	17. CASH & BANK BALANCES			
Advances recoverable in cash or in kind or for value to be received	923.9	2,319.0	—	Cash and cash equivalents			
Capital Advance	1.5	3.4	—	Balance with banks			
	1,707.7	2,828.5	—	- in Current Accounts	83.1	98.3	
				- in PMS Accounts	2.4	0.2	
					85.5	98.5	
15. CURRENT INVESTMENTS							
Trade Investment							
Unquoted (at cost)							
Investment in schemes of Portfolio Management Services	19.7	97.3	—	18. SHORT TERM LOANS AND ADVANCES			
Non – Trade Investment				Current portion of long term loans and advances			
Quoted (at cost)				- Advances recoverable in cash or in kind or for value to be received	1,248.3	2,155.0	
<i>Mutual fund units of face value of ₹10 each:</i>				- Advance to related parties	1.1	20.8	
4,10,000 Units (Previous year 4,10,000 Units) of ICICI Prudential Fixed Maturity Plan Series 70 – 745 Days Plan P Direct Plan Cumulative	4.1	4.1	—	- Staff loan	1.8	1.8	
Nil Units (Previous year 2,50,000 Units) of ICICI Prudential Fixed Maturity Plan Series 72 - 483 Days Plan J Direct Plan Cumulative	—	2.5	—	- Prepaid expenses	439.9	460.2	
Nil Units (Previous year 6,00,000 Units) of ICICI Prudential Fixed Maturity Plan Series 74 - 370 Days Plan V Direct Plan Cumulative	—	6.0	—		1,691.1	2,637.8	
60,000 Units (Previous year Nil Units) of ICICI Prudential FMP Series 67 - 3 Years Plan F Direct Plan Cumulative	0.6	—	—				
52,00,000 Units (Previous year Nil Units) of ICICI Prudential FMP Series 78 - 188 Days Plan L Direct Plan Cumulative	52.0	—	—				
Aggregate amount of current quoted investments ₹ 56.7 (Previous year 12.6) market value (net asset value) thereof ₹ 58.3 (Previous year 13.9)							
				19. OTHER CURRENT ASSETS			
				Unsecured and considered good			
				- Interest accrued on investments	47.4	52.9	
				- Dividend on investments	5.6	4.8	
					53.0	57.7	

notes

to the financial statements for the year ended March 31, 2016 (Currency: Indian rupees million)

Continued

	(₹ in million)	March 31, 2016	March 31, 2015
20. REVENUE FROM OPERATIONS			
Management fees from:			
- Mutual fund operations	8,899.6	7,346.4	
- PMS operations	722.3	693.5	
- Advisory Services and others	272.6	220.1	
	9,894.5	8,260.0	
21. OTHER INCOME			
Interest			
- Non-current investments	95	77.7	
- Current Investment	4.4	6.7	
Dividend from:			
- Non-current investments	7.9	5.7	
- Current investments	0	11.7	
Profit on Sale of:			
- Non-current investments (net)	31.9	15.9	
- Current investments (net)	58.1	15.8	
Net gain on account of foreign exchange fluctuation	6.6	1.9	
Others	25.2	4.4	
	229.1	139.8	
22. EMPLOYEE BENEFIT EXPENSES			
Salaries, bonus and allowances	1,339.3	1,133.9	
Contribution to provident and other funds	74.5	70.2	
Staff welfare expenses	68.4	44.8	
Total	1,482.2	1,248.9	
23. FINANCE COST			
Interest expenses	65.9	24.5	
Total	65.9	24.5	
24. OPERATING AND ADMINISTRATIVE EXPENSES			
Fund expenses	1,815.5	1,943.0	
Brokerage and incentives	640.2	496.6	
Rent	204.1	141.7	
Communication expenses	74.4	62.2	
Travelling and conveyance	87.0	80.2	
Fund accounting expenses (PMS)	17.8	20.9	
Fund expenses (PMS)	0.5	1.5	
Legal and professional fees	88.2	51.6	
SEBI fees	10.0	0.8	
Information technology	62.6	60.0	
Electricity	40.7	38.2	
Insurance	30.1	29.0	
Books, periodicals and subscriptions	37.5	28.0	
Repairs and maintenance			
- Equipment	10.0	10.4	
- Others	30.2	22.3	
Marketing, advertisement and publicity	89.2	113.2	
Printing and stationery	12.3	9.6	
Training and consultancy	22.8	13.1	
Loss on sale of fixed assets (net)	0.3	0.6	
Rates and taxes	20.9	4.8	
Directors sitting fees	2.4	2.0	
Housekeeping expenses	47.3	34.1	
NFO filing fees	21.7	31.5	
Corporate Social Responsibility expenditure ²	54.5	38.0	
Miscellaneous expenses	52.1	26.8	
	3,472.3	3,260.1	
Auditors remuneration:			
- Statutory audit	2.8	1.9	
- Tax audit	0.5	0.4	
- Other matters	0.2	0.2	
- Reimbursement of out of pocket expenses	0.2	0.1	
	3.7	2.6	
Total	3,476.0	3,262.7	

²For CSR activities contribution has been made to Prime Minister's/Chief Minister's Relief Fund for contribution towards relief and welfare in calamity affected areas, United Way of Chennai for contribution towards rehabilitation of Chennai flood affected people, Tiksnna Mission Trust for creation of financial service entrepreneurs and to ICICI Foundation for Inclusive Growth with primary focus in areas of promoting education, employment enhancing vocational skills, livelihood enhancement projects and eradication of hunger, poverty and malnutrition; promoting preventive healthcare.

25. OPERATING LEASES

The Company has entered into non-cancellable leasing arrangement for certain office premises for a period ranging from 3 to 5 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:

	2016	2015
Total future minimum lease payments:		
not later than one year	97.7	6.7
later than one year and not later five years	400.0	18.1
later than five years	28.9	—

The total lease payments recognised in the statement of profit and loss amount to ₹ 204.1 (Previous year ₹ 141.7) which include ₹ 40.5 (previous year reversal of ₹ 4.4) 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.

26. 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 & acts as a investment manager to Alternative Investment Funds. 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, etc. 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, non current assets, current liabilities and non 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)				
	Fund Management and Advisory	Portfolio Management and others	Total		
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016
Segment revenue					
Management fees	9,172.2	7,566.5	722.3	693.5	9,894.5
Inter segment revenue	—	—	—	—	—
Total segment revenue	9,172.2	7,566.5	722.3	693.5	9,894.5
Identifiable operating expenses	(3,638.4)	(3,533.5)	(709.7)	(463.6)	(4,348.1)
Segmental operating income	5,533.8	4,033.0	12.6	229.9	5,546.4
Unallocable expense				(776.1)	(640.8)
Operating income				4,770.3	3,622.1
Other income				229.1	139.8
Net Profit before taxation and prior period items				4,999.4	3,761.9
Provision for income tax				(1,769.4)	(1,264.7)
Excess provision of earlier years				(9.3)	1.7
Deferred tax credit \ (expense)				36.2	(30.7)
Net profit after tax				3,256.9	2,468.2

notes



to the financial statements for the year ended March 31, 2016 (Currency: Indian rupees million)

Continued

As at	(₹ in million)						March 31, 2016	March 31, 2015		
	Fund Management and Advisory		Portfolio Management and others		Total					
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015				
Segment assets and liabilities										
Segment assets	3,698.3	5,175.7	575.5	544.7	4,273.8	5,720.4				
Unallocable assets	—	—	—	—	3,906.7	1,562.9				
Total assets					8,180.5	7,283.3				
Segment liabilities	1,142.6	2,343.3	402.2	374.4	1,544.8	2,717.7				
Unallocable liabilities	—	—	—	—	263.2	175.3				
Total liabilities					1,808.0	2,893.0				

27. RELATED PARTY INFORMATION

- Related parties where control exists
ICICI Bank Limited – Holding Company.
- Other related parties with whom transactions have taken place in ordinary course of business 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 Securities Limited – Fellow subsidiary
ICICI Foundation for Inclusive Growth –Fellow entity

Key management personnel:

Nimesh Shah – Managing Director

	ICICI Bank Limited	Prudential Corporation Holdings Limited	ICICI Securities Limited	ICICI Lombard General Insurance Company Limited	ICICI Prudential Life Insurance Company Limited	ICICI Prudential Trust Limited	ICICI Foundation for Inclusive Growth	KMP
Nature of Transaction	Holding Company	Significant Influence	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow entity	
Dividend paid / provided	540.2	519.0	—	—	—	—	—	—
Previous year	405.1	389.2	—	—	—	—	—	—
Common Cost, Brokerage & Marketing expenses	51.7 ¹	—	6.2 ²	—	—	—	—	—
Previous year	34.1 ¹	—	25.0 ³	—	—	—	—	—
Insurance premium	—	—	—	25.4	4.0	—	—	—
Previous year	—	—	—	24.1	4.2	—	—	—
Corporate social responsibility	—	—	—	—	—	50.9	—	—
Previous year	—	—	—	—	—	36.5	—	—
Finance cost	65.9	—	—	—	—	—	—	—
Previous year	24.5	—	—	—	—	—	—	—
Remuneration Paid	—	—	—	—	—	—	55.5	—
Previous year	—	—	—	—	—	—	49.7	—
Management Fees Earned	—	—	—	—	—	—	—	—
Previous year	—	—	—	—	—	—	—	—
Other expenses incurred & reimbursed by Company (including custody fees)	13.1	—	—	—	—	0.0	—	—
Previous year	8.5	—	—	—	—	0.0	—	—
Purchase of fixed asset	0.1	—	—	—	—	—	—	—
Previous year	—	—	—	—	—	—	—	—
Balance Outstanding:								
Receivable / Advance (Payable)*	(23.7)	—	(4.7)	0.3	0.8	—	—	—
Previous year	(1,324.3)	—	(3.3)	19.7	1.1	—	—	—
Cash and bank balance	84.5	—	—	—	—	—	—	—
Previous year	98.3	—	—	—	—	—	—	—

Note:³The amounts disclosed are net of service tax.

*The payable includes short term borrowings from ICICI bank Limited of ₹ Nil(31 March 2015: ₹1311.9).

	(₹ in million)		
	March 31, 2016	March 31, 2015	

28. 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:

Net profit after tax	3,256.9	2,468.2	
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 ₹)	184.51	139.83	(₹ in million)

29. 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

Present value of funded obligations	140.0	109.7
Fair value of plan assets	(79.7)	(78.9)
Net liability	60.3	30.8
Amounts in the Balance Sheet		

Net liability	60.3	30.8
---------------	------	------

B) Expense recognised in the profit and loss account

Current service cost	14.8	11.8
Interest on defined benefit obligation	8.9	6.9
Expected return on plan assets	(6.5)	(0.1)
Net actuarial losses / (gains) recognised in year	14.4	16.5
Total, included in "Employee Benefit Expenses"	31.8	35.7
Actual return on plan assets	7.7	3.9

C) Reconciliation of opening and closing balances of PV of defined benefit obligation and fair value of plan assets for the year ended 31 March

	2016	2015
Change in defined benefit obligation		
Opening defined benefit obligation as at 1 April	109.7	76.7
current service cost	14.9	11.8
Interest cost	8.9	6.9
Actuarial losses / (gains)	15.7	20.3
Liabilities Assumed on Acquisition /(Settled on Divestiture)	0.2	—
Benefits paid	(9.4)	(6.0)
Closing defined benefit obligation as at 31 March	140.0	109.7
Change in the fair value of plan assets		
Opening fair value of plan assets as at 1 April	79.0	5.3
Expected return on plan assets	6.5	0.1
Actuarial gain/(losses)	1.2	3.8
Contributions by employer	2.3	75.8
Assets Acquired on Acquisition / (Distributed on Divestiture)	0.2	—
Benefits paid	(9.4)	(6.0)
Closing fair value of plan assets as at 31 March	79.7	79.0

D) Asset information

Category of assets		
Insurer managed funds	100%	100%
The approximate full value of the assets as at March 31, 2016 as advised by the insurer is as follows:		
Category of assets		
Insurer managed funds	79.7	79.0

E) Summary of actuarial assumptions

Financial assumptions at the valuation date:	(₹ in million)
Discount rate (per annum)	7.50%
Expected rate of return on assets (per annum)	8.50%
Salary escalation rate (per annum)	8.98%
	2015
	8.00%
	8.50%
	8.45%

notes

to the financial statements for the year ended March 31, 2016 (Currency: Indian rupees million)

a) Discount rate:

The discount rate is based on the prevailing market yields of Indian government securities as at valuation date 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 (2006-08).

f) Leaving service:

We have assumed 21% 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

	2016	2015	2014	2013	2012
Defined benefit obligation	140	109.8	76.7	60.4	58.2
Plan assets	79.7	79	5.3	6.5	17.6
Surplus / (Deficit)	(60.3)	(30.8)	(71.4)	(53.9)	(40.6)
Exp. Adj. on plan liabilities	8.0	10.9	11.4	3.6	(1.0)
Exp. Adj. on plan assets	1.2	3.8	0.1	0.0	(3.9)

30. CAPITAL COMMITMENTS

As at March 31, 2016, the Company had capital commitments (net of advances) amounting to ₹ 53.4 {Previous year ₹ 266.6 of which investment commitment of ₹ 231.6 pursuant to Regulation 28(3) of SEBI (Mutual Funds) Regulations, 1996} and investment commitment of ₹ 131.5 {Previous year ₹ 35.0} pursuant to contribution agreement entered into with ICICI Prudential Real estate AIF for which no provision is required to be made.

31. CONTINGENT LIABILITIES

Disputed income tax demand ₹ 95.3 (Previous year ₹ 96.0) and service tax demand ₹ 4.1 (Previous year ₹ Nil).

32. 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 2 October 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

For B S R & Co. LLP

Chartered Accountants

Firm Registration No.: 101248W/W-100022

Sd/-
MILIND RANADE
Partner
Membership No.:100564

Mumbai, April 22, 2016

33. EARNINGS IN FOREIGN CURRENCY (ON ACCRUAL BASIS)

	(₹ in million)	
	March 31, 2016	March 31, 2015
Fee from advisory services	272.6	220.1
Management Fees – PMS	19.7	63.0
Total	292.3	283.1

34. EXPENDITURE IN FOREIGN CURRENCY (ON ACCRUAL BASIS)

	(₹ in million)
Information technology	21.8
Travelling	1.8
Distribution support expenses	35.0
Consultancy fees	4.2
Employee cost	9.8
Membership & subscription fees	1.2
Total	73.8
	46.5

35. UNHEDGED FOREIGN CURRENCY EXPOSURE

The unhedged foreign currency exposure as on March 31, 2015 is given below:

	2016		2015	
	Foreign currency (in millions)	₹	Foreign currency (in millions)	₹
Payables				
SGD	0.1	6.7	0.3	13.7
		<u>6.7</u>		<u>13.7</u>
Receivables				
US\$	1.2	82.8	1.6	98.1
SGD	0.0	0.6	-	-
		<u>83.4</u>		<u>98.1</u>

36. REMITTANCES IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND TO NON RESIDENT SHAREHOLDERS (ON CASH BASIS)

	(₹ in million)
Amount remitted	519.0
No. of non resident shareholders	1
No. of shares held	8,649,517
dividend paid in the year	2015-16
	2014-15

37. 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 and on behalf of the Board of Directors of

ICICI Prudential Asset Management Company Limited

Sd/-
CHANDA KOCHHAR
Chairperson
DIN No:00043617

Sd/-
B. RAMAKRISHNA
Chief Financial Officer

Sd/-
VIJAY THACKER
Director
DIN No:00761544

Sd/-
RAKESH SHETTY
Company Secretary

Mumbai, April 22, 2016

ICICI PRUDENTIAL TRUST LIMITED

23RD ANNUAL REPORT AND ACCOUNTS 2015 - 2016

Directors
 M.N. Gopinath, *Chairman*
 (DIN:00396196)
 Vinod Dhall (DIN:02591373)
 Radhakrishnan Nair (DIN:07225354)
 Sandeep Batra (DIN:03620913)

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

Registered Office
 12th Floor, Narain Manzil
 23, Barakhamba Road
 New Delhi - 110 001

Corporate Office
 ONE BKC, A-Wing,
 13th Floor,
 Bandra-Kurla Complex,
 Mumbai - 110 001.

Corporate Identity Number
 U74899DL1993PLC054134

directors' report

to the members

Your Directors have pleasure in presenting the Twenty Third Annual Report of ICICI Prudential Trust Limited ("the Company"), together with the audited financial statements of accounts for the year ended March 31, 2016 (fiscal 2016).

FINANCIAL RESULTS

A summary of the Company's financial results for fiscal 2016 are as follows:

Particulars	Fiscal 2015	Fiscal 2016
Gross Income	7,473	5,532
Profit before tax	2,376	483
Provision for taxation	140	134
Profit after tax	2,236	349
Profit brought forward from previous year	8,496	8,611
Profit available for appropriation	10,732	8,960

DIVIDEND

Your Directors are pleased to recommend payment of dividend at the rate of 20% i.e. ₹ 2 per share (₹ 17.50 per share for fiscal 2015), on 100,700 equity shares of ₹ 10 each, amounting to ₹ 0.20 million for the year.

THE STATE OF THE COMPANY'S AFFAIRS DURING THE YEAR

- a. **Average Assets Under Management (AUM):** The AUM of ICICI Prudential Mutual Fund ("the Fund") for fiscal 2016 was ₹ 1,672.24 billion.
- b. **Awards received by the Fund:** In fiscal 2016, one of the schemes of ICICI Prudential Mutual Fund, ICICI Prudential Balanced Advantage Fund (IPBAF), won the Best Dynamic Asset Allocation/Volatility Fund (Since Inception) from Acquisition International Magazine.

UPDATE ON NEW PRODUCTS

During fiscal 2016, ICICI Prudential Mutual Fund launched 29 fixed maturity plans, 15 capital protection oriented schemes, 3 multiple yield funds, 8 close ended equity funds. These funds collected ₹ 66.53 billion in fiscal 2016.

PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH RELATED PARTIES

The Company undertakes various transactions with related parties in the ordinary course of business. The Company has a Board approved policy on related party transactions. In terms of the Board-approved policy, there were no material related party transactions in fiscal 2016.

DEPOSITS

During the year, the Company did not accept any deposits from the public under Chapter V of the Companies Act, 2013 ("the Act").

PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS

During the fiscal 2016, the Company had not given any Loan or Guarantee covered under the provisions of Section 186 of the Act.

DIRECTORS

The Company has its Board of Directors constituted in accordance with the provisions of the Act. The Board of Directors of the Company at March 31, 2016 was as under:

- 1 M.N. Gopinath, *Chairman and Independent Director*
- 2 Keki Bomi Dadiseth, *Nominee Director*
- 3 Sandeep Batra, *Nominee Director*

- 4 Radhakrishnan, Nair *Independent Director*
- 5 Vinod Dhall, *Independent Director*

The Members of the Company had appointed Radhakrishnan Nair as an Independent Director on the Board of Directors of the Company at the Extra-ordinary General Meeting of the Company held on August 26, 2015 under the provisions of Section 149 and 152 of the Act, for a term of five consecutive years from July 5, 2015 to June 30, 2020. Keki Bomi Dadiseth has resigned from the Board of the Company with effect from April 21, 2016. Your Directors place on record their appreciation and gratitude for the guidance offered by Dadiseth during his tenure as Director of the Company.

INDEPENDENT DIRECTORS

The Board consists of four Directors, out of which three are Independent Directors, one is Nominee Director.

All independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 of the Act which has been relied on by the Company and placed at the Board Meeting of the Company held on April 26, 2016.

None of the Directors of the Company are disqualified from being appointed as Directors under Section 164 of the Act.

RETIREMENT BY ROTATION

Pursuant to Section 152 of the Act, Independent Directors are not liable to retire by rotation. Other Directors who have been longest in office since their last appointment are retired by rotation at the Annual General Meeting ("AGM").

In terms of the aforesaid provisions, Sandeep Batra retires by rotation at the ensuing AGM and is eligible for re-appointment. The proposal for re-appointment of Sandeep Batra forms part of the Notice of the AGM.

MEETINGS OF THE BOARD AND ITS COMMITTEES AND DETAILS OF ATTENDANCE

During fiscal 2016, ten meetings of the Board of Directors were held. The attendance record of all Directors at Board Meetings is as under:-

Names of Directors	Number of Board Meetings attended
M.N. Gopinath	10
Keki Bomi Dadiseth	4
Sandeep Batra	10
Radhakrishnan Nair (appointed with effect from July 05, 2015)	7
Vinod Dhall	10
M.S. Parathasarathy (resigned with effect from April 30, 2015)	1

AUDIT COMMITTEE

In accordance with Section 177 of the Act, the Board has constituted the Audit Committee ("the Committee").

directors' report

to the members

During fiscal 2016, six meetings of the Committee were held. The details of the composition of the Audit Committee as on March 31, 2016 and attendance record of the members at its meetings are as under:

Name of the Member	Designation	Number of Committee Meetings Attended
M.N. Gopinath	Chairman	6
Vinod Dhall	Member	6
Radhakrishnan Nair (appointed with effect from August 19, 2015)	Member	4
M.S. Parthasarathy (resigned with effect from April 30, 2015)	Member	1

M. S. Parthasarathy resigned from the Board with effect from April 30, 2015. The Committee was reconstituted in August 2015 and Radhakrishnan Nair was appointed as a member of the Audit Committee with effect from August 19, 2015.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

There are no employees in the Company and hence, during the year the Company has not received any sexual harassment complaint.

RISK MANAGEMENT

The Company on an ongoing basis monitors the risk identification, measurement and control evaluation carried out by the AMC.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are 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 financial statements relate and the date of the report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There are no significant and/or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company.

FOREIGN EXCHANGE EARNINGS AND EXPENDITURE ETC.

Your Company has neither incurred any expenditure nor earned any income in foreign exchange.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The provisions of Section 134(3)(m) of the Companies Act, 2013 relating to conservation of energy and technology absorption do not apply to the Company. The Company, however, uses information technology in its operations.

AUDITORS

M/s. S.R. Batliboi & Co. LLP, Chartered Accountants (registration no. 301003E), Chartered Accountants were appointed as statutory auditors of the Company in the 21st AGM held on June 17, 2014 to hold office for a period of three years from the conclusion of the 21st AGM till the conclusion of the 24th AGM, subject to ratification of their appointment at the 22nd and 23rd AGM of the Company. The proposal for ratification of appointment of M/s. S.R. Batliboi & Co. LLP, Chartered Accountants (registration no. 301003E) will be placed in the ensuing 23rd AGM of the Company. The Company has received certificate under section 139 (1) of the Act from the statutory auditors of the Company.

EXTRACT OF THE ANNUAL RETURN

Annexure

Annexure-A

ANNEXURE TO BOARD'S REPORT

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN:- U74899DL1993PLC054134
- ii) Registration Date:- June 22, 1993
- iii) Name of the Company:- ICICI Prudential Trust limited
- iv) Category / Sub-Category of the Company:- Company limited by Shares

The details forming part of the extract of the Annual Return in Form MGT - 9 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, are enclosed as Annexure A to this report.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and information and based on the information and explanations provided to them by the Company, your Directors make the following statement in terms of Section 134(3)(c) of the Act:

1. that in the preparation of the annual accounts for the year ended March 31, 2016, the applicable accounting standards had been followed and there are no material departures for the same;
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 as at March 31, 2016 and of the profit and loss of the Company for that period;
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, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the annual accounts of the Company have been prepared on a 'going concern basis';
5. that proper systems to ensure compliance with the provisions of all applicable laws were devised and that such systems were adequate and operating effectively.

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 Corporation Holdings Limited, the Company's bankers and the ICICI Prudential Asset Management Company Limited.

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

Place: Mumbai
Date: April 26, 2016

Sd/-
M. N. GOPINATH
Chairman

- v) Address of the registered office and contact details:- 12th Floor, Narain Manzil 23, Barakhamba Road, New Delhi-110001.
Tel no.022-26852000
- vi) Whether listed company:- No
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: 3i Infotech Limited Tower #5, 3rd to 6th floor, International Infotech Park, Vashi Railway Station Complex, Vashi, Navi Mumbai - 400703, India Tel. : (+91 - 22) 6792 8000 Fax : (+91 - 22) 6792 8098.

directors' report



to the members

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr No	Name and Description of main products /services	NIC Code of the Product/service	% to total turnover of the company
1	Trusteeship Fees from Mutual Fund and Venture Capital Fund	64300	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr No	Name and Address of the company	CIN/GLN	Holding/Subsidiary/associate	% of shares held	Applicable Section
1	ICICI Bank Limited Landmark Race Course Circle, Alkapuri, Baroda - 390015	L65190GJ1994 PLC021012	Holding	51%	2(46)
2	Prudential Corporation Holdings Limited Laurence Pountney Hill, London, EC4R 0HH, United Kingdom.	Foreign Company	Associate	49%	2(6)

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian										
a. Individual/HUF	—	—	—	—	—	—	—	—	—	—
b. Central Govt	—	—	—	—	—	—	—	—	—	—
c. State Govt (s)	—	—	—	—	—	—	—	—	—	—
d. Bodies Corp.	—	—	—	—	—	—	—	—	—	—
e. Banks / FI	50,657	Nil	50,657	50.3	50,657	Nil	50,657	50.3	Nil	
f. Any Other....	Nil	700	700	0.7	Nil	700	700	0.7	Nil	
Sub-total (A) (1):-	50,657	700	51,357	51	50,657	700	51,357	51	Nil	
(2) Foreign										
a) NRIs - Individuals	—	—	—	—	—	—	—	—	—	—
b) Other - Individuals	—	—	—	—	—	—	—	—	—	—
c) Bodies Corp.	49,343	Nil	49,343	49	49,343	Nil	49,343	49	Nil	
d) Banks / FI	—	—	—	—	—	—	—	—	—	—
e) Any Other....	—	—	—	—	—	—	—	—	—	—
Sub-total (A) (2):-	49,343	Nil	49,343	49	49,343	Nil	49,343	49	Nil	
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	100,000	700	100,700	100	100,000	700	100,700	100	Nil	
B. Public Shareholding										
1. Institutions										
a) Mutual Funds	—	—	—	—	—	—	—	—	—	—
b) Banks / FI	—	—	—	—	—	—	—	—	—	—
c) Central Govt	—	—	—	—	—	—	—	—	—	—
d) State Govt(s)	—	—	—	—	—	—	—	—	—	—
e) Venture Capital Funds	—	—	—	—	—	—	—	—	—	—
f) Insurance Companies	—	—	—	—	—	—	—	—	—	—
g) FIs	—	—	—	—	—	—	—	—	—	—
h) Foreign Venture Capital Funds	—	—	—	—	—	—	—	—	—	—
i) Others (specify)	—	—	—	—	—	—	—	—	—	—
Sub-total (B)(1):-	—	—	—	—	—	—	—	—	—	—
2. Non-Institutions										
a) Bodies Corp.										
i) Indian	—	—	—	—	—	—	—	—	—	—
ii) Overseas	—	—	—	—	—	—	—	—	—	—
b) Individuals										
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	—	—	—	—	—	—	—	—	—	—
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	—	—	—	—	—	—	—	—	—	—
c) Others (specify)	—	—	—	—	—	—	—	—	—	—
Sub-total (B)(2):-	—	—	—	—	—	—	—	—	—	—
Total Public Shareholding (B)=(B)(1)+(B)(2)	—	—	—	—	—	—	—	—	—	—
C. Shares held by Custodian for GDRs & ADRs										
Grand Total (A+B+C)	100,000	700	100,700	100	100,000	700	100,700	100	Nil	

directors' report

to the members

ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	ICICI Bank Limited	50,657	50.30	Nil	50,657	50.30	Nil	Nil
2	Prudential Corporation Holdings Limited	49,343	49.00	Nil	49,343	49.00	Nil	Nil
3	Others (Individuals) - including shares beneficially held by ICICI Bank	700	0.70	Nil	700	0.70	Nil	Nil
	Total	100,700	100	Nil	100,700	100	Nil	Nil

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			No changes	
	At the End of the year				

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the End of the year (or on the date of separation, if separated during the year)				

Nil, for shares held by top ten shareholders other than directors, promoters and holders of GDR and ADRs.

V. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the End of the year				

NIL

directors' report



to the members

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	—	—	—	—
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	—	—	—	—
Change in Indebtedness during the financial year				
• Addition	—	—	—	—
• Reduction	—	—	—	—
Net Change	—	—	—	—
Indebtedness at the end of the financial year				
i) Principal Amount	—	—	—	—
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	—	—	—	—

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—	—	—	—
2.	Stock Option	—	—	—	—	—
3.	Sweat Equity	—	—	—	—	—
4.	Commission - as % of profit - others, specify...	—	—	—	—	—
5.	Others, please specify	—	—	—	—	—
Total (A)		—	—	—	—	—
Ceiling as per the Act		—	—	—	—	—

B. Remuneration to other directors:

(₹ in 000's)

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
		M.N. Gopinath	Vinod Dhall	Radhakrishnan Nair	M.S. Parthasarathy	
1.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	880 — —	880 — —	650 — —	110 — —	2,520 — —
	Total (1)	880	880	650	110	2,520
2.	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	— — —	— — —	— — —	— — —	— — —
	Total (2)	—	—	—	—	—
	Total (B)=(1+2)	880	880	650	110	2,520
	Total Managerial Remuneration					
	Overall Ceiling as per the Act (applicable for all the directors taken together)	14.5	14.5	14.5	14.5	14.5

*The consideration stated above is the sitting fees paid to Directors for attending Board and Committee meetings and is excluded from Overall Ceiling as per the Act.

directors' report

to the members

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—	—	—
2.	Stock Option	—	—	—	—
3.	Sweat Equity	—	—	—	—
4.	Commission - as % of profit - others, specify	—	—	—	—
5.	Others, please Specify	—	—	—	—
	Total	—	—	—	—

IV. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. Company					
Penalty					
Punishment			Nil		
Compounding					
B. Directors					
Penalty					
Punishment			Nil		
Compounding					
C. Other officers in default					
Penalty					
Punishment			Nil		
Compounding					

independent auditors' report



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, 2016, 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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view 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 the Company's 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 on the financial statements.

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 of the state of affairs of the Company as at March 31, 2016, its profit, and its 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and 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 it 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 aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" to this report;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position as at March 31, 2016;
 - ii. The Company did not have any outstanding long-term contracts including derivative contracts as at March 31, 2016 for which there were any material foreseeable losses; and
 - iii. The Company is not required to transfer any amount to Investor Education and Protection Fund.

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

Place: Mumbai
Date : April 26, 2016

Sd/-
per VIREN H. MEHTA
Partner
Membership No.: 048749

Annexure to the Auditors Report

referred to in paragraph 1 under the heading "Report on other Legal and Regulatory Requirement" of our report on even date

- (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's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) 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 are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including, income-tax, sales-tax, wealth-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it. The provisions relating to provident fund and employees' state insurance are not applicable to the Company.
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, wealth-tax, service tax, sales-tax, duty of custom, duty of excise, value added 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.
(c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account of any dispute.
- (viii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to 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 or government.
- (ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the year.
- (xi) The Company did not had managerial personnel to whom managerial remuneration has been paid during the year, and accordingly provisions of clause 3(xi) of the Order related to managerial remuneration is not applicable to the Company and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them.

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

Place: Mumbai
Date: April 26, 2016

Sd/-
per VIREN MEHTA
Partner
Membership No.: 048749

annexure a to the independent auditor's report

to the members of ICICI Prudential Trust Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of ICICI Prudential Trust Limited

We have audited the internal financial controls over financial reporting of ICICI Prudential Trust Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the financial statements of the Company, which comprise the Balance Sheet as at March 31, 2016, and the related 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, and our report dated April 26, 2016 expressed "an unqualified opinion thereon".

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

Sd/-
per VIREN H. MEHTA
Partner
Membership No.: 048749

Place: Mumbai
Date : April 26, 2016

balance sheet

as at March 31, 2016

statement of profit and loss

for the year ended March 31, 2016

	Notes	March 31, 2016	(₹ in 000's)	March 31, 2015		Notes	March 31, 2016	(₹ in 000's)	March 31, 2015
EQUITY AND LIABILITIES									
Shareholder's Funds									
(a) Share capital	3	1,007	1,007		Revenue				
(b) Reserves and surplus	4	11,780	11,431		Revenue from operations	16	5,200	5,200	
					Other Income	17	332	2,273	
Non-Current Liabilities									
(a) Deferred tax liabilities	5	16	18		Total Revenue		5,532	7,473	
Current Liabilities									
(a) Trade payables	6	93	101		Expenses:				
(b) Other current liabilities	7	298	334		Depreciation and amortization expense	18	47	53	
(c) Short-term provisions	8	38	2,159		Operating and administrative expenses	19	5,002	5,044	
					Total expenses		5,049	5,097	
TOTAL EQUITY AND LIABILITIES									
ASSETS									
Non-current assets									
(a) Fixed assets					Tax expense				
Tangible assets	9	69	121		Current tax (MAT)		92	403	
(b) Non-current investments	10	9,624	9,624		Mat Credit availed / (Mat Credit entitlement)		44	(276)	
(c) Long term loans and advances	11	1,521	1,065		Net Current Tax		136	127	
					Deferred tax		(2)	13	
Current assets									
(a) Current Investment	12	156	2,890				134	140	
(b) Short term loans and advances	13	224	61		Net Profit after tax		349	2,236	
(c) Trade receivables	14	1,339	1,264						
(d) Cash and cash equivalents	15	299	25		Basic and diluted earnings per equity share [nominal value of share ₹10 (March 31, 2015: ₹10)]	20	3.47	22.21	
TOTAL ASSETS									
Summary of significant accounting policies	2								

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

As per our report of even date

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

For and on behalf of the Board of Directors of
ICICI Prudential Trust Limited.

Sd/-
M. N. GOPINATH
Director
DIN No: 00396196

Sd/-
per VIREN H. MEHTA
Partner
Membership No. 048749

Sd/-
VINOD DHALL
Director
DIN No : 02591373

Place : Mumbai
Date : April 26, 2016

Place : Mumbai
Date : April 26, 2016

cash flow statement



for the year ended March 31, 2016

(₹ in 000's)

March 31, 2016

March 31, 2015

A. CASH FLOW FROM OPERATING ACTIVITIES

Profit from operating activities	483	2,376
Adjustments for:		
Depreciation and amortization	47	53
Profit on Sale of Fixed Assets	(16)	-
Dividend on non - current investments	-	(279)
Profit on sale of non - current investments	(316)	(1,895)
Operating profit before working capital changes	198	255
Decrease in trade receivables	(75)	-
Increase in trade payables	(9)	20
Increase in other current liabilities	(36)	265
(Increase) in short term loans & advances	(162)	(61)
Cash generated from operations	(84)	479
Direct taxes paid (Net of refunds)	(593)	(810)
Net cash from operating activities before prior period expenses	(677)	(331)

B. CASH FLOW FROM INVESTING ACTIVITIES

Proceeds from sale of investments	8,050	14,746
Purchase of investments	(5,000)	(12,615)
Purchase of Fixed Asset	-	(147)
Proceeds from sale of Fixed Asset	22	-
Dividend received	-	279
Net cash from/ (used in) investing activities	3,072	2,263

C. CASH FLOW FROM FINANCING ACTIVITIES

Dividends paid (including dividend distribution tax)	(2,121)	(2,062)
Net cashflow from/(used) in financing activities	(2,121)	(2,062)
Net (Decrease)/ Increase in cash and cash equivalents D = (A+B+C)	274	(130)
Add: Cash and cash equivalents at the beginning of the year (E)	25	155
Cash and cash equivalents at the end of the year (D+E)	299	25

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

As per our report of even date

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

For and on behalf of the Board of Directors of
 ICICI Prudential Trust Limited.

Sd/-
 M. N. GOPINATH
Director
DIN No: 00396196

Sd/-
 per VIREN H. MEHTA
Partner
Membership No. 048749

Sd/-
 VINOD DHALL
Director
DIN No : 02591373

Place : Mumbai
 Date : April 26, 2016

Place : Mumbai
 Date : April 26, 2016

notes

to the financial statements for the year ended March 31, 2016 (Currency: Indian rupees thousand)

1. CORPORATE INFORMATION

ICICI Prudential Trust 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%).

The Company's principal activity is to act as a trustee to ICICI Prudential Mutual Fund ('the Fund') and ICICI Prudential Venture Capital Fund – Real Estate Scheme-I.

2. BASIS OF PREPARATION

The financial statements of the company have been prepared in accordance with the 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 section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

2.1 Summary of significant accounting policies

a. 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.

b. 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.

Class of asset	Useful Life
Computer	3 years

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.

c. 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 carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

d. Revenue recognition

Trustee fee is recognized on accrual basis, at the specific rates/ amount approved by the Board of Directors of the Company, within the limits specified under the Deed of Trust, and is applied on the net assets of ICICI Prudential Venture Capital Fund – Real Estate Scheme-I and each scheme of ICICI Prudential Mutual Fund.

Trusteeship Fees are shown net of service tax.

Purchase and sale of investments are recorded on trade date. The profit/ loss on sale of investments is recognized in the statement of profit and loss on trade date, using the weighted average cost method.

Dividend income is recognized when right to receive dividend is established.

e. Taxes on income

Tax expense comprises current tax 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 recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets is 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 realized. 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 Alternative Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement". The company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period. The company can avail the "Mat Credit Entitlement" in the year, where the tax liability of the company exceeds the MAT amount to the extent "Mat credit Entitlement" available.

f. Earnings per share

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

Diluted earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period adjusted for the effects of all dilutive potential equity shares.

g. 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.

h. Provisions

A provision is recognized 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 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.

i. Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The company does not recognize the contingent liability but discloses its existence in the financial statements.

j. Proposed Dividend

As per the requirements of pre-revised AS 4, the company used to create a liability for dividend proposed/declared after the balance sheet date if dividend related to periods covered by the financial statements. Going forward as per AS 4 (R), the company cannot create the provision for dividend proposed/declared after the balance sheet date unless a statute requires otherwise. Rather, company will need to disclose the same in notes to the financial statements.

Accordingly, the company has disclosed dividend proposed by the board of director after the balance sheet date in the notes.

Had the company continued with the creation of provision for proposed dividend, its surplus in the statement of profit and loss account would have been lower by ₹ 242.4 and current provision would have been higher by ₹ 242.4 (including dividend distribution tax of ₹ 41.0)

notes



to the financial statements for the year ended March 31, 2016 (Currency: Indian rupees thousand)

	(₹ in 000's)			(₹ in 000's)	
	March 31, 2016	March 31, 2015		March 31, 2016	March 31, 2015
Particulars					
3. SHARE CAPITAL					
Authorised share capital	10,000	10,000			
1,000,000 (Previous year: 1,000,000) equity shares of ₹ 10 each					
Issued, subscribed and paid-up capital					
100,700 (Previous year: 100,700) equity shares of ₹10 each, fully paid up	1,007	1,007			
Total Issued, subscribed and fully paid up shares	1,007	1,007			
a. Reconciliation of the shares outstanding at the beginning and end of the year					
Particulars	March 31, 2016		March 31, 2015		
Equity shares					
At the beginning of the year	100,700	1,007,000	100,700	1,007,000	
Add: Issued during the period	-	-	-	-	
Outstanding at the end of the period	100,700	1,007,000	100,700	1,007,000	
b. Terms /rights attached to equity shares					
The company has only one class of shares referred to as equity shares having 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 equity shares will be entitled to receive remaining assets of the company, after distributions of all preferential amounts. However, no such preferential amount exists currently. The distribution will be in proportion to the number of equity shares held by the shareholder.					
c. Details of shares held by holding company and shareholders holding more than 5% shares					
Particulars	March 31, 2016		March 31, 2015		
	₹	%	₹	%	
ICICI Bank Limited and its nominee	511,570	51%	511,570	51%	
Prudential Corporation Holdings Limited	493,430	49%	493,430	49%	
4. Reserves & Surplus			March 31, 2016		March 31, 2015
General reserve					
Balance at the beginning of the year	2,820		2,820		
Add: Transfer from profit and loss account	-		-		
Closing balance	2,820		2,820		
Surplus in statement of profit and loss					
Balance at the beginning of the period	8,611		8,496		
Add: Profit for the period	349		2,236		
Closing balance	8,960		10,732		
Less: Appropriations					
Proposed Dividend	-		1,762		
Dividend distribution tax	-		359		
Closing balance	8,960		8,611		
Total reserves and surplus	11,780		11,431		
5. Deferred tax asset / liability					
Deferred tax liability	16		18		
Depreciation on fixed assets			16		18
6. Trade payables					
Trade payables	93		101		
	93		101		
7. Other current liabilities					
For accrued expenses	42		23		
Statutory dues	156		11		
Nomination Deposit	100		300		
	298		334		
8. Short term provision					
Provision for proposed dividend	-		-		1,762
Provision for dividend distribution tax	-		-		359
Provision for Income tax (net of advance tax)	38		38		38
	38		38		2,159
9. Tangible assets					
Description - Computers					
Gross block					
Opening	304		157		
Additions during the period	0		147		
Deletions during the period	-125		-		
Closing	179		304		
Accumulated depreciation					
Opening	183		130		
Charge for the period	46		53		
On deletions during the period	-119		-		
Closing	110		183		
Net block	69		121		
10. Non Current Investment					
Mutual fund units of face value of ₹10 each:					
1,52,756.072 units (Previous Year: 1,52,756.072 Units) in ICICI Prudential Short Term Regular Plan Growth option			1,688		1,688
2,81,315.628 units (Previous Year: 2,81,315.628 Units) in ICICI Prudential Short Term Plan -Direct Growth			7,936		7,936
Total Non-current Investments			9,624		9,624
Net assets value of non - current unquoted investments			13,602		12,529
Above investments are unquoted.					
Non current investments are long term in nature and valued at cost.					
11. Long term loans & advances					
Advance tax (net of provision)	1,289		789		
MAT credit entitlement	232		276		
	1,521		1,065		
12. Current Investment					
Mutual fund units of face value of ₹100 each:					
716,242 units (Previous Year: 14,711,947 Units) in ICICI Prudential Liquid Plan-Direct Growth			156		2,890
			156		2,890
Net assets value of current unquoted investments			160		3,047
Above investments are unquoted.					
Current investments are valued at cost or market price whichever is less.					
13. Short term loans & advances					
Advances recoverable in cash or in kind or for value to be received					
Service tax input credit on expenses	224		61		
	224		61		
14. Trade receivables					
Unsecured considered good and outstanding for less than six months			1,339		1,264
Others	-		-		
	1,339		1,264		
15. Cash & cash equivalents					
Balance with bank	299		25		
	299		25		
16. Revenue from operations					
Trusteeship fees	5,200		5,200		
	5,200		5,200		
17. Other Income					
Dividend on non-current investment	-		-		279
Profit on Sale of non-current Investments	316		1,895		
Profit on Sale of Fixed Assets	16		99		
	332		2,273		

notes

to the financial statements for the year ended March 31, 2016 (Currency: Indian rupees thousand)

18 Depreciation & amortization			
Depreciation on computers	47	53	
	47	53	
19 Administrative & other expenses			
Director's Sitting Fees	2,535	2,290	
Professional & Consultancy Fees	1,324	1,439	
Board Meeting Expenses	960	1,209	
Auditors remuneration			
- Audit Fees	46	28	
- Other Services	57	45	
Communication Costs	41	28	
Advertisement & Publicity	8	-	
Bank Charges	3	5	
Misc Expenses	28	-	
	5,002	5,044	

20. Earnings Per Share ('EPS')

EPS is computed in accordance with AS-20 "Earnings Per Share" issued by the Institute of Chartered Accountants of India (ICAI). The numerators and denominators used to calculate Basic and Diluted Earnings per Share are given below:

Particulars	March 31, 2016	March 31, 2015
(a) Nominal value of equity share (₹)	10	10
(b) Net profit available to equity shareholders (₹)	349	2,236
(c) Weighted average number of equity shares outstanding	100,700	100,700
(d) Basic and Diluted EPS (₹) = (b)/ (c)	3.47	22.21

The Company has not issued any potential equity shares and, accordingly, the basic EPS and diluted EPS are the same.

21. Proposed Dividend

The company has proposed 20% dividend on the equity share capital for the financial year 2015-16. The said dividend amounts to ₹242.4 including dividend distribution tax of ₹41.0

22. Related Party Disclosure

- Related parties where control exists
ICICI Bank Limited – Holding Company
- Other related party with whom transactions have taken place during the year Prudential Corporation Holdings Limited – Holds significant influence in the Company ICICI Prudential Asset Management Company Limited – Fellow Subsidiary

The nature and volume of transactions of the Company with the above related parties for the year ended March 31, 2016 were as follows:

Nature of Transactions	Holding company	Fellow subsidiary companies	Party with Significant influence	Total
Dividend Paid	-	-	-	-
(Previous Year)	(886)	-	(864)	(1,750)
Sale of Fixed assets	-	22	-	22
(Previous Year)	-	-	-	-
Expenses paid on our behalf	-	-	-	-
(Previous Year)	-	(42)	-	(42)
Bank Charges	3	-	-	3
(Previous Year)	(5)	-	-	(5)

23. 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).

24. Segment reporting

The Company acts as a Trustee for the schemes of ICICI Prudential Mutual Fund and ICICI Prudential Venture Capital Fund – Real Estate Scheme-I. As the Company is engaged only in one business segment and has no geographical segments, the Balance Sheet and the Statement of Profit and Loss pertain to one business segment.

25. Contingent liabilities

Contingent liabilities and capital commitments are Nil (March 31, 2015 : Nil)

26. Prior period comparatives

Figures of the previous year have been regrouped / reclassified wherever necessary to conform to current year's presentation.

As per our report of even date

For S. R. BATLIBOI & CO. LLP For and on behalf of the Board of Directors of
ICAI Firm Registration No.: 301003E ICICI Prudential Trust Limited
Chartered Accountants

Sd/-
per VIREN H. MEHTA
Partner
Membership No.: 048749

Sd/-
Vinod Dhall
Director
DIN No: 02591317

Place : Mumbai
Date : April 26, 2016

Sd/-
M. N. Gopinath
Director
DIN No: 00396196

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