STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To the Members of
ICICI Bank Limited

Report on the Audit of the Standalone Financial Statements
Opinion

1. We have audited the accompanying standalone financial statements of ICICI Bank Limited ('the Bank'), which comprise the Balance Sheet as at 31 March 2019, the Profit and Loss Account and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information. Incorporated in these standalone financial statements are the returns of the international branches for the year ended 31 March 2019. The branches in Dubai, South Africa, and New York have been audited by the respective local auditors.

2. 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 section 29 of the Banking Regulation Act, 1949, as well as the Companies Act, 2013 ('Act') and circulars and guidelines issued by the Reserve Bank of India, in the manner so required for banking companies and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended), of the state of affairs of the Bank as at 31 March 2019, and its profit and its cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Bank, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI'), together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

a. Information Technology ('IT') systems and controls impacting financial reporting

(Refer chapter 'Key risks impacting the Bank's business' under the Integrated Report of the Annual Report)

Key Audit Matter	How our audit addressed the key audit matter
The IT environment of the Bank is complex and involves a large number of independent and inter-dependent IT systems used in the operations of the Bank for processing and recording a large volume of transactions at numerous locations. As a result, there is a high degree of reliance and dependency on such IT systems for the financial reporting process of the Bank. Appropriate IT general controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately and consistently for reliable financial reporting. The accuracy and reliability of the financial reporting process depends on the IT systems and the related control environment, including: ➢ IT general controls over user access management and change management across applications, networks, database, and operating systems; ➢ IT automated application controls. Due to the importance of the impact of the IT systems and related control environment on the Bank's financial reporting process, we have identified testing of such IT systems and related control environment as a key audit matter for the current year audit.	In assessing the integrity of the IT systems, we involved our IT experts to obtain an understanding of the IT infrastructure and IT systems relevant to the Bank's financial reporting process for evaluation and testing of IT general controls and IT automated controls existing in such IT systems. Access rights were tested over applications, operating systems, networks, and databases, which are relied upon for financial reporting. We also assessed the operating effectiveness of controls over granting, removal and periodical review of access rights. We further tested segregation of duties, including preventive controls to ensure that access to change applications, the operating system or databases in the production environment were granted only to authorized personnel. Other areas that were assessed under the IT control environment, included password policies, security configurations, and controls around change management. We also evaluated the design and tested the operating effectiveness of key automated controls within various business processes. This included testing the integrity of system interfaces, the completeness and accuracy of data feeds, and automated calculations.

INDEPENDENT AUDITORS' REPORT

b. Identification and provisioning for non-performing assets ('NPAs')

As at 31 March 2019, the Bank reported total loans and advances (net of provisions) of ₹ 5,866,466 million (2018: ₹ 5,123,953 million), gross NPAs of ₹ 456,760 million (2018: ₹ 532,402 million), and provision for non-performing assets of ₹ 322,263 million (2018: 254,166 million). The provision coverage ratio as at 31 March 2019 is 70.6% (2018: 47.7%).

(Refer schedules 9, 18.18 and 18.21)

Key Audit Matter	How our audit addressed the key audit matter
The identification of NPAs and provisioning for advances is made in accordance with the extant RBI regulations or host country regulations, in the case of international branches. Based on our risk assessment, the following are significant in assessment of the NPA provisions: ➢ Recognition of defaults, in accordance with the criteria set out in the RBI Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances (IRAC norms) or in accordance with the host country regulations, as applicable. Further, the Bank is also required to apply its judgement to determine the identification of NPAs by applying certain qualitative aspects; ➢ The measurement of provision under RBI guidelines is dependent on the ageing of overdue balances, secured/ unsecured status of advances, stress and liquidity concerns in certain sectors, and valuation of collateral. The provision on NPAs at certain overseas branches requires estimation of amounts and timing of expected future cash flows and exit values. Considering the significance of the above matter to the financial statements, the heightened regulatory inspections, and significant auditor attention required, we have identified this as a key audit matter for the current year audit.	We tested the design and operating effectiveness of key controls, including IT based controls, focusing on the following: ➢ Identification and classification of NPAs in line with RBI IRAC norms and certain qualitative aspects; ➢ Periodic internal reviews of asset quality; ➢ Assessment of adequacy of NPA provisions; and ➢ Periodic valuation of collateral for NPAs. To test the identification of loans with default events and other triggers, we selected a sample of performing loans and independently assessed as to whether there was a need to classify such loans as NPAs. With respect to provisions recognised towards NPAs, we selected samples based on high risk industry sectors, such as shipping, rigs, power, mining, and oil and gas exploration. For the samples selected, we re-performed the provision calculations and compared our outcome to that prepared by the management and challenged various assumptions and judgements which were used by the management. We assessed the appropriateness and adequacy of disclosures against the relevant accounting standards and RBI requirements relating to NPAs.

INDEPENDENT AUDITORS' REPORT

c. Provisions for litigation and taxation and contingent liabilities

As at 31 March 2019, the Bank has reported the following:

(₹ in millions)

Particulars	Included under contingent liabilities	
	At 31.03.2019	At 31.03.2018
Legal cases	**1,096**	647
Taxes	**53,913**	62,013

(Refer schedules 12, 18.40 and 18.41)

Key Audit Matter	How our audit addressed the key audit matter
As at 31 March 2019, the Bank has ongoing legal and tax cases with varied degrees of complexities. This indicates that a significant degree of management judgement is involved in determining the appropriateness of provisions and related disclosures. Significant management judgement is needed in determining whether an obligation exists and whether a provision should be recognised as at the reporting date, in accordance with the accounting criteria set under Accounting Standard 29 - Provisions, Contingent Liabilities and Contingent Assets ('AS 29'), or whether it needs to be disclosed as a contingent liability. Further, significant judgements are also involved in measuring such obligations, the most significant of which are: ➢ Assessment of liability: Judgement is involved in the determination of whether an outflow in respect of identified material matters are probable and can be estimated reliably; ➢ Adequacy of provisions: The appropriateness of assumptions and judgements used in the estimation of significant provisions; and ➢ Adequacy of disclosures of provision for liabilities and charges, and contingent liabilities. Considering the significance of the above matter to the financial statements, and significant auditor attention required to test such estimates, we have identified this as a key audit matter for current year audit.	Our audit procedures included, but were not limited to, the following: We tested the design and operating effectiveness of the Bank's key controls over the estimation, monitoring and disclosure of provisions and contingent liabilities. For significant legal matters, we sought external confirmations and also reviewed the confirmations obtained by the management from external legal counsels and corroborated with management's documented conclusions on the assessment of outstanding litigations against the Bank. In respect of taxation matters, we involved our tax specialists to gain an understanding of the current status of the outstanding tax litigations, including understanding of various orders / notices received by the Bank and the management's grounds of appeals before the relevant appellate authorities, and critically evaluated the management's assessment of the likelihood of the liability devolving upon the Bank, in accordance with the principles of AS 29. For the significant provisions made, we understood, assessed and challenged the adequacy of provisions recognised by the management. We also reviewed the historical accuracy of the provisions recognised to determine the efficacy of the process of estimation by the management. Further, we assessed whether the disclosures related to significant litigations and taxation matters were fairly presented.

INDEPENDENT AUDITORS' REPORT

d. Valuation of derivatives

(₹ in millions)

Particulars	Included under	At 31.03.2019	At 31.03.2018
Notional value of derivatives	Contingent liabilities	**17,566,162**	11,336,607

(Refer schedules 12 and 18.15)

Key Audit Matter	How our audit addressed the key audit matter
Derivatives are valued through models with external inputs. The derivatives portfolio of the Bank primarily includes transactions which are carried out on behalf of its clients (and are covered on a back-to-back basis) and transactions to hedge the Bank's interest and foreign currency risk. A significant degree of management judgement is involved in the application of valuation techniques through which the value of the Bank's derivatives is determined. The financial statement risk arises particularly with respect to complex valuation models, parameters, and inputs that are used in determining fair values. Considering the significance of the above matter to the financial statements, significant management estimates and judgements, and auditor attention required to test such estimates and judgements, we have identified this as a key audit matter for current year audit.	Our audit procedures included, but were not limited to, the following: We included our valuation experts as a part of our audit team to obtain an understanding, evaluate the design, and test the operating effectiveness of the key controls over the valuation processes, including: ➢ independent price verification performed by a management expert; and ➢ model governance and validation. On a sample basis, our valuation experts performed an independent reassessment of the valuation of derivatives, to ensure compliance with the relevant RBI regulations, reasonableness of the valuation methodology and the inputs used. We also challenged the appropriateness of significant models and methodologies used in valuation.

Information other than the Standalone Financial Statements and Auditor's Report thereon

The Bank's Board of Directors are responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis, Directors' Report, including annexures to the Directors' Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

6. The Bank's Board of Directors is responsible for the matters stated in section 134(5) of 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 Bank in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and provisions of section 29 of the Banking Regulation Act, 1949 and circulars and guidelines issued by Reserve Bank of India ('RBI') from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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

INDEPENDENT AUDITORS' REPORT

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.

7. In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

8. The Board of Directors is also responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

10. As part of an audit in accordance with Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the Bank has adequate internal financial controls system in place and the operating effectiveness of such controls.

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

    - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS' REPORT

Other Matters

14. We did not audit the financial statements of 3 international branches included in the standalone financial statements of the Bank whose financial statements reflects total assets of ₹ 657,940 million as at 31 March 2019, and total revenue and net cash outflows of ₹ 22,507 million and ₹ 5,168 million respectively for the year ended on that date, as considered in the standalone financial statements. The financial statements of these branches have been audited by the branch auditors whose reports have been furnished to us by the management, and our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of branches, is based solely on the report of such branch auditors.

    Our opinion on the standalone financial statements is not modified in respect of the above matter.

15. The financial statements of the Bank for the year ended 31 March 2018 were audited by the predecessor auditors, who have expressed an unmodified opinion on those financial statements vide their audit report dated 7 May 2018.

Report on Other Legal and Regulatory Requirements

16. The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with the provisions of section 29 of the Banking Regulation Act, 1949 and section 133 of the Act read with rule 7 of the Companies (Rules), 2014 (as amended).

17. As required by sub-section (3) of section 30 of the Banking Regulation Act, 1949, 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 and have found them to be satisfactory;

    b) the transactions of the Bank, which have come to our notice, have been within the powers of the Bank; and

    c) since the key operations of the Bank are automated with the key applications integrated to the core banking system, the audit is carried out centrally as all the necessary records and data required for the purposes of our audit are available therein. However, during the course of our audit, we have visited 102 branches to examine the records maintained at such branches for the purpose of our audit. Further, as stated above, returns from branches were received duly audited by other auditors and were found adequate for the purpose of our audit.

18. With respect to the matter to be included in the Auditor's Report under section 197(16) of the Act, we report that since the Bank is a banking company, as defined under Banking Regulation Act, 1949, the reporting under section 197(16) in relation to whether the remuneration paid by the Bank is in accordance with the provisions of sections 197 of the Act and whether any excess remuneration has been paid in accordance with the aforesaid section, is not applicable.

19. Further, 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 Bank, so far as it appears from our examination of those books and proper returns, adequate for the purposes of our audit, have been received from the branches not audited by us;

    c) the reports on the accounts of the branch offices of the Bank audited under section 143(8) of the Act by the branch auditors of the Bank have been sent to us and have been properly dealt with by us in preparing this report;

    d) the standalone financial statements dealt with by this report are in agreement with the books of account and with the returns received from the international branches not audited by us;

    e) in our opinion, the aforesaid standalone financial statements comply with Accounting Standards prescribed under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended), to the extent they are not inconsistent with the accounting policies prescribed by RBI;

INDEPENDENT AUDITORS' REPORT

f) on the basis of the written representations received from the directors as on 31 March 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of section 164(2) of the Act;

g) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Bank as on 31 March 2019 in conjunction with our audit of the standalone financial statements of the Bank for the year ended on that date and our report dated 06 May 2019 as per Annexure A expressed an unmodified opinion;

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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

   i. the Bank, as detailed in schedule 18.40 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2019;

   ii. the Bank, as detailed in schedule 18.40 to the standalone financial statements, has made provision as at 31 March 2019, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

   iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Bank during the year ended 31 March 2019;

   iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Khushroo B. Panthaky
Partner
Membership No.: 042423

Place: Mumbai
Date: 06 May 2019

ANNEXURE A to the Independent Auditor’s Report of even date to the members of ICICI Bank Limited on the standalone financial statements for the year ended 31 March 2019

Independent Auditor’s Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (‘the Act’)

1. In conjunction with our audit of the standalone financial statements of ICICI Bank Limited (‘the Bank’) as at and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting (‘IFCoFR’) of the Bank as at that date.

Management’s Responsibility for Internal Financial Controls

2. The Bank’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Bank 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 the Bank’s business, including adherence to the Bank’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.

Auditor’s Responsibility

3. Our responsibility is to express an opinion on the Bank's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India (‘ICAI’) and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (‘the Guidance Note’) 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 IFCoFR were 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 IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, 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.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Bank’s IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. An enitity's IFCoFR 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. An entity's IFCoFR include 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 entity; (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 entity are being made only in accordance with authorisations of management and directors of the entity; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the entity's assets that could have a material effect on the financial statements.

ANNEXURE A *(Contd.)*

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Owing to the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR 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 Bank has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Khushroo B. Panthaky
Partner
Membership No.: 042423

Place: Mumbai
Date: 06 May 2019

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

BALANCE SHEET

at March 31, 2019

₹ in '000s

	Schedule	At 31.03.2019	At 31.03.2018
CAPITAL AND LIABILITIES			
Capital	1	**12,894,598**	12,858,100
Employees stock options outstanding		**46,755**	55,699
Reserves and surplus	2	**1,070,739,063**	1,038,675,565
Deposits	3	**6,529,196,711**	5,609,752,085
Borrowings	4	**1,653,199,742**	1,828,586,206
Other liabilities and provisions	5	**378,514,609**	301,963,958
TOTAL CAPITAL AND LIABILITIES		**9,644,591,478**	**8,791,891,613**
ASSETS			
Cash and balances with Reserve Bank of India	6	**378,580,118**	331,023,817
Balances with banks and money at call and short notice	7	**424,382,742**	510,669,991
Investments	8	**2,077,326,800**	2,029,941,808
Advances	9	**5,866,465,827**	5,123,952,856
Fixed assets	10	**79,314,287**	79,035,149
Other assets	11	**818,521,704**	717,267,992
TOTAL ASSETS		**9,644,591,478**	**8,791,891,613**
Contingent liabilities	12	**19,220,382,868**	12,892,440,018
Bills for collection		**493,919,862**	285,883,604
Significant accounting policies and notes to accounts	17 & 18		

The Schedules referred to above form an integral part of the Unconsolidated Balance Sheet.

As per our Report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
ICAI Firm Registration no.: 001076N/N500013

Khushroo B. Panthaky
Partner
Membership no.: 042423

Place: Mumbai
Date: May 6, 2019

For and on behalf of the Board of Directors

Girish Chandra Chaturvedi
Chairman
DIN-00110996

Uday M. Chitale
Director
DIN-00043268

Sandeep Bakhshi
Managing Director & CEO
DIN-00109206

Vishakha Mulye
Executive Director
DIN-00203578

Vijay Chandok
Executive Director
DIN-01545262

Anup Bagchi
Executive Director
DIN-00105962

Sandeep Batra
President

Rakesh Jha
Group Chief Financial Officer

Ranganath Athreya
Company Secretary

Ajay Mittal
Chief Accountant

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended March 31, 2019

₹ in '000s

	Schedule	Year ended 31.03.2019	Year ended 31.03.2018
I. INCOME			
Interest earned	13	**634,011,926**	549,658,922
Other income	14	**145,121,636**	174,196,326
TOTAL INCOME		**779,133,562**	**723,855,248**
II. EXPENDITURE			
Interest expended	15	**363,863,951**	319,400,463
Operating expenses	16	**180,890,620**	157,039,436
Provisions and contingencies (refer note 18.40)		**200,745,975**	179,641,120
TOTAL EXPENDITURE		**745,500,546**	**656,081,019**
III. PROFIT/(LOSS)			
Net profit/(loss) for the year		**33,633,016**	67,774,229
Profit brought forward		**184,952,554**	187,449,376
TOTAL PROFIT/(LOSS)		**218,585,570**	**255,223,605**
IV. APPROPRIATIONS/TRANSFERS			
Transfer to Statutory Reserve		**8,409,000**	16,944,000
Transfer to Reserve Fund		**7,568**	10,541
Transfer to Capital Reserve		**280,000**	25,654,600
Transfer to Capital Redemption Reserve		**3,500,000**	-
Transfer to/(from) Investment Reserve Account		**-**	-
Transfer to/(from) Investment Fluctuation Reserve		**12,692,000**	-
Transfer to Revenue and other reserves		**-**	7,000,000
Transfer to Special Reserve		**5,250,000**	6,000,000
Dividend paid during the year		**9,651,292**	14,574,649
Corporate dividend tax paid during the year		**7**	87,261
Balance carried over to balance sheet		**178,795,703**	184,952,554
TOTAL		**218,585,570**	**255,223,605**
Significant accounting policies and notes to accounts	17 & 18		
Earnings per share (refer note 18.1)			
Basic (₹)		**5.23**	10.56
Diluted (₹)		**5.17**	10.46
Face value per share (₹)		**2.00**	2.00

The Schedules referred to above form an integral part of the Unconsolidated Profit and Loss Account.

As per our Report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
ICAI Firm Registration no.: 001076N/N500013

Khushroo B. Panthaky
Partner
Membership no.: 042423

Place: Mumbai
Date: May 6, 2019

For and on behalf of the Board of Directors

Girish Chandra Chaturvedi
Chairman
DIN-00110996

Uday M. Chitale
Director
DIN-00043268

Sandeep Bakhshi
Managing Director & CEO
DIN-00109206

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Anup Bagchi
Executive Director
DIN-00105962

Sandeep Batra
President

Rakesh Jha
Group Chief Financial Officer

Ranganath Athreya
Company Secretary

Ajay Mittal
Chief Accountant

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

CASH FLOW STATEMENT

for the year ended March 31, 2019

₹ in '000s

		Year ended 31.03.2019	Year ended 31.03.2018
Cash flow from/(used in) operating activities			
Profit/(loss) before taxes		**37,767,625**	74,345,555
Adjustments for:			
Depreciation and amortisation		**8,728,507**	8,926,673
Net (appreciation)/depreciation on investments[1]		**(228,192)**	(24,564,830)
Provision in respect of non-performing and other assets		**168,111,998**	142,445,162
General provision for standard assets		**2,553,682**	2,771,076
Provision for contingencies & others		**22,383,465**	9,080,155
Income from subsidiaries, joint ventures and consolidated entities		**(10,779,490)**	(12,140,645)
(Profit)/loss on sale of fixed assets		**(1,919)**	(38,027)
	(i)	**228,535,676**	**200,825,119**
Adjustments for:			
(Increase)/decrease in investments		**195,917,120**	23,193,089
(Increase)/decrease in advances		**(906,414,812)**	(648,694,293)
Increase/(decrease) in deposits		**919,444,626**	709,361,437
(Increase)/decrease in other assets		**(37,800,079)**	(66,412,242)
Increase/(decrease) in other liabilities and provisions		**51,681,004**	(52,290,284)
	(ii)	**222,827,859**	**(34,842,293)**
Refund/(payment) of direct taxes	(iii)	**(67,175,650)**	**(32,946,347)**
Net cash flow from/(used in) operating activities (i)+(ii)+(iii)	(A)	**384,187,885**	**133,036,479**
Cash flow from/(used in) investing activities			
Redemption/sale from/(investments in) subsidiaries and/or joint ventures (including application money)		**11,383,004**	60,860,496
Income from subsidiaries, joint ventures and consolidated entities		**10,779,490**	12,140,645
Purchase of fixed assets		**(8,309,176)**	(8,240,963)
Proceeds from sale of fixed assets		**380,294**	219,081
(Purchase)/sale of held-to-maturity securities		**(252,986,732)**	(454,667,276)
Net cash flow from/(used in) investing activities	(B)	**(238,753,120)**	**(389,688,017)**
Cash flow from/(used in) financing activities			
Proceeds from issue of share capital (including ESOPs)		**3,486,300**	3,939,495
Proceeds from long-term borrowings		**144,363,924**	339,671,083
Repayment of long-term borrowings		**(202,012,943)**	(329,302,704)
Net proceeds/(repayment) of short-term borrowings		**(118,696,850)**	341,537,066
Dividend and dividend tax paid		**(9,651,299)**	(14,661,910)
Net cash flow from/(used in) financing activities	(C)	**(182,510,868)**	**341,183,030**
Effect of exchange fluctuation on translation reserve	(D)	**(1,654,845)**	**31,702**
Net increase/(decrease) in cash and cash equivalents (A) + (B) + (C) + (D)		**(38,730,948)**	**84,563,194**
Cash and cash equivalents at beginning of the year		**841,693,808**	**757,130,614**
Cash and cash equivalents at end of the year		**802,962,860**	**841,693,808**

1. *For the year ended March 31, 2019, includes gain on sale of a part of equity investment in a subsidiary, ICICI Prudential Life Insurance Company Limited, through an offer for sale on stock exchanges (year ended March 31, 2018: includes gain on sale of a part of equity investment in the subsidiaries, ICICI Lombard General Insurance Company Limited and ICICI Securities Limited, through initial public offers).*
2. *Cash and cash equivalents include cash in hand, balances with RBI, balances with other banks and money at call and short notice.*

As per our Report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
ICAI Firm Registration no.: 001076N/N500013

Khushroo B. Panthaky
Partner
Membership no.: 042423

Place: Mumbai
Date: May 6, 2019

For and on behalf of the Board of Directors

Girish Chandra Chaturvedi
Chairman
DIN-00110996

Uday M. Chitale
Director
DIN-00043268

Sandeep Bakhshi
Managing Director & CEO
DIN-00109206

Vishakha Mulye
Executive Director
DIN-00203578

Vijay Chandok
Executive Director
DIN-01545262

Anup Bagchi
Executive Director
DIN-00105962

Sandeep Batra
President

Rakesh Jha
Group Chief Financial Officer

Ranganath Athreya
Company Secretary

Ajay Mittal
Chief Accountant

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Balance Sheet

₹ in '000s

	At 31.03.2019	At 31.03.2018
SCHEDULE 1 - CAPITAL		
Authorised capital		
12,500,000,000 equity shares of ₹ 2 each[1] (March 31, 2018: 10,000,000,000 equity shares of ₹ 2 each, 15,000,000 shares of ₹ 100 each[2] and 350 preference shares of ₹ 10.0 million each)	**25,000,000**	**25,000,000**
Equity share capital		
Issued, subscribed and paid-up capital		
6,427,990,776 equity shares of ₹ 2 each (March 31, 2018: 5,824,476,135 equity shares)	**12,855,981**	11,648,952
Add: 18,248,877[3] equity shares of ₹ 2 each (March 31, 2018: 603,514,641[3,4] equity shares) issued during the period	**36,498**	1,207,029
	12,892,479	**12,855,981**
Add: Forfeited equity shares[5]	**2,119**	2,119
TOTAL CAPITAL	**12,894,598**	**12,858,100**

1. *Pursuant to the approval of shareholders, the Bank has re-classified its authorised share capital during the year ended March 31, 2019.*
2. *These shares were of such class and with such rights, privileges, conditions or restrictions as may be determined by the Bank in accordance with the Articles of Association of the Bank and subject to the legislative provisions in force for the time being in that behalf.*
3. *Represents equity shares issued pursuant to exercise of employee stock options during the year ended March 31, 2019 (year ended March 31, 2018: 20,530,097 equity shares).*
4. *For the year ended March 31, 2018, includes 582,984,544 equity shares issued as bonus shares pursuant to approval by the shareholders of the Bank through postal ballot on June 12, 2017.*
5. *On account of forfeiture of 266,089 equity shares of ₹ 10 each.*

₹ in '000s

	At 31.03.2019	At 31.03.2018
SCHEDULE 2 - RESERVES AND SURPLUS		
I. Statutory reserve		
Opening balance	**228,968,519**	212,024,519
Additions during the year	**8,409,000**	16,944,000
Deductions during the year	**-**	-
Closing balance	**237,377,519**	**228,968,519**
II. Special Reserve		
Opening balance	**89,790,000**	83,790,000
Additions during the year	**5,250,000**	6,000,000
Deductions during the year	**-**	-
Closing balance	**95,040,000**	**89,790,000**
III. Securities premium		
Opening balance	**325,709,362**	322,970,033
Additions during the year[1]	**3,451,496**	3,905,298
Deductions during the year[2]	**-**	(1,165,969)
Closing balance	**329,160,858**	**325,709,362**
IV. Investment reserve account		
Opening balance	**-**	-
Additions during the year	**-**	-
Deductions during the year	**-**	-
Closing balance	**-**	**-**

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Balance Sheet *(Contd.)*

₹ in '000s

	At 31.03.2019	At 31.03.2018
V. Investment fluctuation reserve		
Opening balance	**-**	-
Additions during the year[3]	**12,692,000**	-
Deductions during the year	**-**	-
Closing balance	**12,692,000**	**-**
VI. Capital reserve		
Opening balance	**128,261,725**	102,607,125
Additions during the year[4]	**280,000**	25,654,600
Deductions during the year	**-**	-
Closing balance	**128,541,725**	**128,261,725**
VII. Capital redemption reserve		
Opening balance	**-**	-
Additions during the year[5]	**3,500,000**	-
Deductions during the year	**-**	-
Closing balance	**3,500,000**	**-**
VIII. Foreign currency translation reserve		
Opening balance	**16,563,360**	16,531,658
Additions during the year	**-**	31,702
Deductions during the year	**(1,654,845)**	-
Closing balance	**14,908,515**	**16,563,360**
IX. Revaluation reserve (refer note 18.34)		
Opening balance	**30,031,905**	30,421,420
Additions during the year[6]	**1,023,923**	249,101
Deductions during the year[7]	**(610,735)**	(638,616)
Closing balance	**30,445,093**	**30,031,905**
X. Reserve fund		
Opening balance	**66,400**	55,858
Additions during the year[8]	**7,568**	10,542
Deductions during the year	**-**	-
Closing balance	**73,968**	**66,400**
XI. Revenue and other reserves		
Opening balance	**39,585,696**	31,947,081
Additions during the year	**617,986**	7,638,615
Deductions during the year	**-**	-
Closing balance	**40,203,682**	**39,585,696**
XII. Balance in profit and loss account[9]	**178,795,703**	179,698,598
TOTAL RESERVES AND SURPLUS	**1,070,739,063**	**1,038,675,565**

1. *Represents amount on account of exercise of employee stock options.*
2. *Represents amount utilised on account of issuance of bonus shares during the year ended March 31, 2018.*
3. *Represents an amount transferred to Investment Fluctuation Reserve (IFR) on net profit on sale of AFS and HFT investments during the year. As per the RBI circular, from the year ended March 31, 2019, an amount not less than the lower of net profit on sale of AFS and HFT category investments during the year or net profit for the year less mandatory appropriations is required to be transferred to IFR, until the amount of IFR is at least 2% of the HFT and AFS portfolio.*
4. *Represents appropriations made for profit on sale of investments in held-to-maturity category, net of taxes and transfer to Statutory Reserve and profit on sale of land and buildings, net of taxes and transfer to Statutory Reserve.*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Balance Sheet *(Contd.)*

5. *Represents amount transferred from accumulated profit on account of Redeemable Non-Cumulative Preference Shares (350 RNCPS) of ₹ 10.0 million each redeemed at par on April 20, 2018. The Bank has created Capital redemption reserve, as required under the Companies Act, 2013, out of surplus profits available for previous years.*
6. *Represents gain on revaluation of premises carried out by the Bank.*
7. *Represents amount transferred from Revaluation Reserve to General Reserve on account of incremental depreciation charge on revaluation amounting to ₹ 584.8 million (year ended March 31, 2018: ₹ 572.4 million) and revaluation surplus on assets sold amounting to ₹ 25.9 million (year ended March 31, 2018: ₹ 66.2 million) for the year ended March 31, 2019.*
8. *Represents appropriations made to Reserve Fund in accordance with regulations applicable to Sri Lanka branch.*
9. *During the year ended March 31, 2018, the Bank made provision amounting to ₹ 5,254.0 million for frauds on non-retail accounts through reserves and surplus, as permitted by RBI. During year ended March 31, 2019, the entire provision has been recognised in profit and loss account and equivalent debit has been reversed in reserves and surplus as required by RBI.*

₹ in '000s

	At 31.03.2019	At 31.03.2018
SCHEDULE 3 - DEPOSITS		
A. I. Demand deposits		
i) From banks	**74,379,016**	66,198,901
ii) From others	**888,315,153**	823,383,452
II. Savings bank deposits	**2,276,709,040**	2,009,670,527
III. Term deposits		
i) From banks	**165,000,950**	115,526,501
ii) From others	**3,124,792,552**	2,594,972,704
TOTAL DEPOSITS	**6,529,196,711**	**5,609,752,085**
B. I. Deposits of branches in India	**6,474,983,663**	5,560,172,442
II. Deposits of branches outside India	**54,213,048**	49,579,643
TOTAL DEPOSITS	**6,529,196,711**	**5,609,752,085**

₹ in '000s

	At 31.03.2019	At 31.03.2018
SCHEDULE 4 - BORROWINGS		
I. Borrowings in India		
i) Reserve Bank of India	**35,000,000**	115,920,000
ii) Other banks	**8,644,375**	26,811,250
iii) Other institutions and agencies		
a) Government of India	**-**	-
b) Financial institutions	**233,005,364**	228,142,451
iv) Borrowings in the form of bonds and debentures (excluding subordinated debt)	**197,590,424**	209,052,250
v) Application money-bonds	**-**	-
vi) Capital instruments		
a) Innovative Perpetual Debt Instruments (IPDI) (qualifying as additional Tier-1 capital)	**101,200,000**	94,800,000
b) Hybrid debt capital instruments issued as bonds/debentures (qualifying as Tier-2 capital)	**33,800,000**	84,035,112
c) Redeemable Non-Cumulative Preference Shares (350 RNCPS of ₹ 10.0 million each issued to preference share holders of erstwhile ICICI Limited on amalgamation, redeemed at par on April 20, 2018)	**-**	3,500,000

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Balance Sheet *(Contd.)*

₹ in '000s

	At 31.03.2019	At 31.03.2018
d) Unsecured redeemable debentures/bonds (subordinated debt included in Tier-2 capital)	**135,347,140**	136,007,107
TOTAL BORROWINGS IN INDIA	**744,587,303**	**898,268,170**
II. Borrowings outside India		
i) Capital instruments	**-**	-
ii) Bonds and notes	**428,236,204**	414,847,916
iii) Other borrowings	**480,376,235**	515,470,120
TOTAL BORROWINGS OUTSIDE INDIA	**908,612,439**	**930,318,036**
TOTAL BORROWINGS	**1,653,199,742**	**1,828,586,206**

1. *Secured borrowings in I and II above amount to Nil (March 31, 2018: Nil) except borrowings of ₹ 61,716.3 million (March 31, 2018: ₹ 164,562.5 million) under collateralised borrowing and lending obligation, market repurchase transactions (including tri-party repo) with banks and financial institutions and transactions under liquidity adjustment facility and marginal standing facility.*

₹ in '000s

	At 31.03.2019	At 31.03.2018
SCHEDULE 5 - OTHER LIABILITIES AND PROVISIONS		
I. Bills payable	**83,343,117**	71,724,980
II. Inter-office adjustments (net)	**717,556**	976,360
III. Interest accrued	**33,721,860**	32,725,823
IV. Sundry creditors	**92,952,935**	65,150,053
V. General provision for standard assets (refer note 18.20)	**28,737,645**	25,906,623
VI. Others (including provisions)[1]	**139,041,496**	105,480,119
TOTAL OTHER LIABILITIES AND PROVISIONS	**378,514,609**	**301,963,958**

1. *Includes specific provision for standard loans amounting to ₹ 4,769.0 million (March 31, 2018: ₹ 7,967.1 million).*

₹ in '000s

	At 31.03.2019	At 31.03.2018
SCHEDULE 6 - CASH AND BALANCES WITH RESERVE BANK OF INDIA		
I. Cash in hand (including foreign currency notes)	**87,038,841**	80,447,910
II. Balances with Reserve Bank of India in current accounts	**291,541,277**	250,575,907
TOTAL CASH AND BALANCES WITH RESERVE BANK OF INDIA	**378,580,118**	**331,023,817**

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Balance Sheet *(Contd.)*

₹ in '000s

	At 31.03.2019	At 31.03.2018
SCHEDULE 7 - BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE		
I. In India		
i) Balances with banks		
a) In current accounts	**2,626,426**	2,770,626
b) In other deposit accounts	**5,066,921**	2,078,261
ii) Money at call and short notice		
a) With banks	**89,457,750**	190,613,750
b) With other institutions	**13,410,213**	26,044,514
TOTAL	**110,561,310**	**221,507,151**
II. Outside India		
i) In current accounts	**143,207,910**	167,043,020
ii) In other deposit accounts	**48,901,848**	43,441,376
iii) Money at call and short notice	**121,711,674**	78,678,444
TOTAL	**313,821,432**	**289,162,840**
TOTAL BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE	**424,382,742**	**510,669,991**

₹ in '000s

	At 31.03.2019	At 31.03.2018
SCHEDULE 8 - INVESTMENTS		
I. Investments in India [net of provisions]		
i) Government securities	**1,479,230,542**	1,391,852,905
ii) Other approved securities	**-**	-
iii) Shares (includes equity and preference shares)	**18,840,258**	23,780,704
iv) Debentures and bonds	**142,328,392**	153,889,101
v) Subsidiaries and/or joint ventures[1]	**61,201,686**	61,488,797
vi) Others (commercial paper, mutual fund units, pass through certificates, security receipts, certificate of deposits and other related investments)	**312,175,395**	331,088,034
TOTAL INVESTMENTS IN INDIA	**2,013,776,273**	**1,962,099,541**
II. Investments outside India [net of provisions]		
i) Government securities	**20,026,853**	23,477,202
ii) Subsidiaries and/or joint ventures abroad (includes equity and preference shares)	**36,826,862**	36,826,862
iii) Others (equity shares, bonds and certificate of deposits)	**6,696,812**	7,538,203
TOTAL INVESTMENTS OUTSIDE INDIA	**63,550,527**	**67,842,267**
TOTAL INVESTMENTS	**2,077,326,800**	**2,029,941,808**

SCHEDULES

forming part of the Balance Sheet *(Contd.)*

₹ in '000s

	At 31.03.2019	At 31.03.2018
A. Investments in India		
Gross value of investments	**2,062,886,134**	2,003,754,441
Less: Aggregate of provision/depreciation/(appreciation)	**49,109,861**	41,654,900
Net investments	**2,013,776,273**	**1,962,099,541**
B. Investments outside India		
Gross value of investments	**64,377,243**	73,275,153
Less: Aggregate of provision/depreciation/(appreciation)	**826,716**	5,432,886
Net investments	**63,550,527**	**67,842,267**
TOTAL INVESTMENTS	**2,077,326,800**	**2,029,941,808**

1. *During the year ended March 31, 2019, the Bank sold a part of its equity investment in a subsidiary, ICICI Prudential Life Insurance Company Limited, through an offer for sale on stock exchanges (year ended March 31, 2018: the Bank sold a part of its equity investment in the subsidiaries, ICICI Lombard General Insurance Company Limited and ICICI Securities Limited, through initial public offers).*
2. *Refer note 18.11 - Investments and note 18.12 - Non-SLR Investments.*

₹ in '000s

	At 31.03.2019	At 31.03.2018
SCHEDULE 9 - ADVANCES [net of provisions]		
A. i) Bills purchased and discounted[1]	**346,315,071**	282,717,624
ii) Cash credits, overdrafts and loans repayable on demand	**1,458,967,622**	1,302,545,244
iii) Term loans	**4,061,183,134**	3,538,689,988
TOTAL ADVANCES	**5,866,465,827**	**5,123,952,856**
B. i) Secured by tangible assets (includes advances against book debts)	**4,139,796,885**	3,772,296,920
ii) Covered by bank/government guarantees	**111,759,404**	81,194,562
iii) Unsecured	**1,614,909,538**	1,270,461,374
TOTAL ADVANCES	**5,866,465,827**	**5,123,952,856**
C. I. Advances in India		
i) Priority sector	**1,696,365,965**	929,701,682
ii) Public sector	**146,431,801**	197,704,530
iii) Banks	**3,253,967**	777,335
iv) Others	**3,390,090,132**	3,351,468,495
TOTAL ADVANCES IN INDIA	**5,236,141,865**	**4,479,652,042**
II. Advances outside India		
i) Due from banks	**18,471,145**	18,706,876
ii) Due from others		
a) Bills purchased and discounted	**149,622,161**	89,025,272
b) Syndicated and term loans	**308,156,810**	379,320,030
c) Others	**154,073,846**	157,248,636
TOTAL ADVANCES OUTSIDE INDIA	**630,323,962**	**644,300,814**
TOTAL ADVANCES	**5,866,465,827**	**5,123,952,856**

1. *Net of bills re-discounted amounting to Nil (March 31, 2018: Nil).*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Balance Sheet *(Contd.)*

₹ in '000s

		At 31.03.2019	At 31.03.2018
SCHEDULE 10 - FIXED ASSETS			
I.	**Premises**		
	Gross block		
	At cost at March 31 of preceding year	**73,921,124**	72,701,320
	Additions during the year[1]	**2,125,674**	1,501,268
	Deductions during the year	**(505,208)**	(281,464)
	Closing balance	**75,541,590**	**73,921,124**
	Less: Depreciation to date[2]	**(15,309,915)**	(13,795,329)
	Net block[3]	**60,231,675**	**60,125,795**
II.	**Other fixed assets (including furniture and fixtures)**		
	Gross block		
	At cost at March 31 of preceding year	**59,585,000**	53,522,935
	Additions during the year	**6,368,177**	7,493,392
	Deductions during the year	**(6,521,259)**	(1,431,327)
	Closing balance	**59,431,918**	**59,585,000**
	Less: Depreciation to date[4]	**(42,763,904)**	(43,090,256)
	Net block	**16,668,014**	**16,494,744**
III.	**Assets given on lease**		
	Gross block		
	At cost at March 31 of preceding year	**16,714,629**	16,904,628
	Additions during the year	**-**	-
	Deductions during the year	**-**	(189,999)
	Closing balance	**16,714,629**	**16,714,629**
	Less: Depreciation to date, accumulated lease adjustment and provisions[5]	**(14,300,031)**	(14,300,019)
	Net block	**2,414,598**	**2,414,610**
TOTAL FIXED ASSETS		**79,314,287**	**79,035,149**

1. *Includes revaluation gain amounting to ₹ 1,023.9 million (March 31, 2018: ₹ 249.1 million) on account of revaluation carried out by the Bank.*
2. *Includes depreciation charge amounting to ₹ 1,789.2 million for the year ended March 31, 2019 (year ended March 31, 2018: ₹ 1,754.3 million), including depreciation charge on account of revaluation of ₹ 584.8 million for the year ended March 31, 2019 (year ended March 31, 2018: ₹ 572.4 million).*
3. *Includes assets of ₹ 22.2 million (March 31, 2018: ₹ 37.4 million) which are held for sale.*
4. *Includes depreciation charge amounting to ₹ 5,979.9 million for the year ended March 31, 2019 (year ended March 31, 2018: ₹ 6,053.1 million).*
5. *The depreciation charge/lease adjustment/provisions is an insignificant amount for the year ended March 31, 2019 (year ended March 31, 2018: insignificant amount).*

SCHEDULES

forming part of the Balance Sheet *(Contd.)*

₹ in '000s

	At 31.03.2019	At 31.03.2018
SCHEDULE 11 - OTHER ASSETS		
I. Inter-office adjustments (net)	**-**	-
II. Interest accrued	**76,326,429**	69,899,215
III. Tax paid in advance/tax deducted at source (net)	**95,268,761**	61,699,162
IV. Stationery and stamps	**973**	1,375
V. Non-banking assets acquired in satisfaction of claims[1,2]	**10,040,166**	19,650,832
VI. Advances for capital assets	**1,802,579**	1,215,031
VII. Deposits	**14,078,922**	14,146,176
VIII. Deferred tax assets (net) (refer note 18.42)	**104,365,701**	74,770,217
IX. Deposits in Rural Infrastructure and Development Fund	**292,545,621**	269,249,912
X. Others[3]	**224,092,552**	206,636,072
TOTAL OTHER ASSETS	**818,521,704**	**717,267,992**

1. *During the year ended March 31, 2019, the Bank has not acquired any assets (year ended March 31, 2018: ₹ 952.6 million) in satisfaction of claims under debt-asset swap transactions. No assets were sold during the year ended March 31, 2019 (year ended March 31, 2018: ₹ 279.1 million).*
2. *Represents balance net of provision held amounting to ₹ 22,147.3 million (March 31, 2018: ₹ 13,184.2 million).*
3. *For the year ended March 31, 2018, includes receivable amounting to ₹ 3,988.7 million pertaining to a non-performing loan sold during the year ended March 31, 2018, which was received by the Bank on April 2, 2018.*

₹ in '000s

	At 31.03.2019	At 31.03.2018
SCHEDULE 12 - CONTINGENT LIABILITIES		
I. Claims against the Bank not acknowledged as debts	**55,009,794**	62,660,192
II. Liability for partly paid investments	**12,455**	12,455
III. Liability on account of outstanding forward exchange contracts[1]	**4,701,000,557**	4,326,689,229
IV. Guarantees given on behalf of constituents		
a) In India	**855,465,382**	747,815,379
b) Outside India	**211,192,112**	197,543,699
V. Acceptances, endorsements and other obligations	**433,788,146**	410,036,446
VI. Currency swaps[1]	**423,344,515**	416,989,369
VII. Interest rate swaps, currency options and interest rate futures[1]	**12,441,817,000**	6,592,928,249
VIII. Other items for which the Bank is contingently liable	**98,752,907**	137,765,000
TOTAL CONTINGENT LIABILITIES	**19,220,382,868**	**12,892,440,018**

1. *Represents notional amount.*
2. *There has been a Supreme Court judgement dated February 28, 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the Employees Provident Fund (EPF) Act. There are interpretative aspects related to the Judgement including the effective date of application. The Bank will continue to assess any further developments in this matter for the implications on financial statements, if any.*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Profit and Loss Account

₹ in '000s

	Year ended 31.03.2019	Year ended 31.03.2018
SCHEDULE 13 - INTEREST EARNED		
I. Interest/discount on advances/bills	**479,426,244**	408,662,070
II. Income on investments	**127,968,772**	115,681,704
III. Interest on balances with Reserve Bank of India and other inter-bank funds	**7,360,862**	6,633,788
IV. Others[1,2]	**19,256,048**	18,681,360
TOTAL INTEREST EARNED	**634,011,926**	**549,658,922**

1. Includes interest on income tax refunds amounting to ₹ 4,482.3 million (March 31, 2018: ₹ 2,625.9 million).

2. Includes interest and amortisation of premium on non-trading interest rate swaps and foreign currency swaps.

₹ in '000s

	Year ended 31.03.2019	Year ended 31.03.2018
SCHEDULE 14 - OTHER INCOME		
I. Commission, exchange and brokerage	**102,318,773**	87,894,054
II. Profit/(loss) on sale of investments (net)[1]	**13,006,602**	63,058,535
III. Profit/(loss) on revaluation of investments (net)	**387,624**	(5,161,974)
IV. Profit/(loss) on sale of land, buildings and other assets (net)[2]	**1,919**	38,027
V. Profit/(loss) on exchange/derivative transactions (net)	**17,711,181**	15,431,519
VI. Income earned by way of dividends, etc. from subsidiary companies and/or joint ventures abroad/in India	**10,779,490**	12,140,645
VII. Miscellaneous income (including lease income)	**916,047**	795,520
TOTAL OTHER INCOME	**145,121,636**	**174,196,326**

1. For the year ended March 31, 2019, includes gain on sale of a part of equity investment in a subsidiary, ICICI Prudential Life Insurance Company Limited, through an offer for sale on stock exchanges (year ended March 31, 2018: gain on sale of a part of equity investment in the subsidiaries, ICICI Lombard General Insurance Company Limited and ICICI Securities Limited, through initial public offers). Refer note 18.11 - Investments.

2. Includes profit/(loss) on sale of assets given on lease.

₹ in '000s

	Year ended 31.03.2019	Year ended 31.03.2018
SCHEDULE 15 - INTEREST EXPENDED		
I. Interest on deposits	**265,246,797**	234,287,704
II. Interest on Reserve Bank of India/inter-bank borrowings	**15,907,990**	9,493,244
III. Others (including interest on borrowings of erstwhile ICICI Limited)	**82,709,164**	75,619,515
TOTAL INTEREST EXPENDED	**363,863,951**	**319,400,463**

SCHEDULES

forming part of the Profit and Loss Account *(Contd.)*

₹ in '000s

	Year ended 31.03.2019	Year ended 31.03.2018
SCHEDULE 16 - OPERATING EXPENSES		
I. Payments to and provisions for employees	**68,082,380**	59,139,503
II. Rent, taxes and lighting[1]	**11,988,705**	11,763,808
III. Printing and stationery	**2,056,233**	1,770,857
IV. Advertisement and publicity	**7,290,475**	4,013,714
V. Depreciation on Bank's property	**7,769,089**	7,807,420
VI. Depreciation (including lease equalisation) on leased assets	**13**	12
VII. Directors' fees, allowances and expenses	**36,766**	15,292
VIII. Auditors' fees and expenses	**89,675**	83,883
IX. Law charges	**1,077,091**	805,748
X. Postages, courier, telephones, etc.	**4,068,143**	3,728,904
XI. Repairs and maintenance	**15,384,867**	14,856,619
XII. Insurance	**6,504,334**	5,484,575
XIII. Direct marketing agency expenses	**15,971,240**	13,035,643
XIV. Other expenditure[2]	**40,571,609**	34,533,458
TOTAL OPERATING EXPENSES	**180,890,620**	**157,039,436**

1. *Includes lease expense amounting to ₹ 9,236.7 million (March 31, 2018: ₹ 8,966.3 million).*
2. *Net of recoveries from group companies towards shared services.*

SCHEDULE 17

SIGNIFICANT ACCOUNTING POLICIES

Overview

ICICI Bank Limited (ICICI Bank or the Bank), incorporated in Vadodara, India is a publicly held banking company engaged in providing a wide range of banking and financial services including commercial banking and treasury operations. ICICI Bank is a banking company governed by the Banking Regulation Act, 1949. The Bank also has overseas branches in Bahrain, China, Dubai, Hong Kong, Singapore, South Africa, Sri Lanka, United States of America and Offshore Banking units.

Basis of preparation

The financial statements have been prepared in accordance with requirements prescribed under the Third Schedule of the Banking Regulation Act, 1949. The accounting and reporting policies of ICICI Bank used in the preparation of these financial statements conform to Generally Accepted Accounting Principles in India (Indian GAAP), the guidelines issued by Reserve Bank of India (RBI) from time to time and the Accounting Standards notified under Section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 to the extent applicable and practices generally prevalent in the banking industry in India. The Bank follows the historical cost convention and the accrual method of accounting, except in the case of interest and other income on non-performing assets (NPAs) where it is recognised upon realisation.

The preparation of financial statements requires management to make estimates and assumptions that are 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. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. The impact of any revision in these estimates is recognised prospectively from the period of change.

SIGNIFICANT ACCOUNTING POLICIES

1. **Revenue recognition**

    a) Interest income is recognised in the profit and loss account as it accrues except in the case of non-performing assets (NPAs) where it is recognised upon realisation, as per the income recognition and asset classification norms of RBI.

    b) Income from finance leases is calculated by applying the interest rate implicit in the lease to the net investment outstanding on the lease over the primary lease period.

    c) Income on discounted instruments is recognised over the tenure of the instrument on a constant yield basis.

    d) Dividend income is accounted on accrual basis when the right to receive the dividend is established.

    e) Loan processing fee is accounted for upfront when it becomes due.

    f) Project appraisal/structuring fee is accounted for on the completion of the agreed service.

    g) Arranger fee is accounted for as income when a significant portion of the arrangement/syndication is completed.

    h) Commission received on guarantees issued is amortised on a straight-line basis over the period of the guarantee.

    i) The annual/renewal fee on credit cards and debit cards are amortised on a straight line basis over one year.

    j) Fees paid/received for priority sector lending certificates (PSLC) is amortised on straight-line basis over the period of the certificate.

    k) All other fees are accounted for as and when they become due.

    l) Net income arising from sell-down/securitisation of loan assets prior to February 1, 2006 has been recognised upfront as interest income. With effect from February 1, 2006, net income arising from securitisation of loan assets is amortised over the life of securities issued or to be issued by the special purpose vehicle/special purpose entity to which the assets are sold. Net income arising from sale of loan assets through direct assignment with recourse obligation is amortised over the life of underlying assets sold and net income from sale of loan assets through direct assignment, without any recourse obligation, is recognised at the time of sale. Net loss arising on account of the sell-down/securitisation and direct assignment of loan assets is recognised at the time of sale.

    m) The Bank deals in bullion business on a consignment basis. The difference between price recovered from customers and cost of bullion is accounted for at the time of sales to the customers. The Bank also deals in bullion on a borrowing and lending basis and the interest paid/received is accounted on accrual basis.

SCHEDULES

forming part of the Accounts *(Contd.)*

2. Investments

Investments are accounted for in accordance with the extant RBI guidelines on investment classification and valuation as given below.

1. All investments are classified into 'Held to Maturity', 'Available for Sale' and 'Held for Trading'. Reclassifications, if any, in any category are accounted for as per RBI guidelines. Under each classification, the investments are further categorised as (a) government securities, (b) other approved securities, (c) shares, (d) bonds and debentures, (e) subsidiaries and joint ventures and (f) others.

2. 'Held to Maturity' securities 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 fixed rate and floating rate securities acquired is amortised over the remaining period to maturity on a constant yield basis and straight line basis respectively.

3. 'Available for Sale' and 'Held for Trading' securities are valued periodically as per RBI guidelines. Any premium over the face value of fixed rate and floating rate investments in government securities, classified as 'Available for Sale', is amortised over the remaining period to maturity on constant yield basis and straight line basis respectively. Quoted investments are valued based on the closing quotes on the recognised stock exchanges or prices declared by Primary Dealers Association of India (PDAI) jointly with Fixed Income Money Market and Derivatives Association (FIMMDA)/Financial Benchmark India Private Limited (FBIL), periodically.

   The market/fair value of unquoted government securities which are in nature of Statutory Liquidity Ratio (SLR) securities included in the 'Available for Sale' and 'Held for Trading' categories is as per the rates published by FIMMDA/FBIL. The valuation of other unquoted fixed income securities, including Pass Through Certificates, wherever linked to the Yield-to-Maturity (YTM) rates, is computed with a mark-up (reflecting associated credit risk) over the YTM rates for government securities published by FIMMDA. The sovereign foreign securities and non-INR India linked bonds are valued on the basis of prices published by the sovereign regulator or counterparty quotes.

   Unquoted equity shares are valued at the break-up value, if the latest balance sheet is available, or at ₹ 1, as per RBI guidelines.

   Securities are valued scrip-wise. Depreciation/appreciation on securities, other than those acquired by way of conversion of outstanding loans, is aggregated for each category. Net appreciation in each category under each investment classification, if any, being unrealised, is ignored, while net depreciation is provided for. The depreciation on securities acquired by way of conversion of outstanding loans is fully provided for. Non-performing investments are identified based on the RBI guidelines.

4. Treasury bills, commercial papers and certificate of deposits being discounted instruments, are valued at carrying cost.

5. The units of mutual funds are valued at the latest repurchase price/net asset value declared by the mutual fund.

6. Costs including brokerage and commission pertaining to investments, paid at the time of acquisition, are charged to the profit and loss account. Cost of investments is computed based on the First-In-First-Out (FIFO) method.

7. Equity investments in subsidiaries/joint ventures are classified under 'Held to Maturity' and 'Available for Sale'. The Bank assesses these investments for any permanent diminution in value and appropriate provisions are made.

8. Profit/loss on sale of investments in the 'Held to Maturity' category is recognised in the profit and loss account and profit is thereafter appropriated (net of applicable taxes and statutory reserve requirements) to Capital Reserve. Profit/loss on sale of investments in 'Available for Sale' and 'Held for Trading' categories is recognised in the profit and loss account.

9. Market repurchase, reverse repurchase and transactions with RBI under Liquidity Adjustment Facility (LAF) are accounted for as borrowing and lending transactions in accordance with the extant RBI guidelines.

10. Broken period interest (the amount of interest from the previous interest payment date till the date of purchase/sale of instruments) on debt instruments is treated as a revenue item.

11. At the end of each reporting period, security receipts issued by the asset reconstruction companies are valued in accordance with the guidelines applicable to such instruments, prescribed by RBI from time to time. Accordingly, in cases where the cash flows from security receipts issued by the asset reconstruction companies are limited to the actual realisation of the financial assets assigned to the instruments in the concerned scheme, the Bank reckons the net asset value obtained from the asset reconstruction company from time to time, for valuation of such investments at each reporting period end. The security receipts which are outstanding and not redeemed as at the end of the resolution period are treated as loss assets and are fully provided for.

12. The Bank follows trade date method of accounting for purchase and sale of investments, except for government of India and state government securities where settlement date method of accounting is followed in accordance with RBI guidelines.

13. The Bank undertakes short sale transactions in dated central government securities in accordance with RBI guidelines. The short positions are categorised under HFT category and are marked to market. The mark-to-market loss is charged to profit and loss account and gain, if any, is ignored as per RBI guidelines.

3. Provision/write-offs on loans and other credit facilities

The Bank classifies its loans and investments, including at overseas branches and overdues arising from crystallised derivative contracts, into performing and NPAs in accordance with RBI guidelines. Loans and advances held at the overseas branches that are identified as impaired as per host country regulations for reasons other than record of recovery, but which are standard as per the extant RBI guidelines, are classified as NPAs to the extent of amount outstanding in the host country. Further, NPAs are classified into sub-standard, doubtful and loss assets based on the criteria stipulated by RBI.

In the case of corporate loans and advances, provisions are made for sub-standard and doubtful assets at rates prescribed by RBI. Loss assets and the unsecured portion of doubtful assets are provided/written-off as per the extant RBI guidelines. For loans and advances booked in overseas branches, which are standard as per the extant RBI guidelines but are classified as NPAs based on host country guidelines, provisions are made as per the host country regulations. For loans and advances booked in overseas branches, which are NPAs as per the extant RBI guidelines and as per host country guidelines, provisions are made at the higher of the provisions required under RBI regulations and host country regulations. Provisions on homogeneous retail loans and advances, subject to minimum provisioning requirements of RBI, are assessed on the basis of the ageing of the loans in the non-performing category. As per RBI guidelines, in respect of non-retail loans reported as fraud to RBI and classified in doubtful category, the entire amount, without considering the value of security, is provided for over a period not exceeding four quarters starting from the quarter in which fraud has been detected. In respect of non-retail loans where there has been delay in reporting the fraud to the RBI or which are classified as loss accounts, the entire amount is provided immediately. In case of fraud in retail accounts, the entire amount is provided immediately. In respect of borrowers classified as non-cooperative borrowers or willful defaulters, the Bank makes accelerated provisions as per extant RBI guidelines.

The Bank holds specific provisions against non-performing loans and advances and against certain performing loans and advances in accordance with RBI directions, including RBI direction for provision on accounts referred to the National Company Law Tribunal (NCLT) under the Insolvency and Bankruptcy Code, 2016. The assessment of incremental specific provisions is made after taking into consideration the existing specific provision held. The specific provisions on retail loans and advances held by the Bank are higher than the minimum regulatory requirements.

a) Provision due to diminution in the fair value of restructured/rescheduled loans and advances is made in accordance with the applicable RBI guidelines.

   Non-performing and restructured loans are upgraded to standard as per the extant RBI guidelines.

b) Amounts recovered against debts written-off in earlier years and provisions no longer considered necessary in the context of the current status of the borrower are recognised in the profit and loss account.

c) The Bank maintains general provision on performing loans and advances in accordance with the RBI guidelines, including provisions on loans to borrowers having unhedged foreign currency exposure, provisions on loans to specific borrowers in specific stressed sectors, provision on exposures to step-down subsidiaries of

SCHEDULES

forming part of the Accounts *(Contd.)*

Indian companies and provision on incremental exposure to borrowers identified as per RBI's large exposure framework. For performing loans and advances in overseas branches, the general provision is made at higher of host country regulations requirement and RBI requirement.

d) In addition to the provisions required to be held according to the asset classification status, provisions are held for individual country exposures including indirect country risk (other than for home country exposure). The countries are categorised into seven risk categories namely insignificant, low, moderately low, moderate, moderately high, high and very high, and provisioning is made on exposures exceeding 180 days on a graded scale ranging from 0.25% to 25%. For exposures with contractual maturity of less than 180 days, provision is required to be held at 25% of the rates applicable to exposures exceeding 180 days. The indirect exposure is reckoned at 50% of the exposure. If the country exposure (net) of the Bank in respect of each country does not exceed 1% of the total funded assets, no provision is required on such country exposure.

e) The Bank makes floating provision as per the Board approved policy, which is in addition to the specific and general provisions made by the Bank. The floating provision is utilised, with the approval of Board and RBI, in case of contingencies which do not arise in the normal course of business and are exceptional and non-recurring in nature and for making specific provision for impaired loans as per the requirement of extant RBI guidelines or any regulatory guidance/instructions. The floating provision is netted-off from advances.

4. Transfer and servicing of assets

The Bank transfers commercial and consumer loans through securitisation transactions. The transferred loans are de-recognised and gains/losses are accounted for, only if the Bank surrenders the rights to benefits specified in the underlying securitised loan contract. Recourse and servicing obligations are accounted for net of provisions.

In accordance with the RBI guidelines for securitisation of standard assets, with effect from February 1, 2006, the Bank accounts for any loss arising from securitisation immediately at the time of sale and the profit/premium arising from securitisation is amortised over the life of the securities issued or to be issued by the special purpose vehicle to which the assets are sold. With effect from May 7, 2012, the RBI guidelines require the profit/premium arising from securitisation to be amortised over the life of the transaction based on the method prescribed in the guidelines.

In accordance with RBI guidelines, in case of non-performing/special mention account-2 loans sold to securitisation company (SC)/reconstruction company (RC), the Bank reverses the excess provision in profit and loss account in the year in which amounts are received. Any shortfall of sale value over the net book value on sale of such assets is recognised by the Bank in the year in which the loan is sold.

5. Fixed assets

Fixed assets, other than premises, are carried at cost less accumulated depreciation and impairment, if any. Premises are carried at revalued amount, being fair value at the date of revaluation less accumulated depreciation. Cost includes freight, duties, taxes and incidental expenses related to the acquisition and installation of the asset. Depreciation is charged over the estimated useful life of fixed assets on a straight-line basis. The useful lives of the groups of fixed assets are given below.

Asset	Useful life
Premises owned by the Bank	60 years
Leased assets and improvements to leasehold premises	60 years or lease period whichever is lower
ATMs[1]	6 - 8 years[1]
Plant and machinery[1] (including office equipment)	5 -10 years[1]
Electric installations and equipments	10 - 15 years
Computers	3 years
Servers and network equipment[1]	4 – 10 years[1]
Furniture and fixtures[1]	5 – 10 years[1]
Motor vehicles[1]	5 years[1]
Others (including software and system development expenses)[1]	4 years[1]

1. *The useful life of assets is based on historical experience of the Bank, which is different from the useful life as prescribed in Schedule II to the Companies Act, 2013.*

SCHEDULES

forming part of the Accounts *(Contd.)*

a) Assets purchased/sold during the year are depreciated on a pro-rata basis for the actual number of days the asset has been capitalised.

b) Items individually costing upto ₹ 5,000/- are depreciated fully over a period of 12 months from the date of purchase.

c) Assets at residences of Bank's employees are depreciated over the estimated useful life of 5 years.

d) In case of revalued/impaired assets, depreciation is provided over the remaining useful life of the assets with reference to revised asset values. In case of premises, which are carried at revalued amounts, the depreciation on the excess of revalued amount over historical cost is transferred from Revaluation Reserve to General Reserve annually.

e) The profit on sale of premises is appropriated to capital reserve, net of transfer to Statutory Reserve and taxes, in accordance with RBI guidelines.

Non-banking assets

Non-Banking Assets (NBAs) acquired in satisfaction of claims are carried at lower of net book value and net realisable value. Further, the Bank creates provision on non-banking assets as per specific RBI directions.

6. Transactions involving foreign exchange

Foreign currency income and expenditure items of domestic operations are translated at the exchange rates prevailing on the date of the transaction. Income and expenditure items of integral foreign operations (representative offices) are translated at daily closing rates, and income and expenditure items of non-integral foreign operations (foreign branches and offshore banking units) are translated at quarterly average closing rates.

Monetary foreign currency assets and liabilities of domestic and integral foreign operations are translated at closing exchange rates notified by Foreign Exchange Dealers' Association of India (FEDAI) relevant to the balance sheet date and the resulting gains/losses are included in the profit and loss account.

Both monetary and non-monetary foreign currency assets and liabilities of non-integral foreign operations are translated at relevant closing exchange rates notified by FEDAI at the balance sheet date and the resulting gains/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. Pursuant to RBI guideline, the Bank does not recognise the cumulative/proportionate amount of such exchange differences as income or expenses, which relate to repatriation of accumulated retained earnings from overseas operations.

The premium or discount arising on inception of forward exchange contracts that are entered into to establish the amount of reporting currency required or available at the settlement date of a transaction is amortised over the life of the contract. All other outstanding forward exchange contracts are revalued based on the exchange rates notified by FEDAI for specified maturities and at interpolated rates for contracts of interim maturities. The contracts of longer maturities where exchange rates are not notified by FEDAI are revalued based on the forward exchange rates implied by the swap curves in respective currencies. The resultant gains or losses are recognised in the profit and loss account.

Contingent liabilities on account of guarantees, endorsements and other obligations denominated in foreign currencies are disclosed at the closing exchange rates notified by FEDAI relevant to the balance sheet date.

7. Accounting for derivative contracts

The Bank enters into derivative contracts such as interest rate and currency options, interest rate and currency futures, interest rate and currency swaps, credit default swaps and cross currency interest rate swaps.

The swap contracts entered to hedge on-balance sheet assets and liabilities are structured such that they bear an opposite and offsetting impact with the underlying on-balance sheet items. The impact of such derivative instruments is correlated with the movement of underlying assets and liabilities and accounted pursuant to the principles of hedge accounting. Hedge swaps are accounted for on an accrual basis and are not marked to market unless their underlying transaction is marked to market.

SCHEDULES

forming part of the Accounts *(Contd.)*

Foreign currency and rupee derivative contracts entered into for trading purposes are marked to market and the resulting gain or loss is accounted for in the profit and loss account. Pursuant to RBI guidelines, any receivables under derivative contracts which remain overdue for more than 90 days and mark-to-market gains on other derivative contracts with the same counter-parties are reversed through profit and loss account.

8. Employee Stock Option Scheme (ESOS)

The Employees Stock Option Scheme (the Scheme) provides for grant of options on the Bank's equity shares to wholetime directors and employees of the Bank and its subsidiaries. The Scheme provides that employees are granted an option to subscribe to equity shares of the Bank that vest in a graded manner. The options may be exercised within a specified period. The Bank follows the intrinsic value method to account for its stock-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 market price is the latest closing price, immediately prior to the grant date, which is generally the date of the meeting of the Board Governance, Remuneration & Nomination Committee in which the options are granted, on the stock exchange on which the shares of the Bank are listed. If the shares are listed on more than one stock exchange, then the stock exchange where there is highest trading volume on the said date is considered.

9. Employee Benefits

Gratuity

The Bank pays gratuity, a defined benefit plan, to employees who retire or resign after a minimum prescribed period of continuous service and in case of employees at overseas locations as per the rules in force in the respective countries. The Bank makes contribution to a trust which administers the funds on its own account or through insurance companies. The actuarial gains or losses arising during the year are recognised in the profit and loss account.

Actuarial valuation of the gratuity liability is determined by an actuary appointed by the Bank. Actuarial valuation of gratuity liability is determined based on certain assumptions regarding rate of interest, salary growth, mortality and staff attrition as per the projected unit credit method.

Superannuation Fund and National Pension Scheme

The Bank contributes 15.0% of the total annual basic salary of certain employees to superannuation funds, a defined contribution plan, managed and administered by insurance companies. Further, the Bank contributes 10.0% of the total basic salary of certain employees to National Pension Scheme (NPS), a defined contribution plan, which is managed and administered by pension fund management companies. The Bank also gives an option to its employees allowing them to receive the amount in lieu of such contributions along with their monthly salary during their employment.

The amounts so contributed/paid by the Bank to the superannuation fund and NPS or to employees during the year are recognised in the profit and loss account.

Pension

The Bank provides for pension, a defined benefit plan covering eligible employees of erstwhile Bank of Madura, erstwhile Sangli Bank and erstwhile Bank of Rajasthan. The Bank makes contribution to a trust which administers the funds on its own account or through insurance companies. The plan provides for pension payment including dearness relief on a monthly basis to these employees on their retirement based on the respective employee's years of service with the Bank and applicable salary.

Actuarial valuation of the pension liability is determined by an actuary appointed by the Bank. Actuarial valuation of pension liability is calculated based on certain assumptions regarding rate of interest, salary growth, mortality and staff attrition as per the projected unit credit method. The actuarial gains or losses arising during the year are recognised in the profit and loss account.

Employees covered by the pension plan are not eligible for employer's contribution under the provident fund plan.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

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forming part of the Accounts *(Contd.)*

Provident Fund

The Bank is statutorily required to maintain a provident fund, a defined benefit plan, as a part of retirement benefits to its employees. Each employee contributes a certain percentage of his or her basic salary and the Bank contributes an equal amount for eligible employees. The Bank 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 Bank makes balance contributions to a fund administered by trustees. The funds are invested according to the rules prescribed by the Government of India.

Actuarial valuation for the interest rate guarantee on the provident fund balances is determined by an actuary appointed by the Bank.

The actuarial gains or losses arising during the year are recognised in the profit and loss account.

The overseas branches of the Bank and its eligible employees contribute a certain percentage of their salary towards respective government schemes as per local regulatory guidelines. The contribution made by the overseas branches is recognised in profit and loss account at the time of contribution.

Compensated absences

The Bank provides for compensated absence based on actuarial valuation conducted by an independent actuary.

10. Income Taxes

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

Deferred tax assets and liabilities are recognised by considering the impact of timing differences between taxable income and accounting income for the current year, 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 deferred tax assets and liabilities is recognised in the profit and loss account.

Deferred tax assets are recognised and re-assessed at each reporting date, based upon management's judgement as to whether their realisation is considered as reasonably certain. However, in case of unabsorbed depreciation or carried forward loss, deferred tax assets will be recognised only if there is virtual certainty of realisation of such assets.

Minimum Alternate Tax (MAT) credit is recognised as an asset to the extent there is convincing evidence that the Bank will pay normal income tax during specified period, i.e. the period for which MAT credit is allowed to be carried forward as per prevailing provisions of the Income Tax Act, 1961. In accordance with the recommendation contained in the guidance note issued by ICAI, MAT credit is to be recognised as an asset in the year in which it becomes eligible for set off against normal income tax. The Bank reviews MAT credit entitlements at each balance sheet date and writes down the carrying amount to the extent there is no longer convincing evidence to the effect that the Bank will pay normal income tax during the specified period.

11. Impairment of Assets

The Bank follows revaluation model of accounting for its premises and the recoverable amount of the revalued assets is considered to be close to its revalued amount. Accordingly, separate assessment for impairment of premises is not required.

12. Provisions, contingent liabilities and contingent assets

The Bank 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 Bank does not account for or disclose contingent assets, if any.

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forming part of the Accounts *(Contd.)*

The Bank estimates the probability of redemption of customer loyalty reward points using an actuarial method by employing an independent actuary and accordingly makes provision for these reward points. Actuarial valuation is determined based on certain assumptions regarding mortality rate, discount rate, cancellation rate and redemption rate.

13. Earnings per share (EPS)

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

Diluted earnings per share reflect the potential dilution that could occur if contracts to issue equity shares were exercised or converted during the year. Diluted earnings per equity share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

14. Lease transactions

Lease payments for assets taken on operating lease are recognised as an expense in the profit and loss account over the lease term on straight line basis.

15. Cash and cash equivalents

Cash and cash equivalents include cash in hand, balances with RBI, balances with other banks and money at call and short notice.

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SCHEDULE 18

NOTES FORMING PART OF THE ACCOUNTS

The following disclosures have been made taking into account the requirements of Accounting Standards (ASs) and Reserve Bank of India (RBI) guidelines in this regards.

1. Earnings per share

Basic and diluted earnings per equity share are computed in accordance with AS 20 – Earnings per share. Basic earnings per equity share is computed by dividing net profit/(loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed using the weighted average number of equity shares and weighted average number of dilutive potential equity shares outstanding during the year.

The following table sets forth, for the periods indicated, the computation of earnings per share.

₹ in million, except per share data

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Basic		
Weighted average number of equity shares outstanding	**6,435,966,473**	6,417,180,759
Net profit/(loss) attributable to equity share holders	**33,633.0**	67,774.2
Basic earnings per share (₹)	**5.23**	10.56
Diluted		
Weighted average no. of equity shares outstanding	**6,509,276,099**	6,482,375,300
Net profit/(loss) attributable to equity share holders	**33,633.0**	67,774.2
Diluted earnings per share (₹)[1]	**5.17**	10.46
Nominal value per share (₹)	**2.00**	2.00

1. *The dilutive impact is due to options granted to employees by the Bank.*

2. Business/information ratios

The following table sets forth, for the periods indicated, the business/information ratios.

Sr. No.	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
1.	Interest income to working funds[1]	**7.35%**	7.06%
2.	Non-interest income to working funds[1]	**1.68%**	2.24%
3.	Operating profit to working funds[1,2]	**2.72%**	3.18%
4.	Return on assets[3]	**0.39%**	0.87%
5.	Net profit/(loss) per employee[4] (₹ in million)	**0.4**	0.8
6.	Business (average deposits plus average advances) per employee[4,5] (₹ in million)	**122.2**	107.8

1. *For the purpose of computing the ratio, working funds represent the monthly average of total assets computed for reporting dates of Form X submitted to RBI under Section 27 of the Banking Regulation Act, 1949.*
2. *Operating profit is profit for the year before provisions and contingencies.*
3. *For the purpose of computing the ratio, assets represent the monthly average of total assets computed for reporting dates of Form X submitted to RBI under Section 27 of the Banking Regulation Act, 1949.*
4. *Computed based on average number of employees which include sales executives, employees on fixed term contracts and interns.*
5. *The average deposits and the average advances represent the simple average of the figures reported in Form A to RBI under Section 42(2) of the Reserve Bank of India Act, 1934.*

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3. Capital adequacy ratio

The Bank is subject to the Basel III capital adequacy guidelines stipulated by RBI with effect from April 1, 2013. The guidelines provide a transition schedule for Basel III implementation till March 31, 2020. As per the guidelines, the Tier-1 capital is made up of Common Equity Tier-1 (CET1) and Additional Tier-1.

At March 31, 2019, Basel III guidelines require the Bank to maintain a minimum Capital to Risk-Weighted Assets Ratio (CRAR) of 11.025% with minimum CET1 CRAR of 7.525% and minimum Tier-1 CRAR of 9.025%. The minimum total CRAR, Tier-1 CRAR and CET1 CRAR requirement include capital conservation buffer of 1.875% and additional capital requirement of 0.15% on account of the Bank being designated as Domestic Systemically Important Bank.

The following table sets forth, for the periods indicated, computation of capital adequacy as per Basel III framework.

₹ in million, except percentages

Particulars	**At March 31, 2019**	At March 31, 2018
CET1 CRAR (%)	**13.63%**	14.43%
Tier-1 CRAR (%)	**15.09%**	15.92%
Tier-2 CRAR (%)	**1.80%**	2.50%
Total CRAR (%)	**16.89%**	18.42%
Amount of equity capital raised	**-**	-
Amount of Additional Tier-1 capital raised; of which		
a) Perpetual Non-Cumulative Preference Shares	**-**	-
b) Perpetual Debt Instruments	**11,400.0**	55,550.0
Amount of Tier-2 capital raised; of which		
a) Debt Capital Instruments	-	-
b) Preference Share Capital Instruments	-	-
[Perpetual Cumulative Preference Shares (PCPS)/Redeemable Non-Cumulative Preference Shares (RNCPS)/Redeemable Cumulative Preference Shares (RCPS)]		

4. Liquidity coverage ratio

The Basel Committee for Banking Supervision (BCBS) had introduced the liquidity coverage ratio (LCR) in order to ensure that a bank has an adequate stock of unencumbered high quality liquid assets (HQLA) to survive a significant liquidity stress lasting for a period of 30 days. LCR is defined as a ratio of HQLA to the total net cash outflows estimated for the next 30 calendar days. As per the RBI guidelines, the minimum LCR required to be maintained by banks shall be implemented in a phased manner from January 1, 2015 as given below.

Starting from January 1	2015	2016	2017	2018	2019
Minimum LCR	60.0%	70.0%	80.0%	90.0%	100.0%

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The following tables set forth, for the periods indicated, the quarterly average of unweighted and weighted values of the LCR of the Bank. The simple average has been computed based on daily values.

₹ in million

Sr. No.	Particulars	**Three months ended March 31, 2019**		Three months ended March 31, 2018		Three months ended December 31, 2018		Three months ended September 30, 2018		Three months ended June 30, 2018	
		Total unweighted value (average)	**Total weighted value (average)**	Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)
High quality liquid assets											
1.	Total high quality liquid assets	**N.A.**	**1,434,622.0**	N.A.	1,051,010.5	N.A.	1,246,044.0	N.A.	1,107,799.4	N.A.	1,075,242.1
Cash outflows											
2.	Retail deposits and deposits from small business customers, of which:	**3,594,998.9**	**330,341.9**	3,112,229.1	284,256.3	3,454,379.4	316,883.9	3,314,846.4	303,549.4	3,223,104.7	294,825.9
	(i) Stable deposits	**583,159.0**	**29,157.9**	539,332.4	26,966.6	571,081.9	28,554.1	558,703.0	27,935.1	549,693.1	27,484.7
	(ii) Less stable deposits	**3,011,839.9**	**301,184.0**	2,572,896.7	257,289.7	2,883,297.5	288,329.8	2,756,143.4	275,614.3	2,673,411.6	267,341.2
3.	Unsecured wholesale funding, of which:	**1,618,174.0**	**807,596.3**	1,509,284.6	787,868.8	1,510,189.1	737,892.4	1,454,951.9	712,177.2	1,501,366.0	769,860.5
	(i) Operational deposits (all counterparties)	**441,904.0**	**110,476.0**	332,945.6	83,236.4	414,157.6	103,539.4	398,777.7	99,694.4	366,500.6	91,625.1
	(ii) Non-operational deposits (all counterparties)	**1,100,694.0**	**621,544.3**	1,080,293.7	608,587.1	1,005,282.6	543,604.1	1,001,856.2	558,164.8	1,069,717.7	613,087.7
	(iii) Unsecured debt	**75,576.0**	**75,576.0**	96,045.3	96,045.3	90,748.9	90,748.9	54,318.0	54,318.0	65,147.7	65,147.7
4.	Secured wholesale funding	**N.A.**	**14.8**	N.A.	0.5	N.A.	-	N.A.	-	N.A.	-
5.	Additional requirements, of which:	**436,662.0**	**109,813.0**	412,412.9	102,112.1	464,024.6	116,223.4	431,022.7	109,697.3	401,489.6	102,984.7
	(i) Outflows related to derivative exposures and other collateral requirements	**60,355.4**	**60,355.4**	54,873.2	54,873.2	62,985.4	62,985.4	60,545.8	60,545.8	56,467.4	56,467.4
	(ii) Outflows related to loss of funding on debt products	**244.4**	**244.4**	321.3	321.3	245.7	245.7	254.9	254.9	282.3	282.3
	(iii) Credit and liquidity facilities	**376,062.2**	**49,213.2**	357,218.4	46,917.6	400,793.5	52,992.3	370,222.0	48,896.6	344,739.9	46,235.0
6.	Other contractual funding obligations	**101,512.4**	**101,512.4**	79,394.0	79,394.0	105,439.1	105,439.1	99,451.2	99,451.2	86,189.2	86,189.2
7.	Other contingent funding obligations	**2,273,724.0**	**88,278.7**	1,940,166.6	74,522.5	2,153,806.0	82,525.6	2,045,523.6	78,358.3	1,985,322.0	76,286.3
8.	**Total cash outflows**	**N.A.**	**1,437,557.1**	**N.A.**	**1,328,154.2**	**N.A.**	**1,358,964.4**	**N.A.**	**1,303,233.4**	**N.A.**	**1,330,146.6**
9.	Secured lending (e.g. reverse repos)	**71,815.3**	**-**	50,994.0	4.5	20,976.3	-	44,171.1	13.6	85,174.1	12.6
10.	Inflows from fully performing exposures	**390,191.0**	**310,120.9**	432,268.3	364,081.4	392,574.0	320,113.3	374,466.2	309,621.0	424,585.1	367,647.2
11.	Other cash inflows	**59,141.1**	**36,495.0**	45,186.8	27,789.9	58,964.5	38,051.2	50,062.9	32,068.2	42,576.6	26,095.4
12.	**Total cash inflows**	**521,147.4**	**346,615.9**	**528,449.1**	**391,875.8**	**472,514.8**	**358,164.5**	**468,700.2**	**341,702.8**	**552,335.8**	**393,755.2**
13.	**Total HQLA**	**N.A.**	**1,434,622.0**	**N.A.**	**1,051,010.5**	**N.A.**	**1,246,044.0**	**N.A.**	**1,107,799.4**	**N.A.**	**1,075,242.1**
14.	Total net cash outflows (8)-(12)	**N.A.**	**1,090,941.2**	N.A.	936,278.4	N.A.	1,000,799.9	N.A.	961,530.6	N.A.	936,391.4
15.	**Liquidity coverage ratio (%)**	**N.A.**	**131.50%**	**N.A.**	**112.25%**	**N.A.**	**124.50%**	**N.A.**	**115.21%**	**N.A.**	**114.83%**

Liquidity of the Bank is managed by the Asset Liability Management Group (ALMG) under the central oversight of the Asset Liability Management Committee (ALCO). For the domestic operations of the Bank, ALMG-India is responsible for the overall management of liquidity. For the overseas branches of the Bank, a decentralised approach is followed for day-to-day liquidity management, while a centralised approach is followed for long-term funding in co-ordination with Head-Office. Liquidity in the overseas branches is maintained taking into consideration both host country and the RBI regulations.

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The Bank during the three months ended March 31, 2019 maintained average HQLA (after haircut) of ₹ 1,434,622.0 million (March 31, 2018: ₹ 1,051,010.5 million) against the average liquidity requirement of ₹ 1,090,941.2 million (March 31, 2018: ₹ 842,650.4 million) at minimum LCR requirement of 100.0% (March 31, 2018: 90.0%). HQLA primarily includes government securities in excess of minimum statutory liquidity ratio (SLR) and to the extent allowed under marginal standing facility (MSF) and facility to avail liquidity for LCR (FALLCR) of ₹ 1,189,674.2 million (March 31, 2018: ₹ 815,035.6 million). With effect from June 15, 2018, RBI permitted banks to reckon an additional 2.0% of their net demand and time liabilities (NDTL) under FALLCR within the mandatory statutory liquidity requirement (SLR), as Level 1 high quality liquid assets (HQLA) for the purpose of computing their LCR. Further, in September 2018, RBI permitted banks to reckon an additional 2.0% of their net demand and time liabilities (NDTL) with effect from October 1, 2018 under FALLCR within the mandatory statutory liquidity requirement (SLR), as Level 1 high quality liquid assets (HQLA) for the purpose of computing their LCR. Hence, the carve-out from SLR under FALLCR will now be 13.0% compared to 9.0% as of March 31, 2018. This takes the total carve out from SLR available to banks at 15.0% of their NDTL including 2.0% of MSF. Additionally, cash balance in excess of cash reserve requirement with RBI and balances with central banks of countries where the Bank's branches are located amounted to ₹ 178,691.5 million (March 31, 2018: ₹ 160,400.8 million). Further, average level 2 assets primarily consisting of AA- and above rated corporate bonds and commercial papers, amounted to ₹ 47,040.3 million (March 31, 2018: ₹ 50,909.9 million).

At March 31, 2019, top liability products/instruments and their percentage contribution to the total liabilities of the Bank were term deposits 34.11% (March 31, 2018: 30.83%), savings account deposits 23.61% (March 31, 2018: 22.86%), bond borrowings 9.29% (March 31, 2018: 10.68%) and current account deposits 9.98% (March 31, 2018: 10.12%). Top 20 depositors constituted 5.74% (March 31, 2018: 6.20%) of total deposits of the Bank at March 31, 2019. Further, the total borrowings mobilised from significant counterparties (from whom the funds borrowed were more than 1.00% of the Bank's total liabilities) were 7.04% (March 31, 2018: 8.92%) of the total liabilities of the Bank at March 31, 2019.

The weighted cash outflows are primarily driven by unsecured wholesale funding which includes operational deposits, non-operational deposits and unsecured debt. During the three months ended March 31, 2019, unsecured wholesale funding contributed 56.18% (March 31, 2018: 59.32%) of the total weighted cash outflows. The non-operational deposits include term deposits with premature withdrawal facility. Retail deposits including deposits from small business customers and other contingent funding obligations contributed 22.98% (March 31, 2018: 21.40%) and 6.14% (March 31, 2018: 5.61%) of the total weighted cash outflows, respectively. The other contingent funding obligations primarily include bank guarantees (BGs) and letters of credit (LCs) issued on behalf of the Bank's clients.

In view of the margin rules for non-centrally cleared derivative transactions issued by the Basel Committee on Banking Supervision and discussion paper issued by the RBI, certain derivative transactions would be subject to margin reset and consequent collateral exchange would be as governed by Credit Support Annex (CSA). The margin rules are applicable for both the domestic and overseas operations of the Bank. The Bank has entered into CSAs which would require maintenance of collateral due to valuation changes on transactions under the CSA framework. The Bank considers the increased liquidity requirement on account of valuation changes in the transactions settled through Qualified Central Counterparties (QCCP) in India including the Clearing Corporation of India (CCIL) and other exchange houses as well as for transactions covered under CSAs. The potential outflows on account of such transactions have been considered based on the look-back approach prescribed in the RBI guidelines.

The average LCR of the Bank for the three months ended March 31, 2019 was 131.50% (March 31, 2018: 112.25%). During the three months ended March 31, 2019, other than Indian Rupee, USD was the only significant foreign currency which constituted more than 5.00% of the balance sheet size of the Bank. The average LCR of the Bank for USD currency, computed based on daily LCR values, was 117.77% for the three months ended March 31, 2019 (March 31, 2018: 112.57% computed based on month-end LCR values).

5. Information about business and geographical segments

Business Segments

Pursuant to the guidelines issued by RBI on AS 17 - Segment Reporting - Enhancement of Disclosures dated April 18, 2007, effective from year ended March 31, 2008, the following business segments have been reported.

- **Retail Banking** includes exposures which satisfy the four criteria of orientation, product, granularity and low value of individual exposures for retail exposures laid down in Basel Committee on Banking Supervision (BCBS)

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document 'International Convergence of Capital Measurement and Capital Standards: A Revised Framework'. This segment also includes income from credit cards, debit cards, third party product distribution and the associated costs.

- **Wholesale Banking** includes all advances to trusts, partnership firms, companies and statutory bodies, which are not included under Retail Banking.
- **Treasury** includes the entire investment and derivative portfolio of the Bank.
- **Other Banking** includes leasing operations and other items not attributable to any particular business segment.

Income, expenses, assets and liabilities are either specifically identified with individual segments or are allocated to segments on a systematic basis.

All liabilities are transfer priced to a central treasury unit, which pools all funds and lends to the business units at appropriate rates based on the relevant maturity of assets being funded after adjusting for regulatory reserve requirements.

The transfer pricing mechanism of the Bank is periodically reviewed. The segment results are determined based on the transfer pricing mechanism prevailing for the respective reporting periods.

The following tables set forth, for the periods indicated, the business segment results on this basis.

₹ in million

Sr. No.	Particulars	For the year ended March 31, 2019				
		Retail Banking	Wholesale Banking	Treasury	Other Banking Business	Total
1.	Revenue	591,723.3	341,685.1	539,240.6	15,621.1	1,488,270.1
2.	Less: Inter-segment revenue					709,136.5
3.	Total revenue (1)–(2)					779,133.6
4.	**Segment results**	82,231.2	(102,423.5)	51,651.3	6,308.6	37,767.6
5.	Unallocated expenses					-
6.	Operating profit (4)-(5)					37,767.6
7.	Income tax expenses (including deferred tax credit)					4,134.6
8.	**Net profit/(loss) (6)-(7)**					33,633.0
9.	Segment assets	3,071,558.3	2,884,954.5	3,329,564.1	158,880.1	9,444,957.0
10.	Unallocated assets[1]					199,634.5
11.	**Total assets (9)+(10)**					9,644,591.5
12.	Segment liabilities	4,889,760.0	1,874,784.2	2,800,228.1[2]	79,819.2	9,644,591.5
13.	Unallocated liabilities					-
14.	**Total liabilities (12)+(13)**					9,644,591.5
15.	Capital expenditure	5,436.5	1,966.4	-	67.0	7,469.9
16.	Depreciation	5,559.0	2,111.0	0.4	98.7	7,769.1

1. *Includes tax paid in advance/tax deducted at source (net) and deferred tax assets (net).*
2. *Includes share capital and reserves and surplus.*

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₹ in million

Sr. No.	Particulars	For the year ended March 31, 2018				
		Retail Banking	Wholesale Banking	Treasury	Other Banking Business	Total
1.	Revenue	502,625.4	300,940.2	519,603.8	12,787.2	1,335,956.6
2.	Less: Inter-segment revenue					612,101.4
3.	Total revenue (1)–(2)					723,855.2
4.	**Segment results**	**71,414.2**	**(82,813.0)**	**81,149.3**	**4,595.0**	**74,345.5**
5.	Unallocated expenses					-
6.	Operating profit (4)-(5)					74,345.5
7.	Income tax expenses (including deferred tax credit)					6,571.3
8.	**Net profit/(loss) (6)-(7)**					**67,774.2**
9.	Segment assets	2,586,385.4	2,657,712.2	3,303,399.8	107,924.8	8,655,422.2
10.	Unallocated assets[1]					136,469.4
11.	**Total assets (9)+(10)**					**8,791,891.6**
12.	Segment liabilities	4,135,023.7	1,672,682.4	2,946,198.7[2]	37,986.8	8,791,891.6
13.	Unallocated liabilities					-
14.	**Total liabilities (12)+(13)**					**8,791,891.6**
15.	Capital expenditure	7,393.7	1,302.8	24.3	24.8	8,745.6
16.	Depreciation	6,665.6	1,081.8	17.7	42.3	7,807.4

1. *Includes tax paid in advance/tax deducted at source (net) and deferred tax assets (net).*
2. *Includes share capital and reserves and surplus.*

Geographical segments

The Bank reports its operations under the following geographical segments.

- **Domestic operations** comprise branches in India.
- **Foreign operations** comprise branches outside India and offshore banking units in India.

The following table sets forth, for the periods indicated, geographical segment results.

₹ in million

Revenues	**Year ended March 31, 2019**	Year ended March 31, 2018
Domestic operations	**736,185.1**	685,764.0
Foreign operations	**42,948.5**	38,091.2
Total	**779,133.6**	**723,855.2**

The following table sets forth, for the periods indicated, geographical segment assets.

₹ in million

Assets	**At March 31, 2019**	**At March 31, 2018**
Domestic operations	**8,554,413.9**	7,724,037.0
Foreign operations	**890,543.1**	931,385.2
Total	**9,444,957.0**	**8,655,422.2**

Segment assets do not include tax paid in advance/tax deducted at source (net) and deferred tax assets (net).

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The following table sets forth, for the periods indicated, capital expenditure and depreciation thereon for the geographical segments.

₹ in million

Particulars	Capital expenditure incurred during		Depreciation provided during	
	Year ended March 31, 2019	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018
Domestic operations	**7,329.9**	8,584.1	**7,679.8**	7,739.8
Foreign operations	**140.0**	161.5	**89.3**	67.6
Total	**7,469.9**	**8,745.6**	**7,769.1**	**7,807.4**

6. **Maturity pattern**

The following table sets forth, the maturity pattern of assets and liabilities of the Bank at March 31, 2019.

₹ in million

Maturity buckets	**Loans & Advances[1]**	**Investment securities[1]**	**Deposits[1]**	**Borrowings[1]**	**Total foreign currency assets[2]**	**Total foreign currency liabilities[2]**
Day 1	**18,074.7**	**327,197.8**	**112,052.1**	**-**	**235,787.1**	**3,566.6**
2 to 7 days	**42,903.4**	**135,338.6**	**443,751.3**	**74,566.7**	**124,344.4**	**19,645.1**
8 to 14 days	**44,478.6**	**62,223.9**	**162,499.0**	**1,116.9**	**16,749.6**	**8,186.2**
15 to 30 days	**153,054.5**	**89,610.7**	**140,542.6**	**53,488.3**	**65,936.0**	**52,279.6**
31 days to 2 months	**215,897.3**	**51,194.8**	**210,081.1**	**130,147.6**	**89,126.2**	**142,897.9**
2 to 3 months	**229,534.3**	**48,940.1**	**171,189.6**	**45,880.0**	**81,016.6**	**54,264.0**
3 to 6 months	**476,884.4**	**100,862.9**	**335,622.8**	**164,802.0**	**136,678.8**	**177,512.8**
6 months to 1 year	**673,180.7**	**212,942.9**	**722,505.4**	**256,331.1**	**127,971.4**	**285,663.2**
1 to 3 years	**1,544,031.3**	**237,442.3**	**653,019.0**	**336,246.3**	**129,809.1**	**206,655.1**
3 to 5 years	**1,036,848.4**	**332,798.6**	**1,795,681.7**	**314,786.8**	**84,077.9**	**109,048.7**
Above 5 years	**1,431,578.2**	**478,774.2**	**1,782,252.1**	**275,834.0**	**140,159.2**	**115,570.4**
Total	**5,866,465.8**	**2,077,326.8**	**6,529,196.7**	**1,653,199.7**	**1,231,656.3**	**1,175,289.6**

1. *Includes foreign currency balances.*
2. *Excludes off-balance sheet assets and liabilities.*

The following table sets forth, the maturity pattern of assets and liabilities of the Bank at March 31, 2018.

₹ in million

Maturity buckets	Loans & Advances[1]	Investment securities[1]	Deposits[1]	Borrowings[1]	Total foreign currency assets[2]	Total foreign currency liabilities[2]
Day 1	8,269.3	248,957.1	92,186.7	-	12,974.8	1,597.0
2 to 7 days	45,366.0	220,653.2	435,307.2	155,100.1	320,146.2	8,076.4
8 to 14 days	51,069.5	80,973.0	142,865.4	31,043.3	18,014.4	23,194.4
15 to 30 days	114,084.8	100,440.0	83,340.3	48,153.1	45,594.1	42,027.0
31 days to 2 months	176,811.3	40,682.1	195,498.1	51,716.4	67,639.3	29,495.8
2 to 3 months	211,245.8	54,101.1	161,686.7	78,375.8	60,259.6	74,672.7
3 to 6 months	448,622.1	99,057.9	294,857.1	97,585.3	104,404.0	119,756.2
6 months to 1 year	552,756.4	191,411.3	487,247.8	215,439.8	113,605.0	211,011.2
1 to 3 years	1,240,469.0	274,485.7	557,322.3	531,721.2	162,479.4	418,914.5
3 to 5 years	905,127.2	275,685.9	1,586,822.7	267,450.8	88,163.8	117,477.0
Above 5 years	1,370,131.5	443,494.5	1,572,617.8	352,000.4	227,599.5	113,742.0
Total	**5,123,952.9**	**2,029,941.8**	**5,609,752.1**	**1,828,586.2**	**1,220,880.1**	**1,159,964.2**

1. *Includes foreign currency balances.*
2. *Excludes off-balance sheet assets and liabilities.*

The estimates and assumptions used by the Bank for classification of assets and liabilities under the different maturity buckets is based on the returns submitted to RBI for the relevant periods.

7. Preference shares

During the year ended March 31, 2019, the Bank redeemed preference shares of ₹ 3,500.0 million after obtaining requisite approval from RBI. The Bank has created capital redemption reserve of ₹ 3,500.0 million as required under the Companies Act, 2013, out of surplus profits available for previous years.

8. Employee Stock Option Scheme (ESOS)

In terms of the ESOS, as amended, the maximum number of options granted to any eligible employee in a financial year shall not exceed 0.05% of the issued equity shares of the Bank at the time of grant of the options and aggregate of all such options granted to the eligible employees shall not exceed 10% of the aggregate number of the issued equity shares of the Bank on the date(s) of the grant of options in line with SEBI Regulations. Under the stock option scheme, eligible employees are entitled to apply for equity shares. In April 2016, exercise period was modified from 10 years from the date of grant or five years from the date of vesting, whichever is later, to 10 years from the date of vesting of options. In June 2017, exercise period was further modified to not exceed 10 years from the date of vesting of options as may be determined by the Board Governance, Remuneration & Nomination Committee to be applicable for future grants. In May 2018, exercise period was further modified to not exceed 5 years from the date of vesting of options as may be determined by the Board Governance, Remuneration & Nomination Committee to be applicable for future grants.

Options granted after March 2014, vest in a graded manner over a three-year period with 30%, 30% and 40% of the grant vesting in each year, commencing from the end of 12 months from the date of grant other than certain options granted in April 2014 which vested to the extent of 50% on April 30, 2017 and the balance vested on April 30, 2018 and option granted in September 2015 which vested to the extent of 50% on April 30, 2018 and balance 50% would vest on April 30, 2019. However, for the options granted in September 2015, if the participant's employment terminates due to retirement (including pursuant to any early/voluntary retirement scheme), all the unvested options would lapse. Options granted in January 2018 would vest at the end of four years from the date of grant. Certain options granted in May 2018, would vest to the extent of 50% on May 7, 2021 and balance 50% would vest on May 7, 2022 and any unvested options would lapse upon termination of employment due to retirement (including pursuant to early/voluntary retirement scheme).

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Options granted prior to March 2014 except mentioned below, vested in a graded manner over a four-year period, with 20%, 20%, 30% and 30% of the grants vesting in each year, commencing from the end of 12 months from the date of grant. Options granted in April 2009 vested in a graded manner over a five-year period with 20%, 20%, 30% and 30% of grant vesting each year, commencing from the end of 24 months from the date of grant. Options granted in September 2011 vested in a graded manner over a five-year period with 15%, 20%, 20% and 45% of grant vesting each year, commencing from the end of 24 months from the date of the grant.

The exercise price of the Bank's options, except mentioned below, is the last closing price on the stock exchange, which recorded highest trading volume preceding the date of grant of options. In February 2011, the Bank granted 16,692,500 options to eligible employees and whole-time Directors of the Bank and certain of its subsidiaries at an exercise price of ₹ 175.82. This exercise price was the average closing price on the stock exchange during the six months ended October 28, 2010. Of these options granted, 50% vested on April 30, 2014 and the balance 50% vested on April 30, 2015.

Based on intrinsic value of options, no compensation cost was recognised during the year ended March 31, 2019 (year ended March 31, 2018: Nil). If the Bank had used the fair value of options based on binomial tree model, compensation cost in the year ended March 31, 2019 would have been higher by ₹ 3,179.0 million (year ended March 31, 2018: ₹ 3,526.6 million) and proforma profit after tax would have been ₹ 30,454.0 million (year ended March 31, 2018: ₹ 64,247.6 million). On a proforma basis, the Bank's basic and diluted earnings per share would have been ₹ 4.73 (year ended March 31, 2018: ₹ 10.01) and ₹ 4.68 (year ended March 31, 2018: ₹ 9.91) respectively for the year ended March 31, 2019.

The following table sets forth, for the periods indicated, the key assumptions used to estimate the fair value of options granted.

Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018
Risk-free interest rate	**7.32% to 8.31%**	7.06% to 7.59%
Expected life	**3.64 to 6.64 years**	3.90 to 6.90 years
Expected volatility	**30.79% to 32.22%**	31.71% to 32.92%
Expected dividend yield	**0.43% to 0.80%**	0.73% to 1.81%

The weighted average fair value of options granted during the year ended March 31, 2019 was ₹ 107.22 (year ended March 31, 2018: ₹ 86.43).

Risk free interest rates over the expected term of the option are based on the government securities yield in effect at the time of the grant. The expected term of an option is estimated based on the vesting term as well as expected exercise behavior of the employees who receive the option. Expected exercise behaviour is estimated based on the historical stock option exercise pattern of the Bank. Expected volatility during the estimated expected term of the option is based on historical volatility determined based on observed market prices of the Bank's publicly traded equity shares. Expected dividends during the estimated expected term of the option are based on recent dividend activity.

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The following table sets forth, for the periods indicated, the summary of the status of the Bank's stock option plan.

₹ except number of options

Particulars	Stock options outstanding			
	Year ended March 31, 2019		Year ended March 31, 2018	
	Number of options	**Weighted average exercise price**	Number of options	Weighted average exercise price
Outstanding at the beginning of the year	**235,672,250**	**224.19**	226,715,682	217.12
Add: Granted during the year[1]	**35,419,900**	**283.91**	35,137,770	251.05
Less: Lapsed during the year, net of re-issuance	**20,415,499**	**229.88**	5,114,174	248.30
Less: Exercised during the year	**18,248,877**	**191.04**	21,067,028	187.00
Outstanding at the end of the year	**232,427,774**	**235.40**	235,672,250	224.19
Options exercisable	**152,151,329**	**222.84**	136,428,736	208.44

1. *Includes stock options granted to WTDs which are pending regulatory approvals.*

The following table sets forth, the summary of stock options outstanding at March 31, 2019.

Range of exercise price (₹ per share)	**Number of shares arising out of options**	**Weighted average exercise price (₹ per share)**	**Weighted average remaining contractual life (Number of years)**
60-99	**1,602,975**	**79.15**	**3.84**
100-199	**33,771,457**	**166.66**	**4.23**
200-299	**196,076,442**	**248.04**	**8.11**
300-399	**976,900**	**329.56**	**8.64**

The following table sets forth, the summary of stock options outstanding at March 31, 2018.

Range of exercise price (₹ per share)	Number of shares arising out of options	Weighted average exercise price (₹ per share)	Weighted average remaining contractual life (Number of years)
60-99	1,849,150	79.12	4.91
100-199	47,665,539	165.43	4.85
200-299	185,857,561	240.57	9.43
300-399	300,000	309.50	13.79

The options were exercised regularly throughout the period and weighted average share price as per National Stock Exchange price volume data during the year ended March 31, 2019 was ₹ 326.37 (year ended March 31, 2018: ₹ 296.94).

9. Subordinated debt

The following table sets forth, the details of subordinated debt bonds qualifying for Additional Tier-1 capital raised during the year ended March 31, 2019.

Particulars	**Date of Issue**	**Coupon Rate (%)**	**Tenure**	**Amount**
Subordinate Additional Tier-1	**December 28, 2018**	**9.90% (annually)**	**Perpetual[1]**	**11,400.0**

1. *Call option exercisable on December 28, 2023 and on every interest payment date thereafter (exercisable with RBI approval).*

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The following table sets forth, the details of subordinated debt bonds qualifying for Additional Tier-1 capital raised during the year ended March 31, 2018.

₹ in million

Particulars	Date of Issue	Coupon Rate (%)	Tenure	Amount
Subordinate Additional Tier-1	September 20, 2017	8.55% (annually)	Perpetual[1]	10,800.0
Subordinate Additional Tier-1	October 4, 2017	8.55% (annually)	Perpetual[2]	4,750.0
Subordinate Additional Tier-1	March 20, 2018	9.15% (annually)	Perpetual[3]	40,000.0

1. *Call option exercisable on September 20, 2022 and on every interest payment date thereafter (exercisable with RBI approval).*
2. *Call option exercisable on October 4, 2022 and on every interest payment date thereafter (exercisable with RBI approval).*
3. *Call option exercisable on June 20, 2023 and on every interest payment date thereafter (exercisable with RBI approval).*

During the year ended March 31, 2019, the Bank has not raised subordinated debt qualifying for Tier-2 capital (March 31, 2018: Nil).

10. Repurchase transactions

The following tables set forth for the periods indicated, the details of securities sold and purchased under repo and reverse repo transactions respectively including transactions under Liquidity Adjustment Facility (LAF) and Marginal Standing Facility (MSF).

₹ in million

Sr. No.	Particulars	**Minimum outstanding balance during the**	**Maximum outstanding balance during the**	**Daily average outstanding balance during the**	**Outstanding balance at March 31, 2019**
		Year ended March 31, 2019			
Securities sold under Repo, LAF and MSF					
i)	Government Securities	**-**	**183,972.2**	**37,694.6**	**61,716.3**
ii)	Corporate Debt Securities	**-**	**1,000.0**	**2.7**	**-**
Securities purchased under Reverse Repo and LAF					
i)	Government Securities	**-**	**293,919.6**	**59,525.3**	**99,000.0**
ii)	Corporate Debt Securities	**-**	**2,000.0**	**49.3**	**-**

1. *Amounts reported are based on face value of securities under Repo and Reverse repo.*
2. *Amounts reported are based on lending/borrowing amount under LAF and MSF.*
3. *Includes tri-party repo transactions.*

₹ in million

Sr. No.	Particulars	Minimum outstanding balance during the	Maximum outstanding balance during the	Daily average outstanding balance during the	Outstanding balance at March 31, 2018
		Year ended March 31, 2018			
Securities sold under Repo, LAF and MSF					
i)	Government Securities	-	129,841.0	15,706.0	115,920.0
ii)	Corporate Debt Securities	-	1,000.0	4.4	-
Securities purchased under Reverse Repo and LAF					
i)	Government Securities	-	323,000.0	70,930.9	170,390.0
ii)	Corporate Debt Securities	-	2,000.0	7.7	-

1. *Amounts reported are based on face value of securities under Repo and Reverse repo.*
2. *Amounts reported are based on lending/borrowing amount under LAF and MSF.*

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11. Investments

The following table sets forth, for the periods indicated, the details of investments and the movement of provision held towards depreciation on investments of the Bank.

₹ in million

Sr. No.	Particulars	At March 31, 2019	At March 31, 2018
1.	**Value of Investments**		
	i) Gross value of investments		
	a) In India	**2,062,886.2**	2,003,754.4
	b) Outside India	**64,377.2**	73,275.2
	ii) Provision for depreciation		
	c) In India	**(49,109.9)**	(41,654.9)
	d) Outside India	**(826.7)**	(5,432.9)
	iii) Net value of investments		
	e) In India	**2,013,776.3**	1,962,099.5
	f) Outside India	**63,550.5**	67,842.3
2.	**Movement of provisions held towards depreciation on investments**		
	i) Opening balance	**47,087.8**	35,429.8
	ii) Add: Provisions made during the year	**9,757.5**	28,923.0
	iii) Less: Write-off/write-back of excess provisions during the year	**(6,908.7)**	(17,265.0)
	iv) Closing balance	**49,936.6**	47,087.8

During the year ended March 31, 2019, the Bank sold 2.00% of its shareholding in ICICI Prudential Life Insurance Limited and made a net gain of ₹ 11,095.9 million on this sale.

During the year ended March 31, 2018, the Bank sold approximately 7.00% of its shareholding in ICICI Lombard General Insurance Company Limited in the IPO and made a net gain of ₹ 20,121.5 million on this sale. Further, the Bank sold approximately 20.78% of its shareholding in ICICI Securities Limited in the IPO and made a net gain of ₹ 33,197.7 million on this sale.

The following table sets forth, for the periods indicated, break-up of other investments in Schedule 8.

₹ in million

Investments	At March 31, 2019	At March 31, 2018
I. In India		
Pass through certificates	**136,172.1**	120,469.0
Commercial paper	**105,614.9**	128,647.6
Certificate of deposits	**30,301.1**	43,897.9
Security receipts	**32,856.3**	34,383.0
Venture funds	**2,923.9**	3,436.8
Others	**4,307.1**	253.7
Total	**312,175.4**	**331,088.0**
II. Outside India		
Certificate of deposits	**4,493.9**	4,234.9
Shares	**310.1**	309.5
Bonds	**-**	2,023.0
Venture funds	**1,892.8**	970.8
Total	**6,696.8**	**7,538.2**
Grand total	**318,872.2**	**338,626.2**

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12. Investment in securities, other than government and other approved securities (Non-SLR investments)

i) Issuer composition of investments in securities, other than government and other approved securities

The following table sets forth, the issuer composition of investments of the Bank in securities, other than government and other approved securities at March 31, 2019.

₹ in million

Sr. No.	Issuer	Amount	Extent of private placement	Extent of 'below investment grade' securities	Extent of 'unrated' securities[2,3]	Extent of 'unlisted' securities[2,3]
			(a)	(b)	(c)	(d)
1.	PSUs	56,242.6	48,032.5	-	-	-
2.	FIs	103,246.7	84,848.2	797.0	187.2	-
3.	Banks	39,093.3	29,358.1	-	-	-
4.	Private corporates	147,387.6	145,949.3	7,209.4	2,494.4	8,924.7
5.	Subsidiaries/ Joint ventures	98,028.5	-	-	-	-
6.	Others[3,4]	183,868.7	180,059.8	37,367.8	20.0	20.0
7.	Provision held towards depreciation	(49,798.0)	N.A.	N.A.	N.A.	N.A.
	Total	**578,069.4**	**488,247.9**	**45,374.2**	**2,701.6**	**8,944.7**

1. *Amounts reported under columns (a), (b), (c) and (d) above are not mutually exclusive.*
2. *Excludes equity shares, units of equity-oriented mutual fund, units of venture capital fund, pass through certificates, security receipts, commercial papers, certificates of deposit, non-convertible debentures (NCDs) with original or initial maturity up to one year issued by corporate (including NBFC), unlisted convertible debentures and securities acquired by way of conversion of debt.*
3. *Excludes investments in non-Indian government securities by overseas branches amounting to ₹ 20,026.9 million.*
4. *Excludes investments in non-SLR government of India securities amounting to ₹ 135.0 million.*

The following table sets forth, the issuer composition of investments of the Bank in securities, other than government and other approved securities at March 31, 2018.

₹ in million

Sr. No.	Issuer	Amount	Extent of private placement	Extent of 'below investment grade' securities	Extent of 'unrated' securities[2,3]	Extent of 'unlisted' securities[2,3]
			(a)	(b)	(c)	(d)
1.	PSUs	29,705.0	27,588.3	-	-	1,389.5
2.	FIs	139,996.7	86,664.0	-	5.4	-
3.	Banks	46,543.0	17,935.7	-	-	-
4.	Private corporates	181,651.3	155,962.0	6,394.7	2,983.3	17,811.4
5.	Subsidiaries/ Joint ventures	98,315.7	-	-	-	-
6.	Others[3,4]	165,317.7	165,297.2	37,886.8	-	-
7.	Provision held towards depreciation	(46,917.7)	N.A.	N.A.	N.A.	N.A.
	Total	**614,611.7**	**453,447.2**	**44,281.5**	**2,988.7**	**19,200.9**

1. *Amounts reported under columns (a), (b), (c) and (d) above are not mutually exclusive.*
2. *Excludes equity shares, units of equity-oriented mutual fund, units of venture capital fund, pass through certificates, security receipts, commercial papers, certificates of deposit, non-convertible debentures (NCDs) with original or initial maturity up to one year issued by corporate (including NBFC), unlisted convertible debentures and securities acquired by way of conversion of debt.*
3. *Excludes investments in non-Indian government securities by overseas branches amounting to ₹ 23,477.2 million.*
4. *Excludes investments in non-SLR government of India securities amounting to ₹ 7,578.5 million.*

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ii) Non-performing investments in securities, other than government and other approved securities

The following table sets forth, for the periods indicated, the movement in gross non-performing investments in securities, other than government and other approved securities.

₹ in million

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Opening balance	**38,440.3**	14,258.8
Additions during the year	**13,827.3**	33,485.8
Reduction during the year	**(7,980.4)**	(9,304.3)
Closing balance	**44,287.2**	38,440.3
Total provision held	**37,597.3**	**28,712.6**

13. Sales and transfers of securities to/from Held to Maturity (HTM) category

During the three months ended June 30, 2018, with the approval of Board of Directors, the Bank transferred securities amounting to ₹ 157,519.9 million from held-to-maturity (HTM) category to available-for-sale (AFS) category, being transfer of securities at the beginning of the accounting year as permitted by RBI. During the year ended March 31, 2019, the Bank undertook one transaction for sale of securities with a net book value of ₹ 2,283.2 million, which was 0.20% of the HTM portfolio at April 1, 2018. During the year ended March 31, 2018, the Bank undertook 52 transactions for sale of securities with a net book value of ₹ 44,039.5 million, which was 4.69% of the HTM portfolio at April 1, 2017. The above sale is excluding sale to RBI under pre-announced open market operation auctions and repurchase of government securities by Government of India, as permitted by RBI guidelines. The market value of investments held in the HTM category was ₹ 1,722,629.5 million at March 31, 2019 (March 31, 2018: ₹ 1,549,786.6 million). This includes investments in unlisted subsidiaries/joint ventures classified in the HTM category at cost.

14. CBLO transactions

During the year ended March 31, 2019, the Clearing Corporation of India Limited (CCIL) has discontinued transactions under CBLO. At March 31, 2018, the Bank had outstanding borrowings amounting to ₹ 48,642.5 million and the amortised book value of securities given as collateral by the Bank to CCIL for availing the CBLO facility was ₹ 157,319.7 million.

15. Derivatives

The Bank is a major participant in the financial derivatives market. The Bank deals in derivatives for balance sheet management, proprietary trading and market making purposes whereby the Bank offers derivative products to its customers, enabling them to hedge their risks.

Dealing in derivatives is carried out by identified groups in the treasury of the Bank based on the purpose of the transaction. Derivative transactions are entered into by the treasury front office. Treasury Control and Service Group (TCSG) conducts an independent check of the transactions entered into by the front office and also undertakes activities such as confirmation, settlement, accounting, risk monitoring and reporting and ensures compliance with various internal and regulatory guidelines.

The market making and the proprietary trading activities in derivatives are governed by the Investment policy and Derivative policy of the Bank, which lays down the position limits, stop loss limits as well as other risk limits. The Risk Management Group (RMG) lays down the methodology for computation and monitoring of risk. The Risk Committee of the Board (RCB) reviews the Bank's risk management policy in relation to various risks including credit and recovery policy, investment policy, derivative policy, Asset Liability Management (ALM) policy and operational risk management policy. The RCB comprises independent directors and the Managing Director & CEO.

The Bank measures and monitors risk of its derivatives portfolio using such risk metrics as Value at Risk (VaR), stop loss limits and relevant greeks for options. Risk reporting on derivatives forms an integral part of the management information system.

The use of derivatives for hedging purposes is governed by the hedge policy approved by ALCO. Subject to prevailing RBI guidelines, the Bank deals in derivatives for hedging fixed rate, floating rate or foreign currency assets/liabilities. Transactions for hedging and market making purposes are recorded separately. For hedge transactions, the Bank identifies the hedged item (asset or liability) at the inception of the hedge itself. The effectiveness is assessed at the time of inception of the hedge and periodically thereafter. Hedge derivative transactions are accounted for pursuant

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to the principles of hedge accounting based on guidelines issued by RBI. Derivatives for market making purpose are marked to market and the resulting gain/loss is recorded in the profit and loss account. The premium on option contracts is accounted for as per Foreign Exchange Dealers Association of India (FEDAI) guidelines.

Over the counter (OTC) derivative transactions are covered under International Swaps and Derivatives Association (ISDA) master agreements with the respective counter parties. The exposure on account of derivative transactions is computed as per RBI guidelines.

The following tables set forth, for the periods indicated, the details of derivative positions.

₹ in million

Sr. No.	Particulars	At March 31, 2019		At March 31, 2018	
		Currency derivative[1]	**Interest rate derivative[2]**	Currency derivative[1]	Interest rate derivative[2]
1.	**Derivatives (Notional principal amount)**				
	a) For hedging	**-**	**405,113.5**	524.1	385,450.3
	b) For trading	**1,169,273.7**	**11,290,774.4**	994,889.8	5,629,053.4
2.	**Marked to market positions[3]**				
	a) Asset (+)	**21,822.9**	**28,898.7**	22,385.8	16,311.0
	b) Liability (-)	**(16,486.8)**	**(30,163.3)**	(13,461.6)	(17,429.8)
3.	**Credit exposure[4]**	**72,219.9**	**124,854.3**	72,907.7	74,451.6
4.	**Likely impact of one percentage change in interest rate (100*PV01)[5]**				
	a) On hedging derivatives[6]	**-**	**10,011.7**	1.3	12,597.9
	b) On trading derivatives	**423.5**	**62.7**	1,425.2	370.1
5.	**Maximum and minimum of 100*PV01 observed during the period**				
	a) On hedging[6]				
	Maximum	**1.3**	**12,807.0**	31.6	14,133.6
	Minimum	**-**	**9,779.7**	1.1	10,992.5
	b) On trading				
	Maximum	**1,482.1**	**2,210.6**	1,425.2	1,732.1
	Minimum	**423.1**	**10.7**	735.3	2.0

1. *Exchange traded and OTC options, cross currency interest rate swaps and currency futures are included in currency derivatives.*
2. *OTC Interest rate options, Interest rate swaps, forward rate agreements, swaptions and exchange traded interest rate derivatives are included in interest rate derivatives.*
3. *For trading portfolio including accrued interest.*
4. *Includes accrued interest and has been computed based on current exposure method.*
5. *Amounts given are absolute values on a net basis, excluding options.*
6. *The swap contracts entered into for hedging purpose would have an opposite and off-setting impact with the underlying on-balance sheet items.*

The following tables set forth, for the periods indicated, the details of forex contracts.

₹ in million

Sr. No.	Particulars	At March 31, 2019		At March 31, 2018	
		Trading	**Non-trading**	Trading	Non-trading
1.	**Forex contracts (Notional principal amount)**	**4,144,178.3**	**556,822.2**	4,049,874.7	276,814.5
2.	**Marked to market positions**				
	a) Asset (+)	**19,107.0**	**2,261.8**	18,880.0	921.0
	b) Liability (-)	**(17,799.0)**	**(6,000.7)**	(17,457.4)	(2,851.5)
3.	**Credit exposure[1]**	**132,225.8**	**16,396.5**	124,398.4	6,523.2
4.	**Likely impact of one percentage change in interest rate (100*PV01)[2]**	**53.6**	**15.2**	63.5	2.4

1. *Computed based on current exposure method.*
2. *Amounts given are absolute values on a net basis.*

The net overnight open position (NOOP) at March 31, 2019 (as per last NOOP value reported to RBI for the year ended March 31, 2019) was ₹ 2,688.1 million (March 31, 2018: ₹ 992.6 million).

The Bank has no exposure in credit derivative instruments (funded and non-funded) including credit default swaps (CDS) and principal protected structures at March 31, 2019 (March 31, 2018: Nil).

The Bank offers deposits to customers of its overseas branches with structured returns linked to interest, forex, credit or equity benchmarks. The Bank covers these exposures in the inter-bank market. At March 31, 2019, the net open notional position on this portfolio was Nil (March 31, 2018: Nil) with no mark-to-market gain/loss (March 31, 2018: Nil).

The profit and loss impact on the aforementioned structured deposits portfolio on account of mark-to-market and realised profit and loss during the year ended March 31, 2019 was Nil (year ended March 31, 2018: Nil). The non-Indian Rupee denominated derivatives are marked to market by the Bank based on counter-party valuation quotes or internal models using inputs from market sources such as Bloomberg/Reuters, counter-parties and Fixed Income Money Market and Derivative Association (FIMMDA). The Indian Rupee denominated credit derivatives are marked to market by the Bank based on CDS curve published by FIMMDA.

16. Exchange traded interest rate derivatives and currency derivatives

Exchange traded interest rate derivatives

The following table sets forth, for the periods indicated, the details of exchange traded interest rate derivatives.

₹ in million

Sr. No.	Particulars	At March 31, 2019	At March 31, 2018
1.	Notional principal amount of exchange traded interest rate derivatives undertaken during the year - 10 year Government Security Notional Bond	**23,272.8**	52,811.0
2.	Notional principal amount of exchange traded interest rate derivatives outstanding - 10 year Government Security Notional Bond	**6,250.0**	1,000.0
3.	Notional principal amount of exchange traded interest rate derivatives outstanding and not 'highly effective'	**N.A.**	N.A.
4.	Mark-to-market value of exchange traded interest rate derivatives outstanding and not 'highly effective'	**N.A.**	N.A.

Exchange traded currency derivatives

The following table sets forth, for the periods indicated, the details of exchange traded currency derivatives.

₹ in million

Sr. No.	Particulars	At March 31, 2019	At March 31, 2018
1.	Notional principal amount of exchange traded currency derivatives undertaken during the year	**1,965,113.3**	1,395,871.3
2.	Notional principal amount of exchange traded currency derivatives options outstanding	**31,719.2**	34,651.8
3.	Notional principal amount of exchange traded currency derivatives outstanding and not 'highly effective'	**N.A.**	N.A.
4.	Mark-to-market value of exchange traded currency derivatives outstanding and not 'highly effective'	**N.A.**	N.A.

17. Forward rate agreement (FRA)/Interest rate swaps (IRS)/Cross currency swaps (CCS)

The Bank enters into FRA, IRS and CCS contracts for balance sheet management and market making purposes whereby the Bank offers derivative products to its customers to enable them to hedge their interest rate risk and currency risk within the prevalent regulatory guidelines.

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A FRA is a financial contract between two parties to exchange interest payments for 'notional principal' amount on settlement date, for a specified period from start date to maturity date. Accordingly, on the settlement date cash payments based on contract rate and the settlement rate, which is the agreed bench-mark/reference rate prevailing on the settlement date, are made by the parties to one another. The benchmark used in the FRA contracts of the Bank is London Inter-Bank Offered Rate (LIBOR) of various currencies.

An IRS is a financial contract between two parties exchanging or swapping a stream of interest payments for a 'notional principal' amount on multiple occasions during a specified period. The Bank deals in interest rate benchmarks like Mumbai Inter-Bank Offered Rate (MIBOR), Indian Government Securities Benchmark Rate (INBMK), Mumbai Inter-Bank Forward Offer Rate (MIFOR) and LIBOR of various currencies.

A CCS is a financial contract between two parties exchanging interest payments and principal, wherein interest payments and principal in one currency would be exchanged for an equally valued interest payments and principal in another currency.

These contracts are subject to the risks of changes in market interest rates and currency rates as well as the settlement risk with the counterparties.

The following table sets forth, for the periods indicated, the details of the FRA/IRS.

₹ in million

Sr. No.	Particulars	**At March 31, 2019**	At March 31, 2018
1.	Notional principal of FRA/IRS	**11,628,471.9**	5,956,569.2
2.	Losses which would be incurred if all counter parties failed to fulfil their obligations under the agreement[1]	**31,039.6**	18,466.2
3.	Collateral required by the Bank upon entering into FRA / IRS	**-**	-
4.	Concentration of credit risk[2]	**2,496.6**	583.2
5.	Fair value of FRA/IRS[3]	**(1,623.4)**	(6,363.0)

1. *For trading portfolio both mark-to-market and accrued interest have been considered and for hedging portfolio only accrued interest has been considered.*
2. *Credit risk concentration is measured as the highest net receivable under swap contracts from a particular counter party.*
3. *Fair value represents mark-to-market including accrued interest.*

The following table sets forth, for the periods indicated, the details of the CCS.

₹ in million

Sr. No.	Particulars	**At March 31, 2019**	At March 31, 2018
1.	Notional principal of CCS[1]	**423,344.5**	416,989.4
2.	Losses which would be incurred if all counter parties failed to fulfil their obligations under the agreement[2]	**18,520.0**	18,255.0
3.	Collateral required by the Bank upon entering into CCS	**-**	-
4.	Concentration of credit risk[3]	**7,911.7**	5,180.3
5.	Fair value of CCS[4]	**8,116.3**	8,765.1

1. *CCS includes cross currency interest rate swaps and currency swaps.*
2. *For trading portfolio both mark-to-market and accrued interest have been considered and for hedging portfolio only accrued interest has been considered.*
3. *Credit risk concentration is measured as the highest net receivable under swap contracts from a particular counter party.*
4. *Fair value represents mark-to-market including accrued interest.*

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The following tables set forth, for the periods indicated, the nature and terms of FRA and IRS.

Hedging

₹ in million

Benchmark	Type	At March 31, 2019		At March 31, 2018	
		Notional principal	No. of deals	Notional principal	No. of deals
AUD LIBOR	Fixed receivable v/s floating payable	7,353.0	3	7,506.8	3
CHF LIBOR	Fixed receivable v/s floating payable	6,934.9	2	6,834.6	2
JPY LIBOR	Fixed receivable v/s floating payable	9,362.9	2	9,219.7	2
SGD SOR	Fixed receivable v/s floating payable	11,483.4	5	13,203.0	6
USD LIBOR	Fixed receivable v/s floating payable	369,979.3	63	348,686.2	63
Total		**405,113.5**	**75**	**385,450.3**	**76**

Trading

₹ in million

Benchmark	Type	At March 31, 2019		At March 31, 2018	
		Notional principal	No. of deals	Notional principal	No. of deals
AUD LIBOR	Floating receivable v/s fixed payable	468.6	17	-	-
AUD LIBOR	Fixed receivable v/s floating payable	441.2	1	-	-
CAD CDOR	Floating receivable v/s fixed payable	244.3	5	-	-
EURIBOR	Fixed receivable v/s floating payable	16,319.6	53	9,277.1	32
EURIBOR	Floating receivable v/s fixed payable	17,794.3	32	11,122.3	20
EURIBOR	Floating receivable v/s floating payable	388.3	1	401.6	1
GBP LIBOR	Fixed receivable v/s floating payable	12,194.8	22	5,551.3	12
GBP LIBOR	Floating receivable v/s fixed payable	13,469.7	30	7,948.5	14
INBMK	Floating receivable v/s fixed payable	21,431.0	29	14,250.0	26
INBMK	Fixed receivable v/s floating payable	10,000.0	15	30,195.3	48
JPY LIBOR	Fixed receivable v/s floating payable	5,628.2	13	2,000.6	10
JPY LIBOR	Floating receivable v/s fixed payable	5,043.3	7	1,093.0	3
JPY LIBOR	Floating receivable v/s floating payable	624.2	1	613.6	1
MIBOR	Floating receivable v/s fixed payable	4,082,550.5	4,522	1,829,058.7	2,507
MIBOR	Fixed receivable v/s floating payable	4,107,599.7	5,096	1,540,590.7	2,362
MIFOR	Floating receivable v/s fixed payable	459,260.0	829	332,795.0	657
MIFOR	Fixed receivable v/s floating payable	553,185.0	984	293,635.0	620
USD LIBOR	Fixed receivable v/s floating payable	855,667.1	849	694,365.7	923
USD LIBOR	Floating receivable v/s fixed payable	951,302.9	827	733,965.6	771
USD LIBOR	Floating receivable v/s floating payable	105,356.0	66	56,026.6	61
USD LIBOR v/s EURIBOR	Floating receivable v/s floating payable	-	-	647.4	2
Other	Fixed receivable v/s fixed payable	4,389.7	69	7,580.9	91
Total		**11,223,358.4**	**13,468**	**5,571,118.9**	**8,161**

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The following tables set forth, for the periods indicated, the nature and terms of CCS.

Hedging

₹ in million

Benchmark[1]	Type	At March 31, 2019		At March 31, 2018	
		Notional principal	**No. of deals**	Notional principal	No. of deals
USD LIBOR	Fixed receivable v/s floating payable	**-**	**-**	524.1	1
Total		**-**	**-**	**524.1**	**1**

1. *Benchmark indicates floating leg of the fixed v/s floating CCS.*

Trading

₹ in million

Benchmark[1]	Type	At March 31, 2019		At March 31, 2018	
		Notional principal	**No. of deals**	Notional principal	No. of deals
AUD BBSW V/s USD LIBOR	Floating receivable v/s floating payable	**7,359.3**	**1**	15,534.4	3
CHF LIBOR V/s USD LIBOR	Floating receivable v/s floating payable	**6,946.8**	**2**	7,081.3	3
EURIBOR	Fixed receivable v/s floating payable	**110.5**	**2**	954.2	15
EURIBOR V/s GBP LIBOR	Floating payable v/s floating receivable	**2,703.5**	**2**	2,742.7	2
EURIBOR V/s USD LIBOR	Floating receivable v/s floating payable	**8,223.5**	**19**	6,601.8	9
EURIBOR V/s USD LIBOR	Floating payable v/s floating receivable	**4,970.8**	**9**	4,677.9	10
GBP LIBOR V/s USD LIBOR	Floating receivable v/s floating payable	**3,556.8**	**6**	275.1	2
GBP LIBOR V/s USD LIBOR	Floating payable v/s floating receivable	**7,088.9**	**9**	4,283.8	4
HIBOR v/s USD LIBOR	Floating receivable v/s floating payable	**13,673.1**	**2**	12,889.4	2
JPY LIBOR	Floating receivable v/s fixed payable	**310.7**	**1**	1,829.2	3
JPY LIBOR	Fixed receivable v/s floating payable	**851.5**	**7**	3,144.8	15
JPY LIBOR V/s USD LIBOR	Floating receivable v/s floating payable	**12,785.5**	**12**	13,741.1	13
JPY LIBOR V/s USD LIBOR	Floating payable v/s floating receivable	**2,765.3**	**4**	4,083.6	4
SGD SOR V/s USD LIBOR	Floating receivable v/s floating payable	**11,982.2**	**3**	13,156.0	9
SGD SOR V/s USD LIBOR	Floating payable v/s floating receivable	**345.8**	**2**	325.9	2
USD LIBOR	Fixed receivable v/s floating payable	**90,338.7**	**197**	92,755.5	269
USD LIBOR	Floating receivable v/s fixed payable	**95,754.7**	**110**	111,817.1	118
Others	Fixed receivable v/s fixed payable	**153,577.1**	**216**	120,571.5	235
Total		**423,344.7**	**604**	**416,465.3**	**718**

1. *Benchmark indicates floating leg of the fixed v/s floating CCS.*

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18. Non-performing assets[1]

The following table sets forth, for the periods indicated, the details of movement of gross non-performing assets (NPAs), net NPAs and provisions.

₹ in million

Sr. No.	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
1.	Net NPAs (funded) to net advances (%)	**2.29%**	5.43%
2.	Movement of NPAs (Gross)		
	a) Opening balance[2]	**532,401.8**	421,593.9
	b) Additions: Fresh NPAs during the year	**105,959.6**	286,349.5
	Sub-total (1)	**638,361.4**	**707,943.4**
	c) Reductions during the year		
	• Upgradations	**(11,903.6)**	(38,668.2)
	• Recoveries (excluding recoveries made from upgraded accounts)	**(54,126.1)**	(53,186.8)
	• Technical/prudential write-offs	**(102,638.4)**	(67,720.7)
	• Write-offs other than technical/prudential write-offs	**(12,932.9)**	(15,965.9)
	Sub-total (2)	**(181,601.0)**	**(175,541.6)**
	d) Closing balance[2] (1)-(2)	**456,760.4**	532,401.8
3.	Movement of net NPAs		
	a) Opening balance[2]	**278,235.6**	252,168.1
	b) Additions during the year	**53,969.5**	147,672.6
	c) Reductions during the year	**(197,707.9)**	(121,605.1)
	d) Closing balance[2]	**134,497.2**	278,235.6
4.	Movement of provision for NPAs (excluding provision on standard assets)		
	a) Opening balance[2]	**254,166.2**	169,425.8
	b) Addition during the year	**197,391.4**	198,649.5
	Sub-total (1)	**451,557.6**	**368,075.3**
	c) Write-off/(write-back) of excess provisions		
	• Write-back of excess provision on account of upgradations	**(2,360.6)**	(14,289.9)
	• Write-back of excess provision on account of reduction in NPAs	**(12,392.7)**	(15,956.7)
	• Provision utilised for write-offs	**(114,541.1)**	(83,662.5)
	Sub-total (2)	**(129,294.4)**	**(113,909.1)**
	d) Closing balance[2] (1)-(2)	**322,263.2**	254,166.2

1. *Represents loans and advances.*
2. *Net of write-off.*

The following table sets forth, for the periods indicated, the details of movement in technical/prudential write-off.

₹ in million

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Opening balance	**172,128.4**	121,658.1
Add: Technical/prudential write-offs during the year	**102,638.4**	67,720.7
Sub-total (1)	**274,766.8**	**189,378.8**
Less: Recoveries made from previously technical/prudential written-off accounts during the year	**(13,871.5)**	(2,040.2)
Less: Sacrifice made from previously technical/prudential written-off accounts during the year	**(22,235.7)**	(15,210.2)
Sub-total (2)	**(36,107.2)**	**(17,250.4)**
Closing balance (1)-(2)	**238,659.6**	172,128.4

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On February 12, 2018, RBI issued a revised framework for resolution of stressed assets, which superceded the existing guidelines on SDR, change in ownership outside SDR (except projects under implementation) and S4A with immediate effect. Under the revised framework, the stand-still benefits for accounts where any of these schemes had been invoked but not yet implemented were revoked and accordingly these accounts were classified as per the extant RBI norms on income recognition and asset classification in the three months ended March 31, 2018.

Further, in accordance with RBI guidelines, the loans and advances held at the overseas branches that are identified as impaired as per host country regulations for reasons other than record of recovery, but which are standard as per the extant RBI guidelines, are classified as NPAs to the extent of amount outstanding in the host country. During the year ended March 31, 2019, the Bank classified certain loans as NPAs at overseas branches amounting to ₹ 3,244.1 million (year ended March 31, 2018: Nil) as per the requirement of these guidelines and made a provision of ₹ 718.2 million (year ended March 31, 2018: Nil) on these loans.

Disclosure on exposure to Infrastructure Leasing & Financial Services Limited (ILFS) and its group entities

At March 31, 2019, the Bank has classified its fund-based outstanding to Infrastructure Leasing & Financial Services Limited (ILFS) entities amounting to ₹ 2,759.4 million as non-performing and holds a provision of ₹ 1,459.7 million as per extant RBI guidelines. The Bank also has non-fund based outstanding of ₹ 5,449.2 million to ILFS entities and holds a provision of ₹ 4,682.6 million towards this outstanding at March 31, 2019.

Divergence in asset classification and provisioning for NPAs

In terms of the RBI circular no. //DBR.BP.BC.No.32/21.04.018/2018-19 dated April 1, 2019, banks are required to disclose the divergences in asset classification and provisioning consequent to RBI's annual supervisory process in their notes to accounts to the financial statements, wherever either (a) the additional provisioning requirements assessed by RBI exceed 10% of the reported net profits before provisions and contingencies (15% of the published net profits after tax for the year ended March 31, 2017) or (b) the additional gross NPAs identified by RBI exceed 15% of the published incremental gross NPAs for the reference period, or both. Based on the condition mentioned in RBI circular, no disclosure on divergence in asset classification and provisioning for NPAs is required with respect to RBI's supervisory process for the year ended March 31, 2018 and for the year ended March 31, 2017.

Accounts covered under Insolvency and Bankruptcy Code, 2016

During the year ended March 31, 2018, RBI had advised banks to initiate insolvency resolution process under the provisions of Insolvency and Bankruptcy Code, 2016 (IBC) for certain specific accounts. Banks were required to make provision at 40% on the secured portion and 100% on unsecured portion of the loan, or provision as per extant RBI guideline on asset classification norms, whichever was higher at March 31, 2018. Banks were required to further increase the provision on secured portion of the loan to 50.0% at June 30, 2018. At March 31, 2019, the Bank holds a provision of ₹ 76,210.3 million in respect of outstanding loans amounting to ₹ 103,065.0 million to these borrowers, which amounts to provision coverage of 73.94%.

19. Floating provision

During the year ended March 31, 2019, the Bank did not make any floating provision (March 31, 2018: Nil).

The following table sets forth, for the periods indicated, the movement in floating provision held by the Bank.

₹ in million

Particulars	**At March 31, 2019**	At March 31, 2018
Opening balance[1]	**1.9**	1.9
Add: Provision made during the year	**-**	-
Less: Provision utilised during the year	**-**	-
Closing balance[1]	**1.9**	1.9

1. *Represents amount taken over from erstwhile Bank of Rajasthan upon amalgamation.*

20. General provision on standard assets

The general provision on standard assets held by the Bank at March 31, 2019 was ₹ 28,737.6 million (March 31, 2018: ₹ 25,906.6 million). The general provision on standard assets amounting to ₹ 2,553.7 million was made during the year ended March 31, 2019 (year ended March 31, 2018: ₹ 2,771.1 million) as per applicable RBI guidelines.

RBI, through its circular dated January 15, 2014 had advised banks to create incremental provision on standard loans and advances to entities with unhedged foreign currency exposure (UFCE). The Bank assesses the UFCEs of the borrowers through its credit appraisal and internal ratings process. The Bank also undertakes reviews of such exposures through thematic reviews evaluating the impact of exchange rate fluctuations on the Bank's portfolio on an yearly basis.

The Bank holds provision amounting to ₹ 2,250.0 million (March 31, 2018: ₹ 1,900.0 million) on advances to entities with UFCE at March 31, 2019. The Bank has made provision amounting to ₹ 350.0 million during the year ended March 31, 2019 (year ended March 31, 2018: ₹ 50.0 million). The Bank held incremental capital of ₹ 8,048.3 million at March 31, 2019 on advances to borrowers with UFCE (March 31, 2018: ₹ 5,487.5 million).

The Bank makes additional general provision on stressed sectors of the economy, as per RBI guidelines and as per the Board approved policy. The Bank has reversed general provision amounting to ₹ 483.4 million during the year ended March 31, 2019 (year ended March 31, 2018: provision made amounting to ₹ 1,911.5 million). At March 31, 2019, the Bank holds provision of ₹ 1,428.1 million (March 31, 2018: ₹ 1,911.5 million).

RBI, through its circular dated August 25, 2016, required banks to make additional provision from the year ended March 31, 2019 on incremental exposure of the banking system in excess of normally permitted lending limit (NPLL) on borrowers classified as specified borrower. During the year ended March 31, 2019, the Bank made provision amounting to ₹ 124.2 million on these specified borrowers. At March 31, 2019, the Bank holds provision of ₹ 124.2 million.

21. Provision Coverage Ratio

The provision coverage ratio of the Bank at March 31, 2019 computed as per the extant RBI guidelines was 70.6% (March 31, 2018: 47.7%).

22. Priority Sector Lending Certificates (PSLCs)

During the year ended March 31, 2019, the Bank purchased PSLCs under agriculture category amounting to ₹ 249,175.0 million (year ended March 31, 2018: ₹ 35,000.0 million). During the year ended March 31, 2019, the Bank did not purchase any PSLCs under general category (year ended March 31, 2018: ₹ 17,300.0 million). During the year ended March 31, 2019, the Bank sold PSLC under general category amounting to ₹ 197,500.0 million (year ended March 31, 2018: ₹ 1,000.0 million) and under micro enterprise category amounting to ₹ 47,252.5 million (year ended March 31, 2018: Nil).

23. Securitisation

A. The Bank sells loans through securitisation and direct assignment. The following tables set forth, for the periods indicated, the information on securitisation and direct assignment activity of the Bank as an originator till May 7, 2012.

₹ in million, except number of loans securitised

Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018
Total number of loan assets securitised	**-**	-
Total book value of loan assets securitised	**-**	-
Sale consideration received for the securitised assets	**-**	-
Net gain/(loss) on account of securitisation[1]	**24.2**	28.1

1. *Includes gain/(loss) on deal closures, gain amortised during the year and expenses relating to utilisation of credit enhancement.*

₹ in million

Particulars	**At March 31, 2019**	At March 31, 2018
Outstanding credit enhancement (funded)	**3,468.8**	3,469.7
Outstanding liquidity facility	**0.7**	0.1
Net outstanding servicing asset/(liability)	**(12.1)**	(15.5)
Outstanding subordinate contributions	**1,462.2**	1,469.7

The outstanding credit enhancement in the form of guarantees amounted to Nil at March 31, 2019 (March 31, 2018: Nil) and outstanding liquidity facility in the form of guarantees amounted to ₹ 265.1 million at March 31, 2019 (March 31, 2018: ₹ 265.8 million).

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The outstanding credit enhancement in the form of guarantees for third party originated securitisation transactions amounted to ₹ 4,858.6 million at March 31, 2019 (March 31, 2018: ₹ 4,189.5 million) and outstanding liquidity facility for third party originated securitisation transactions amounted to Nil at March 31, 2019 (March 31, 2018: Nil).

The following table sets forth, for the periods indicated, the details of provision for securitisation and direct assignment transactions.

₹ in million

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Opening balance	**823.3**	802.7
Additions during the year	**12.0**	25.0
Deductions during the year	**(3.4)**	(4.4)
Closing balance	**831.9**	823.3

B. The information on securitisation and direct assignment activity of the Bank as an originator as per RBI guidelines 'Revisions to the Guidelines on Securitisation Transactions' dated May 7, 2012 is given below.

a. The Bank, as an originator, has not sold any loan through securitisation during the year ended March 31, 2019 (March 31, 2018: Nil).

b. The following table sets forth, for the periods indicated, the information on the loans sold through direct assignment.

₹ in million

Sr. No.	Particulars	At March 31, 2019	At March 31, 2018
1.	Number of SPVs sponsored by the bank for securitisation transactions	**-**	-
2.	Total amount of assets sold through direct assignment during the year	**-**	-
3.	Total amount of exposures retained by the Bank to comply with Minimum Retention Requirement (MRR)		
	a) Off-balance sheet exposures		
	• First loss	**-**	-
	• Others	**-**	-
	b) On-balance sheet exposures		
	• First loss	**-**	-
	• Others	**19.8**	19.8
4.	Amount of exposure to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisation		
	• First loss	**-**	-
	• Others	**-**	-
	ii) Exposure to third party securitisation		
	• First loss	**-**	-
	• Others	**-**	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisation		
	• First loss	**-**	-
	• Others	**-**	-
	ii) Exposure to third party securitisation		
	• First loss	**-**	-
	• Others	**-**	-

The overseas branches of the Bank, as originators, sold seven loans through direct assignment amounting to ₹ 4,684.1 million during the year ended March 31, 2019 (year ended March 31, 2018: 15 loans amounting to ₹ 19,132.7 million).

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24. Financial assets transferred during the year to securitisation company (SC)/reconstruction company (RC)

The Bank has transferred certain assets to Asset Reconstruction Companies (ARCs) in terms of the guidelines issued by RBI circular no. DBR.No.BP.BC.2/21.04.048/2015-16 dated July 1, 2015. For the purpose of the valuation of the underlying security receipts issued by the underlying trusts managed by ARCs, the SRs are valued at their respective net asset values as advised by the ARCs.

The following table sets forth, for the periods indicated, the details of the assets transferred.

₹ in million, except number of accounts

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Number of accounts	**15**	12
Aggregate value (net of provisions) of accounts sold to SC/RC	**2,764.1**	2,718.5
Aggregate consideration[3]	**3,851.5**	3,039.3
Additional consideration realised in respect of accounts transferred in earlier years	**-**	-
Aggregate gain/(loss) over net book value[1,2,3]	**1,087.4**	320.8

1. *The Bank made a loss of ₹ 1,024.0 million on sale of financial assets to ARCs (year ended March 31, 2018: Nil).*
2. *The Bank made a gain of ₹ 2,111.4 million on sale of financial assets to ARCs (year ended March 31, 2018: gain of ₹ 320.8 million), out of which Nil (year ended March 31, 2018: ₹ 200.2 million) is set aside towards the security receipts received on such sale.*
3. *Excludes security receipts received amounting to Nil towards interest overdue not recognised as income (year ended March 31, 2018: ₹ 34.5 million).*

The following tables set forth, for the periods indicated, the details of investments in security receipts (SRs).

₹ in million

Particulars	At March 31, 2019	At March 31, 2018
Net book value of investments in SRs which are -		
- Backed by NPAs sold by the Bank as underlying[1]	**22,450.4**	23,803.5
- Backed by NPAs sold by other banks/financial institutions (FIs)/non-banking financial companies (NBFCs) as underlying	**10.5**	52.6
Total	**22,460.9**	**23,856.1**

1. *During the year ended March 31, 2019, no investment in a security receipt was fully redeemed by the ARC (year ended March 31, 2018: Nil) and there was no gain/loss to the Bank (year ended March 31, 2018: Nil).*

₹ in million

Sr. No.	Particulars	At March 31, 2019			
		SRs issued within past five years	**SRs issued more than five years ago but within past eight years**	**SRs issued more than eight years ago**	**Total**
1.	Book value of SRs backed by NPAs sold by the Bank as underlying	**24,933.6**	**1,138.7**	**-**	**26,072.3**
	Provision held against above	**2,483.2**	**1,138.7**	**-**	**3,621.9**
2.	Book value of SRs backed by NPAs sold by other banks/financial institutions/non-banking financial companies as underlying	**-**	**10.5**	**-**	**10.5**
	Provision held against above	**-**	**-**	**-**	**-**
	Gross book value	**24,933.6**	**1,149.2**	**-**	**26,082.8**
	Total provision held against above	**2,483.2**	**1,138.7**	**-**	**3,621.9**
	Net book value	**22,450.4**	**10.5**	**-**	**22,460.9**

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forming part of the Accounts *(Contd.)*

₹ in million

Sr. No.	Particulars	At March 31, 2018			
		SRs issued within past five years	SRs issued more than five years ago but within past eight years	SRs issued more than eight years ago	Total
1.	Book value of SRs backed by NPAs sold by the Bank as underlying	26,502.2	-	-	26,502.2
	Provision held against above	2,698.7	-	-	2,698.7
2.	Book value of SRs backed by NPAs sold by other banks/financial institutions/non-banking financial companies as underlying	-	52.6	-	52.6
	Provision held against above	-	-	-	-
	Gross book value	**26,502.2**	**52.6**	**-**	**26,554.8**
	Total provision held against above	2,698.7	-	-	2,698.7
	Net book value	**23,803.5**	**52.6**	**-**	**23,856.1**

25. Details of non-performing assets purchased/sold, excluding those sold to SC/RC

The Bank did not purchase any non-performing assets in terms of the guidelines issued by RBI circular no. DBR.No.BP.BC.2/21.04.048/2015-16 dated July 1, 2015 during the year ended March 31, 2019 (year ended March 31, 2018: Nil).

The following table sets forth, for the periods indicated, details of non-performing assets sold to banks, NBFCs and other financial institutions.

₹ in million, except number of accounts

Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018
Number of accounts	**-**	1
Aggregate value (net of provisions) of accounts sold, excluding those sold to SC/RC	**-**	3,444.5
Aggregate consideration	**-**	3,988.7
Aggregate gain/(loss) over net book value	**-**	544.2

The following table sets forth, for the periods indicated, details of non-performing assets sold to entities, other than banks, NBFCs and other financial institutions.

₹ in million, except number of accounts

Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018
Number of accounts	**2**	-
Aggregate value (net of provisions) of accounts sold, excluding those sold to SC/RC	**-**	-
Aggregate consideration	**28,653.3**	-
Aggregate gain/(loss) over net book value	**28,653.3**	-

SCHEDULES

forming part of the Accounts *(Contd.)*

26. Information in respect of restructured assets

The following table sets forth, for the year ended March 31, 2019, details of restructured loan assets under CDR and SME debt restructuring mechanism.

₹ in million, except number of accounts

Sr. No.	Type of Restructuring	Under CDR Mechanism					Under SME Debt Restructuring Mechanism				
	Asset Classification	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
	Details	(a)	(b)	(c)	(d)	(e)	(a)	(b)	(c)	(d)	(e)
1.	Restructured accounts at April 1, 2018										
	No. of borrowers	8	-	30	5	43	1	-	-	-	1
	Amount outstanding	4,169.8	-	41,833.9	276.8	46,280.5	0.3	-	-	-	0.3
	Provision thereon	356.1	-	35,677.2	276.8	36,310.1	-	-	-	-	-
2.	Fresh restructuring during the year ended March 31, 2019										
	No. of borrowers	-	-	-	-	-	1	-	-	-	1
	Amount outstanding	-	-	-	-	-	279.6	-	-	-	279.6
	Provision thereon	-	-	-	-	-	-	-	-	-	-
3.	Upgradations to restructured standard category during the year ended March 31, 2019										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
4.	Increase/(decrease) in borrower level outstanding of existing restructured cases during the year ended March 31, 2019[1]										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	(213.1)	-	40.9	(1.3)	(173.5)	-	-	-	-	-
	Provision thereon	1,580.2	-	4,525.2	(1.3)	6,104.1	-	-	-	-	-
5.	Restructured standard advances at April 1, 2018, which cease to attract higher provisioning and/or additional risk weight at March 31, 2019 and hence need not be shown as restructured standard advances at April 1, 2019										
	No. of borrowers	-	N.A.	N.A.	N.A.	-	-	N.A.	N.A.	N.A.	-
	Amount outstanding	-	N.A.	N.A.	N.A.	-	-	N.A.	N.A.	N.A.	-
	Provision thereon	-	N.A.	N.A.	N.A.	-	-	N.A.	N.A.	N.A.	-
6.	Downgradations of restructured accounts during the year ended March 31, 2019										
	No. of borrowers	(3)	-	(1)	4	-	-	-	-	-	-
	Amount outstanding	(1,710.8)	-	(1,713.3)	3,378.3	(45.8)	-	-	-	-	-
	Provision thereon	(1,710.8)	-	(1,713.3)	3,378.3	(45.8)	-	-	-	-	-
7.	Write-offs/recovery/sale of restructured accounts during the year ended March 31, 2019										
	No. of borrowers	-	-	(6)	(1)	(7)	(1)	-	-	-	(1)
	Amount outstanding	-	-	(13,008.0)	(6.1)	(13,014.1)	(0.3)	-	-	-	(0.3)
	Provision thereon	-	-	(11,926.5)	(6.1)	(11,932.6)	-	-	-	-	-
8.	Restructured accounts at March 31, 2019										
	No. of borrowers	5	-	23	8	36	1	-	-	-	1
	Amount outstanding	2,245.9	-	27,153.5	3,647.7	33,047.1	279.6	-	-	-	279.6
	Provision thereon	225.5	-	26,562.6	3,647.7	30,435.8	-	-	-	-	-

1. *Increase/(decrease) in borrower level outstanding of restructured accounts is due to repayments, utilisation of cash credit facility, exchange rate fluctuation, accrued interest, fresh disbursement, non-fund based devolvement, conversion of loans into equity (including application money pending allotment) as part of restructuring scheme, etc.*

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forming part of the Accounts *(Contd.)*

The following table sets forth, for the year ended March 31, 2019, details of other and total restructured loan assets.

₹ in million, except number of accounts

Sr. No.	Type of Restructuring	Others					Total				
	Asset Classification	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
	Details	(a)	(b)	(c)	(d)	(e)	(a)	(b)	(c)	(d)	(e)
1.	Restructured accounts at April 1, 2018										
	No. of borrowers	233	231	973	91	1,528	242	231	1,003	96	1,572
	Amount outstanding	11,779.7	58.8	93,040.4	675.8	105,554.7	15,949.8	58.8	134,874.3	952.6	151,835.5
	Provision thereon	65.7	31.5	52,577.5	675.8	53,350.5	421.8	31.5	88,254.7	952.6	89,660.6
2.	Fresh restructuring during the year ended March 31, 2019										
	No. of borrowers	-	1,001	1,194	16	2,211	1	1,001	1,194	16	2,212
	Amount outstanding	-	2,850.9	3,441.7	5.9	6,298.5	279.6	2,850.9	3,441.7	5.9	6,578.1
	Provision thereon	-	561.9	3,401.6	5.9	3,969.4	-	561.9	3,401.6	5.9	3,969.4
3.	Upgradations to restructured standard category during the year ended March 31, 2019										
	No. of borrowers	11	-	-	(11)	-	11	-	-	(11)	-
	Amount outstanding	13.0	-	-	(13.5)	(0.5)	13.0	-	-	(13.5)	(0.5)
	Provision thereon	0.1	-	-	(13.5)	(13.4)	0.1	-	-	(13.5)	(13.4)
4.	Increase/(decrease) in borrower level outstanding of existing restructured cases during the year ended March 31, 2019[1]										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	(422.5)	(0.1)	424.9	63.9	66.2	(635.6)	(0.1)	465.8	62.6	(107.3)
	Provision thereon	(12.4)	0.3	11,126.6	63.9	11,178.4	1,567.8	0.3	15,651.8	62.6	17,282.5
5.	Restructured standard advances at April 1, 2018, which cease to attract higher provisioning and/or additional risk weight at March 31, 2019 and hence need not be shown as restructured standard advances at April 1, 2019										
	No. of borrowers	(2)	N.A.	N.A.	N.A.	(2)	(2)	N.A.	N.A.	N.A.	(2)
	Amount outstanding	(10,402.1)	N.A.	N.A.	N.A.	(10,402.1)	(10,402.1)	N.A.	N.A.	N.A.	(10,402.1)
	Provision thereon	-	N.A.	N.A.	N.A.	-	-	N.A.	N.A.	N.A.	-
6.	Downgradations of restructured accounts during the year ended March 31, 2019										
	No. of borrowers	(6)	(99)	99	6	-	(9)	(99)	98	10	-
	Amount outstanding	(2.0)	(28.5)	(268.6)	223.3	(75.8)	(1,712.8)	(28.5)	(1,981.9)	3,601.6	(121.6)
	Provision thereon	-	(18.3)	(271.3)	223.3	(66.3)	(1,710.8)	(18.3)	(1,984.6)	3,601.6	(112.1)
7.	Write-offs/recovery/sale of restructured accounts during the year ended March 31, 2019										
	No. of borrowers	(1)	(128)	(243)	(10)	(382)	(2)	(128)	(249)	(11)	(390)
	Amount outstanding	(0.7)	(28.4)	(39,026.8)	(610.5)	(39,666.4)	(1.0)	(28.4)	(52,034.8)	(616.6)	(52,680.8)
	Provision thereon	-	(12.9)	(20,094.5)	(610.5)	(20,717.9)	-	(12.9)	(32,021.0)	(616.6)	(32,650.5)
8.	Restructured accounts at March 31, 2019										
	No. of borrowers	235	1,005	2,023	92	3,355	241	1,005	2,046	100	3,392
	Amount outstanding	965.4	2,852.7	57,611.6	344.9	61,774.6	3,490.9	2,852.7	84,765.1	3,992.6	95,101.3
	Provision thereon	53.4	562.5	46,739.9	344.9	47,700.7	278.9[3]	562.5[3]	73,302.5[3]	3,992.6[3]	78,136.5[3]

1. *Increase/(decrease) in borrower level outstanding of restructured accounts is due to repayments, utilisation of cash credit facility, exchange rate fluctuation, accrued interest, fresh disbursement, non-fund based devolvement, conversion of loans into equity (including application pending allotment) as part of restructuring scheme, etc.*
2. *'Others' mechanism also include cases restructured under Joint Lender Forum (JLF) mechanism.*
3. *The Bank additionally holds provision amounting to ₹ 386.9 million on these accounts.*

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forming part of the Accounts *(Contd.)*

The following table sets forth, for the year ended March 31, 2018, details of restructured loan assets under CDR and SME debt restructuring mechanism.

₹ in million, except number of accounts

Sr. No.	Type of Restructuring	Under CDR Mechanism					Under SME Debt Restructuring Mechanism				
	Asset Classification	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
	Details	(a)	(b)	(c)	(d)	(e)	(a)	(b)	(c)	(d)	(e)
1.	Restructured accounts at April 1, 2017										
	No. of borrowers	19	-	20	6	**45**	1	-	-	-	**1**
	Amount outstanding	27,578.1	-	39,893.0	1,018.4	**68,489.5**	1.0	-	-	-	**1.0**
	Provision thereon	1,936.6	-	21,571.1	1,018.4	**24,526.1**	-	-	-	-	**-**
2.	Fresh restructuring during the year ended March 31, 2018										
	No. of borrowers	-	-	-	-	**-**	-	-	-	-	**-**
	Amount outstanding	-	-	-	-	**-**	-	-	-	-	**-**
	Provision thereon	-	-	-	-	**-**	-	-	-	-	**-**
3.	Upgradations to restructured standard category during the year ended March 31, 2018										
	No. of borrowers	-	-	-	-	**-**	-	-	-	-	**-**
	Amount outstanding	-	-	-	-	**-**	-	-	-	-	**-**
	Provision thereon	-	-	-	-	**-**	-	-	-	-	**-**
4.	Increase/(decrease) in borrower level outstanding of existing restructured cases during the year ended March 31, 2018[1]										
	No. of borrowers	-	-	-	-	**-**	-	-	-	-	**-**
	Amount outstanding	(7,802.3)	-	(740.9)	77.6	**(8,465.6)**	(0.7)	-	-	-	**(0.7)**
	Provision thereon	10,475.4	-	14,974.4	77.6	**25,527.4**	-	-	-	-	**-**
5.	Restructured standard advances at April 1, 2017, which cease to attract higher provisioning and/or additional risk weight at March 31, 2018 and hence need not be shown as restructured standard advances at April 1, 2018										
	No. of borrowers	-	N.A.	N.A.	N.A.	**-**	-	N.A.	N.A.	N.A.	**-**
	Amount outstanding	-	N.A.	N.A.	N.A.	**-**	-	N.A.	N.A.	N.A.	**-**
	Provision thereon	-	N.A.	N.A.	N.A.	**-**	-	N.A.	N.A.	N.A.	**-**
6.	Downgradations of restructured accounts during the year ended March 31, 2018										
	No. of borrowers	(11)	-	11	-	**-**	-	-	-	-	**-**
	Amount outstanding	(15,606.0)	-	15,606.0	-	**-**	-	-	-	-	**-**
	Provision thereon	(12,055.9)	-	12,055.9	-	**-**	-	-	-	-	**-**
7.	Write-offs/recovery/sale of restructured accounts during the year ended March 31, 2018										
	No. of borrowers	-	-	(1)	(1)	**(2)**	-	-	-	-	**-**
	Amount outstanding	-	-	(12,924.2)	(819.2)	**(13,743.4)**	-	-	-	-	**-**
	Provision thereon	-	-	(12,924.2)	(819.2)	**(13,743.4)**	-	-	-	-	**-**
8.	Restructured accounts at March 31, 2018										
	No. of borrowers	8	-	30	5	**43**	1	-	-	-	**1**
	Amount outstanding	4,169.8	-	41,833.9	276.8	**46,280.5**	0.3	-	-	-	**0.3**
	Provision thereon	356.1	-	35,677.2	276.8	**36,310.1**	-	-	-	-	**-**

1. *Increase/(decrease) in borrower level outstanding of restructured accounts is due to repayments, utilisation of cash credit facility, exchange rate fluctuation, accrued interest, fresh disbursement, non-fund based devolvement, conversion of loans into equity (including application money pending allotment) as part of restructuring scheme, etc.*

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forming part of the Accounts *(Contd.)*

The following table sets forth, for the year ended March 31, 2018, details of other and total restructured loan assets.

₹ in million, except number of accounts

Sr. No.	Type of Restructuring	Others					Total				
	Asset Classification	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
	Details	(a)	(b)	(c)	(d)	(e)	(a)	(b)	(c)	(d)	(e)
1.	Restructured accounts at April 1, 2017										
	No. of borrowers	284	221	765	98	**1,368**	304	221	785	104	**1,414**
	Amount outstanding	17,903.4	2,447.8	55,002.6	530.3	**75,884.1**	45,482.5	2,447.8	94,895.6	1,548.7	**144,374.6**
	Provision thereon	896.2	368.3	21,478.7	530.3	**23,273.5**	2,832.8	368.3	43,049.8	1,548.7	**47,799.6**
2.	Fresh restructuring during the year ended March 31, 2018										
	No. of borrowers	6	218	149[3]	2	**375**	6	218	149	2	**375**
	Amount outstanding	3.8	57.3	53,659.8[3]	0.6	**53,721.5**	3.8	57.3	53,659.8	0.6	**53,721.5**
	Provision thereon	0.2	31.3	29,274.6[3]	0.6	**29,306.7**	0.2	31.3	29,274.6	0.6	**29,306.7**
3.	Upgradations to restructured standard category during the year ended March 31, 2018										
	No. of borrowers	8	(1)	-	(7)	**-**	8	(1)	-	(7)	**-**
	Amount outstanding	2.8	(0.3)	-	(2.9)	**(0.4)**	2.8	(0.3)	-	(2.9)	**(0.4)**
	Provision thereon	-	-	-	(2.9)	**(2.9)**	-	-	-	(2.9)	**(2.9)**
4.	Increase/(decrease) in borrower level outstanding of existing restructured cases during the year ended March 31, 2018[1]										
	No. of borrowers	-	-	-	-	**-**	-	-	-	-	**-**
	Amount outstanding	1,258.4	-	(15,467.9)	26.8	**(14,182.7)**	(6,544.6)	-	(16,208.8)	104.4	**(22,649.0)**
	Provision thereon	5,201.7	-	4,700.3	26.8	**9,928.8**	15,677.1	-	19,674.7	104.4	**35,456.2**
5.	Restructured standard advances at April 1, 2017, which cease to attract higher provisioning and/or additional risk weight at March 31, 2018 and hence need not be shown as restructured standard advances at April 1, 2018										
	No. of borrowers	-	N.A.	N.A.	N.A.	**-**	-	N.A.	N.A.	N.A.	**-**
	Amount outstanding	-	N.A.	N.A.	N.A.	**-**	-	N.A.	N.A.	N.A.	**-**
	Provision thereon	-	N.A.	N.A.	N.A.	**-**	-	N.A.	N.A.	N.A.	**-**
6.	Downgradations of restructured accounts during the year ended March 31, 2018										
	No. of borrowers	(24)	(160)	179	5	**-**	(35)	(160)	190	5	**-**
	Amount outstanding	(7,232.1)	(2,440.4)	9,908.5	124.1	**360.1**	(22,838.1)	(2,440.4)	25,514.5	124.1	**360.1**
	Provision thereon	(6,032.3)	(366.9)	6,958.9	124.1	**683.8**	(18,088.2)	(366.9)	19,014.8	124.1	**683.8**
7.	Write-offs/recovery/sale of restructured accounts during the year ended March 31, 2018										
	No. of borrowers	(41)	(47)	(120)	(7)	**(215)**	(41)	(47)	(121)	(8)	**(217)**
	Amount outstanding	(156.6)	(5.6)	(10,062.6)	(3.1)	**(10,227.9)**	(156.6)	(5.6)	(22,986.8)	(822.3)	**(23,971.3)**
	Provision thereon	(0.1)	(1.1)	(9,835.0)	(3.1)	**(9,839.3)**	(0.1)	(1.1)	(22,759.2)	(822.3)	**(23,582.7)**
8.	Restructured accounts at March 31, 2018										
	No. of borrowers	233	231	973	91	**1,528**	242	231	1,003	96	**1,572**
	Amount outstanding	11,779.7	58.8	93,040.4	675.8	**105,554.7**	15,949.8	58.8	134,874.3	952.6	**151,835.5**
	Provision thereon	65.7	31.5	52,577.5	675.8	**53,350.5**	421.8[4]	31.5[4]	88,254.7[4]	952.6[4]	**89,660.6[4]**

1. *Increase/(decrease) in borrower level outstanding of restructured accounts is due to repayments, utilisation of cash credit facility, exchange rate fluctuation, accrued interest, fresh disbursement, non-fund based devolvement, conversion of loans into equity (including application pending allotment) as part of restructuring scheme, etc.*
2. *Others' mechanism also include cases restructured under Joint Lender Forum (JLF) mechanism.*
3. *Includes loans to three borrowers amounting to ₹ 20,964.2 million which were NPA at March 31, 2017 and classified as restructured based on RBI's direction.*
4. *The Bank additionally holds provision amounting to ₹ 2,068.4 million on these accounts.*

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forming part of the Accounts *(Contd.)*

During the year ended March 31, 2019, the Bank has not upgraded any borrower to standard category subsequent to change in ownership in accordance with RBI circular dated February 12, 2018 (year ended March 31, 2018: one borrower with fund based outstanding of ₹ 15,452.7 million, which included ₹ 10,262.0 million of credit substitutes and shares converted as per the resolution plan at March 31, 2018. The Bank held an aggregate provision of ₹ 7,785.1 million against this borrower, of which ₹ 6,508.2 million was against credit substitutes and shares at March 31, 2018).

The following table sets forth, for the periods indicated, details for cases of change in ownership for projects under implementation (accounts which are currently under the stand-still period).

₹ in million, except number of borrowers

Particulars	At **March 31, 2019**	At March 31, 2018
Number of project loan borrowers where the Bank has decided to effect change in ownership	**-**	1
Gross amount outstanding		
- Standard	**-**	2,346.3
- Standard restructured	**-**	-
- NPA	**-**	-

The following table sets forth, for the periods indicated, details of cases where scheme for Sustainable Structuring of Stressed Assets (S4A) is implemented.

₹ in million, except number of borrowers

Particulars	At **March 31, 2019**	At March 31, 2018
Number of borrowers where S4A has been applied	**6**	6
Total gross amount outstanding[1]		
- Standard	**6,243.6**[2]	6,596.9[2]
- NPA	**1,236.2**	1,144.8
Gross amount outstanding in Part A		
- Standard	**3,340.4**[2]	4,084.9[2]
- NPA	**712.4**	108.7
Gross amount outstanding in Part B		
- Standard	**2,903.2**[2]	2,512.0
- NPA	**523.7**	1,036.1
Provision held		
- Standard	**1,924.9**	1,281.4
- NPA	**1,377.0**	789.0

1. *Represents loans, credit substitutes and shares under S4A scheme.*
2. *Includes outstanding amounting to ₹ 1,081.6 million at March 31, 2019 (March 31, 2018: ₹ 1,327.2 million) which was upgraded to standard from NPA on implementation of S4A and ₹ 832.4 million at March 31, 2019 (March 31, 2018: Nil) which was upgraded to standard from NPA on satisfactory performance during specified period.*

The Bank does not recognise any amount towards interest on the cases under S4A.

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forming part of the Accounts *(Contd.)*

The following table sets forth, for the periods indicated, details of cases under flexible structuring of existing loans.

₹ in million, except number of borrowers

Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018
Number of borrowers taken up for flexible structuring	**-**	3[1]
Amount of loans taken up for flexible structuring[2]		
- Standard	**-**	11,709.8
- NPA	**-**	-
Exposure weighted average duration of loans taken up for flexible structuring		
- Before applying flexible structuring	**-**	4.57
- After applying flexible structuring	**-**	10.98

1. *During the year ended March 31, 2018, two borrowers were taken up for flexible structuring, out of which one borrower was demerged into two entities through NCLAT order dated February 28, 2018.*
2. *Represents implementation amount.*

27. Concentration of Deposits, Advances, Exposures and NPAs

(I) Concentration of deposits, advances, exposures and NPAs

₹ in million

Concentration of deposits	**At March 31, 2019**	At March 31, 2018
Total deposits of 20 largest depositors	**374,674.8**	347,959.8
Deposits of 20 largest depositors as a percentage of total deposits of the Bank	**5.74%**	6.20%

₹ in million

Concentration of advances[1]	**At March 31, 2019**	At March 31, 2018
Total advances to 20 largest borrowers (including banks)	**1,285,208.1**	1,365,485.0
Advances to 20 largest borrowers as a percentage of total advances of the Bank	**12.05%**	14.11%

1. *Represents credit exposure (funded and non-funded) including derivatives exposures as per RBI guidelines on exposure norms.*

₹ in million

Concentration of exposures[1]	**At March 31, 2019**	At March 31, 2018
Total exposure to 20 largest borrowers/customers (including banks)	**1,329,728.6**	1,431,945.8
Exposures to 20 largest borrowers/customers as a percentage of total exposure of the Bank	**11.87%**	13.95%

1. *Represents credit and investment exposures as per RBI guidelines on exposure norms.*

₹ in million

Concentration of NPAs	**At March 31, 2019**	At March 31, 2018
Total exposure[1] to top four NPA accounts	**126,059.0**	154,385.3

1. *Represents gross exposure (funded and non-funded).*

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(II) Sector-wise advances

₹ in million, except percentages

Sr. No.	Particulars	At March 31, 2019		
		Outstanding advances	**Gross NPAs[1]**	**% of gross NPAs[1] to total advances in that sector**
A.	**Priority sector**			
1.	Agriculture and allied activities	**447,302.2**	**16,663.8**	**3.73%**
2.	Advances to industries sector eligible as priority sector lending	**397,708.1**	**4,386.3**	**1.10%**
3.	Services of which:	**225,975.2**	**3,942.0**	**1.74%**
	Transport operators	**141,403.9**	**1,845.5**	**1.31%**
	Wholesale trade	**58,202.1**	**1,310.5**	**2.25%**
4.	Personal loans of which:	**643,945.1**	**8,239.1**	**1.28%**
	Housing	**472,491.4**	**4,138.4**	**0.88%**
	Vehicle loans	**146,710.1**	**3,666.9**	**2.50%**
	Sub-total (A)	**1,714,930.6**	**33,231.2**	**1.94%**
B.	**Non-priority sector**			
1.	Agriculture and allied activities	**-**	**-**	**-**
2.	Advances to industries sector of which:	**1,564,129.6**	**333,459.9**	**21.32%**
	Infrastructure	**487,267.8**	**96,141.2**	**19.73%**
	Basic metal and metal products	**216,009.7**	**41,442.0**	**19.19%**
	Chemicals and Chemical Products (Dyes Paints etc.)	**179,564.7**	**6,131.7**	**3.41%**
3.	Services of which:	**1,168,240.2**	**66,989.5**	**5.73%**
	Commercial real estate	**322,897.1**	**15,332.8**	**4.75%**
	Wholesale trade	**150,220.3**	**9,712.9**	**6.47%**
	Non-banking financial companies	**218,295.4**	**2,500.1**	**1.15%**
4.	Personal loans[2] of which:	**1,742,551.9**	**23,079.8**	**1.32%**
	Housing	**1,108,918.5**	**9,970.3**	**0.90%**
	Sub-total (B)	**4,474,921.7**	**423,529.2**	**9.46%**
	Total (A)+(B)	**6,189,852.3**	**456,760.4**	**7.38%**

1. *Represents loans and advances.*
2. *Excludes commercial business loans and dealer funding.*
3. *Sub-sectors have been disclosed where advances exceed 10% of total advances in that sector at reporting date.*

₹ in million, except percentages

Sr. No.	Particulars	At March 31, 2018		
		Outstanding advances	Gross NPAs[1]	% of gross NPAs[1] to total advances in that sector
A.	**Priority sector**			
1.	Agriculture and allied activities	393,267.6	12,330.0	3.14%
2.	Advances to industries sector eligible as priority sector lending	231,019.8	4,387.3	1.90%
3.	Services of which:	75,247.9	1,599.6	2.13%
	Transport operators	14,846.4	165.5	1.12%
	Wholesale trade	36,832.9	971.5	2.64%

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₹ in million, except percentages

Sr. No.	Particulars	At March 31, 2018 Outstanding advances	Gross NPAs[1]	% of gross NPAs[1] to total advances in that sector
4.	Personal loans of which:	243,380.3	2,498.2	1.03%
	Housing	229,255.3	2,255.3	0.98%
	Vehicle loans	11,946.7	120.2	1.01%
	Sub-total (A)	**942,915.6**	**20,815.1**	**2.21%**
B.	**Non-priority sector**			
1.	Agriculture and allied activities	-	-	-
2.	Advances to industries sector of which:	1,629,611.9	415,068.6	25.47%
	Infrastructure	484,409.9	127,310.9	26.28%
	Basic metal and metal products	253,136.8	63,862.2	25.23%
3.	Services of which:	1,109,598.3	75,133.1	6.77%
	Commercial real estate	280,361.6	10,704.7	3.82%
	Wholesale trade	131,292.0	5,789.1	4.41%
	Non-banking financial companies	135,066.6	0.2	0.00%
4.	Personal loans[2] of which:	1,697,325.1	21,385.0	1.26%
	Housing	1,120,039.7	8,706.7	0.78%
	Sub-total (B)	**4,436,535.3**	**511,586.7**	**11.53%**
	Total (A)+(B)	**5,379,450.9**	**532,401.8**	**9.90%**

1. *Represents loans and advances.*
2. *Excludes commercial business loans and dealer funding.*
3. *Sub-sectors have been disclosed where advances exceed 10% of total advances in that sector at reporting date.*

(III) Overseas assets, NPAs[1] and revenue

₹ in million

Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018
Total assets[2]	**890,543.1**	931,385.2
Total NPAs (net)	**31,624.1**	122,524.3
Total revenue[2]	**42,948.5**	38,091.2

1. *Represents loans and advances.*
2. *Represents the total assets and total revenue of foreign operations as reported in Schedule 18 of the financial statements, note no. 5 on information about business and geographical segments.*

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(IV) Off-balance sheet special purpose vehicles (SPVs) sponsored (which are required to be consolidated as per accounting norms) for the year ended March 31, 2019

(a) The following table sets forth, the names of SPVs/trusts sponsored by the Bank/subsidiaries which are consolidated.

Sr. No.	Name of the SPV sponsored[1]
A.	**Domestic**
	1. ICICI Strategic Investments Fund[2]
	2. India Advantage Fund-III[2]
	3. India Advantage Fund-IV[2]
B.	**Overseas**
	None

1. SPVs/Trusts which are consolidated and set-up/sponsored by the Bank/Subsidiaries of the Bank.
2. The nature of business of the above entities is venture capital fund.

(b) The following table sets forth, the names of SPVs/trusts which are not sponsored by the Bank/subsidiaries and are consolidated.

Sr. No.	Name of the SPV
A.	**Domestic**
	None
B.	**Overseas**
	None

28. Intra-group exposure

The following table sets forth, for the periods indicated, the details of intra-group exposure.

₹ in million

Sr. No.	Particulars	**At March 31, 2019**	At March 31, 2018
1.	Total amount of intra-group exposures	**100,938.0**	125,838.4
2.	Total amount of top 20 intra-group exposures	**100,938.0**	125,838.4
3.	Percentage of intra-group exposure to total exposures of the Bank on borrowers/customers	**0.90%**	1.23%
4.	Details of breach of limits on intra-group exposures and regulatory action thereon, if any	**Nil**	Nil

29. Exposure to sensitive sectors

The Bank has exposure to sectors, which are sensitive to asset price fluctuations. The sensitive sectors include capital markets and real estate.

The following table sets forth, for the periods indicated, the position of exposure to capital market sector.

₹ in million

Sr. No.	Particulars	**At March 31, 2019**	At March 31, 2018
1.	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	**32,604.3**	24,451.5
2.	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	**1,170.7**	1,336.0

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₹ in million

Sr. No.	Particulars	At March 31, 2019	At March 31, 2018
3.	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	**25,489.9**	49,530.2
4.	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	**-**	-
5.	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stock brokers and market makers	**89,571.4**	74,928.9
6.	Loans sanctioned to corporate 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	**-**	-
7.	Bridge loans to companies against expected equity flows/issues	**1,500.0**	-
8.	Underwriting commitments taken up by the Bank in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	**-**	-
9.	Financing to stockbrokers for margin trading	**-**	-
10.	All exposures to venture capital funds (both registered and unregistered)	**6,019.6**	5,634.3
11.	Others	**3,148.2**	591.7
	Total exposure to capital market[1]	**159,504.1**	**156,472.6**

1. *At March 31, 2019, excludes investment in equity shares of ₹ 26,626.7 million (March 31, 2018: ₹ 27,085.1 million) exempted from the regulatory ceiling, out of which investments of ₹ 25,023.4 million (March 31, 2018: ₹ 25,481.8 million) were acquired under resolution schemes of RBI.*

The following table sets forth, for the periods indicated, the summary of exposure to real estate sector.

₹ in million

Sr. No.	Particulars	At March 31, 2019	At March 31, 2018
I	**Direct exposure**	**2,306,322.6**	2,003,591.0
	i) Residential mortgages	**1,801,730.9**	1,573,084.4
	of which: individual housing loans eligible for priority sector advances	**300,507.8**	188,656.5
	ii) Commercial real estate[1]	**458,878.9**	400,703.7
	iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposure	**45,712.8**	29,802.9
	a) Residential	**40,267.1**	25,370.6
	b) Commercial real estate	**5,445.7**	4,432.3
II	**Indirect exposure**	**189,347.5**	189,766.3
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	**189,347.5**	189,766.3
	Total exposure to real estate sector	**2,495,670.1**	**2,193,357.3**

1. *Commercial real estate exposure include loans to individuals against non-residential premises, loans given to land and building developers for construction, corporate loans for development of special economic zone, loans to borrowers where servicing of loans is from a real estate activity and exposures to mutual funds/venture capital funds/private equity funds investing primarily in the real estate companies.*

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30. Factoring business

At March 31, 2019, the outstanding receivables acquired by the Bank under factoring business were Nil (March 31, 2018: Nil).

31. Risk category-wise country exposure

As per the extant RBI guidelines, the country exposure of the Bank is categorised into various risk categories listed in the following table. The funded country exposure (net) of the Bank as a percentage of total funded assets for United States of America was 2.69% (March 31, 2018: 3.08%), for Singapore was 1.12% (March 31, 2018: 1.13%) and for United Kingdom was 1.06% (March 31, 2018: Nil). As the net funded exposure to United States of America, Singapore and United Kingdom exceeded 1.0% of total funded assets, the Bank held a provision of ₹ 595.0 million on country exposure at March 31, 2019 (March 31, 2018: ₹ 455.0 million) based on RBI guidelines.

The following table sets forth, for the periods indicated, the details of exposure (net) and provision held by the bank.

₹ in million

Risk category	**Exposure (net) at March 31, 2019**	**Provision held at March 31, 2019**	Exposure (net) at March 31, 2018	Provision held at March 31, 2018
Insignificant	**1,051,721.0**	**595.0**	914,183.7	455.0
Low	**287,964.5**	**-**	282,931.3	-
Moderately Low	**1,525.9**	**-**	8,706.1	-
Moderate	**15,601.1**	**-**	7,737.7	-
Moderately High	**9.6**	**-**	9,928.4	-
High	**-**	**-**	-	-
Very High	**-**	**-**	-	-
Total	**1,356,822.1**	**595.0**	**1,223,487.2**	**455.0**

32. Details of Single Borrower Limit and Borrower Group Limit exceeded by the Bank

During the year ended March 31, 2019 and March 31, 2018, the Bank has complied with the RBI guidelines on single borrower and borrower group limit.

33. Unsecured advances against intangible assets

The Bank has not made advances against intangible collaterals of the borrowers, which are classified as 'Unsecured' in the financial statements at March 31, 2019 (March 31, 2018: Nil).

34. Revaluation of fixed assets

The Bank follows the revaluation model for its premises (land and buildings) other than improvements to leasehold property as per AS 10 – 'Property, Plant and Equipment'. The Bank had initially revalued its premises at March 31, 2016 and subsequently as per the Bank's policy, annual revaluation is carried out through external valuers, using methodologies such as direct comparison method and income generation method and the incremental amount has been taken to revaluation reserve. The revalued amount at March 31, 2019 was ₹ 56,852.6 million (March 31, 2018: ₹ 56,637.9 million) as compared to the historical cost less accumulated depreciation of ₹ 26,407.5 million (March 31, 2018: ₹ 26,606.0 million).

The revaluation reserve is not available for distribution of dividend.

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35. Fixed Assets

The following table sets forth, for the periods indicated, the movement in software acquired by the Bank, as included in fixed assets.

₹ in million

Particulars	At March 31, 2019	At March 31, 2018
At cost at March 31 of preceding year	**18,608.1**	15,066.6
Additions during the year	**2,477.2**	3,573.5
Deductions during the year	**(3,681.9)**	(32.0)
Depreciation to date	**(12,789.4)**	(14,033.0)
Net block	**4,614.0**	**4,575.1**

36. Description of contingent liabilities

The following table describes the nature of contingent liabilities of the Bank.

Sr. No.	Contingent liability	Brief Description
1.	Claims against the Bank, not acknowledged as debts	This item represents demands made in certain tax and legal matters against the Bank in the normal course of business and customer claims arising in fraud cases. In accordance with the Bank's accounting policy and AS 29, the Bank has reviewed and classified these items as possible obligations based on legal opinion/judicial precedents/assessment by the Bank.
2.	Liability for partly paid investments	This item represents amounts remaining unpaid towards liability for partly paid investments. These payment obligations of the Bank do not have any profit/loss impact.
3.	Liability on account of outstanding forward exchange contracts	The Bank enters into foreign exchange contracts in the normal course of its business, to exchange currencies at a pre-fixed price at a future date. This item represents the notional principal amount of such contracts, which are derivative instruments. With respect to the transactions entered into with its customers, the Bank generally enters into off-setting transactions in the inter-bank market. This results in generation of a higher number of outstanding transactions, and hence a large value of gross notional principal of the portfolio, while the net market risk is lower.
4.	Guarantees given on behalf of constituents, acceptances, endorsements and other obligations	This item represents the guarantees and documentary credits issued by the Bank in favour of third parties on behalf of its customers, as part of its trade finance banking activities 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 the customers fail to fulfill their financial or performance obligations.

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Sr. No.	Contingent liability	Brief Description
5.	Currency swaps, interest rate swaps, currency options and interest rate futures	This item represents the notional principal amount of various derivative instruments which the Bank undertakes in its normal course of business. The Bank offers these products to its customers to enable them to transfer, modify or reduce their foreign exchange and interest rate risks. The Bank also undertakes these contracts to manage its own interest rate and foreign exchange positions. With respect to the transactions entered into with its customers, the Bank generally enters into off-setting transactions in the inter-bank market. This results in generation of a higher number of outstanding transactions, and hence a large value of gross notional principal of the portfolio, while the net market risk is lower.
6.	Other items for which the Bank is contingently liable	Other items for which the Bank is contingently liable primarily include the amount of government securities bought/sold and remaining to be settled on the date of financial statements. This also includes the value of sell down options and other facilities pertaining to securitisation, the notional principal amounts of credit derivatives, amount applied in public offers under Application Supported by Blocked Amounts (ASBA), bill re-discounting, amount transferred to RBI under the Depositor Education and Awareness Fund (DEAF), exposure under partial credit enhancement, commitment towards contribution to venture fund and the amount that the Bank is obligated to pay under capital contracts. Capital contracts are job orders of a capital nature which have been committed.

37. Insurance business

The following table sets forth, for the periods indicated, the break-up of income derived from insurance business.

₹ in million

Sr. No.	Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018
1.	Income from selling life insurance policies	**9,792.3**	8,821.1
2.	Income from selling non-life insurance policies	**1,382.8**	1,133.5
3.	Income from selling mutual fund/collective investment scheme products	**3,156.7**	4,999.5

38. Employee benefits

Pension

The following tables set forth, for the periods indicated, movement of the present value of the defined benefit obligation, fair value of plan assets and other details for pension benefits.

₹ in million

Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018
Opening obligations	**15,391.1**	**16,686.9**
Service cost	**232.2**	275.0
Interest cost	**1,123.7**	1,113.1
Actuarial (gain)/loss	**1,803.8**	(1,162.8)
Liabilities extinguished on settlement	**(1,833.7)**	(1,399.0)
Benefits paid	**(176.8)**	(122.1)
Obligations at the end of year	**16,540.3**	**15,391.1**

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₹ in million

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Opening plan assets, at fair value	**16,303.7**	**16,888.1**
Expected return on plan assets	**1,381.1**	1,433.4
Actuarial gain/(loss)	**(125.9)**	(449.6)
Assets distributed on settlement	**(2,037.4)**	(1,554.5)
Contributions	**94.1**	108.4
Benefits paid	**(176.8)**	(122.1)
Closing plan assets, at fair value	**15,438.8**	**16,303.7**
Fair value of plan assets at the end of the year	**15,438.8**	16,303.7
Present value of the defined benefit obligations at the end of the year	**(16,540.3)**	(15,391.1)
Amount not recognised as an asset (limit in Para 59(b) of AS 15 on 'employee benefits')	**-**	(310.1)
Asset/(liability)	**(1,101.5)**	**602.5**
Cost[1]		
Service cost	**232.2**	275.0
Interest cost	**1,123.7**	1,113.1
Expected return on plan assets	**(1,381.1)**	(1,433.4)
Actuarial (gain)/loss	**1,929.7**	(713.2)
Curtailments & settlements (gain)/loss	**203.7**	155.5
Effect of the limit in para 59(b) of AS 15 on 'employee benefits'	**(310.1)**	241.8
Net cost	**1,798.1**	**(361.2)**
Actual return on plan assets	**1,255.2**	983.8
Expected employer's contribution next year	**1,000.0**	3,000.0
Investment details of plan assets		
Insurer managed funds	**1.00%**	0.88%
Government of India securities	**49.63%**	48.98%
Corporate bonds	**44.91%**	43.48%
Equity securities in listed companies	**3.55%**	6.00%
Others	**0.91%**	0.66%
Assumptions		
Discount rate	**7.05%**	7.45%
Salary escalation rate:		
On Basic pay	**1.50%**	1.50%
On Dearness relief	**7.00%**	7.00%
Estimated rate of return on plan assets	**8.00%**	8.00%

1. *Included in line item 'Payments to and provision for employees' of Schedule-16 Operating expenses.*

Estimated rate of return on plan assets is based on the expected average long-term rate of return on investments of the Fund during the estimated term of the obligations.

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Experience adjustment

₹ in million

Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015
Plan assets	**15,438.8**	16,303.7	16,888.1	13,191.6	10,103.4
Defined benefit obligations	**(16,540.3)**	(15,391.1)	(16,686.9)	(14,191.6)	(12,999.9)
Amount not recognised as an asset (limit in para 59(b) of AS 15 on 'employee benefits')	**-**	(310.1)	(68.4)	-	-
Surplus/(deficit)	**(1,101.5)**	602.5	132.8	(1,000.0)	(2,896.5)
Experience adjustment on plan assets	**(125.9)**	(449.6)	589.5	(4.1)	104.7
Experience adjustment on plan liabilities	**1,038.6**	290.1	(80.0)	1,503.4	1,271.2

Gratuity

The following tables set forth, for the periods indicated, movement of the present value of the defined benefit obligation, fair value of plan assets and other details for gratuity benefits.

₹ in million

Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018
Opening obligations	**9,087.7**	**8,701.8**
Add: Adjustment for exchange fluctuation on opening obligations	**3.0**	0.4
Adjusted opening obligations	**9,090.7**	**8,702.2**
Service cost	**942.9**	893.4
Interest cost	**710.4**	599.3
Actuarial (gain)/loss	**269.0**	(318.5)
Past service cost	**-**	14.7
Liability transferred from/to other companies	**12.1**	4.4
Benefits paid	**(910.7)**	(807.8)
Obligations at the end of the year	**10,114.4**	**9,087.7**
Opening plan assets, at fair value	**8,979.9**	**8,559.0**
Expected return on plan assets	**726.3**	689.6
Actuarial gain/(loss)	**(60.3)**	(115.9)
Contributions	**1,073.9**	650.5
Asset transferred from/to other companies	**12.1**	4.5
Benefits paid	**(910.7)**	(807.8)
Closing plan assets, at fair value	**9,821.2**	**8,979.9**
Fair value of plan assets at the end of the year	**9,821.2**	8,979.9
Present value of the defined benefit obligations at the end of the year	**(10,114.4)**	(9,087.7)
Amount not recognised as an asset (limit in Para 59(b) of AS 15 on 'employee benefits')	**-**	-
Asset/(liability)	**(293.2)**	**(107.8)**
Cost[1]		
Service cost	**942.9**	893.4
Interest cost	**710.4**	599.3
Expected return on plan assets	**(726.3)**	(689.6)

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₹ in million

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Actuarial (gain)/loss	**329.3**	(202.6)
Past service cost	**-**	14.7
Exchange fluctuation loss/(gain)	**3.0**	0.4
Effect of the limit in para 59(b) of AS 15 on 'employee benefits'	**-**	-
Net cost	**1,259.3**	**615.6**
Actual return on plan assets	**666.0**	573.7
Expected employer's contribution next year	**800.0**	1,500.0
Investment details of plan assets		
Insurer managed funds	**-**	-
Government of India securities	**29.90%**	27.49%
Corporate bonds	**43.51%**	48.70%
Special deposit schemes	**2.96%**	3.25%
Equity	**12.89%**	15.70%
Others	**10.74%**	4.86%
Assumptions		
Discount rate	**7.40%**	7.60%
Salary escalation rate	**7.00%**	7.00%
Estimated rate of return on plan assets	**8.00%**	8.00%

1. Included in line item 'Payments to and provision for employees' of Schedule-16 Operating expenses.

Estimated rate of return on plan assets is based on the expected average long-term rate of return on investments of the Fund during the estimated term of the obligations.

Experience adjustment

₹ in million

Particulars	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015
Plan assets	**9,821.2**	8,979.9	8,559.0	6,933.0	6,570.7
Defined benefit obligations	**(10,114.4)**	(9,087.7)	(8,701.8)	(7,386.7)	(6,754.6)
Amount not recognised as an asset (limit in para 59(b) of AS 15 on 'employee benefits')	**-**	-	-	-	-
Surplus/(deficit)	**(293.2)**	(107.8)	(142.8)	(453.7)	(183.9)
Experience adjustment on plan assets	**(60.3)**	(115.9)	454.5	(345.7)	589.1
Experience adjustment on plan liabilities	**118.4**	162.0	125.2	120.1	41.9

The estimates of future salary increases, considered in actuarial valuation, take into consideration inflation, seniority, promotion and other relevant factors.

Provident Fund (PF)

As there is no liability towards interest rate guarantee on exempt provident fund on the basis of actuarial valuation, the Bank has not made any provision for the year ended March 31, 2019 (year ended March 31, 2018: Nil).

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The following tables set forth, for the periods indicated, movement of the present value of the defined benefit obligation, fair value of plan assets and other details for provident fund.

₹ in million

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Opening obligations	**25,524.4**	**22,596.8**
Service cost	**1,330.0**	1,233.8
Interest cost	**1,920.9**	1,512.4
Actuarial (gain)/loss	**402.6**	412.4
Employees contribution	**2,449.0**	2,314.8
Liability transferred from/to other companies	**288.6**	304.8
Benefits paid	**(3,158.0)**	(2,850.6)
Obligations at end of the year	**28,757.5**	**25,524.4**
Opening plan assets	**25,524.4**	**22,596.8**
Expected return on plan assets	**2,311.7**	1,960.4
Actuarial gain/(loss)	**11.8**	(35.6)
Employer contributions	**1,330.0**	1,233.8
Employees contributions	**2,449.0**	2,314.8
Asset transferred from/to other companies	**288.6**	304.8
Benefits paid	**(3,158.0)**	(2,850.6)
Closing plan assets	**28,757.5**	**25,524.4**
Plan assets at the end of the year	**28,757.5**	25,524.4
Present value of the defined benefit obligations at the end of the year	**(28,757.5)**	(25,524.4)
Asset/(liability)	**-**	**-**
Cost[1]		
Service cost	**1,330.0**	1,233.8
Interest cost	**1,920.9**	1,512.4
Expected return on plan assets	**(2,311.7)**	(1,960.4)
Actuarial (gain)/loss	**390.8**	448.0
Net cost	**1,330.0**	**1,233.8**
Actual return on plan assets	**2,323.5**	1,924.8
Expected employer's contribution next year	**1,423.1**	1,320.2
Investment details of plan assets		
Government of India securities	**47.49%**	46.67%
Corporate bonds	**45.54%**	46.57%
Special deposit scheme	**1.88%**	2.12%
Others	**5.09%**	4.64%
Assumption		
Discount rate	**7.40%**	7.60%
Expected rate of return on assets	**8.75%**	8.95%
Discount rate for the remaining term to maturity of investments	**7.46%**	7.55%
Average historic yield on the investment	**8.81%**	8.90%
Guaranteed rate of return	**8.65%**	8.65%

1. *Included in line item 'Payments to and provision for employees' of Schedule-16 Operating expenses.*

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Experience adjustment

₹ in million

Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015
Plan assets	**28,757.5**	25,524.4	22,596.8	19,920.6	17,746.8
Defined benefit obligations	**(28,757.5)**	(25,524.4)	(22,596.8)	(19,920.6)	(17,746.8)
Amount not recognised as an asset (limit in para 59(b) of AS 15 on 'employee benefits')	**-**	-	-	-	-
Surplus/(deficit)	**-**	-	-	-	-
Experience adjustment on plan assets	**11.8**	(35.6)	(26.8)	8.7	346.4
Experience adjustment on plan liabilities	**402.6**	412.4	252.8	199.0	322.3

The Bank has contributed ₹ 2,067.3 million to provident fund for the year ended March 31, 2019 (year ended March 31, 2018: ₹ 1,982.2 million), which includes compulsory contribution made towards employee pension scheme under Employees Provident Fund and Miscellaneous Provisions Act, 1952.

Superannuation Fund

The Bank has contributed ₹ 224.9 million for the year ended March 31, 2019 (year ended March 31, 2018: ₹ 207.2 million) to Superannuation Fund for employees who had opted for the scheme.

National Pension Scheme (NPS)

The Bank has contributed ₹ 95.2 million for the year ended March 31, 2019 (year ended March 31, 2018: ₹ 76.8 million) to NPS for employees who had opted for the scheme.

Compensated absence

The following table sets forth, for the periods indicated, movement in provision for compensated absence.

₹ in million

Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018
Cost[1]	**734.9**	675.3
Assumptions		
Discount rate	**7.40%**	7.60%
Salary escalation rate	**7.00%**	7.00%

1. *Included in line item 'Payments to and provision for employees' of Schedule-16 Operating expenses.*

39. Movement in provision for credit cards/debit cards/savings accounts and direct marketing agents reward points

The following table sets forth, for the periods indicated, movement in provision for credit cards/debit cards/savings accounts reward points.

₹ in million

Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018
Opening provision for reward points	**1,892.9**	1,627.3
Provision for reward points made during the year	**1,892.3**	1,573.0
Utilisation/write-back of provision for reward points	**(1,699.3)**	(1,307.4)
Closing provision for reward points[1]	**2,085.9**	1,892.9

1. *The closing provision is based on the actuarial valuation of accumulated credit cards/debit cards/savings accounts reward points.*

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The following table sets forth, for the periods indicated, movement in provision for reward points to direct marketing agents.

₹ in million

Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018
Opening provision for reward points	**179.6**	201.5
Provision for reward points made during the year	**170.6**	101.1
Utilisation/write-back of provision for reward points	**(153.3)**	(123.0)
Closing provision for reward points	**196.9**	179.6

40. Provisions and contingencies

The following table sets forth, for the periods indicated, the break-up of provisions and contingencies included in profit and loss account.

₹ in million

Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018
Provisions for depreciation of investments	**3,562.2**	18,773.4
Provision towards non-performing and other assets[1]	**168,112.0**	142,445.2
Provision towards income tax		
- Current[2]	**33,606.0**	26,618.5
- Deferred	**(29,471.4)**	(20,047.2)
Floating provision	**-**	-
Other provisions and contingencies[3]	**24,937.2**	11,851.2
Total provisions and contingencies	**200,746.0**	**179,641.1**

1. *Includes provision towards NPA amounting to ₹ 170,969.1 million (March 31, 2018: ₹ 163,793.6 million).*
2. *During the year ended March 31, 2018, the Bank had recognised Minimum Alternate Tax (MAT) credit as an asset amounting to ₹ 2,178.0 million, as the normal income tax liability related to the year ended March 31, 2017 was less than the MAT computed as per section 115JB of the Income tax Act, 1961. The MAT asset was fully utilised against the normal income tax liability for the year ended March 31, 2018.*
3. *Includes general provision made towards standard assets, provision on fixed assets acquired under debt-asset swap and non-fund based facilities.*

The Bank has assessed its obligations arising in the normal course of business, including pending litigations, proceedings pending with tax authorities and other contracts including derivative and long term contracts. In accordance with the provisions of AS 29 on 'Provisions, Contingent Liabilities and Contingent Assets', the Bank recognises a provision for material foreseeable losses when it 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. In cases where the available information indicates that the loss on the contingency is reasonably possible or the amount of loss cannot be reasonably estimated, a disclosure to this effect is made as contingent liabilities in the financial statements. The Bank does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

The following table sets forth, for the periods indicated, the movement in provision for legal and fraud cases, operational risk and other contingencies.

₹ in million

Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018
Opening provision	**10,996.6**	7,861.3
Movement during the year (net)	**9,622.1**	3,135.3
Closing provision	**20,618.7**	10,996.6

1. *Excludes provision towards sundry expenses.*

41. Provision for income tax

The provision for income tax (including deferred tax) for the year ended March 31, 2019 amounted to ₹ 4,134.6 million (March 31, 2018: ₹ 6,571.3 million).

The Bank has a comprehensive system of maintenance of information and documents required by transfer pricing legislation under section 92-92F of the Income Tax Act, 1961. The Bank is of the opinion that all transactions with international related parties and specified transactions with domestic related parties are primarily at arm's length so that the above legislation does not have material impact on the financial statements.

42. Deferred tax

At March 31, 2019, the Bank has recorded net deferred tax assets of ₹ 104,365.7 million (March 31, 2018: ₹ 74,770.2 million), which have been included in other assets.

The following table sets forth, for the periods indicated, the break-up of deferred tax assets and liabilities into major items.

₹ in million

Particulars	**At March 31, 2019[1]**	At March 31, 2018[2]
Deferred tax assets		
Provision for bad and doubtful debts	**132,736.9**	102,010.3
Foreign currency translation reserve[3]	**282.9**	861.2
Others	**9,276.5**	6,603.6
Total deferred tax assets	**142,296.3**	**109,475.1**
Deferred tax liabilities		
Special reserve deduction	**30,482.0**	28,653.2
Depreciation on fixed assets	**4,816.0**	4,974.6
Interest on refund of taxes[3]	**2,632.6**	1,077.1
Total deferred tax liabilities	**37,930.6**	**34,704.9**
Total net deferred tax assets/(liabilities)	**104,365.7**	**74,770.2**

1. *Tax rate of 34.944% is adopted based on Finance Act, 2019.*
2. *Tax rate of 34.944% is adopted based on Finance Act, 2018.*
3. *These items are considered in accordance with the requirements of Income Computation and Disclosure Standards (ICDS).*

As per ICDS and subsequent circular issued by Central Board of Direct Taxes, during the year ended March 31, 2017, the Bank had recognised tax expense and deferred tax asset on closing balance of Foreign Currency Translation Reserve (FCTR) at March 31, 2017. Delhi High Court struck down certain part of ICDS in November 2017. Further, pursuant to amendments in Income tax Act, 1961 through Finance Act, 2018, the movement during the year in FCTR has become taxable effective from April 1, 2016. Accordingly, tax expense of ₹ 4,159.0 million and equal amount of deferred tax asset on the opening balance of FCTR at April 1, 2016 recognised earlier under ICDS has been reversed during the year ended March 31, 2018.

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43. Details of provisioning pertaining to fraud accounts

The following table sets forth, for the periods indicated, the details of provisioning pertaining to fraud accounts.

₹ in million, except number of frauds

Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018
Number of frauds reported	**2,131**[1]	2,938
Amount involved in frauds	**23,165.2**[1]	5,895.7
Provision made[2]	**12,207.7**	2,087.5
Unamortised provision debited from balance in profit and loss account under 'Reserves and Surplus'	**-**	199.8

1. *Includes three borrower accounts with outstanding of ₹ 7,948.7 million at March 31, 2018 accounted as fraud during the year ended March 31, 2018. The Bank made a provision of ₹ 2,894.5 million through profit and loss account and ₹ 5,054.2 million through balance in profit and loss account under 'Reserves and Surplus' during the year ended March 31, 2018. As permitted by RBI, provision made through balance in profit and loss account under 'Reserves and Surplus' was reversed and recognised through profit and loss account during the year ended March 31, 2019.*
2. *Excludes amount written off and interest reversal.*

44. Proposed dividend on equity shares

The Board of Directors at its meeting held on May 6, 2019 has recommended a dividend of ₹ 1.00 per equity share for the year ended March 31, 2019 (year ended March 31, 2018: ₹ 1.50 per equity share). The declaration and payment of dividend is subject to requisite approvals.

45. Dividend distribution tax

Dividend received from Indian subsidiaries, on which dividend distribution tax has been paid by them and dividend received from overseas subsidiaries, on which tax has been paid under section 115BBD of the Income Tax Act, 1961, have been reduced from dividend to be distributed by the Bank for the purpose of computation of dividend distribution tax as per section 115-O of the Income Tax Act, 1961.

46. Related party transactions

The Bank has transactions with its related parties comprising subsidiaries, associates/joint ventures/other related entities, key management personnel and relatives of key management personnel.

I. Related parties

Subsidiaries

ICICI Bank Canada, ICICI Bank UK PLC, ICICI Home Finance Company Limited, ICICI International 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 Prudential Pension Funds Management Company Limited, ICICI Prudential Trust Limited, ICICI Securities Holdings Inc., ICICI Securities Inc., ICICI Securities Limited, ICICI Securities Primary Dealership Limited, ICICI Trusteeship Services Limited and ICICI Venture Funds Management Company Limited.

Associates/joint ventures/other related entities

Arteria Technologies Private Limited[1], India Advantage Fund-III, India Advantage Fund-IV, India Infradebt Limited, ICICI Merchant Services Private Limited, I-Process Services (India) Private Limited, NIIT Institute of Finance, Banking and Insurance Training Limited, ICICI Strategic Investments Fund[2], Comm Trade Services Limited and ICICI Foundation for Inclusive Growth.

1. *Identified as related party effective from May 29, 2018.*
2. *Entity consolidated as per Accounting Standard (AS) 21 on 'Consolidated Financial Statements'.*

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Key management personnel

Mr. Sandeep Bakhshi[1], Ms. Vishakha Mulye, Mr. Vijay Chandok, Mr. Anup Bagchi, Mr. N. S. Kannan[2] and Ms. Chanda Kochhar[3].

1. *Identified as related party effective from June 19, 2018.*
2. *Ceased to be related party effective close of business hours on June 18, 2018.*
3. *Ceased to be related party effective from October 4, 2018.*

Relatives of key management personnel

Ms. Mona Bakhshi[1], Mr. Shivam Bakhshi[1], Ms. Esha Bakhshi[1], Ms. Minal Bakhshi[1], Mr. Sameer Bakhshi[1], Mr. Vivek Mulye, Ms. Vriddhi Mulye, Dr. Gauresh Palekar, Ms. Shalaka Gadekar, Ms. Manisha Palekar, Ms. Poonam Chandok, Ms. Saluni Chandok, Ms. Simran Chandok, Mr. C. V. Kumar, Ms. Shad Kumar, Ms. Sanjana Gulati, Ms. Mitul Bagchi, Mr. Aditya Bagchi, Mr. Shishir Bagchi, Mr. Arun Bagchi , Mr. Animesh Bagchi, Ms. Rangarajan Kumudalakshmi[2], Ms. Aditi Kannan[2], Ms. Sudha Narayanan[2], Mr. Raghunathan Narayanan[2], Mr. Rangarajan Narayanan[2], Mr. Deepak Kochhar[3], Mr. Arjun Kochhar[3], Ms. Aarti Kaji[3] and Mr. Mahesh Advani[3].

1. *Identified as related party effective from June 19, 2018.*
2. *Ceased to be related party effective close of business hours on June 18, 2018.*
3. *Ceased to be related party effective from October 4, 2018.*

II. Transactions with related parties

The following table sets forth, for the periods indicated, the significant transactions between the Bank and its related parties.

₹ in million

Items	**Year ended March 31, 2019**	Year ended March 31, 2018
Interest income		
Subsidiaries	**240.5**	489.1
Associates/joint ventures/others	**44.4**	29.4
Key management personnel	**11.7**	9.0
Relatives of key management personnel	**0.0[1]**	0.1
Total interest income	**296.6**	**527.6**
Fee, commission and other income		
Subsidiaries	**12,225.7**	12,080.3
Associates/joint ventures/others	**20.0**	13.9
Key management personnel	**0.2**	0.0[1]
Relatives of key management personnel	**0.0[1]**	0.0[1]
Total fee, commission and other income	**12,245.9**	**12,094.2**
Commission income on guarantees issued		
Subsidiaries	**30.2**	35.2
Associates/joint ventures/others	**0.1**	0.1
Key management personnel	**-**	-
Relatives of key management personnel	**-**	-
Total commission income on guarantees issued	**30.3**	**35.3**
Income from custodial services		
Subsidiaries	**16.8**	26.8
Associates/joint ventures/others	**-**	-
Key management personnel	**-**	-
Relatives of key management personnel	**-**	-
Total income from custodial services	**16.8**	**26.8**
Gain/(loss) on forex and derivative transactions (net)[2]		

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₹ in million

Items	Year ended March 31, 2019	Year ended March 31, 2018
Subsidiaries	665.3	44.5
Associates/joint ventures/others	0.1	(0.0)[1]
Key management personnel	-	-
Relatives of key management personnel	-	-
Total gain/(loss) on forex and derivative transactions (net)	**665.4**	**44.5**
Dividend income		
Subsidiaries	10,779.5	12,140.6
Associates/joint ventures/others	62.9	62.9
Total dividend income	**10,842.4**	**12,203.5**
Insurance claims received		
Subsidiaries	111.8	127.5
Associates/joint ventures/others	-	-
Total insurance claims received	**111.8**	**127.5**
Recovery of lease of premises, common corporate and facilities expenses		
Subsidiaries	1,732.5	1,611.1
Associates/joint ventures/others	59.7	69.2
Key management personnel	-	-
Relatives of key management personnel	-	-
Total recovery of lease of premises, common corporate and facilities expenses	**1,792.2**	**1,680.3**
Payment of lease of premises, common corporate and facilities expenses		
Subsidiaries	76.9	73.1
Associates/joint ventures/others	-	-
Key management personnel	-	-
Relatives of key management personnel	-	-
Total payment of lease of premises, common corporate and facilities expenses	**76.9**	**73.1**
Recovery for secondment of employees (net)		
Subsidiaries	27.7	11.2
Associates/joint ventures/others	9.4	8.7
Total recovery for secondment of employees (net)	**37.1**	**19.9**
Reimbursement of expenses from related parties		
Subsidiaries	1.3	1.4
Associates/joint ventures/others	-	3.3
Key management personnel	-	-
Relatives of key management personnel	-	-
Total reimbursement of expenses from related parties	**1.3**	**4.7**
Interest expense		
Subsidiaries	191.3	303.6
Associates/joint ventures/others	7.8	5.4
Key management personnel	4.2	10.2
Relatives of key management personnel	1.7	3.1
Total interest expense	**205.0**	**322.3**

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₹ in million

Items	Year ended March 31, 2019	Year ended March 31, 2018
Remuneration to wholetime directors[3]		
Key management personnel	**270.5**	232.9
Total remuneration to wholetime directors	**270.5**	**232.9**
Reimbursement of expenses to related parties		
Subsidiaries	**45.9**	784.5
Associates/joint ventures/others	**0.1**	0.1
Key management personnel	**-**	-
Relatives of key management personnel	**-**	-
Total reimbursement of expenses to related parties	**46.0**	**784.6**
Insurance premium paid		
Subsidiaries	**5,779.0**	2,869.0
Associates/joint ventures/others	**-**	-
Total insurance premium paid	**5,779.0**	**2,869.0**
Brokerage, fee and other expenses		
Subsidiaries	**486.7**	503.9
Associates/joint ventures/others	**9,451.1**	6,833.4
Key management personnel	**-**	-
Relatives of key management personnel	**-**	-
Total brokerage, fee and other expenses	**9,937.8**	**7,337.3**
Donation given		
Subsidiaries	**-**	-
Associates/joint ventures/others	**380.0**	560.0
Total donation given	**380.0**	**560.0**
Dividend paid		
Subsidiaries	**-**	-
Associates/joint ventures/others	**-**	-
Key management personnel	**6.6**	8.3
Relatives of key management personnel	**0.0[1]**	0.0[1]
Total dividend paid	**6.6**	**8.3**
Purchase of investments		
Subsidiaries	**35,839.6**	50,279.2
Associates/joint ventures/others	**-**	-
Key management personnel	**-**	-
Relatives of key management personnel	**-**	-
Total purchase of investments	**35,839.6**	**50,279.2**
Investments in the securities issued by related parties		
Subsidiaries	**-**	-
Associates/joint ventures/others	**2,740.0**	6,462.0
Total investments in the securities issued by related parties	**2,740.0**	**6,462.0**
Sale of investments		
Subsidiaries	**37,759.6**	29,950.3
Associates/joint ventures/others	**-**	-
Key management personnel	**-**	-
Relatives of key management personnel	**-**	-
Total sale of investments	**37,759.6**	**29,950.3**
Redemption/buyback of investments		

SCHEDULES

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₹ in million

Items	Year ended March 31, 2019	Year ended March 31, 2018
Subsidiaries	-	5,065.0
Associates/joint ventures/others	175.2	190.1
Total redemption/buyback of investments	**175.2**	**5,255.1**
Unfunded risk participation		
Subsidiaries	-	1,291.6
Associates/joint ventures/others	-	-
Key management personnel	-	-
Relatives of key management personnel	-	-
Total unfunded risk participation	**-**	**1,291.6**
Sale of loans		
Subsidiaries	88.7	1,403.9
Associates/joint ventures/others	-	-
Key management personnel	-	-
Relatives of key management personnel	-	-
Total sale of loans	**88.7**	**1,403.9**
Purchase of fixed assets		
Subsidiaries	21.3	1.2
Associates/joint ventures/others	-	-
Key management personnel	-	-
Relatives of key management personnel	-	-
Total purchase of fixed assets	**21.3**	**1.2**
Sale of fixed assets		
Subsidiaries	6.1	2.2
Associates/joint ventures/others	-	-
Key management personnel	7.2	-
Relatives of key management personnel	-	-
Total sale of fixed assets	**13.3**	**2.2**

1. *Insignificant amount.*
2. *The Bank undertakes derivative transactions with its subsidiaries, associates, joint ventures and other related entities. The Bank manages its foreign exchange and interest rate risks arising from these transactions by covering them in the market. While the Bank, within its overall position limits covers these transactions in the market, the above amounts represent only the transactions with its subsidiaries, associates, joint ventures and other related entities and not the offsetting/covering transactions.*
3. *Excludes the perquisite value on employee stock options exercised, contribution to gratuity fund and includes performance bonus paid during the period.*

III. *Material transactions with related parties*

The following table sets forth, for the periods indicated, the material transactions between the Bank and its related parties. A specific related party transaction is disclosed as a material related party transaction wherever it exceeds 10% of all related party transactions in that category.

₹ in million

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest income		
1. ICICI Home Finance Company Limited	171.6	368.5
2. ICICI Securities Primary Dealership Limited	66.6	111.6
3. India Infradebt Limited	41.1	29.4
Fee, commission and other income		
1. ICICI Prudential Life Insurance Company Limited	9,822.6	8,818.7

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₹ in million

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
2. ICICI Lombard General Insurance Company Limited	**1,440.7**	1,213.7
3. ICICI Prudential Asset Management Company Limited	**330.6**	1,360.8
Commission income on guarantees issued		
1. ICICI Bank UK PLC	**28.2**	33.3
Income from custodial services		
1. ICICI Prudential Asset Management Company Limited	**12.7**	23.7
2. ICICI Securities Primary Dealership Limited	**4.0**	3.1
Gain/(loss) on forex and derivative transactions (net)[1]		
1. ICICI Home Finance Company Limited	**1,244.3**	(7.9)
2. ICICI Securities Primary Dealership Limited	**(472.6)**	(565.1)
3. ICICI Bank UK PLC	**(177.4)**	535.3
4. ICICI Prudential Life Insurance Company Limited	**30.2**	54.0
5. ICICI Lombard General Insurance Company Limited	**16.4**	8.7
6. ICICI Prudential Asset Management Company Limited	**3.2**	14.8
Dividend income		
1. ICICI Prudential Life Insurance Company Limited	**3,719.6**	5,435.9
2. ICICI Securities Limited	**1,939.6**	1,771.8
3. ICICI Prudential Asset Management Company Limited	**1,656.5**	2,268.6
4. ICICI Bank Canada	**1,373.6**	1,092.3
5. ICICI Lombard General Insurance Company Limited	**1,269.2**	404.6
Insurance claims received		
1. ICICI Prudential Life Insurance Company Limited	**60.9**	85.3
2. ICICI Lombard General Insurance Company Limited	**50.9**	42.2
Recovery of lease of premises, common corporate and facilities expenses		
1. ICICI Home Finance Company Limited	**373.5**	377.5
2. ICICI Securities Limited	**291.1**	288.0
3. ICICI Prudential Life Insurance Company Limited	**289.8**	232.7
4. ICICI Lombard General Insurance Company Limited	**269.4**	226.4
5. ICICI Bank UK PLC	**248.0**	260.6
Payment of lease of premises, common corporate and facilities expenses		
1. ICICI Venture Funds Management Company Limited	**68.1**	66.3
Recovery for secondment of employees		
1. ICICI Securities Limited	**22.7**	10.1
2. I-Process Services (India) Private Limited	**9.4**	8.7
3. ICICI Prudential Life Insurance Company Limited	**5.4**	1.2
Reimbursement of expenses from related parties		
1. ICICI Home Finance Company Limited	**1.3**	1.4
2. India Infradebt Limited	**-**	3.3
Interest expense		
1. ICICI Securities Limited	**107.6**	87.1
2. ICICI Prudential Life Insurance Company Limited	**41.8**	190.0
3. ICICI Bank UK PLC	**39.4**	24.6

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

₹ in million

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Remuneration to wholetime directors[2]		
1. Mr. Sandeep Bakhshi[3]	**47.2**	N.A.
2. Ms. Vishakha Mulye	**50.2**	43.1
3. Mr. Vijay Chandok	**45.5**	44.1
4. Mr. Anup Bagchi	**44.1**	37.3
5. Mr. N. S. Kannan[4]	**9.4**	45.1
6. Ms. Chanda Kochhar[5]	**74.1**	63.3
Reimbursement of expenses to related parties		
1. ICICI Bank UK PLC	**28.7**	27.9
2. ICICI Bank Canada	**12.6**	6.7
3. ICICI Lombard General Insurance Company Limited	**4.5**	193.6
4. ICICI Securities Limited	**-**	553.8
Insurance premium paid		
1. ICICI Prudential Life Insurance Company Limited	**3,876.5**	1,169.5
2. ICICI Lombard General Insurance Company Limited	**1,902.5**	1,699.5
Brokerage, fee and other expenses		
1. I-Process Services (India) Private Limited	**5,327.1**	4,516.6
2. ICICI Merchant Services Private Limited	**4,112.9**	2,303.1
Donation given		
1. ICICI Foundation for Inclusive Growth	**380.0**	560.0
Dividend paid		
1. Mr. Sandeep Bakhshi[3]	**0.7**	N.A.
2. Ms. Vishakha Mulye	**1.3**	1.5
3. Mr. Vijay Chandok	**0.0**[6]	0.0[6]
4. Mr. N. S. Kannan[4]	**-**	1.1
5. Ms. Chanda Kochhar[5]	**4.6**	5.7
Purchase of investments		
1. ICICI Securities Primary Dealership Limited	**32,457.9**	42,642.3
2. ICICI Prudential Life Insurance Company Limited	**3,325.9**	6,045.6
Investments in the securities issued by related parties		
1. India Infradebt Limited	**2,740.0**	6,462.0
Sale of investments		
1. ICICI Prudential Life Insurance Company Limited	**19,144.6**	16,353.3
2. ICICI Securities Primary Dealership Limited	**16,598.0**	12,379.0
Redemption/buyback of investments		
1. India Advantage Fund-III	**119.4**	108.2
2. India Advantage Fund-IV	**55.8**	81.9
3. ICICI Bank Canada	**-**	5,065.0
Unfunded risk participation		
1. ICICI Bank UK PLC	**-**	1,291.6
Sale of loans		
1. ICICI Home Finance Company Limited	**88.7**	-
2. ICICI Bank UK PLC	**-**	1,403.9
Purchase of fixed assets		
1. ICICI Prudential Life Insurance Company Limited	**20.7**	-

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

₹ in million

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
2. ICICI Home Finance Company Limited	-	1.1
Sale of fixed assets		
1. ICICI Home Finance Company Limited	4.0	-
2. ICICI Prudential Asset Management Company Limited	-	2.2
3. Ms. Chanda Kochhar[5]	7.2	-

1. *The Bank undertakes derivative transactions with its subsidiaries, associates, joint ventures and other related entities. The Bank manages its foreign exchange and interest rate risks arising from these transactions by covering them in the market. While the Bank, within its overall position limits covers these transactions in the market, the above amounts represent only the transactions with its subsidiaries, associates, joint ventures and other related entities and not the offsetting/covering transactions.*
2. *Excludes the perquisite value on employee stock options exercised, contribution to gratuity fund and includes performance bonus paid during the period.*
3. *Identified as related party effective from June 19, 2018.*
4. *Ceased to be related party effective close of business hours on June 18, 2018.*
5. *Ceased to be related party effective from October 4, 2018.*
6. *Insignificant amount.*

IV. Related party outstanding balances

The following table sets forth, for the periods indicated, the balances payable to/receivable from related parties.

₹ in million

Items	At March 31, 2019	At March 31, 2018
Deposits with the Bank		
Subsidiaries	27,168.2	7,652.6
Associates/joint ventures/others	523.1	1,070.4
Key management personnel	63.2	146.1
Relatives of key management personnel	10.3	120.8
Total deposits with the Bank	**27,764.8**	**8,989.9**
Investments of related parties in the Bank		
Subsidiaries	1,587.3	3,477.6
Associates/joint ventures/others	-	-
Key management personnel	3.1	7.9
Relatives of key management personnel	0.0[1]	0.0[1]
Total investments of related parties in the Bank	**1,590.4**	**3,485.5**
Call/term money borrowed by the Bank		
Subsidiaries	-	-
Associates/joint ventures/others	-	-
Key management personnel	-	-
Relatives of key management personnel	-	-
Total call/term money borrowed by the Bank	**-**	**-**
Reverse repurchase		
Subsidiaries	-	23,044.5
Associates/joint ventures/others	-	-
Key management personnel	-	-
Relatives of key management personnel	-	-
Total reverse repurchase	**-**	**23,044.5**
Payables[2]		
Subsidiaries	111.3	515.1

SCHEDULES

forming part of the Accounts *(Contd.)*

₹ in million

Items	At March 31, 2019	At March 31, 2018
Associates/joint ventures/others	**1,789.2**	749.8
Key management personnel	**0.0[1]**	0.0[1]
Relatives of key management personnel	**0.0[1]**	0.0[1]
Total payables	**1,900.5**	**1,264.9**
Deposits made by the Bank		
Subsidiaries	**1,415.6**	886.9
Associates/joint ventures/others	**-**	-
Key management personnel	**-**	-
Relatives of key management personnel	**-**	-
Total deposits made by the Bank	**1,415.6**	**886.9**
Call/term money lent by the Bank		
Subsidiaries	**-**	3,000.0
Associates/joint ventures/others	**-**	-
Key management personnel	**-**	-
Relatives of key management personnel	**-**	-
Total call/term money lent by the Bank	**-**	**3,000.0**
Investments of the Bank		
Subsidiaries	**98,028.5**	98,315.7
Associates/joint ventures/others	**7,460.0**	4,147.6
Key management personnel	**-**	-
Relatives of key management personnel	**-**	-
Total investments of the Bank	**105,488.5**	**102,463.3**
Advances by the Bank		
Subsidiaries	**1,111.5**	4,077.2
Associates/joint ventures/others	**45.0**	-
Key management personnel	**254.1**	161.1
Relatives of key management personnel	**0.4**	0.7
Total advances by the Bank	**1,411.0**	**4,239.0**
Receivables[2]		
Subsidiaries	**2,154.5**	1,608.2
Associates/joint ventures/others	**14.7**	1.9
Key management personnel	**-**	-
Relatives of key management personnel	**-**	-
Total receivables	**2,169.2**	**1,610.1**
Guarantees/letters of credit/indemnity given by the Bank		
Subsidiaries	**11,821.0**	13,747.5
Associates/joint ventures/others	**11.2**	1.1
Key management personnel	**-**	-
Relatives of key management personnel	**-**	-
Total guarantees/letters of credit/indemnity given by the Bank	**11,832.2**	**13,748.6**
Guarantees/letters of credit/indemnity issued by related parties		
Subsidiaries	**4,399.2**	1,983.4
Associates/joint ventures/others	**-**	-
Key management personnel	**-**	-
Relatives of key management personnel	**-**	-
Total guarantees/letters of credit/indemnity issued by related parties	**4,399.2**	**1,983.4**

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

₹ in million

Items	At March 31, 2019	At March 31, 2018
Swaps/forward contracts (notional amount)		
Subsidiaries	**274,720.7**	731,169.6
Associates/joint ventures/others	**-**	-
Key management personnel	**-**	-
Relatives of key management personnel	**-**	-
Total swaps/forward contracts (notional amount)	**274,720.7**	**731,169.6**
Unfunded risk participation		
Subsidiaries	**819.4**	1,279.4
Associates/joint ventures/others	**-**	-
Key management personnel	**-**	-
Relatives of key management personnel	**-**	-
Total unfunded risk participation	**819.4**	**1,279.4**

1. *Insignificant amount.*
2. *Excludes mark-to-market on outstanding derivative transactions.*
3. *At March 31, 2019, 20,022,000 (March 31, 2018: 38,444,750) employee stock options for key management personnel were outstanding. Excludes stock options granted to key management personnel, which are pending regulatory approvals.*
4. *During the year ended March 31, 2019, 2,062,000 (year ended March 31, 2018: 408,119) employee stock options with total exercise price of ₹ 296.3 million (year ended March 31, 2018: ₹ 60.0 million) were exercised by the key management personnel.*

V. Related party maximum balances

The following table sets forth, for the periods indicated, the maximum balances payable to/receivable from related parties.

₹ in million

Items	Year ended March 31, 2019	Year ended March 31, 2018
Deposits with the Bank		
Subsidiaries	**28,243.8**	26,475.9
Associates/joint ventures/others	**5,479.4**	5,613.6
Key management personnel	**234.6**	198.2
Relatives of key management personnel	**175.3**	550.5
Total deposits with the Bank	**34,133.1**	**32,838.2**
Investments of related parties in the Bank[1]		
Subsidiaries	**1,637.3**	3,529.3
Associates/joint ventures/others	**-**	-
Key management personnel	**9.3**	7.9
Relatives of key management personnel	**0.0[2]**	0.0[2]
Total investments of related parties in the Bank	**1,646.6**	**3,537.2**
Call/term money borrowed by the Bank		
Subsidiaries	**-**	1,000.0
Associates/joint ventures/others	**-**	-
Key management personnel	**-**	-
Relatives of key management personnel	**-**	-
Total call/term money borrowed by the Bank	**-**	**1,000.0**
Reverse repurchase		
Subsidiaries	**23,044.5**	23,044.5
Associates/joint ventures/others	**-**	-
Key management personnel	**-**	-

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forming part of the Accounts *(Contd.)*

₹ in million

Items	Year ended March 31, 2019	Year ended March 31, 2018
Relatives of key management personnel	-	-
Total reverse repurchase	**23,044.5**	**23,044.5**
Payables[1,3]		
Subsidiaries	**111.3**	515.1
Associates/joint ventures/others	**1,789.2**	1,191.8
Key management personnel	**0.0[2]**	0.1
Relatives of key management personnel	**0.1**	0.1
Total payables	**1,900.6**	**1,707.1**
Deposits made by the Bank		
Subsidiaries	**9,298.5**	4,426.2
Associates/joint ventures/others	-	-
Key management personnel	-	-
Relatives of key management personnel	-	-
Total deposits made by the Bank	**9,298.5**	**4,426.2**
Call/term money lent by the Bank		
Subsidiaries	**10,000.0**	8,450.0
Associates/joint ventures/others	-	-
Key management personnel	-	-
Relatives of key management personnel	-	-
Total call/term money lent by the Bank	**10,000.0**	**8,450.0**
Investments of the Bank		
Subsidiaries	**98,315.7**	103,222.4
Associates/joint ventures/others	**8,175.5**	6,099.8
Key management personnel	-	-
Relatives of key management personnel	-	-
Total investments of the Bank	**106,491.2**	**109,322.2**
Advances by the Bank		
Subsidiaries	**7,809.5**	20,158.8
Associates/joint ventures/others	**45.0**	-
Key management personnel	**256.2**	203.6
Relatives of key management personnel	**0.9**	3.1
Total advances by the Bank	**8,111.6**	**20,365.5**
Receivables[3]		
Subsidiaries	**3,735.6**	1,683.7
Associates/joint ventures/others	**115.8**	137.1
Key management personnel	-	-
Relatives of key management personnel	-	-
Total receivables	**3,851.4**	**1,820.8**
Guarantees/letters of credit/indemnity given by the Bank		
Subsidiaries	**16,184.2**	14,043.2
Associates/joint ventures/others	**12.7**	9.8
Key management personnel	-	-
Relatives of key management personnel	-	-
Total guarantees/letters of credit/indemnity given by the Bank	**16,196.9**	**14,053.0**

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SCHEDULES

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₹ in million

Items	**Year ended March 31, 2019**	Year ended March 31, 2018
Guarantees/letters of credit/indemnity issued by related parties[1]		
Subsidiaries	**4,432.1**	4,155.1
Associates/joint ventures/others	**-**	-
Key management personnel	**-**	-
Relatives of key management personnel	**-**	-
Total guarantees/letters of credit/indemnity issued by related parties	**4,432.1**	**4,155.1**
Swaps/forward contracts (notional amount)		
Subsidiaries	**935,892.4**	853,591.5
Associates/joint ventures/others	**-**	-
Key management personnel	**-**	-
Relatives of key management personnel	**-**	-
Total swaps/forward contracts (notional amount)	**935,892.4**	**853,591.5**
Unfunded risk participation		
Subsidiaries	**1,415.7**	3,562.2
Associates/joint ventures/others	**-**	-
Key management personnel	**-**	-
Relatives of key management personnel	**-**	-
Total unfunded risk participation	**1,415.7**	**3,562.2**

1. *Maximum balance is determined based on comparison of the total outstanding balances at each quarter end during the financial year.*
2. *Insignificant amount.*
3. *Excludes mark-to-market on outstanding derivative transactions.*

VI. Letters of comfort

The Bank has issued letters of comfort on behalf of its banking subsidiary ICICI Bank UK PLC to Financial Services Authority, UK (now split into two separate regulatory authorities, the Prudential Regulation Authority and the Financial Conduct Authority) to confirm that the Bank intends to financially support ICICI Bank UK PLC in ensuring that it meets all of its financial obligations as they fall due.

The Bank has issued an undertaking on behalf of ICICI Securities Inc. for Singapore dollar 10.0 million (March 31, 2018: Singapore dollar 10.0 million) (equivalent to ₹ 510.4 million at March 31, 2019 and ₹ 498.2 million at March 31, 2018) to the Monetary Authority of Singapore (MAS) and has executed six indemnity agreements including one issued during the year on behalf of ICICI Bank Canada to its independent directors for a sum not exceeding Canadian dollar 2.5 million each, aggregating to Canadian dollar 15.0 million (March 31, 2018: Canadian dollar 17.5 million) (equivalent to ₹ 773.1 million at March 31, 2019 and ₹ 886.4 million at March 31, 2018). The aggregate amount of ₹ 1,283.5 million at March 31, 2019 (March 31, 2018: ₹ 1,384.6 million) is included in the contingent liabilities.

The letters of comfort in the nature of letters of awareness that were outstanding at March 31, 2019 issued by the Bank on behalf of its subsidiaries in respect of their borrowings made or proposed to be made, aggregated to ₹ 7,060.0 million (March 31, 2018: ₹ 12,363.0 million).

In addition to the above, the Bank has also issued letters of comfort in the nature of letters of awareness on behalf of its subsidiaries for other incidental business purposes. These letters of awareness are in the nature of factual statements or confirmation of facts and do not create any financial impact on the Bank.

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47. Details of amount transferred to The Depositor Education and Awareness Fund (the Fund) of RBI

The following table sets forth, for the periods indicated, the movement in amount transferred to the Fund.

₹ in million

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Opening balance	**6,654.6**	4,841.2
Add: Amounts transferred during the year	**1,776.7**	1,906.2
Less: Amounts reimbursed by the Fund towards claims during the year	**(100.6)**	(92.8)
Closing balance	**8,330.7**	6,654.6

48. Small and micro enterprises

The following table sets forth, for the periods indicated, details relating to enterprises covered under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.

₹ in million

Sr. No.	Particulars	At March 31, 2019		At March 31, 2018	
		Principal	Interest	Principal	Interest
1.	The Principal amount and the interest due thereon remaining unpaid to any supplier	**-**	**-**	-	-
2.	The amount of interest paid by the buyer in terms of Section 16, along with the amount of the payment made to the supplier beyond the due date	**-**	**-**	-	-
3.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under MSMED Act, 2006	**N.A.**	**0.3**	N.A.	0.5
4.	The amount of interest accrued and remaining unpaid	**N.A.**	**0.3**	N.A.	0.5
5.	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 disallowed as a deductible expenditure under Section 23	**N.A.**	**0.0**[1]	N.A.	**-**

1. *Represents insignificant amount.*

49. Penalties/fines imposed by RBI and other banking regulatory bodies

The penalty imposed by RBI and other banking regulatory bodies during the year ended March 31, 2019 was ₹ 10.0 million (year ended March 31, 2018: ₹ 627.2 million).

RBI through an order dated February 25, 2019, imposed a monetary penalty of ₹ 10.0 million on the Bank for delay in compliance with RBI's directives on "Time-bound implementation & strengthening of SWIFT related controls".

50. Disclosure on Remuneration

Compensation Policy and practices

(A) Qualitative Disclosures

a) **Information relating to the bodies that oversee remuneration.**

- **Name, composition and mandate of the main body overseeing remuneration**

  The Board Governance, Remuneration and Nomination Committee (BGRNC/Committee) is the body which oversees the remuneration aspects. The functions of the Committee include recommending appointments of Directors to the Board, identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommending to the Board their appointment and removal, formulate a criteria for the evaluation of the performance of the wholetime/independent Directors and the Board and to extend or continue

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the term of appointment of independent Director on the basis of the report of performance evaluation of independent Directors, recommending to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees, recommending to the Board the remuneration (including performance bonus and perquisites) to wholetime Directors (WTDs) and senior management, commission and fee payable to non-executive Directors subject to applicable regulations, approving the policy for and quantum of bonus payable to members of the staff including senior management and key managerial personnel, formulating the criteria for determining qualifications, positive attributes and independence of a Director, framing policy on Board diversity, framing guidelines for the Employee Stock Option Scheme (ESOS) and decide on the grant of the Bank's stock options to employees and WTDs of the Bank and its subsidiary companies.

- **External consultants whose advice has been sought, the body by which they were commissioned, and in what areas of the remuneration process**
  The Bank employed the services of a reputed consulting firm for market benchmarking in the area of compensation, including executive compensation.
- **Scope of the Bank's remuneration policy (e.g. by regions, business lines), including the extent to which it is applicable to foreign subsidiaries and branches**
  The Compensation Policy of the Bank, as last reviewed by the BGRNC and the Board at their meeting held on May 7, 2018, pursuant to the guidelines issued by RBI, covers all employees of the Bank, including those in overseas branches of the Bank. In addition to the Bank's Compensation Policy guidelines, the overseas branches also adhere to relevant local regulations.
- **Type of employees covered and number of such employees**
  All employees of the Bank are governed by the Compensation Policy. The total number of permanent employees of the Bank at March 31, 2019 was 84,922.

b) Information relating to the design and structure of remuneration processes.

- **Key features and objectives of remuneration policy**
  The Bank has under the guidance of the Board and the BGRNC, followed compensation practices intended to drive meritocracy within the framework of prudent risk management. This approach has been incorporated in the Compensation Policy, the key elements of which are given below.
  - **Effective governance of compensation**: The BGRNC has oversight over compensation. The Committee defines Key Performance Indicators (KPIs) for WTDs and equivalent positions 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 BGRNC assesses organisational performance as well as the individual performance for WTDs and equivalent positions. Based on its assessment, it makes recommendations to the Board regarding compensation for WTDs, senior management and equivalent positions and bonus for employees, including senior management and key management personnel.
  - **Alignment of compensation philosophy with prudent risk taking**: The Bank seeks to achieve a prudent mix of fixed and variable pay, with a higher proportion of variable pay at senior levels and no guaranteed bonuses. Compensation is sought to be aligned to both financial and non-financial indicators of performance including aspects like risk management and customer service. In addition, the Bank has an employee stock option scheme aimed at aligning compensation to long term performance through stock option grants that vest over a period of time. Compensation of staff in financial and risk control functions is independent of the business areas they oversee and depends on their performance assessment.
- **Whether the remuneration committee reviewed the firm's remuneration policy during the past year, and if so, an overview of any changes that were made**
  During the year ended March 31, 2019, the Bank's Compensation Policy was reviewed by the BGRNC and the Board at their meeting held on May 7, 2018. No changes were proposed in the compensation policy.

- **Discussion of how the Bank ensures that risk and compliance employees are remunerated independently of the businesses they oversee**
  The compensation of staff engaged in control functions like Risk and Compliance depends on their performance, which is based on achievement of the key results of their respective functions. Their goal sheets do not include any business targets.

c) Description of the ways in which current and future risks are taken into account in the remuneration processes.

- **Overview of the key risks that the Bank takes into account when implementing remuneration measures**
  The Board approves the risk framework for the Bank and the business activities of the Bank are undertaken within this framework to achieve the financial plan. The risk framework includes the Bank's risk appetite, limits framework and policies and procedures governing various types of risk. KPIs of WTDs & equivalent positions, as well as employees, incorporate relevant risk management related aspects. For example, in addition to performance targets in areas such as risk calibrated core operating profit (profit before provisions and tax, excluding treasury income), performance indicators include aspects such as the desired funding profile and asset quality. The BGRNC takes into consideration all the above aspects while assessing organisational and individual performance and making compensation-related recommendations to the Board.
- **Overview of the nature and type of key measures used to take account of these risks, including risk difficult to measure**
  The annual performance targets and performance evaluation incorporate both qualitative and quantitative aspects including asset quality, provisioning, increase in stable funding sources, refinement/improvement of the risk management framework, effective management of stakeholder relationships and mentoring key members of the top and senior management.
- **Discussion of the ways in which these measures affect remuneration**
  Every year, the financial plan/targets are formulated in conjunction with a risk framework with limit structures for various areas of risk/lines of business, within which the Bank operates to achieve the financial plan. To ensure effective alignment of compensation with prudent risk taking, the BGRNC takes into account adherence to the risk framework in conjunction with which the financial plan/targets have been formulated. KPIs of WTDs and equivalent positions, as well as employees, incorporate relevant risk management related aspects. For example, in addition to performance targets in areas such as risk calibrated core operating profit, performance indicators include aspects such as the desired funding profile and asset quality. The BGRNC takes into consideration all the above aspects while assessing organisational and individual performance and making compensation-related recommendations to the Board.
- **Discussion of how the nature and type of these measures have changed over the past year and reasons for the changes, as well as the impact of changes on remuneration.**
  The nature and type of these measures have not changed over the past year and hence, there is no impact on remuneration.

d) Description of the ways in which the Bank seeks to link performance during a performance measurement period with levels of remuneration

- **Overview of main performance metrics for Bank, top level business lines and individuals**
  The main performance metrics include risk calibrated core operating profit (profit before provisions and tax, excluding treasury income), asset quality metrics (such as additions to non-performing loans and recoveries & upgrades), compliance with regulatory norms, refinement of risk management processes and customer service. The specific metrics and weightages for various metrics vary with the role and level of the individual.

- **Discussion of how amounts of individual remuneration are linked to the Bank-wide and individual performance**

  The BGRNC takes into consideration above mentioned aspects while assessing performance and making compensation-related recommendations to the Board regarding the performance assessment of WTDs and equivalent positions. The performance assessment of individual employees is undertaken based on achievements compared to their goal sheets, which incorporate various aspects/metrics described earlier.

- **Discussion of the measures the Bank will in general implement to adjust remuneration in the event that performance metrics are weak, including the Bank's criteria for determining 'weak' performance metrics**

  The Bank's Compensation Policy outlines the measures the Bank will implement in the event of a reasonable evidence of deterioration in financial performance. Should such an event occur in the manner outlined in the policy, the BGRNC may decide to apply malus on none, part or all of the unvested deferred variable compensation.

e) **Description of the ways in which the Bank seeks to adjust remuneration to take account of the longer term performance**

- **Discussion of the Bank's policy on deferral and vesting of variable remuneration and, if the fraction of variable remuneration that is deferred differs across employees or groups of employees, a description of the factors that determine the fraction and their relative importance**

  The quantum of bonus for an employee does not exceed a certain percentage (as stipulated in the compensation policy) of the total fixed pay in a year. Within this percentage, if the quantum of bonus exceeds a predefined threshold percentage of the total fixed pay, a part of the bonus is deferred and paid over a period. These thresholds for deferrals are same across employees.

- **Discussion of the Bank's policy and criteria for adjusting deferred remuneration before vesting and (if permitted by national law) after vesting through claw back arrangements**

  The deferred portion of variable pay is subject to malus, under which the Bank would prevent vesting of all or part of the variable pay in the event of an enquiry determining gross negligence, breach of integrity or in the event of a reasonable evidence of deterioration in financial performance. In such cases, variable pay already paid out may also be subjected to clawback arrangements, as applicable.

f) **Description of the different forms of variable remuneration that the Bank utilises and the rationale for using these different forms**

- **Overview of the forms of variable remuneration offered. A discussion of the use of different forms of variable remuneration and, if the mix of different forms of variable remuneration differs across employees or group of employees, a description of the factors that determine the mix and their relative importance**

  The Bank pays performance linked retention pay (PLRP) to its front-line staff and junior management and performance bonus to its middle and senior management. PLRP aims to reward front line and junior managers, mainly on the basis of skill maturity attained through experience and continuity in role which is a key differentiator for customer service. The Bank also pays variable pay to sales officers and relationship managers in wealth management roles while ensuring that such pay-outs are in accordance with applicable regulatory requirements.

  The Bank ensures higher proportion of variable pay at senior levels and lower variable pay for front-line staff and junior management levels.

(B) *Quantitative disclosures*

The following table sets forth, for the period indicated, the details of quantitative disclosure for remuneration of WTDs (including MD & CEO) and equivalent positions.

₹ in million, except numbers

Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018
Number of meetings held by the BGRNC	**12**	7
Remuneration paid to its members during the financial year (sitting fees)	**1.9**	0.3
Number of employees who received a variable remuneration award	**-**	4
Number and total amount of sign-on awards made	**-**	-
Number and total amount of guaranteed bonuses awarded	**-**	-
Details of severance pay, in addition to accrued benefits	**-**	-
Breakdown of amount of remuneration awards for the financial year		
Fixed[1]	**274.7**	222.7
Variable[2]	**-**	-
- Deferred	**-**	-
- Non-deferred	**-**	-
Share-linked instruments	**-**	4,526,500
Total amount of deferred remuneration paid out during the year	**-**	6.1
Total amount of outstanding deferred remuneration		
Cash	**N.A.**	N.A.
Shares (nos.)	**-**	-
Shares-linked instruments[3]	**6,260,597**	14,825,250
Other forms	**-**	-
Total amount of outstanding deferred remuneration and retained remuneration exposed to ex-post explicit and/or implicit adjustments	**-**	-
Total amount of reductions during the year due to ex-post explicit adjustments[4]	**-**	-
Total amount of reductions during the year due to ex-post implicit adjustments	**-**	-

1. *Fixed pay includes basic salary, supplementary allowances, superannuation, contribution to provident fund and gratuity fund by the Bank. The amounts mentioned in the above table corresponds to the period of employment of WTDs/President in the Bank during the year ended March 31, 2019.*
2. *For the years ended March 31, 2019 and March 31, 2018, variable and share-linked instruments represent amounts paid/ options awarded for the years ended March 31, 2018 and March 31, 2017 respectively, as per RBI approvals.*
3. *Includes stock options granted to MD & CEO and President during their employment with the group company.*
4. *Excludes ₹ 74.1 million variable pay to former MD & CEO for past years which has been directed for claw-back.*

Payment of compensation in the form of profit related commission to the non-executive directors

The Board at its meeting held on September 16, 2015 and the shareholders at their meeting held on July 11, 2016 approved the payment of profit related commission of ₹ 1.0 million per annum to be paid to each non-executive Director of the Bank (excluding government nominee and part-time Chairman) subject to the availability of net profits at the end of each financial year.

The Bank accordingly recognised an amount of ₹ 5.8 million as profit related commission payable to the non-executive Directors during the year ended March 31, 2019, subject to requisite approvals. During the year ended March 31, 2019, the Bank paid ₹ 5.1 million as profit related commission payable to the non-executive Directors for the year ended March 31, 2018.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

51. Corporate Social Responsibility

The gross amount required to be spent by the Bank on Corporate Social Responsibility (CSR) related activities during the year ended March 31, 2019 was ₹ 1,189.6 million (March 31, 2018: ₹ 1,702.0 million).

The following table sets forth, for the periods indicated, the amount spent by the Bank on CSR related activities.

₹ in million

Sr. No.	Particulars	**Year ended March 31, 2019**			Year ended March 31, 2018		
		In cash	**Yet to be paid in cash**	**Total**	In cash	Yet to be paid in cash	Total
1.	Construction/acquisition of any asset	**-**	**-**	**-**	-	-	-
2.	On purposes other than (1) above	**787.2**	**134.9**	**922.1**	1,361.6	342.2	1,703.8

1. *The Bank initiated a pan-India social awareness programme to be conducted beginning March 2019 till March 2020. The total amount earmarked for the social awareness programme is ₹ 250.0 million. Since the project began towards the end of the year, the amount could not be spent during the year. Accordingly, it was not included in the total CSR spends for the year ended March 31, 2019.*

The following table sets forth, for the periods indicated, the details of related party transactions pertaining to CSR related activities.

₹ in million

Sr. No.	Related Party	**Year ended March 31, 2019**	Year ended March 31, 2018
1.	ICICI Foundation	**380.0**	560.0
	Total	**380.0**	**560.0**

The following table sets forth, for the periods indicated, the details of movement of amounts yet to be paid for CSR related activities

₹ in million

Particulars	**At March 31, 2019**	At March 31, 2018
Opening balance	**1,080.0**	1,363.7
Provided during the year	**922.1**	1,703.8
Paid during the year	**(1,728.4)**	(1,987.5)
Closing balance	**273.7**	**1,080.0**

52. Disclosure of customer complaints

The following table sets forth, for the periods indicated, the movement of the outstanding number of complaints.

Complaints relating to the Bank's customers on the Bank's ATMs	**Year ended March 31, 2019**	Year ended March 31, 2018
No. of complaints pending at the beginning of the year	**75**	29
No. of complaints received during the year	**1,049**	2,356
No. of complaints redressed during the year	**1,072**	2,310
No. of complaints pending at the end of the year	**52**	75

1. *The above does not include complaints redressed within one working day.*

Complaints relating to the Bank's customers on other banks' ATMs	**Year ended March 31, 2019**	Year ended March 31, 2018
No. of complaints pending at the beginning of the year	**3,944**	1,763
No. of complaints received during the year	**183,159**	124,361
No. of complaints redressed during the year	**179,975**	122,180
No. of complaints pending at the end of the year	**7,128**	3,944

1. *The above does not include complaints redressed within one working day.*

SCHEDULES

forming part of the Accounts *(Contd.)*

Complaints relating to other than ATM transactions	Year ended March 31, 2019	Year ended March 31, 2018
No. of complaints pending at the beginning of the year	**2,190**	2,480
No. of complaints received during the year	**80,518**	110,626
No. of complaints redressed during the year	**81,212**	110,916
No. of complaints pending at the end of the year	**1,496**	2,190

1. *The above does not include complaints redressed within one working day.*

Total complaints	Year ended March 31, 2019	Year ended March 31, 2018
No. of complaints pending at the beginning of the year	**6,209**	4,272
No. of complaints received during the year	**264,726**	237,343
No. of complaints redressed during the year	**262,259**	235,406
No. of complaints pending at the end of the year	**8,676**	6,209

1. *The above does not include complaints redressed within one working day.*

The following table sets forth, for the periods indicated, the details of awards during the year.

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
No. of unimplemented awards at the beginning of the year	**-**	-
No. of awards passed by the Banking Ombudsmen during the year	**-**	-
No. of awards implemented during the year	**-**	-
No. of unimplemented awards at the end of the year	**-**	-

53. Drawdown from reserves

The Bank has not drawn any amount from reserves during the year ended March 31, 2019 (year ended March 31, 2018: Nil).

54. Investor Education and Protection Fund

The unclaimed dividend amount, due for transfer to the Investor Education and Protection Fund (IEPF) during the year ended March 31, 2019, has been transferred without any delay.

Any unexpired demand drafts as on the date of transfer to IEPF get subsequently extinguished after the date of expiry of the relevant instruments. The amounts of such extinguished drafts are credited back to the unclaimed dividend account from time to time as per SEBI circular dated April 20, 2018 and are transferred to IEPF.

55. Comparative figures

Figures of the previous year have been re-grouped to conform to the current year presentation.

Signatures to Schedules 1 to 18

As per our Report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
ICAI Firm Registration no.: 001076N/N500013

Khushroo B. Panthaky
Partner
Membership no.: 042423

Place: Mumbai
Date: May 6, 2019

For and on behalf of the Board of Directors

Girish Chandra Chaturvedi
Chairman
DIN-00110996

Uday M. Chitale
Director
DIN-00043268

Sandeep Bakhshi
Managing Director & CEO
DIN-00109206

Vishakha Mulye
Executive Director
DIN-00203578

Vijay Chandok
Executive Director
DIN-01545262

Anup Bagchi
Executive Director
DIN-00105962

Sandeep Batra
President

Rakesh Jha
Group Chief Financial Officer

Ranganath Athreya
Company Secretary

Ajay Mittal
Chief Accountant

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To the Members of
ICICI Bank Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of ICICI Bank Limited ('the Bank' or 'the Holding Company'), and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its associates, which comprise the Consolidated Balance Sheet as at 31 March 2019, the Consolidated Profit and Loss Account, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and associates, the aforesaid consolidated financial statements give the information required by the section 29 of the Banking Regulation Act, 1949, as well as the Companies Act, 2013 ('Act') and circulars and guidelines issued by the Reserve Bank of India, in the manner so required for banking companies and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended), of the consolidated state of affairs of the Group and its associates as at 31 March 2019, their consolidated profit and their consolidated cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Bank, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI'), together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in other matter paragraphs below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and associates, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

a. Information Technology ('IT') systems and controls impacting financial reporting in relation to the Bank

(Refer chapter 'Key risks impacting the Bank's business' under the Integrated Report of the Annual Report)

Key Audit Matter	How the key audit matter was addressed
The IT environment of the Bank is complex and involves a large number of independent and inter-dependent IT systems used in the operations of the Bank for processing and recording a large volume of transactions at numerous locations. As a result, there is a high degree of reliance and dependency on such IT systems for the financial reporting process of the Bank. Appropriate IT general controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately and consistently for reliable financial reporting. The accuracy and reliability of the financial reporting process depends on the IT systems and the related control environment, including: ➢ IT general controls over user access management and change management across applications, networks, database, and operating systems; ➢ IT automated application controls. Due to the importance of the impact of the IT systems and related control environment on the Bank's financial reporting process, we have identified testing of such IT systems and related control environment as a key audit matter for the current year audit.	In assessing the integrity of the IT systems, we involved our IT experts to obtain an understanding of the IT infrastructure and IT systems relevant to the Bank's financial reporting process for evaluation and testing of IT general controls and IT automated controls existing in such IT systems. Access rights were tested over applications, operating systems, networks, and databases, which are relied upon for financial reporting. We also assessed the operating effectiveness of controls over granting, removal and periodical review of access rights. We further tested segregation of duties, including preventive controls to ensure that access to change applications, the operating system or databases in the production environment were granted only to authorised personnel. Other areas that were assessed under the IT control environment, included password policies, security configurations, and controls around change management. We also evaluated the design and tested the operating effectiveness of key automated controls within various business processes. This included testing the integrity of system interfaces, the completeness and accuracy of data feeds, and automated calculations.

INDEPENDENT AUDITORS' REPORT

b. Identification and provisioning for non-performing assets ('NPAs') in relation to the Bank

As at 31 March 2019, the Group has reported total loans and advances (net of provisions) of ₹ 6,469,617 million (2018: ₹ 5,668,542 million) of which ₹ 5,866,466 million* (2018: ₹ 5,123,953 million*) relates to the Bank.

(Refer schedule 9)

** the amounts relating to the Bank are before inter company eliminations.*

Key Audit Matter	How the key audit matter was addressed
The identification of NPAs and provisioning for advances is made in accordance with the extant RBI regulations or host country regulations, in the case of international branches. Based on our risk assessment, the following are significant in assessment of the NPA provisions: ➢ Recognition of defaults, in accordance with the criteria set out in the RBI Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances (IRAC norms) or in accordance with the host country regulations, as applicable. Further, the Bank is also required to apply its judgement to determine the identification of NPAs by applying certain qualitative aspects; ➢ The measurement of provision under RBI guidelines is dependent on the ageing of overdue balances, secured/unsecured status of advances, stress and liquidity concerns in certain sectors, and valuation of collateral. The provision on NPAs at certain overseas branches requires estimation of amounts and timing of expected future cash flows and exit values. Considering the significance of the above matter to the financial statements, the heightened regulatory inspections, and significant auditor attention required, we have identified this as a key audit matter for the current year audit.	We tested the design and operating effectiveness of key controls, including IT based controls, focusing on the following: ➢ Identification and classification of NPAs in line with RBI IRAC norms and certain qualitative aspects; ➢ Periodic internal reviews of asset quality; ➢ Assessment of adequacy of NPA provisions; and ➢ Periodic valuation of collateral for NPAs. To test the identification of loans with default events and other triggers, we selected a sample of performing loans and independently assessed as to whether there was a need to classify such loans as NPAs. With respect to provisions recognised towards NPAs, we selected samples based on high risk industry sectors, such as shipping, rigs, power, mining, and oil and gas exploration. For the samples selected, we re-performed the provision calculations and compared our outcome to that prepared by the management and challenged various assumptions and judgements which were used by the management. We assessed the appropriateness and adequacy of disclosures against the relevant accounting standards and RBI requirements relating to NPAs.

INDEPENDENT AUDITORS' REPORT

c. Provisions for litigation and taxation and contingent liabilities in relation to the Bank

As at 31 March 2019, the Group has reported 'Claims against the Group not acknowledged as debts' of ₹ 65,030 million (2018: ₹ 72,344 million), of which the following relate to the Bank:

(₹ in millions)

Particulars	Included under contingent liabilities	
	At 31.03.2019	At 31.03.2018
Legal cases	**1,096**	647
Taxes	**53,913**	62,013
Total claims against the Bank not acknowledged as debts	**55,009**	**62,660**

(Refer schedule 12)

Key Audit Matter	How the key audit matter was addressed
As at 31 March 2019, the Bank has ongoing legal and tax cases with varied degrees of complexities. This indicates that a significant degree of management judgement is involved in determining the appropriateness of provisions and related disclosures. Significant management judgement is needed in determining whether an obligation exists and whether a provision should be recognised as at the reporting date, in accordance with the accounting criteria set under Accounting Standard 29 - Provisions, Contingent Liabilities and Contingent Assets ('AS 29'), or whether it needs to be disclosed as a contingent liability. Further, significant judgements are also involved in measuring such obligations, the most significant of which are: ➢ Assessment of liability: Judgement is involved in the determination of whether an outflow in respect of identified material matters are probable and can be estimated reliably; ➢ Adequacy of provisions: The appropriateness of assumptions and judgements used in the estimation of significant provisions; and ➢ Adequacy of disclosures of provision for liabilities and charges, and contingent liabilities. Considering the significance of the above matter to the financial statements, and significant auditor attention required to test such estimates, we have identified this as a key audit matter for current year audit.	Our audit procedures included, but were not limited to, the following: We tested the design and operating effectiveness of the Bank's key controls over the estimation, monitoring and disclosure of provisions and contingent liabilities. For significant legal matters, we sought external confirmations and also reviewed the confirmations obtained by the management from external legal counsels and corroborated with management's documented conclusions on the assessment of outstanding litigations against the Bank. In respect of taxation matters, we involved our tax specialists to gain an understanding of the current status of the outstanding tax litigations, including understanding of various orders/notices received by the Bank and the management's grounds of appeals before the relevant appellate authorities, and critically evaluated the management's assessment of the likelihood of the liability devolving upon the Bank, in accordance with the principles of AS 29. For the significant provisions made, we understood, assessed and challenged the adequacy of provisions recognised by the management. We also reviewed the historical accuracy of the provisions recognised to determine the efficacy of the process of estimation by the management. Further, we assessed whether the disclosures related to significant litigations and taxation matters were fairly presented.

INDEPENDENT AUDITORS' REPORT

d. Valuation of derivatives in relation to the Bank

As at 31 March 2019, the Group has reported notional value of derivatives of ₹ 24,442,124 million (2018: ₹ 17,335,283 million), of which the following relate to the Bank:

(₹ in millions)

Particulars	Included under	At 31.03.2019	At 31.03.2018
Notional value of derivatives	Contingent liabilities	**17,566,162***	11,336,607*

(Refer schedule 12)

** the amounts relating to the Bank are before intercompany eliminations.*

Key Audit Matter	How our audit addressed the key audit matter
Derivatives are valued through models with external inputs. The derivatives portfolio of the Bank primarily includes transactions which are carried out on behalf of its clients (and are covered on a back-to-back basis) and transactions to hedge the Bank's interest and foreign currency risk. A significant degree of management judgement is involved in the application of valuation techniques through which the value of the Bank's derivatives is determined. The financial statement risk arises particularly with respect to complex valuation models, parameters, and inputs that are used in determining fair values. Considering the significance of the above matter to the financial statements, significant management estimates and judgements, and auditor attention required to test such estimates and judgements, we have identified this as a key audit matter for current year audit.	Our audit procedures included, but were not limited to, the following: We included our valuation experts as a part of our audit team to obtain an understanding, evaluate the design, and test the operating effectiveness of the key controls over the valuation processes, including: ➢ independent price verification performed by a management expert; and ➢ model governance and validation. On a sample basis, our valuation experts performed an independent reassessment of the valuation of derivatives, to ensure compliance with the relevant RBI regulations, reasonableness of the valuation methodology and the inputs used. We also challenged the appropriateness of significant models and methodologies used in valuation.

INDEPENDENT AUDITORS' REPORT

6. The joint auditors, Walker Chandiok & Co. LLP, Chartered Accountants, and B S R & Co LLP, Chartered Accountants, of ICICI Prudential Life Insurance Company Limited, vide their audit report dated 24 April 2019, have expressed an unmodified opinion on the financial statements. Based on consideration of their report, we have determined the matters described below to be the key audit matters to be communicated in our report:

<table>
<tr><th colspan="2">a. Information technology systems relating to ICICI Prudential Life Insurance Company Limited</th></tr>
<tr><th>Key Audit Matter</th><th>How the key audit matter was addressed</th></tr>
<tr><td>The Company's key financial accounting and reporting processes are highly dependent on information systems including automated controls in systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being misstated. The Company uses several systems for its overall financial reporting.

'Information technology systems' has been identified as a key audit matter because of the high level automation, significant number of systems being used by the management and the complexity of the IT architecture.</td><td>IT specialists were involved to:

➢ Understand General IT Control (GITC) i.e. Access Controls, Program/System Change, Program Development, Computer Operations (i.e. Job Processing, Data/System Backup Incident Management) over key financial accounting and reporting systems, and supporting control systems (referred to as in-scope systems);

➢ Test the General IT Controls for design and operating effectiveness for the audit period over the in-scope systems;

➢ Understand IT application controls covering:

• user access and roles, segregation of duties; and
• key interfaces, reports, reconciliations and system processing.

➢ Test the IT application controls for design and operating effectiveness for the audit period;

➢ Test the controls to determine whether these controls remained unchanged during the audit period or were changed following the standard change management process;

➢ Understand IT infrastructure i.e. operating systems and databases supporting the in-scope systems; and

➢ Test controls over the IT infrastructure covering user access (including privilege users), data center and system change (e.g. patches).</td></tr>
</table>

INDEPENDENT AUDITORS' REPORT

b. Valuation of Investments relating to ICICI Prudential Life Insurance Company Limited

As at 31 March 2019, the Group has reported total investments (net of provisions) of ₹ 3,982,008 million (2018: ₹ 3,722,077 million) of which ₹ 1,571,731 million* (2018: ₹ 1,370,489 million*) relates to ICICI Prudential Life Insurance Company Limited.

(Refer schedule 8)

** the amounts relating to ICICI Prudential Life Insurance Company Limited are before intercompany eliminations.*

Key Audit Matter	How the key audit matter was addressed
The Company's investment portfolio represents substantial portion of the Company's total assets as at March 31, 2019 which are valued in accordance with accounting policy framed as per the extent of the regulatory guidelines. **Investment in Non-linked and shareholders' portfolio** All debt securities are valued at amortised cost and investment property is valued in accordance with Company's valuation policy. The listed equity shares, preference shares, liquid mutual fund and Equity Exchange Traded Funds (ETF) investments are valued using quoted prices as per stock exchanges. These investments are tested for impairment in accordance with the Company's impairment policy. **Investment in unit linked portfolio** Government securities are valued at prices provided by CRISIL. Other debt securities are valued on a yield to maturity basis, by using spread over the benchmark rate. The listed equity shares, preference shares, liquid mutual fund and ETF investments are valued using quoted prices as per stock exchanges. The valuation of these investments was considered to be one of the areas which required significant auditor attention and was one of the matter of most significance in the financial statements due to the materiality of total value of investments to the financial statements.	Key audit procedures for this area included, but were not limited to the following: ➢ Tested the design, implementation and operating effectiveness of key controls over the valuation process, including the Company's review and approval of the estimates and assumptions used for the valuation including key authorisation and data input controls; ➢ Assessed appropriateness of the valuation methodologies with reference to Investment Regulations issued by Insurance Regulatory and Development Authority of India ('IRDAI') and Company's own valuation policy; ➢ For listed equity shares, preference shares, liquid mutual fund and ETF investments, performed independent price checks using external quoted prices and by agreeing the observable inputs that were used in the Company's valuation techniques to external data; and ➢ For other investments, critically evaluated the valuation assessment and resulting conclusions by the Company in order to determine the reasonableness of the valuations recorded. This included an evaluation of the methodology and assumptions used in the valuation with reference to the Company's valuation policy.

INDEPENDENT AUDITORS' REPORT

7. The joint auditors of ICICI Lombard General Insurance Company Limited, vide their audit report dated 18 April 2019, have expressed an unmodified opinion on the financial statements. Based on consideration of their report, we have determined the matter described below to be a key audit matter to be communicated in our report:

a. Accounting for motor insurance policies relating to ICICI Lombard General Insurance Company Limited

As at 31 March 2019, the Group has reported 'Premium and other operating income from insurance business' of ₹ 420,939 million (2018: ₹ 369,369 million) of which ₹ 50,356 million* (2018: ₹ 41,422 million*) relates to premium earned by ICICI Lombard General Insurance Company Limited on motor insurance policies.

(Refer schedule 14)

** the amounts relating to ICICI Lombard General Insurance Company Limited are before intercompany eliminations.*

Key Audit Matter	How the key audit matter was addressed
During the current year, the Company has introduced Long Term Motor Insurance Policies providing multi-year coverage which constitutes significant portion of the business segment. The Company has designed the scheme of accounting entries for recognition of revenue, advance premium, commissions and related indirect taxes based on relevant regulations. This implementation was a major one-time activity during the year which was prone to interpretation errors/omissions.	Key audit procedures for this area included, but were not limited to the following: ➢ Obtained a thorough understanding of the regulatory prescriptions and reviewed the process adopted by the Company. ➢ Validated the accounting policies adopted with the relevant regulatory prescriptions. ➢ Verified the premium allocation for sample transactions over policy periods. ➢ Verified the actual scheme of entries for sample period with the designed scheme. ➢ Verified the overall reconciliation of balance sheet amounts with related feed systems.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis, Directors' Report, including annexures to the Directors' Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

8. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Bank, in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and provisions of section 29 of the Banking Regulation Act, 1949 and circulars and guidelines issued by Reserve Bank of India ('RBI') from time to time. Further, in terms of the Act, the respective Board of Directors of the companies and the trustees of the trusts included in the Group and of its associates covered under the Act, 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 of its associates 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

9. In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

10. The respective Board of Directors of the companies and the trustees of trusts included in the Group are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

12. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITORS' REPORT

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group or its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

16. We did not audit the financial statements of 3 international branches of the Bank included in the consolidated financial statements, whose financial statements reflects total assets of ₹ 657,940 million as at 31 March 2019, and total revenue and net cash outflows of ₹ 22,507 million and ₹ 5,168 million respectively for the year ended on that date, as considered in the consolidated financial statements. The financial statements of these branches have been audited by the branch auditors whose reports have been furnished to us by the management, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of such branches, is based solely on the report of their branch auditors.

17. We did not audit the financial statements of 14 subsidiaries, whose financial statements reflect total assets of ₹ 1,260,437 million as at 31 March 2019 and total revenue and net cash inflows of ₹ 194,388 million and ₹ 8,156 million, respectively, for the year ended on that date. The consolidated financial statements also include the Group's share of net profit of ₹ 767 million for the year ended 31 March 2019, in respect of 1 associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors, whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, is based solely on the reports of the other auditors.

18. The consolidated financial statements also include the Group's share of net profit of ₹ 36 million for the year ended 31 March 2019, in respect of 6 associates, whose financial statements/information have not been audited. These financial statements/information have been furnished to us by the management and our report on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates, is based solely on such management certified financial statements/information. In our opinion and according to the information and explanation given to us by the management, these financial statements/information are not material to the Group.

INDEPENDENT AUDITORS' REPORT

19. We have jointly audited with another auditor, the financial statements of one subsidiary, whose financial statements reflect total assets of ₹ 1,629,322 million as at 31 March 2019 and total revenue and net cash inflows of ₹ 366,993 million and ₹ 8,084 million, respectively, for the year ended on that date. For the purpose of our opinion on the consolidated financial statements, we have relied upon the work of such other auditors, to the extent of work performed by them.

20. The joint auditors, Walker Chandiok & Co. LLP, Chartered Accountants, and B S R & Co LLP, Chartered Accountants, of ICICI Prudential Life Insurance Company Limited, vide their audit report dated 24 April 2019, have expressed an unmodified opinion and have reported in the 'Other Matter' section that, 'The actuarial valuation of liabilities for life policies in force and policies in respect of which premium has been discontinued but liability exists as at 31 March 2019 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 31 March 2019, has been duly certified by the Appointed Actuary and in her opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India, in concurrence with the Authority'. The joint auditors have relied upon the Appointed Actuary's certificate in this regard for forming their 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 the financial statements of the Company.

21. The joint auditors of ICICI Lombard General Insurance Company Limited, vide their audit report dated 18 April 2019, have expressed an unmodified opinion and have reported in the 'Other Matter' section that, 'The actuarial valuation of liabilities in respect of Incurred But Not Reported ('IBNR'), Incurred But Not Enough Reported ('IBNER') and Premium Deficiency Reserve (the 'PDR') is the responsibility of the Company's Appointed Actuary (the 'Appointed Actuary'). The actuarial valuation of these liabilities, that are estimated using statistical methods as at 31 March 2019, has been duly certified by the Appointed Actuary and in his opinion, the assumptions considered by him for such valuation, are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India, in concurrence with IRDAI'. The joint auditors have relied upon the Appointed Actuary's certificate in this regard for forming their opinion on the valuation of liabilities for outstanding claims reserves and the PDR contained in the financial statements of the Company.

22. The consolidated financial statements of the Bank for the year ended 31 March 2018 were audited by the predecessor auditors, who have expressed an unmodified opinion on those financial statements, vide their audit report dated 7 May 2018.

23. Our opinion above 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 auditors and the financial statements/financial information certified by the management.

Report on Other Legal and Regulatory Requirements

24. The Consolidated Balance Sheet and the Profit and Loss Account have been drawn up in accordance with the provisions of section 29 of the Banking Regulation Act, 1949 and section 133 of the Act, read with rule 7 of the Companies (Rules), 2014 (as amended).

25. As required by section 197(16) of the Act in relation to managerial remuneration and based on the information and explanations give to us and on the consideration of the reports of the other auditors, referred to in other matter paragraphs, on separate financial statements of the subsidiaries, and associates, we report that in cases where the remuneration was paid, the subsidiary companies, and associate company covered under the Act paid remuneration to their respective directors during the year in accordance with the provisions of and the limits laid down under section 197 read with Schedule V to the Act, except in the case of one subsidiary, ICICI Securities Primary Dealership Limited, where the auditors have reported that the remuneration of the MD & CEO of ₹ 36.29 million (including perquisite value of stock options of ICICI Bank Limited, exercised by the MD & CEO during FY 2019) has exceeded the limits prescribed under section 197 of the Act by ₹ 8.79 million and is pending the approval of the shareholders' of ICICI Securities Primary Dealership Limited. Further, since the Holding Company is a banking company, as defined under Banking Regulation Act, 1949, the reporting under section 197(16) in relation to whether the remuneration paid by the Bank is in accordance with the provisions of section 197 of the Act and whether any excess remuneration has been paid in accordance with the aforesaid section, is not applicable.

INDEPENDENT AUDITORS' REPORT

26. Further, as required by section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries and associates, 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;

    b) In our opinion, proper books of account as required by law, relating to the presentation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

    c) the consolidated financial statements dealt with by this report are in agreement with the books of account;

    d) in our opinion, the aforesaid consolidated financial statements comply with Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), to the extent they are not inconsistent with the accounting policies prescribed by RBI;

    e) on the basis of the written representations received from the directors of the Holding Company as on 31 March 2019 and taken on record by the Board of Directors of the Holding Company and the reports of statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies and associate companies are disqualified as on 31 March 2019, 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 Holding Company, its subsidiary companies and associate companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

        i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates, as detailed in schedule 18.7 to the consolidated financial statements;

        ii. provisions have been made in these consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, and on long-term contracts, including derivative contracts, as detailed in schedule 18.7 to the consolidated financial statements;

        iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies, and associate companies during the year ended 31 March 2019;

        iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

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For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Khushroo B. Panthaky
Partner
Membership No.: 042423

Place: Mumbai
Date: 06 May 2019

ANNEXURE A to the Independent Auditor's Report of even date to the members of ICICI Bank Limited on the consolidated financial statements for the year ended 31 March 2019

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

1. In conjunction with our audit of the consolidated financial statements of ICICI Bank Limited ('the Holding Company' or 'the Bank') and its subsidiaries (the Holding Company and its subsidiaries, together referred to as 'the Group'), and its associates as at and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Holding Company, its subsidiary companies, and its associate companies, which are companies covered under the Act, as at that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies, and its associate companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group 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 the respective 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company, its subsidiary companies, and its associate companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') 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 IFCoFR were 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 IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, 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.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph, below are sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Holding Company, its subsidiary companies, and its associate companies as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

6. An enitity's IFCoFR 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. An entity's IFCoFR include 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 entity; (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 entity are being made only in accordance with authorisations of management and directors of the entity; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the entity's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Owing to the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

ANNEXURE A *(Contd.)*

Opinion

8. In our opinion and based on the consideration of the reports of the other auditors on IFCoFR of the subsidiary companies, and associate companies, the Holding Company, its subsidiary companies, and its associate companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Group, considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other matters

9. The auditors of ICICI Prudential Life Insurance Company Limited have reported, 'The actuarial valuation of liabilities for life policies in force and policies where premium is discontinued but liability exists as at 31 March 2019 has been certified by the Appointed Actuary as per the IRDA Financial Statements Regulations, and has been relied upon by us, as mentioned in para "Other Matters" of our audit report on the standalone financial statements for the year ended 31 March 2019. Accordingly, our opinion on the internal financial controls over financial reporting does not include reporting on the operating effectiveness of the management's internal controls over the valuation and accuracy of the aforesaid actuarial valuation'.

10. The auditors of ICICI Lombard General Insurance Company Limited have reported, 'The actuarial valuation of liabilities in respect of Incurred But Not Reported (the "IBNR"), Incurred But Not Enough Reported (the "IBNER") and Premium Deficiency Reserve (the "PDR") is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities, that are estimated using statistical methods as at 31 March 2019 has been duly certified by the Appointed Actuary and in his opinion, the assumptions considered by him for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. The said actuarial valuations of liabilities for outstanding claims reserves and the PDR have been relied upon by us as mentioned in "Other Matters" paragraph in our Audit Report on the standalone financial statements for the year ended 31 March 2019. Accordingly, our opinion on the internal financial controls over financial reporting does not include reporting on the adequacy and operating effectiveness of the internal financial controls over the valuation and accuracy of the aforesaid actuarial liabilities'.

11. We did not audit the IFCoFR in so far as it relates to 11 subsidiaries, which are companies covered under the Act, whose financial statements reflect total assets of ₹ 652,286 million as at 31 March 2019 and total revenue and net cash inflows of ₹ 172,552 million and ₹ 19,603 million, respectively for the year ended on that date.

12. We have jointly audited with another auditor, the IFCoFR of a subsidiary, whose financial statements reflect total assets of ₹ 1,629,322 million as at 31 March 2019 and total revenue and net cash inflows of ₹ 366,993 million and ₹ 8,084 million, respectively, for the year ended on that date.

13. The consolidated financial statements also include the Group's share of net profit of ₹ 767 million for the year ended 31 March 2019, in respect of 1 associate, which is a company covered under the Act, whose IFCoFR has not been audited by us.

14. Our report on the adequacy and operating effectiveness of the IFCoFR for the Holding Company, its subsidiary companies, and its associate companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies, and associate company, is based solely on the reports of the auditors of such companies.

15. Our opinion is not modified in respect of the above matters with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Khushroo B. Panthaky
Partner
Membership No.: 042423

Place: Mumbai
Date: 06 May 2019

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

CONSOLIDATED BALANCE SHEET

at March 31, 2019

₹ in '000s

	Schedule	At 31.03.2019	At 31.03.2018
CAPITAL AND LIABILITIES			
Capital	1	**12,894,598**	12,858,100
Employees stock options outstanding		**46,755**	55,699
Reserves and surplus	2	**1,129,592,715**	1,093,383,172
Minority interest	2A	**65,805,358**	60,081,860
Deposits	3	**6,813,169,361**	5,857,961,125
Borrowings	4	**2,103,241,208**	2,294,018,266
Liabilities on policies in force		**1,523,787,542**	1,314,884,251
Other liabilities and provisions	5	**739,401,370**	609,567,929
TOTAL CAPITAL AND LIABILITIES		**12,387,938,907**	**11,242,810,402**
ASSETS			
Cash and balances with Reserve Bank of India	6	**380,662,784**	332,726,026
Balances with banks and money at call and short notice	7	**493,246,169**	557,265,307
Investments	8	**3,982,007,553**	3,722,076,772
Advances	9	**6,469,616,813**	5,668,542,198
Fixed assets	10	**96,604,227**	94,650,053
Other assets	11	**965,801,361**	867,550,046
TOTAL ASSETS		**12,387,938,907**	**11,242,810,402**
Contingent liabilities	12	**26,120,719,378**	18,910,358,283
Bills for collection		**495,791,861**	287,054,059
Significant accounting policies and notes to accounts	17 & 18		

The Schedules referred to above form an integral part of the Consolidated Balance Sheet.

As per our Report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
ICAI Firm Registration no.: 001076N/N500013

Khushroo B. Panthaky
Partner
Membership no.: 042423

Place: Mumbai
Date: May 6, 2019

For and on behalf of the Board of Directors

Girish Chandra Chaturvedi
Chairman
DIN-00110996

Uday M. Chitale
Director
DIN-00043268

Sandeep Bakhshi
Managing Director & CEO
DIN-00109206

Vishakha Mulye
Executive Director
DIN-00203578

Vijay Chandok
Executive Director
DIN-01545262

Anup Bagchi
Executive Director
DIN-00105962

Sandeep Batra
President

Rakesh Jha
Group Chief Financial Officer

Ranganath Athreya
Company Secretary

Ajay Mittal
Chief Accountant

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the year ended March 31, 2019

₹ in '000s

	Schedule	Year ended 31.03.2019	Year ended 31.03.2018
I. INCOME			
Interest earned	13	**719,816,540**	621,623,505
Other income	14	**593,248,453**	568,067,510
TOTAL INCOME		**1,313,064,993**	**1,189,691,015**
II. EXPENDITURE			
Interest expended	15	**391,775,414**	342,620,468
Operating expenses	16	**642,588,800**	557,556,292
Provisions and contingencies (refer note 18.7)		**221,809,173**	198,518,808
TOTAL EXPENDITURE		**1,256,173,387**	**1,098,695,568**
III. PROFIT/(LOSS)			
Net profit for the year		**56,891,606**	90,995,447
Less: Minority interest		**14,349,219**	13,873,582
Net profit after minority interest		**42,542,387**	**77,121,865**
Profit brought forward		**219,991,613**	215,045,471
TOTAL PROFIT/(LOSS)		**262,534,000**	**292,167,336**
IV. APPROPRIATIONS/TRANSFERS			
Transfer to Statutory Reserve		**8,409,000**	16,944,000
Transfer to Reserve Fund		**7,569**	10,541
Transfer to Capital Reserve		**280,000**	25,654,600
Transfer to Capital Redemption Reserve		**3,500,000**	-
Transfer to/(from) Investment Reserve Account		**-**	-
Transfer to/(from) Investment Fluctuation Reserve		**12,692,000**	-
Transfer to Special Reserve		**5,352,000**	6,206,000
Transfer to/(from) Revenue and other reserves		**245,223**	6,454,526
Dividend paid during the year		**9,651,292**	14,574,649
Corporate dividend tax paid during the year		**1,933,076**	2,331,407
Balance carried over to balance sheet		**220,463,840**	219,991,613
TOTAL		**262,534,000**	**292,167,336**
Significant accounting policies and notes to accounts	17 & 18		
Earnings per share (refer note 18.1)			
Basic (₹)		**6.61**	12.02
Diluted (₹)		**6.53**	11.89
Face value per share (₹)		**2.00**	2.00

The Schedules referred to above form an integral part of the Consolidated Profit and Loss Account.

As per our Report of even date.

For and on behalf of the Board of Directors

For **Walker Chandiok & Co LLP**
Chartered Accountants
ICAI Firm Registration no.: 001076N/N500013

Khushroo B. Panthaky
Partner
Membership no.: 042423

Girish Chandra Chaturvedi
Chairman
DIN-00110996

Uday M. Chitale
Director
DIN-00043268

Sandeep Bakhshi
Managing Director & CEO
DIN-00109206

Vishakha Mulye
Executive Director
DIN-00203578

Vijay Chandok
Executive Director
DIN-01545262

Anup Bagchi
Executive Director
DIN-00105962

Sandeep Batra
President

Rakesh Jha
Group Chief Financial Officer

Ranganath Athreya
Company Secretary

Place: Mumbai
Date: May 6, 2019

Ajay Mittal
Chief Accountant

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2019

₹ in '000s

		Year ended 31.03.2019	Year ended 31.03.2018
Cash flow from/(used in) operating activities			
Profit before taxes		**59,733,445**	95,911,046
Adjustments for:			
Depreciation and amortisation		**10,453,730**	10,390,761
Net (appreciation)/depreciation on investments[1]		**57,889**	(21,343,283)
Provision in respect of non-performing and other assets		**176,113,934**	147,516,047
General provision for standard assets		**2,414,407**	2,960,374
Provision for contingencies & others		**22,498,491**	9,763,944
(Profit)/loss on sale of fixed assets		**22,012**	(29,027)
Employees stock options grants		**79,246**	131,128
	(i)	**271,373,154**	**245,300,990**
Adjustments for:			
(Increase)/decrease in investments		**33,463,685**	(147,368,884)
(Increase)/decrease in advances		**(972,978,394)**	(687,502,223)
Increase/(decrease) in deposits		**955,208,236**	732,088,482
(Increase)/decrease in other assets		**(31,691,451)**	(80,169,309)
Increase/(decrease) in other liabilities and provisions		**314,897,698**	175,987,900
	(ii)	**298,899,774**	**(6,964,034)**
Refund/(payment) of direct taxes	(iii)	**(83,562,401)**	**(44,507,633)**
Net cash flow from/(used in) operating activities (i)+(ii)+(iii)	(A)	**486,710,527**	**193,829,323**
Cash flow from/(used in) investing activities			
Purchase of fixed assets		**(11,481,488)**	(10,421,438)
Proceeds from sale of fixed assets		**468,831**	265,828
(Purchase)/sale of held to maturity securities		**(290,459,494)**	(495,578,927)
Net cash flow from/(used in) investing activities	(B)	**(301,472,151)**	**(505,734,537)**
Cash flow from/(used in) financing activities			
Proceeds from issue of share capital (including ESOPs)		**3,486,300**	3,939,495
Proceeds from long-term borrowings		**262,388,237**	430,554,398
Repayment of long-term borrowings		**(304,162,713)**	(404,339,556)
Net proceeds/(repayment) of short-term borrowings		**(149,997,897)**	383,766,528
Dividend and dividend tax paid		**(11,688,270)**	(17,161,116)
Net cash flow from/(used in) financing activities	(C)	**(199,974,343)**	**396,759,749**
Effect of exchange fluctuation on translation reserve	(D)	**(1,346,413)**	**228,112**
Net increase/(decrease) in cash and cash equivalents (A) + (B) + (C) + (D)		**(16,082,380)**	**85,082,647**
Cash and cash equivalents at beginning of the year		**889,991,333**	**804,908,686**
Cash and cash equivalents at end of the year		**873,908,953**	**889,991,333**

1. *For the year ended March 31, 2019, includes gain on sale of a part of equity investment in a subsidiary, ICICI Prudential Life Insurance Company Limited, through an offer for sale on stock exchanges (year ended March 31, 2018: includes gain on sale of a part of equity investment in the subsidiaries, ICICI Lombard General Insurance Company Limited and ICICI Securities Limited, through initial public offers).*
2. *Cash and cash equivalents include cash in hand, balances with RBI, balances with other banks and money at call and short notice.*

As per our Report of even date.

For and on behalf of the Board of Directors

For **Walker Chandiok & Co LLP**
Chartered Accountants
ICAI Firm Registration no.: 001076N/N500013

Khushroo B. Panthaky
Partner
Membership no.: 042423

Girish Chandra Chaturvedi
Chairman
DIN-00110996

Uday M. Chitale
Director
DIN-00043268

Sandeep Bakhshi
Managing Director & CEO
DIN-00109206

Vishakha Mulye
Executive Director
DIN-00203578

Vijay Chandok
Executive Director
DIN-01545262

Anup Bagchi
Executive Director
DIN-00105962

Sandeep Batra
President

Rakesh Jha
Group Chief Financial Officer

Ranganath Athreya
Company Secretary

Place: Mumbai
Date: May 6, 2019

Ajay Mittal
Chief Accountant

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Balance Sheet

₹ in '000s

	At 31.03.2019	At 31.03.2018
SCHEDULE 1 - CAPITAL		
Authorised capital		
12,500,000,000 equity shares of ₹ 2 each[1] (March 31, 2018: 10,000,000,000 equity shares of ₹ 2 each, 15,000,000 shares of ₹ 100 each[2] and 350 preference shares of ₹ 10.0 million each)	**25,000,000**	**25,000,000**
Equity share capital		
Issued, subscribed and paid-up capital		
6,427,990,776 equity shares of ₹ 2 each (March 31, 2018: 5,824,476,135 equity shares)	**12,855,981**	11,648,952
Add: 18,248,877[3] equity shares of ₹ 2 each (March 31, 2018: 603,514,641[3,4] equity shares) issued during the period	**36,498**	1,207,029
	12,892,479	**12,855,981**
Add: Forfeited equity shares[5]	**2,119**	2,119
TOTAL CAPITAL	**12,894,598**	**12,858,100**

1. *Pursuant to the approval of shareholders, the Bank has re-classified its authorised share capital during the year ended March 31, 2019.*
2. *These shares were of such class and with such rights, privileges, conditions or restrictions as may be determined by the Bank in accordance with the Articles of Association of the Bank and subject to the legislative provisions in force for the time being in that behalf.*
3. *Represents equity shares issued pursuant to exercise of employee stock options during the year ended March 31, 2019 (year ended March 31, 2018: 20,530,097 equity shares).*
4. *For the year ended March 31, 2018, includes 582,984,544 equity shares issued as bonus shares pursuant to approval by the shareholders of the Bank through postal ballot on June 12, 2017.*
5. *On account of forfeiture of 266,089 equity shares of ₹ 10 each.*

₹ in '000s

	At 31.03.2019	At 31.03.2018
SCHEDULE 2 - RESERVES AND SURPLUS		
I. Statutory reserve		
Opening balance	**228,968,519**	212,024,519
Additions during the year	**8,409,000**	16,944,000
Deductions during the year	**-**	-
Closing balance	**237,377,519**	**228,968,519**
II. Special Reserve		
Opening balance	**94,387,700**	88,181,700
Additions during the year	**5,352,000**	6,206,000
Deductions during the year	**-**	-
Closing balance	**99,739,700**	**94,387,700**
III. Securities premium		
Opening balance	**326,802,474**	323,932,017
Additions during the year[1]	**3,530,743**	4,036,426
Deductions during the year[2]	**-**	(1,165,969)
Closing balance	**330,333,217**	**326,802,474**
IV. Investment reserve account		
Opening balance	**-**	-
Additions during the year	**-**	-
Deductions during the year	**-**	-
Closing balance	**-**	**-**

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Balance Sheet *(Contd.)*

₹ in '000s

	At 31.03.2019	At 31.03.2018
V. Investment fluctuation reserve		
Opening balance	-	-
Additions during the year[3]	12,692,000	-
Deductions during the year	-	-
Closing balance	12,692,000	-
VI. Unrealised investment reserve[4]		
Opening balance	187,932	160,445
Additions during the year	11,439	36,647
Deductions during the year	(84,598)	(9,160)
Closing balance	114,773	187,932
VII. Capital reserve		
Opening balance	128,505,616	102,851,016
Additions during the year[5]	280,000	25,654,600
Deductions during the year	-	-
Closing balance[6]	128,785,616	128,505,616
VIII. Capital redemption reserve (refer note 18.6)		
Opening balance	-	-
Additions during the year[7]	3,500,000	-
Deductions during the year	-	-
Closing balance	3,500,000	-
IX. Foreign currency translation reserve		
Opening balance	19,351,116	19,123,004
Additions during the year	308,432	241,842
Deductions during the year	(1,654,845)	(13,730)
Closing balance	18,004,703	19,351,116
X. Revaluation reserve (refer note 18.16)		
Opening balance	30,276,392	30,651,113
Additions during the year[8]	1,038,994	263,895
Deductions during the year[9]	(615,400)	(638,616)
Closing balance	30,699,986	30,276,392
XI. Reserve fund		
Opening balance	66,399	55,858
Additions during the year[10]	7,569	10,541
Deductions during the year	-	-
Closing balance	73,968	66,399
XII. Revenue and other reserves		
Opening balance	50,099,364	42,581,179
Additions during the year	970,707	8,533,984
Deductions during the year[11]	(2,999,924)	(1,015,799)
Closing balance[12,13,14]	48,070,147	50,099,364
XIII. Balance in profit and loss account[15,16]	220,201,086	214,737,660
TOTAL RESERVES AND SURPLUS	1,129,592,715	1,093,383,172

1. *Includes ₹ 3,451.5 million (March 31, 2018: ₹ 3,905.3 million) on exercise of employee stock options.*
2. *Represents amount utilised on account of issuance of bonus shares during the year ended March 31, 2018.*

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Balance Sheet *(Contd.)*

3. *Represents an amount transferred by the Bank to Investment Fluctuation Reserve (IFR) on net profit on sale of AFS and HFT investments during the year. As per the RBI circular, from the year ended March 31, 2019, an amount not less than the lower of net profit on sale of AFS and HFT category investments during the year or net profit for the year less mandatory appropriations is required to be transferred to IFR, until the amount of IFR is at least 2% of the HFT and AFS portfolio.*
4. *Represents unrealised profit/(loss) pertaining to the investments of venture capital funds.*
5. *Includes appropriations made by the Bank for profit on sale of investments in held-to-maturity category, net of taxes and transfer to Statutory Reserve and profit on sale of land and buildings, net of taxes and transfer to Statutory Reserve.*
6. *Includes capital reserve on consolidation amounting to ₹ 79.1 million (March 31, 2018: ₹ 79.1 million).*
7. *Represents amount transferred by the Bank from accumulated profit on account of Redeemable Non-Cumulative Preference Shares (350 RNCPS) of ₹ 10.0 million each redeemed at par on April 20, 2018. The Bank has created Capital redemption reserve, as required under the Companies Act, 2013, out of surplus profits available for previous years.*
8. *Represents gain on revaluation of premises carried out by the Bank and ICICI Home Finance Company Limited.*
9. *Represents amount transferred from Revaluation Reserve to General Reserve on account of incremental depreciation charge on revaluation amounting to ₹ 589.5 million (year ended March 31, 2018: ₹ 572.4 million) and revaluation surplus on assets sold amounting to ₹ 25.9 million (year ended March 31, 2018: ₹ 66.2 million) for the year ended March 31, 2019.*
10. *Includes appropriations made to Reserve Fund in accordance with regulations applicable to Sri Lanka branch.*
11. *Includes ₹ 2,209.4 million towards reduction in fair value change account of ICICI Lombard General Insurance Company Limited (March 31, 2018: addition of ₹ 316.7 million).*
12. *Includes unrealised profit/(loss), net of tax, of ₹ (536.3) million (March 31, 2018: ₹ (530.3) million) pertaining to the investments in the available-for-sale category of ICICI Bank UK PLC.*
13. *Includes restricted reserve of ₹ 3.8 million (March 31, 2018: ₹ 4.4 million) primarily relating to lapsed contracts of the life insurance subsidiary.*
14. *Includes debenture redemption reserve amounting to ₹ 135.5 million (March 31, 2018: ₹ 58.1 million) of ICICI Lombard General Insurance Company Limited.*
15. *During the year ended March 31, 2018, the Bank made provision amounting to ₹ 5,254.0 million for frauds on non-retail accounts through reserves and surplus, as permitted by RBI. During the year ended March 31, 2019, the entire provision has been recognised in profit and loss account and equivalent debit has been reversed in reserves and surplus as required by RBI.*
16. *Includes impact of ₹ 263.0 million (equivalent to CAD 5.1 million) on account of adoption of International Financial Reporting Standards (IFRS) 9– Financial instruments by ICICI Bank Canada. Refer note 18.19 - Adoption of IFRS 9 by ICICI Bank Canada.*

₹ in '000s

	At 31.03.2019	At 31.03.2018
SCHEDULE 2A - MINORITY INTEREST		
Opening minority interest	**60,081,860**	48,653,128
Subsequent increase/(decrease) during the year	**5,723,498**	11,428,732
CLOSING MINORITY INTEREST	**65,805,358**	**60,081,860**

₹ in '000s

	At 31.03.2019	At 31.03.2018
SCHEDULE 3 - DEPOSITS		
A. I. Demand deposits		
i) From banks	**74,141,205**	65,794,398
ii) From others	**893,908,957**	847,859,874
II. Savings bank deposits	**2,355,305,786**	2,092,910,102
III. Term deposits		
i) From banks	**165,000,950**	115,526,501
ii) From others	**3,324,812,463**	2,735,870,250
TOTAL DEPOSITS	**6,813,169,361**	**5,857,961,125**
B. I. Deposits of branches in India	**6,447,910,340**	5,552,574,768
II. Deposits of branches/subsidiaries outside India	**365,259,021**	305,386,357
TOTAL DEPOSITS	**6,813,169,361**	**5,857,961,125**

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Balance Sheet *(Contd.)*

₹ in '000s

	At 31.03.2019	At 31.03.2018
SCHEDULE 4 - BORROWINGS		
I. Borrowings in India		
i) Reserve Bank of India	**66,551,500**	141,737,000
ii) Other banks	**98,446,218**	82,624,079
iii) Other institutions and agencies		
a) Government of India	**-**	-
b) Financial institutions	**279,488,963**	298,463,118
iv) Borrowings in the form of		
a) Deposits	**10,506,425**	2,313,944
b) Commercial paper	**19,095,340**	12,901,469
c) Bonds and debentures (excluding subordinated debt)	**220,533,206**	252,991,640
v) Application money-bonds	**-**	-
vi) Capital instruments		
a) Innovative Perpetual Debt Instruments (IPDI) (qualifying as additional Tier 1 capital)	**101,200,000**	94,800,000
b) Hybrid debt capital instruments issued as bonds/debentures (qualifying as Tier 2 capital)	**33,800,000**	84,035,112
c) Redeemable Non-Cumulative Preference Shares (RNCPS) (350 RNCPS of ₹ 10.0 million each issued to preference share holders of erstwhile ICICI Limited on amalgamation, redeemed at par on April 20, 2018)	**-**	3,500,000
d) Unsecured redeemable debentures/bonds (subordinated debt included in Tier 2 capital)	**142,667,140**	143,330,107
TOTAL BORROWINGS IN INDIA	**972,288,792**	**1,116,696,469**
II. Borrowings outside India		
i) Capital instruments		
Unsecured redeemable debentures/bonds (subordinated debt included in Tier 2 capital)	**15,445,655**	9,761,898
ii) Bonds and notes	**443,701,483**	437,325,520
iii) Other borrowings	**671,805,278**	730,234,379
TOTAL BORROWINGS OUTSIDE INDIA	**1,130,952,416**	**1,177,321,797**
TOTAL BORROWINGS	**2,103,241,208**	**2,294,018,266**

1. *Secured borrowings in I and II above amount to ₹ 158,484.7 million (March 31, 2018: ₹ 167,214.3 million) other than the borrowings under collateralised borrowing and lending obligation, market repurchase transactions (including tri-party repo) with banks and financial institutions and transactions under liquidity adjustment facility and marginal standing facility.*

₹ in '000s

	At 31.03.2019	At 31.03.2018
SCHEDULE 5 - OTHER LIABILITIES AND PROVISIONS		
I. Bills payable	**86,191,837**	73,070,858
II. Inter-office adjustments (net)	**717,556**	976,360
III. Interest accrued	**36,648,114**	35,896,541
IV. Sundry creditors	**336,952,875**	279,328,231
V. General provision for standard assets	**31,496,087**	28,572,331
VI. Others (including provisions)[1,2]	**247,394,901**	191,723,608
TOTAL OTHER LIABILITIES AND PROVISIONS	**739,401,370**	**609,567,929**

1. *Includes specific provision for standard loans of the Bank amounting to ₹ 4,769.0 million (March 31, 2018: ₹ 7,967.1 million).*
2. *Includes corporate dividend tax payable amounting to ₹ 128.3 million (March 31, 2018: ₹ 381.8 million).*

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Balance Sheet *(Contd.)*

₹ in '000s

	At 31.03.2019	At 31.03.2018
SCHEDULE 6 - CASH AND BALANCES WITH RESERVE BANK OF INDIA		
I. Cash in hand (including foreign currency notes)	**89,113,817**	82,118,828
II. Balances with Reserve Bank of India in current accounts	**291,548,967**	250,607,198
TOTAL CASH AND BALANCES WITH RESERVE BANK OF INDIA	**380,662,784**	**332,726,026**

₹ in '000s

	At 31.03.2019	At 31.03.2018
SCHEDULE 7 - BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE		
I. In India		
i) Balances with banks		
a) In current accounts	**4,526,342**	3,592,062
b) In other deposit accounts	**27,100,732**	23,227,230
ii) Money at call and short notice		
a) With banks	**89,457,750**	190,613,750
b) With other institutions	**25,216,743**	5,783,189
TOTAL	**146,301,567**	**223,216,231**
II. Outside India		
i) In current accounts	**162,722,416**	200,772,076
ii) In other deposit accounts	**48,959,266**	43,495,469
iii) Money at call and short notice	**135,262,920**	89,781,531
TOTAL	**346,944,602**	**334,049,076**
TOTAL BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE	**493,246,169**	**557,265,307**

SCHEDULES

forming part of the Consolidated Balance Sheet *(Contd.)*

₹ in '000s

	At 31.03.2019	At 31.03.2018
SCHEDULE 8 - INVESTMENTS		
I. Investments in India [net of provisions]		
i) Government securities	**1,876,580,127**	1,803,209,154
ii) Other approved securities	**-**	-
iii) Shares (includes equity and preference shares)[1]	**133,554,527**	127,550,060
iv) Debentures and bonds	**391,443,021**	339,631,755
v) Assets held to cover linked liabilities of life insurance business	**1,109,458,136**	975,019,684
vi) Others (commercial paper, mutual fund units, pass through certificates, security receipts, certificate of deposits and other related investments)	**348,419,946**	372,350,812
TOTAL INVESTMENTS IN INDIA	**3,859,455,757**	**3,617,761,465**
II. Investments outside India [net of provisions]		
i) Government securities	**62,208,341**	55,945,624
ii) Others (equity shares, bonds and certificate of deposits)	**60,343,455**	48,369,683
TOTAL INVESTMENTS OUTSIDE INDIA	**122,551,796**	**104,315,307**
TOTAL INVESTMENTS	**3,982,007,553**	**3,722,076,772**
A. Investments in India		
Gross value of investments[2]	**3,888,123,653**	3,631,283,280
Less: Aggregate of provision/depreciation/(appreciation)	**28,667,896**	13,521,815
Net investments	**3,859,455,757**	**3,617,761,465**
B. Investments outside India		
Gross value of investments	**124,604,590**	111,536,033
Less: Aggregate of provision/depreciation/(appreciation)	**2,052,794**	7,220,726
Net investments	**122,551,796**	**104,315,307**
TOTAL INVESTMENTS	**3,982,007,553**	**3,722,076,772**

1. *Includes cost of investment in associates amounting to ₹ 7,293.5 million (March 31, 2018: ₹ 4,981.0 million), goodwill on consolidation of associates amounting to ₹ 163.1 million (March 31, 2018: ₹ 58.1 million).*
2. *Includes net appreciation amounting to ₹ 110,501.1 million (March 31, 2018: ₹ 100,750.7 million) on investments held to cover linked liabilities of life insurance business.*

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Balance Sheet *(Contd.)*

₹ in '000s

	At 31.03.2019	At 31.03.2018
SCHEDULE 9 - ADVANCES [net of provisions]		
A. i) Bills purchased and discounted[1]	367,577,735	298,198,152
ii) Cash credits, overdrafts and loans repayable on demand	1,471,378,348	1,312,537,092
iii) Term loans	4,630,660,730	4,057,806,954
TOTAL ADVANCES	**6,469,616,813**	**5,668,542,198**
B. i) Secured by tangible assets (includes advances against book debts)	4,640,335,848	4,224,797,621
ii) Covered by bank/government guarantees	116,401,740	83,969,085
iii) Unsecured	1,712,879,225	1,359,775,492
TOTAL ADVANCES	**6,469,616,813**	**5,668,542,198**
C. I. Advances in India		
i) Priority sector	1,696,365,965	929,701,682
ii) Public sector	146,431,801	197,704,530
iii) Banks	3,253,967	777,335
iv) Others	3,526,902,944	3,449,858,940
TOTAL ADVANCES IN INDIA	**5,372,954,677**	**4,578,042,487**
II. Advances outside India		
i) Due from banks	22,387,781	19,294,596
ii) Due from others		
a) Bills purchased and discounted	166,989,637	103,993,215
b) Syndicated and term loans	558,394,839	626,140,089
c) Others	348,889,879	341,071,811
TOTAL ADVANCES OUTSIDE INDIA	**1,096,662,136**	**1,090,499,711**
TOTAL ADVANCES	**6,469,616,813**	**5,668,542,198**

1. *Net of bills re-discounted amounting to Nil (March 31, 2018: Nil).*

SCHEDULES

forming part of the Consolidated Balance Sheet *(Contd.)*

₹ in '000s

	At 31.03.2019	At 31.03.2018
SCHEDULE 10 - FIXED ASSETS		
I. Premises		
Gross block		
At cost at March 31 of preceding year	**89,546,213**	88,093,455
Additions during the year[1]	**2,896,928**	3,498,313
Deductions during the year	**(801,842)**	(2,045,555)
Closing balance	**91,641,299**	**89,546,213**
Less: Depreciation to date[2]	**(18,131,632)**	(16,523,586)
Net block[3]	**73,509,667**	**73,022,627**
II. Other fixed assets (including furniture and fixtures)		
Gross block		
At cost at March 31 of preceding year	**71,014,065**	63,839,400
Additions during the year	**9,171,004**	8,946,032
Deductions during the year	**(7,222,207)**	(1,771,367)
Closing balance	**72,962,862**	**71,014,065**
Less: Depreciation to date[4]	**(52,282,900)**	(51,801,248)
Net block	**20,679,962**	**19,212,817**
III. Assets given on lease		
Gross block		
At cost at March 31 of preceding year	**16,714,629**	16,904,628
Additions during the year	**-**	-
Deductions during the year	**-**	(189,999)
Closing balance	**16,714,629**	**16,714,629**
Less: Depreciation to date, accumulated lease adjustment and provisions[5]	**(14,300,031)**	(14,300,020)
Net block	**2,414,598**	**2,414,609**
TOTAL FIXED ASSETS	**96,604,227**	**94,650,053**

1. *Includes revaluation gain amounting to ₹ 1,039.0 million (March 31, 2018: ₹ 263.9 million) on account of revaluation carried out by the Bank and its housing finance subsidiary.*
2. *Includes depreciation charge amounting to ₹ 2,096.6 million for the year ended March 31, 2019 (year ended March 31, 2018: ₹ 2,003.5 million), including depreciation charge on account of revaluation of ₹ 589.5 million for the year ended March 31, 2019 (year ended March 31, 2018: ₹ 576.8 million).*
3. *Includes assets of ₹ 22.2 million of the Bank (March 31, 2018: ₹ 37.4 million) which are held for sale.*
4. *Includes depreciation charge amounting to ₹ 7,361.8 million for the year ended March 31, 2019 (year ended March 31, 2018: ₹ 7,217.9 million).*
5. *The depreciation charge/ lease adjustment/ provisions is an insignificant amount for the year ended March 31, 2019 (year ended March 31, 2018: insignificant amount).*

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Balance Sheet *(Contd.)*

₹ in '000s

	At 31.03.2019	At 31.03.2018
SCHEDULE 11 - OTHER ASSETS		
I. Inter-office adjustments (net)	**-**	-
II. Interest accrued	**98,043,710**	89,296,089
III. Tax paid in advance/tax deducted at source (net)	**101,872,667**	66,655,117
IV. Stationery and stamps	**66,696**	130,676
V. Non-banking assets acquired in satisfaction of claims[1,2]	**10,040,166**	19,748,594
VI. Advance for capital assets	**2,219,891**	1,892,601
VII. Deposits	**17,221,877**	18,025,278
VIII. Deferred tax asset (net) (refer note 18.10)	**109,372,947**	78,182,968
IX. Deposits in Rural Infrastructure and Development Fund	**292,545,621**	269,249,912
X. Others[3,4]	**334,417,786**	324,368,811
TOTAL OTHER ASSETS	**965,801,361**	**867,550,046**

1. *During the year ended March 31, 2019, the Bank has not acquired any assets (year ended March 31, 2018: ₹ 952.6 million) in satisfaction of claims under debt-asset swap transactions. No assets were sold during the year ended March 31, 2019 (year ended March 31, 2018: ₹ 279.1 million).*
2. *Represents balance net of provision held by the Bank amounting to ₹ 22,147.3 million (March 31, 2018: ₹ 13,184.2 million).*
3. *For the year ended March 31, 2018, includes receivable amounting to ₹ 3,988.7 million pertaining to a non-performing loan sold during the year ended March 31, 2018, which was received by the Bank on April 2, 2018.*
4. *Includes goodwill on consolidation amounting to ₹ 1,097.0 million (March 31, 2018: ₹ 1,117.5 million).*

₹ in '000s

	At 31.03.2019	At 31.03.2018
SCHEDULE 12 - CONTINGENT LIABILITIES		
I. Claims against the Group not acknowledged as debts	**65,029,948**	72,343,905
II. Liability for partly paid investments	**12,455**	12,455
III. Liability on account of outstanding forward exchange contracts[1]	**4,889,593,918**	4,461,284,115
IV. Guarantees given on behalf of constituents		
a) In India	**851,493,764**	746,315,695
b) Outside India	**218,124,554**	207,158,854
V. Acceptances, endorsements and other obligations	**433,839,126**	409,964,977
VI. Currency swaps[1]	**426,896,157**	417,771,418
VII. Interest rate swaps, currency options and interest rate futures[1]	**19,125,634,207**	12,456,227,130
VIII. Other items for which the Group is contingently liable	**110,095,249**	139,279,734
TOTAL CONTINGENT LIABILITIES	**26,120,719,378**	**18,910,358,283**

1. *Represents notional amount.*
2. *There has been a Supreme Court (SC) judgement dated February 28, 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the Employees Provident Fund (EPF) Act. There are interpretative aspects related to the Judgement including the effective date of application. The Bank will continue to assess any further developments in this matter for the implications on financial statements, if any.*

SCHEDULES

forming part of the Consolidated Profit and Loss Account

₹ in '000s

	Year ended 31.03.2019	Year ended 31.03.2018
SCHEDULE 13 - INTEREST EARNED		
I. Interest/discount on advances/bills	**508,848,307**	432,528,240
II. Income on investments	**181,022,872**	161,256,201
III. Interest on balances with Reserve Bank of India and other inter-bank funds	**9,271,072**	8,104,078
IV. Others[1,2]	**20,674,289**	19,734,986
TOTAL INTEREST EARNED	**719,816,540**	**621,623,505**

1. *Includes interest on income tax refunds amounting to ₹ 4,904.1 million (March 31, 2018: ₹ 2,802.2 million).*
2. *Includes interest and amortisation of premium on non-trading interest rate swaps and foreign currency swaps.*

₹ in '000s

	Year ended 31.03.2019	Year ended 31.03.2018
SCHEDULE 14 - OTHER INCOME		
I. Commission, exchange and brokerage	**126,056,742**	112,628,543
II. Profit/(loss) on sale of investments (net)[1]	**24,897,889**	72,499,841
III. Profit/(loss) on revaluation of investments (net)	**1,079,594**	(4,429,497)
IV. Profit/(loss) on sale of land, buildings and other assets (net)[2]	**(22,012)**	29,027
V. Profit/(loss) on exchange/derivative transactions (net)	**17,837,857**	15,856,263
VI. Premium and other operating income from insurance business	**420,938,652**	369,369,032
VII. Miscellaneous income (including lease income)[3]	**2,459,731**	2,114,301
TOTAL OTHER INCOME	**593,248,453**	**568,067,510**

1. *For the year ended March 31, 2019, includes gain on sale of a part of equity investment in a subsidiary, ICICI Prudential Life Insurance Company Limited, through an offer for sale on stock exchanges (year ended March 31, 2018: includes gain on sale of a part of equity investment in the subsidiaries, ICICI Lombard General Insurance Company Limited and ICICI Securities Limited, through initial public offers (IPO). Refer note 18.14 - Sale of equity shareholding in subsidiaries.*
2. *Includes profit/(loss) on sale of assets given on lease.*
3. *Includes share of profit/(loss) from associates of ₹ 803.2 million (March 31, 2018: ₹ 515.2 million).*

₹ in '000s

	Year ended 31.03.2019	Year ended 31.03.2018
SCHEDULE 15 - INTEREST EXPENDED		
I. Interest on deposits	**269,951,782**	237,396,889
II. Interest on Reserve Bank of India/inter-bank borrowings	**24,717,716**	15,506,754
III. Others (including interest on borrowings of erstwhile ICICI Limited)	**97,105,916**	89,716,825
TOTAL INTEREST EXPENDED	**391,775,414**	**342,620,468**

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Profit and Loss Account *(Contd.)*

₹ in '000s

		Year ended 31.03.2019	Year ended 31.03.2018
SCHEDULE 16 - OPERATING EXPENSES			
I.	Payments to and provisions for employees	**94,252,552**	83,335,270
II.	Rent, taxes and lighting[1]	**14,347,677**	13,090,545
III.	Printing and stationery	**2,392,372**	2,077,493
IV.	Advertisement and publicity	**23,542,134**	12,479,424
V.	Depreciation on property	**9,458,399**	9,221,415
VI.	Depreciation (including lease equalisation) on leased assets	**13**	12
VII.	Directors' fees, allowances and expenses	**117,683**	90,476
VIII.	Auditors' fees and expenses	**294,854**	258,748
IX.	Law charges	**2,120,159**	1,604,643
X.	Postages, courier, telephones, etc.	**5,601,896**	5,207,606
XI.	Repairs and maintenance	**17,785,647**	17,203,371
XII.	Insurance	**5,898,349**	5,031,155
XIII.	Direct marketing agency expenses	**19,569,165**	17,714,553
XIV.	Claims and benefits paid pertaining to insurance business	**77,540,597**	65,636,309
XV.	Other expenses pertaining to insurance business[2]	**314,145,809**	270,737,611
XVI.	Other expenditure[3]	**55,521,494**	53,867,661
TOTAL OPERATING EXPENSES		**642,588,800**	**557,556,292**

1. *Includes lease expense amounting to ₹ 11,425.5 million (March 31, 2018: ₹ 10,990.8 million).*
2. *Includes commission expenses and reserves for actuarial liabilities (including the investible portion of the premium on the unit-linked policies).*
3. *During the year ended March 31, 2019, in accordance with the directions of Securities and Exchange Board of India (SEBI) with respect to certain investments by schemes of ICICI Prudential Mutual Fund (the Schemes), ICICI Prudential Asset Management Company Limited (IPAMC) has paid ₹ 1,094.5 million to the Schemes and their investors. Further, IPAMC has settled the proceedings on this matter with SEBI and paid an amount of ₹ 9.0 million towards settlement terms.*

SCHEDULE 17

SIGNIFICANT ACCOUNTING POLICIES

Overview

ICICI Bank Limited, together with its subsidiaries, joint ventures and associates (collectively, the Group), is a diversified financial services group providing a wide range of banking and financial services including commercial banking, retail banking, project and corporate finance, working capital finance, insurance, venture capital and private equity, investment banking, broking and treasury products and services.

ICICI Bank Limited (the Bank), incorporated in Vadodara, India is a publicly held banking company governed by the Banking Regulation Act, 1949.

Principles of consolidation

The consolidated financial statements include the financials of ICICI Bank, its subsidiaries, associates and joint ventures.

Entities, in which the Bank holds, directly or indirectly, through subsidiaries and other consolidating entities, more than 50.00% of the voting rights or where it exercises control, over the composition of board of directors/governing body, are fully consolidated on a line-by-line basis in accordance with the provisions of AS 21 on 'Consolidated Financial Statements'. Investments in entities where the Bank has the ability to exercise significant influence are accounted for under the equity method of accounting and the pro-rata share of their profit/(loss) is included in the consolidated profit and loss account. Assets, liabilities, income and expenditure of jointly controlled entities are consolidated using the proportionate consolidation method. Under this method, the Bank's share of each of the assets, liabilities, income and expenses of the jointly controlled entity is reported in separate line items in the consolidated financial statements. The Bank does not consolidate entities where the significant influence/control is intended to be temporary or entities which operate under severe long-term restrictions that impair their ability to transfer funds to parent/investing entity. All significant inter-company accounts and transactions are eliminated on consolidation.

Basis of preparation

The accounting and reporting policies of the Group used in the preparation of the consolidated financial statements conform to Generally Accepted Accounting Principles in India (Indian GAAP), the guidelines issued by the Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), Insurance Regulatory and Development Authority of India (IRDAI), National Housing Bank (NHB) from time to time and the Accounting Standards notified under Section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014, as applicable to relevant companies and practices generally prevalent in the banking industry in India. In the case of the foreign subsidiaries, Generally Accepted Accounting Principles as applicable to the respective foreign subsidiaries are followed. The Group follows the accrual method of accounting except where otherwise stated, and the historical cost convention. In case the accounting policies followed by a subsidiary or joint venture are different from those followed by the Bank, the same have been disclosed in the respective accounting policy.

The preparation of consolidated financial statements requires management to make estimates and assumptions that are considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the consolidated financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in the preparation of the consolidated financial statements are prudent and reasonable. Actual results could differ from these estimates. The impact of any revision in these estimates is recognised prospectively from the period of change.

The consolidated financial statements include the results of the following entities in addition to the Bank.

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

Sr. No.	Name of the entity	Country of incorporation	Nature of relationship	Nature of business	Ownership interest
1.	ICICI Bank UK PLC	United Kingdom	Subsidiary	Banking	100.00%
2.	ICICI Bank Canada	Canada	Subsidiary	Banking	100.00%
3.	ICICI Securities Limited	India	Subsidiary	Securities broking and merchant banking	79.22%
4.	ICICI Securities Holdings Inc.[1]	USA	Subsidiary	Holding company	100.00%
5.	ICICI Securities Inc.[1]	USA	Subsidiary	Securities broking	100.00%
6.	ICICI Securities Primary Dealership Limited	India	Subsidiary	Securities investment, trading and underwriting	100.00%
7.	ICICI Venture Funds Management Company Limited	India	Subsidiary	Private equity/ venture capital fund management	100.00%
8.	ICICI Home Finance Company Limited	India	Subsidiary	Housing finance	100.00%
9.	ICICI Trusteeship Services Limited	India	Subsidiary	Trusteeship services	100.00%
10.	ICICI Investment Management Company Limited	India	Subsidiary	Asset management	100.00%
11.	ICICI International Limited	Mauritius	Subsidiary	Asset management	100.00%
12.	ICICI Prudential Pension Funds Management Company Limited[2]	India	Subsidiary	Pension fund management	100.00%
13.	ICICI Prudential Life Insurance Company Limited	India	Subsidiary	Life insurance	52.87%
14.	ICICI Lombard General Insurance Company Limited	India	Subsidiary	General insurance	55.87%
15.	ICICI Prudential Asset Management Company Limited	India	Subsidiary	Asset management	51.00%
16.	ICICI Prudential Trust Limited	India	Subsidiary	Trusteeship services	50.80%
17.	ICICI Strategic Investments Fund	India	Consolidated as per AS 21	Venture capital fund	100.00%
18.	I-Process Services (India) Private Limited[3]	India	Associate	Services related to back end operations	19.00%
19.	NIIT Institute of Finance Banking and Insurance Training Limited[3]	India	Associate	Education and training in banking, finance and insurance	18.79%
20.	ICICI Merchant Services Private Limited[3]	India	Associate	Merchant acquiring and servicing	19.01%
21.	India Infradebt Limited[3]	India	Associate	Infrastructure finance	42.33%
22.	India Advantage Fund-III[3]	India	Associate	Venture capital fund	24.10%
23.	India Advantage Fund-IV[3]	India	Associate	Venture capital fund	47.14%
24.	Arteria Technologies Private Limited[3]	India	Associate	Software company	19.98%

1. *ICICI Securities Holding Inc. is a wholly owned subsidiary of ICICI Securities Limited. ICICI Securities Inc. is a wholly owned subsidiary of ICICI Securities Holding Inc.*
2. *ICICI Prudential Pension Funds Management Company Limited is a wholly owned subsidiary of ICICI Prudential Life Insurance Company Limited.*
3. *These entities have been accounted as per the equity method as prescribed by AS 23 on 'Accounting for Investments in Associates in Consolidated Financial Statements'.*

Comm Trade Services Limited has not been consolidated under AS 21, since the investment is temporary in nature. Falcon Tyres Limited, in which the Bank holds 26.39% equity shares has not been accounted as per equity method under AS 23, since the investment is temporary in nature.

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

SIGNIFICANT ACCOUNTING POLICIES

1. Transactions involving foreign exchange

The consolidated financial statements of the Group are reported in Indian rupees (₹), the national currency of India. Foreign currency income and expenditure items of domestic operations are translated at the exchange rates prevailing on the date of the transaction. Income and expenditure items of integral foreign operations (representative offices) are translated at daily closing rates, and income and expenditure items of non-integral foreign operations (foreign branches, offshore banking units, foreign subsidiaries) are translated at quarterly average closing rates.

Monetary foreign currency assets and liabilities of domestic and integral foreign operations are translated at closing exchange rates notified by Foreign Exchange Dealers' Association of India (FEDAI) relevant to the balance sheet date and the resulting gains/losses are included in the profit and loss account.

Both monetary and non-monetary foreign currency assets and liabilities of non-integral foreign operations are translated at relevant closing exchange rates notified by FEDAI at the balance sheet date and the resulting gains/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. Pursuant to RBI guideline, the Bank does not recognise the cumulative/proportionate amount of such exchange differences as income or expenses, which relate to repatriation of accumulated retained earnings from overseas operations.

The premium or discount arising on inception of forward exchange contracts in domestic operations that are entered into to establish the amount of reporting currency required or available at the settlement date of a transaction is amortised over the life of the contract. All other outstanding forward exchange contracts are revalued based on the exchange rates notified by FEDAI for specified maturities and at interpolated rates for contracts of interim maturities. The contracts of longer maturities where exchange rates are not notified by FEDAI are revalued based on the forward exchange rates implied by the swap curves in respective currencies. The resultant gains or losses are recognised in the profit and loss account.

Contingent liabilities on account of guarantees, endorsements and other obligations denominated in foreign currency are disclosed at the closing exchange rates notified by FEDAI relevant to the balance sheet date.

2. Revenue recognition

a) Interest income is recognised in the profit and loss account as it accrues except in the case of non-performing assets (NPAs) where it is recognised upon realisation, as per the income recognition and asset classification norms of RBI/ NHB/ other applicable guidelines.

b) Income from finance leases is calculated by applying the interest rate implicit in the lease to the net investment outstanding on the lease over the primary lease period.

c) Income on discounted instruments is recognised over the tenure of the instrument.

d) Dividend income is accounted on an accrual basis when the right to receive the dividend is established.

e) Loan processing fee is accounted for upfront when it becomes due except in the case of foreign banking subsidiaries, where it is amortised over the period of the loan.

f) Project appraisal/structuring fee is accounted for on the completion of the agreed service.

g) Arranger fee is accounted for as income when a significant portion of the arrangement/syndication is completed.

h) Commission received on guarantees issued is amortised on a straight-line basis over the period of the guarantee.

i) Fund management and portfolio management fees are recognised on an accrual basis.

j) The annual/renewal fee on credit cards and debit cards are amortised on a straight line basis over one year.

k) All other fees are accounted for as and when they become due.

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

l) The Bank deals in bullion business on a consignment basis. The difference between price recovered from customers and cost of bullion is accounted for at the time of sales to the customers. The Bank also deals in bullion on a borrowing and lending basis and the interest paid/received is accounted on accrual basis.

m) Fees paid/received for priority sector lending certificates (PSLC) is amortised on straight- line basis over the period of the certificate.

n) Income from securities brokerage activities is recognised as income on the trade date of the transaction. Brokerage income in relation to public or other issuances of securities is recognised based on mobilisation and terms of agreement with the client.

o) Life insurance premium for non-linked policies is recognised as income when due from policyholders. For unit linked business, premium is recognised when the associated units are created. Premium on lapsed policies is recognised as income when such policies are reinstated. Top-up premiums paid by unit linked policyholders' are considered as single premium and recognised as income when the associated units are created. Income from unit linked policies, which includes fund management charges, policy administration charges, mortality charges and other charges, if any, are recovered from the linked funds in accordance with the terms and conditions of the policy and are recognised when due.

p) In case of general insurance business, premium including reinsurance accepted (net of Goods & Services Tax) other than for long-term (with term more than one year) motor insurance policies for new cars and new two wheelers sold on or after September 1, 2018 is recorded on receipt of complete information, for the policy period at the commencement of risk. For crop insurance, the premium is accounted based on management estimates that are progressively actualised on receipt of information. For installment cases, premium 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. Any subsequent revisions to premium as and when they occur are recognised over the remaining period of risk or contract period, as applicable.

In case of long-term motor insurance policies for new cars and new two wheelers sold on or after September 1, 2018, premium received (net of Goods & Services Tax) for third party liability coverage is recognised equally over the policy period at the commencement of risk on 1/n basis where 'n' denotes the term of the policy in years and premium received for own damage coverage is recognised as per the annual premium allocation determined at the inception of the policy in accordance with the product parameters filed with IRDAI, on receipt of complete information. Reinstatement premium is recorded as and when such premiums are recovered. Premium allocated for the year is recognised as income earned based on 1/365 method, on a gross basis. Reinstatement premium is allocated on the same basis as the original premium over the balance term of the policy. Any subsequent revisions to premium as and when they occur are recognised on the same basis as the original premium over the balance term of the policy. Adjustments to premium income arising on cancellation of policies are recognised in the period in which the policies are cancelled. Adjustments to premium income for corrections to area covered under crop insurance are recognised in the period in which the information is confirmed by the concerned government/nodal agency. 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.

q) In case of life insurance business, reinsurance premium ceded is accounted in accordance with the terms of the relevant treaty with the reinsurer. Profit commission on reinsurance ceded is netted off against premium ceded on reinsurance.

r) In case of general insurance business, insurance premium on ceding of the risk other than for long-term motor insurance policies for new cars and new two wheelers sold on or after September 1, 2018 is recognised simultaneously along with the insurance premium in accordance with reinsurance arrangements with the reinsurers. In case of long-term motor insurance policies for new cars and new two-wheelers sold on or after September 1, 2018, reinsurance premium is recognised on the insurance premium allocated for the year simultaneously along with the recognition of the insurance premium in accordance with the 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 the policies are cancelled. Adjustments to reinsurance premium for corrections to area covered under crop insurance are recognised simultaneously along with related premium income.

s) In the case of general insurance business, premium deficiency is recognised when the sum of expected claim costs and related expenses and maintenance costs exceed the reserve for unexpired risks and is computed at a segmental revenue account level. The expected claim cost is calculated and duly certified by the Appointed Actuary.

3. Stock based compensation

The following entities within the group have granted stock options to their employees:

- ICICI Bank Limited
- ICICI Prudential Life Insurance Company Limited
- ICICI Lombard General Insurance Company Limited
- ICICI Securities Limited

The Employees Stock Option Scheme (the Scheme) of the Bank provides for grant of options on the Bank's equity shares to wholetime directors and employees of the Bank and its subsidiaries. The Scheme provides that employees are granted an option to subscribe to equity shares of the Bank that vest in a graded manner. The options may be exercised within a specified period. ICICI Prudential Life Insurance Company, ICICI Lombard General Insurance Company and ICICI Securities Limited have also formulated similar stock option schemes for their employees for grant of equity shares of their respective companies.

The Group, except the overseas banking subsidiaries, follows the intrinsic value method to account for its stock-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 market price is the latest closing price, immediately prior to the grant date, which is generally the date of the meeting of the Board Governance, Remuneration & Nomination Committee or other relevant committee in which the options are granted, on the stock exchange on which the shares of the Bank, ICICI Prudential Life Insurance Company, ICICI Lombard General Insurance Company and ICICI Securities Limited are listed. If the shares are listed on more than one stock exchange, then the stock exchange where there is highest trading volume on the said date is considered. The banking subsidiaries namely, ICICI Bank UK and ICICI Bank Canada account for the cost of the options granted to employees by ICICI Bank using the fair value method based on binomial tree model.

4. Income taxes

Income tax expense is the aggregate amount of current tax and deferred tax expense incurred 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 as per Accounting Standard 22 - Accounting for Taxes on Income respectively. Deferred tax adjustments comprise changes in the deferred tax assets or liabilities during the year.

Deferred tax assets and liabilities are recognised by considering the impact of timing differences between taxable income and accounting income for the current year, 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 profit and loss account.

Deferred tax assets are recognised and re-assessed at each reporting date, based upon the management's judgement as to whether their realisation is considered as reasonably certain. However, in case of domestic companies, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets.

SCHEDULES

In the consolidated financial statements, deferred tax assets and liabilities are computed at an individual entity level and aggregated for consolidated reporting.

Minimum Alternate Tax (MAT) credit is recognised as an asset to the extent there is convincing evidence that the Group will pay normal income tax during specified period, i.e., the period for which MAT credit is allowed to be carried forward as per prevailing provisions of the Income Tax Act, 1961. In accordance with the recommendation contained in the guidance note issued by ICAI, MAT credit is to be recognised as an asset in the year in which it becomes eligible for set off against normal income tax. The Group reviews MAT credit entitlements at each balance sheet date and writes down the carrying amount to the extent there is no longer convincing evidence to the effect that the Group will pay normal income tax during the specified period.

5. Claims and benefits paid

In the case of general insurance business, 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 re-insurers/co-insurers) are recognised on the date of intimation based on management estimates or on estimates from surveyors/insured in the respective revenue account. Estimated liability for outstanding claims at the balance sheet date is recorded net of claims recoverable from/payable to co-insurers/re-insurers 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 claim is determined by the entity on the basis of ultimate amounts likely to be paid on each claim based on the past experience/ actuarial valuation. These estimates are progressively revalidated on availability of further information. Claims IBNR represent that amount of claims that may have been incurred during the accounting period but have not been reported or claimed. The claims IBNR provision also includes provision, if any, required for claims IBNER. Estimated liability for claims IBNR/claims IBNER is based on an actuarial estimate duly certified by the appointed actuary of the entity.

In the case of life insurance business, benefits paid comprise 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. Claim settlement cost, legal and other fees should also form part of claim cost wherever applicable. Reinsurance claims receivable are accounted for in the period in which the claim is intimated. Repudiated claims and other claims disputed before the judicial authorities are provided for on prudent basis as considered appropriate by the management.

6. Liability for life policies in force

In the case of life insurance business, the liabilities for life policies in force are calculated in accordance with accepted actuarial practice, requirements of Insurance Act, 1938 (amended by Insurance Laws (Amendment) Act, 2015) and regulations notified by the Insurance Regulatory and Development Authority of India and Actuarial Practice Standards of the Institute of Actuaries of India.

7. Reserve for unexpired risk

Reserve for unexpired risk is recognised net of re-insurance ceded and represents premium written that is attributable to, and is to be allocated to succeeding accounting periods. For fire, marine, cargo and miscellaneous business it is calculated on a daily pro-rata basis, except in the case of marine hull business which is computed at 100.00% of net premium written on all unexpired policies at balance sheet date.

8. Actuarial method and valuation

In the case of life insurance business, the actuarial liability on 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.

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

The liability for the unexpired portion of the risk for the non-unit liabilities of linked business and attached riders is the higher of liability calculated using discounted cash flows and unearned premium reserves.

The unit liability in respect of linked business has been taken as the value of the units standing to the credit of policyholders, using the Net Asset Value (NAV) prevailing at the valuation date.

An unexpired risk reserve and a reserve in respect of claims incurred but not reported are created, for one year renewable group term insurance.

The interest rates used for valuing the liabilities are in the range of 4.44% to 6.48% per annum (previous year – 4.66% to 6.13% per annum).

Mortality rates used are based on the published "Indian Assured Lives Mortality (2006 - 2008) Ult". mortality table for assurances and LIC 96-98 table for annuities, adjusted to reflect expected experience while morbidity rates used are based on CIBT 93 table, adjusted for expected experience, or on risk rates supplied by reinsurers.

Expenses are provided for at current levels, in respect of renewal expenses, with no allowance for future improvements but with an allowance for any expected worsening. Per policy renewal expenses for regular premium policies are assumed to inflate at 4.19% (previous year – 4.38%).

9. Acquisition costs for insurance business

Acquisition costs are those costs that vary with and are primarily related to the acquisition of insurance contracts and are expensed in the period in which they are incurred.

10. Employee benefits

Gratuity

The Group pays gratuity, a defined benefit plan, to employees who retire or resign after a minimum prescribed period of continuous service and in case of employees at overseas locations as per the rules in force in the respective countries. The Group makes contribution to trusts which administer the funds on their own account or through insurance companies.

The actuarial gains or losses arising during the year are recognised in the profit and loss account.

Actuarial valuation of the gratuity liability is determined by an actuary appointed by the Group. Actuarial valuation of gratuity liability is determined based on certain assumptions regarding rate of interest, salary growth, mortality and staff attrition as per the projected unit credit method.

Superannuation Fund and National Pension Scheme

The Bank contributes 15.0% of the total annual basic salary of certain employees to superannuation funds, a defined contribution plan, managed and administered by insurance companies. Further, the Bank contributes 10.00% of the total basic salary of certain employees to National Pension Scheme (NPS), a defined contribution plan, which is managed and administered by pension fund management companies. The Bank also gives an option to its employees allowing them to receive the amount in lieu of such contributions along with their monthly salary during their employment.

The amounts so contributed/paid by the Bank to the superannuation fund and NPS or to employees during the year are recognised in the profit and loss account.

ICICI Prudential Life Insurance Company, ICICI Prudential Asset Management Company and ICICI Venture Funds Management Company have accrued for superannuation liability based on a percentage of basic salary payable to eligible employees for the period of service.

Pension

The Bank provides for pension, a defined benefit plan covering eligible employees of erstwhile Bank of Madura, erstwhile Sangli Bank and erstwhile Bank of Rajasthan. The Bank makes contribution to a trust which administers the funds on its own account or through insurance companies. The plan provides for pension payment including dearness relief on a monthly basis to these employees on their retirement based on the respective employee's years of service with the Bank and applicable salary.

Actuarial valuation of the pension liability is determined by an actuary appointed by the Bank. Actuarial valuation of pension liability is calculated based on certain assumptions regarding rate of interest, salary growth, mortality and staff attrition as per the projected unit credit method.

The actuarial gains or losses arising during the year are recognised in the profit and loss account.

Employees covered by the pension plan are not eligible for employer's contribution under the provident fund plan.

Provident fund

The Group is statutorily required to maintain a provident fund, a defined benefit plan, as a part of retirement benefits to its employees. Each employee contributes a certain percentage of his or her basic salary and the Group contributes an equal amount for eligible employees. The Group 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 and the balance contributions are transferred to funds administered by trustees. The funds are invested according to the rules prescribed by the Government of India.

Actuarial valuation for the interest rate guarantee on the provident fund balances is determined by an actuary appointed by the Group.

The actuarial gains or losses arising during the year are recognised in the profit and loss account.

The overseas branches of the Bank and its eligible employees contribute a certain percentage of their salary towards respective government schemes as per local regulatory guidelines. The contribution made by the overseas branches is recognised in profit and loss account at the time of contribution.

Compensated absences

The Group provides for compensated absences based on actuarial valuation conducted by an independent actuary.

11. Provisions, contingent liabilities and contingent assets

The Group estimates the probability of any loss that might be incurred on outcome of contingencies on the basis of information available upto the date on which the consolidated 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 consolidated financial statements. In case of remote possibility, neither provision nor disclosure is made in the consolidated financial statements. The Group does not account for or disclose contingent assets, if any.

The Bank estimates the probability of redemption of customer loyalty reward points using an actuarial method by employing an independent actuary and accordingly makes provision for these reward points. Actuarial valuation is determined based on certain assumptions regarding mortality rate, discount rate, cancellation rate and redemption rate.

12. Cash and cash equivalents

Cash and cash equivalents include cash in hand, balances with RBI, balances with other banks and money at call and short notice.

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forming part of the Consolidated Accounts *(Contd.)*

13. Investments

i) Investments of the Bank are accounted for in accordance with the extant RBI guidelines on investment classification and valuation as given below.

a) All investments are classified into 'Held to Maturity', 'Available for Sale' and 'Held for Trading'. Reclassifications, if any, in any category are accounted for as per the RBI guidelines. Under each classification, the investments are further categorised as (a) government securities, (b) other approved securities, (c) shares, (d) bonds and debentures and (e) others.

b) 'Held to Maturity' securities 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 fixed rate and floating rate securities acquired is amortised over the remaining period to maturity on a constant yield basis and straight line basis respectively.

c) 'Available for Sale' and 'Held for Trading' securities are valued periodically as per RBI guidelines. Any premium over the face value of fixed rate and floating rate investments in government securities, classified as 'Available for Sale', is amortised over the remaining period to maturity on constant yield basis and straight line basis respectively. Quoted investments are valued based on the closing quotes on the recognised stock exchanges or prices declared by Primary Dealers Association of India (PDAI) jointly with Fixed Income Money Market and Derivatives Association (FIMMDA)/Financial Benchmark India Private Limited (FBIL), periodically.

The market/fair value of unquoted government securities which are in the nature of Statutory Liquidity Ratio (SLR) securities included in the 'Available for Sale' and 'Held for Trading' categories is as per the rates published by FIMMDA/FBIL. The valuation of other unquoted fixed income securities, including Pass Through Certificates, wherever linked to the Yield-to-Maturity (YTM) rates, is computed with a mark-up (reflecting associated credit risk) over the YTM rates for government securities published by FIMMDA. The Sovereign foreign securities and non-INR India linked bonds are valued on the basis of prices published by the Sovereign regulator or counterparty quotes.

Unquoted equity shares are valued at the break-up value, if the latest balance sheet is available or at ₹ 1, as per RBI guidelines.

Securities are valued scrip-wise. Depreciation/appreciation on securities, other than those acquired by way of conversion of outstanding loans, is aggregated for each category. Net appreciation in each category under each investment classification, if any, being unrealised, is ignored, while net depreciation is provided for. The depreciation on securities acquired by way of conversion of outstanding loan is fully provided for. Non-performing investments are identified based on the RBI guidelines.

d) Treasury bills, commercial papers and certificate of deposits being discounted instruments, are valued at carrying cost.

e) The units of mutual funds are valued at the latest repurchase price/net asset value declared by the mutual fund.

f) Costs including brokerage and commission pertaining to investments, paid at the time of acquisition, are charged to the profit and loss account. Cost of investments is computed based on the First-In-First-Out (FIFO) method.

g) Profit/loss on sale of investments in the 'Held to Maturity' category is recognised in the profit and loss account and profit is thereafter appropriated (net of applicable taxes and statutory reserve requirements) to Capital Reserve. Profit/loss on sale of investments in 'Available for Sale' and 'Held for Trading' categories is recognised in the profit and loss account.

h) Market repurchase, reverse repurchase and transactions with RBI under Liquidity Adjustment Facility (LAF) are accounted for as borrowing and lending transactions in accordance with the extant RBI guidelines.

i) Broken period interest (the amount of interest from the previous interest payment date till the date of purchase/sale of instruments) on debt instruments is treated as a revenue item.

j) At the end of each reporting period, security receipts issued by the asset reconstruction companies are valued in accordance with the guidelines applicable to such instruments, prescribed by RBI from time to time. Accordingly, in cases where the cash flows from security receipts issued by the asset reconstruction companies are limited to the actual realisation of the financial assets assigned to the instruments in the concerned scheme, the Bank reckons the net asset value obtained from the asset reconstruction company from time to time, for valuation of such investments at each reporting period end. The security receipts which are outstanding and not redeemed as at the end of the resolution period are treated as loss assets and are fully provided for.

k) The Bank follows trade date method of accounting for purchase and sale of investments, except for government of India and state government securities where settlement date method of accounting is followed in accordance with RBI guidelines.

l) The Bank undertakes short sale transactions in dated central government securities in accordance with RBI guidelines. The short positions are categorised under HFT category and are marked-to-market. The mark-to-market loss is charged to profit and loss account and gain, if any, is ignored as per RBI guidelines.

ii) The Bank's consolidating venture capital fund carries investments at fair values, with unrealised gains and temporary losses on investments recognised as components of investors' equity and accounted for in the unrealised investment reserve account. The realised gains and losses on investments and units in mutual funds and unrealised gains or losses on revaluation of units in mutual funds are accounted for in the profit and loss account. Provisions are made in respect of accrued income considered doubtful. Such provisions as well as any subsequent recoveries are recorded through the profit and loss account. Subscription to/purchase of investments are accounted at the cost of acquisition inclusive of brokerage, commission and stamp duty.

iii) The Bank's primary dealership and securities broking subsidiaries classify the securities held with the intention of holding for short-term and trading as stock-in-trade which are valued at lower of cost or market value. The securities classified by primary dealership subsidiary as held-to-maturity, as permitted by RBI, are carried at amortised cost. Appropriate provision is made for other than temporary diminution in the value of investments. Commission earned in respect of securities acquired upon devolvement is reduced from the cost of acquisition.

iv) The Bank's housing finance subsidiary classifies its investments as current investments and long-term investments. Investments that are readily realisable and intended to be held for not more than a year are classified as current investments, which are carried at the lower of cost and net realisable value. All other investments are classified as long-term investments, which 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, a provision for diminution in value is made to recognise any other than temporary decline in the value of such long-term investments.

v) The Bank's overseas banking subsidiaries account for unrealised gain/loss, net of tax, on investment in 'Available for Sale'/'Fair Value Through Other Comprehensive Income' (FVOCI) category directly in their reserves. Further unrealised gain/loss on investment in 'Held for Trading'/'Fair Value Through Profit and Loss' (FVTPL) category is accounted directly in the profit and loss account. Investments in 'Held to Maturity'/'amortised cost' category are carried at amortised cost.

vi) In the case of life and general insurance businesses, investments are made in accordance with the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015), the IRDA (Investment) Regulations, 2016, and various other circulars/notifications issued by the IRDAI in this context from time to time.

In the case of life insurance business, valuation of investments (other than linked business) is done on the following basis:

a) All debt securities and redeemable preference shares are considered as 'held to maturity' and accordingly stated at historical cost, subject to amortisation of premium or accretion of discount over the period of maturity/holding on a constant yield basis.

b) Listed equity shares are stated at fair value being the last quoted closing price on the National Stock Exchange (NSE) (or BSE, in case the investments are not listed on NSE).

c) Mutual fund units are valued based on the previous day's 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 'Revenue and other reserves' and 'Liabilities on policies in force' in the balance sheet for Shareholders' fund and Policyholders' fund respectively for life insurance business.

In the case of general insurance business, valuation of investments is done on the following basis:

a) 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/maturity period.

b) Listed equities and convertible preference shares at the balance sheet date are stated at fair value, being the last quoted closing price on the NSE and in case these are not listed on NSE, then based on the last quoted closing price on the BSE.

c) Mutual fund investments (other than venture capital fund) are stated at fair value, being the closing net asset value at balance sheet date.

d) Investments other than mentioned above are valued at cost.

Unrealised gains/losses arising due to changes in the fair value of listed equity shares, convertible preference shares and mutual fund units are taken to 'Revenue and other reserves' in the balance sheet for general insurance business.

Insurance subsidiaries assess at each balance sheet date whether there is any indication that any investment may be impaired. If any such indication exists, the carrying value of such investment is reduced to its recoverable amount and the impairment loss is recognised in the revenue(s)/profit and loss account.

The total proportion of investments for which subsidiaries have applied accounting policies different from the Bank as mentioned above, is approximately 22.44% of the total investments at March 31, 2019.

14. Provisions/write-offs on loans and other credit facilities

i) Loans and other credit facilities of the Bank are accounted for in accordance with the extant RBI guidelines as given below:

a) The Bank classifies its loans and investments, including at overseas branches and overdues arising from crystallised derivative contracts, into performing and NPAs in accordance with RBI guidelines. Loans and advances held at the overseas branches that are identified as impaired as per host country regulations for reasons other than record of recovery, but which are standard as per the extant RBI guidelines, are classified as NPAs to the extent of amount outstanding in the host country. Further, NPAs are classified into sub-standard, doubtful and loss assets based on the criteria stipulated by RBI.

In the case of corporate loans and advances, provisions are made for sub-standard and doubtful assets at rates prescribed by RBI. Loss assets and the unsecured portion of doubtful assets are provided/written-off as per the extant RBI guidelines. For loans and advances booked in overseas branches, which are standard as per the extant RBI guidelines but are classified as NPAs based on host country guidelines, provisions are made as per the host country regulations. For loans and advances booked in overseas branches, which are NPAs as per the extant RBI guidelines and as per host country guidelines, provisions are made at the higher of the provisions required under RBI regulations and host country regulations. Provisions on homogeneous retail loans and advances, subject to minimum provisioning requirements of RBI, are assessed on the basis of the ageing of the loans in the non-performing category. As per RBI guidelines, in respect of non-retail loans reported as fraud to RBI and classified in doubtful category, the entire amount, without considering the value of security, is provided for over a period not exceeding four quarters starting from the quarter in which fraud has been detected. In respect of non-retail loans where there has been delay in reporting the fraud to the RBI or which are classified as loss accounts, the entire amount is provided immediately. In case of fraud in retail accounts, the entire amount is provided immediately. In respect of borrowers classified as non-cooperative borrowers or willful defaulters, the Bank makes accelerated provisions as per extant RBI guidelines.

The Bank holds specific provisions against non-performing loans and advances, and against certain performing loans and advances in accordance with RBI directions, including RBI direction for provision on accounts referred to the National Company Law Tribunal (NCLT) under the Insolvency and Bankruptcy Code, 2016. The assessment of incremental specific provisions is made after taking into consideration the existing specific provision held. The specific provisions on retail loans and advances held by the Bank are higher than the minimum regulatory requirements.

b) Provision due to diminution in the fair value of restructured/rescheduled loans and advances is made in accordance with the applicable RBI guidelines.

Non-performing and restructured loans are upgraded to standard as per the extant RBI guidelines.

c) Amounts recovered against debts written-off in earlier years and provisions no longer considered necessary in the context of the current status of the borrower are recognised in the profit and loss account.

d) The Bank maintains general provision on performing loans and advances in accordance with the RBI guidelines, including provisions on loans to borrowers having unhedged foreign currency exposure, provisions on loans to specific borrowers in specific stressed sector, provision on exposures to step-down subsidiaries of Indian companies and provision on incremental exposure to borrowers identified as per RBI's large exposure framework. For performing loans and advances in overseas branches, the general provision is made at higher of host country regulations requirement and RBI requirement.

e) In addition to the provisions required to be held according to the asset classification status, provisions are held for individual country exposures including indirect country risk (other than for home country exposure). The countries are categorised into seven risk categories namely insignificant, low, moderately low, moderate, moderately high, high and very high, and provisioning is made on exposures exceeding 180 days on a graded scale ranging from 0.25% to 25.00%. For exposures with contractual maturity of less than 180 days, provision is required to be held at 25.00% of the rates applicable to exposures exceeding 180 days. The indirect exposure is reckoned at 50.00% of the exposure. If the country exposure (net) of the Bank in respect of each country does not exceed 1.00% of the total funded assets, no provision is required on such country exposure.

f) The Bank makes floating provision as per the Board approved policy, which is in addition to the specific and general provisions made by the Bank. The floating provision is utilised, with the approval of Board and RBI, in case of contingencies which do not arise in the normal course of business and are exceptional and non-recurring in nature and for making specific provision for impaired loans as per the requirement of extant RBI guidelines or any regulatory guidance/instructions. The floating provision is netted-off from advances.

ii) In the case of the Bank's housing finance subsidiary, loans and other credit facilities are classified as per the NHB guidelines into performing and non-performing assets. Further, NPAs are classified into sub-standard, doubtful and loss assets based on criteria stipulated by NHB. Additional provisions are made against specific

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non-performing assets over and above what is stated above, if in the opinion of the management, increased provisions are necessary.

iii) In the case of the Bank's UK subsidiary, loans are stated net of allowance for credit losses. 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 on the loan (a loss event) and that loss event (or events) has an impact on the estimated future cash flows of the loans that can be reliably estimated. An allowance for impairment losses is maintained at a level that management considers adequate to absorb identified credit related losses as well as losses that have occurred but have not yet been identified.

iv) The Bank's Canadian subsidiary measures impairment loss on all financial assets using Expected Credit Loss (ECL) model based on a three-stage approach. The ECL for financial assets that are not credit-impaired and for which there is no significant increase in credit risk since origination, is computed using 12-month probability of default (PD), and represents the lifetime cash shortfalls that will result if a default occurs in next 12 months. The ECL for financial assets, that are not credit-impaired but have experienced a significant increase in credit risk since origination, is computed using a life time PD, and represents lifetime cash shortfalls that will result if a default occurs during the expected life of financial assets. A financial asset is considered credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. The allowance for credit losses for impaired financial assets is computed based on individual assessment of expected cash flows from such assets.

The total proportion of loans for which subsidiaries have applied accounting policies different from the Bank as mentioned above, is approximately 9.34% of the total loans at March 31, 2019.

15. Transfer and servicing of assets

The Bank transfers commercial and consumer loans through securitisation transactions. The transferred loans are de-recognised and gains/losses are accounted for, only if the Bank surrenders the rights to benefits specified in the underlying securitised loan contract. Recourse and servicing obligations are accounted for net of provisions.

In accordance with the RBI guidelines for securitisation of standard assets, with effect from February 1, 2006, the Bank accounts for any loss arising from securitisation immediately at the time of sale and the profit/premium arising from securitisation is amortised over the life of the securities issued or to be issued by the special purpose vehicle to which the assets are sold. With effect from May 7, 2012, the RBI guidelines require the profit/premium arising from securitisation to be amortised over the life of the transaction based on the method prescribed in the guidelines.

In accordance with RBI guidelines, in case of non-performing/special mention account-2 loans sold to Securitisation Company (SC)/Reconstruction Company (RC), the Bank reverses the excess provision in profit and loss account in the year in which amounts are received. Any shortfall of sale value over the net book value on sale of such assets is recognised by the Bank in the year in which the loan is sold.

The Canadian subsidiary has entered into securitisation arrangements in respect of its originated and purchased mortgages. ICICI Bank Canada either retains substantially all the risk and rewards or retains control over these mortgages, hence these arrangements do not qualify for de-recognition accounting under their local accounting standards. It continues to recognise the mortgages securitised as "Loans and Advances" and the amounts received through securitisation are recognised as "Other borrowings".

16. Fixed assets

Fixed assets, other than premises of the Bank and its housing finance subsidiary are carried at cost less accumulated depreciation and impairment, if any. In case of the Bank and its housing finance subsidiary, premises are carried at revalued amount, being fair value at the date of revaluation less accumulated depreciation. Cost includes freight, duties, taxes and incidental expenses related to the acquisition and installation of the asset. Depreciation is charged over the estimated useful life of fixed assets on a straight-line basis. The useful life of the groups of fixed assets for domestic group companies is based on past experience and expectation of usage, which for some categories of fixed assets, is different from the useful life as prescribed in Schedule II to the Companies Act, 2013.

Assets purchased/sold during the year are depreciated on a pro-rata basis for the actual number of days the asset has been capitalised.

In case of the Bank, items individually costing up to ₹ 5,000/- are depreciated fully over a period of 12 months from the date of purchase. Further, profit on sale of premises by the Bank is appropriated to capital reserve, net of transfer to Statutory Reserve and taxes, in accordance with RBI guidelines.

In case of revalued/impaired assets, depreciation is provided over the remaining useful life of the assets with reference to revised asset values. In case of premises, which are carried at revalued amounts, the depreciation on the excess of revalued amount over historical cost is transferred from Revaluation Reserve to General Reserve annually.

Non-banking assets

Non-Banking Assets (NBAs) acquired in satisfaction of claims are carried at lower of net book value and net realisable value. Further, the Bank creates provision on non-banking assets as per specific RBI directions.

17. Accounting for derivative contracts

The Group enters into derivative contracts such as interest rate and currency options, interest rate and currency futures, interest rate and currency swaps, credit default swaps and cross currency interest rate swaps.

The swap contracts entered to hedge on-balance sheet assets and liabilities are structured such that they bear an opposite and offsetting impact with the underlying on-balance sheet items. The impact of such derivative instruments is correlated with the movement of underlying assets and liabilities and accounted pursuant to the principles of hedge accounting. Hedge swaps are accounted for on an accrual basis and are not marked to market unless their underlying transaction is marked to market, except in the case of the Bank's overseas banking subsidiaries. In overseas subsidiaries, in case of fair value hedge, the hedging transactions and the hedged items (for the risks being hedged) are measured at fair value with changes recognised in the profit and loss account and in case of cash flow hedges, changes in the fair value of effective portion of the cash flow hedge are taken to 'Revenue and other reserves' and ineffective portion, if any, are recognised in the profit and loss account.

Foreign currency and rupee derivative contracts entered into for trading purposes are marked to market and the resulting gain or loss is accounted for in the profit and loss account. Pursuant to RBI guidelines, any receivables under derivative contracts which remain overdue for more than 90 days and mark-to-market gains on other derivative contracts with the same counter-parties are reversed through the profit and loss account.

18. Impairment of assets

The immovable fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An asset is treated as impaired when its carrying amount exceeds its recoverable amount. The impairment is recognised by debiting the profit and loss account and is measured as the amount by which the carrying amount of the impaired assets exceeds their recoverable value. The Bank and its housing finance subsidiary follows revaluation model of accounting for its premises and the recoverable amount of the revalued assets is considered to be close to its revalued amount. Accordingly, separate assessment for impairment of premises is not required.

19. Lease transactions

Lease payments for assets taken on operating lease are recognised as an expense in the profit and loss account over the lease term on straight line basis.

20. Earnings per share

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

Diluted earnings per share reflect the potential dilution that could occur if contracts to issue equity shares were exercised or converted during the year. Diluted earnings per equity share is computed using the weighted average number of equity shares and dilutive potential equity shares issued by the group outstanding during the year, except where the results are anti-dilutive.

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SCHEDULE 18

NOTES FORMING PART OF THE ACCOUNTS

The following additional disclosures have been made taking into account the requirements of Accounting Standards (ASs) and Reserve Bank of India (RBI) guidelines in this regard.

1. Earnings per share

Basic and diluted earnings per equity share are computed in accordance with AS 20 - Earnings per share. Basic earnings per equity share is computed by dividing net profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed using the weighted average number of equity shares and weighted average number of dilutive potential equity shares outstanding during the year.

The following table sets forth, for the periods indicated, the computation of earnings per share.

₹ in million, except per share data

	Year ended March 31, 2019	Year ended March 31, 2018
Basic		
Weighted average no. of equity shares outstanding	**6,435,966,473**	6,417,180,759
Net profit attributable to equity share holders	**42,542.4**	77,121.8
Basic earnings per share (₹)	**6.61**	12.02
Diluted		
Weighted average no. of equity shares outstanding	**6,509,276,099**	6,482,375,300
Net profit attributable to equity share holders	**42,474.9**	77,098.8
Diluted earnings per share (₹)[1]	**6.53**	11.89
Nominal value per share (₹)	**2.00**	2.00

1. *The dilutive impact is due to options granted to employees by the Group.*

2. Related party transactions

The Group has transactions with its related parties comprising associates/other related entities and key management personnel and relatives of key management personnel.

I. Related parties

Associates/other related entities

Arteria Technologies Private Limited[1], India Advantage Fund-III, India Advantage Fund-IV, India Infradebt Limited, ICICI Merchant Services Private Limited, I-Process Services (India) Private Limited, NIIT Institute of Finance, Banking and Insurance Training Limited, Comm Trade Services Limited and ICICI Foundation for Inclusive Growth.

1. *Identified as related party effective from May 29, 2018.*

Key management personnel

Mr. Sandeep Bakhshi[1], Ms. Vishakha Mulye, Mr. Vijay Chandok, Mr. Anup Bagchi, Mr. N. S. Kannan[2] and Ms. Chanda Kochhar[3].

1. *Identified as related party effective from June 19, 2018.*
2. *Ceased to be related party effective close of business hours on June 18, 2018.*
3. *Ceased to be related party effective from October 4, 2018.*

Relatives of key management personnel

Ms. Mona Bakhshi[1], Mr. Shivam Bakhshi[1], Ms. Esha Bakhshi[1], Ms. Minal Bakhshi[1], Mr. Sameer Bakhshi[1], Mr. Vivek Mulye, Ms. Vriddhi Mulye, Dr. Gauresh Palekar, Ms. Shalaka Gadekar, Ms. Manisha Palekar, Ms. Poonam Chandok, Ms. Saluni Chandok, Ms. Simran Chandok,Mr. C. V. Kumar, Ms. Shad Kumar, Ms. Sanjana Gulati, Ms. Mitul Bagchi, Mr. Aditya Bagchi, Mr. Shishir Bagchi, Mr. Arun Bagchi, Mr. Animesh Bagchi, Ms. Rangarajan Kumudalakshmi[2], Ms. Aditi Kannan[2], Ms. Sudha Narayanan[2], Mr. Raghunathan Narayanan[2], Mr. Rangarajan Narayanan[2], Mr. Deepak Kochhar[3], Mr. Arjun Kochhar[3], Ms. Aarti Kaji[3] and Mr. Mahesh Advani[3].

1. *Identified as related party effective from June 19, 2018.*
2. *Ceased to be related party effective close of business hours on June 18, 2018.*
3. *Ceased to be related party effective from October 4, 2018.*

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II. Transactions with related parties

The following table sets forth, for the periods indicated, the significant transactions between the Group and its related parties.

₹ in million

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest income		
Associates/others	**264.7**	212.6
Key management personnel	**11.7**	9.0
Relatives of key management personnel	**0.0**[1]	0.1
Total interest income	**276.4**	**221.7**
Fee, commission and other income		
Associates/others	**58.3**	25.1
Key management personnel	**1.2**	0.5
Relatives of key management personnel	**0.2**	0.0[1]
Total fee, commission and other income	**59.7**	**25.6**
Commission income on guarantees issued		
Associates/others	**0.1**	0.1
Key management personnel	**-**	-
Relatives of key management personnel	**-**	-
Total commission income on guarantees issued	**0.1**	**0.1**
Insurance premium received		
Associates/others	**24.5**	34.0
Key management personnel	**1.1**	2.6
Relatives of key management personnel	**3.4**	4.6
Total insurance premium received	**29.0**	**41.2**
Gain/(loss) on forex and derivative transactions (net)[2]		
Associates/others	**0.1**	(0.0)[1]
Key management personnel	**-**	-
Relatives of key management personnel	**-**	-
Total gain/(loss) on forex and derivative transactions (net)	**0.1**	**(0.0)**[1]
Dividend income		
Associates/others	**63.8**	63.8
Total dividend income	**63.8**	**63.8**
Reimbursement of expenses to the Group		
Associates/others	**-**	3.3
Key management personnel	**-**	-
Relatives of key management personnel	**-**	-
Total reimbursement of expenses to the Group	**-**	**3.3**
Recovery of lease of premises, common corporate and facilities expenses		
Associates/others	**59.7**	69.2
Key management personnel	**-**	-
Relatives of key management personnel	**-**	-
Total recovery of lease of premises, common corporate and facilities expenses	**59.7**	**69.2**

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₹ in million

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Recovery of secondment of employees		
Associates/others	**9.4**	8.7
Total recovery of secondment of employees	**9.4**	**8.7**
Interest expense		
Associates/others	**7.8**	5.4
Key management personnel	**4.2**	10.2
Relatives of key management personnel	**1.7**	3.1
Total interest expense	**13.7**	**18.7**
Remuneration to wholetime directors[3]		
Key management personnel	**270.5**	232.9
Total remuneration to wholetime directors	**270.5**	**232.9**
Reimbursement of expenses to related parties		
Associates/others	**0.1**	0.1
Key management personnel	**-**	-
Relatives of key management personnel	**-**	-
Total reimbursement of expenses to related parties	**0.1**	**0.1**
Insurance claims paid		
Associates/others	**-**	0.1
Key management personnel	**0.1**	-
Relatives of key management personnel	**-**	0.4
Total insurance claims paid	**0.1**	**0.5**
Brokerage, fee and other expenses		
Associates/others	**9,649.2**	7,030.4
Key management personnel	**-**	-
Relatives of key management personnel	**-**	-
Total brokerage, fee and other expenses	**9,649.2**	**7,030.4**
Donation given		
Associates/others	**1,031.0**	1,182.2
Total donation given	**1,031.0**	**1,182.2**
Dividend paid		
Associates/others	**-**	-
Key management personnel	**10.5**	8.5
Relatives of key management personnel	**3.1**	0.0[1]
Total dividend paid	**13.6**	**8.5**
Investments in the securities issued by related parties		
Associates/others	**10,000.0**	12,907.0
Total investments in the securities issued by related parties	**10,000.0**	**12,907.0**
Redemption/buyback of investments		
Associates/others	**534.7**	647.2
Total redemption/buyback of investments	**534.7**	**647.2**
Sale of fixed assets		
Associates/joint ventures/others	**-**	**-**
Key management personnel	**7.2**	**-**
Relatives of key management personnel	**-**	**-**
Total sale of fixed assets	**7.2**	**-**

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1. *Insignificant amount.*
2. *The Bank undertakes derivative transactions with its subsidiaries, associates, joint ventures and other related entities. The Bank manages its foreign exchange and interest rate risks arising from these transactions by covering them in the market. While the Bank within its overall position limits covers these transactions in the market, the above amounts represent only the transactions with its subsidiaries, associates, joint ventures and other related entities and not the offsetting/covering transactions.*
3. *Excludes the perquisite value on employee stock options exercised, contribution to gratuity fund and includes performance bonus paid during the period.*

III. *Material transactions with related parties*

The following table sets forth, for the periods indicated, the material transactions between the Group and its related parties. A specific related party transaction is disclosed as a material related party transaction wherever it exceeds 10% of all related party transactions in that category.

₹ in million

	Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018
Interest income			
1	India Infradebt Limited	**261.4**	212.6
Fee, commission and other income			
1	India Infradebt Limited	**58.3**	23.4
Commission income on guarantees issued			
1	NIIT Institute of Finance Banking and Insurance Training Limited	**0.1**	0.1
Insurance premium received			
1	ICICI Foundation for Inclusive Growth	**20.5**	30.0
2	Mr. Vivek Mulye	**3.1**	3.2
Gain/(loss) on forex and derivative transactions (net)[2]			
1	Arteria Technologies Private Limited[3]	**0.1**	N.A.
2	ICICI Merchant Services Private Limited	**-**	(0.0)[1]
3	India Infradebt Limited	**-**	(0.0)[1]
Dividend income			
1	India Infradebt Limited	**63.8**	63.8
Reimbursement of expenses to the Group			
1	India Infradebt Limited	**-**	3.3
Recovery of lease of premises, common corporate and facilities expenses			
1	ICICI Foundation for Inclusive Growth	**56.2**	63.6
Recovery of secondment of employees			
1	I-Process Services (India) Private Limited	**9.4**	8.7
Interest expense			
1	ICICI Foundation for Inclusive Growth	**2.3**	2.4
2	India Infradebt Limited	**2.2**	1.7
3	Arteria Technologies Private Limtited[3]	**1.6**	N.A.
4	Ms. Chanda Kochhar[4]	**3.0**	9.5
Remuneration to wholetime directors[5]			
1	Mr. Sandeep Bakhshi[6]	**47.2**	N.A.
2	Ms. Vishakha Mulye	**50.2**	43.1
3	Mr. Vijay Chandok	**45.5**	44.1
4	Mr. Anup Bagchi	**44.1**	37.3
5	Mr. N. S. Kannan[7]	**9.4**	45.1
6	Ms. Chanda Kochhar[4]	**74.1**	63.3
Reimbursement of expenses to related parties			
1	NIIT Institute of Finance Banking and Insurance Training Limited	**0.1**	0.1
Insurance claims paid			
1	I-Process Services (India) Private Limited	**-**	0.1
2	Mr. Anup Bagchi	**0.1**	-
3	Mr. Deepak Kochhar[4]	**-**	0.4

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₹ in million

	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Brokerage, fee and other expenses			
1	I-Process Services (India) Private Limited	**5,463.4**	4,600.8
2	ICICI Merchant Services Private Limited	**4,174.7**	2,415.9
Donation given			
1	ICICI Foundation for Inclusive Growth	**1,031.0**	1,182.2
Dividend paid			
1	Mr. Sandeep Bakhshi[6]	**3.2**	N.A.
2	Ms. Vishakha Mulye	**2.6**	1.7
3	Mr. Vijay Chandok	**0.0[1]**	0.0[1]
4	Mr. Anup Bagchi	**0.1**	0.0[1]
5	Mr. N. S. Kannan[7]	**-**	1.1
6	Ms. Chanda Kochhar[4]	**4.6**	5.7
7	Mr. Shivam Bakhshi[6]	**1.6**	N.A.
Investments in the securities issued by related parties			
1	India Infradebt Limited	**10,000.0**	12,907.0
Redemption/buyback of investments			
1	India Advantage Fund-III	**272.7**	260.8
2	India Advantage Fund-IV	**262.0**	386.4
Sale of fixed assets			
1	Ms. Chanda Kochhar[4]	**7.2**	-

1. *Insignificant amount.*
2. *The Bank undertakes derivative transactions with its subsidiaries, associates, joint ventures and other related entities. The Bank manages its foreign exchange and interest rate risks arising from these transactions by covering them in the market. While the Bank within its overall position limits covers these transactions in the market, the above amounts represent only the transactions with its subsidiaries, associates, joint ventures and other related entities and not the offsetting/covering transactions.*
3. *Identified as related party effective from May 29, 2018.*
4. *Ceased to be related party effective from October 4, 2018.*
5. *Excludes the perquisite value on employee stock options exercised, contribution to gratuity fund and includes performance bonus paid during the period.*
6. *Identified as related party effective from June 19, 2018.*
7. *Ceased to be related party effective close of business hours on June 18, 2018.*

IV. Related party outstanding balances

The following table sets forth, for the periods indicated, the outstanding balances payable to/receivable from related parties.

₹ in million

Items	At March 31, 2019	At March 31, 2018
Deposits with the Group		
Associates/others	**522.9**	1,069.6
Key management personnel	**63.2**	146.1
Relatives of key management personnel	**13.5**	120.8
Total deposits with the Group	**599.6**	**1,336.5**
Payables		
Associates/others	**1,797.1**	761.0
Key management personnel	**0.0[1]**	0.0[1]
Relatives of key management personnel	**0.0[1]**	0.0[1]
Total payables	**1,797.1**	**761.0**
Investments of the Group		
Associates/others	**10,777.0**	6,939.3
Key management personnel	**-**	-

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forming part of the Consolidated Accounts *(Contd.)*

₹ in million

Items	At March 31, 2019	At March 31, 2018
Relatives of key management personnel	-	-
Total investments of the Group	**10,777.0**	**6,939.3**
Investments of related parties in the Group		
Associates/others	-	-
Key management personnel	6.5	10.7
Relatives of key management personnel	9.5	0.0[1]
Total investments of related parties in the Group	**16.0**	**10.7**
Advances by the Group		
Associates/others	45.0	-
Key management personnel	254.1	161.1
Relatives of key management personnel	0.4	0.7
Total advances by the Group	**299.5**	**161.8**
Receivables		
Associates/others	123.0	85.7
Key management personnel	-	-
Relatives of key management personnel	-	-
Total receivables	**123.0**	**85.7**
Guarantees issued by the Group		
Associates/others	11.2	1.1
Key management personnel	-	-
Relatives of key management personnel	-	-
Total guarantees issued by the Group	**11.2**	**1.1**

1. *Insignificant amount.*
2. *At March 31, 2019, 20,022,000 (March 31, 2018: 38,444,750) employee stock options for key management personnel were outstanding. Excludes stock options granted to key management personnel, which are pending regulatory approvals.*
3. *During the year ended March 31, 2019, 2,062,000 (year ended March 31, 2018: 408,119), employee stock options with total exercise price of ₹ 296.3 million (year ended March 31, 2018: ₹ 60.0 million) were exercised by the key management personnel.*

V. *Related party maximum balances*

The following table sets forth, for the periods indicated, the maximum balances payable to/receivable from related parties.

₹ in million

Items	Year ended March 31, 2019	Year ended March 31, 2018
Deposits with the Group		
Key management personnel	234.6	198.2
Relatives of key management personnel	175.3	550.5
Payables[1]		
Key management personnel	0.0[2]	0.1
Relatives of key management personnel	0.1	0.1
Investments of related parties in the Group[1]		
Key management personnel	21.5	10.7
Relatives of key management personnel	9.5	0.0[2]
Advances by the Group		
Key management personnel	256.2	203.6
Relatives of key management personnel	0.9	3.1

1. *Maximum balance is determined based on comparison of the total outstanding balances at each quarter end during the financial year.*
2. *Insignificant amount.*

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3. Employee Stock Option Scheme (ESOS)

ICICI Bank:

In terms of the ESOS, as amended, the maximum number of options granted to any eligible employee in a financial year shall not exceed 0.05% of the issued equity shares of the Bank at the time of grant of the options and aggregate of all such options granted to the eligible employees shall not exceed 10% of the aggregate number of the issued equity shares of the Bank on the date(s) of the grant of options in line with SEBI Regulations. Under the stock option scheme, eligible employees are entitled to apply for equity shares. In April 2016, exercise period was modified from 10 years from the date of grant or five years from the date of vesting, whichever is later, to 10 years from the date of vesting of options. In June 2017, exercise period was further modified to not exceed 10 years from the date of vesting of options as may be determined by the Board Governance, Remuneration & Nomination Committee to be applicable for future grants. In May 2018, exercise period was further modified to not exceed 5 years from the date of vesting of options as may be determined by the Board Governance, Remuneration & Nomination Committee to be applicable for future grants.

Options granted after March 2014, vest in a graded manner over a three-year period with 30%, 30% and 40% of the grant vesting in each year, commencing from the end of 12 months from the date of grant other than certain options granted in April 2014 which vested to the extent of 50% on April 30, 2017 and the balance vested on April 30, 2018 and option granted in September 2015 which vested to the extent of 50% on April 30, 2018 and balance 50% would vest on April 30, 2019. However, for the options granted in September 2015, if the participant's employment terminates due to retirement (including pursuant to any early/voluntary retirement scheme), all the unvested options would lapse. Options granted in January 2018 would vest at the end of four years from the date of grant. Certain options granted in May 2018, would vest to the extent of 50% on May 7, 2021 and balance 50% would vest on May 7, 2022 and any unvested options would lapse upon termination of employment due to retirement (including pursuant to early/voluntary retirement scheme).

Options granted prior to March 2014 except mentioned below, vested in a graded manner over a four-year period, with 20%, 20%, 30% and 30% of the grants vesting in each year, commencing from the end of 12 months from the date of grant. Options granted in April 2009 vested in a graded manner over a five-year period with 20%, 20%, 30% and 30% of grant vesting each year, commencing from the end of 24 months from the date of grant. Options granted in September 2011 vested in a graded manner over a five-year period with 15%, 20%, 20% and 45% of grant vesting each year, commencing from the end of 24 months from the date of the grant.

The exercise price of the Bank's options, except mentioned below, is the last closing price on the stock exchange, which recorded highest trading volume preceding the date of grant of options. In February 2011, the Bank granted 16,692,500 options to eligible employees and wholetime Directors of the Bank and certain of its subsidiaries at an exercise price of ₹ 175.82. This exercise price was the average closing price on stock exchange during the six months ended October 28, 2010. Of these options granted, 50% vested on April 30, 2014 and the balance 50% vested on April 30, 2015.

Based on intrinsic value of options, no compensation cost was recognised during the year ended March 31, 2019 (year ended March 31, 2018: Nil). If the Bank had used the fair value of options based on binomial tree model, compensation cost in the year ended March 31, 2019 would have been higher by ₹ 3,179.0 million (year ended March 31, 2018: ₹ 3,526.6 million) and proforma profit after tax would have been ₹ 30,454.0 million (year ended March 31, 2018: ₹ 64,247.6 million). On a proforma basis, the Bank's basic and diluted earnings per share would have been ₹ 4.73 (year ended March 31, 2018: ₹ 10.01) and ₹ 4.68 (March 31, 2018: ₹ 9.91) respectively for the year ended March 31, 2019.

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The following table sets forth, for the periods indicated, the key assumptions used to estimate the fair value of options granted.

Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018
Risk-free interest rate	**7.32% to 8.31%**	7.06% to 7.59%
Expected life	**3.64 to 6.64 years**	3.90 to 6.90 years
Expected volatility	**30.79% to 32.22%**	31.71% to 32.92%
Expected dividend yield	**0.43% to 0.80%**	0.73% to 1.81%

The weighted average fair value of options granted during the year ended March 31, 2019 was ₹ 107.22 (year ended March 31, 2018: ₹ 86.43).

Risk free interest rates over the expected term of the option are based on the government securities yield in effect at the time of the grant. The expected term of an option is estimated based on the vesting term as well as expected exercise behaviour of the employees who receive the option. Expected exercise behaviour is estimated based on the historical stock option exercise pattern of the Bank. Expected volatility during the estimated expected term of the option is based on historical volatility determined based on observed market prices of the Bank's publicly traded equity shares. Expected dividends during the estimated expected term of the option are based on recent dividend activity.

The following table sets forth, for the periods indicated, the summary of the status of the Bank's stock option plan.

₹ except number of options

Particulars	Stock options outstanding			
	Year ended March 31, 2019		Year ended March 31, 2018	
	Number of options	**Weighted average exercise price**	Number of options	Weighted average exercise price
Outstanding at the beginning of the year	**235,672,250**	**224.19**	226,715,682	217.12
Add: Granted during the year[1]	**35,419,900**	**283.91**	35,137,770	251.05
Less: Lapsed during the year, net of re-issuance	**20,415,499**	**229.88**	5,114,174	248.30
Less: Exercised during the year	**18,248,877**	**191.04**	21,067,028	187.00
Outstanding at the end of the year	**232,427,774**	**235.40**	235,672,250	224.19
Options exercisable	**152,151,329**	**222.84**	136,428,736	208.44

1. *Includes stock options granted to WTDs which are pending regulatory approvals.*

The following table sets forth, the summary of stock options outstanding at March 31, 2019

Range of exercise price (₹ per share)	**Number of shares arising out of options**	**Weighted average exercise price (₹ per share)**	**Weighted average remaining contractual life (number of years)**
60-99	**1,602,975**	**79.15**	**3.84**
100-199	**33,771,457**	**166.66**	**4.23**
200-299	**196,076,442**	**248.04**	**8.11**
300-399	**976,900**	**329.56**	**8.64**

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The following table sets forth, the summary of stock options outstanding at March 31, 2018.

Range of exercise price (₹ per share)	Number of shares arising out of options	Weighted average exercise price (₹ per share)	Weighted average remaining contractual life (number of years)
60-99	1,849,150	79.12	4.91
100-199	47,665,539	165.43	4.85
200-299	185,857,561	240.57	9.43
300-399	300,000	309.50	13.79

The options were exercised regularly throughout the period and weighted average share price as per National Stock Exchange price volume data during the year ended March 31, 2019 was ₹ 326.37 (year ended March 31, 2018: ₹ 296.94)

ICICI Life:

ICICI Prudential Life Insurance Company has formulated ESOS for their employees. There is no compensation cost for the year ended March 31, 2019 based on the intrinsic value of options. If the entity had used the fair value approach for accounting of options, there would have been an incremental compensation cost of ₹ 316.8 million for the year ended March 31, 2019 (for the year ended March 31, 2018: ₹ 39.7 million).

The following table sets forth, for the periods indicated, a summary of the status of the stock option plan of ICICI Prudential Life Insurance Company.

₹ except number of options

Particulars	Stock options outstanding			
	Year ended March 31, 2019		Year ended March 31, 2018	
	Number of shares	**Weighted average exercise price**	Number of shares	Weighted average exercise price
Outstanding at the beginning of the year	**2,820,888**	**382.70**	2,398,838	352.49
Add: Granted during the year	**7,304,150**	**387.62**	656,300	468.60
Less: Forfeited/lapsed during the year	**2,115,950**	**399.14**	82,650	410.92
Less: Exercised during the year	**285,771**	**164.40**	151,600	261.08
Outstanding at the end of the year	**7,723,317**	**390.92**	2,820,888	382.70
Options exercisable	**273,037**	**355.79**	2,193,488	358.13

The following table sets forth, summary of stock options outstanding of ICICI Prudential Life Insurance Company at March 31, 2019.

Range of exercise price (₹ per share)	**Number of shares arising out of options**	**Weighted average exercise price (₹ per share)**	**Weighted average remaining contractual life (number of years)**
100-299	**90,967**	**130.00**	**1.1**
300-399	**7,025,450**	**387.58**	**7.1**
400-499	**606,900**	**468.60**	**10.4**

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The following table sets forth, summary of stock options outstanding of ICICI Prudential Life Insurance Company at March 31, 2018.

Range of exercise price (₹ per share)	Number of shares arising out of options	Weighted average exercise price (₹ per share)	Weighted average remaining contractual life (number of years)
100-299	340,113	130.00	2.1
300-400	1,853,375	400.00	0.1
401-500	627,400	468.60	11.4

ICICI General:

ICICI Lombard General Insurance Company has formulated ESOS for their employees. There is no compensation cost for the year ended March 31, 2019 based on the intrinsic value of options. If the entity had used the fair value approach for accounting of options, there would have been an incremental compensation cost of ₹ 176.2 million for the year ended March 31, 2019 (for the year ended March 31, 2018: Nil).

The following table sets forth, for the periods indicated, a summary of the status of the stock option plan of ICICI Lombard General Insurance Company.

₹ except number of options

Particulars	Stock options outstanding			
	Year ended March 31, 2019		Year ended March 31, 2018	
	Number of shares	**Weighted average exercise price**	Number of shares	Weighted average exercise price
Outstanding at the beginning of the year	**495,140**	**103.28**	3,180,324	125.83
Add: Granted during the year	**2,529,700**	**715.15**	-	-
Less: Forfeited/lapsed during the year	**17,700**	**715.15**	21,250	113.06
Less : Exercised during the year	**361,640**	**102.50**	2,663,934	130.13
Outstanding at the end of the year	**2,645,500**	**684.37**	495,140	103.28
Options exercisable	**2,645,500**	**684.37**	495,140	103.28

The following table sets forth, summary of stock options outstanding of ICICI Lombard General Insurance Company at March 31, 2019.

Range of exercise price (₹ per share)	**Number of shares arising out of options**	**Weighted average exercise price (₹ per share)**	**Weighted average remaining contractual life (number of years)**
35-99	**16,000**	**60.00**	**1.1**
100-200	**117,500**	**111.45**	**1.6**
700-799	**2,512,000**	**715.15**	**4.3**

The following table sets forth, summary of stock options outstanding of ICICI Lombard General Insurance Company at March 31, 2018.

Range of exercise price (₹ per share)	Number of shares arising out of options	Weighted average exercise price (₹ per share)	Weighted average remaining contractual life (number of years)
35 to 99	147,140	80.89	1.34
100 to 200	348,000	112.74	2.31

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ICICI Securities:

ICICI Securities Limited has formulated ESOS for their employees. There is no compensation cost for the year ended March 31, 2019 based on the intrinsic value of options. If the entity had used the fair value approach for accounting of options, there would have been an incremental compensation cost of ₹ 4.1 million for the year ended March 31, 2019 (for the year ended March 31, 2018: Nil).

The following table sets forth, for the periods indicated, a summary of the status of the stock option plan of ICICI Securities Limited.

₹ except number of options

Particulars	Stock options outstanding			
	Year ended March 31, 2019		Year ended March 31, 2018	
	Number of shares	**Weighted average exercise price**	Number of shares	Weighted average exercise price
Outstanding at the beginning of the year	**-**	**-**	-	-
Add: Granted during the year	**176,700**	**256.55**	-	-
Less: Forfeited/lapsed during the year	**-**	**-**	-	-
Less: Exercised during the year	**-**	**-**	-	-
Outstanding at the end of the year	**176,700**	**256.55**	-	-
Options exercisable	**-**	**-**	-	-

The following table sets forth, summary of stock options outstanding of ICICI Securities Limited at March 31, 2019.

Range of exercise price (₹ per share)	**Number of shares arising out of options**	**Weighted average exercise price (₹ per share)**	**Weighted average remaining contractual life (number of years)**
200-299	**176,700**	**256.55**	**6.55**

The following table sets forth, summary of stock options outstanding of ICICI Securities Limited at March 31, 2018.

Range of exercise price (₹ per share)	Number of shares arising out of options	Weighted average exercise price (₹ per share)	Weighted average remaining contractual life (number of years)
Nil			

If the Group had used the fair value of options based on the binomial tree model, the compensation cost for the year ended March 31, 2019 would have been higher by ₹ 3,368.9 million (March 31, 2018: ₹ 3,417.2 million) and proforma consolidated profit after tax would have been ₹ 39,173.5 million (March 31, 2018: ₹ 73,704.6 million). On a proforma basis, the Group's basic earnings per share would have been ₹ 6.09 (March 31, 2018: ₹ 11.49) and diluted earnings per share would have been ₹ 6.01 (March 31, 2018: ₹ 11.37).

4. **Fixed assets**

The following table sets forth, for the periods indicated, the movement in software acquired by the Group, as included in fixed assets.

₹ in million

Particulars	**At March 31, 2019**	At March 31, 2018
At cost at March 31 of preceding year	**24,306.2**	20,348.6
Additions during the year	**3,060.7**	4,062.4
Deductions during the year	**(3,760.5)**	(104.8)
Depreciation to date	**(17,933.7)**	(18,678.7)
Net block	**5,672.7**	**5,627.5**

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5. Assets on lease

5.1 Assets taken under operating lease

The following table sets forth, for the periods indicated, the details of future rentals payable on operating leases.

₹ in million

Particulars	At March 31, 2019	At March 31, 2018
Not later than one year	**673.4**	510.1
Later than one year and not later than five years	**1,786.2**	1,628.9
Later than five years	**507.3**	664.1
Total	**2,966.9**	**2,803.1**

The terms of renewal are those normally prevalent in similar agreements and there are no undue restrictions in the agreements.

5.2 Assets under finance lease

The following table sets forth, for the periods indicated, the details of finance leases.

₹ in million

Particulars	At March 31, 2019	At March 31, 2018
Future minimum lease receipts		
Present value of lease receipts	**1,417.8**	1,136.8
Unmatured finance charges	**89.1**	77.5
Sub total	**1,506.9**	**1,214.3**
Less: collective provision	**(2.8)**	(3.0)
Total	**1,504.1**	**1,211.3**
Maturity profile of future minimum lease receipts		
- Not later than one year	**406.5**	281.8
- Later than one year and not later than five years	**951.3**	788.7
- Later than five years	**149.1**	143.8
Sub total	**1,506.9**	**1,214.3**
Less: collective provision	**(2.8)**	(3.0)
Total	**1,504.1**	**1,211.3**

Maturity profile of present value of lease rentals

The following table sets forth, for the periods indicated, the details of maturity profile of present value of finance lease receipts.

₹ in million

Particulars	At March 31, 2019	At March 31, 2018
Maturity profile of future present value of finance lease receipts		
- Not later than one year	**372.7**	256.4
- Later than one year and not later than five years	**897.4**	740.2
- Later than five years	**147.7**	140.2
Sub total	**1,417.8**	**1,136.8**
Less: collective provision	**(2.8)**	(3.0)
Total	**1,415.0**	**1,133.8**

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6. **Preference shares**

During the year ended March 31, 2019, the Bank redeemed preference shares of ₹ 3,500.0 million after obtaining requisite approval from RBI. The Bank has created capital redemption reserve of ₹ 3,500.0 million as required under the Companies Act, 2013, out of surplus profits available for previous years.

7. **Provisions and contingencies**

The following table sets forth, for the periods indicated, the break-up of provisions and contingencies included in the profit and loss account.

₹ in million

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Provision for depreciation of investments	**3,591.3**	19,489.3
Provision towards non-performing and other assets	**176,113.9**	147,516.1
Provision towards income tax		
- Current[1]	**48,082.8**	40,782.1
- Deferred	**(30,891.8)**	(21,992.9)
Other provisions and contingencies[2]	**24,913.0**	12,724.2
Total provisions and contingencies	**221,809.2**	**198,518.8**

1. *During the year ended March 31, 2018, the Bank has recognised Minimum Alternate Tax (MAT) credit as an asset amounting to ₹ 2,178.0 million, as the normal income tax liability related to the year ended March 31, 2017 was less than the MAT computed as per Section 115JB of the Income tax Act, 1961. The MAT asset was fully utilised against the normal income tax liability for the year ended March 31, 2018.*
2. *Includes general provision made towards standard assets, provision on fixed assets acquired under debt-asset swap and non-fund based facilities.*

The Group has assessed its obligations arising in the normal course of business, including pending litigations, proceedings pending with tax authorities and other contracts including derivative and long term contracts. In accordance with the provisions of Accounting Standard - 29 on 'Provisions, Contingent Liabilities and Contingent Assets', the Group recognises a provision for material foreseeable losses when it 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. In cases where the available information indicates that the loss on the contingency is reasonably possible or the amount of loss cannot be reasonably estimated, a disclosure to this effect is made as contingent liabilities in the financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial results. For insurance contracts booked in its life insurance subsidiary, reliance has been placed on the Appointed Actuary for actuarial valuation of 'liabilities for policies in force'. The Appointed Actuary has confirmed that the assumptions used in valuation of liabilities for policies in force are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI.

8. **Staff retirement benefits**

Pension

The following tables set forth, for the periods indicated, movement of the present value of the defined benefit obligation, fair value of plan assets and other details for pension benefits.

₹ in million

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Opening obligations	**15,391.1**	**16,686.9**
Service cost	**232.2**	275.0
Interest cost	**1,123.7**	1,113.1
Actuarial (gain)/loss	**1,803.8**	(1,162.8)
Liabilities extinguished on settlement	**(1,833.7)**	(1,399.0)

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₹ in million

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Benefits paid	**(176.8)**	(122.1)
Obligations at the end of year	**16,540.3**	15,391.1
Opening plan assets, at fair value	**16,303.7**	**16,888.1**
Expected return on plan assets	**1,381.1**	1,433.4
Actuarial gain/(loss)	**(125.9)**	(449.6)
Assets distributed on settlement	**(2,037.4)**	(1,554.5)
Contributions	**94.1**	108.4
Benefits paid	**(176.8)**	(122.1)
Closing plan assets, at fair value	**15,438.8**	**16,303.7**
Fair value of plan assets at the end of the year	**15,438.8**	16,303.7
Present value of the defined benefit obligations at the end of the year	**(16,540.3)**	(15,391.1)
Amount not recognised as an asset (limit in Para 59(b) of AS 15 on 'employee benefits')	**-**	(310.1)
Asset/(liability)	**(1,101.5)**	**602.5**
Cost[1]		
Service cost	**232.2**	275.0
Interest cost	**1,123.7**	1,113.1
Expected return on plan assets	**(1,381.1)**	(1,433.4)
Actuarial (gain)/loss	**1,929.7**	(713.2)
Curtailments & settlements (gain)/loss	**203.7**	155.5
Effect of the limit in para 59(b) of AS 15 on 'employee benefits'	**(310.1)**	241.8
Net cost	**1,798.1**	**(361.2)**
Actual return on plan assets	**1,255.2**	983.8
Expected employer's contribution next year	**1,000.0**	3,000.0
Investment details of plan assets		
Insurer managed funds	**1.00%**	0.88%
Government of India securities	**49.63%**	48.98%
Corporate bonds	**44.91%**	43.48%
Equity securities in listed companies	**3.55%**	6.00%
Others	**0.91%**	0.66%
Assumptions		
Discount rate	**7.05%**	7.45%
Salary escalation rate:		
On Basic pay	**1.50%**	1.50%
On Dearness relief	**7.00%**	7.00%
Estimated rate of return on plan assets	**8.00%**	8.00%

1. *Included in line item 'Payments to and provision for employees' of Schedule 16- Operating expenses.*

Estimated rate of return on plan assets is based on the expected average long-term rate of return on investments of the Fund during the estimated term of the obligations.

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Experience adjustment

₹ in million

Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015
Plan assets	**15,438.8**	16,303.7	16,888.1	13,191.6	10,103.4
Defined benefit obligations	**(16,540.3)**	(15,391.1)	(16,686.9)	(14,191.6)	(12,999.9)
Amount not recognised as an asset (limit in para 59(b) of AS 15 on 'employee benefits')	**-**	(310.1)	(68.4)	-	-
Surplus/(deficit)	**(1,101.5)**	602.5	132.8	(1,000.0)	(2,896.5)
Experience adjustment on plan assets	**(125.9)**	(449.6)	589.5	(4.1)	104.7
Experience adjustment on plan liabilities	**1,038.6**	290.1	(80.0)	1,503.4	1,271.2

Gratuity

The following table sets forth, for the periods indicated, movement of the present value of the defined benefit obligation, fair value of plan assets and other details for gratuity benefits of the Group.

₹ in million

Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018
Opening obligations	**11,846.6**	**11,172.6**
Add: Adjustment for exchange fluctuation on opening obligation	**3.0**	0.4
Adjusted opening obligations	**11,849.6**	**11,173.0**
Service cost	**1,248.2**	1,178.2
Interest cost	**919.1**	775.8
Actuarial (gain)/loss	**473.9**	(316.3)
Past service cost	**-**	16.1
Obligations transferred from/to other companies	**(7.4)**	33.4
Benefits paid	**(1,166.3)**	(1,013.6)
Obligations at the end of the year	**13,317.1**	**11,846.6**
Opening plan assets, at fair value	**10,972.1**	**10,443.4**
Expected return on plan assets	**873.5**	830.2
Actuarial gain/(loss)	**(62.0)**	(124.7)
Contributions	**1,502.5**	803.4
Assets transferred from/to other companies	**(7.4)**	33.4
Benefits paid	**(1,166.3)**	(1,013.6)
Closing plan assets, at fair value	**12,112.4**	**10,972.1**
Fair value of plan assets at the end of the year	**12,112.4**	10,972.1
Present value of the defined benefit obligations at the end of the year	**(13,317.1)**	(11,846.6)
Unrecognised past service cost	**0.0**	-
Amount not recognised as an asset (limit in para 59(b) of AS 15 on 'employee benefits')	**-**	-
Asset/(liability)	**(1,204.7)**	**(874.5)**
Cost for the year[1]		

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₹ in million

Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018
Service cost	**1,248.2**	1,178.2
Interest cost	**919.1**	775.8
Expected return on plan assets	**(873.5)**	(830.2)
Actuarial (gain)/loss	**535.9**	(191.6)
Past service cost	**-**	16.1
Losses/(gains) on "Acquisition/Divestiture"	**-**	-
Exchange fluctuation loss/(gain)	**3.0**	0.4
Effect of the limit in para 59(b) of AS 15 on 'employee benefits'	**-**	-
Net cost	**1,832.6**	**948.7**
Actual return on plan assets	**811.5**	705.5
Expected employer's contribution next year	**1,138.0**	1,838.0
Investment details of plan assets		
Insurer managed funds	**18.91%**	18.15%
Government of India securities	**24.24%**	22.50%
Corporate bonds	**35.28%**	39.86%
Special Deposit schemes	**2.40%**	2.66%
Equity	**10.45%**	12.85%
Others	**8.71%**	3.98%
Assumptions		
Discount rate	**6.90%-7.80%**	7.30%-7.85%
Salary escalation rate	**7.00%-10.00%**	7.00%-10.00%
Estimated rate of return on plan assets	**7.50%-8.00%**	7.50%-8.00%

1. *Included in line item 'Payments to and provision for employees' of Schedule 16- Operating expenses.*

Estimated rate of return on plan assets is based on the expected average long-term rate of return on investments of the Fund during the estimated term of the obligations.

Experience adjustment

₹ in million

Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015
Plan assets	**12,112.4**	10,972.1	10,443.4	8,361.6	7,862.7
Defined benefit obligations	**(13,317.1)**	(11,846.6)	(11,172.6)	(9,389.8)	(8,470.2)
Amount not recognised as an asset (limit in para 59(b) of AS 15 on 'employee benefits')	**-**	-	-	-	-
Surplus/(deficit)	**(1,204.7)**	(874.5)	(729.2)	(1,028.2)	(607.5)
Experience adjustment on plan assets	**(62.0)**	(124.7)	542.2	(398.1)	699.4
Experience adjustment on plan liabilities	**243.7**	261.8	269.8	171.4	70.6

The estimates of future salary increases, considered in actuarial valuation, take into consideration inflation, seniority, promotion and other relevant factors.

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Provident Fund (PF)

As there is no liability towards interest rate guarantee on exempt provident fund on the basis of actuarial valuation, the Group has not made any provision for the year ended March 31, 2019 (year ended March 31, 2018: Nil).

The following tables set forth, for the periods indicated, movement of the present value of the defined benefit obligation, fair value of plan assets and other details for provident fund of the Group.

₹ in million

Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018
Opening obligations	**29,587.9**	**26,198.8**
Service cost	**1,499.0**	1,380.7
Interest cost	**2,221.5**	1,757.2
Actuarial (gain)/loss	**447.4**	501.7
Employees contribution	**2,798.8**	2,619.1
Obligations transferred from/to other companies	**217.5**	354.5
Benefits paid	**(3,489.7)**	(3,224.1)
Obligations at end of the year	**33,282.4**	**29,587.9**
Opening plan assets	**29,587.9**	**26,198.8**
Expected return on plan assets	**2,656.0**	2,274.0
Actuarial gain / (loss)	**13.0**	(15.1)
Employer contributions	**1,499.0**	1,380.7
Employees contributions	**2,798.8**	2,619.1
Assets transfer from/to other companies	**217.4**	354.5
Benefits paid	**(3,489.7)**	(3,224.1)
Closing plan assets	**33,282.4**	**29,587.9**
Plan assets at the end of the year	**33,282.4**	29,587.9
Present value of the defined benefit obligations at the end of the year	**(33,282.4)**	(29,587.9)
Asset/(liability)	**-**	-
Cost for the year[1]		
Service cost	**1,499.0**	1,380.7
Interest cost	**2,221.5**	1,757.2
Expected return on plan assets	**(2,656.0)**	(2,274.0)
Actuarial (gain)/loss	**434.4**	516.8
Net cost	**1,498.9**	**1,380.7**
Actual return on plan assets	**2,669.0**	2,258.8
Expected employer's contribution next year	**1,605.8**	1,479.1
Investment details of plan assets		
Government of India securities	**48.63%**	47.65%
Corporate Bonds	**44.12%**	45.17%
Special deposit scheme	**1.63%**	1.84%
Others	**5.63%**	5.34%
Assumptions		
Discount rate	**6.95%-7.40%**	7.35%-7.60%
Expected rate of return on assets	**8.21%-8.75%**	8.18%-8.95%
Discount rate for the remaining term to maturity of investments	**7.30%-7.65%**	7.55%-8.05%
Average historic yield on the investment	**8.48%-8.91%**	8.28%-8.95%
Guaranteed rate of return	**8.65%-8.65%**	8.55%-8.65%

1. *Included in line item 'Payments to and provision for employees' of Schedule 16- Operating expenses*

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Experience adjustment

₹ in million

Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2016
Plan assets	**33,282.4**	29,587.9	26,198.8	23,209.5
Defined benefit obligations	**(33,282.4)**	(29,587.9)	(26,198.8)	(23,209.5)
Amount not recognised as an asset (limit in para 59(b)) AS 15 on'employee benefits')	**-**	-	-	-
Surplus/(deficit)	**-**	-	-	-
Experience djustment on plan assets	**13.0**	(15.1)	(8.3)	27.1
Experience adjustment on plan liabilities	**447.4**	501.6	310.5	252.5

The Group has contributed ₹ 2,842.6 million to provident fund including Government of India managed employees provident fund for the year ended March 31, 2019 (year ended March 31, 2018: ₹ 2,663.0 million), which includes compulsory contribution made towards employee pension scheme under Employees Provident Fund and Miscellaneous Provisions Act, 1952.

Superannuation Fund

The Group has contributed ₹ 240.2 million for the year ended March 31, 2019 (year ended March 31, 2018: ₹ 219.8 million) to Superannuation Fund for employees who had opted for the scheme.

National Pension Scheme (NPS)

The Group has contributed ₹ 132.6 million for the year ended March 31, 2019 (March 31, 2018: ₹ 114.0 million) to NPS for employees who had opted for the scheme.

Compensated absence

The following table sets forth, for the periods indicated, cost for compensated absence.

₹ in million

Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018
Cost[1]	**888.6**	799.9
Assumptions		
Discount rate	**6.90%-7.80%**	7.30%-7.85%
Salary escalation rate	**7.00%-10.00%**	7.00%-10.00%

1. *Included in line item 'Payments to and provision for employees' of schedule- 16 Operating expenses.*

9. Provision for income tax

The provision for income tax (including deferred tax) for the year ended March 31, 2019 amounted to ₹ 17,191.0 million (March 31, 2018: ₹ 18,789.2 million).

The Group has a comprehensive system of maintenance of information and documents required by transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961. The management is of the opinion that all transactions with international related parties and specified transactions with domestic related parties are primarily at arm's length so that the above legislation does not have material impact on the financial statements.

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10. Deferred tax

At March 31, 2019, the Group has recorded net deferred tax asset of ₹ 109,372.9 million (March 31, 2018: ₹ 78,183.0 million), which have been included in other assets.

The following table sets forth, for the periods indicated, the break-up of deferred tax assets and liabilities into major items.

₹ in million

Particulars	At March 31, 2019	At March 31, 2018
Deferred tax assets		
Provision for bad and doubtful debts	**134,571.6**	103,939.1
Foreign currency translation reserve[1]	**283.0**	861.2
Others	**14,529.5**	9,863.4
Total deferred tax assets	**149,384.1**	**114,663.7**
Deferred tax liabilities		
Special reserve deduction	**31,535.8**	29,671.7
Mark-to-market gains[1]	**543.4**	346.5
Depreciation on fixed assets	**4,905.5**	5,084.3
Interest on refund of taxes[1]	**2,632.6**	1,077.1
Others	**393.9**	301.1
Total deferred tax liabilities	**40,011.2**	**36,480.7**
Total net deferred tax assets/(liabilities)	**109,372.9**	**78,183.0**

1. These items are considered in accordance with the requirements of Income Computation and Disclosure Standards (ICDS).

11. Information about business and geographical segments

A. Business Segments

The business segments of the Group have been presented as follows:

i. **Retail banking** includes exposures of the Bank which satisfy the four criteria of orientation, product, granularity and low value of individual exposures for retail exposures laid down in Basel Committee on Banking Supervision document "International Convergence of Capital Measurement and Capital Standards: A Revised Framework". This segment also includes income from credit cards, debit cards, third party product distribution and the associated costs.

ii. **Wholesale banking** includes all advances to trusts, partnership firms, companies and statutory bodies, by the Bank which are not included under Retail banking.

iii. **Treasury** includes the entire investment and derivative portfolio of the Bank and ICICI Strategic Investments Fund.

iv. **Other banking** includes leasing operations and other items not attributable to any particular business segment of the Bank. Further, it includes the Bank's banking subsidiaries i.e. ICICI Bank UK PLC and ICICI Bank Canada.

v. **Life insurance** represents results of ICICI Prudential Life Insurance Company Limited.

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vi. **General insurance** represents results of ICICI Lombard General Insurance Company Limited.

vii. **Others** includes ICICI Home Finance Company Limited, ICICI Venture Funds Management Company Limited, ICICI International Limited, ICICI Securities Primary Dealership Limited, ICICI Securities Limited, ICICI Securities Holdings Inc., ICICI Securities Inc., ICICI Prudential Asset Management Company Limited, ICICI Prudential Trust Limited, ICICI Investment Management Company Limited, ICICI Trusteeship Services Limited and ICICI Prudential Pension Funds Management Company Limited.

Income, expenses, assets and liabilities are either specifically identified with individual segments or are allocated to segments on a systematic basis.

All liabilities of the Bank are transfer priced to a central treasury unit, which pools all funds and lends to the business units at appropriate rates based on the relevant maturity of assets being funded after adjusting for regulatory reserve requirements.

The transfer pricing mechanism of the Bank is periodically reviewed. The segment results are determined based on the transfer pricing mechanism prevailing for the respective reporting periods.

The results of reported segments for the year ended March 31, 2019 are not comparable with that of reported segments for the year ended March 31, 2018 to the extent new entities have been consolidated and entities that have been discontinued from consolidation.

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The following table sets forth, the business segment results for the year ended March 31, 2019.

₹ in million

Sr. No.	Particulars	Retail banking	Wholesale banking	Treasury	Other banking business	Life insurance	General insurance	Others	Inter-segment adjustments	Total
1	Revenue	591,723.3	341,685.0	541,021.8	37,425.1	366,987.7	111,526.8	60,995.7	(738,300.4)	1,313,065.0
2	**Segment results[1]**	82,231.2	(102,423.4)	53,401.0	5,916.3	11,624.0	15,984.2	20,142.7	(12,793.4)	74,082.6
3	Unallocated expenses									-
4	Operating profit (2) – (3)[1]									74,082.6
5	Income tax expenses (net)/ (net deferred tax credit)									17,191.0
6	**Net profit[2] (4) – (5)**									56,891.6
	Other information									
7	Segment assets	3,071,558.3	2,884,954.5	3,331,049.7	765,251.5	1,626,999.2	329,504.5	314,909.5	(147,533.9)	12,176,693.3
8	Unallocated assets[3]									211,245.6
9	**Total assets (7) + (8)**									12,387,938.9
10	Segment liabilities	4,889,760.0	1,874,784.2	2,801,718.4[4]	687,857.4[4]	1,629,321.7[4]	334,018.4[4]	318,012.7[4]	(147,533.9)[4]	12,387,938.9
11	Unallocated liabilities									-
12	**Total liabilities (10) + (11)**									12,387,938.9
13	Capital expenditure	5,436.5	1,966.4	-	251.3	1,245.1	1,159.3	970.3	-	11,028.9
14	Depreciation	5,559.0	2,111.0	0.4	193.8	567.2	608.3	435.1	(16.4)	9,458.4

1. *Profit before tax and minority interest.*
2. *Includes share of net profit of minority shareholders.*
3. *Includes tax paid in advance/tax deducted at source (net) and deferred tax assets (net).*
4. *Includes share capital and reserves and surplus.*

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The following table sets forth, the business segment results for the year ended March 31, 2018.

₹ in million

Sr. No.	Particulars	Retail banking	Wholesale banking	Treasury	Other banking business	Life insurance	General insurance	Others	Inter-segment adjustments	Total
1	Revenue	502,625.4	300,940.3	515,895.5	31,134.7	325,235.3	95,244.7	59,249.7	(640,634.6)	**1,189,691.0**
2	**Segment results[1]**	**71,414.2**	**(82,813.0)**	**77,451.4**	**5,705.4**	**17,191.3**	**11,962.3**	**21,040.8**	**(12,167.8)**	**109,784.6**
3	Unallocated expenses									**-**
4	Operating profit (2) – (3)[1]									**109,784.6**
5	Income tax expenses (net)/ (net deferred tax credit)									**18,789.2**
6	**Net profit[2] (4) – (5)**									**90,995.4**
	Other information									
7	Segment assets	2,586,385.4	2,657,712.2	3,304,242.1	680,805.1	1,415,129.1	294,632.6	313,824.1	(154,758.3)	**11,097,972.3**
8	Unallocated assets[3]									**144,838.1**
9	**Total assets (7) + (8)**									**11,242,810.4**
10	Segment liabilities	4,135,023.7	1,672,682.4	2,947,045.6[4]	611,878.3[4]	1,417,238.7[4]	297,406.3[4]	316,293.7[4]	(154,758.3)[4]	**11,242,810.4**
11	Unallocated liabilities									**-**
12	**Total liabilities (10) + (11)**									**11,242,810.4**
13	Capital expenditure	7,393.7	1,302.8	24.3	89.6	2,430.6	478.1	461.3	-	**12,180.4**
14	Depreciation	6,665.6	1,081.8	17.7	123.5	436.8	546.5	366.0	(16.5)	**9,221.4**

1. *Profit before tax and minority interest.*
2. *Includes share of net profit of minority shareholders.*
3. *Includes tax paid in advance/tax deducted at source (net) and deferred tax assets (net).*
4. *Includes share capital and reserves and surplus.*

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B. Geographical segments

The Group has reported its operations under the following geographical segments.

- **Domestic operations** comprise branches and subsidiaries/joint ventures in India.
- **Foreign operations** comprise branches and subsidiaries/joint ventures outside India and offshore banking units in India.

The Group conducts transactions with its customers on a global basis in accordance with their business requirements, which may span across various geographies.

The following tables set forth, for the periods indicated, the geographical segment results.

₹ in million

Revenue	Year ended March 31, 2019	Year ended March 31, 2018
Domestic operations	1,248,986.2	1,133,473.4
Foreign operations	64,078.8	56,217.6
Total	**1,313,065.0**	**1,189,691.0**

₹ in million

Assets	At March 31, 2019	At March 31, 2018
Domestic operations	10,719,652.3	9,632,242.3
Foreign operations	1,457,041.0	1,465,730.0
Total	**12,176,693.3**	**11,097,972.3**

Note: Segment assets do not include tax paid in advance/tax deducted at source (net) and deferred tax assets (net).

The following table sets forth, for the periods indicated, capital expenditure and depreciation thereon for the geographical segments.

₹ in million

	Capital expenditure incurred during the		Depreciation provided during the	
	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018
Domestic operations	10,704.5	11,954.1	9,273.8	9,072.2
Foreign operations	324.4	226.3	184.6	149.2
Total	**11,028.9**	**12,180.4**	**9,458.4**	**9,221.4**

12. Penalties/fines imposed by banking regulatory bodies

The penalty imposed by RBI and other banking regulatory bodies during the year ended March 31, 2019 was ₹ 10.0 million (year ended March 31, 2018: ₹ 627.2 million).

RBI through an order dated February 25, 2019, imposed a monetary penalty of ₹ 10.0 million on the Bank for delay in compliance with RBI's directives on "Time-bound implementation & strengthening of SWIFT related controls".

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13. Additional information to consolidated accounts

Additional information to consolidated accounts at March 31, 2019 (Pursuant to Schedule III of the Companies Act, 2013)

₹ in million

Name of the entity	Net assets[1]		Share in profit or loss	
	% of total net assets	Amount	% of total net profit	Amount
Parent				
ICICI Bank Limited	**94.9%**	**1,083,680.4**	**79.1%**	**33,633.0**
Subsidiaries				
Indian				
ICICI Securities Primary Dealership Limited	**0.9%**	**9,915.6**	**1.4%**	**606.5**
ICICI Securities Limited	**0.9%**	**10,212.2**	**11.5%**	**4,911.8**
ICICI Home Finance Company Limited	**1.4%**	**16,428.2**	**0.7%**	**279.9**
ICICI Trusteeship Services Limited	**0.0%[2]**	**7.0**	**0.0%[2]**	**0.4**
ICICI Investment Management Company Limited	**0.0%[2]**	**113.4**	**0.0%[2]**	**3.8**
ICICI Venture Funds Management Company Limited	**0.2%**	**2,315.3**	**1.6%**	**690.7**
ICICI Prudential Life Insurance Company Limited	**6.2%**	**70,474.5**	**26.8%**	**11,406.5**
ICICI Lombard General Insurance Company Limited	**5.0%**	**56,588.8**	**24.7%**	**10,492.6**
ICICI Prudential Trust Limited	**0.0%[2]**	**14.9**	**0.0%[2]**	**1.6**
ICICI Prudential Asset Management Company Limited	**1.0%**	**11,184.4**	**16.1%**	**6,866.7**
ICICI Prudential Pension Funds Management Company Limited	**0.0%[2]**	**346.1**	**(0.0%)[2]**	**(17.2)**
Foreign				
ICICI Bank UK PLC	**2.7%**	**31,419.3**	**(8.7%)**	**(3,696.6)**
ICICI Bank Canada	**2.6%**	**29,443.6**	**6.6%**	**2,792.3**
ICICI International Limited	**0.0%[2]**	**108.2**	**0.0%[2]**	**9.8**
ICICI Securities Holdings Inc.	**0.0%[2]**	**128.9**	**0.0%[2]**	**1.7**
ICICI Securities Inc.	**0.0%[2]**	**217.7**	**0.1%[2]**	**36.5**
Other consolidated entities				
Indian				
ICICI Strategic Investments Fund	**0.0%[2]**	**255.1**	**0.0%[2]**	**12.3**
Foreign				
NIL	**-**	**-**	**-**	**-**
Minority Interests in all subsidiaries	**(5.8%)**	**(65,805.4)**	**(33.7%)**	**(14,349.2)**
Associates				
Indian				
I-Process Services (India) Private Limited	**-**	**-**	**-**	**-**
NIIT Institute of Finance Banking and Insurance Training Limited	**-**	**-**	**0.0%[2]**	**4.7**
ICICI Merchant Services Private Limited	**-**	**-**	**0.0%[2]**	**1.1**
India Infradebt Limited	**-**	**-**	**1.8%**	**766.6**
India Advantage Fund III	**-**	**-**	**0.1%[2]**	**39.6**
India Advantage Fund IV	**-**	**-**	**0.0%[2]**	**1.6**
Arteria Technologies Private Limited	**-**	**-**	**0.0%**	**2.8**

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₹ in million

Name of the entity	**Net assets[1]**		**Share in profit or loss**	
	% of total net assets	**Amount**	**% of total net profit**	**Amount**
Foreign				
NIL	-	-	-	-
Joint Ventures				
NIL	-	-	-	-
Inter-company adjustments	**(10.0%)**	**(114,514.1)**	**(28.1%)**	**(11,957.1)**
Total net assets/net profit	**100.0%**	**1,142,534.1**	**100.0%**	**42,542.4**

1. Total assets minus total liabilities.
2. Insignificant.

Additional information to consolidated accounts at March 31, 2018 (Pursuant to Schedule III of the Companies Act, 2013)

₹ in million

Name of the entity	Net assets[1]		Share in profit or loss	
	% of total net assets	Amount	% of total net profit	Amount
Parent				
ICICI Bank Limited	95.1%	1,051,589.4	87.9%	67,774.2
Subsidiaries				
Indian				
ICICI Securities Primary Dealership Limited	0.9%	9,742.6	1.4%	1,116.3
ICICI Securities Limited	0.7%	8,250.9	7.2%	5,533.6
ICICI Home Finance Company Limited	1.5%	16,133.2	0.8%	642.5
ICICI Trusteeship Services Limited	0.0%[2]	6.5	0.0%[2]	0.6
ICICI Investment Management Company Limited	0.0%[2]	109.6	0.0%[2]	0.7
ICICI Venture Funds Management Company Limited	0.2%	2,179.8	0.1%	111.8
ICICI Prudential Life Insurance Company Limited	6.2%	68,852.6	21.0%	16,198.3
ICICI Lombard General Insurance Company Limited	4.8%	52,750.4	11.2%	8,617.8
ICICI Prudential Trust Limited	0.0%[2]	14.6	0.0%[2]	1.9
ICICI Prudential Asset Management Company Limited	0.7%	8,233.3	8.1%	6,255.5
ICICI Prudential Pension Funds Management Company Limited	0.0%[2]	263.3	(0.0%)[2]	(6.6)
Foreign				
ICICI Bank UK PLC	3.0%	33,027.6	(2.1%)	(1,646.7)
ICICI Bank Canada	2.5%	27,670.1	2.9%	2,222.6
ICICI International Limited	0.0%[2]	92.8	0.0%[2]	4.6
ICICI Securities Holdings Inc.	0.0%[2]	127.2	0.0%[2]	0.1
ICICI Securities Inc.	0.0%[2]	181.2	0.1%	43.6
Other consolidated entities				
Indian				
ICICI Strategic Investments Fund	0.0%[2]	231.3	0.0%[2]	13.3
Foreign				
NIL	-	-	-	-

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

₹ in million

Name of the entity	Net assets[1]		Share in profit or loss	
	% of total net assets	Amount	% of total net profit	Amount
Minority interests	**(5.4%)**	**(60,081.9)**	**(18.0%)**	**(13,873.6)**
Associates				
Indian				
I-Process Services (India) Private Limited	-	-	-	-
NIIT Institute of Finance Banking and Insurance Training Limited	-	-	0.0%[2]	2.9
ICICI Merchant Services Private Limited	-	-	-	-
India Infradebt Limited	-	-	0.6%	432.5
India Advantage Fund III	-	-	0.0%[2]	10.9
India Advantage Fund IV	-	-	0.0%[2]	(7.9)
Foreign				
NIL	-	-	-	-
Joint Ventures				
NIL	-	-	-	-
Inter-company adjustments	(10.2%)	(113,077.5)	(21.2%)	(16,327.0)
Total net assets/net profit	**100.0%**	**1,106,297.0**	**100.0%**	**77,121.9**

1. *Total assets minus total liabilities.*
2. *Insignificant*

14. Sale of equity shareholding in subsidiaries

During the year ended March 31, 2019, the Bank sold 2.00% of its shareholding in ICICI Prudential Life Insurance Limited and made a net gain of ₹ 10,059.3 million on this sale.

During the year ended March 31, 2018, the Bank sold approximately 7.00% of its shareholding in ICICI Lombard General Insurance Company Limited in the initial public offer (IPO) and made a net gain of ₹ 17,113.2 million on this sale. Further, the Bank sold approximately 20.78% of its shareholding in ICICI Securities Limited in the IPO and made a net gain of ₹ 32,081.6 million on this sale.

15. Divergence in asset classification and provisioning for NPAs

In terms of the RBI circular no. //DBR.BP.BC.No.32/21.04.018/2018-19 dated April 1, 2019, banks are required to disclose the divergences in asset classification and provisioning consequent to RBI's annual supervisory process in their notes to accounts to the financial statements, wherever either (a) the additional provisioning requirements assessed by RBI exceed 10% of the reported net profits before provisions and contingencies (15% of the published net profits after tax for the year ended March 31, 2017) or (b) the additional gross NPAs identified by RBI exceed 15% of the published incremental gross NPAs for the reference period, or both. Based on the condition mentioned in RBI circular, no disclosure on divergence in asset classification and provisioning for NPAs is required with respect to RBI's supervisory process for the year ended March 31, 2018 and for the year ended March 31, 2017.

16. Revaluation of fixed assets

The Bank and its housing finance subsidiary follow the revaluation model for their premises (land and buildings) other than improvements to leasehold property as per AS 10 – 'Property, Plant and Equipment'. The Bank had initially revalued its premises at March 31, 2016 and its housing finance subsidiary revalued its premises at March 31, 2017. In accordance with the policy, annual revaluation is carried out through external valuers, using methodologies such as direct comparison method and income generation method and the incremental amount has been taken to revaluation reserve. The revalued amount at March 31, 2019 was ₹ 57,631.2 million (March 31, 2018: ₹ 57,416.0 million) as compared to the historical cost less accumulated depreciation of ₹ 26,926.8 million (March 31, 2018: ₹ 27,144.0 million).

The revaluation reserve is not available for distribution of dividend.

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

17. Proposed dividend on equity and preference shares

The Board of Directors at its meeting held on May 6, 2019 has recommended a dividend of ₹ 1 per equity share for the year ended March 31, 2019 (year ended March 31, 2018: ₹ 1.50 per equity share). The declaration and payment of dividend is subject to requisite approvals.

18. Dividend distribution tax

Dividend received from Indian subsidiaries, on which dividend distribution tax has been paid by them and dividend received from overseas subsidiaries, on which tax has been paid under Section 115BBD of the Income Tax Act, 1961, have been reduced from dividend to be distributed by the Bank for the purpose of computation of dividend distribution tax as per section 115-O of the Income Tax Act, 1961.

19. Adoption of IFRS-9 by ICICI Bank Canada

ICICI Bank Canada has adopted International Financial Reporting Standards (IFRS) 9- Financial Instruments for preparation of its financial statements from January 1, 2018. Accordingly, for financial statements of ICICI Bank Canada included in the consolidated financial statements, IFRS 9 has been adopted from April 1, 2018. The impact of ₹ 263.0 million (CAD 5.1 million) on first time adoption of IFRS 9 has been adjusted and shown in Schedule 2-Reserves and Surplus under balance in profit and loss account in the financials for the year ended March 31, 2019.

20. Additional disclosure

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

21. Comparative figures

Figures of the previous year have been re-grouped to conform to the current year presentation.

Signatures to Schedules 1 to 18

As per our Report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
ICAI Firm Registration no.: 001076N/N500013

Khushroo B. Panthaky
Partner
Membership no.: 042423

Place: Mumbai
Date: May 6, 2019

For and on behalf of the Board of Directors

Girish Chandra Chaturvedi
Chairman
DIN-00110996

Uday M. Chitale
Director
DIN-00043268

Sandeep Bakhshi
Managing Director & CEO
DIN-00109206

Vishakha Mulye
Executive Director
DIN-00203578

Vijay Chandok
Executive Director
DIN-01545262

Anup Bagchi
Executive Director
DIN-00105962

Sandeep Batra
President

Rakesh Jha
Group Chief Financial Officer

Ranganath Athreya
Company Secretary

Ajay Mittal
Chief Accountant

STATEMENT PURSUANT TO SECTION 129 OF COMPANIES ACT, 2013

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURES

Part "A": Subsidiaries

₹ in million

Particulars	ICICI Securities Primary Dealership Limited[2]	ICICI Securities Limited[2]	ICICI Securities Holdings Inc.[1, 2]	ICICI Securities Inc.[1, 2]	ICICI Home Finance Company Limited[2]	ICICI Trusteeship Services Limited	ICICI Investment Management Company Limited	ICICIVenture Funds Management Company Limited	ICICI Prudential Life Insurance Company Limited	ICICI Lombard General Insurance Company Limited	ICICI International Limited[3]	ICICI Bank UK PLC[3]	ICICI Bank Canada[4,5]	ICICI Prudential Trust Limited	ICICI Prudential Asset Management Company Limited[2]	ICICI Prudential Pension Funds Management Company Limited[1]
The date since when subsidiary was acquired	September 15, 1993	March 9, 1995	June 12, 2000	June 13, 2000	November 1, 1999	September 1, 1999	March 9, 2000	March 25, 1998	October 1, 2000	July 1, 2001	February 27, 1998	August 19, 2003	October 13, 2003	August 26, 2005	August 26, 2005	April 22, 2009
Paid-up share capital[6]	1,563.4	1,610.7	728.2	571.7	10,987.5	0.5	100.0	10.0	14,357.8	4,543.1	62.2	29,051.7	24,057.2	1.0	176.5	390.0
Reserves & Surplus	8,426.6	8,733.4	(599.3)	(353.9)	5,840.7	6.5	13.4	2,305.3	56,109.5	52,045.7	46.0	2,367.6	5,797.2	13.9	11,605.3	(43.9)
Total assets	116,693.7	46,462.6	129.0	338.9	139,285.6	7.8	114.2	3,071.4	1,630,903.3	334,026.2	109.2	265,566.3	341,074.5	15.3	13,858.9	357.5
Total liabilities (excluding capital and reserves)	106,703.7	36,118.5	0.2	121.2	122,457.4	0.8	0.8	756.1	1,560,435.9	277,437.4	1.0	234,147.0	311,220.1	0.4	2,077.1	11.4
Investments (including investment in subsidiaries)[7]	103,062.6	2,714.3	94.5	Nil	989.7	3.6	78.1	1,353.0	1,590,085.4	222,308.2	#	62,662.7	26,088.4	13.3	10,190.0	303.5
Turnover (Gross income from operations)	11,160.7	17,042.0	Nil	200.6	11,580.4	0.5	Nil	551.7	309,297.7	147,892.1	30.9	9,635.3	10,897.4	5.2	20,029.5	2.7
Profit/(loss) before taxation	1,032.3	7,551.0	2.0	19.4	630.9	0.6	5.0	707.2	11,629.6	15,984.2	9.8	(4,125.8)	3,585.9	2.2	10,487.5	(17.2)
Provision for taxation	376.0	2,681.8	0.3	(17.1)	190.0	0.2	1.2	16.5	223.1	5,491.6	Nil	(469.7)	964.1	0.6	3,656.7	Nil
Profit/(loss) after taxation	656.3	4,869.2	1.7	36.5	440.9	0.4	3.8	690.7	11,406.5	10,492.6	9.8	(3,656.1)	2,621.8	1.6	6,830.8	(17.2)
Dividend (including corporate dividend tax)[8]	433.5	2,951.1	Nil	Nil	Nil	Nil	Nil	555.5	8,480.2	2,736.7	Nil	Nil	1,106.1	1.4	3,915.6	Nil
% of shareholding	100.00%	79.22%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	52.87%	55.87%	100.00%	100.00%	100.00%	50.80%	51.00%	100.00%

 # amount less than 0.1 million

Notes :

1. *ICICI Securities Holdings Inc. is a wholly owned subsidiary of ICICI Securities Limited. ICICI Securities Inc. is a wholly owned subsidiary of ICICI Securities Holdings Inc. ICICI Prudential Pension Funds Management Company Limited is a wholly owned subsidiary of ICICI Prudential Life Insurance Company Limited.*
2. *Number as per respective entity Ind AS financial statements pursuant to migration to Ind AS by these entities.*
3. *The financial information of ICICI Bank UK PLC and ICICI International Limited has been translated into Indian Rupees at the closing rate at March 31, 2019 of 1 USD = ₹ 69.1550.*
4. *The financial information of ICICI Bank Canada is for the period January 1, 2018 to December 31, 2018, being their financial year.*
5. *The financial information of ICICI Bank Canada has been translated into Indian Rupees at the closing rate at December 31, 2018 of 1 CAD = ₹ 51.2400.*
6. *Paid-up share capital does not include share application money.*
7. *Investments include securities held as stock in trade.*
8. *Represents dividend on equity shares paid during the year.*
9. *Names of subsidiaries which are yet to commence operations: None*
10. *Names of subsidiaries which have been liquidated or sold during the year: None*

STATEMENT PURSUANT TO SECTION 129 OF COMPANIES ACT, 2013

Part "B": Associate companies and joint ventures

₹ in million

	Name of associate companies/joint ventures	I-Process Services (India) Private Limited	NIIT Institute of Finance Banking and Insurance Training Limited	ICICI Merchant Services Private Limited	India Infradebt Limited	Arteria Technologies Private Limited	Falcon Tyres Limited
1	Latest audited balance sheet date	March 31, 2018	March 31, 2018	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2015
2	Date on which the Associate or Joint Venture was associated or acquired	October 4, 2005	August 7, 2006	December 31, 2009	November 27, 2012	May 29, 2018	December 4, 2014
3	**Shares of associate companies/joint ventures held by ICICI Group at March 31, 2019**						
	Number of equity shares	9,880	1,900,000	75,582,000	367,361,007	1,998	20,445,177
	Amount of investment in associate companies/joint ventures[2]	Nil	36.0	401.2	7,028.4	89.6	Nil
	Extent of holding (%)	19.00%	18.79%	19.01%	42.33%	19.98%	26.39%
4	Description of significant influence	Note 3	Note 3	Note 3	Note 4	Note 3	Note 4
5	Reason of non-consolidation of the associate/ joint venture	N.A.	N.A.	N.A.	N.A.	N.A.	Note 5
6	Networth attributable to shareholding as per latest audited balance sheet	(10.5)	24.6	558.7	6,996.8	16.6	N.A.
7	**Profit/(loss) for the year ended March 31, 2019**						
i	Considered in consolidation	Nil	4.7	1.1	766.6	2.8	N.A.
ii	Not considered in consolidation	46.6	20.1	642.8	1,132.3	11.3	N.A.

Notes :

1. *The above statement has been prepared based on the principles of Accounting Standard (AS) 23 - Accounting for Investments in Associates in Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India (ICAI), and therefore does not include the companies where ICICI Group does not have any significant influence as defined under AS 23, although the group holds more than 20.00% of total share capital in those companies.*
2. *Represents carrying value.*
3. *In terms of AS 23, issued by ICAI, ICICI Group is deemed to have significant influence through its voting power and representation on the Board of directors of the investee company.*
4. *In terms of AS 23, issued by ICAI, ICICI Group is deemed to have significant influence due to its holding being more than 20.00% of the voting power in the investee company.*
5. *The investment in Falcon Tyres Limited is temporary in nature.*
6. *Names of associates or joint ventures which are yet to commence operations: None*
7. *Names of associates or joint ventures which have been liquidated or sold during the year: None*

For and on behalf of the Board of Directors

Girish Chandra Chaturvedi
Chairman
DIN-00110996

Uday M. Chitale
Director
DIN-00043268

Sandeep Bakhshi
Managing Director & CEO
DIN-00109206

Vishakha Mulye
Executive Director
DIN-00203578

Vijay Chandok
Executive Director
DIN-01545262

Anup Bagchi
Executive Director
DIN-00105962

Sandeep Batra
President

Rakesh Jha
Group Chief Financial Officer

Ranganath Athreya
Company Secretary

Place: Mumbai
Date: May 6, 2019

Ajay Mittal
Chief Accountant