ICICI Bank

ANNUAL REPORT 2018-19

DIGITAL BANKING SOLUTIONS
CONVENIENT | FAST | SAFE

Our approach to reporting

About this report

In this Annual Report, ICICI Bank Limited has sought to adopt the principles of the International Integrated Reporting Framework as developed by the International Integrated Reporting Council (IIRC). Through this report, the Bank aims to provide its stakeholders a comprehensive view of the organisation's financial and non-financial resources and its strategy to create long-term value. The report provides insights into the Bank's primary activities, its strategic priorities, risks and mitigants, governance structure, and the manner in which it has leveraged the six capitals, namely Financial, Manufactured, Intellectual, Human, Social and Relationship, and Natural. Details on the various capitals are covered in the chapters: ICICI Bank's Business Model, Management's Discussion & Analysis, Strategic Focus Areas for Business, Human Capital, Social and Relationship Capital and Natural Capital.

Reporting boundary

The non-financial information in the integrated report largely covers data on the India operations of ICICI Bank Limited and ICICI Foundation for Inclusive Growth.

Reporting period

The Annual Report provides material information relating to the Bank's strategy and business model, operating context, performance and statutory disclosures covering the financial year April 1, 2018 to March 31, 2019.

Safe Harbour

Certain statements in this Annual Report relating to a future period of time (including inter alia concerning our future business plans or growth prospects) are forward-looking statements intended to qualify for the 'safe harbour' under applicable securities laws including the US Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. These risks and uncertainties include, but are not limited to statutory and regulatory changes, international economic and business conditions; political or economic instability in the jurisdictions where we have operations, increase in non-performing loans, unanticipated changes in interest rates, foreign exchange rates, equity prices or other rates or prices, our growth and expansion in business, the adequacy of our allowance for credit losses, the actual growth in demand for banking products and services, investment income, cash flow projections, our exposure to market risks, changes in India's sovereign rating, as well as other risks detailed in the reports filed by us with the United States Securities and Exchange Commission. Any forward-looking statements contained herein are based on assumptions that we believe to be reasonable as of the date of this release. ICICI Bank undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof. Additional risks that could affect our future operating results are more fully described in our filings with the United States Securities and Exchange Commission. These filings are available at www.sec.gov

Join us on the mission to reduce paper consumption and save trees. Register your email address with the Bank to receive all communication by clicking here.

Contents

INTEGRATED REPORT

ICICI Bank at a Glance	2
Key Business Areas	4
Financial Highlights	6
Message from the Chairman	8
Board of Directors	10
Message from the Wholetime Directors	11
ICICI Bank's Business Model	12
Strategic Focus Areas for Business	14
ICICI Bank's Risk Governance Framework	26
Key Risks Impacting the Bank's Business	27
Human Capital	32
Social and Relationship Capital	36
Natural Capital	42

STATUTORY REPORTS

Directors' Report	47
Independent Auditor's Certificate on Corporate Governance	117
Management's Discussion & Analysis	118
Key Financial Indicators: Last 10 Years	140

FINANCIAL STATEMENTS

Independent Auditors' Report – Financial Statements	142
Financial Statements of ICICI Bank Limited	152
Independent Auditors' Report – Consolidated Financial Statements	238
Consolidated Financial Statements of ICICI Bank Limited and its Subsidiaries	252
Statement Pursuant to Section 129 of Companies Act, 2013	307
Basel Pillar 3 Disclosures	309
Glossary of Terms	310

Digital Banking Solutions

Convenient | Fast | Safe

ICICI Bank has played a pioneering role in the digital transformation of the financial services industry in India. We continuously invest in innovative products and state-of-the-art platforms that leverage emerging technologies to make banking easier, safer, more personalised, more accessible and more intuitive for our customers and also enable us to become more agile and more efficient.

The customer is at the centre of all our initiatives and we believe in being 'Fair to Customer, Fair to Bank'.

At ICICI Bank, we believe that digitally-enabled banking solutions not only empower our customers to fulfil their ambitions but also create value for our stakeholders.

ICICI BANK AT A GLANCE

ICICI Bank is a large private sector bank in India offering a diversified portfolio of financial products and services to retail, SME and corporate customers. The Bank has an extensive network of branches and ATMs. It is at the forefront of offering state-of-the-art services through digital channels like mobile and internet banking and leveraging emerging technologies.

Vision

To be the trusted financial services provider of choice for our customers, thereby creating sustainable value for our stakeholders

Mission

To grow our risk-calibrated core operating profit by:

- Delivering products and services that create value for customers
- Bringing together all our capabilities to seamlessly meet customer needs
- Conducting our business within well-defined risk tolerance levels

₹ 12.39 trillion
Consolidated Total Assets

₹ 220.72 billion
Core Operating Profit*

16.89%
Total Capital Adequacy Ratio

44.6%
Average CASA ratio

3.42%
Net Interest Margin

46.9%
Retail Loans as a proportion of total loans (including non-fund based outstanding)

4,874
Branches

14,987
ATMs

Over 86%
Savings Account transactions done through digital channels*

** during fiscal 2019; others at March 31, 2019*

Bouquet of 'insta' products

In fiscal 2019, the Bank extended its range of first-of-its-kind 'insta' offerings, enabling retail and MSME customers to avail these products in a digital manner, without visiting a branch.

iPal resolved over 13 million queries

The Bank's AI-powered chatbot resolved over 13 million customer queries in fiscal 2019.

Best Company to Work for

Business Today magazine ranked the Bank as the 'Best Company to Work for' in the BFSI sector in fiscal 2019 for the third year in a row.

Skilled over 400,000 individuals

ICICI Foundation for Inclusive Growth imparted vocational training to over 400,000 less-privileged individuals since inception.

KEY BUSINESS AREAS

Providing financial solutions for every customer

RETAIL, SME AND RURAL BANKING

We offer deposit, credit and other financial products and services to individuals, households and small businesses across India, through our digital channels and extensive branch network spanning urban and rural areas. We also offer select products like deposits and remittances to non-resident Indians, and local market offerings in select international geographies.

WHOLESALE BANKING

We offer financial solutions to large and medium sized companies and their business and channel partners, and to financial and government/public sector entities. The product offerings include deposits, long-term finance, working capital, trade, cash management, transaction banking and treasury management. In addition to our network in India, we leverage our international presence to meet the cross-border requirements of our clients.

TREASURY

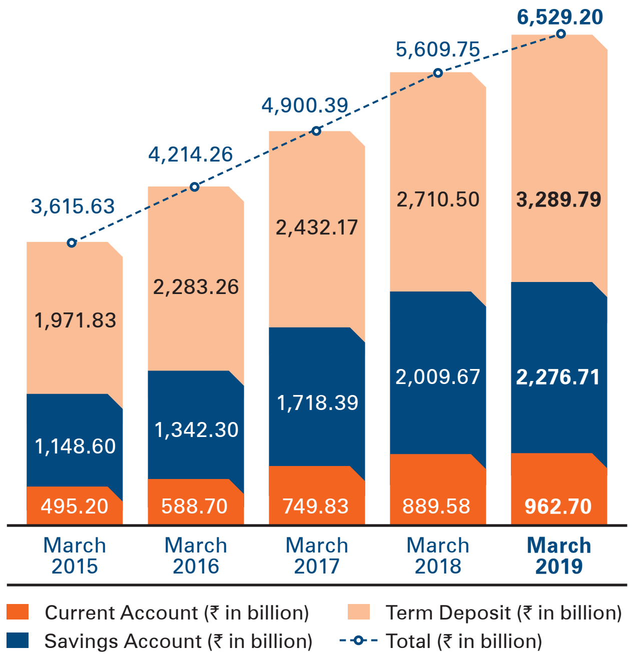
Our treasury operations comprise management of the Bank's liquidity, government securities portfolio and interest rate risk, proprietary trading, and foreign exchange and derivative solutions for clients.

KEY SUBSIDIARIES

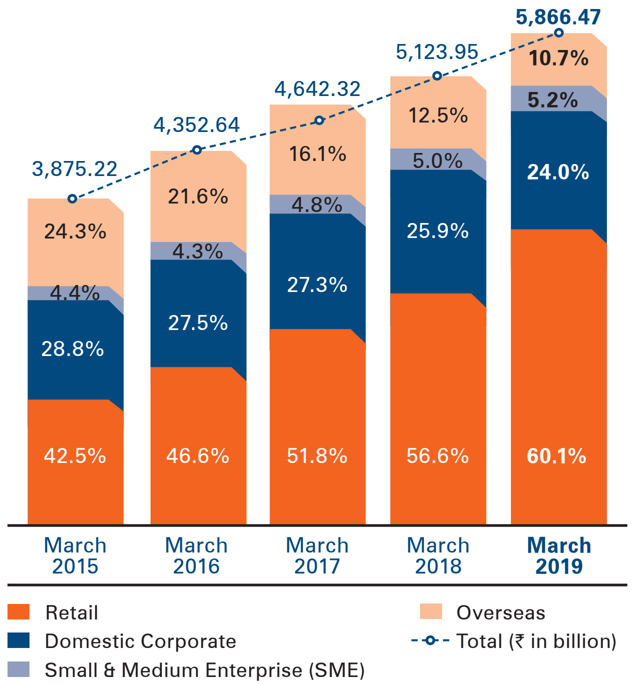
ICICI PRUDENTIAL LIFE INSURANCE	ICICI Lombard GENERAL INSURANCE	ICICI Securities
ICICI PRUDENTIAL ASSET MANAGEMENT	ICICI Home Finance	ICICI Securities Primary Dealership Limited
ICICI Venture	ICICI Bank United Kingdom	ICICI Bank Canada

FINANCIAL HIGHLIGHTS

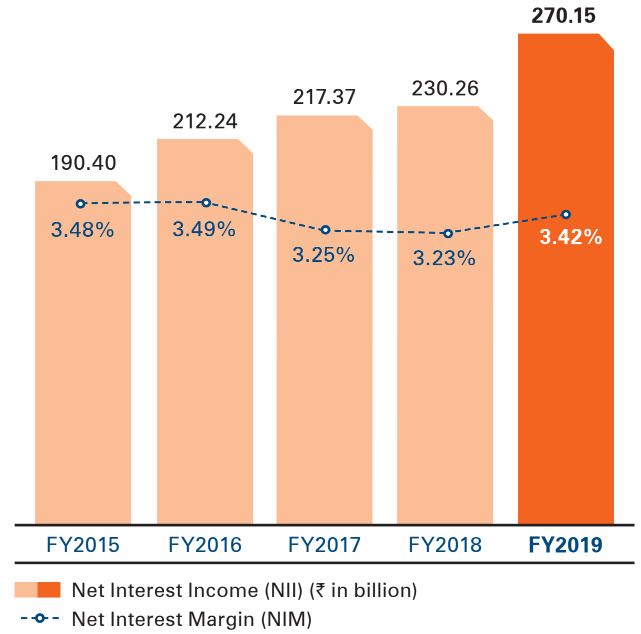
TOTAL DEPOSITS



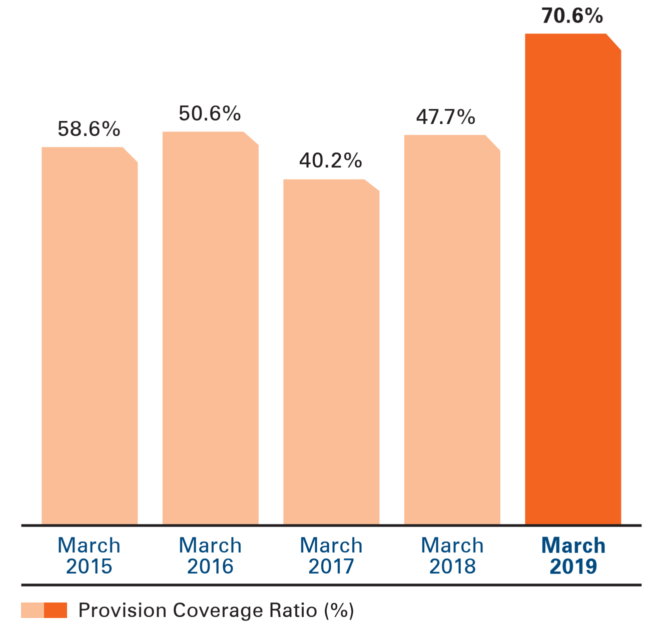
TOTAL ADVANCES



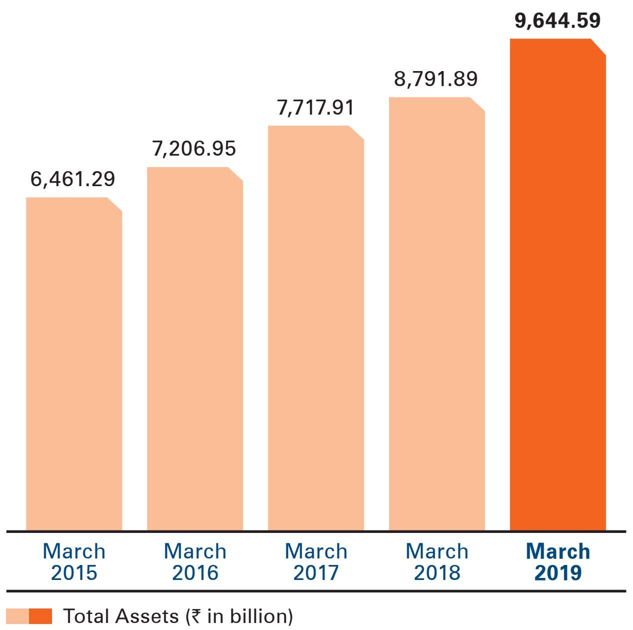
NII & NIM



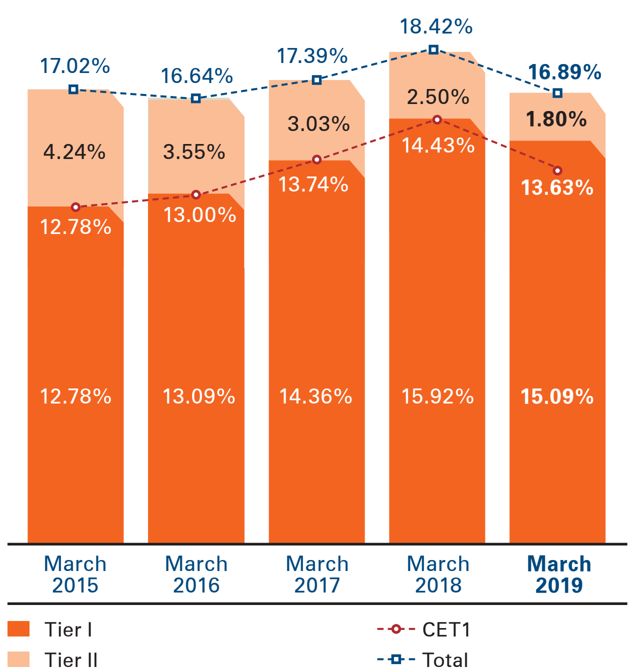
PROVISION COVERAGE RATIO



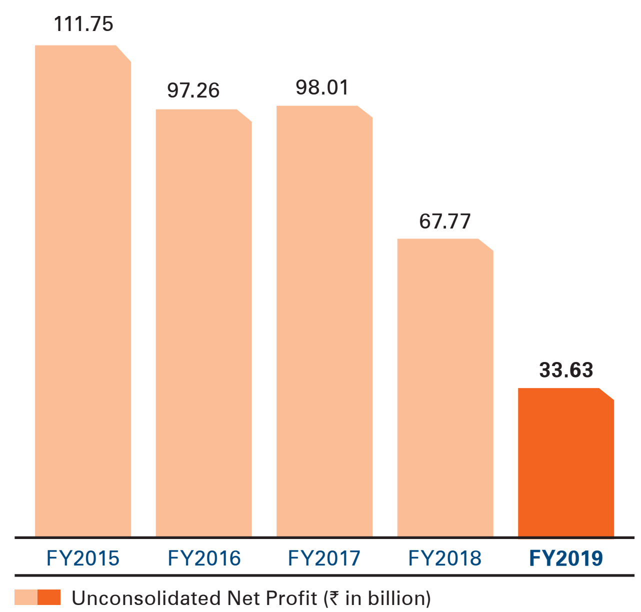
TOTAL ASSETS



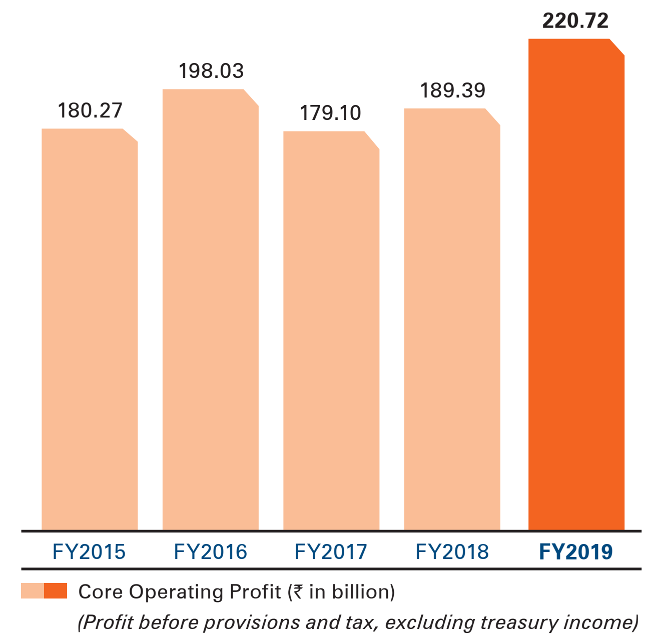
CAPITAL ADEQUACY



UNCONSOLIDATED NET PROFIT



CORE OPERATING PROFIT



MESSAGE FROM THE CHAIRMAN

The Bank has focussed on growing risk calibrated operating profit by leveraging its strong franchise, and building a more granular and higher rated portfolio.

It has been an eventful and rewarding year as Chairman of the Board of ICICI Bank. The year was marked by improved operating profitability and further strengthening of the balance sheet of the Bank, as well as expansion of the Board and new strategic initiatives by the executive management. The ICICI brand is one of India's oldest and strongest financial services brands and we continue to contribute to nation building, pioneer innovation, serve the growing financial needs of society and be a significant part of the financial services ecosystem.

We are optimistic about the inherent medium and long-term potential of the Indian economy. Key economic parameters have been stable with inflation at comfortable levels and interest rates moderating. The priority now would be to harness investment and consumption drivers to accelerate the pace of growth. As growth gains momentum, it will lead to many more opportunities for all sectors of the economy and in turn for financial services.

In the last few years, the banking system and the Bank have gone through a challenging period with an elongated credit cycle and accumulated stress in the system. Several factors including important policy initiatives such as the enactment and implementation of the Insolvency and Bankruptcy Code (IBC) are playing their part in addressing the past challenges. The changes are now visible and resolutions have gathered pace allowing banks to prepare for a new phase of growth. As the process evolves, operational inefficiencies will be resolved resulting in a more mature and better-equipped mechanism for resolution of stressed assets. During the year, liquidity challenges in the non-banking financial sector highlighted the importance of prudent risk management and judicious asset liability management. During this period, the banking system was largely unaffected by the tight liquidity conditions due to well-established practices and a stable liability profile. The banking system helped to mitigate the impact of the challenges in the non-banking finance companies and benefitted from increased lending opportunities.

Over the last year, the Bank has undertaken several initiatives to secure a sustainable and profitable future. Many of these initiatives are internal and aimed at making structural changes within the Bank. They will continue to strengthen the Bank's core and improve its profitability going forward.

The management team has worked hard to grow the business, substantially improve core operating profitability and address the stress of the past. Given the large opportunity offered by India's growth potential, the Bank has aimed to maximise market share by leveraging its strengths as a well-recognised brand and a strong and diversified liability franchise in driving growth in key customer segments. The Bank has focussed on growing risk calibrated operating profit by leveraging its strong franchise, and building a more granular and higher rated portfolio. The balance sheet of the Bank has been strengthened substantially in the past year and risk management practices are oriented towards building a more sustainable and profitable growth profile. With continued improvement in operating profitability and normalisation of credit costs, the Bank would seek to deliver better returns to shareholders.

Entities in the financial sector have transformed from standalone companies to diversified conglomerates and are now venturing into the domain of ecosystems where they are capable of fulfilling a broad spectrum of financial requirements of their customers across retail, corporate and other segments. This new perspective of business has initiated a behavioural change in entities to be on the lookout for new partnerships, customer segments and ways to better serve existing customers. The Bank has been a technology leader and has been able to leverage technology to introduce new and more convenient ways of accessing the Bank's services. We are confident that innovation is prospering both within and outside the banking system, and the Bank will build and leverage partnerships to multiply its efforts to provide a best-in-class experience through the life cycle of its services.

For this new phase of expansion, it becomes necessary to not just re-think the current way of doing business but also to establish strong governance practices. The Bank is committed to high standards of regulatory compliance and governance and views this as a key guiding force that strengthens its competitive advantage. The Bank has established norms for governance, and strictly deals with cases in accordance with these norms. In keeping with the focus on governance, the Board of Directors has been expanded and has been further diversified in the past year. Our new board members include several eminent persons with a wide range of experience in technology, corporate governance and regulatory bodies among others. I am sure the Board and management will immensely benefit from their expertise and support. With these changes the Bank is in a good position to be proactive in adapting to and addressing emerging opportunities and risks in the system.

Over the years, ICICI has established a number of non-banking financial services businesses that serve the spectrum of financial needs. The Bank's non-banking businesses are among the leaders in their market segments. We are the only financial conglomerate in India with four listed companies including the Bank. Each of these businesses is focussed on maximising its share of the financial services opportunity in a profitable manner, with a focus on prudent risk management and customer centricity.

I wish to thank all our stakeholders and my colleagues on the Board of Directors. Together we look forward to a bright future for this esteemed institution.

With best wishes,

Girish Chandra Chaturvedi
Chairman

BOARD OF DIRECTORS

Board Members

Girish Chandra Chaturvedi
Non-Executive (part-time) Chairman

Hari L. Mundra
Independent Director

Lalit Kumar Chandel
Government Nominee Director

S. Madhavan
Independent Director

Neelam Dhawan
Independent Director

Radhakrishnan Nair
Independent Director

Rama Bijapurkar
Independent Director

B. Sriram
Independent Director

Uday Chitale
Independent Director

Anup Bagchi
Executive Director

Sandeep Bakhshi
Managing Director & CEO

Sandeep Batra
*Executive Director (Designate)**

Vishakha Mulye
Executive Director

Chief Financial Officer
Rakesh Jha

Company Secretary
Ranganath Athreya

Board Committees

Audit Committee
Uday Chitale, *Chairman*
S. Madhavan
Radhakrishnan Nair

Board Governance, Remuneration & Nomination Committee
Neelam Dhawan, *Chairperson*
Girish Chandra Chaturvedi
Rama Bijapurkar
B. Sriram

Corporate Social Responsibility Committee
Radhakrishnan Nair, *Chairman*
Rama Bijapurkar
Uday Chitale
Anup Bagchi

Credit Committee
Sandeep Bakhshi, *Chairman*
Girish Chandra Chaturvedi
Hari L. Mundra
Vishakha Mulye

Customer Service Committee
Rama Bijapurkar, *Chairperson*
Hari L. Mundra
Anup Bagchi
Sandeep Bakhshi

Fraud Monitoring Committee
S. Madhavan, *Chairman*
Neelam Dhawan
Radhakrishnan Nair
Anup Bagchi
Sandeep Bakhshi

Information Technology Strategy Committee
B. Sriram, *Chairman*
Neelam Dhawan
Anup Bagchi
Sandeep Bakhshi

Risk Committee
B. Sriram, *Chairman*
S. Madhavan
Sandeep Batra*

Stakeholders Relationship Committee
Hari L. Mundra, *Chairman*
Uday Chitale
Anup Bagchi

** Will be inducted as a member with effect from the date of RBI approval of his appointment.*

MESSAGE FROM THE WHOLETIME DIRECTORS

Sandeep Bakhshi
Managing Director & CEO

Over the past year, we as a team have worked single-mindedly towards strengthening ICICI Bank's balance sheet and franchise, and increasing the Bank's share of profitable business opportunities. We believe these efforts are reflected in the core operating profit growth, the substantial increase in provisioning coverage and the reduction in net NPAs. As India continues its march to become a USD 5 trillion economy in the next few years, we will work towards maximising our share of the opportunity. Our objective is to grow our core operating profit and to reduce the credit costs to a normalised level, thereby delivering sustainable returns to our shareholders. 'Fair to Customer, Fair to Bank' is an essential element of our approach. We have made significant changes in our organisation to align ourselves to the opportunity and to ensure seamless and collaborative efforts across the Bank. We thank our stakeholders for the confidence reposed in us, and look forward to your continued support.

Anup Bagchi
Executive Director

The customer has always been at the core of ICICI Bank's retail strategy. In fiscal 2019, the Bank launched new initiatives in both loans and deposits segments to offer more convenience to customers. We added a few more digital lending products to our bouquet of instant loans by leveraging technology and data analytics. The list includes instant home loan approvals to pre-approved customers, instant top-up home loans to existing customers, instant approval for car and two-wheeler loans and instant digital credit called 'PayLater'. We have also launched an array of products to add more value to our customers' lives with new savings accounts, innovative fixed deposit plans, and credit cards in association with various partners.

Sandeep Batra
*Executive Director (Designate)**

The Bank's risk management policies of the last few years have resulted in improving incremental asset quality even as slippages from the older portfolio reduced. The Bank has improved the rating mix of the portfolio and reduced the concentration risk, along with expansion of net interest margin. We will continue to drive efficiencies by decongesting and automating our processes. We are focussed on growth in core operating profits and lower credit costs, within the guardrails of sound risk management and a commitment to regulatory compliance. We will continue to adhere to strong governance standards as we focus on sustainable growth and value creation.

Vishakha Mulye
Executive Director

In fiscal 2019, we continued with our risk calibrated growth strategy and strengthened our wholesale banking franchise with the objective of capitalising on market opportunities and growing our core operating profit. We continued to grow our credit portfolio with focus on granularity, transaction banking and improvement in the credit rating profile, with enhanced focus on pricing. We maintained our recovery and resolution efforts on the non-performing assets. We reorganised our business in line with market opportunities, put more effective cross-sell strategies in place for both retail and corporate products. We also increased the number of branches serving corporate clients and introduced innovative products and solutions such as digitised trade offerings for superior customer experience.

** Will be inducted as a member with effect from the date of RBI approval of his appointment.*

ICICI BANK'S BUSINESS MODEL

CAPITALS

Financial Capital

Maintain a strong balance sheet and enable business continuity, sustained growth and shareholder returns

For further details, please refer to the Management's Discussion and Analysis section on page 118

Human Capital

Our competent workforce with diverse skill-sets and valuable experience

For further details, please refer to the write-up on Human Capital on page 32

Intellectual Capital

Our ability to stay innovative and develop products and services that provide superior experiences to our customers

For further details, please refer to the write-up on Strategic Focus Areas for Business on page 14

Manufactured Capital

Our network of branches, ATMs and digital channels that act as touchpoints for our customers

For further details, please refer to the write-up on Strategic Focus Areas for Business on page 14

Social and Relationship Capital

Our commitment towards social empowerment and a financial ecosystem accessible to all

For further details, please refer to the write-up on Social and Relationship Capital on page 36

Natural Capital

Impact on natural resources either through our operations or through business focus

For further details, please refer to the write-up on Natural Capital on page 42

VALUE DRIVERS

Financial Capital
- Ensure a strong capital base
- Maintain robust funding profile
- Continue to strengthen portfolio quality
- Shareholder value creation

Human Capital
- Employee-centric culture based on the value proposition – *Saath Aapka (which means 'With You')*
- Continuous skill training and capability building
- Employee engagement

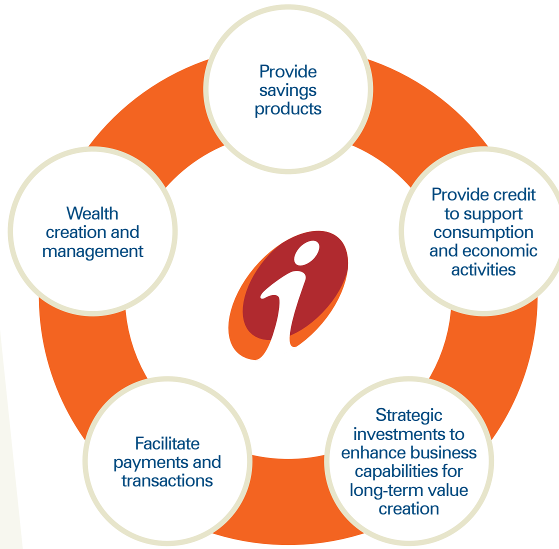
Intellectual Capital
- Early adoption of emerging technologies enabling innovation
- Augmenting existing digital products
- Entering into mutually beneficial partnerships
- Paperless and environment-friendly processes

Manufactured Capital
- A combination of physical and digital channels enabling seamless service delivery
- Strengthening digital capabilities for cost efficiency, process efficiency and enhancing customer experience
- Core and supporting IT systems that are responsive and scalable

Social and Relationship Capital
- Providing skill training through ICICI Foundation for Inclusive Growth
- Increasing penetration of financial services in rural and unbanked areas
- Empowering rural women entrepreneurs

Natural Capital
- Supporting environment-friendly projects, subject to appropriate risk-return assessment
- Efficient energy management in the Bank's operations
- Use of renewable energy
- Environment-friendly initiatives

CORE BUSINESS ACTIVITIES



STRATEGIC FOCUS AREAS FOR BUSINESS

- A customer-centric approach with a focus on value creation and deeper relationships
- Risk calibrated growth in core operating profits
- Being 'Fair to Customer, Fair to Bank'
- Continuous investments in technology, exploring innovative ideas and leveraging partnerships to maintain our leadership
- Maintain comfortable levels of capital at all times

For further details, please refer to the write-up on Strategic Focus Areas for Business on page 14

GROWTH DRIVERS

- Emerging opportunities in the Indian economy
- A strong franchise and brand
- Continuous enhancements to products and services
- Strong risk management and compliance culture

OUTPUTS

Net Interest Income
₹ 270.15 billion
during fiscal 2019

Fee Income of
₹ 119.89 billion
during fiscal 2019

Total loans and advances of
₹ 5.87 trillion
at March 31, 2019

Deposits of
₹ 6.53 trillion
at March 31, 2019

OPERATING WITHIN THE GUARDRAILS OF RISKS

Credit	Market	Liquidity
Operational	Information Technology	Cyber
Legal	Reputation	Compliance

OUTCOMES

Financial Capital
- Core operating profit grew by 16.5% in fiscal 2019
- Cost of funds among the lowest across private sector banks
- Net NPA ratio decreased from 4.77% at March 31, 2018 to 2.06% at March 31, 2019
- Provision coverage ratio of 70.6% at March 31, 2019 excluding prudential and technical write-offs
- Capital adequacy ratio of 16.89% at March 31, 2019
- Credit cost as a percentage of average advances to be in the range of 1.2% to 1.3% in fiscal 2020
- Target of 15.0% consolidated return on equity by June 2020

Human Capital
- Employee base of 86,763 at March 31, 2019
- 7.84 person-days of learning per employee in fiscal 2019
- Organisation architecture de-layered at the senior level to enhance collaboration across teams and greater speed-to-execution
- Empowered teams at local level to enable quick decision making

Intellectual Capital
- Industry first features like 'Money Coach' and 'Discover' introduced in the mobile banking app, iMobile, leading to increase in average time spent by customers on the app
- Partnerships with Amazon and MakeMyTrip for credit cards, leveraging high customer traffic platforms
- Increased end-to-end digital disbursement of credit through products like 'Insta Home Loan', 'Insta Auto Loan' and 'PayLater'
- Launched savings products for specific customer segments - 'Advantage Women Aura Savings Account' and 'The One'

Manufactured Capital
- Extensive network of branches and ATMs among private sector banks
- Over 86% of transactions in savings accounts were done through digital channels in fiscal 2019
- Mobile app, iMobile offers over 250 services and is rated 4.5/5.0 on the Google Play Store
- Improved customer convenience

Social and Relationship Capital
- ₹ 922.0 million spent under the Bank's corporate social responsibility initiatives in fiscal 2019
- Provided loans to 5.2 million women beneficiaries through 440,000 SHGs till March 31, 2019
- Over 400,000 individuals provided vocational training by ICICI Foundation till March 31, 2019; 54% of the trainees were women

Natural Capital
- Platinum rating to nine offices of the Bank by the Indian Green Building Council
- 7.2% of total energy consumed is generated from renewable energy sources
- Consistent reduction in electricity consumption
- Water consumption per day in large offices is 20% lower than BIS benchmark

STRATEGIC FOCUS AREAS FOR BUSINESS

ICICI Bank has focussed on being a future-ready organisation and has consistently evolved its capabilities to ensure agility and value creation in its businesses. This focus is integral to the Bank's strategy and underscores the several pioneering initiatives taken by the Bank

In fiscal 2019, the Bank continued to make progress on its strategic objectives even as the year saw significant challenges. The Bank's businesses focussed on growing the core operating profits in a risk calibrated and granular manner. The Bank implemented a number of initiatives to expand its customer base and deepen the penetration of products and services, thus further strengthening the franchise. The digital strategy was key to driving the Bank's reach and unlocking potential in its businesses. ICICI Bank completed 20 years of its digital banking journey in fiscal 2019, and aims to remain at the forefront in re-imagining banking through technology, digitisation and innovation.

Meeting customer needs

The objective of the Bank is to develop products and services that create value for customers. Technology and digitisation play an integral part in meeting this objective. The Bank focuses on providing high levels of functionality and investing in technologies to provide a secure, superior, seamless and uniform service experience to customers across all channels.

RETAIL BANKING

The retail business was a key driver of growth for the Bank in fiscal 2019. The retail loan portfolio grew by 21.7% year-on-year at March 31, 2019 to ₹ 3,528.31 billion. The retail loan portfolio as a proportion of the total loan portfolio increased from 56.6% at March 31, 2018 to 60.1% at March 31, 2019. Including non-fund based outstanding, the proportion of retail loans was 46.9% at March 31, 2019. Total savings deposits grew by 13.3% to ₹ 2,276.71 billion at March 31, 2019. The Bank continued to see strong growth in its retail term deposits and maintained a robust funding profile.

The Bank's strategy is focussed on leveraging its branch network, digital channels, partnerships and presence in various ecosystems to expand its customer base. The Bank seeks to offer a comprehensive suite of products and services to customers. These include savings, investment, credit and protection products based on customer needs, along with convenient payment and transaction banking services. Cross-selling appropriate products to existing customers based on analytics is a key element of the Bank's strategy. The Bank seeks to adopt a 'Fair to Customer, Fair to Bank' approach across its business.

Digital initiatives have played a key role in driving growth and efficiency in the retail business. These initiatives have improved the efficiency of branches. The Bank is now able to serve more customers at its existing branches and has enabled employees to perform more value-added activities. The Bank periodically reviews branches based on customer footfalls and economic activities to ensure optimal distribution of the branch network. The Bank added 431 insta-banking kiosks during fiscal 2019 taking the total count to 1,167 at March 31, 2019.

PHYSICAL CHANNELS AT MARCH 31, 2019

4,874 Branches

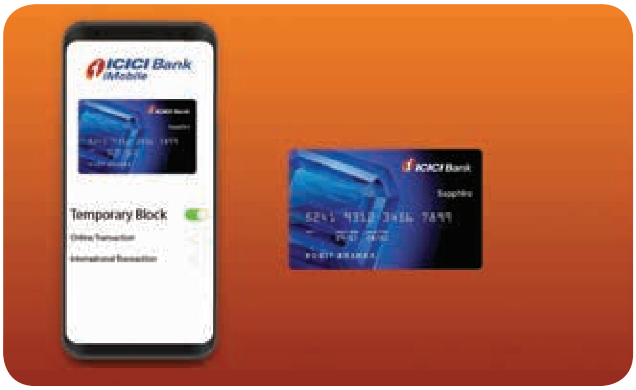
14,987 ATMs

1,167 Insta-banking kiosks

391,625 POS terminals*

1,451 Cash acceptance machines

** ICICI Merchant Services Pvt. Ltd.*



The Bank's mobile application, iMobile, is a key channel of service. It was revamped in fiscal 2019 to add an array of design-thinking led services along with intuitive widgets. These services include India's first software robotics algorithm-led investment advisory application on mobile, 'Money Coach', which manages the entire investment journey of a customer. The Bank has also introduced a first-of-its-kind paperless KYC and online registration process for mutual funds at a single click and seamless peer-to-peer fund transfer to registered payees using voice commands enabled by Apple's virtual voice assistant, 'Siri'. Another feature that was added is an intuitive interface called 'Discover' which enables customers to track personal spends and deliverables. Other features on iMobile include setting card limits, checking account balances, getting instant digital credit up to ₹ 20,000 and saving frequently made transactions as 'Favourites'. As a security feature, the app allows customers to manage their credit card limits and block/unblock cards as needed. iMobile now offers more than 250 services which are available across all mobile platforms.

The Bank recognises the need to be relevant in its product and service offerings to meet customer expectations. Data analytics, artificial intelligence and machine learning are providing significant opportunities for making this possible. ICICI Bank leverages these technological capabilities to design products that meet specific customer needs. One such need was accessible and affordable credit which the Bank is addressing through its instant lending options. Customers are offered the facility of availing personal loans, business loans, home loans including top-up and auto loans entirely on the digital platform. The Bank has digitised the process end-to-end enabling instant disbursement to pre-approved customers. The Bank implemented various initiatives to increase the contribution of digital channels in its offering of unsecured products.

With a focus on convenience and value creation, a number of products and services relevant to customers were launched during the year. FD Xtra is a bouquet of fixed/recurring deposit products offering additional benefits like monthly income, life insurance cover, systematic investments and credit card. The Bank's Seniors Club Savings Account was enhanced during the year with features like doorstep services and a special facility called Quantum Optima for earning higher returns. In another unique offering, the Bank launched the 'Advantage Woman Aura Savings Account', an account exclusively for working women in India and 'The One', a premium savings account for salaried and self-employed professionals in the age group of 35-50 years. These products offer a bouquet of benefits to meet the life-stage needs of the customers. Other convenience products include digital issuance and reload of travel cards and a digital e-gift card called 'Expressions'.

The Bank believes there are significant opportunities to grow the personal loans and credit card portfolio by mining the existing customer base for cross-sell and partnerships with technology companies. Partnerships with platforms with large customer bases and transaction volumes offer unique opportunities for growth and enhancing service delivery and customer experience. The Bank entered into partnerships with Amazon and MakeMyTrip for issuing co-branded credit cards during fiscal 2019.

RURAL AND INCLUSIVE BANKING

The Bank believes that a key driver of India's growth is the rural economy which has distinct financial needs. The Bank's rural banking operation caters to the complete financial requirements of customers in rural and semi-urban locations, primarily engaged in agriculture and agro-related value chain activities. The Bank's reach in rural areas is supported by a network of branches, on-field staff and business correspondents providing last-mile access in remote areas. Of the Bank's network of 4,874 branches, 50.1% were in rural and semi-urban areas with 556 branches in villages that were previously unbanked. The Bank had over 5,000 customer service points enabled through the business correspondent network at March 31, 2019.

The Bank has adopted a societal approach in meeting the financial needs of its rural customers and offers a bouquet of services and products covering the end-to-end requirements of rural customers.

STRATEGIC FOCUS AREAS FOR BUSINESS

The segments include farmers, rural salaried customers, commodity traders, seed and farm input dealers and processors. The key focus for the business is to build banking habits and to help in creating wealth for rural customers. Apart from direct lending to customers, the Bank also engages with Micro Finance Institutions (MFIs) as a crucial delivery channel for reaching out to the otherwise under-served population and for enabling financial inclusion. The Bank provides financial assistance in the form of term loans to MFIs. These funds are then further extended to individuals and members of Self Help Groups/Joint Liability Groups.

Digitisation underpins the Bank's efforts in rural banking in a big way and has helped in decongesting processes and empowering teams to increase efficiencies in the delivery of services to rural customers. A unique mobile application called 'Mera iMobile' was launched in fiscal 2017. It allows rural customers to avail more than 135 services including non-banking information and agri-related advisory on crop prices, news and weather. The app is available in 11 languages and is used by more than half a million customers. Till March 31, 2019, the app had processed a total of 24.1 million financial and non-financial transactions.

The Bank's efforts in the rural areas are also meeting the larger goals of women empowerment and development. Some key initiatives in this direction include the support given to Self Help Groups that promote entrepreneurship among women and development of solutions for dairy farmers.

For details on the Bank's initiatives in rural areas, refer to page 40

SMALL AND MEDIUM ENTERPRISES

Small and medium enterprises (SMEs) require a comprehensive relationship approach depending on various factors including size, supply chain linkages and leverage capability. The Bank has been providing tailored products and services for enabling wide-ranging support and has been partnering SMEs for their business growth.

During fiscal 2019, several digital products were launched for SMEs to meet their business and transaction banking requirements and add better operational efficiencies. The current account opening process has been digitised with a seamless account opening experience at the client's premises. Instant digitally processed overdraft facility of up to ₹ 1.5 million is available to the SMEs. Additionally, the Bank launched business loans based on Goods and Services Tax returns. The transaction banking experience has been digitised with enhancements in the digital trade platform 'Trade Online' and 'Corporate Internet Banking' enabling general banking transactions and export-import transactions online without visiting the branch. The mobile application, Eazypay, a digital POS for merchants, facilitates business of SMEs. Further, the Bank is focussing on harnessing available digital data and scaling-up digital lending to SMEs.

The Bank follows strong risk management practices in managing its SME portfolio to enhance the portfolio quality by reducing concentration risk and to focus on granular and collateralised-lending based growth. With a view to increasing the risk adjusted operating profit from the portfolio, reliance is also placed on harnessing opportunities across transaction banking, foreign exchange and personal banking solutions with the SMEs.

The Bank endeavours to support the ambitions of SMEs by providing innovative platforms and solutions, that go beyond banking and finance and nurture the SME ecosystem in the country. The 'Beyond Banking' platform is a strategic tool that focuses on a slew of initiatives and forums to give the SME community exposure to sectoral insights, global best practices, business expansion opportunities and media recognition. The digital platform 'SME Empower' is an online Business to Business (B2B) marketplace that enables SMEs to buy and sell products online. 'SME Toolkit' is an online knowledge resource centre for SMEs.

WHOLESALE BANKING

Meeting the needs of Indian corporates has been a long-standing business focus for the Bank. This is provided through solutions for credit-related needs like working capital and term loans, transaction banking solutions and market-related solutions like foreign exchange and derivatives.

Following the significant challenges faced by the Bank in its corporate portfolio, the Bank put in place specific measures with a focus on lending to higher-rated, well-established corporates, enhancing the quality of the existing corporate portfolio and reducing concentration risk. The Bank made significant progress towards these objectives. The Bank continues to focus on financing opportunities in the corporate sector based on appropriate risk assessment and pricing.

In fiscal 2019, the Wholesale Banking Team underwent a reorganisation with an objective to create flexibility and enable the Bank to capture all opportunities arising from existing customers' ecosystem. A better focus on the services sector has been enabled through a dedicated team. Further, a new Portfolio Management Group has been set up to assist in construction and management of the wholesale banking portfolio based on a desired matrix of risks and returns.

The Bank is focussing on meeting the transaction banking needs of corporate clients, including foreign exchange and derivatives, trade finance and payments, and collections. In fiscal 2019, the Bank actively engaged with a consortium of 10 banks for harnessing the Blockchain Distributed Ledger Technology platform in a bid to help digitise inland trade within the country. The Bank also made domestic letter of credit issuance and advising modules available to corporates for handling their inland trade requirements. Around 250 corporates have signed up on the blockchain platform for domestic and international trade finance. In fiscal 2019, the Bank launched a digital payment solution, 'e-DOCS', on its Trade Online platform. This application leverages information available on Export Data Processing and Monitoring System (EDPMS) portal and aids clients in managing their entire export banking life cycle digitally. In another digital initiative for corporate customers, in fiscal 2019, the Bank provided a digital financial supply chain platform with integrated payment solutions that helps in streamlining delivery systems across the entire value chain of corporates. Further to its initiatives in creating industry ecosystems, the Bank has partnered with Tea Board in implementing an online payment solution for buyers and helping other industry stakeholders including brokers, sellers and warehouses in managing their funds flow through automated settlement processes and customised Management Information System (MIS) reports.

INTERNATIONAL BUSINESS

ICICI Bank's international footprint consists of branches in the United States, Singapore, Bahrain, Hong Kong, Sri Lanka, Dubai International Finance Centre, South Africa, China, Offshore Banking Unit (OBU) and IFSC (International Financial Services Centre) Banking Unit (IBU) and representative offices in the United Arab Emirates, Bangladesh, Malaysia and Indonesia. The Bank also has wholly-owned subsidiaries in the United Kingdom and Canada with branches across both countries. ICICI Bank UK also has an offshore branch in Germany.

The Bank is repositioning its international franchise to focus on deposits and remittances from non-resident Indians. The Bank is also focussed on deepening its relationships with Indian corporates in international markets for maximising the India-linked trade, transaction banking and lending opportunities, as well as select risk-calibrated local opportunities.

The Bank has been playing a pioneering role in promoting digital initiatives in the international banking arena. The Bank has been continuously introducing and innovating products to enhance customer experience. In the remittances space, the Bank introduced various initiatives like loyalty programme for Money2India offered for customers in America, customer-get-customer based referral programme, 'Block-your-rate' functionality on Money2World and 'Request money' option whereby ICICI Bank beneficiaries can request remitters to send money via Money2India. The Bank also enabled blockchain-based processing for outward remittances from India to Canada, a first-of-its-kind in the industry. The Bank aims to replicate the same across other overseas locations.

STRATEGIC FOCUS AREAS FOR BUSINESS

GOVERNMENT BANKING

The Bank's customers include government institutions, both central and states and local bodies. The Bank aims to facilitate the efforts of these institutions by providing integrated collections and payment solutions, IT solutions, participating in pilot projects and strengthening their efforts in enhancing e-governance. This also results in deposit balances for the Bank.

For details on the Bank's role in supporting government initiatives, refer to the write-up on Social and Relationship Capital on page 41

Enhancing customer service

Customer service is an important pillar of banking and the Bank makes continuous efforts towards improving customer experience and operational efficiency. A rapidly changing economic and technological landscape has created new dimensions in customer expectations from banks. Speed and convenience are two key drivers in meeting these expectations. To keep up with evolving customer expectations, the Bank is increasing its focus on customer delight and advocacy. This is being measured through the Net Promoter Score, Transaction Experience and Customer Satisfaction metrics.

The Bank follows a 4D framework to map the entire customer journey across products, processes and channels.

THE 4D FRAMEWORK

4D

- Delivery with speed and accuracy
- Decongestion
- Digitisation
- Delivery with empathy

Some key initiatives taken during fiscal 2019 under the 4D framework include:

1. Auto verification of a significant portion of financial transactions at branches has been enabled and the cut-off time for clearance of cheques has been extended.
2. For services relating to Trade and Remittances, round-the-clock fulfillment of transactions have been enabled with a dedicated team to handle post cut-off transactions. Also, the Trade Online channel has been re-engineered to offer a best-in-class customer experience. Customers can now settle their inward remittance, request Exchange Earners Foreign Currency (EEFC) conversion

and submit the imports bill of entry through the online channel. Also, new trade processing hubs have been introduced in Delhi and Kolkata for servicing customised trade transactions. Express trade processing zones have been opened in commercial branches of Mumbai and Delhi to deliver across-the-counter trade finance solutions.

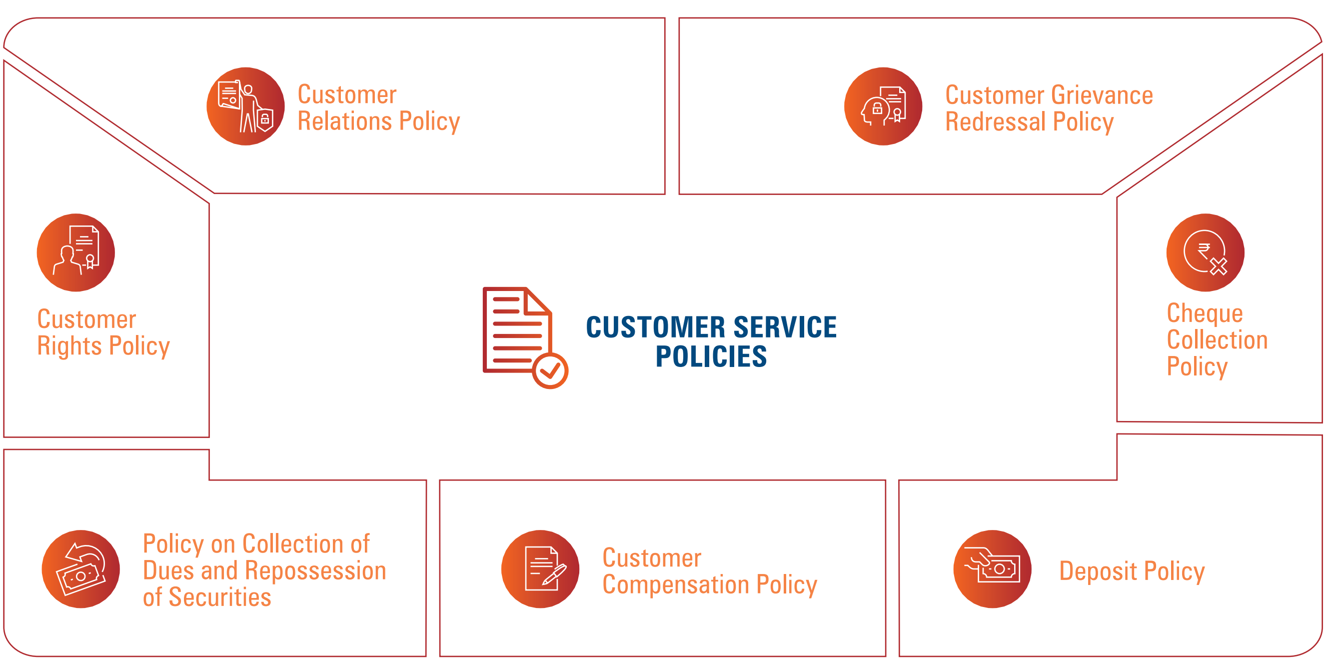
3. Introduction of cognitive cheque clearing technique, which extensively uses data analytics, to improve the time taken in the cheque clearing process and enhanced due diligence resulting in stronger process controls.
4. Customer and channel dashboards were developed for stage-wise status updates for mortgage loans, enabling customers to track their loan application on-the-go.
5. The fund transfer user journey for retail customers using internet banking was revamped leading to significant reduction in customer effort.
6. Branch processes were reviewed and redesigned, and critical services were enabled for self-service, thereby reducing customer effort.
7. During the year, the Bank took initiatives that underscored the ethos of 'Fair to Customer, Fair to Bank' by enabling right selling of products to customers and enhancing the customer's trust in the Bank.

CUSTOMER GRIEVANCE REDRESSAL MECHANISM

The Bank believes and treats its customers fairly and seeks to provide transparency in its product and service offerings. The Bank makes continuous efforts to educate its customers to enable them to make informed choices regarding banking products and services. The Bank also ensures that the products offered are based on an assessment of the customer's financial needs.

The Bank has a well-defined grievance redressal mechanism with clear turnaround time for providing resolution to customers. All complaints received by the Bank get recorded in a Customer Relationship Management (CRM) system and tracked for end-to-end resolution. The Bank also has an escalation matrix built in the CRM system to ensure that customer requirements are appropriately addressed within the stipulated timelines. Further, as recommended by RBI, the Bank has appointed a senior retired banker as the Internal Ombudsman of the Bank. The Customer Service Committee of the Board, the Standing Committee on Customer Service (Customer Service Council) and the Branch Level Customer Service Committees monitor customer service at different levels.

THE BANK HAS IN PLACE THE FOLLOWING POLICIES FOR CUSTOMERS



STRATEGIC FOCUS AREAS FOR BUSINESS

The number of customer complaints of the Bank (excluding cash discrepancy at non-ICICI Bank ATMs) reduced by 27.8% in fiscal 2019 as compared to fiscal 2018.

For details on customer complaints, refer to page 235

Technology at the core

The Information Technology (IT) Strategy adopted by the Bank is to provide an integrated, resilient and responsive technology environment that enables it to achieve its business goals of risk calibrated granular growth, cost-effectiveness and a superior customer experience in a secure and compliant manner. In line with this strategy, the Bank has adopted the theme of Run, Transform and Re-Imagine for its digital and technology initiatives to remain at the forefront of transformation in the Indian banking industry.

Run – Focus on running systems in a reliable and secure manner and at the same time making incremental changes to bring in process efficiencies.

Transform – Involve product and process innovation to become 'Digital to the Core' and adopt novel ways of business operations leveraging technology.

Re-Imagine – Delivering business services and servicing customer needs in a dramatically different way.

The Bank has a Board-level Information Technology Strategy Committee, which approves the strategy and policies for information technology and ensures that the IT strategy is aligned with the Bank's business strategy.

The Bank has a well-structured process for innovation which is overseen by the Innovation Steering Committee. Key stakeholders include business heads, product heads and representatives of the human resources function. The Committee meets regularly to provide strategic guidance and direction on new initiatives for effective implementation.

The Bank has a dedicated Business Intelligence and Analytics team that works across business areas

Growth in transaction value in fiscal 2019

30%
Credit cards

65%
Mobile banking

21%
Debit cards

Digital leadership

32%
of industry share making the Bank a leader in Immediate Payment Service (IMPS) transactions

Leader in the electronic toll collection market in terms of value and volume
First bank in India to issue more than one million RFID tags (FASTags)

Digital adoption

Over 86%
Savings Account transactions are done through digital channels

iPal resolved over 13 million queries
The Bank's AI-powered chatbot resolved over 13 million customer queries in fiscal 2019. iPal has a smart channelling feature where the customer is redirected to a live chat agent when the bot is unable to resolve the query.

on projects relating to business analytics, decision strategies, forecasting models, machine learning, rule engines and performance monitoring. The Bank maintains a comprehensive enterprise-wide data warehouse and employs best-in-class statistical and modelling tools for leading edge analytics.

In driving an innovation and start-up mindset, the Bank has set up a start-up investment and partnerships team to collaborate with and invest in fintech startups and co-develop products aligned with the ICICI Group's digital roadmap. The engagements with startups are focussed on digital lending, revenue growth, digital platforms and improving process efficiency. The Bank has set aside a corpus for investing in fintech startups. Till March 31, 2019, the Bank had made investments in five start-ups.

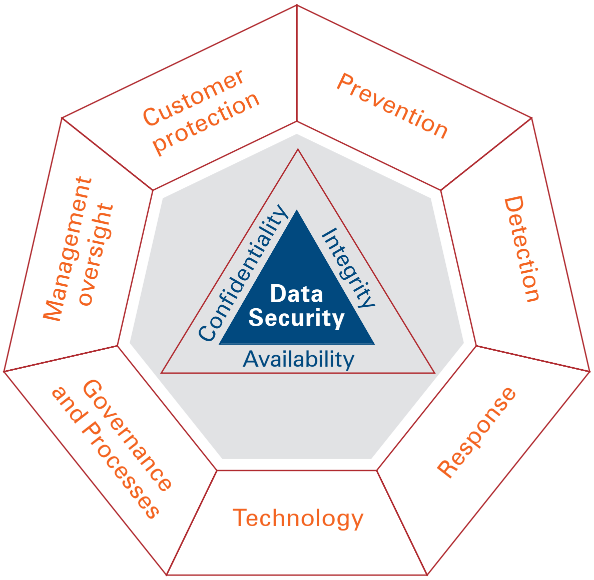
While the Bank is focussed on growing its own digital channels, it is also creating an ecosystem through partnerships which cover all broad segments of customer and merchant payments. The Bank is offering a host of APIs (Application Programming Interfaces) and SDKs (software developer kits) which facilitate third party apps to offer payment solutions for their retail customers.

The Bank has pioneered the adoption of software robotics, with more than 1,000 software robotic processes deployed that are handling 20% of the transactions, thus augmenting operational efficiency, higher accuracy and reduction in processing time for customer services.

CYBER SECURITY

Rapid digitisation of business, increasing transaction intensity and connectivity to networks and ecosystems have made cyber security increasingly important. The Bank needs to be prepared for cyber risk as we become more digital and maintain open and flexible platforms to encourage partnerships and innovation. At ICICI Bank, the triad of Confidentiality, Integrity and Availability (CIA) are at the heart of its comprehensive information security framework. With a 360-degree approach to cyber security, the Bank believes that this is a continuous journey in line with rapidly evolving digital technologies and developments in the external risk landscape. The approach covers all aspects of prevention, detection and response. The Bank also lays emphasis on customer elements like protection from phishing, adaptive authentication, awareness initiatives and protection and risk configuration ability in the hands of the customers. In fiscal 2019, a unique feature was introduced in the Bank's mobile application, iMobile, wherein a customer can view card-related parameters and modify them based on one's requirements. These parameters include changing the card limit, temporarily blocking the card or selectively blocking the card for ATM or internet transactions. The Bank also ran an intensive campaign across different channels of the media to create customer awareness on these features. The Bank views cyber threats as a very important risk and they form part of the enterprise risk management framework. The Board level IT Strategy Committee oversees the information and cyber security related threat landscape and the Bank's preparedness to address these from a prevention and response perspective. Clear policies have also been put in place with regard to cyber security and information security which are reviewed by the senior management on a periodic basis.

The Bank also conducts and participates in cyber security drills to continuously fine tune its response mechanisms. The Bank also runs multiple awareness and internal simulation exercises to ensure high levels of employee awareness on information security.



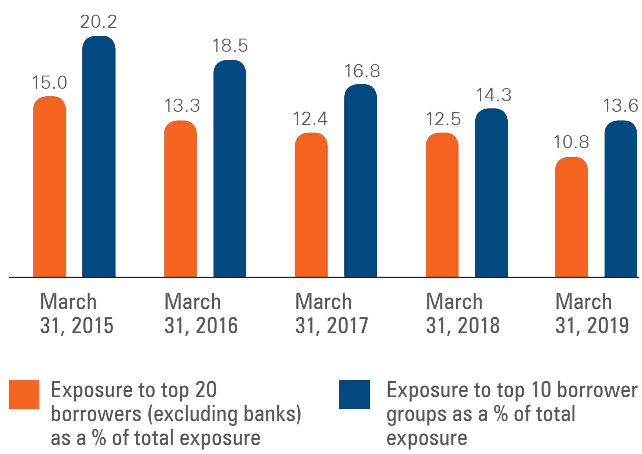
STRATEGIC FOCUS AREAS FOR BUSINESS

Risk calibrated growth

The Bank is committed to ensuring long-term risk calibrated growth based on its strategic objectives. The Bank's performance in fiscal 2019 was aligned to its focus on pursuing this strategy based on opportunities and its risk appetite. The Bank's core operating profits (i.e. operating profits excluding treasury income) grew by 16.5% in fiscal 2019, led by broad-based growth in domestic businesses. The growth was supported by strong risk management practices leading to further reduction in concentration and improvement in the rating composition of the portfolio. The Bank's rating mix of disbursements has changed significantly. Over 90% of the disbursements in fiscal 2019 in the domestic and international portfolio were to corporates rated A- and above.

CONCENTRATION RISK MANAGEMENT

(in %)



PORTFOLIO RATING MIX

RATING CATEGORY[1,2]	MARCH 31, 2017	MARCH 31, 2018	MARCH 31, 2019
AA- and above	37.2%	42.4%	45.1%
A+, A, A-	19.0%	20.1%	22.0%
A- and above	**56.2%**	**62.5%**	**67.1%**
BBB+, BBB, BBB-	28.7%	27.5%	28.2%
BB and below[3]	14.6%	9.4%	4.5%
Unrated	0.5%	0.6%	0.2%
Total	**100.0%**	**100.0%**	**100%**
Total net advances (₹ billion)	**4,642.32**	**5,123.95**	**5,866.47**

1. *Based on internal ratings*
2. *For retail loans, ratings have been undertaken at product level*
3. *Includes net non-performing loans*

For details on the Bank's financial performance and medium and long-term strategy, refer to the Management's Discussion and Analysis on page 118

Key product launches during fiscal 2019

Bouquet of Insta products

In fiscal 2019, ICICI Bank extended its range of instant products by introducing a slew of offerings across segments. They are:

Insta Home Loan

This facility enables lakhs of pre-approved salaried customers of the Bank to avail final sanction letter digitally and instantly for loans up to ₹ 10 million for a tenure of up to 30 years using the Bank's internet banking facility.

Insta Top Up on Home Loan

Through this first-of-its-kind initiative, the Bank helps its existing home loan customers to get instant top-up of up to ₹ 2 million for a tenure of up to 10 years.

Insta Auto Loan

The Bank provides its pre-approved customers with a facility to avail the final sanction letter of a car loan instantly and digitally upto ₹ 2 million for a tenure of up to seven years. This facility offers loan for 100% of the on-road price of the vehicle.

Insta Two-Wheeler Loan

The Bank offers a facility to millions of its pre-approved customers to avail instant sanctions of loans up to ₹ 0.2 million for a tenure of up to three years for buying a two wheeler. Like the Insta Auto Loan, this loan also covers 100% of the on-road price of the two-wheeler.

PayLater

This instant digital credit facility enables pre-approved customers to buy small ticket items immediately in a completely digital and paperless manner through their mobile phones. An invite-only facility, PayLater also allows eligible customers to avail instant credit up to ₹ 20,000.

Insta Top Up on Travel Cards

Through this facility, customers can reload foreign currency to 'ICICI Bank Travel Card' instantly. They can also reload the travel cards of their close relatives including their parents, children or spouse after linking them to his/her savings account.

Expressions Gift Card

This card allows customers of the Bank to create their own e-gift card and send it on WhatsApp, SMS or email to anyone including non-ICICI Bank customers in an instant and seamless manner. Customers can load any amount ranging from ₹ 500 - ₹ 9,500 onto their 'Expressions Gift Card' through iMobile, the Bank's mobile banking application, and internet banking.

STRATEGIC FOCUS AREAS FOR BUSINESS

Accounts: Savings and Current

Advantage Woman Aura Savings Account

This is the first ever account exclusively for working women in India that offers a host of benefits across categories like banking, lifestyle, convenience, investment & tax planning, child education and protection.

The One

This is a premium savings account for upwardly-mobile salaried and self-employed professionals. This account offers a slew of benefits for meeting the long-term financial needs of the customers and their families, namely asset creation, wealth management, life-protection and investment.

First-of-its-kind digital application to open Current Accounts

ICICI Bank launched a first-of-its-kind digital application facility on smartphones and tablets enabling bank officials to open current accounts of self-employed individuals and businesses in just a few hours.

Credit Cards

In fiscal 2019, ICICI Bank introduced a range of credit cards that offer best-in-the-industry rewards and benefits for customers. They are:

Emeralde Credit Card

This card for our premium customers has been curated with experiences and features across travel, wellness and lifestyle for senior professionals and self-employed entrepreneurs.

Amazon Pay ICICI Bank Credit Card

Launched in partnership with 'Amazon Pay', the online payment platform of the global e-commerce company Amazon, this is the first card in the country to enable Amazon Prime members to earn 5% reward points on shopping on www.amazon.in. Each reward point is equivalent to a rupee which customers can redeem on www.amazon.in from a catalogue of more than 160 million items available on the website or by paying merchants who accept Amazon Pay. The reward points are uncapped and do not expire.

Manchester United Credit Card

ICICI Bank entered into a multi-year partnership with Manchester United, the iconic English Premier League football club, to introduce a range of competitive co-branded credit cards. The Bank also launched co-branded debit cards in association with Manchester United.

MakeMyTrip ICICI Bank Credit Card

In partnership with MakeMyTrip, an online travel company, the Bank launched two co-branded credit cards that are tailor made to suit the aspirations of travel enthusiasts in the country. Through these cards, customers can accumulate unlimited reward points and redeem them across their travel bookings and various partner merchants on the travel portal.

Corporate and MSME

Trade Online Platform

ICICI Bank revamped its Trade Online platform by introducing an array of new digital services which enable large, medium and small sized corporates, as well as MSMEs, to undertake almost all their export-import transactions online. Additionally, 'Trade Online' is the first digital banking platform to offer quick and convenient credit of inward remittances within minutes.

Eazypay

ICICI Bank added an array of industry-first features to 'Eazypay', the country's first digital Point-of-Sale (PoS) application. The all new Eazypay offers a host of services with many industry-first features including instant and paperless application for card-swipe machine and bar code scanning for instant invoicing.

GST Business Loan

ICICI Bank launched 'GST Business Loan', a new working capital facility that enables MSMEs to get overdraft based on the turnover reported in their Goods and Services Tax (GST) returns. The facility is available to any MSME including non-customers of ICICI Bank for loans upto ₹ 10 million.

Digital Financial Supply Chain for corporates

Digital Financial Supply Chain (DFSC) platform is a real-time digital platform that extends functionalities of ERP across dealers and suppliers and provides integrated payments and channel financing to corporates.

International Banking

First Bank in India to go live on Swift gpi

ICICI Bank became the first bank in India to go live on SWIFT global payments innovation (SWIFT gpi) platform to facilitate faster cross-border payments by significantly improving transparency and efficiency for all category of remitters. The service enables real-time payments tracking across correspondent banks.

Better money transfer options for NRIs

ICICI Bank became the first Bank in the country to allow NRIs to remit money to India through social media, including WhatsApp and by email, through Money2India.

Online payment solution for Indian students studying in Australia

ICICI Bank partnered with 'Westpac Banking Corporation' (Westpac), one of the top banks in Australia, to offer Indian students a completely online payment solution through its 'Money2World' platform for outward remittances. With this, Indian residents, who are customers of any bank in India, can initiate an online remittance to make fee payments to an Australian university at a fixed exchange rate from the comfort of their homes anytime.

FD Xtra

The Bank launched FD Xtra, an innovative range of fixed and recurring deposits, specially designed to meet life-stage needs and goals of customers such as term-insurance, saving for down-payment of home and car, retirement planning, child education and fulfilling travel aspirations among others.

ICICI BANK'S RISK GOVERNANCE FRAMEWORK

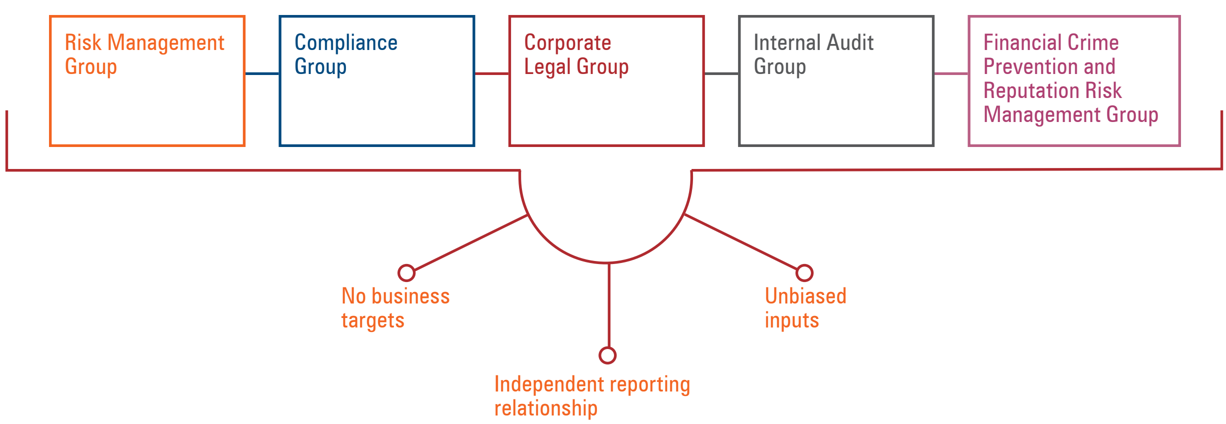
Risk is an integral part of the banking business and the Bank aims at achieving an appropriate trade-off between risk and returns

As a financial intermediary, the Bank is exposed to various risks, primarily credit risk, market risk, liquidity risk, operational risk, information technology risk, cyber risk, compliance risk, legal risk and reputation risk.

The Board of Directors of the Bank has oversight of all risks assumed by the Bank with specific Committees of the Board constituted to facilitate focussed risk management. There is adequate representation of independent directors on each of these Committees. The Board has framed specific mandates for each of these Committees. The proceedings and the decisions taken by these Committees are reported to the Board. The policies approved by the Board of Directors or Committees of the Board from time to time constitute the governing framework within which business activities are undertaken. The Bank has put in place an Enterprise Risk Management and Risk Appetite Framework that articulates the risk appetite and drills down the same into a limit framework for various risk categories. The trends in the portfolio and risks are reported to the Board Committees periodically.

INDEPENDENT GROUPS FOR MONITORING RISKS IN THE BANK

Several independent groups and sub-groups have been constituted to facilitate evaluation, monitoring and reporting of risks. These groups function independently of the business groups.



The Risk Management Group is further organised into the Credit Risk Management Group, Market Risk Management Group, Operational Risk Management Group and Information Security Group.

The Risk Management Group reports to the Risk Committee of the Board of Directors. The Compliance Group and the Internal Audit Group report to the Audit Committee of the Board of Directors. The Risk Management, Compliance and Internal Audit Groups have administrative reporting to the Executive Director, Corporate Centre.

KEY RISKS IMPACTING THE BANK'S BUSINESS

Macroeconomic uncertainties

RISKS

Developments in the Indian economy could have a material impact on growth and value creation in the Bank's business. The Bank's presence in international markets also exposes it to risks from global developments. Uncertainties exist due to India's high dependence on global crude oil and capital requirements, evolving policy environment and need for sustainable job creation.

MITIGANTS

The Bank closely monitors developments in the global and Indian economy. It has a dedicated team for monitoring and evaluating the impact of macroeconomic trends. The Bank has an established Country Risk Management Policy which addresses the identification, measurement, monitoring and reporting of country risk. The Bank's risk team continuously monitors all sectors as well as corporates within the sectors and country risks.

Credit

RISKS

The Bank's core business is lending which exposes it to various types of credit risks, especially failure in repayments and increase in non-performing loans. The Bank's loan portfolio includes retail loans, loans to rural and semi-urban customers, to small and medium enterprises and wholesale loans which are vulnerable to economic risks. Banks in India are subject to directed lending requirements that yield low returns. Further legal and regulatory changes and increasingly stringent requirements regarding non-performing loans and other weak borrowers and provisioning for such loans could also be a risk.

MITIGANTS

The credit related aspects in the Bank are primarily governed by the Credit and Recovery Policy approved by the Board of Directors. The Bank measures, monitors and manages credit risks at an individual borrower level and at the portfolio level. In the last few years, the Bank has strengthened its Enterprise Risk Management and Risk Appetite framework for managing concentration risk, including limits/thresholds with respect to single borrower and group exposure. Limits have been set up for borrower group based on turnover, track record and rating of borrowers. The Bank has pursued a strategy of building a granular and diversified portfolio and lending to better rated corporates. Introduction of Insolvency and Bankruptcy Code and Credit Bureaus act as a deterrent for borrowers to default.

KEY RISKS IMPACTING THE BANK'S BUSINESS

Market and liquidity

RISKS

Movement in interest rates, foreign exchange rates, credit spreads and equity prices could impact the Bank’s net interest margin, the value of the trading portfolio, income from treasury operations and the quality of the loan portfolio. Banks in India are subject to statutory liquidity ratio requirement, capital and liquidity requirements that structurally exposes them to interest rate risks and liquidity risks. Regulatory changes relating to interest rates or markets could create risks. Further, deposits are an important source of funding which are primarily short-term in nature and banks face the risk of asset-liability mismatches if deposits are not rolled over by depositors.

MITIGANTS

The Investment Policy, Asset Liability Management Policy and Derivatives Policy, approved by the Board of Directors, govern the treasury activities and the associated risks and contain the limits structure. The Asset Liability Management Committee which includes the MD & CEO, wholetime directors and senior executives periodically reviews the Bank’s business profile and its impact on asset liability management. Periodic monitoring is done by the Market Risk Management Group which recommends changes in policies, processes and methodologies. Building a strong liability franchise is a core strategic focus for the Bank.

Operational

RISKS

There is a risk of loss resulting from inadequate or failed internal processes, people or systems or from external events. This could include fraud or other misconduct by employees or outsiders, unauthorised transactions by employees and third parties, mis-reporting or non-reporting with respect to statutory, legal or regulatory reporting and disclosure obligations, operational errors including clerical and record keeping and system failures.

MITIGANTS

The Bank has put in place a system of internal controls, systems and procedures to monitor transactions, key back-up procedures and undertakes regular contingency planning. The governance and framework for managing operational risks is defined in the Operational Risk Management Policy.

Technology

RISKS

Rapid technological developments and the increasing dependence on technology, combined with the continuous digitisation in banking activities have exposed banks to a host of new risks like obsolescence of IT systems, IT resiliency and business continuity, technology vendor/third party risk, incorrect/inadequate data backups, inadequate change management practices, ineffective identity and access management leading to unauthorised access to IT systems, budget over-runs in IT projects, regulatory non-compliance and other relevant matters. Misalignment between business and IT strategies is also a formidable risk.

MITIGANTS

The Bank's Information Technology Strategy Committee ensures that information technology strategy is aligned with the business strategy. The Committee meets periodically to review ongoing IT projects and their schedules, major IT incidents, technology risk indicators and status of regulatory compliance. The Bank has established policies and control frameworks on change management, logical access management, IT outsourcing and Data Centre processes to ensure that the risks are identified and appropriate mitigating controls are put in place. In addition to this, independent assessments of IT processes are carried out by the Internal Audit Group periodically to provide assurance on the effectiveness and efficiency of IT systems and processes.

Cyber

RISKS

Increasing reliance on technology and digitisation increases the risks of cyber attacks including computer viruses, malicious or destructive code, phishing attacks, denial of service or information, ransomware, unauthorised data access, attacks on personal emails of employees, application vulnerability and other security breaches. This could negatively impact the confidentiality, integrity or availability of data pertaining to the Bank and its customers. Given the nature of the new digital economy, the Bank has business and operational relationships with third parties and these could also be sources of information security risk.

MITIGANTS

The Information Technology Strategy Committee oversees cyber security related threat landscape and the Bank's preparedness to address these from a prevention, detection and response perspective. The Chief Information Security Officer is responsible for tracking the risks. Confidentiality, Integrity, and Availability form part of a comprehensive information security framework that the Bank has put in place. The Bank also lays emphasis on customer elements and has invested in the areas of phishing protection, adaptive authentication, awareness initiatives and has also taken industry-leading initiatives in providing customers with an easy and immediate ability to configure their risks and limits.

KEY RISKS IMPACTING THE BANK'S BUSINESS

Compliance

RISKS

The environment for financial institutions is seeing unprecedented changes in laws, regulations and regulatory policies. This could increase the risks of compliance and regulatory action in the form of fines, restrictions or other sanctions for instances of regulatory failures. The failure to comply with applicable regulations by employees, representatives, agents, third-party service providers either in or outside the course of their services, may result in inquiries or investigations by regulatory and enforcement authorities either against the Bank, or such employees, its representatives, agents and third-party service providers.

MITIGANTS

The Bank has a dedicated compliance team that continuously monitors new developments and updates the senior management on their implications. All relevant groups in the Bank build capabilities on an ongoing basis to be able to respond to regulatory changes in a time-bound manner. The Bank also actively participates in forums and advisory groups for the development of policies in the financial sector. The Bank seeks to have a strong compliance culture driven by the leadership team. There are well-articulated policies with regard to code of conduct, whistleblower complaints, redressal mechanism for complaints and engagement with agents and third-party vendors.

Reputation

RISKS

Any negative publicity arising due to actual or alleged conduct including lending practices and credit exposures, the level of non-performing loans, corporate governance, regulatory compliance, sharing or inadequate protection of customer information and actions taken by the government, regulatory bodies and investigative agencies could impact the Bank's reputation. It can also impact the Bank's ability to attract or retain customers and expose it to litigation and regulatory action.

MITIGANTS

The Bank has a Reputation Risk Management Group which identifies, assesses and monitors the risk in accordance with defined policies and procedures. Further, the Bank has well-articulated policies on various aspects including business conduct, employee conduct, compliance, IT and other relevant identified areas that could potentially create reputation risks for the Bank.

Employee

RISKS

The ability to attract, motivate and retain talented professionals and the availability of skilled management is critical for successfully implementing the Bank's strategy and competing effectively. The loss of key senior executives or qualified young professionals and failure to replace them in a time-bound manner could impact the business.

MITIGANTS

The Bank has an employee centric value proposition of *Saath Aapka* (which means 'With You') that focuses on learning, meritocracy and care for its employees. The Bank has put in place robust programmes and policies that provide opportunities for employees to build leadership capabilities.

International

RISKS

The Bank has a presence in multiple overseas jurisdictions, through its branches and subsidiaries, which can expose it to a variety of regulatory, legal and business challenges and increase the complexity of risks. Enhanced regulations in these countries could lead to additional scrutiny. There could also be risks arising from political changes in these jurisdictions.

MITIGANTS

The Bank's strategy for international business is largely focussed on India-linked opportunities. There is a dedicated team overseeing the risks associated with its branches within the Bank's Risk Management Group. Further, specific teams have been set up at local jurisdictions to get a ground-level understanding of country specific regulatory and business requirements. The Compliance Group oversees regulatory compliance at the overseas branches and banking units.

HUMAN CAPITAL

Our competent workforce with diverse skill-sets and valuable experience

Creating a future ready workforce

ICICI Bank's people practices are designed to cater to the rapidly evolving business environment. Aligning organisation structure to emerging ecosystems, re-imagining processes, building capabilities and innovation are at the centre of the Bank's people strategy. Ensuring that every employee upholds the principles of being 'Fair to Customer, Fair to Bank' underpins the ethos of the Bank.

The current economic environment is characterised by abundant micro-market opportunities to serve the diverse needs of the customers. The Bank has reorganised itself to serve these opportunities. The Bank is moving away from defined organisation structure to an organisation network aligned to ecosystems. This will bring all capabilities of the Bank in unison, devoid of any functional boundaries which work together seamlessly. The Bank has transformed itself from grade-based structure to a role-based structure at the leadership level to augment nimbleness and agility. The Bank has also rationalised visible symbols of hierarchy such as work spaces, access to facilities and compensation related benefits. The frontline has been empowered to take decisions in the best interest of the customers.

The Bank's strategic focus of growing risk calibrated core operating profit and market share is bolstered by re-calibrating the performance architecture. The individual performance indicators are aligned to the organisation objective of serving the customer with the most relevant products and services.

The Bank has always believed in the philosophy of 'Building Talent' and has created industry-academia partnerships focussed on creating a future ready workforce.

INDUSTRY-ACADEMIA INITIATIVES PURSUED BY ICICI BANK

ICICI Bank's Innovation Lab in Mumbai

ICICI Bank launched a marquee campus engagement initiative, 'Beat the Curve', across premier management institutes to engage with the young minds and facilitate an exchange of ideas. The competition brought together the best minds of India to solve the challenges of rural India. The winners got the opportunity to participate in an International Fintech and Innovation workshop.

The Bank launched a programme, 'ICICI Bank Ascend', to attract young graduates across the country. The programme aims at moulding these young professionals to take on leadership responsibilities.

At ICICI Bank, learning is integral to work, and various enabling systems have been institutionalised to provide opportunities for capability building. These initiatives span across the employee life cycle, starting from the time they join the Bank, and at various stages during the career. The Bank follows a two-pronged approach wherein classroom training is augmented with digital delivery of training.

To develop capabilities in contemporary fields like data sciences, design thinking and artificial intelligence, various academies including functional academies, have been created.

CAPABILITY BUILDING ACADEMIES

- Branch Banking Academy
- Wealth Management Academy
- Mortgage Academy
- Self Employed Segment Academy
- Technology & Digital Group
- Rural & Inclusive Banking Academy
- Design Thinking
- Data Sciences
- Small & Medium Enterprise and AgriGroup Academy
- Commercial Banking Academy
- Corporate Banking Academy

Classroom and technology based learning

676,839
No. of person-days of learning

7.84
Average person-days

1,500
No. of certified internal trainers

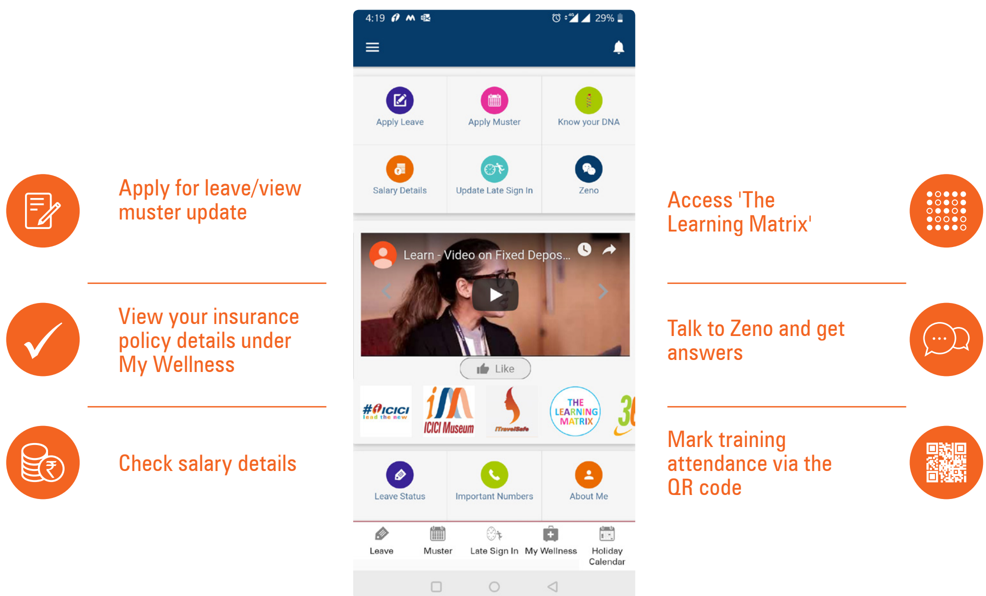
HUMAN CAPITAL

Comprehensive leadership development initiatives have been curated to groom leaders for the future. Leadership Development Programmes and Leadership Engagement Sessions are conducted on regular basis for all critical roles in the Bank. ICICI Bank also partners with thought-leaders across the globe to co-design and build leadership perspectives.

The Bank has a robust succession planning process which measures the depth of leadership bench at the Senior Leadership levels. The Bank has a deep bench for all key positions.

The Bank has leveraged technology and digitally enabled its people processes. Digitisation has enhanced employee experience by automating transactional processes. Universe on the Move (UOTM) is a mobile application designed to serve various needs of employees and has various business applications integrated. The app is also enriched with learning content to enable learning as well as Zeno, the chatbot, capable of answering dynamic employee queries.

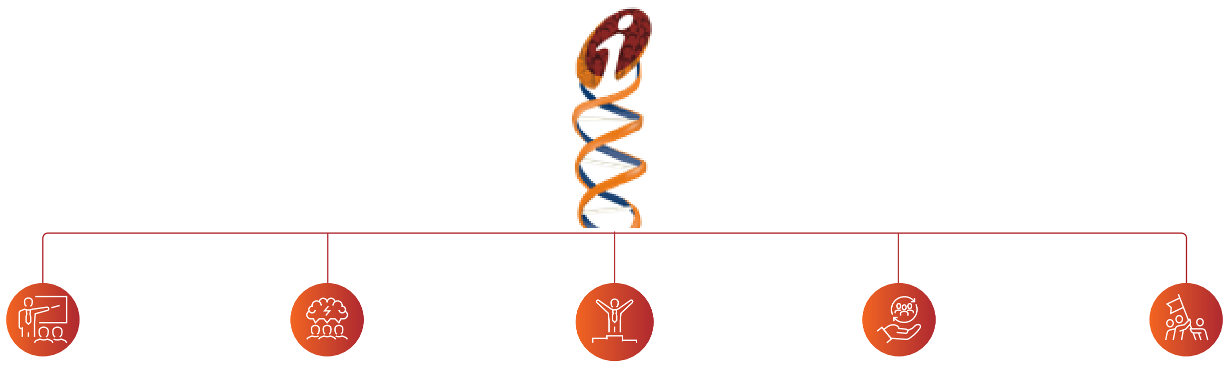
UNIVERSE-ON-THE-MOVE MOBILE APPLICATION



At ICICI Bank, we believe in creating a culture of free and open conversations. Forums of engagement have been created where the employees can connect with the senior leadership of the Bank. 'Engage your Leader' is a digitally facilitated interaction where employees can engage and interact with them. These sessions are conducted over i Studio, an in-house application which is a two-way communication platform capable of connecting all employees across different locations. Senior Leadership periodically share their business perspective in form of short videos through 'Huddle'. To establish a deep personal, connect with the employees, a dedicated team of Employee Relations (ER) managers are based at various locations throughout the country.

The Bank is committed to creating and nurturing a mutually beneficial and respectful relationship with its employees. This is governed by the value proposition of *Saath Aapka* (which means 'With You'), that is based on five key parameters. The *Saath Aapka* propositions are at the heart of every policy decision, and serve as an anchor for every employee initiative of the Bank.

THE *SAATH AAPKA* PROPOSITION



Growth & learning opportunities for enhancing personal capabilities and career advancement

Creating an enabling work culture that facilitates achievement of aspirational goals

Meritocracy by setting high performance standards and working in a non-discriminatory environment

Care for employees and standing by them in their hour of need

Creating a winning organisation that is conscious of its larger role in society and nation building

The Bank expects all its employees to act in accordance with the highest professional and ethical standards upholding the principles of integrity and compliance at all times. The Bank's Group Code of Business Conduct and Ethics lays down the values and principles and the standards of professional conduct and desired behaviour from its employees. The Bank expectations around compliance are communicated to its employees through multiple channels.

The Bank is an equal opportunity employer and seeks to ensure that the workplace is free of any kind of harassment or inappropriate behaviour. Comprehensive policies and procedures have been laid down to create an environment where there is respect and dignity in every engagement. Sexual harassment cases are handled as per the guidelines set under the Prevention of Sexual Harassment at Workplace (Prevention, Prohibition & Redressal) Act. This is imbibed in the Bank's culture by creating awareness through mandatory e-learning on the subject at the time of induction. The Bank has a mechanism for dealing with complaints of harassment or discrimination. The policy ensures that all such complaints are handled promptly and effectively with utmost sensitivity and confidentiality, and are resolved within defined timelines.

For other workplace issues, the Bank has a robust mechanism to resolve them. 'Call@I-Care' provides employees with a platform to raise any issues or concerns that they may have.

In the area of health, wellbeing and safety, the Bank has a comprehensive suite of benefits. '#BeFit' is an umbrella programme that offers multiple health related options for employees including wearable fitness devices at discounted rates and participation in activities such as Yoga and Zumba at work.

To support the life stage needs and safety of women employees, a range of benefits and policies is available to them. The Bank provides fertility leave to employees seeking to undergo treatment. It also provides child care leave of 36 days annually till the child is two years old. The Bank is also associated with various day care facilities across the country. 'iWork@home' is an initiative that enables women employees to work from home, if required. The Bank has a Travel Accompaniment Policy which allows women with young children to be accompanied by their child and a caregiver during official travel with the cost borne by the Bank. 'iTravelSafe', an app developed by the Bank, provides easy access to register an SOS distress signal.

To support employees during emergencies, the Bank has set up a Quick Response Team (QRT) to respond to calls of distress by employees. Each QRT is a GPS enabled vehicle and carries medical equipment and a team of trained professions to deal with medical and safety emergencies.

SOCIAL AND RELATIONSHIP CAPITAL

Our commitment towards social empowerment and a financial ecosystem accessible to all

Stakeholder relationships

ICICI Bank recognises the importance of effective engagement with its key stakeholders for a mutually beneficial relationship and value creation in the long run. These relationships are indispensable for fulfilling business objectives. The Bank aims to have a transparent and ethical relationship with all its stakeholders and engages with them through multiple mediums. These engagements have enabled the Bank to derive insights into the needs of stakeholders and develop appropriate responses.

ICICI BANK'S KEY STAKEHOLDERS

	Mode of engagement	Areas of importance	Bank's response
Customers	• Interaction with employees • Structured surveys for seeking feedback • Meets organised at branches • Communication through print, digital and social media • Multiple channels available for raising queries and grievances	• Convenience • Responsive, skilled and considerate staff • Availability of relevant products and services • Quick response to issues raised through grievance redressal mechanisms	• Being 'Fair to Customer, Fair to Bank' is a core element of the Bank's approach • Ensure right-selling of products • Dedicated customer service team focussed on improving process efficiencies and leveraging technology to improve response time to customers • Continuous upskilling and knowledge building of staff • Policy of zero tolerance to unethical conduct by employees
Shareholders/ Investors	• Annual General Meeting • Periodic meetings • Conference calls • Investor conferences	• Shareholder value creation • Medium and long-term strategy • Governance and ethical practices • Compliance • Transparency • Disclosure of non-financial metrics pertaining to sustainability	• Increased interaction with investors during the year • Non-financial disclosures included in the Annual Report by adopting the Integrated Reporting framework • Communicating on strategic objectives during the quarterly results call with investors and increased disclosures

Participants attending the 'Dress Designing for Women' course conducted by ICICI Foundation at Kharmpur village in Madhya Pradesh

	Mode of engagement	Areas of importance	Bank's response
Employees	• Continuous engagement • Periodic communication meetings anchored by senior leaders • Initiatives like 'Huddle', 'Engage your Leader' and field visits and e-visits, by managers and senior leaders • 'iCare', an online portal for employees to raise queries	• Enabling work culture with opportunities for growth and learning • Meritocracy • Employee alignment to common organisation goals • Responsive grievance handling process	• *Saath Aapka* (which means 'With You') value proposition for employees • Responsibilities given early on in career • Focussed leadership and career mobility programmes • Care for employees through leave policies and work from home options catering to their different needs including life-stage needs.
Regulators	• Periodic meetings with regulatory bodies • Participation in policy forums • Other forms of communication like emails, letters, etc. • Supervisory meeting	• Compliance with rules and regulations • Fair treatment of customers • Role in development of the financial system • Banks acting as first line of defence against financial crimes	• Compliance culture driven by senior leadership • A dedicated team for communicating with regulators and responding to them in a time-bound manner • Well-defined processes and leveraging technology to improve response to regulators
Society	• ICICI Foundation for Inclusive Growth (ICICI Foundation) • Corporate social responsibility projects of the Bank • Rural development initiatives • Supporting government initiatives	• Contributing to social development • Financial literacy and improving access to financial services especially in rural areas	• Skill training programmes and efforts at providing sustainable livelihood opportunities through ICICI Foundation • Industry-academia partnerships for developing skills for the banking sector • Awareness drives and disseminating information through products like 'Mera iMobile' for rural customers

Note: The listing of areas of importance are not as per the order of importance to the stakeholder

SOCIAL AND RELATIONSHIP CAPITAL

Social initiatives of ICICI Bank

The Bank has a rich legacy of partnering in India's socio-economic development. Its focus has been to create a positive impact on society by undertaking meaningful interventions to bring significant benefits to large sections of the society. This has been enabled through ICICI Foundation for Inclusive Growth (ICICI Foundation) that has focussed on addressing critical gaps in the availability of workforce possessing the right skills.

Promoting Inclusive Growth

Promoting inclusive growth has been an overarching focus of the Bank for many years. The Bank has made significant contributions especially in the areas of skill development training and rural development. The Bank strongly believes that skill training is an important factor towards securing India's economic growth. The skill development training efforts of ICICI Bank largely target less-privileged youth in rural and urban areas, helping them to gain employable skills and improve livelihoods, thus bringing them into mainstream economic activities. This initiative is being driven through ICICI Foundation.

ICICI FOUNDATION FOR INCLUSIVE GROWTH

ICICI Foundation was established in 2008 for further strengthening the efforts of ICICI Group towards meeting its corporate social responsibility. ICICI Foundation's efforts are managed by an in-house team with direct project implementation capabilities. The focus on enabling sustainable livelihoods through skill development training gained momentum with the setting up of the ICICI Academy for Skills in October 2013. Currently, ICICI Foundation works on various programmes on vocational skill development with the objective of developing the capabilities of individuals so that they can earn a sustainable livelihood for their families. Apart from skill development, these programmes support the trainees by facilitating job opportunities or providing market linkages.

ICICI ACADEMY FOR SKILLS

ICICI Foundation operates 26 skill development training centres under ICICI Academy for Skills in 19 states. These centres provide industry-relevant, job-oriented training on a pro bono basis in 12 technical disciplines and office skills. With a comprehensive approach which ensures employment opportunities for all successful trainees, these centres are equipped with state-of-the-art practical labs to support and enhance learning. The training also includes modules on financial literacy and life skills. ICICI Academy for Skills opened two new centres – one each in Dehradun and Gorakhpur – during fiscal 2019. A significant achievement of this programme is that 100% of the trainees who had opted for job placement had found suitable employment with various organisations.

RURAL SELF EMPLOYMENT TRAINING INSTITUTES (RSETIs)

ICICI Foundation manages two RSETIs at Udaipur and Jodhpur with 16 satellite centres in Rajasthan. These centres train on skills based on the local market requirements. This has significantly improved livelihood opportunities for the trainees through self-employment. The ICICI RSETIs have been recognised as the top performing RSETIs in India for six consecutive years by the Ministry of Rural Development and the National Centre for Excellence of RSETIs.

RURAL INITIATIVES

Apart from providing skill development for youth focussing on wage employment opportunities, there is a significant need to improve livelihood opportunities for rural population so that they can earn a sustainable

OFFICE-IN-CHARGE AT HYDERABAD

Shirdisha, a resident of Madasuvaripalem in Andhra Pradesh, was only 24 years old when her husband passed away. She was devastated. A homemaker from a less-privileged background, she had no skills or money to fend for her two young sons and herself.

When Shirdisha joined the 'Office Administration' course for free at ICICI Academy for Skills, Vijaywada, she was a shy and reticent person. She had never operated a computer in her life. Over the next three months, she became proficient at operating computers, polished her communication skills and transformed into a skilled professional.

Today, Shirdisha works as an Office-In-Charge at Hyderabad and draws a decent monthly salary. She is confident of giving her sons access to opportunities that she never had. Young women in her village look up to her as a role model.

livelihood in their ecosystem and do not need to migrate to cities. The rural initiative was specifically designed for improving the local village economy. Till March 31, 2019, ICICI Foundation had provided skill training to local residents in over 1,200 villages.

The Rural Initiatives of ICICI Foundation involve providing short-duration skill training in locally relevant trades and facilitating market linkages so that the trainees are able to sell their produce on a sustainable basis. The aim is to make efforts in these villages that can lead to a meaningful increase in the livelihood of the villagers. An initial study of the local economy is made in order to understand the economic strengths and critical gaps that are impacting the productivity in the village. ICICI Foundation then designs critical interventions with a focus on improving the productivity and marketability of the produce in the villages. This is done by providing practical training on best practices in the local trade to the villagers. As the trainees get organised and there is a marketable quantity of a product available locally, ICICI Foundation then facilitates market linkages for the trainees. Through these efforts, it is seen that better sharing of market information and direct access to market has resulted in better price realisation for the villagers. It has also promoted local entrepreneurship among women.

The cumulative number of people trained through these three initiatives crossed 400,000 by March 31, 2019.

Other activities of ICICI Foundation include organising blood donation camps and '*Daan Utsav*' which provides a platform to employees and customers to donate towards charitable causes. ICICI Foundation also undertakes other community initiatives like organising awareness drives on hygiene and energy conservation. During fiscal 2019, ICICI Foundation planted over 35,000 native trees across the country with community ownership.

ICICI Foundation was awarded the first prize at the Green Kaizen Competition conducted by the Confederation of Indian Industry – Zonal Council Pune for innovative and frugal inventions by the trainees of ICICI Academy for Skills. ICICI Foundation was also awarded the CSR Leadership Award at the Corporate Social Responsibility Summit and Awards 2018 for innovative implementation of CSR project at Girwar village in Rajasthan. Other awards won by the ICICI Foundation include:

- Winner of Innovative Best Practices Award: Gender Equality Summit 2019
- Silver Award at the Quality Council of India-DL Shah Quality Award 2018

DAIRY FARMER IN LUDHIANA

Dilbagh Singh and his family are residents of a small village Kular in Ludhiana district. His only source of income were two cows. With a meagre income of ₹ 150 per day, Dilbagh was struggling to support his family of four.

A depressed Dilbagh enrolled in the free 'Dairy Farming and Vermicomposting' course run by ICICI Foundation. He has not looked back since then. Today, Dilbagh runs a sprawling dairy farm with over 25 milch animals. His earnings have grown by leaps and bounds and his farm stands out as a model in Kular. Dilbagh has lofty ambitions for the future.

- Winner at Indian Chamber of Commerce Social Impact Awards
- Business Excellence and Innovative Best Practices Academia Award – 2019 by the New Delhi Institute of Management
- Winner of Gold Category in Foundation Sector by GreenTech Foundation

Total number of individuals trained till date

400,000

% of women trainees

54

No. of villages covered

1,200

No. of states covered

29

Individuals trained in fiscal 2019

135,000

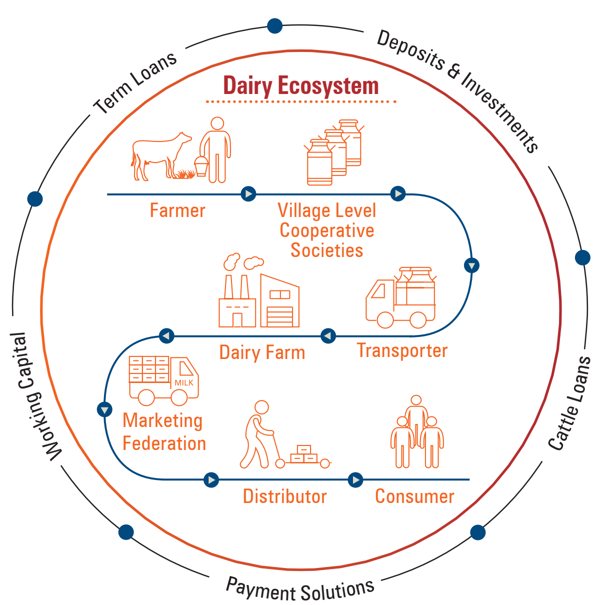
SOCIAL AND RELATIONSHIP CAPITAL

Rural development

Supporting the rural economy has been a critical focus of the Bank to create significant dividends for the Indian economy. With a large population engaged in agricultural activities in the rural areas, the Bank has been providing financial solutions for the rural customers. In addition, there are specific initiatives that are addressing key segments of the population. The Self Help Group (SHG) programme is one such initiative through which the Bank provides a comprehensive suite of banking products, including zero-balance savings account and term loans for meeting business requirements of the women of these SHGs. This has promoted entrepreneurship among women. The Bank offers services at their doorstep, thus saving their time and money on visits to the branch. ICICI Bank is also organising financial literacy camps and has set up dedicated service desks at select branches to guide SHGs on banking procedures. There has been a gradual rise in entrepreneurial ventures by women in the areas where the Bank has been providing services to SHGs.

Till March 31, 2019, the Bank has provided loans to over 5.2 million women beneficiaries through 440,000 SHGs. Of these, over 2.5 million women were 'first time borrowers', who had not taken a loan from any formal financial institution. In addition to direct customers, the Bank reaches out to about 0.6 million customers by lending to Micro Finance Institutions.

SUPPORTING THE DAIRY VALUE CHAIN



ICICI Bank also provides lending to Joint Liability Groups (JLGs) which are semi-formal groups from the weaker sections of society. In addition to direct efforts, the Bank has tied up with over 500 non-government organisations called Self Help Promoting Institutions (SHPIs). These SHPIs are empanelled as business correspondents and work towards delivering credit and other banking products. The Bank also offers credit related services to microfinance companies that are providing financial services to the rural population.

As part of the financial inclusion efforts of the Bank, over 21 million Basic Savings Bank Deposit Accounts (BSBDA) were opened at March 31, 2019. Of these, around 4.0 million accounts were opened under Pradhan Mantri Jan Dhan Yojana. The Bank encourages and enables these account holders to transact digitally. ICICI Bank is also promoting government schemes like the Pradhan Mantri Jeevan Jyoti Bima Yojana for providing life insurance, Pradhan Mantri Suraksha Bima Yojana for providing accident insurance and Atal Pension Yojana for providing pension benefits. As at March 31, 2019, a total of 4.8 million customers had been enrolled under these three Jan Suraksha Yojana (JSY) schemes.

Meeting the complete financial requirements of customers and their ecosystem is a strategic focus in the Bank's rural business. An example of this approach is the financial solution provided to farmers and other participants of the dairy ecosystem. This includes providing a suite of financial solutions including term loans and working capital loans to dairy unions, payment solutions and promoting investments into animal husbandry. These solutions are supplemented by providing skill training through ICICI Foundation. The Bank has reached over 21,000 farmers to invest into animal husbandry valued at ₹ 1,290.0 million and tied-up with 1,243 number of Village Level Cooperative Societies (VLCS) with about 0.13 million members.

ICICI Bank has introduced a comprehensive suite of financial services to promote investments into animal husbandry, digitise dairy units and provide payment solutions to enable milk societies to transfer payments directly into the milk suppliers' accounts. This has helped dairy farmers to manage their working capital needs.
ICICI Foundation supplemented these solutions by providing skill development training in dairy farming and vermicomposting. The programme has successfully powered the dairy ecosystem of some villages in India.

Engaging with the government for delivering value

The Bank has been complementing the efforts of the central government and the state governments, in bringing about sustainable changes and supporting social development. The efforts of the Bank range from enabling end-to-end digital payment solutions for critical projects, participating in pilot projects as a financial service provider, creating IT solutions for strengthening e-governance and supporting initiatives for promoting health and education. Some important engagements are as follows:

CUSTOMISABLE DIGITAL PAYMENTS SYSTEM

This is a customisable digital platform created by the Bank for State Government departments and Institutions to enable just-in-time payments to beneficiaries, associated agencies, contractors or vendors, etc. The solution provides a wide range of e-Governance modules ranging from project management, progress tracking & control, budget management, dashboard, reports/analytics and online payments and reconciliation of transactions. Currently, we are associated with five state departments across India.

ELECTRONIC NATIONAL AGRICULTURAL MARKET (e-NAM)

e-NAM is a unified online trading platform for agricultural commodities enabling direct engagement between buyers and sellers. The platform allows real-time price discovery across 585 agricultural market centres and is likely to benefit over 15.5 million farmers and 120,000 registered traders. ICICI Bank has been actively involved since the inception of e-NAM and has provided digital payment and settlement solutions.

SMART CITIES MISSION

This is an urban development initiative of the Government of India. ICICI Bank is closely associated with this programme and is working closely with various 'Smart Cities' for providing digital collection and payment platforms. ICICI Bank is one the leading banks for developing Common City Payments Solution (CCPS), a citizen-centric solution for promoting cashless and digital transactions of tax payments, parking, utilising transit services across city buses, metros, supermarket or retail purchases, toll payment, etc. ICICI Bank has successfully implemented CCPS at three smart cities.

Other efforts in the Smart Cities Mission are oriented towards easing the complexities of the Smart City administration across bill collection of various utilities, reconciliation and effective monitoring of various ongoing development projects for live project updates and just-in-time payments for vendors or contractors, e-challan collections, smart toll collections on highways, smart cash less parking collection solution, besides other offerings like government to government, government to citizen and government to business fund transfer solutions, e-governance solutions and many more smart solutions leveraging the Bank's digital capabilities and expertise. ICICI Bank's efforts at some of the Smart Cities Mission are helping scale up digital transactions and fostering competitiveness and benchmarking across smart cities.

PUBLIC FINANCIAL MANAGEMENT SYSTEM (PFMS)

ICICI Bank is one of the leading banks integrated with the PFMS platform set up by the Office of Controller General of Accounts (CGA), Department of Expenditure and Ministry of Finance. The system enables efficient flow of funds for central government projects. ICICI Bank supports all three channels of payments, i.e., Print Payment Advice, Corporate Internet Banking and Digital Signature Certificate for account-based and Aadhaar-based transaction processing. In its capacity as a sponsor bank to government departments and implementing agencies, ICICI Bank is processing payments for more than 40 schemes in 25 states. In fiscal 2019, the Bank had processed more than 50 million transactions. As a partner bank, ICICI Bank has also been conducting workshops and providing training to government departments and agencies for seamless and quick migration to the PFMS platform. The Bank has also created a mobile application and setup a dedicated PFMS helpdesk with e-mail and call support to handle day-to-day, transaction-related queries.

NATURAL CAPITAL

Impact on natural resources either through our operations or business focus

As a large financial services provider operating in a developing economy, ensuring prudent use of natural resources and creating a positive environmental impact have been important priorities for sustainable value creation at ICICI Bank. The Bank's commitment in this direction spans several years. The impact of our efforts is visible in the steady reduction in energy consumption and waste generation, the savings in paper and water consumption, and the practices adopted by the Bank as our business and geographical reach grew.

The Bank's impact on the environment can be gauged from three standpoints – as a provider of banking services impacting the environment, the impact of its own operations and the relationship with its stakeholders including customers and suppliers.

Sustainable financing

The Bank has financed projects for capacity creation in environment friendly sectors. This includes renewable energy sectors like solar, wind and small/mini hydro power and other sustainable sectors like waste processing. The Bank's outstanding to the renewable energy sectors was about ₹ 36.00 billion at March 31, 2019. The Bank has also financed projects that promote pollution reduction and recycling. Some of these projects include conversion of molasses to ethanol, waste heat recovery in cement production and fly ash recycling. Over and above, the Bank has availed lines of credit from select multilateral agencies towards financing green/sustainable assets. The assets financed under these lines include financing for wind, solar, biomass plants and energy efficiency projects and at March 31, 2019, the outstanding lending by the Bank for such specific purposes was USD 139.8 million.

The Bank is committed to supporting environment friendly projects subject to appropriate risk-return assessment. While the Bank remains cautious in lending to greenfield projects, it will continue to participate in opportunities where funding structures are robust and risks are well assessed. In evaluating projects, the Bank follows a process which ensures compliance with national environmental laws. Projects are required to obtain requisite clearances from relevant agencies. The evaluation is carried out at the time of sanction of the project loan. The Bank also engages external consultants and engineers depending on the size and complexity of the project.

An internal team within the Bank, the Technology Finance Group, is dedicated to identifying and supporting projects in the areas of energy and environment conservation, education, health, sanitation and livelihoods. The team's mandate is to manage funding lines received from bilateral/multilateral/government agencies specifically for such projects. Its efforts include identifying relevant projects, ensuring financial assistance either directly or through collaboration and knowledge sharing. In the past, the team has supported energy initiatives like the Kasturba Solar Khadi Mahila Samiti to meet the operating expenses of a solar *charkha* (spinning wheel) cluster and construction of a green building for the Rural Self Employment Training Institute in Jodhpur. Key projects in fiscal 2019 included planting of more than 50,000 trees by 500 tribal farmers in Palghar, Bhiwandi and Shahapur districts in Maharasthra, construction of 20 farm ponds in Shirur taluka of Beed district in Maharashtra, implementation of a natural resources conservation and livelihood generation project in 10 villages of Washim district in Maharashtra, and implementation of a watershed development and management programme along with agriculture interventions in three villages of Dharani taluka of Amaravati district in Maharashtra resulting in sustainable livelihoods.

The roof-top solar panels at ICICI Bank in Bommanahalli, Bengaluru

Efficient energy management

The Bank's business operations are conducted keeping in mind the environmental limits and ensuring ongoing efficiency gains. The environment conservation measures by the Bank are focussed on improving efficiencies, investing in design and technology and adopting renewable energy.

IMPROVING EFFICIENCIES

- Capacity optimisation
- Integrated preventive maintenance (IPM)
- 24°C temperature policy
- Energy audits
- Heat load calculations
- Power factor corrections
- Performance-based contracts

INVESTING IN DESIGN & TECHNOLOGY

- Energy efficient equipment
- Master switch concept
- Equipment based monitoring & control (NOC)
- Indian Green Building Council (IGBC) defined green features in new facilities
- Internet of Things (IOT) enabled Central Monitoring System (CMS)

ADOPTING RENEWABLE ENERGY

- Solar capacities installed at branches, offices and ATMs
- Offsite power purchase agreements
- Solar water heating system

At March 31, 2019, the Bank had nine offices that were awarded the Platinum rating by IGBC. These offices house over 14,500 employees. ICICI Bank's data centre is the first IGBC Platinum rated data centre in India.

In fiscal 2014, the Bank undertook a detailed energy audit in its 15 large offices and in branches where energy consumption was higher than specific standards. A number of areas were identified for energy savings which included using energy-efficient lighting and cooling mechanisms and increasing use of renewable energy. The energy conservation journey of the last five years has led to a skilled pool of individuals including facility managers of branches and offices, who are now directly implementing energy saving initiatives. At March 31, 2019, 156 employees of the Bank were certified Indian Green Building Council (IGBC) Accredited Professionals. Since fiscal 2018, the Bank has been ensuring IGBC green building features in all its new offices and branches at the time of set up. At March 31, 2019, the Bank had nine offices that were awarded the Platinum rating by IGBC, the highest rating given based on an assessment of energy efficiency, use of renewable energy, water conservation, waste management, indoor air quality and sustainable sourcing of material. ICICI Bank's data centre is the first IGBC Platinum rated data centre in India and the first Uptime Tier-3 certified data centre in the Indian banking industry.

NATURAL CAPITAL

The four main pillars of the Bank's energy conservation journey are:

I. PROCESS CONTROLS AND COMMUNICATION INITIATIVES

This aims to put in place control systems to ensure efficiency in operations. It includes policy of temperature control in occupied workplaces, setting up control systems at specific locations for operating at optimal energy efficiency, promoting communication practices (like video conferencing and i Studio) to reduce employee travel and spreading awareness through emails and rewards among employees.

II. RETROFIT OF VARIOUS EQUIPMENT WHICH HAS REDUCED POWER CONSUMPTION AND ENHANCED EFFICIENCY

The Bank's offices and branches were refurbished to include energy-efficient fittings. This included energy efficient water/air cooled AC chillers, energy-efficient motors/pumps in hydro pneumatic systems, variable frequency drives for Air Handling Units (AHU) & pumps, energy-efficient UPS, stabilisers, laptops, desktops and diesel generator sets, lux/occupancy sensors and timer based controls and spectrally reflective films for glazing in windows. In fiscal 2014, the Bank converted all conventional fluorescent lights into LED lights at all its offices and branches which has resulted in a 50.0% reduction in energy consumption of lighting load. In fiscal 2019, the Bank began implementation of installing LED in signages at its branches.

III. INVESTING IN NEW TECHNOLOGIES WHICH ARE ENERGY EFFICIENT

The Bank's two large offices - the corporate office at Bandra-Kurla Complex, Mumbai and Gachibowli Tower in Hyderabad use Cooling Technology Institute (CTI) approved cooling towers which have led to 30% more energy-efficient cooling in these buildings. The Bank continuously invests in new energy efficient technologies; for example, new technologies in air-conditioning systems like Variable Refrigerant Flow (VRF), variable speed drive chillers, Electronically Commutated (EC) blower in air handling units and demand controlled ventilation systems have been installed across the Bank's offices and branches. The Bank has deployed an equipment-based monitoring and control system for Heating, Ventilation and Air Conditioning (HVAC) systems with centralised Network Operating Centre (NOC) for seven large offices and two data centres. This is a first of its kind initiative in the banking sector, which has helped the Bank to measure and benchmark energy performance effectively.

IV. USE OF RENEWABLE ENERGY

The Bank ensures use of renewable energy at its premises wherever feasible. At March 31, 2019, the total solar power capacity installed by the Bank at its premises was 1.1 MWp (Mega Watt peak). The Bank has installed smaller capacity solar power at 510 Gramin branches and 200 ATMs.

Under the open access mechanism for power sourcing, the Bank has signed Power Purchase Agreements (PPA) for solar and wind energy purchase for three of its large offices. The total contracted capacity is 9.0 MWp. These offices have been using renewable energy since fiscal 2016 and 60% of the energy requirement at these offices is met through renewable energy. The Bank is in the process of installing a 1MWp on-site

RENEWABLE ENERGY USED

1.1 MWp
Total onsite renewable energy capacity at March 31, 2019

9 MWp
Total off-site renewable energy capacity through power purchase mechanism

12.07 million kWh
Total renewable energy consumed in fiscal 2019

CO_2 EMISSIONS SAVED

9,895 tonnes
CO_2 emissions avoided due to clean energy usage in fiscal 2019

4,900 tonnes
CO_2 emissions saved through energy conservation projects in fiscal 2019

14,795 tonnes
Total CO_2 emissions saved in fiscal 2019

The total renewable energy utilisation by the Bank in fiscal 2019 was 12.07 million kWh, 7.2% of overall energy consumption

2.25 million square feet of the Bank's premises are green certified by IGBC

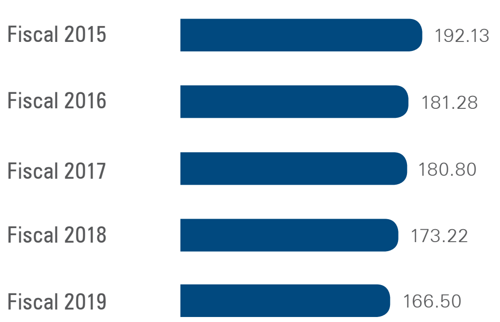
solar power capacity at the Bank's Disaster Recovery Centre in Jaipur.

These initiatives have led to an overall reduction in energy consumption and Green House Gas (GHG) Emissions.

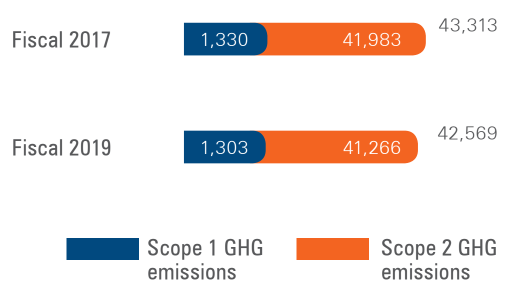
The Bank's electricity consumption has decreased and electricity expenses have remained stable in the last five financial years despite an increase in branches, offices and employee strength, and rise in electricity tariffs and diesel prices.

The Bank's per unit energy consumption has seen a significant decrease between fiscal 2015 to fiscal 2019. EPI (i.e. Energy Performance Index = annual energy consumption at facility in kWh/area of facility in square meter) for the large offices reduced by 23% and EPM (Energy Performance Metric = monthly energy consumption in kWh/area in square feet) for branches reduced by 34% over the last four financial years.

ELECTRICITY CONSUMPTION (in million kWh)



TOTAL SCOPE 1 & 2 GHG EMISSIONS (in tonnes CO_2 equivalent)



NATURAL CAPITAL

The Bank's Scope 1 and Scope 2 GHG emissions for 16 large offices and two data centres are given below.

Water conservation

Water consumption per day in the 16 large offices of the Bank was 20.0% lower than the benchmark of 45 litres per person per day as per the Bureau of Indian Standards for large offices. The Bank has undertaken various initiatives to conserve water. The Bank recycles and reuses waste water at three large offices including the head office at Bandra Kurla Complex, Mumbai. Water-efficient plumbing fixtures have been installed in all large offices and new branches of the Bank. Rain water harvesting is undertaken at three large offices.

Paper: from savings to paperless

Adoption of sustainable banking practices has been an ongoing effort for the Bank. This is achieved by encouraging customers to go digital in their banking activities and offering financial products and services that are digitally processed end-to-end. Most of the Bank's ATMs are today paperless. Credit decisioning is now done on the basis of e-dedupes and several letters and advices have been made paperless. Loans, including large-ticket loans like home loans, are being processed on digital platform, thus reducing the need for paper. The Bank pioneered the use of tablets for account opening in India. In another pioneering initiative, the Bank harnessed blockchain technology to enable automation of inter-bank processes for trade finance and remittances which has not only reduced transaction costs and processing time, but also resulted in paper savings at an industry level.

In fiscal 2019, the Bank's consumption of A4 paper declined by about 24 million sheets. The Bank's consumption of A4 paper was 14.9% lower compared to fiscal 2018 and 34.5% lower compared to fiscal 2017. This was made possible through restrictions on usage and rationalisation of various application forms as part of the green banking initiatives. The total savings in paper in fiscal 2019 was equivalent to 3,400 trees saved. The Bank procures environment-friendly copier paper which is manufactured from wheat straw, which is an agricultural residue.

Waste management

The Bank has been focussing on waste reduction and its management in every aspect of its operations. As a financial services company, waste generation is primarily classified as wet waste, dry waste which is mostly paper and e-waste arising from discarded electrical and electronic devices.

Recycling of organic waste using composting technique is being undertaken at the Bank's offices in Mumbai at Bandra-Kurla Complex and Chandivali, and at the learning centre in Khandala.

E-waste is disposed by handing over to certified recyclers. Reuse of electronic devices is also an important focus area. The Bank uses re-manufactured toners in printers which are recycled at least 2-3 times. The Bank also recycles its IT assets which are subsequently donated. In fiscal 2019, a total of 1,002 assets were donated. A large number of these donations were made to educational institutes.

Certifications

The Bank has adopted corporate objectives for environment-conservation activities in conformity with the ISO-14001 standard 'International Organisation for Standardisation' for environmental management systems. This enables the Bank in developing policies for addressing the objectives of environmental sustainability and assessment of impact of the Bank's activities, products and services on the environment. Health and safety systems at 13 large offices of the Bank have been OHSAS 18001:2007 certified. The environment management systems of the corporate headquarters at Bandra-Kurla Complex in Mumbai are both OHSAS 18001:2007 and ISO 14001:2004 certified. The corporate headquarters has been successfully re-audited for ISO 14001:2015 compliance in April 2018.

As a recognition of the Bank's contribution towards maintaining ecological balance, ICICI Bank's Corporate office in Bandra-Kurla Complex, its registered office in Vadodara, its state-of-the-art data centre as well as one of its branches in Hyderabad have been awarded a 'Platinum' rating by IGBC. The data centre was the country's first data centre to be awarded 'Platinum' by IGBC. Gachibowli Tower in Hyderabad has been awarded 'Gold' rating in Core & Shell category. The office in Bandra-Kurla Complex has been declared as a 'National Energy Leader' in the office building category by CII in fiscal 2019.

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Twenty-Fifth Annual Report of ICICI Bank Limited (ICICI Bank/the Bank) along with the audited financial statements for the year ended March 31, 2019.

FINANCIAL HIGHLIGHTS

The financial performance for fiscal 2019 is summarised in the following table:

₹ in billion, except percentages	Fiscal 2018	**Fiscal 2019**	% change
Net interest income and other income	404.45	**415.27**	2.7%
Operating expenses	157.04	**180.89**	15.2%
Core operating profit	189.39	**220.72**	16.5%
Treasury income	58.02	**13.66**	(76.5)%
Operating profit	247.41	**234.38**	(5.3)%
Provisions & contingencies (excluding tax)	173.07	**196.61**	13.6%
Profit before tax	74.34	**37.77**	(49.2)%
Profit after tax	67.77	**33.63**	(50.4)%

₹ in billion, except percentages	Fiscal 2018	**Fiscal 2019**	% change
Consolidated profit before tax and minority interest	109.78	**74.08**	(32.5)%
Consolidated profit after tax and minority interest	77.12	**42.54**	(44.8)%

APPROPRIATIONS

The profit after tax of the Bank for fiscal 2019 is ₹ 33.63 billion after provisions and contingencies of ₹ 196.61 billion, provision for taxes of ₹ 4.14 billion and all expenses. The accumulated profit is ₹ 218.58 billion, taking into account the balance of ₹ 179.70 billion brought forward from the previous year and credit of ₹ 5.25 billion in balance in profit and loss account towards reversal of provision for frauds on non-retail accounts created in earlier years through accumulated profits. Your Bank has a consistent dividend payment history. Your Bank's dividend policy is based on the profitability and key financial metrics, capital position and requirements and the regulations pertaining to the payment of dividend. In line with the above, your Directors have recommended a dividend of ₹ 1.00 per equity share for the year ended March 31, 2019 and have appropriated the disposable profit as follows:

₹ in billion	Fiscal 2018	**Fiscal 2019**
To Statutory Reserve, making in all ₹ 237.38 billion	16.94	**8.41**
To Special Reserve created and maintained in terms of Section 36(1) (viii) of the Income Tax Act, 1961, making in all ₹ 95.04 billion	6.00	**5.25**
To Capital Reserve, making in all ₹ 128.54 billion[1]	25.66	**0.28**
To Capital Redemption Reserve, making in all ₹ 3.50 billion[2] (amount appropriated from surplus profit available for previous years)	-	**3.50**
To Investment Fluctuation Reserve, making in all ₹ 12.69 billion[3]	-	**12.69**
To Revenue and other reserves, making in all ₹ 40.28 billion[4]	7.01	**0.01**
Dividend paid during the year		
– On equity shares, during fiscal 2019 @ ₹ 1.50 per share of face value ₹ 2.00 each (during fiscal 2018 @ ₹ 2.50 per share)	14.57	**9.65**
– On preference shares[2], during fiscal 2019 @ 100.00 per preference shares (₹) (during fiscal 2018 @ ₹ 100.00 per share)	35,000	**35,000**
– Corporate dividend tax	0.09	**-**
Leaving balance to be carried forward to the next year	179.70	**178.79**

1 *Fiscal 2018 includes transfer of ₹ 24.90 billion on account of sale of part of equity investment in the Bank's insurance subsidiary.*

2 *Redeemable Non-Cumulative Preference Shares (350 RNCPS) of ₹ 10.0 million each were redeemed at par on April 20, 2018. Accordingly, an equivalent amount was transferred to Capital Redemption Reserve from surplus profit available for previous years.*

3 *Represents an amount transferred to Investment Fluctuation Reserve (IFR) from disposable profit. As per the RBI guidelines, from the year ended March 31, 2019, an amount not less than the lower of net profit on sale of available-for-sale (AFS) and held-to-maturity (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 *Includes transfer of ₹ 7.6 million to Reserve Fund for fiscal 2019 (₹ 10.6 million for fiscal 2018) in accordance with regulations applicable to the Sri Lanka branch.*

DIRECTORS' REPORT

The Bank prepares its financial statements in accordance with the applicable accounting standards, RBI guidelines and other applicable laws/regulations. RBI, under its risk-based supervision exercise, carries out the risk assessment of the Bank on an annual basis. This assessment is initiated subsequent to the finalisation, completion of audit and publication of audited financial statements for a financial year and typically occurs a few months after the financial year-end. As a part of this assessment, RBI separately reviews asset classification and provisioning of credit facilities given by the Bank to its borrowers. The divergences, if any, in classification or provisioning arising out of the supervisory process are given effect to in the financial statements in subsequent periods after conclusion of the exercise.

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 or (b) the additional gross non-performing assets (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 fiscal 2018.

SHARE CAPITAL

During the year under review, the Bank allotted 18,248,877 equity shares of ₹ 2.00 each pursuant to exercise of stock options under the Employee Stock Option Scheme. For details refer to Schedule 1 of the financial statements.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Pursuant to Section 186(11) of the Companies Act, 2013, the provisions of Section 186 of the Companies Act, 2013, except sub-section (1), do not apply to a loan made, guarantee given or security provided by a banking company in the ordinary course of business. The particulars of investments made by the Bank are disclosed in Schedule 8 of the financial statements as per the applicable provisions of the Banking Regulation Act, 1949.

SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

There is no change in the subsidiaries of the Bank during fiscal 2019. The definition of the subsidiary company and associate company under the Companies Act, 2013 was changed during fiscal 2019. One of the criterion for identification of a subsidiary company or an associate company was changed from percentage holding in total share capital of the investee company to percentage voting power in the investee company. Pursuant to the changes in the definition of subsidiary company and associate company, Shree Renuka Sugars Limited and National Investment and Infrastructure Fund Limited ceased to be associate companies of the Bank. Further, Arteria Technologies Private Limited became an associate company of the Bank during fiscal 2019. The particulars of subsidiary and associate companies as on March 31, 2019 have been included in Form MGT-9 which is annexed to this Report.

HIGHLIGHTS OF PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES AND THEIR CONTRIBUTION TO THE OVERALL PERFORMANCE OF THE COMPANY

The performance of subsidiaries and associates and their contribution to the overall performance of the Bank as on March 31, 2019 is given in "Consolidated Financial Statements of ICICI Bank Limited – Schedule 18 - Note 13 – Additional information to consolidated accounts" of this Annual Report. A summary of key financials of the Bank's subsidiaries is also given in "Statement Pursuant to Section 129 of Companies Act, 2013" of this Annual Report.

The highlights of the performance of key subsidiaries are given as a part of Management's Discussion & Analysis under the section "Consolidated financials as per Indian GAAP".

The Bank will make available separate audited financial statements of the subsidiaries to any Member upon request. These documents/details will be available on the Bank's website at https://www.icicibank.com/aboutus/annual.html and will also be available for inspection by any Member or trustee of the holder of any debentures of the Bank at its Registered Office and Corporate Office. As required by Accounting Standard 21 (AS-21) issued by the Institute of Chartered Accountants of India, the Bank's consolidated financial statements included in this Annual Report incorporate the accounts of its subsidiaries and other consolidating entities.

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

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

MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE BANK

There are no material changes and commitments, affecting the financial position of the Bank which have occurred between the end of the financial year of the Bank to which the financial statements relate and the date of this Report.

DIRECTORS AND OTHER KEY MANAGERIAL PERSONNEL

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

Since the date of the last Directors' Report, the Board approved the appointments of Hari L. Mundra, Rama Bijapurkar, B. Sriram and Subramanian Madhavan as additional Directors for a period of five years from the date of their appointment. All the above four Directors hold office upto the date of the forthcoming Annual General Meeting (AGM) and are eligible for appointment. Their appointments are being proposed in the Notice of the forthcoming AGM through item nos. 6, 7, 8 and 9.

The Members at the last AGM held on September 12, 2018 approved the appointments of Radhakrishnan Nair and M. D. Mallya as independent Directors.

Further, the Members at the last AGM held on September 12, 2018 approved the appointment of Sandeep Bakhshi as a Wholetime Director and Chief Operating Officer. The Board at its Meeting held on October 4, 2018 appointed Sandeep Bakhshi as Managing Director & Chief Executive Officer for a period of five years until October 3, 2023, subject to regulatory approvals. Reserve Bank of India (RBI) has vide its letter dated October 15, 2018, approved the appointment for a period of three years effective October 15, 2018. Approval of the Members is being sought for Sandeep Bakhshi's appointment as Managing Director and Chief Executive Officer for five years in the Notice of the forthcoming AGM through item no.10.

The Board of Directors at its Meeting held on October 4, 2018 accepted the request of Chanda Kochhar to seek early retirement from the Bank with immediate effect. However, the Board at its meeting held on January 30, 2019 reconsidered her separation from the Bank and regarded the same as 'Termination for Cause', having effect from the close of business hours of the Board Meeting i.e. January 30, 2019 after considering the Enquiry Report of Hon'ble Mr. Justice (Retd.) B.N. Srikrishna.

Lok Ranjan, Joint Secretary, Department of Financial Services, Ministry of Finance was nominated by Government of India as a Government Nominee Director on the Board of the Bank in place of Amit Agrawal, with effect from April 5, 2018.

Lalit Kumar Chandel, Economic Adviser, Department of Financial Services, Ministry of Finance has been nominated by Government of India as a Government Nominee Director on the Board of the Bank in place of Lok Ranjan, with effect from December 4, 2018.

The Board of Directors on May 6, 2019 approved the appointment of Sandeep Batra as an Additional Director and Wholetime Director (designated as Executive Director) for a period of five years effective May 7, 2019 or the date of approval of his appointment by RBI, whichever is later. The said appointment is also subject to the approval of Members. Approval of the Members is being sought for Sandeep Batra's appointment for five years in the Notice of the forthcoming Annual General Meeting through item nos. 11 and 12.

Vijay Chandok ceased to be a Director of the Bank at the end of day on May 6, 2019 and assumes office as Managing Director & CEO of ICICI Securities Limited with effect from May 7, 2019.

Pursuant to completion of maximum permissible tenure of eight years as per the provisions of the Banking Regulation Act, 1949, Tushaar Shah, independent Director, ceased to be a Director on the Board of the Bank effective close of business hours on May 2, 2018. Pursuant to the internal movement, N. S. Kannan ceased to be a Director of the Bank effective close of business hours on June 18, 2018. M. K. Sharma ceased to be a non-executive Director and part-time Chairman of the Bank effective close of business hours on June 30, 2018 consequent to the completion of his tenure of three years as approved by the RBI. M. D. Mallya, Independent Director, tendered his resignation due to health reasons and ceased to be a Director effective October 4, 2018 and the same was accepted by the Board. Pursuant to completion of their primary tenure under the Companies Act, 2013, Dileep Choksi and V. K. Sharma, independent Directors ceased to be Directors on the Board of the Bank effective April 1, 2019.

The Board acknowledges the valuable contribution and guidance provided by the above Directors.

The Board of Directors at its Meeting held on July 27, 2018 appointed Ranganath Athreya as the Company Secretary and Compliance Officer of the Bank effective July 28, 2018. The Board in the same Meeting noted the cessation of P. Sanker, as the Company Secretary and Compliance Officer of the Bank effective close of business hours on July 27, 2018.

DIRECTORS' REPORT

Declaration of Independence

All independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 of the Companies Act, 2013 as amended (the Act) and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (SEBI Listing Regulations) which have been relied on by the Bank and were placed at the Board Meeting held on May 6, 2019. In the opinion of the Board, the independent Directors fulfil the conditions specified in the Act and the SEBI Listing Regulations and are independent of the Management.

Retirement by rotation

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

AUDITORS

Statutory Auditors

At the Annual General Meeting (AGM) held on September 12, 2018, the Members approved the appointment of M/s Walker Chandiok & Co LLP, Chartered Accountants, as statutory auditors to hold office from the conclusion of the Twenty-Fourth AGM till the conclusion of the Twenty-Fifth AGM. As per the Reserve Bank of India (RBI) guidelines, the statutory auditors of the banking companies are allowed to continue for a period of four years, subject to fulfilling the prescribed eligibility norms. Accordingly, M/s Walker Chandiok & Co LLP, Chartered Accountants, would be eligible for re-appointment at the conclusion of the forthcoming AGM. As recommended by the Audit Committee, the Board has proposed the re-appointment of M/s Walker Chandiok & Co LLP, Chartered Accountants, as statutory auditors for the year ending March 31, 2020 (fiscal 2020). M/s Walker Chandiok & Co LLP, Chartered Accountants, will hold office from the conclusion of the forthcoming AGM till the conclusion of the Twenty-Sixth AGM, subject to the approval of Members of the Bank, RBI and other regulatory approvals as may be necessary or required. The re-appointment of the statutory auditors is proposed to the Members in the Notice of the forthcoming AGM through item no. 4.

There are no qualifications, reservation or adverse remarks made by the statutory auditors in the audit report.

Secretarial Auditors

The Board appointed M/s. Parikh Parekh & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Bank for fiscal 2019. The Secretarial Audit Report is annexed herewith as Annexure A. There are no qualifications, reservation or adverse remark or disclaimer made by the auditor in the report save and except disclaimer made by them in discharge of their professional obligation.

Maintenance of Cost Records

Being a Banking Company, the Bank is not required to maintain cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013.

Reporting of Frauds by Auditors

During the year under review, there were no instances of fraud reported by the statutory auditors, branch auditors and secretarial auditor under Section 143(12) of the Companies Act, 2013 to the Audit Committee or the Board of Directors.

PERSONNEL

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in an Annexure and forms part of this report. In terms of Section 136(1) of the Companies Act, 2013, the annual report and the financial statements are being sent to the Members excluding the aforesaid Annexure. The Annexure is available for inspection at the Registered office of the Bank. Any Member interested in obtaining a copy of the Annexure may write to the Company Secretary of the Bank.

INTERNAL CONTROL AND ITS ADEQUACY

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

DISCLOSURE UNDER FOREIGN EXCHANGE MANAGEMENT ACT, 1999

The Bank has obtained a certificate from its statutory auditors that it is in compliance with the Foreign Exchange Management Act, 1999 provisions with respect to investments made in its consolidated subsidiaries and associates during fiscal 2019.

RELATED PARTY TRANSACTIONS

The Bank undertakes various transactions with related parties in the ordinary course of business. The Bank has a Board approved policy on Related Party Transactions, which has been disclosed on the website of the Bank at (https://www.icicibank.com/aboutus/other-policies.page?#toptitle). The Bank also has a Board approved Group Arm's Length Policy which requires transactions with the group companies to be at arm's length. The transactions between the Bank and its related parties, during the year ended March 31, 2019, were in the ordinary course of business and based on the principles of arm's length. The details of material related party transactions at an aggregate level for the year ended March 31, 2019 are given in Annexure B.

ANNUAL RETURN

The extract of Annual Return in Form No. MGT 9 is annexed herewith as Annexure C. The Annual Return in Form No. MGT 7 will be hosted on the website of the Bank at https://www.icicibank.com/aboutus/annual.html.

BUSINESS RESPONSIBILITY REPORTING

The Business Responsibility Report as stipulated under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 will be hosted on the website of the Bank at https://www.icicibank.com/aboutus/annual.html. Any Member interested in obtaining a physical copy of the same may write to the Company Secretary of the Bank.

INTEGRATED REPORTING

The Bank has sought to adopt the principles of the International Integrated Reporting Framework as developed by the International Integrated Reporting Council (IIRC) in its Annual Report for fiscal 2019. For accessing the Integrated Report, please refer to the Annual Report 2018-2019 hosted on the website of the Bank at https://www.icicibank.com/aboutus/annual.html.

RISK MANAGEMENT FRAMEWORK

The Bank's risk management framework is based on a clear understanding of various risks, disciplined risk assessment and measurement procedures and continuous monitoring. The policies and procedures established for this purpose are continuously benchmarked with international best practices. The Board of Directors has oversight on all the risks assumed by the Bank. Specific Committees have been constituted to facilitate focussed oversight of various risks, as follows:

- The Risk Committee of the Board reviews risk management policies of the Bank pertaining to credit, market, liquidity, operational and outsourcing risks and business continuity management. The Committee also reviews the Risk Appetite and Enterprise Risk Management frameworks, Internal Capital Adequacy Assessment Process (ICAAP) and stress testing. The stress testing framework includes a range of Bank-specific, market (systemic) and combined scenarios. The ICAAP exercise covers the domestic and overseas operations of the Bank, banking subsidiaries and non-banking subsidiaries. The Committee reviews migration to the advanced approaches under Basel II and implementation of Basel III, risk return profile of the Bank and the activities of the Asset Liability Management Committee. The Committee reviews the level and direction of major risks pertaining to credit, market, liquidity, operational, technology, compliance, group, management and capital at risk as a part of the risk dashboard. In addition, the Committee has oversight on risks of subsidiaries covered under the Group Risk Management Framework. The Risk Committee also reviews the Liquidity Contingency Plan for the Bank and the various thresholds set out in the Plan.
- The Credit Committee of the Board, apart from sanctioning credit proposals based on the Bank's credit approval authorisation framework, reviews developments in key industrial sectors and the Bank's exposure to these sectors as well as to large borrower accounts and borrower groups. The Credit Committee also reviews major credit portfolios, non-performing loans, accounts under watch, overdues and incremental sanctions.
- The Audit Committee of the Board provides direction to and monitors the quality of the internal audit function, oversees the financial reporting process and also monitors compliance with inspection and audit reports of RBI, other regulators and statutory auditors.
- The Asset Liability Management Committee provides guidance for management of liquidity of the overall Bank and management of interest rate risk in the banking book within the broad parameters laid down by the Board of Directors/Risk Committee.

Summaries of reviews conducted by these Committees are reported to the Board on a regular basis.

Policies approved from time to time by the Board of Directors/Committees of the Board form the governing framework for each type of risk. The business activities are undertaken within this policy framework. Independent groups and subgroups have been constituted across the Bank to facilitate independent evaluation, monitoring and reporting of various risks. These groups function independently of the business groups/subgroups.

The Bank has dedicated groups, namely, the Risk Management Group, Compliance Group, Corporate Legal Group, Internal Audit Group and the Financial Crime Prevention & Reputation Risk Management Group, with a mandate to identify, assess and monitor all of the Bank's principal risks in accordance with well-defined policies and procedures. The Risk Management Group

DIRECTORS' REPORT

is further organised into the Credit Risk Management Group, Market Risk Management Group, Operational Risk Management Group and Information Security Group. The Chief Risk Officer (CRO) reports to the Risk Committee constituted by the Board which reviews risk management policies of the Bank. The CRO, for administrative purpose reports to President. The above mentioned groups are independent of all business operations and coordinate with representatives of the business units to implement the Bank's risk management policies and methodologies. The Internal Audit and Compliance groups are responsible to the Audit Committee of the Board.

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

The Bank has a policy against sexual harassment and a formal process for dealing with complaints of harassment or discrimination. The said policy is in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Bank has complied with provisions relating to the constitution of Internal Complaints Committee under the said Act.

Pursuant to the amendment to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details pertaining to number of complaints during the year has been provided below:

a) number of complaints filed during the financial year: 59

b) number of complaints disposed off during the financial year: 59

c) number of complaints pending[1] at end of the financial year: Nil

[1] *Complaints that are open beyond the applicable turnaround time (90 days). All complaints received during FY2019 have been closed within the applicable turnaround time.*

CORPORATE GOVERNANCE

The corporate governance framework at ICICI Bank is based on an effective independent Board, the separation of the Board's supervisory role from the executive management and the constitution of Board Committees to oversee critical areas. At March 31, 2019, independent Directors constituted a majority on most of the Committees and most of the Committees were chaired by independent Directors.

I. PHILOSOPHY OF CORPORATE GOVERNANCE

ICICI Bank's corporate governance philosophy encompasses regulatory and legal requirements, which aims at a high level of business ethics, effective supervision and enhancement of value for all stakeholders.

Whistle-Blower Policy

The Bank has formulated a Whistle-Blower Policy, which is periodically reviewed. The policy comprehensively provides an opportunity for any employee or director of the Bank to raise any issue concerning breaches of law, accounting policies or any act resulting in financial or reputation loss and misuse of office or suspected or actual fraud. The policy provides for a mechanism to report such concerns to the Audit Committee through specified channels. The policy has been periodically communicated to the employees and also posted on the Bank's intranet. The Whistle-Blower Policy complies with the requirements of Vigil mechanism as stipulated under Section 177 of the Companies Act, 2013 and other applicable laws, rules and regulations. The details of establishment of the Whistle-Blower Policy/Vigil mechanism have been disclosed on the website of the Bank.

Code of Conduct as prescribed under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

In accordance with the amendments to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Bank has adopted the revised ICICI Bank Code on Prohibition of Insider Trading.

Group Code of Business Conduct and Ethics

The Group Code of Business Conduct and Ethics for Directors and employees of the ICICI Group aims at ensuring consistent standards of conduct and ethical business practices across the constituents of the ICICI Group. This Code is reviewed on an annual basis and the latest Code is available on the website of the Bank (www.icicibank.com). Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a confirmation from the Managing Director & CEO regarding compliance with the Code by all the Directors and senior management forms part of the Annual Report.

Material Subsidiaries

In accordance with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Bank has formulated a Policy for determining Material Subsidiaries and the same has been hosted on the website of the Bank at (https://www.icicibank.com/aboutus/other-policies.page?#toptitle). At March 31, 2019, no subsidiary of the Bank qualifies as a material unlisted subsidiary as per the criteria stipulated in the regulations.

Familiarisation Programme for independent Directors

Independent Directors are familiarised with their roles, rights and responsibilities in the Bank as well as with the nature of the industry and the business model of the Bank through induction programmes at the time of their appointment as Directors and through presentations on economy & industry overview, key regulatory developments, strategy and performance which are made to the Directors from time to time. The details of the familiarisation programmes have been hosted on the website of the Bank and can be accessed on the link: (https://www.icicibank.com/aboutus/bod-1.page?).

CEO/CFO Certification

In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the certification by the Managing Director & CEO and Chief Financial Officer on the financial statements and internal controls relating to financial reporting has been obtained.

Fees to statutory auditors

The details of fees pertaining to services provided by the statutory auditors and entities in the network firm/network entity of which the statutory auditors is a part, to ICICI Bank Limited and its subsidiaries during the year ended March 31, 2019 are given in the following table:

Nature of service	Amount in ₹[1]
Audit	72,218,686
Certification and other audit related services	6,800,000
Total	**79,018,686**

1 Excludes taxes and out of pocket expenses.

Details of utilisation of funds

During the year under review, the Bank has not raised any funds through Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32(7A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Recommendations of mandatory committees

All the recommendations made by the committees of the Board mandatorily required to be constituted by the Bank under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were accepted by the Board.

Skills/expertise/competence of the Board of Directors

The Bank has identified the core skills/expertise/competence of the Board of Directors as required under Section 10A(2)(a) of the Banking Regulation Act, 1949 in the context of its business(es) and the sectors(s) for it to function effectively and has been in compliance with the same.

The details of the core skills/expertise/competence possessed by the existing directors of the Bank is detailed as under:

Name of Directors	Areas of expertise
Girish Chandra Chaturvedi	Banking, Economics, Business Management and Agriculture Sector
Rama Bijapurkar	Business Management and Marketing
Uday Chitale	Accounts, Finance and Alternate Dispute Resolution (ADR) Specialist
Neelam Dhawan	Information Technology
S. Madhavan	Accountancy, Economics, Finance, Law, Information Technology, Human Resources, Risk Management, Business Management
Hari L. Mundra	Credit and Consumer Finance
Radhakrishnan Nair	Accountancy, Agriculture and Rural Economy, Banking, Law, Co-operation, Risk Management, Business Management Economics & Finance
B. Sriram	Banking and Finance
Lalit Kumar Chandel	Banking, Insurance, Capital Markets, External Assistance, Agriculture and Rural Development, Power, Irrigation and Health
Sandeep Bakhshi	Finance, Banking and Insurance
Vishakha Mulye	Finance and Banking
Anup Bagchi	Retail & Rural and Inclusive Banking

DIRECTORS' REPORT

Credit Rating as on March 31, 2019

Foreign currency denominated instrument ratings

Instrument type	Moody's	S&P	JCRA
Senior unsecured medium term notes	Baa3	BBB-	-
Senior unsecured medium term notes issued under Tokyo pro-bond	-	-	BBB+
Certificate of Deposits	P-3	-	-

Rupee denominated instrument ratings

Instrument type	CARE	ICRA	CRISIL
Tier II bonds (Basel III)	CARE AAA	[ICRA]AAA	-
Additional Tier 1 bonds (Basel III)	CARE AA+	[ICRA]AA+	CRISIL AA+
Unsecured redeemable bonds	CARE AAA	[ICRA]AAA	-
Upper Tier II bonds	CARE AAA	-	CRISIL AAA
Lower Tier II bonds[1]	CARE AAA	[ICRA]AAA	-
Long-term bonds issued by erstwhile ICICI Limited	CARE AAA	[ICRA]AAA	CRISIL AAA
Certificate of Deposits	CARE A1+	[ICRA]A1+	-
Fixed deposits	CARE AAA	MAAA	-

1 Includes Lower Tier II bonds issued by erstwhile The Bank of Rajasthan Limited.

Moody's: Moody's Investors Services
S&P: S&P Global Ratings
JCRA: Japan Credit Rating Agency, Limited
CARE: CARE Ratings Limited, India
ICRA: ICRA Limited, India
CRISIL: CRISIL Limited, India

During the year under review, there were no revisions in the credit ratings obtained by the Bank. During the year, the Bank sought a rating from CRISIL Limited for its Additional Tier 1 bonds which were rated CRISIL AA+.

DIVIDEND DISTRIBUTION POLICY

In accordance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Bank has formulated a Dividend Distribution Policy and the same is annexed herewith as Annexure D. The Policy is hosted on the website of the Bank and can be viewed at (https://www.icicibank.com/aboutus/other-policies.page?#toptitle).

CERTIFICATE FROM A COMPANY SECRETARY IN PRACTICE

In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Bank has obtained a Certificate from a Company Secretary in practice that none of the directors on the Board of the Bank have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority. The Certificate of Company Secretary in practice is annexed herewith as Annexure E.

BOARD OF DIRECTORS

ICICI Bank has a broad-based Board of Directors, constituted in compliance with the Banking Regulation Act, 1949, the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with good corporate governance practices. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. The Board has constituted various committees, namely, Audit Committee, Board Governance, Remuneration & Nomination Committee, Corporate Social Responsibility Committee, Credit Committee, Customer Service Committee, Fraud Monitoring Committee, Information Technology Strategy Committee, Risk Committee, Stakeholders Relationship Committee and Review Committee for Identification of Wilful Defaulters/Non Co-operative Borrowers.

There were eighteen meetings of the Board during the year – April 2, May 2, May 7, May 8, May 15, May 17, May 29, June 13, June 18, June 27, June 29, July 27, September 18, October 4 and October 26 in 2018 and January 14, January 30 and February 22 in 2019.

There were no *inter se* relationships between any of the Directors.

The names of the Directors, their attendance at Board Meetings during the year, attendance at the last AGM and details of other directorships and board committee memberships held by them at March 31, 2019 are set out in the following table:

Name of Director	Board Meetings attended during the year	Attendance at last AGM (September 12, 2018)	Number of directorships		Names of the other listed entity where a person is a director and category of directorship	Number of other committee[1] memberships
			of other Indian public limited companies	of other Indian companies		
Independent Directors						
G. C. Chaturvedi *(Director w.e.f. July 1, 2018, Chairman w.e.f. July 17, 2018)* (DIN: 00110996)	7/7	Present	2	-	1) Infrastructure Leasing and Financial Services Limited (NED) 2) IL & FS Energy Development Company Limited (Chairman, NED)	1(1)
M. K. Sharma *(Chairman upto close of business hours on June 30, 2018)* (DIN: 00327684)	11/11	N.A.	N.A.	N.A.	N.A.	N.A.
Dileep Choksi *(upto March 31, 2019)* (DIN: 00016322)	17/18	Present	N.A.	N.A.	N.A.	N.A.
Hari L. Mundra *(w.e.f. October 26, 2018)* (DIN: 00287029)	2/3	N.A.	2	-	1) Allcargo Logistics Limited (ID)	3(1)
M. D. Mallya *(w.e.f. May 29, 2018 and upto October 4, 2018)* (DIN: 01804955)	0/7	Absent	N.A.	N.A.	N.A.	N.A.
Neelam Dhawan[2] (DIN: 00871445)	14/18	Present	-	-	-	-
Radhakrishnan Nair *(w.e.f. May 2, 2018)* (DIN: 07225354)	16/16	Present	7	1	1) ICICI Prudential Life Insurance Company Limited (ID) 2) Geojit Financial Services Limited (ID) 3) ICICI Securities Primary Dealership Limited (ID)	2
Rama Bijapurkar *(w.e.f. January 14, 2019)* (DIN: 00001835)	2/2	N.A.	3	2	1) Nestle India Limited (ID) 2) Mahindra & Mahindra Financial Services Limited (ID) 3) Emami Limited (ID)	3(2)

DIRECTORS' REPORT

Name of Director	Board Meetings attended during the year	Attendance at last AGM (September 12, 2018)	Number of directorships		Names of the other listed entity where a person is a director and category of directorship	Number of other committee[1] memberships
			of other Indian public limited companies	of other Indian companies		
B. Sriram *(w.e.f. January 14, 2019)* (DIN: 02993708)	2/2	N.A.	-	-	-	-
Tushaar Shah *(upto close of business hours on May 2, 2018)* (DIN: 03055738)	1/2	N.A.	N.A.	N.A.	N.A	N.A.
Uday Chitale (DIN: 00043268)	18/18	Present	4	1	1) ICICI Lombard General Insurance Company Limited (ID) 2) India Infradebt Limited (ID)	4(1)
V. K. Sharma *(upto March 31, 2019)* (DIN : 02449088)	8/18	Absent	N.A.	N.A.	N.A	N.A.
Government Nominee Directors						
Amit Agrawal *(upto April 5, 2018)* (DIN: 07117013)	0/1	N.A.	N.A.	N.A.	N.A.	N.A.
Lalit Kumar Chandel *(w.e.f. December 4, 2018)* (DIN: 00182667)	0/3	N.A.	1	-	1) National Insurance Company Limited (Government Nominee Director)	-
Lok Ranjan *(w.e.f. April 5, 2018 and upto December 4, 2018)* (DIN: 07791967)	0/14	Absent	N.A.	N.A.	N.A.	N.A.
Managing Director & CEO / Wholetime Directors						
Anup Bagchi (DIN: 00105962)	17/18	Present	5	-	1) ICICI Prudential Life Insurance Company Limited (NED) 2) ICICI Securities Limited (NED) 3) ICICI Home Finance Company Limited (Chairman, NED)	1
Chanda Kochhar *(upto close of business hours on October 4, 2018)* (DIN: 00043617)	8/14	Absent	N.A.	N.A.	N.A.	N.A.
N. S. Kannan *(upto close of business hours on June 18, 2018)* (DIN: 00066009)	8/9	N.A.	N.A.	N.A.	N.A.	N.A.
Sandeep Bakhshi *(Wholetime Director w.e.f. July 31, 2018, Managing Director & CEO w.e.f. October 15, 2018)* (DIN: 00109206)	6/6	Present	-	-	-	-

Name of Director	Board Meetings attended during the year	Attendance at last AGM (September 12, 2018)	Number of directorships		Names of the other listed entity where a person is a director and category of directorship	Number of other committee[1] memberships
			of other Indian public limited companies	of other Indian companies		
Vijay Chandok *(upto May 6, 2019)* (DIN: 01545262)	17/18	Present	1	-	-	-
Vishakha Mulye (DIN: 00203578)	15/18	Present	1	-	1) ICICI Lombard General Insurance Company Limited (NED)	-

Independent Director (ID)
Non-Executive Director (NED)
1 Includes only chairpersonship/membership of Audit Committee and Stakeholders' Relationship Committee of other Indian public limited companies. Figures in parentheses indicate committee chairpersonships.
2 Participated in three Meetings through video-conference and one Meeting through tele-conference.

The terms of reference of the Board Committees as mentioned earlier, their composition and attendance of the respective Members at the various Committee Meetings held during fiscal 2019 are set out below:

II. AUDIT COMMITTEE

Terms of Reference

The Audit Committee provides direction to the audit function and monitors the quality of internal and statutory audit. The responsibilities of the Audit Committee include examining the financial statements and auditors' report and overseeing the financial reporting process to ensure fairness, sufficiency and credibility of financial statements, review of the quarterly and annual financial statements before submission to the Board, review of management's discussion & analysis, recommendation of appointment, terms of appointment, remuneration and removal of central and branch statutory auditors and chief internal auditor, approval of payment to statutory auditors for other permitted services rendered by them, reviewing and monitoring with the management the auditor's independence and the performance and effectiveness of the audit process, approval of transactions with related parties or any subsequent modifications, review of statement of significant related party transactions, utilisation of loans and/or advances from/investment by the Bank in its subsidiaries, review of functioning of the Whistle-Blower Policy, review of the adequacy of internal control systems and the internal audit function, review of compliance with inspection and audit reports and reports of statutory auditors, review of the findings of internal investigations, review of management letters/letters on internal control weaknesses issued by statutory auditors, reviewing with the management the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for the purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take steps in this matter, discussion on the scope of audit with external auditors, examination of reasons for substantial defaults, if any, in payment to stakeholders, valuation of undertakings or assets, evaluation of risk management systems and scrutiny of inter-corporate loans and investments. The Audit Committee is also empowered to appoint/oversee the work of any registered public accounting firm, establish procedures for receipt and treatment of complaints received regarding accounting and auditing matters and engage independent counsel as also provide for appropriate funding for compensation to be paid to any firm/advisors. In addition, the Audit Committee also exercises oversight on the regulatory compliance function of the Bank. The Audit Committee is also empowered to approve the appointment of the Chief Financial Officer (i.e., the wholetime Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.

DIRECTORS' REPORT

Composition

There were seventeen Meetings of the Committee during the year – April 20, April 26, May 7, June 6, June 28, July 12, July 18, July 26, July 27, July 30, October 22 and October 26 in 2018 and January 28, January 29, January 30, February 22 and March 7 in 2019. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
Uday Chitale, *Chairman*	17/17
Dileep Choksi*, *Alternate Chairman*	15/17
Radhakrishnan Nair *(w.e.f. May 3, 2018)*	15/15
Tushaar Shah *(upto May 2, 2018)*	0/2

* *Participated in one Meeting through tele-conference.*

Upon completion of his tenure as a Director, Dileep Choksi ceased to be a Member of the Committee with effect from April 1, 2019.

The Board on April 14, 2019 reconstituted the Committee pursuant to which S. Madhavan, independent Director, was inducted a Member of the Committee with immediate effect.

III. BOARD GOVERNANCE, REMUNERATION & NOMINATION COMMITTEE

Terms of Reference

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 the term of appointment of independent Directors 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 and senior management personnel. Recommending commission and fee payable to non-executive Directors subject to applicable regulations, approving the policy for and quantum of bonus payable to the 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 Employees Stock Option Scheme (ESOS) and decide on the grant of stock options to employees and wholetime Directors of the Bank and its subsidiary companies.

Composition

There were twelve Meetings of the Committee during the year – May 7, May 29, June 18, June 27, June 29, July 27, September 18, October 4 and October 26 in 2018 and January 14, January 30 and March 20 in 2019. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
Neelam Dhawan, *Chairperson (Chairperson w.e.f. July 1, 2018)*	7/7
Dileep Choksi *(Chairman w.e.f. May 3, 2018 and upto June 30, 2018, Member upto January 14, 2019)*	10/10
Tushaar Shah[1] *(Chairman and Member upto May 2, 2018)*	-
G. C. Chaturvedi[2] *(w.e.f. July 27, 2018)*	6/6
M. K. Sharma *(upto June 30, 2018)*	5/5
Rama Bijapurkar *(w.e.f. January 14, 2019)*	2/2
B. Sriram *(w.e.f. January 14, 2019)*	2/2
V. K. Sharma *(upto January 14, 2019)*	6/10

1 *No Meetings were held during his tenure.*

2 *Participated in one Meeting through video-conference.*

Policy/Criteria for Directors' Appointment

The Bank with the approval of its Board Governance, Remuneration & Nomination Committee (Committee) has put in place a policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes and independence of a Director as well as a policy on Board diversity. The policy has been framed based on the broad principles as outlined hereinafter. The Committee would evaluate the composition of the Board and vacancies arising in the Board from time to time. The Committee while recommending candidature of a Director would consider the special knowledge or expertise possessed by the candidate as required under Banking Regulation Act, 1949. The Committee would assess the fit and proper credentials of the candidate and the companies/entities with which the candidate is associated either as a director or otherwise and as to whether such association is permissible under RBI guidelines and the internal norms adopted by the Bank. For the above assessment, the Committee would be guided by the guidelines issued by RBI in this regard.

The Committee will also evaluate the prospective candidate for the position of a Director from the perspective of the criteria for independence prescribed under Companies Act, 2013 as well as the listing regulations. For a non-executive Director to be classified as independent he/she must satisfy the criteria of independence as prescribed and sign a declaration of independence. The Committee will review the same and determine the independence of a Director.

The Committee based on the above assessments will make suitable recommendations on the appointment of Directors to the Board.

Remuneration policy

The Compensation Policy of the Bank is in line with the RBI circular dated January 13, 2012 and is in compliance with the requirements for the Remuneration Policy as prescribed under the Companies Act, 2013. The Policy is divided into the segments, Part A, Part B and Part C where Part A covers the requirements for wholetime Directors & employees pursuant to RBI guidelines, Part B relates to compensation to non-executive Directors (except part-time non-executive Chairman) and Part C relates to compensation to part-time non-executive Chairman. The Compensation/Remuneration Policy is available on the website of the Bank under the link (https://www.icicibank.com/aboutus/other-policies.page?#toptitle). Further details with respect to the Compensation Policy are provided under the section titled “Compensation Policy and Practices”.

The remuneration payable to non-executive/independent Directors is governed by the provisions of the Banking Regulation Act, 1949, RBI guidelines issued from time to time and the provisions of the Companies Act, 2013 and related rules to the extent it is not inconsistent with the provisions of the Banking Regulation Act, 1949/RBI guidelines. The remuneration for the non-executive/independent Directors (other than Government Nominee Director) would be sitting fee for attending each Meeting of the Committee/Board as approved by the Board. The Members at their Meeting held on July 11, 2016 approved the payment of profit related commission upto ₹ 1,000,000 per annum to each non-executive Director of the Bank (other than part-time Chairman and the Government Nominee Director).

For the non-executive Chairman, the remuneration, in addition to sitting fee includes such fixed payments as may be recommended by the Board and approved by the Members and RBI, maintaining a Chairman’s office at the Bank’s expense, bearing expenses for travel on official visits and participation in various forums (both in India and abroad) as Chairman of the Bank and bearing travel/halting/other expenses and allowances for attending to duties as Chairman of the Bank and any other modes of remuneration as may be permitted by RBI through any circulars/guidelines as may be issued from time to time.

All the non-executive/independent Directors would be entitled to reimbursement of expenses for attending Board/Committee Meetings, official visits and participation in various forums on behalf of the Bank.

Performance evaluation of the Board, Committees and Directors

The Bank with the approval of its Board Governance, Remuneration & Nomination Committee has put in place an evaluation framework for evaluation of the Board, Directors, Chairperson and Committees.

The evaluations for the Directors, the Board, Chairman of the Board and the Committees is carried out through circulation of four different questionnaires, for the Directors, for the Board, for the Chairperson of the Board and the Committees respectively. The performance of the Board is assessed on select parameters related to roles, responsibilities and obligations of the Board, relevance of Board discussions, attention to strategic issues, performance on key areas, providing feedback to executive management and assessing the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The evaluation criteria for the Directors is based on their participation, contribution and offering guidance to and understanding of the areas which were relevant to them in their capacity as members of the Board. The evaluation criteria for the Chairperson of the Board besides the general criteria adopted for assessment of all Directors, focuses incrementally on leadership abilities, effective management of meetings and preservation of interest of stakeholders. The evaluation of the Committees is based on assessment of the clarity with which the mandate of the Committee is defined, effective

DIRECTORS' REPORT

discharge of terms and reference of the Committees and assessment of effectiveness of contribution of the Committee's deliberation/recommendations to the functioning/decisions of the Board. The overall performance evaluation process for fiscal 2019 was completed to the satisfaction of the Board. The Board of Directors also identified specific action points arising out of the overall evaluation which would be executed as directed by the Board.

The evaluation process for wholetime Directors is further detailed under the section titled "Compensation Policy and Practices".

Details of Remuneration paid to Executive Directors
The Board Governance, Remuneration & Nomination Committee determines and recommends to the Board the amount of remuneration, including performance bonus and perquisites, payable to the wholetime Directors.

The following table sets out the details of remuneration (including perquisites and retiral benefits) paid to Directors in fiscal 2019:

Amount (₹)

	Sandeep Bakhshi[1]	Vishakha Mulye	Anup Bagchi	Vijay Chandok
	2018-19	2018-19	2018-19	2018-19
Basic	2,21,20,038	2,33,01,960	2,10,67,440	2,10,67,440
Allowances and perquisites [2]	2,24,38,936	2,06,13,574	2,05,42,265	1,87,75,761
Contribution to provident fund	26,54,403	27,96,237	25,28,094	25,28,094
Contribution to superannuation fund	0	34,95,300	0	31,60,120
Contribution to gratuity fund	18,42,599	19,41,053	17,54,918	17,54,918

1 *Sandeep Bakhshi assumed office as Chief Operating Officer (Designate) effective June 19, 2018. RBI approved his appointment as Wholetime Director designated as Chief Operating Officer effective July 31, 2018. He was subsequently appointed as Managing Director & CEO as per RBI approval effective October 15, 2018. The above is his part year salary.*

2 *Allowances and perquisites exclude stock options exercised during fiscal 2019 which does not constitute remuneration paid to the wholetime Directors for fiscal 2019.*

3 *The performance bonus and ESOPs payable in fiscal 2019 (pertaining to fiscal 2018) is pending RBI approvals.*

4 *Remuneration paid to following Directors not included above*

(a) Chanda Kochhar was with the Bank till October 4, 2018. Basic, allowances & perquisites and retirals paid during the year are ₹ 15,665,561, ₹ 56,576,012 and ₹ 3,184,807 respectively. These include amount pertaining to full and final settlement given to Kochhar in October 2018.

(b) N.S. Kannan was with the Bank till June 18, 2018. Basic, allowances & perquisites and retirals paid during the year are ₹ 5,048,758, ₹ 5,711,859 and ₹ 1,783,728 respectively.

Perquisites (evaluated as per Income-tax rules wherever applicable and otherwise at actual cost to the Bank) such as the benefit of the Bank's furnished accommodation, gas, electricity, water and furnishings, club fees, group insurance, use of car and telephone at residence or reimbursement of expenses in lieu thereof, medical reimbursement, leave and leave travel concession, education benefits, provident fund, superannuation fund and gratuity, were provided in accordance with the scheme(s) and rule(s) applicable from time to time. In line with the staff loan policy applicable to specified grades of employees who fulfill prescribed eligibility criteria to avail loans for purchase of residential property, the wholetime Directors are also eligible for housing loans subject to approval of RBI. The stock options for fiscal 2018 are awaiting approvals from the RBI. The options shall 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 the grant. The options so vested are to be exercised within 5 years from the date of vesting.

Sandeep Bakhshi was appointed as Managing Director & CEO with effect from October 15, 2018 as per the RBI approval. The Bank does not pay any severance fees to its Managing Director & CEO or to its wholetime Directors. The tenure of the office of Managing Director & CEO and the wholetime Directors of the Bank is 5 years, subject to approval of RBI and the Members. The notice period for each of them, as specified in their respective terms of appointments is 2 months in addition to gardening leave.

Details of Remuneration paid to non-executive Directors
The Board of Directors have approved the payment of ₹ 1,00,000 as sitting fee for each Meeting of the Board and Audit Committee and ₹ 50,000 as sitting fee for

each Meeting of the Committee attended other than the Audit Committee.

RBI has approved the appointment of G. C. Chaturvedi as Non-Executive (part-time) Chairman of the Bank for a period from July 17, 2018 till June 30, 2021 on a fixed remuneration of ₹ 3,500,000 per annum.

Information on the total sitting fees and commission paid to each non-executive Director during fiscal 2019 is set out in the following table:

Amount (₹)

Name of Director	Sitting Fees	Commission[1]
G.C. Chaturvedi[2, 8]	11,00,000	-
M. K. Sharma[3]	18,50,000	-
Rama Bijapurkar[4]	3,50,000	-
Uday Chitale[8]	44,50,000	202,740
Dileep C. Choksi[8]	46,50,000	10,00,000
Neelam Dhawan[8]	26,50,000	216,438
Radhakrishnan Nair[8]	48,00,000	-
Hari L. Mundra[5]	7,00,000	-
V. K. Sharma	13,00,000	10,00,000
B. Sriram[4]	4,50,000	-
Tushaar Shah[6]	2,00,000	10,00,000
M. D. Mallya[7]	-	-

1 Commission pertaining to fiscal 2018, paid in fiscal 2019.

2 w.e.f. July 1, 2018

3 upto June 30, 2018

4 w.e.f. January 14, 2019

5 w.e.f. October 26, 2018

6 upto May 2, 2018

7 w.e.f. May 29, 2018 and upto October 4, 2018

8 The independent Directors were paid sitting fees for its meeting held on September 12, 2018.

In fiscal 2019, a gross amount of ₹ 24,74,465 was paid as remuneration for the period July 17, 2018 to March 31, 2019 to G. C. Chaturvedi and a gross amount of ₹ 40,83,334 was paid as remuneration for the period May 1, 2017 to June 30, 2018 to M. K. Sharma.

Government Nominee Director is only entitled to reimbursement of expenses for attending Board/ Committee Meetings.

Details of shares/convertible instruments held by existing Non-Executive Directors:

As on March 31, 2019, Rama Bijapurkar and Lalit Kumar Chandel held 2,600 and 6 equity shares of ₹ 2 each respectively. Further, S. Madhavan held 1,600 equity shares of ₹ 2 each as on the date of his appointment i.e. April 14, 2019.

Remuneration disclosures as required under RBI guidelines

The RBI circular DBOD No. BC. 72/29.67.001/2011-12 on "Compensation of wholetime Directors/Chief Executive Officers/Risk takers and Control function staff etc." requires the Bank to make following disclosures on remuneration on an annual basis in their Annual Report:

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 whole time/ independent Directors and the Board and to extend or continue 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.

DIRECTORS' REPORT

- **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.

  o **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.

  o **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 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, 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 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.

DIRECTORS' REPORT

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	-	-

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
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 the former MD & CEO for past years which has been directed for claw-back.*

Disclosures required with respect to Section 197(12) of the Companies Act, 2013

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

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

Sandeep Bakhshi, Managing Director & CEO[1]	118:1
Vishakha Mulye	97:1
Vijay Chandok	89:1
Anup Bagchi	89:1

1 *Sandeep Bakhshi was appointed as MD & CEO effective October 15, 2018 as per the RBI approval. Annualised remuneration has been used for computation of ratios.*

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

The percentage increase done with effect from April 1, 2018 in the remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary is provided below:

Sandeep Bakhshi, Managing Director & CEO[1]	NA
Vishakha Mulye, Executive Director	15%
Vijay Chandok, Executive Director	15%
Anup Bagchi, Executive Director	15%
Rakesh Jha, Chief Financial Officer	15%
Ranganath Athreya, Company Secretary	11%

1 *Sandeep Bakhshi was appointed as MD & CEO effective October 15, 2018 as per the RBI approval.*

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

The percentage increase in the median remuneration of employees in the financial year was around 9%.

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

The number of employees, as mentioned in the section on 'Management's Discussion & Analysis' is 86,763. Out of this, the employees on permanent rolls of the Company is 84,922, including employees in overseas locations.

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

The average percentage increase made in the salaries of total employees other than the Key Managerial Personnel for FY2019 was around 9%, while the average increase in the remuneration of the Key Managerial Personnel was in the range of 11% to 15%.

(vi) *Affirmation that the remuneration is as per the remuneration policy of the Company.*

Yes

Note:
The independent Directors of the Bank, other than Chairman receive remuneration in the form of sitting fees and profit related commission. The Chairman receives sitting fees and remuneration as approved by the shareholders and RBI.

IV. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Terms of Reference

The functions of the Committee include review of corporate social responsibility (CSR) initiatives undertaken by the ICICI Group and the ICICI Foundation for Inclusive Growth, formulation and recommendation to the Board of a CSR Policy indicating the activities to be undertaken by the Company and recommendation of the amount of expenditure to be incurred on such activities, reviewing and recommending the annual CSR plan to the Board, making recommendations to the Board with respect to the CSR initiatives, policies and practices of the ICICI Group, monitoring the CSR activities, implementation and compliance with the CSR Policy and reviewing and implementing, if required, any other matter related to CSR initiatives as recommended/suggested by RBI or any other body.

Composition

There were three Meetings of the Committee during the year – April 12, 2018, September 7, 2018 and January 16, 2019. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
Radhakrishnan Nair, *Chairman (Member w.e.f. May 3, 2018 and Chairman w.e.f. July 1, 2018)*	2/2
Dileep Choksi *(Chairman w.e.f. May 3, 2018 and upto June 30, 2018)*	1/3
Tushaar Shah *(Chairman and Member upto May 2, 2018)*	1/1
Amit Agrawal *(upto April 5, 2018)*[1]	-
Anup Bagchi *(w.e.f. July 1, 2018)*	2/2
Chanda Kochhar *(upto October 4, 2018)*	1/2

1 No meetings were held during his tenure.

Upon completion of his tenure as a Director, Dileep Choksi ceased to be a Member of the Committee with effect from April 1, 2019.

The Board at its Meeting on May 6, 2019 reconstituted the Committee pursuant to which Rama Bijapurkar and Uday Chitale, independent Directors has been inducted as the Members of the Committee with effect from June 30, 2019.

Details about the policy developed and implemented by the Company on Corporate Social Responsibility (CSR) initiatives taken during the year.

ICICI Bank has a long-standing commitment towards socio-economic development. The Bank's Corporate Social Responsibility (CSR) activities are focussed in the areas of education, health, skill development for sustainable livelihoods, rural development and related activities including financial inclusion and financial literacy, and other activities as may be required towards fulfilling the CSR objectives. The activities are largely implemented either directly or through the ICICI Foundation for Inclusive Growth. The CSR policy has been hosted on the website of the Bank at https://www.icicibank.com/managed-assets/docs/about-us/ICICI-Bank-CSR-Policy.pdf. The Annual Report on the Bank's CSR activities is annexed herewith as Annexure F.

V. CREDIT COMMITTEE

Terms of Reference

The functions of the Committee include review of developments in key industrial sectors, major credit portfolios and approval of credit proposals as per the authorisation approved by the Board.

Composition

There were thirty one Meetings of the Committee during the year. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
Sandeep Bakhshi, *Chairman*[1] *(Member w.e.f. July 31, 2018 and Chairman w.e.f. October 26, 2018)*	17/20
M. K. Sharma *(Chairman upto June 30, 2018)*	7/7
Chanda Kochhar *(upto October 4, 2018)*	4/17
Hari L. Mundra[2] *(w.e.f. October 26, 2018)*	9/11
M. D. Mallya *(w.e.f. May 29, 2018 and upto October 4, 2018)*	0/13
Radhakrishnan Nair[3] *(w.e.f. May 3, 2018)*	29/29
Tushaar Shah *(upto May 2, 2018)*	1/2
Vishakha Mulye[4] *(w.e.f. July 1, 2018)*	21/24

1 Attended one meeting through video-conferencing

2 Attended one meeting through tele-conference

3 Attended three meetings through video-conferencing

4 Attended two meetings through video-conferencing and one through tele-conference.

The Chairperson was decided at each Meeting held during July 1, 2018 till October 25, 2018.

The Board at its Meeting on May 6, 2019 reconstituted the Committee pursuant to which Radhakrishnan Nair, independent Director ceases to be a Member of the Committee with effect from June 30, 2019, G. C. Chaturvedi, independent Director has been inducted as a Member with effect from June 30, 2019 and upto September 30, 2019, B. Sriram, independent Director has been inducted as a Member of the Committee with effect from October 1, 2019.

VI. CUSTOMER SERVICE COMMITTEE

Terms of Reference

The functions of this Committee include review of customer service initiatives, overseeing the functioning of the Customer Service Council and evolving innovative measures for enhancing the quality of customer service and improvement in the overall satisfaction level of customers.

Composition

There were five Meetings of the Committee during the year. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
Rama Bijapurkar, *Chairperson (Chairperson w.e.f. January 14, 2019)*	1/1
M. D. Mallya, *(Chairman w.e.f. July 1, 2018 and upto October 4, 2018)*	0/2
Tushaar Shah *(Chairman and Member upto May 2, 2018)*[1]	-
Uday Chitale *(Chairman w.e.f. May 3, 2018 and upto June 30, 2018)*[2]	5/5
Anup Bagchi	3/5
Chanda Kochhar *(upto October 4, 2018)*	1/3
Neelam Dhawan *(w.e.f. May 3, 2018)*	5/5
Sandeep Bakhshi *(w.e.f. July 31, 2018)*	3/3

1 No meetings were held during his tenure.

2 Also chaired the meeting held in November 2018.

The Board at its Meeting on May 6, 2019 reconstituted the Committee pursuant to which Uday Chitale, Neelam Dhawan, independent Directors ceases to be the Members of the Committee with effect from June 30, 2019 and Hari L. Mundra, independent Director has been inducted as a Member of the Committee with effect from June 30, 2019.

VII. FRAUD MONITORING COMMITTEE

Terms of Reference

The Committee monitors and reviews all the frauds involving an amount of ₹ 10.0 million and above with the objective of identifying the systemic lacunae, if any, that facilitated perpetration of the fraud and put in place measures to rectify the same. The functions of this Committee include identifying the reasons for delay in detection, if any, and reporting to top management of the Bank and RBI on the same. The progress of investigation and recovery position is also monitored by the Committee. The Committee also ensures that staff accountability is examined at all levels in all the cases of frauds and action, if required, is completed quickly without loss of time. The role of the Committee is also to review the efficacy of the remedial action taken to prevent recurrence of frauds, such as strengthening of internal controls and put in place other measures as may be considered relevant to strengthen preventive measures against frauds.

Composition

There were six Meetings of the Committee during the year. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
Dileep Choksi, *Chairman*	6/6
Anup Bagchi	6/6
Chanda Kochhar *(upto October 4, 2018)*	1/3
Neelam Dhawan	6/6
Sandeep Bakhshi *(w.e.f. July 31, 2018)*	3/3
Uday Chitale	6/6

Upon completion of his tenure as Director, Dileep Choksi ceased to be the Chairman and Member of the Committee with effect from April 1, 2019.

The Board at its Meeting on May 6, 2019 reconstituted the Committee pursuant to which Uday Chitale, independent Director ceases to be a Member of the Committee with effect from June 30, 2019 and S. Madhavan, independent Director has been inducted as a Member as well as appointed as Chairman of the Committee and Radhakrishnan Nair, independent Director has been inducted as a Member of the Committee with effect from June 30, 2019.

VIII. INFORMATION TECHNOLOGY STRATEGY COMMITTEE

Terms of Reference

The functions of the Committee are to approve strategy for Information Technology (IT) and policy documents, ensure that IT strategy is aligned with business strategy, review IT risks, ensure proper balance of IT investments for sustaining the Bank's growth, oversee the aggregate funding of IT at Bank-level, ascertain if the management has resources to ensure the proper management of IT risks, review contribution of IT to business and oversee the activities of Digital Council.

Composition

There were four Meetings of the Committee during the year. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
Neelam Dhawan, *Chairperson*	4/4
Anup Bagchi *(w.e.f. July 1, 2018)*	2/3
Chanda Kochhar *(upto October 4, 2018)*	1/2
Dileep Choksi	4/4
Sandeep Bakhshi *(w.e.f. July 31, 2018)*	3/3

Upon completion of his tenure as a Director, Dileep Choksi ceased to be a Member of the Committee with effect from April 1, 2019.

The Board at its Meeting on May 6, 2019 reconstituted the Committee pursuant to which B. Sriram, independent Director has been inducted as a Member as well as appointed as the Chairman of the Committee with effect from June 30, 2019.

IX. RISK COMMITTEE

Terms of Reference

The functions of the Committee are to review ICICI Bank's risk management policies pertaining to credit, market, liquidity, operational, outsourcing, reputation risks, business continuity plan and disaster recovery plan. The functions of the Committee also include review of the Enterprise Risk Management (ERM) framework, Risk Appetite Framework (RAF), stress testing framework, Internal Capital Adequacy Assessment Process (ICAAP) and framework for capital allocation; review of the status of Basel II and Basel III implementation, risk return profile of the Bank, risk dashboard covering various risks, outsourcing activities and the activities of the Asset Liability Management Committee. The Committee also has oversight on risks of subsidiaries covered under the Group Risk Management Framework. The Committee also carries out Cyber Security risk assessment.

Composition

There were eight Meetings of the Committee during the year – April 27, 2018, June 11, 2018, June 20, 2018, July 25, 2018, October 22, 2018, January 29, 2019, February 18, 2019 and March 20, 2019. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
B. Sriram, *Chairman* *(Chairman w.e.f. January 14, 2019)*	3/3
Dileep Choksi *(Chairman w.e.f. July 1, 2018 and upto January 14, 2019)*	6/8
M. K. Sharma *(Chairman upto June 30, 2018)*	3/3
Chanda Kochhar *(upto October 4, 2018)*	1/4
M. D. Mallya *(w.e.f. July 1, 2018 and upto October 4, 2018)*	0/1
Sandeep Bakhshi *(w.e.f. July 31, 2018)*	4/4
V. K. Sharma	4/8

Upon completion of their tenure as Directors, Dileep Choksi and V. K. Sharma ceased to be the Members of the Committee with effect from April 1, 2019.

The Board on April 14, 2019 reconstituted the Committee pursuant to which S. Madhavan, independent Director, was inducted as a Member of the Committee with immediate effect.

The Board at its Meeting on May 6, 2019 reconstituted the Committee pursuant to which Sandeep Bakhshi, Managing Director & CEO, ceases to be a Member of the Committee with effect from June 30, 2019, B. Sriram, independent Director ceases to be a Member and Chairman of Risk Committee with effect from September 30, 2019 and G. C. Chaturvedi has been inducted as a Member as well as the Chairman of the Committee with effect from October 1, 2019.

X. STAKEHOLDERS RELATIONSHIP COMMITTEE

Terms of Reference

The functions of the Committee include approval and rejection of transfer or transmission of shares, bonds, debentures, issue of duplicate certificates, allotment of securities from time to time, redressal and resolution of grievances of security holders, delegation of authority for opening and operation of bank accounts for payment of interest/dividend.

Composition

There were four Meetings of the Committee during the year – April 26, 2018, July 26, 2018, October 26, 2018 and January 29, 2019. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
Hari L. Mundra, *Chairman* *(Chairman w.e.f. January 14, 2019)*	1/1
M. D. Mallya, *(Chairman w.e.f. July 1, 2018 and upto October 4, 2018)*	0/1
Uday Chitale *(Chairman upto June 30, 2018), (Chairman w.e.f. October 26, 2018 and upto January 14, 2019)*	4/4
Anup Bagchi	4/4
N.S. Kannan *(upto June 18, 2018)*	1/1
Vijay Chandok *(w.e.f. October 26, 2018 and upto January 14, 2019)*	1/1

The Company Secretary of the Bank acts as the Compliance Officer in accordance with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. 173 investor complaints received in fiscal 2019 were processed. At March 31, 2019, no complaints were pending.

XI. REVIEW COMMITTEE FOR IDENTIFICATION OF WILFUL DEFAULTERS/NON CO-OPERATIVE BORROWERS

Terms of Reference

The function of the Committee is to review the order of the Committee for Identification of Wilful Defaulters/Non Co-operative Borrowers (a Committee comprising wholetime Directors and senior executives of the Bank to examine the facts and record the fact of the borrower being a wilful defaulter/non co-operative borrower) and confirm the same for the order to be considered final.

Composition

The Managing Director & CEO is the Chairman of this Committee and any two independent Directors comprise the remaining members. Two Meetings of the Committee were held during the year. The Meeting held on January 30, 2019 was attended by Sandeep Bakhshi, Uday Chitale and Radhakrishnan Nair and the Meeting held on March 19, 2019 was attended by Sandeep Bakhshi, Uday Chitale and Neelam Dhawan.

DIRECTORS' REPORT

XII. SEPARATE MEETING OF INDEPENDENT DIRECTORS

During the year, the independent Directors met on May 7/8/11, 2018 and September 12, 2018 *inter alia* to review the matters statutorily prescribed under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

XIII. OTHER COMMITTEES

In addition to the above, the Board has from time to time constituted various committees, namely, Committee of Executive Directors, Executive Investment Committee, Asset Liability Management Committee, Committee for Identification of Wilful Defaulters/Non Co-operative Borrowers, Committee of Senior Management (comprising certain wholetime Directors and Executives) and Committee of Executives, Compliance Committee, Product & Process Approval Committee, Regional Committees for India and overseas operations, Outsourcing Committee, Operational Risk Management Committee, Vigilance Committee, Product Governance Committee and other Committees (all comprising Executives). These committees are responsible for specific operational areas like asset liability management, approval/renewal of credit proposals, approval of products and processes and management of operational risk, under authorisation/supervision of the Board and its Committees.

XIV. GENERAL BODY MEETINGS

The details of General Body Meetings held in the last three years are given below:

General Body Meeting	Day, Date	Time	Venue
Twenty-Fourth Annual General Meeting	Wednesday, September 12, 2018	11:30 a.m.	Sir Sayajirao Nagargruh, Vadodara Mahanagar Seva Sadan, Near GEB Colony, Old Padra Road, Akota, Vadodara 390 020
Twenty-Third Annual General Meeting	Friday, June 30, 2017	12 noon	Professor Chandravadan Mehta Auditorium, General Education Centre, Opposite D. N. Hall Ground, The Maharaja Sayajirao University, Pratapgunj, Vadodara 390 002
Twenty-Second Annual General Meeting	Monday, July 11, 2016	12 noon	Sir Sayajirao Nagargruh, Vadodara Mahanagar Seva Sadan, Near GEB Colony, Old Padra Road, Akota, Vadodara 390 020

The details of the Special Resolutions passed in the Annual General Meetings held in the previous three years are given below:

General Body Meeting	Day, Date	Resolutions
Annual General Meeting	Wednesday, September 12, 2018	• Amendment to Capital Clause of the Memorandum of Association • Amendment to Article 5(a) of the Articles of Association • Amendment to the definition of Exercise Period under Employees Stock Option Scheme-2000 • Private placement of securities under Section 42 of the Companies Act, 2013
Annual General Meeting	Friday, June 30, 2017	• Private placement of securities under Section 42 of the Companies Act, 2013
Annual General Meeting	Monday, July 11, 2016	• Private placement of securities under Section 42 of the Companies Act, 2013

Postal Ballot

No resolution was passed through postal ballot during the financial year ended March 31, 2019.

At present, no special resolution is proposed to be passed through postal ballot.

XV. DISCLOSURES

1. There are no materially significant transactions with related parties i.e., directors, management, subsidiaries, or relatives conflicting with the Bank's interests. The Bank has no promoter.
2. Penalties or strictures imposed on the Bank by any of the stock exchanges, the Securities & Exchange Board of India (SEBI) or any other statutory authority, for any non-compliance on any matter relating to capital markets, during the last three years, detailed as hereunder:
    i. As mentioned by RBI in its press release dated March 29, 2018, RBI has through an order dated March 26, 2018, imposed a monetary penalty of ₹ 589.0 million on the Bank for non-compliance with directions/guidelines issued by RBI. This penalty has been imposed in exercise of powers vested in RBI under the provisions of Section 47A(1)(c) read with Section 46(4)(i) of the Banking Regulation Act, 1949.

    ii. The RBI, in exercise of powers conferred under Section 47(A)(1)(c) read with Section 46(4)(i) of the Banking Regulation Act, 1949, levied an aggregate penalty of ₹ 10.0 million vide its order dated February 25, 2019. The penalty has been levied for delay in compliance to RBI's directives on "Time-bound implementation & strengthening of SWIFT related controls".
3. In terms of the Whistle-Blower Policy of the Bank, no employee of the Bank has been denied access to the Audit Committee.

XVI. MEANS OF COMMUNICATION

It is ICICI Bank's belief that all stakeholders should have access to information regarding its position to enable them to accurately assess its future potential. ICICI Bank disseminates information on its operations and initiatives on a regular basis. ICICI Bank's website (www.icicibank.com) serves as a key awareness facility for all its stakeholders, allowing them to access information at their convenience. It provides comprehensive information on ICICI Bank's strategy, financial performance, operational performance and the latest press releases.

ICICI Bank's investor relations personnel respond to specific queries and play a proactive role in disseminating information to both analysts and investors. In accordance with SEBI and Securities Exchange Commission (SEC) guidelines, all information which could have a material bearing on ICICI Bank's share price is released through leading domestic and global wire agencies. The information is also disseminated to the National Stock Exchange of India Limited (NSE), the BSE Limited (BSE), New York Stock Exchange (NYSE), Securities Exchange Commission (SEC), Singapore Stock Exchange, Japan Securities Dealers Association and SIX Swiss Exchange Ltd. from time to time.

The financial and other information and the various compliances as required/prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are filed electronically with NSE/BSE through NSE's Electronic Application Processing System (NEAPS) and through BSE Listing Centre and are also available on their respective websites in addition to the Bank's website.

ICICI Bank's quarterly financial results are published either in the Financial Express (Mumbai, Pune, Ahmedabad, New Delhi, Lucknow, Chandigarh, Kolkata, Chennai, Bengaluru, Hyderabad and Kochi editions) or the Business Standard (Ahmedabad, Bengaluru, Bhubaneshwar, Chandigarh, Chennai, Hyderabad, Kochi, Kolkata, Lucknow, Mumbai, New Delhi and Pune editions), and Vadodara Samachar (Vadodara). The financial results, official news releases, analyst call transcripts and presentations are also available on the Bank's website.

The Management's Discussion & Analysis forms part of the Annual Report.

General Shareholder Information

Annual General Meeting	Day, Date	Time	Venue
Twenty-Fifth Annual General Meeting	Friday, August 9, 2019	11:45 a.m.	Professor Chandravadan Mehta Auditorium, General Education Centre, Opposite D. N. Hall Ground, The Maharaja Sayajirao University, Pratapgunj, Vadodara 390 002

DIRECTORS' REPORT

Financial Year	:	April 1, 2018 to March 31, 2019
Book Closure	:	July 24, 2019 to August 9, 2019 (both days inclusive)
Dividend Payment Date	:	Will be paid/despatched on or after August 9, 2019

Listing of Equity Shares/ADSs/Bonds on Stock Exchanges

Stock Exchange	Code for ICICI Bank
BSE Limited (BSE) (Equity) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	532174 & 632174[1]
National Stock Exchange of India Limited (NSE) (Equity) Exchange Plaza, Bandra-Kurla Complex Bandra (East), Mumbai 400 051	ICICIBANK
New York Stock Exchange (ADSs)[2] 11, Wall Street, New York, NY 10005, United States of America	IBN

1 *FII segment of BSE.*
2 *Each ADS of ICICI Bank represents two underlying equity shares.*

The bonds issued in domestic market comprised of privately placed bonds as well as bonds issued via public issues which are listed on BSE/NSE.

ICICI Bank has paid annual listing fees for the relevant periods to BSE and NSE where its equity shares/bonds are listed and NYSE where its ADSs are listed.

Listing of Other Securities
The bonds issued overseas are issued either in public or private placement format. The listed bonds are traded on Singapore Exchange Securities Trading Limited, 2 Shenton Way, #02-02, SGX Centre 1, Singapore 068804 or SIX Swiss Exchange Ltd, P.O. Box 1758, CH-8021 Zurich, Switzerland or Tokyo Stock Exchange, 2-1 Nihombashi Kabutocho, Chuo-ku Tokyo 103-8220 Japan.

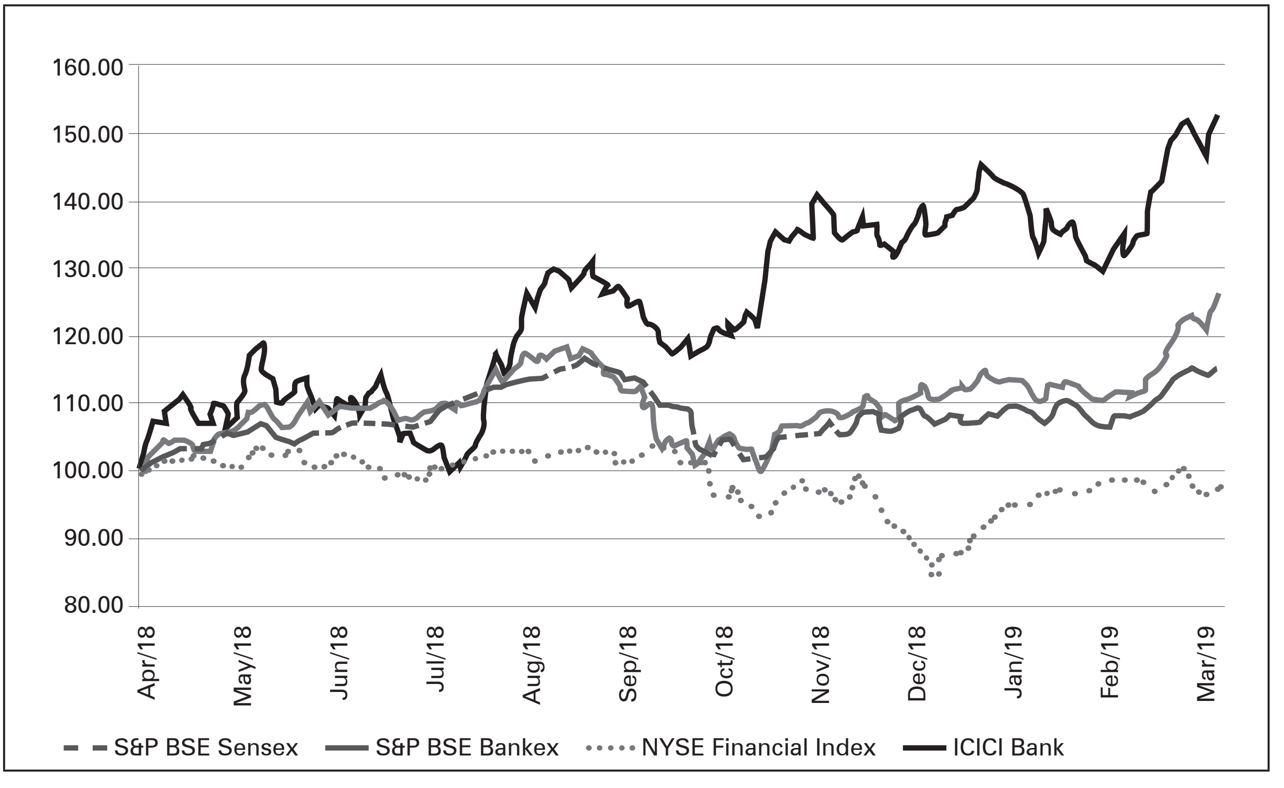
Market Price Information
The reported high and low closing prices and volume of equity shares of ICICI Bank traded during fiscal 2019 on BSE and NSE are set out in the following table:

Month	BSE			NSE			Total Volume on BSE and NSE
	High ₹	Low ₹	Volume	High ₹	Low ₹	Volume	
April-18	291.70	261.90	48,964,990	291.75	261.85	505,069,489	554,034,479
May-18	311.10	277.10	16,729,093	310.95	276.90	437,411,078	454,140,171
June-18	300.85	271.15	21,579,782	300.65	271.40	438,940,061	460,519,843
July-18	307.25	259.30	32,034,681	307.35	259.25	494,208,829	526,243,510
August-18	344.40	297.85	27,140,030	344.35	298.55	484,867,421	512,007,451
September-18	335.05	305.00	16,355,694	335.10	305.55	327,737,124	344,092,818
October-18	355.10	303.60	31,068,109	355.00	303.70	603,713,714	634,781,823
November-18	369.60	349.80	21,701,012	370.00	349.65	417,163,584	438,864,596
December-18	366.60	342.75	20,667,652	366.50	342.80	320,932,298	341,599,950
January-19	382.00	343.45	35,262,982	382.25	343.55	467,373,555	502,636,537
February-19	358.90	338.55	22,186,545	359.30	338.75	289,573,739	311,760,284
March-19	400.00	353.50	31,473,075	400.55	354.25	359,345,712	390,818,787
Fiscal 2019	400.00	259.30	325,163,645	400.55	259.25	5,146,336,604	5,471,500,249

The reported high and low closing prices and volume of ADRs of ICICI Bank traded during fiscal 2019 on the NYSE are given below:

Month	High (USD)	Low (USD)	Number of ADS traded
April-18	8.85	8.19	187,144,800
May-18	9.17	8.36	129,614,888
June-18	8.83	7.88	143,643,499
July-18	8.83	7.72	144,318,500
August-18	9.77	8.77	142,154,987
September-18	9.26	8.49	147,329,300
October-18	9.49	8.19	219,347,100
November-18	10.34	9.39	131,262,900
December-18	10.34	9.26	125,519,700
January-19	10.78	9.55	154,374,100
February-19	10.00	9.50	127,747,800
March-19	11.46	9.91	144,777,900
Fiscal 2019	11.46	7.72	1,797,235,474

The performance of ICICI Bank equity shares relative to the S&P BSE Sensitive Index (Sensex), S&P BSE Bank Index (Bankex) and NYSE Financial Index during the period April 1, 2018 to March 31, 2019 is given in the following chart:



DIRECTORS' REPORT

Share Transfer System
ICICI Bank's investor services are handled by 3i Infotech Limited (3i Infotech). 3i Infotech is a SEBI registered Category I - Registrar to an Issue & Share Transfer (R&T) Agent. 3i Infotech is an information technology company and in addition to R&T services, provides a wide range of technology & technology-enabled products and services.

ICICI Bank's equity shares are traded mainly in dematerialised form. During the year, 4,148,620 equity shares of face value ₹ 2 each involving 19,451 certificates were dematerialised. At March 31, 2019, 99.68% of paid-up equity share capital (including equity shares represented by ADS constituting 24.89% of the paid-up equity share capital) are held in dematerialised form.

Physical share transfer requests were processed and the share certificates were returned normally within a period of seven days from the date of receipt, if the documents were correct, valid and complete in all respects.

The number of equity shares of ICICI Bank transferred during the last three years (excluding electronic transfer of shares in dematerialised form) is given below:

	Fiscal 2017	Fiscal 2018	**Fiscal 2019**
	Shares of face value ₹ 2	Shares of face value ₹ 2	**Shares of face value ₹ 2**
No. of transfer deeds	414	629	**2013**
No. of shares transferred	109,155	157,922	**585,550**

As required under Regulation 40(9) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate is obtained every six months from a practising Company Secretary that all transfers have been completed within the stipulated time. The certificates are filed with BSE and NSE.

In terms of Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and SEBI Circular D&CC/FITTC/CIR-16/2002 dated December 31, 2002, as amended vide Circular no. CIR/MRD/DP/30/2010 dated September 6, 2010 an audit is conducted on a quarterly basis by a firm of Chartered Accountants, for the purpose of, *inter alia*, reconciliation of the total admitted equity share capital with the depositories and in the physical form with the total issued/paid up equity share capital of ICICI Bank. Certificates issued in this regard are placed before the Stakeholders Relationship Committee and filed with BSE and NSE, where the equity shares of ICICI Bank are listed.

Registrar and Transfer Agents
The Registrar and Transfer Agent of ICICI Bank is 3i Infotech Limited. Investor services related queries/requests/complaints may be directed to Ms. R. C. D'souza at the address as under:

3i Infotech Limited
International Infotech Park
Tower# 5, 3rd Floor
Vashi Railway Station Complex
Vashi, Navi Mumbai 400 703
Maharashtra, India
Tel. No.: +91-22-7123 8000
Fax No.: +91-22-7123 8099
E-mail : investor@icicibank.com

Queries relating to the operational and financial performance of ICICI Bank may be addressed to:

Rakesh Jha/Anindya Banerjee
ICICI Bank Limited
ICICI Bank Towers
Bandra-Kurla Complex
Mumbai 400 051
Tel. No.: +91-22-2653 7131
Fax No.: +91-22-2653 1175
E-mail: ir@icicibank.com

Debenture Trustees

Pursuant to Regulation 53 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the names and contact details of the debenture trustees for the public issue bonds and privately placed bonds of the Bank are given below:

Bank of Maharashtra Head Office, Legal Dept. Lokmangal, "1501" Shivaji Nagar, Pune - 411 005 Tel. No.: +91-020-2553 6256 bomcolaw@mahabank.com	Axis Trustee Services Limited The Ruby, 2nd Floor, SW 29, Senapati Bapat Marg, Dadar West, Mumbai - 400 028 Tel. No.: +91-22-2425 5202 debenturetrustee@axistrustee.com	IDBI Trusteeship Services Limited Asian Building, Ground Floor, 17, R Kamani Marg, Ballard Estate, Mumbai - 400 001 Tel. No.: +91-22-4080 7001 itsupport@idbitrustee.com

The details are available on the website of the Bank at the link (https://www.icicibank.com/Personal-Banking/investments/icici-bank-bonds/index.page).

Information on Shareholding

Shareholding pattern of ICICI Bank at March 31, 2019

Shareholder Category	No. of shares	% holding
Deutsche Bank Trust Company Americas (Depositary for ADS holders)	1,604,424,721	24.89
FIIs/FPIs, NRIs, Foreign Banks, Foreign Companies, OCBs and Foreign Nationals	2,105,174,383	32.66
Insurance Companies	772,315,354	11.98
Bodies Corporate (including Government Companies and Clearing Members)	152,759,354	2.37
Banks & Financial Institutions	1,085,096	0.02
Mutual Funds/UTI	1,351,914,622	20.97
Individuals, HUF and Trusts	372,621,600	5.78
NBFCs Registered with RBI	6,547,817	0.10
Provident Fund/Pension Fund	62,358,629	0.97
Alternate Investment Fund	10,999,750	0.17
IEPF	6,038,327	0.09
Total	**6,446,239,653**	**100.00**

Shareholders of ICICI Bank with more than one percent holding at March 31, 2019

Name of the Shareholder	No. of shares	% holding
Deutsche Bank Trust Company Americas*	1,604,424,721	24.89
Life Insurance Corporation of India	509,224,087	7.90
HDFC Trustee Co Ltd (Various Mutual Fund Accounts)/HDFC Large Cap Fund	267,000,149	4.14
Dodge & Cox International Stock Fund	254,429,276	3.95
SBI Mutual Fund/SBI Dual Advantage Fund and Other Various Fund Accounts	173,093,609	2.69
ICICI Prudential Mutual Fund (Various Mutual Fund Accounts)	144,736,199	2.25
Aditya Birla Sun Life Trustee Private Limited	130,775,083	2.03
Reliance Capital Trustee Co Ltd/Reliance ETF/Reliance Emergent India Fund (Various Fund Accounts)	115,164,358	1.79
Government of Singapore	98,147,231	1.52
Kotak Capital Fund (Various Mutual Fund Accounts)	85,155,884	1.32

* *Deutsche Bank Trust Company Americas holds equity shares of ICICI Bank as depositary for ADS holders.*

DIRECTORS' REPORT

Distribution of shareholding of ICICI Bank at March 31, 2019

Range – Shares	No. of Folios	%	No. of Shares	%
Upto 1,000	799,843	92.93	144,418,631	2.24
1,001 – 5,000	51,868	6.02	95,449,190	1.48
5,001 – 10,000	4,124	0.48	28,231,323	0.44
10,001 – 50,000	2,895	0.34	59,559,473	0.92
50,001 & above	1,968	0.23	6,118,581,036	94.92
Total	**860,698**	**100.00**	**6,446,239,653**	**100.00**

Disclosure with respect to shares lying in suspense account

The Bank had 100,222 equity shares held by 483 shareholders lying in suspense account at the beginning of the fiscal 2019. The Bank has been transferring the shares lying unclaimed to the eligible shareholders as and when the request for the same has been received after proper verification. During the year, the Bank had received requests from 33 shareholders holding 11,429 shares for claiming these shares out of which 4,559 shares held by 8 shareholders were transferred from the suspense account. As on March 31, 2019, 95,663 shares held by 475 shareholders remained unclaimed in the suspense account.

The voting rights on the shares lying in suspense account are frozen till the rightful owner of such shares claims the shares.

Transfer of unclaimed dividend and shares to investor education & protection fund (IEPF)

Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013, during fiscal 2019, dividend amount of ₹ 3.33 crore remaining unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Accounts of the Company have been transferred to the Investor Education and Protection Fund (IEPF).

Pursuant to Section 124(6) of the Companies Act, 2013 read with the Investor Education & Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules, 2016, during fiscal 2019, 1,314,679 equity shares in respect of which the dividend has not been claimed for seven consecutive years have been transferred to the designated demat account of the IEPF Authority.

Members who have not yet encashed their dividend warrant(s) for the financial year ended March 31, 2012 and/or subsequent years are requested to submit their claims to the Registrar and Transfer Agent of the Company without any delay. The unclaimed dividend and the equity shares transferred to IEPF can be claimed by making an application in the prescribed form available on the website of IEPF i.e. www.iepf.gov.in.

The details of the Nodal Officer appointed under the provisions of IEPF are available under the Investor Relations section on the website of the Bank at www.icicibank.com.

Dematerialisation of securities and updation of PAN and Bank details

SEBI, vide its Circular dated April 20, 2018, introduced a documented framework for streamlining and strengthening the systems and processes of RTAs, Issuer Companies and Bankers to an Issue with regards to handling and maintenance of records, transfer of securities and payment of dividend, as may be applicable. The said SEBI Circular, inter alia, provides for updation of PAN and Bank details by the Shareholders, wherever not available. This has been separately communicated to investors holding securities in physical form by the Bank. Those investors who are yet to respond are requested to take necessary action in the matter at the earliest.

Outstanding GDRs/ADSs/Warrants or any Convertible instruments, conversion date and likely impact on equity

ICICI Bank has 802.21 million ADS (equivalent to 1,604.42 million equity shares) outstanding, which constituted 24.89% of ICICI Bank's total equity capital at March 31, 2019. There are no other convertible instruments outstanding as on March 31, 2019.

Commodity price risk or foreign exchange risk and hedging activities

The foreign exchange risk position including bullion is managed within the net overnight open position (NOOP) limit approved by the Board of Directors. The foreign currency assets of the Bank are primarily floating rate linked assets. Wholesale liability raising for foreign currencies takes place in USD or other currencies via bond issuances, bilateral loans and syndicated/club loans as well as refinance from Export Credit Agencies (ECA) which may be at a fixed rate or floating rate linked. In case of fixed rate Long-term wholesale fund raising in USDs, the interest rate risk is generally hedged via interest rate swaps wherein the Bank moves to a floating rate index in order to match the asset profile. In case of fund raising in non USD currencies, the foreign exchange risk is hedged via foreign exchange swaps or currency interest rate swaps.

The extant RBI guidelines do not allow AD Category I Banks to take any market positions in commodity related activities. However, the extant guidelines allows Bank to import gold and silver in line with the RBI license and selling of imported gold/silver on outright basis to domestic clients or providing gold metal loan to jewellery manufacturers and take gold deposits under the Gold Monetisation scheme. ICICI Bank provides pricing and hedging of Gold Metal Loan to jewellery customers and such exposures are covered on a back-to-back basis with gold suppliers.

In view of the above, the disclosure pursuant to the SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018 is not required to be given.

Plant Locations – Not applicable

Address for Correspondence
Ranganath Athreya
Company Secretary
ICICI Bank Limited
ICICI Bank Towers
Bandra-Kurla Complex
Mumbai - 400 051
Tel. No.: +91-22-2653 8900
Fax No.: +91-22-2653 1230
E-mail: companysecretary@icicibank.com

The Bank is in compliance with requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Bank has also complied with the discretionary requirements such as maintaining a separate office for the Chairman at the Bank's expense, ensuring financial statements with unmodified audit opinion, separation of posts of Chairman and Chief Executive Officer and reporting of internal auditor directly to the Audit Committee.

ANALYSIS OF CUSTOMER COMPLAINTS

a) Customer complaints in fiscal 2019

No. of complaints pending at the beginning of the year	6,209
No. of complaints received during the year	264,726
No. of complaints redressed during the year	262,259
No. of complaints pending at the end of the year	8,676

Note: The above does not include complaint redressed within 1 working day.

b) Awards passed by the Banking Ombudsman in fiscal 2019

No. of unimplemented awards at the beginning of the year	Nil
No. of awards passed by the Banking Ombudsman during the year	Nil
No. of awards implemented during the year	Nil
No. of unimplemented awards at the end of the year	Nil

COMPLIANCE CERTIFICATE OF THE AUDITORS

ICICI Bank has annexed to this Report, a certificate obtained from the statutory auditors, M/s Walker Chandiok & Co LLP, Chartered Accountants, regarding compliance of conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DIRECTORS' REPORT

EMPLOYEE STOCK OPTION SCHEME

The Bank has an Employee Stock Option Scheme (ESOS/Scheme) which was instituted in fiscal 2000 to enable the employees and wholetime Directors of ICICI Bank and its subsidiaries to participate in future growth and financial success of the Bank. The ESOS aims at achieving the twin objectives of (i) aligning employee interest to that of the shareholders; and (ii) retention of talent. Through employee stock option grants, the Bank seeks to foster a culture of long-term sustainable value creation. The Scheme is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (the SEBI Regulations). Pursuant to the SEBI Regulations, options are granted by the Board Governance, Remuneration & Nomination Committee (BGRNC) and noted by the Board.

The Scheme was initially approved by the Members at their meeting held on February 21, 2000 and amended from time to time.

The Members at the Annual General Meeting held on September 12, 2018 approved the change in exercise period to not exceeding five years from date of vesting of options as may be determined by the BGRNC for each grant. The above definition of Exercise Period has been made applicable to all future grants effective May 2018.

The Bank has upto March 31, 2019 granted 499.24 million stock options from time to time aggregating to 7.74% of the issued equity capital of the Bank at March 31, 2019. As per the ESOS, as amended from time to time, the maximum number of options granted to any employee/Director in a year is limited to 0.05% of ICICI Bank's issued equity shares at the time of the grant, and the aggregate of all such options is limited to 10% of ICICI Bank's issued equity shares on the date of the grant (equivalent to 644.62 million shares of face value ₹ 2 each at March 31, 2019).

Particulars of options granted by ICICI Bank as on March 31, 2019 are given below:

Number of options outstanding at the beginning of the year	235,672,250
Number of options granted during the year*	31,112,400
Number of options forfeited/lapsed during the year	18,979,999
Number of options vested during the year	46,916,376
Number of options exercised during the year	18,248,877
Number of shares arising as a result of exercise of options	18,248,877
Money realised by exercise of options during the year (₹)	3,486,300,104
Number of options outstanding at the end of the year	229,555,774
Number of options exercisable at the end of the year	152,151,329

* *Excludes options pertaining to Wholetime Directors pending for RBI approval.*

The Bank follows the intrinsic value method to account for its stock-based employee compensation plans. The diluted earnings per share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard 20 (AS-20) was ₹ 5.17 in fiscal 2019 compared to basic EPS of ₹ 5.23. Based on the intrinsic value of options, no compensation cost was recognised during fiscal 2019. However, if the Bank had used the fair value of options based on the binomial tree model, compensation cost in fiscal 2019 would have been higher by ₹ 3.18 billion and proforma profit after tax would have been ₹ 30.45 billion. On a proforma basis, the Bank's basic and diluted earnings per share would have been ₹ 4.73 and ₹ 4.68 respectively.

The key assumptions used to estimate the fair value of options granted during fiscal 2019 are given below:

Risk-free interest rate	7.32% to 8.31%
Expected life	3.64 to 6.64 years
Expected volatility	30.79% to 32.22%
Expected dividend yield	0.43% to 0.80%

The weighted average fair value of options granted during fiscal 2019 was ₹ 107.22 (₹ 86.43 during fiscal 2018) and the weighted average exercise price of options granted during fiscal 2019 was ₹ 283.91 (₹ 251.05 during fiscal 2018).

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.

The detailed disclosures as stipulated under Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 will be hosted on the website of the Bank at https://www.icicibank.com/aboutus/other-policies.page.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Bank has undertaken various initiatives for energy conservation at its premises. A detailed write up is given in the chapter Natural Capital, in the Integrated Report section of the Annual Report for fiscal 2019 and under Principle 6 of Section E of the Business Responsibility Report which will be available on the website of the Bank at https://www.icicibank.com/aboutus/annual.page. The Bank has used information technology extensively in its operations; for details refer to the chapter Strategic Focus Areas for Business in the Integrated Report section of the Annual Report for fiscal 2019.

UPDATE ON RECENT DEVELOPMENTS AT THE BANK

Shareholders were provided an update under this section last year that the Audit Committee of the Bank under direction given by the Board of Directors had instituted an independent enquiry, headed by a former Supreme Court Judge, Hon’ble Mr. Justice B. N. Srikrishna (Retd.), to consider various allegations relating to the then MD & CEO, Ms. Chanda Kochhar. The final findings and actions taken by the Board were disclosed by the Bank to the stock exchanges vide press release dated January 30, 2019 and is now generally available information. Shareholders can access the said press release at (www.icicibank.com). Any shareholder who requires a printed copy of this press release may also write to the Registrar and Transfer Agents of the Bank.

GREEN INITIATIVE IN CORPORATE GOVERNANCE

In line with the continuing efforts towards 'Green Initiative', the Bank has effected electronic delivery of Notice of Annual General Meeting and Annual Report to those Members whose e-mail ids were registered with the Depository Participants/3i Infotech/Bank. The Companies Act, 2013 and the underlying rules as well as Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, permit the dissemination of financial statements and annual report in electronic mode to the Members. Your Directors are thankful to the Members for actively participating in the Green Initiative and seek your continued support.

SECRETARIAL STANDARDS

Your Bank is in compliance with the Secretarial Standard on Meetings of the Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2) for the financial year ended March 31, 2019.

DIRECTORS’ RESPONSIBILITY STATEMENT

The Directors confirm:

1. that in the preparation of the annual accounts, the applicable accounting standards had been followed, along with proper explanation relating to material departures;
2. that they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Bank at the end of the financial year and of the profit of the Bank for that period;
3. that they have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of the Banking Regulation Act, 1949 and the Companies Act, 2013 for safeguarding the assets of the Bank and for preventing and detecting fraud and other irregularities;
4. that they have prepared the annual accounts on a going concern basis;
5. that they have laid down internal financial controls to be followed by the Bank and that such internal financial controls are adequate and were operating effectively; and
6. that they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIRECTORS' REPORT

ACKNOWLEDGEMENTS

ICICI Bank is grateful to the Government of India, Reserve Bank of India, Securities and Exchange Board of India, Insurance Regulatory and Development Authority of India and overseas regulators for their continued co-operation, support and guidance. ICICI Bank wishes to thank its investors, the domestic and international banking community, rating agencies and stock exchanges for their support.

ICICI Bank would like to take this opportunity to express sincere thanks to its valued clients and customers for their continued patronage. The Directors express their deep sense of appreciation to all the employees, whose outstanding professionalism, commitment and initiative has made the organisation's growth and success possible and continues to drive its progress. Finally, the Directors wish to express their gratitude to the Members for their trust and support.

For and on behalf of the Board

Girish Chandra Chaturvedi
May 6, 2019 Chairman

Compliance with the Group Code of Business Conduct and Ethics

I confirm that all Directors and members of the senior management have affirmed compliance with Group Code of Business Conduct and Ethics for the year ended March 31, 2019.

Sandeep Bakhshi
May 6, 2019 Managing Director & CEO

ANNEXURE A

FORM NO. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

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

To,
The Members,
ICICI Bank Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ICICI Bank Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;

(d) The Securities and Exchange Board of India (Share Based Employees Benefits) Regulations, 2014;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period);

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the audit period)

(i) The Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992

(j) The Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994

(k) The Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993

(l) The Securities and Exchange Board of India (Custodian of Securities) Regulations, 1996

(m) The Securities and Exchange Board of India (Investment Advisers) Regulations, 2013

(n) The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014

(o) Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992

(p) Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;

(vi) Other laws applicable specifically to the Company namely:

(a) Banking Regulation Act, 1949, Master Circulars, Notifications and Guidelines issued by the RBI from time to time

(b) The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002

(c) Recovery of Debts Due to Banks and Financial Institutions Act, 1993

(d) The Shops and Establishments Act, 1953

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above. The Company has spent an amount of ₹ 92.2 crores against the amount of ₹ 119.0 crores to be spent during the year towards Corporate Social Responsibility.

During the year,

1) The Company received a show cause notice from RBI dated April 25, 2018 under Section 11 of Foreign Exchange Management Act, 1999 relating to contravention of directions issued by Reserve Bank of India (RBI) in respect of follow-up with exporters and reporting of export realisation. The Company submitted a detailed response to the said show cause notice specifying the efforts taken by the Company. Taking into cognizance of efforts made by the Company, RBI through letter dated December 20, 2018 informed that no monetary penalty has been imposed.

2) The Company and it's Managing Director & CEO received a Notice from SEBI on May 24, 2018 under Rule 4(1) of SCR (Procedure for Holding Inquiry and imposing penalties by Adjudicating Officer) Rules 2005 requiring responses on matters relating to alleged non-compliance with certain provisions of the erstwhile Listing Agreement and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has submitted its reply to SEBI.

3) The Company and it's ex-Compliance Officer of the Company received a Notice from SEBI on July 31, 2018 under Rule 4(1) of SCR (Procedure for Holding Inquiry and imposing penalties by Adjudicating Officer) Rules 2005 requiring responses on matters relating to alleged non-compliance with certain provisions of the erstwhile Listing Agreement with respect to delayed disclosure of an agreement relating to merger of the erstwhile Bank of Rajasthan with the Company.

4) The Company received a show cause notice from RBI dated August 23, 2018 under Sections 35, 35A, 46 and 47A of Banking Regulation Act, 1949 relating to contravention of RBI guidelines on Time-bound implementation & strengthening of SWIFT related operational controls.

5) The Reserve Bank of India (RBI), in exercise of powers conferred under section 47(A)(1)(c) read with Section 46(4)(i) of the Banking Regulation Act, 1949, levied an aggregate penalty of ₹10 million vide its order dated February 25, 2019 on the Company. The penalty has been levied for delay in compliance to RBI's directives on "Time-bound implementation & strengthening of SWIFT related controls".

We further report that:

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. In respect of meetings held at short notice or meetings for which the agenda notes (other than those relating to Unpublished Price Sensitive Information (UPSI)) were sent at a notice of less than 7 days, the unanimous consent of the Board/Committee was taken for discussion of the said agenda items and the same has been recorded in the minutes.

Decisions at the Meetings of the Board of Directors and of the Committees thereof were taken with requisite majority.

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

We further report that during the audit period the following events occurred during the year which have a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards etc. referred to above.

1. During the financial year ended March 31, 2019, the Company has issued 18,248,877 equity share of face value of ₹ 2 each under the Employee Stock option Scheme.
2. The Company redeemed 350 Preference shares during the year and has complied with the applicable laws.
3. During the financial year ended March 31, 2019, the Company has redeemed various series of debentures in the nature of Public issue bonds, Private placement bonds and Pension bonds aggregating to ₹ 6842,34,81,107/- and has complied with the applicable laws.
4. During Q1-2019, the Company sold equity shares representing 2.00% shareholding in ICICI Prudential Life Insurance Company Limited through an offer for sale on stock exchanges for a total consideration of ₹1145.97 crore.
5. The Company has obtained approval of members by way of special resolution under Section 42 of the Act to borrow from time to time, by way of issue of non-convertible securities including but not limited to bonds and non-convertible debentures in one or more tranches of upto ₹ 25,000 crores on private placement basis.
6. The Company issued and allotted various Non-Convertible Bonds in nature of Debentures of face value of ₹ 10,00,000/- each aggregating to ₹ 1,140 crores on private placement basis in the domestic market

For **Parikh Parekh & Associates**
Company Secretaries

Place: Mumbai
Date : 06.05.2019

Signature:
P. N. Parikh
Partner
FCS No: 327 CP No: 1228

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

DIRECTORS' REPORT

ANNEXURE A

To,
The Members
ICICI Bank Limited

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

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

For **Parikh Parekh & Associates**
Company Secretaries

Place: Mumbai
Date : 06.05.2019

Signature:
P. N. Parikh
Partner
FCS No: 327 CP No: 1228

ANNEXURE B

FORM NO. AOC-2

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

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

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

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

Sr. No.	Name of the related party	Nature of relationship	Nature of contracts/ transactions	Duration of contracts	Salient terms of contracts/ transactions	₹ in million
1	Life Insurance Corporation of India	Others	Term deposits placed with the Bank	Various maturities	Interest at applicable coupon rates	31,721.3
	India Infradebt Limited	Associate		7 days		1,960.0
2	India Infradebt Limited	Associate	Investment in equity shares of related party by the Bank	-	Invested at rights issue price	2,740.0
3	ICICI Securities Primary Dealership Limited	Subsidiary	Short-term lendings by the Bank	1 day to 5 days	Interest at prevailing market rates	158,050.0
4	ICICI Bank UK PLC	Subsidiary	Loans given by related party based on standby letters of credit given by the Bank	Various maturities	Interest at prevailing market rates	2,327.9
			Discounting of letters of credit issued by the Bank			2,174.6
5	ICICI Home Finance Company Limited	Subsidiary	Term loan extended by the Bank	3 years	Interest at negotiated competitive rates	1,000.0
6	ICICI Securities Primary Dealership Limited	Subsidiary	Purchase of investment securities by the Bank	-	At market prices	31,591.0
7	ICICI Prudential Life Insurance Company Limited	Subsidiary				3,066.4
	ICICI Prudential Life Insurance Company Limited	Subsidiary	Sale of investment securities by the Bank	-	At market prices	18,391.1
	ICICI Securities Primary Dealership Limited	Subsidiary				15,368.2
	ICICI Lombard General Insurance Company Limited	Subsidiary				1,518.1
8	ICICI Securities Primary Dealership Limited	Subsidiary	Principal amounts of derivatives such as swaps and forwards contracts	Various maturities	At market prices	445,500.0
	ICICI Home Finance Company Limited	Subsidiary				39,395.1
	Shree Renuka Sugars Limited[1]	Associate				2,191.7
	ICICI Prudential Life Insurance Company Limited	Subsidiary				1,823.3
	ICICI Securities Limited	Subsidiary				1,053.9
	ICICI Bank Canada	Subsidiary				1,028.1
	ICICI Prudential Asset Management Company Limited	Subsidiary				644.4

DIRECTORS' REPORT

Sr. No.	Name of the related party	Nature of relationship	Nature of contracts/ transactions	Duration of contracts	Salient terms of contracts/ transactions	₹ in million
9	ICICI Bank UK PLC	Subsidiary	Current account deposits by the Bank	-	Outstanding balance at March 31, 2019. Maintained for normal banking transactions	1,357.6
10	ICICI Securities Limited	Subsidiary	Current account deposits with the Bank	-	Outstanding balance at March 31, 2019. Maintained for normal banking transactions	18,228.8
	Life Insurance Corporation of India	Others				9,300.6
	ICICI Prudential Life Insurance Company Limited	Subsidiary				5,856.4
	ICICI Lombard General Insurance Company Limited	Subsidiary				675.8
11	Life Insurance Corporation of India	Others	Interest expense on borrowings/ deposits from related party	-	Interest on bonds at applicable rates	11,111.8
					Interest on term deposits at applicable coupon rates	1,827.9
12	ICICI Prudential Life Insurance Company Limited	Subsidiary	Commission income earned by the Bank on insurance products	-	Commission for corporate agency services to solicit and procure the sale and distribution of the policies	9,760.2
	ICICI Lombard General Insurance Company Limited	Subsidiary				1,276.7
13	I-Process Services (India) Private Limited	Associate	Expenses incurred by the Bank towards service provider arrangement	1 year	Outsourcing of services and resources	5,327.1
	ICICI Merchant Services Private Limited	Associate		10 years	Merchant management fee	4,109.9
14	ICICI Lombard General Insurance Company	Subsidiary	Insurance premium paid by the Bank	-	Staff welfare insurance at competitive market rates	1,287.2
	ICICI Prudential Life Insurance Company Limited	Subsidiary			Insurance policy for retail loan borrowers	3,597.0
15	Life Insurance Corporation of India	Others	Dividend paid by the Bank	-	Dividend on equity shares	904.9
16	ICICI Prudential Life Insurance Company Limited	Subsidiary	Dividend received by the Bank	-	Dividend on equity shares	3,719.6
	ICICI Securities Limited	Subsidiary				1,939.6
	ICICI Prudential Asset Management Company Limited	Subsidiary				1,656.5
	ICICI Bank Canada	Subsidiary				1,373.6
	ICICI Lombard General Insurance Company Limited	Subsidiary				1,269.2

1 Ceased to be related party effective from May 7, 2018.

Girish Chandra Chaturvedi
Chairman

May 6, 2019

ANNEXURE C

FORM NO. MGT-9

Extract of Annual Return
as on the financial year ended on March 31, 2019

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

I. REGISTRATION AND OTHER DETAILS

CIN	L65190GJ1994PLC021012
Registration Date	January 5, 1994
Name of the Company	ICICI Bank Limited
Category/Sub-Category of the Company	Company limited by shares/Indian Non-Government Company
Address of the Registered office and contact details	ICICI Bank Tower Near Chakli Circle Old Padra Road, Vadodara - 390 007 Gujarat, India Tel.: +91-265-6722239 Email : companysecretary@icicibank.com
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	3i Infotech Limited International Infotech Park Tower# 5, 3rd Floor Vashi Railway Station Complex Vashi, Navi Mumbai - 400 703 Maharashtra, India Tel. : +91-22-7123 8000 Fax : +91-22-7123 8098 Email : investor@icicibank.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/services	NIC Code of the product/service	% to total turnover of the Company
1	Banking and Financial Services	64191	100%

The Bank is a publicly held banking company engaged in providing a wide range of banking and financial services including retail banking, corporate banking and treasury operations.

DIRECTORS' REPORT

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN/GLN*	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	ICICI Bank Canada 150 Ferrand Drive Suite 1200, Toronto, ON M3C 3E5 Canada		Subsidiary Company	100.00%	2(87)
2.	ICICI Bank UK PLC Registered Office: One Thomas More Square Five Thomas More Street London E1W 1YN		Subsidiary Company	100.00%	2(87)
3.	ICICI Home Finance Company Limited Registered Office: ICICI Bank Towers Bandra-Kurla Complex Mumbai 400 051	U65922MH1999PLC120106	Subsidiary Company	100.00%	2(87)
4.	ICICI International Limited Registered Office: IFS Court,Twenty Eight, Cybercity Ebene, Mauritius		Subsidiary Company	100.00%	2(87)
5.	ICICI Investment Management Company Limited Registered Office: ICICI Bank Towers Bandra-Kurla Complex Mumbai 400 051	U65990MH2000PLC124773	Subsidiary Company	100.00%	2(87)
6.	ICICI Lombard General Insurance Company Limited Registered Office: ICICI Lombard House 414 Veer Savarkar Marg Near Siddhivinayak Temple Prabhadevi Mumbai 400 025	L67200MH2000PLC129408	Subsidiary Company	55.87%	2(87)
7.	ICICI Prudential Asset Management Company Limited Registered Office: 12th floor, Narain Manzil 23, Barakhamba Road New Delhi 110 001	U99999DL1993PLC054135	Subsidiary Company	51.00%	2(87)
8.	ICICI Prudential Life Insurance Company Limited Registered Office: ICICI PruLife Towers 1089, Appasaheb Marathe Marg Prabhadevi Mumbai 400 025	L66010MH2000PLC127837	Subsidiary Company	52.87%	2(87)

Sr. No.	Name and address of the Company	CIN/GLN*	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
9.	ICICI Prudential Pension Funds Management Company Limited Registered Office: ICICI Prulife Towers 1089, Appasaheb Marathe Marg Prabhadevi Mumbai 400 025	U66000MH2009PLC191935	Subsidiary Company	100.00%	2(87)
10.	ICICI Prudential Trust Limited Registered Office: 12th floor, Narain Manzil 23, Barakhamba Road New Delhi 110 001	U74899DL1993PLC054134	Subsidiary Company	50.80%	2(87)
11.	ICICI Securities Limited Registered Office: ICICI Centre H. T. Parekh Marg Churchgate Mumbai 400 020	L67120MH1995PLC086241	Subsidiary Company	79.22%	2(87)
12.	ICICI Securities Holding Inc. Registered Office: 251 Little Falls Drive Wilmington, DE 19808 United States of America		Subsidiary Company	100.00%	2(87)
13.	ICICI Securities Inc. 251 Little Falls Drive Wilmington, DE 19808 United States of America		Subsidiary Company	100.00%	2(87)
14.	ICICI Securities Primary Dealership Limited Registered Office: ICICI Centre H. T. Parekh Marg, Churchgate Mumbai 400 020	U72900MH1993PLC131900	Subsidiary Company	100.00%	2(87)
15.	ICICI Trusteeship Services Limited Registered Office: ICICI Bank Towers Bandra-Kurla Complex Mumbai 400 051	U65991MH1999PLC119683	Subsidiary Company	100.00%	2(87)
16.	ICICI Venture Funds Management Company Limited Registered Office: ICICI Venture House, Ground Floor Appasaheb Marathe Marg Prabhadevi Mumbai 400 025	U72200MH1989PLC166901	Subsidiary Company	100.00%	2(87)
17.	Arteria Technologies Private Limited[@] Registered Office: Unit No.11, 1st Floor, Innovator International Tech Park Limited Bangalore - 560 066	U72900KA2007PTC041911	Associate Company	19.98%	2(6)

DIRECTORS' REPORT

Sr. No.	Name and address of the Company	CIN/GLN*	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
18.	India Infradebt Limited Registered Office: The Capital, 'B' Wing, #1101-A Bandra Kurla Complex Mumbai - 400 051	U65923MH2012PLC237365	Associate Company	42.33%	2(6)
19.	ICICI Merchant Services Private Limited Registered Office: 74, Kalpataru Square Off Andheri Kurla Road Kondivita Lane Andheri (East) Mumbai – 400 059	U74140MH2009PTC194399	Associate Company	19.01%	2(6)
20.	I-Process Services (India) Private Limited Registered Office: Unit No. 602, 6th Floor, "CENTRE POINT", Andheri-Kurla Road J.B. Nagar, Andheri (East) Mumbai - 400 059	U72900MH2005PTC152504	Associate Company	19.00%	2(6)
21.	NIIT Institute of Finance Banking and Insurance Training Limited Registered Office: 8, Balaji Estate, First Floor Guru Ravi Das Marg, Kalkaji New Delhi 110 019	U80903DL2006PLC149721	Associate Company	18.79%	2(6)
22.	Rajasthan Asset Management Company Private Limited# Registered Office: 7th Floor, Ganga Heights Bapu Nagar, Tonk Road Jaipur, Rajasthan – 302 015	U65999RJ2002PTC017380	Associate Company	24.30%	2(6)
23.	OTC Exchange of India Limited# Registered Office: 92-93 Maker Tower F, Cuffe Parade Mumbai 400 005	U67120MH1990NPL058298	Associate Company	20.00%	2(6)
24.	Falcon Tyres Limited# Registered Office: K R S Road, Metagalli Mysore, Karnataka 570 016	L25114KA1973PLC002455	Associate Company	26.39%	2(6)

* *CIN has been mentioned for Indian subsidiaries/Associate Companies.*

@ *w.e.f. May 29, 2018*

\# *These companies are not considered as associates in the financial statements, in accordance with the provisions of AS 23 on 'Accounting for Investments in Associates in Consolidated Financial Statements'*

IV. SHAREHOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity)

(i) Category-wise Shareholding

Sr. No.	Category of shareholders	No. of Shares held at the beginning of the year (April 1, 2018)				**No. of Shares held at the end of the year (March 31, 2019)**				% change during the year
		Demat	Physical	Total	% of Total Shares	**Demat**	**Physical**	**Total**	**% of Total Shares**	
A	**Promoters**									
	(1) Indian									
	a) Individual / HUF	0	0	0	-	**0**	**0**	**0**	**-**	-
	b) Central Govt	0	0	0	-	**0**	**0**	**0**	**-**	-
	c) State Govt(s)	0	0	0	-	**0**	**0**	**0**	**-**	-
	d) Bodies Corp.	0	0	0	-	**0**	**0**	**0**	**-**	-
	e) Banks/FI	0	0	0	-	**0**	**0**	**0**	**-**	-
	f) Any Other	0	0	0	-	**0**	**0**	**0**	**-**	-
	Sub-total (A)(1)	**0**	**0**	**0**	**-**	**0**	**0**	**0**	**-**	**-**
	(2) Foreign									
	a) NRIs - Individuals	0	0	0	-	**0**	**0**	**0**	**-**	-
	b) Other - Individuals	0	0	0	-	**0**	**0**	**0**	**-**	-
	b) Bodies Corp.	0	0	0	-	**0**	**0**	**0**	**-**	-
	d) Banks/FI	0	0	0	-	**0**	**0**	**0**	**-**	-
	e) Any Other	0	0	0	-	**0**	**0**	**0**	**-**	-
	Sub-total (A)(2)	**0**	**0**	**0**	**-**	**0**	**0**	**0**	**-**	**-**
	Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	**0**	**0**	**0**	**-**	**0**	**0**	**0**	**-**	**-**
B	**Public Shareholding**									
	(1) Institutions									
	a) Mutual Funds/UTI	1,104,410,402	51,765	1,104,462,167	17.18	**1,351,905,866**	**8,756**	**1,351,914,622**	**20.97**	3.79
	b) Banks/Financial Institutions	2,996,700	75,104	3,071,804	0.05	**1,014,877**	**70,219**	**1,085,096**	**0.02**	(0.03)
	c) Central Govt/ State Govt(s)	10,880,378	428	10,880,806	0.17	**16,033,568**	**428**	**16,033,996**	**0.25**	0.08
	d) Venture Capital Funds	0	0	0	-	**0**	**0**	**0**	**-**	-
	e) Insurance Companies	863,752,987	1,060	863,754,047	13.44	**772,314,294**	**1,060**	**772,315,354**	**11.98**	(1.46)
	f) FIIs/FPIs	2,342,948,530	30,646	2,342,979,176	36.45	**2,082,826,274**	**15,366**	**2,082,841,640**	**32.31**	(4.14)
	g) Foreign Venture Capital Funds	0	0	0	-	**0**	**0**	**0**	**-**	-
	h) Other (specify)				-				**-**	-
	Foreign Banks	220,538	825,008	1,045,546	0.02	**220,538**	**825,008**	**1,045,546**	**0.02**	-
	FII - DR	385,700	0	385,700	0.01	**292,600**	**0**	**292,600**	**0.00**	(0.00)
	Provident Funds/ Pension Funds	52,643,783	0	52,643,783	0.82	**62,358,629**	**0**	**62,358,629**	**0.97**	0.15
	Alternate Investment Fund	1,920,162	0	1,920,162	0.03	**10,999,750**	**0**	**10,999,750**	**0.17**	0.14
	Sub-total (B)(1)	**4,380,159,180**	**984,011**	**4,381,143,191**	**68.16**	**4,297,966,396**	**920,837**	**4,298,887,233**	**66.69**	**(1.47)**

DIRECTORS' REPORT

Sr. No.	Category of shareholders	No. of Shares held at the beginning of the year (April 1, 2018)				**No. of Shares held at the end of the year (March 31, 2019)**				% change during the year
		Demat	Physical	Total	% of Total Shares	**Demat**	**Physical**	**Total**	**% of Total Shares**	
	(2) Non-Institutions									
	a) Bodies Corporate									
	i) Indian	100,056,844	1,123,487	101,180,331	1.57	**116,086,821**	**687,940**	**116,774,761**	**1.81**	0.24
	ii) Overseas	0	3,300	3,300	0.00	**0**	**3,300**	**3,300**	**0.00**	-
	b) Individuals									
	i) Individual shareholders holding nominal share capital upto ₹1 lakh	263,137,793	23,169,117	286,306,910	4.45	**262,503,589**	**18,528,994**	**281,032,583**	**4.36**	(0.09)
	ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	57,165,593	309,622	57,475,215	0.89	**79,032,844**	**158,927**	**79,191,771**	**1.23**	0.34
	c) Others (specify)									
	NBFCs registered with RBI	948,746	0	948,746	0.01	**6,547,817**	**0**	**6,547,817**	**0.10**	0.09
	Trusts	2,535,352	1,550	2,536,902	0.04	**5,364,019**	**55,902**	**5,419,921**	**0.08**	0.04
	Foreign Nationals	116,622	0	116,622	0.00	**63,090**	**0**	**63,090**	**0.00**	(0.00)
	Non-Resident Indians	18,526,666	332,942	18,859,608	0.29	**19,855,429**	**278,555**	**20,133,984**	**0.31**	0.02
	Clearing Members	13,480,657	50	13,480,707	0.21	**19,950,547**	**50**	**19,950,597**	**0.31**	0.10
	HUF	7,003,579	34,500	7,038,079	0.11	**6,947,257**	**30,068**	**6,977,325**	**0.11**	(0.00)
	Foreign Companies	0	155,019	155,019	0.00	**0**	**155,019**	**155,019**	**0.00**	-
	Foreign Bodies – DR	294,358	0	294,358	0.00	**639,204**	**0**	**639,204**	**0.01**	0.01
	IEPF	4,735,293	0	4,735,293	0.07	**6,038,327**	**0**	**6,038,327**	**0.09**	0.02
	Sub-total (B)(2)	**468,001,503**	**25,129,587**	**493,131,090**	**7.67**	**523,028,944**	**19,898,755**	**542,927,699**	**8.42**	**0.75**
	Total Public Shareholding (B) = (B)(1)+(B)(2)	**4,848,160,683**	**26,113,598**	**4,874,274,281**	**75.83**	**4,820,995,340**	**20,819,592**	**4,841,814,932**	**75.11**	**(0.72)**
C	**Shares held by Custodian for GDRs & ADRs**	**1,553,716,495**	**0**	**1,553,716,495**	**24.17**	**1,604,424,721**	**0**	**1,604,424,721**	**24.89**	**0.72**
	Grand Total (A+B+C)	**6,401,877,178**	**26,113,598**	**6,427,990,776**	**100.00**	**6,425,420,061**	**20,819,592**	**6,446,239,653**	**100.00**	

Percentages have been rounded off to the nearest decimals

(ii) Shareholding of Promoters

N.A. – ICICI Bank Limited does not have any promoters.

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

N.A. – ICICI Bank Limited does not have any promoters.

(iv) Shareholding of top ten shareholders (other than Directors, Promoters and Deutsche Bank Trust Company Americas as Depositary of ADS holders)

Sr. No.	Name of the shareholders	Shareholding at the beginning of the year		**Cumulative Shareholding during the Year**	
		No. of shares	% of total shares of the Company	**No. of shares**	**% of total shares of the Company**
1	**Life Insurance Corporation of India**				
	At the beginning of the year	603,252,345	9.38	**603,252,345**	**9.38**
	January 18, 2019 Decrease	9,497,260	0.15	**593,755,085**	**9.22**
	January 25, 2019 Decrease	12,126,068	0.19	**581,629,017**	**9.03**
	February 01, 2019 Decrease	7,279,934	0.11	**574,349,083**	**8.92**
	February 08, 2019 Decrease	1,573,515	0.02	**572,775,568**	**8.89**
	February 15, 2019 Decrease	8,030,249	0.12	**564,745,319**	**8.77**
	February 22, 2019 Decrease	6,977,149	0.11	**557,768,170**	**8.66**
	March 01, 2019 Decrease	14,944,179	0.23	**542,823,991**	**8.42**
	March 08, 2019 Decrease	6,791,881	0.11	**536,032,110**	**8.32**
	March 15, 2019 Decrease	10,316,683	0.16	**525,715,427**	**8.16**
	March 22, 2019 Decrease	9,011,400	0.14	**516,704,027**	**8.02**
	March 30, 2019 Decrease	7,479,940	0.12	**509,224,087**	**7.90**
	At the end of the year			**509,224,087**	**7.90**
2	**HDFC Trustee Co Ltd (Various Mutual Fund Accounts)/HDFC Large Cap Fund**				
	At the beginning of the year	275,843,678	4.29	**275,843,678**	**4.29**
	April 06, 2018 Increase	57,664	0.00	**275,901,342**	**4.29**
	April 13, 2018 Increase	729,993	0.01	**276,631,335**	**4.30**
	April 20, 2018 Decrease	50,250	0.00	**276,581,085**	**4.30**
	April 27, 2018 Decrease	1,262,996	0.02	**275,318,089**	**4.28**
	May 04, 2018 Decrease	927,589	0.01	**274,390,500**	**4.27**
	May 11, 2018 Decrease	9,469,800	0.15	**264,920,700**	**4.12**
	May 18, 2018 Decrease	309,132	0.00	**264,611,568**	**4.12**
	May 25, 2018 Increase	633,799	0.01	**265,245,367**	**4.13**
	June 01, 2018 Increase	31,889	0.00	**265,277,256**	**4.13**
	June 08, 2018 Increase	5,330,008	0.08	**270,607,264**	**4.21**
	June 15, 2018 Increase	115,966	0.00	**270,723,230**	**4.21**
	June 22, 2018 Increase	558,265	0.01	**271,281,495**	**4.22**
	June 30, 2018 Decrease	8,882	0.00	**271,272,613**	**4.22**
	July 06, 2018 Increase	1,031,434	0.02	**272,304,047**	**4.23**
	July 13, 2018 Increase	1,541,124	0.02	**273,845,171**	**4.26**
	July 20, 2018 Increase	8,494	0.00	**273,853,665**	**4.26**
	July 27, 2018 Decrease	26,017	0.00	**273,827,648**	**4.26**
	August 03, 2018 Increase	61,831	0.00	**273,889,479**	**4.26**
	August 10, 2018 Decrease	190,075	0.00	**273,699,404**	**4.25**
	August 17, 2018 Decrease	63,253	0.00	**273,636,151**	**4.25**

DIRECTORS' REPORT

Sr. No.	Name of the shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	August 24, 2018 Decrease	166,163	0.00	273,469,988	4.25
	August 27, 2018 Increase	141,408	0.00	273,611,396	4.25
	August 31, 2018 Decrease	66,335	0.00	273,545,061	4.25
	September 05, 2018 Decrease	1,324,699	0.02	272,220,362	4.23
	September 07, 2018 Decrease	296,284	0.00	271,924,078	4.23
	September 14, 2018 Decrease	2,908,875	0.05	269,015,203	4.18
	September 21, 2018 Increase	13,864	0.00	269,029,067	4.18
	September 29, 2018 Increase	923,713	0.01	269,952,780	4.19
	October 05, 2018 Increase	355,021	0.01	270,307,801	4.20
	October 12, 2018 Decrease	289,534	0.00	270,018,267	4.20
	October 19, 2018 Decrease	623,884	0.01	269,394,383	4.19
	October 26, 2018 Increase	1,022,940	0.02	270,417,323	4.20
	November 02, 2018 Increase	873,009	0.01	271,290,332	4.21
	November 09, 2018 Increase	7,035	0.00	271,297,367	4.21
	November 16, 2018 Decrease	2,586,318	0.04	268,711,049	4.17
	November 23, 2018 Decrease	4,035,447	0.06	264,675,602	4.11
	November 30, 2018 Decrease	460,608	0.01	264,214,994	4.10
	December 07, 2018 Increase	308,649	0.00	264,523,643	4.11
	December 14, 2018 Increase	369,963	0.01	264,893,606	4.11
	December 21, 2018 Decrease	880,398	0.01	264,013,208	4.10
	December 28, 2018 Increase	14,632	0.00	264,027,840	4.10
	December 31, 2018 Increase	513,908	0.01	264,541,748	4.11
	January 04, 2019 Increase	5,594	0.00	264,547,342	4.11
	January 11, 2019 Decrease	742,221	0.01	263,805,121	4.10
	January 18, 2019 Increase	19,027	0.00	263,824,148	4.10
	January 25, 2019 Increase	12,317	0.00	263,836,465	4.10
	February 01, 2019 Increase	31,271	0.00	263,867,736	4.10
	February 08, 2019 Increase	339,843	0.01	264,207,579	4.10
	February 15, 2019 Increase	1,453,691	0.02	265,661,270	4.12
	February 22, 2019 Increase	1,000,839	0.02	266,662,109	4.14
	March 01, 2019 Increase	1,272,773	0.02	267,934,882	4.16
	March 08, 2019 Decrease	225,288	0.00	267,709,594	4.15
	March 15, 2019 Decrease	1,162,727	0.02	266,546,867	4.14
	March 22, 2019 Increase	310,502	0.00	266,857,369	4.14
	March 30, 2019 Increase	142,780	0.00	267,000,149	4.14
	At the end of the year			267,000,149	4.14
3	**Dodge & Cox International Stock Fund**				
	At the beginning of the year	388,897,176	6.05	388,897,176	6.05
	April 20, 2018 Increase	13,922,482	0.22	402,819,658	6.27
	April 27, 2018 Increase	10,130,118	0.16	412,949,776	6.42
	May 25, 2018 Increase	3,561,500	0.06	416,511,276	6.48
	August 24, 2018 Decrease	10,952,040	0.17	405,559,236	6.30
	August 27, 2018 Decrease	1,034,560	0.02	404,524,676	6.29

Sr. No.	Name of the shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the Company	**No. of shares**	**% of total shares of the Company**
	August 31, 2018 Decrease	3,083,800	0.05	**401,440,876**	**6.24**
	September 05, 2018 Decrease	430,300	0.01	**401,010,576**	**6.23**
	September 07, 2018 Decrease	2,669,100	0.04	**398,341,476**	**6.19**
	September 14, 2018 Decrease	4,560,060	0.07	**393,781,416**	**6.12**
	September 21, 2018 Decrease	6,322,840	0.10	**387,458,576**	**6.02**
	September 29, 2018 Decrease	13,915,047	0.22	**373,543,529**	**5.80**
	October 05, 2018 Decrease	4,031,953	0.06	**369,511,576**	**5.74**
	November 09, 2018 Decrease	5,171,900	0.08	**364,339,676**	**5.66**
	November 23, 2018 Decrease	10,975,611	0.17	**353,364,065**	**5.49**
	November 30, 2018 Decrease	18,102,298	0.28	**335,261,767**	**5.21**
	December 07, 2018 Decrease	4,956,334	0.08	**330,305,433**	**5.13**
	December 14, 2018 Decrease	20,107,969	0.31	**310,197,464**	**4.82**
	December 21, 2018 Decrease	11,452,240	0.18	**298,745,224**	**4.64**
	December 28, 2018 Decrease	3,130,837	0.05	**295,614,387**	**4.59**
	December 31, 2018 Decrease	3,249,600	0.05	**292,364,787**	**4.54**
	January 04, 2019 Decrease	4,023,774	0.06	**288,341,013**	**4.48**
	January 11, 2019 Decrease	7,311,737	0.11	**281,029,276**	**4.36**
	January 18, 2019 Decrease	11,095,713	0.17	**269,933,563**	**4.19**
	January 25, 2019 Decrease	832,594	0.01	**269,100,969**	**4.18**
	March 15, 2019 Decrease	6,438,313	0.10	**262,662,656**	**4.08**
	March 22, 2019 Decrease	8,233,380	0.13	**254,429,276**	**3.95**
	At the end of the year			**254,429,276**	**3.95**
4	**SBI Mutual Fund/SBI Dual Advantage Fund and Other Various Fund Accounts**				
	At the beginning of the year	133,169,518	2.07	**133,169,518**	**2.07**
	April 06, 2018 Increase	759,139	0.01	**133,928,657**	**2.08**
	April 13, 2018 Increase	2,320,740	0.04	**136,249,397**	**2.12**
	April 20, 2018 Increase	608,348	0.01	**136,857,745**	**2.13**
	April 27, 2018 Increase	1,780,448	0.03	**138,638,193**	**2.16**
	May 04, 2018 Increase	1,667,876	0.03	**140,306,069**	**2.18**
	May 11, 2018 Decrease	2,754,895	0.04	**137,551,174**	**2.14**
	May 18, 2018 Increase	668,838	0.01	**138,220,012**	**2.15**
	May 25, 2018 Decrease	641,092	0.01	**137,578,920**	**2.14**
	June 01, 2018 Increase	267,741	0.00	**137,846,661**	**2.14**
	June 08, 2018 Increase	3,832,479	0.06	**141,679,140**	**2.20**
	June 15, 2018 Increase	1,488,261	0.02	**143,167,401**	**2.23**
	June 22, 2018 Increase	99,431	0.00	**143,266,832**	**2.23**
	June 30, 2018 Increase	582,892	0.01	**143,849,724**	**2.24**
	July 06, 2018 Increase	1,934,642	0.03	**145,784,366**	**2.27**
	July 13, 2018 Increase	718,523	0.01	**146,502,889**	**2.28**
	July 20, 2018 Increase	954,569	0.01	**147,457,458**	**2.29**
	July 27, 2018 Decrease	71,145	0.00	**147,386,313**	**2.29**
	August 03, 2018 Increase	3,193,731	0.05	**150,580,044**	**2.34**

DIRECTORS' REPORT

Sr. No.	Name of the shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the Company	**No. of shares**	**% of total shares of the Company**
	August 10, 2018 Increase	51,074	0.00	**150,631,118**	**2.34**
	August 17, 2018 Increase	453,915	0.01	**151,085,033**	**2.35**
	August 24, 2018 Decrease	936,187	0.01	**150,148,846**	**2.33**
	August 27, 2018 Increase	124,244	0.00	**150,273,090**	**2.34**
	August 31, 2018 Decrease	807,334	0.01	**149,465,756**	**2.32**
	September 05, 2018 Decrease	2,560,218	0.04	**146,905,538**	**2.28**
	September 07, 2018 Increase	240,247	0.00	**147,145,785**	**2.29**
	September 14, 2018 Increase	665,572	0.01	**147,811,357**	**2.30**
	September 21, 2018 Increase	630,109	0.01	**148,441,466**	**2.31**
	September 29, 2018 Increase	204,728	0.00	**148,646,194**	**2.31**
	October 05, 2018 Decrease	626,895	0.01	**148,019,299**	**2.30**
	October 12, 2018 Increase	666,265	0.01	**148,685,564**	**2.31**
	October 19, 2018 Increase	217,828	0.00	**148,903,392**	**2.31**
	October 26, 2018 Increase	5,192,136	0.08	**154,095,528**	**2.39**
	November 02, 2018 Increase	8,145,857	0.13	**162,241,385**	**2.52**
	November 09, 2018 Increase	619,526	0.01	**162,860,911**	**2.53**
	November 16, 2018 Decrease	4,655,790	0.07	**158,205,121**	**2.46**
	November 23, 2018 Increase	903,713	0.01	**159,108,834**	**2.47**
	November 30, 2018 Increase	447,006	0.01	**159,555,840**	**2.48**
	December 07, 2018 Increase	4,772,772	0.07	**164,328,612**	**2.55**
	December 14, 2018 Decrease	720,750	0.01	**163,607,862**	**2.54**
	December 21, 2018 Increase	477,072	0.01	**164,084,934**	**2.55**
	December 28, 2018 Increase	156,655	0.00	**164,241,589**	**2.55**
	December 31, 2018 Increase	157,503	0.00	**164,399,092**	**2.55**
	January 04, 2019 Increase	624,346	0.01	**165,023,438**	**2.56**
	January 11, 2019 Increase	67,669	0.00	**165,091,107**	**2.56**
	January 18, 2019 Increase	3,016,509	0.05	**168,107,616**	**2.61**
	January 25, 2019 Increase	965,718	0.01	**169,073,334**	**2.62**
	February 01, 2019 Increase	2,708,700	0.04	**171,782,034**	**2.67**
	February 08, 2019 Decrease	1,399,125	0.02	**170,382,909**	**2.64**
	February 15, 2019 Increase	631,705	0.01	**171,014,614**	**2.65**
	February 22, 2019 Increase	162,339	0.00	**171,176,953**	**2.66**
	March 01, 2019 Increase	1,174,449	0.02	**172,351,402**	**2.67**
	March 08, 2019 Decrease	680,795	0.01	**171,670,607**	**2.66**
	March 15, 2019 Increase	153,857	0.00	**171,824,464**	**2.67**
	March 22, 2019 Increase	946,059	0.01	**172,770,523**	**2.68**
	March 30, 2019 Increase	323,086	0.01	**173,093,609**	**2.69**
	At the end of the year			**173,093,609**	**2.69**
5	**ICICI Prudential Mutual Fund (Various Mutual Fund Accounts)**				
	At the beginning of the year	163,223,945	2.54	**163,223,945**	**2.54**
	April 06, 2018 Increase	6,608,800	0.10	**169,832,745**	**2.64**
	April 13, 2018 Increase	5,869,259	0.09	**175,702,004**	**2.73**

Sr. No.	Name of the shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	April 20, 2018 Increase	184,687	0.00	**175,886,691**	**2.74**
	April 27, 2018 Decrease	271,906	0.00	**175,614,785**	**2.73**
	May 04, 2018 Increase	1,227,045	0.02	**176,841,830**	**2.75**
	May 11, 2018 Decrease	4,596,787	0.07	**172,245,043**	**2.68**
	May 18, 2018 Decrease	5,834,201	0.09	**166,410,842**	**2.59**
	May 25, 2018 Decrease	3,701,164	0.06	**162,709,678**	**2.53**
	June 01, 2018 Decrease	6,650,295	0.10	**156,059,383**	**2.43**
	June 08, 2018 Decrease	5,093,392	0.08	**150,965,991**	**2.35**
	June 15, 2018 Decrease	542,495	0.01	**150,423,496**	**2.34**
	June 22, 2018 Increase	2,723,206	0.04	**153,146,702**	**2.38**
	June 30, 2018 Increase	606,074	0.01	**153,752,776**	**2.39**
	July 06, 2018 Increase	8,864,540	0.14	**162,617,316**	**2.53**
	July 13, 2018 Increase	4,282,426	0.07	**166,899,742**	**2.59**
	July 20, 2018 Decrease	178,004	0.00	**166,721,738**	**2.59**
	July 27, 2018 Decrease	676,231	0.01	**166,045,507**	**2.58**
	August 03, 2018 Decrease	7,780,027	0.12	**158,265,480**	**2.46**
	August 10, 2018 Decrease	6,517,591	0.10	**151,747,889**	**2.36**
	August 17, 2018 Decrease	204,181	0.00	**151,543,708**	**2.36**
	August 24, 2018 Decrease	1,386,738	0.02	**150,156,970**	**2.33**
	August 27, 2018 Decrease	42,955	0.00	**150,114,015**	**2.33**
	August 31, 2018 Decrease	8,825,033	0.14	**141,288,982**	**2.20**
	September 05, 2018 Decrease	198,224	0.00	**141,090,758**	**2.19**
	September 07, 2018 Increase	1,113	0.00	**141,091,871**	**2.19**
	September 14, 2018 Increase	4,402	0.00	**141,096,273**	**2.19**
	September 21, 2018 Increase	632,247	0.01	**141,728,520**	**2.20**
	September 29, 2018 Decrease	3,155,992	0.05	**138,572,528**	**2.15**
	October 05, 2018 Decrease	477,055	0.01	**138,095,473**	**2.15**
	October 12, 2018 Decrease	1,298,367	0.02	**136,797,106**	**2.13**
	October 19, 2018 Increase	1,949,111	0.03	**138,746,217**	**2.16**
	October 26, 2018 Decrease	454,647	0.01	**138,291,570**	**2.15**
	November 02, 2018 Decrease	2,686,017	0.04	**135,605,553**	**2.11**
	November 09, 2018 Increase	5,103	0.00	**135,610,656**	**2.11**
	November 16, 2018 Increase	9,727	0.00	**135,620,383**	**2.11**
	November 23, 2018 Decrease	117,611	0.00	**135,502,772**	**2.10**
	November 30, 2018 Increase	797,026	0.01	**136,299,798**	**2.12**
	December 07, 2018 Increase	2,694,752	0.04	**138,994,550**	**2.16**
	December 14, 2018 Increase	2,686,663	0.04	**141,681,213**	**2.20**
	December 21, 2018 Decrease	388,877	0.01	**141,292,336**	**2.19**
	December 28, 2018 Decrease	97,486	0.00	**141,194,850**	**2.19**
	December 31, 2018 Increase	10,576	0.00	**141,205,426**	**2.19**
	January 04, 2019 Increase	1,917,261	0.03	**143,122,687**	**2.22**
	January 11, 2019 Increase	343,847	0.01	**143,466,534**	**2.23**
	January 18, 2019 Increase	3,123,050	0.05	**146,589,584**	**2.28**

DIRECTORS' REPORT

Sr. No.	Name of the shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the Company	**No. of shares**	**% of total shares of the Company**
	January 25, 2019 Increase	48,666	0.00	**146,638,250**	**2.28**
	February 01, 2019 Increase	1,235,796	0.02	**147,874,046**	**2.30**
	February 08, 2019 Decrease	40,661	0.00	**147,833,385**	**2.29**
	February 15, 2019 Decrease	39,571	0.00	**147,793,814**	**2.29**
	February 22, 2019 Decrease	44,023	0.00	**147,749,791**	**2.29**
	March 01, 2019 Increase	711,842	0.01	**148,461,633**	**2.30**
	March 08, 2019 Decrease	2,515,709	0.04	**145,945,924**	**2.26**
	March 15, 2019 Decrease	166,662	0.00	**145,779,262**	**2.26**
	March 22, 2019 Decrease	534,933	0.01	**145,244,329**	**2.25**
	March 30, 2019 Decrease	508,130	0.01	**144,736,199**	**2.25**
	At the end of the year			**144,736,199**	**2.25**
6	**Aditya Birla Sun Life Trustee Private Limited**				
	At the beginning of the year	99,464,487	1.55	**99,464,487**	**1.55**
	April 06, 2018 Increase	6,210,285	0.10	**105,674,772**	**1.64**
	April 13, 2018 Decrease	182,000	0.00	**105,492,772**	**1.64**
	April 20, 2018 Decrease	180,665	0.00	**105,312,107**	**1.64**
	April 27, 2018 Increase	250,000	0.00	**105,562,107**	**1.64**
	May 04, 2018 Decrease	749,100	0.01	**104,813,007**	**1.63**
	May 11, 2018 Decrease	1,416,750	0.02	**103,396,257**	**1.61**
	May 18, 2018 Decrease	600,000	0.01	**102,796,257**	**1.60**
	May 25, 2018 Decrease	4,245,449	0.07	**98,550,808**	**1.53**
	June 01, 2018 Decrease	2,695,307	0.04	**95,855,501**	**1.49**
	June 08, 2018 Increase	275,122	0.00	**96,130,623**	**1.49**
	June 15, 2018 Increase	744,000	0.01	**96,874,623**	**1.51**
	June 22, 2018 Increase	273,750	0.00	**97,148,373**	**1.51**
	June 30, 2018 Decrease	413,326	0.01	**96,735,047**	**1.50**
	July 06, 2018 Increase	550,000	0.01	**97,285,047**	**1.51**
	July 13, 2018 Decrease	405,000	0.01	**96,880,047**	**1.51**
	July 20, 2018 Increase	339,212	0.01	**97,219,259**	**1.51**
	July 27, 2018 Decrease	4,760,000	0.07	**92,459,259**	**1.44**
	August 03, 2018 Increase	9,774,092	0.15	**102,233,351**	**1.59**
	August 10, 2018 Increase	405,665	0.01	**102,639,016**	**1.60**
	August 17, 2018 Increase	5,552,667	0.09	**108,191,683**	**1.68**
	August 24, 2018 Increase	2,186,896	0.03	**110,378,579**	**1.72**
	August 31, 2018 Decrease	1,487,250	0.02	**108,891,329**	**1.69**
	September 05, 2018 Decrease	1,970,750	0.03	**106,920,579**	**1.66**
	September 07, 2018 Increase	728,750	0.01	**107,649,329**	**1.67**
	September 14, 2018 Decrease	63,250	0.00	**107,586,079**	**1.67**
	September 21, 2018 Decrease	182,000	0.00	**107,404,079**	**1.67**
	September 29, 2018 Decrease	1,559,000	0.02	**105,845,079**	**1.64**
	October 05, 2018 Decrease	286,342	0.00	**105,558,737**	**1.64**
	October 12, 2018 Increase	501,250	0.01	**106,059,987**	**1.65**
	October 19, 2018 Increase	2,958,500	0.05	**109,018,487**	**1.69**

Sr. No.	Name of the shareholders	Shareholding at the beginning of the year		**Cumulative Shareholding during the Year**	
		No. of shares	% of total shares of the Company	**No. of shares**	**% of total shares of the Company**
	October 26, 2018 Increase	2,330,042	0.04	**111,348,529**	**1.73**
	November 02, 2018 Decrease	28,714	0.00	**111,319,815**	**1.73**
	November 09, 2018 Increase	984,000	0.02	**112,303,815**	**1.74**
	November 16, 2018 Increase	1,570,750	0.02	**113,874,565**	**1.77**
	November 23, 2018 Increase	895,500	0.01	**114,770,065**	**1.78**
	November 30, 2018 Increase	3,215,000	0.05	**117,985,065**	**1.83**
	December 07, 2018 Increase	1,487,750	0.02	**119,472,815**	**1.86**
	December 14, 2018 Increase	5,674,900	0.09	**125,147,715**	**1.94**
	December 21, 2018 Increase	1,062,638	0.02	**126,210,353**	**1.96**
	December 28, 2018 Increase	379,750	0.01	**126,590,103**	**1.97**
	January 04, 2019 Increase	2,621,750	0.04	**129,211,853**	**2.01**
	January 11, 2019 Increase	375,000	0.01	**129,586,853**	**2.01**
	January 18, 2019 Increase	291,500	0.00	**129,878,353**	**2.02**
	January 25, 2019 Increase	1,039,500	0.02	**130,917,853**	**2.03**
	February 01, 2019 Decrease	1,060,000	0.02	**129,857,853**	**2.02**
	February 08, 2019 Increase	474,250	0.01	**130,332,103**	**2.02**
	February 15, 2019 Increase	1,054,656	0.02	**131,386,759**	**2.04**
	February 22, 2019 Increase	168,400	0.00	**131,555,159**	**2.04**
	March 01, 2019 Decrease	1,000,000	0.02	**130,555,159**	**2.03**
	March 08, 2019 Increase	534,200	0.01	**131,089,359**	**2.03**
	March 15, 2019 Decrease	18,378	0.00	**131,070,981**	**2.03**
	March 22, 2019 Decrease	161,619	0.00	**130,909,362**	**2.03**
	March 30, 2019 Decrease	134,279	0.00	**130,775,083**	**2.03**
	At the end of the year			**130,775,083**	**2.03**
7	**Reliance Capital Trustee Co Ltd/Reliance ETF/Reliance Emergent India Fund (Various Fund Accounts)**				
	At the beginning of the year	101,446,335	1.58	**101,446,335**	**1.58**
	April 06, 2018 Decrease	2,052,671	0.03	**99,393,664**	**1.55**
	April 13, 2018 Decrease	15,819,250	0.25	**83,574,414**	**1.30**
	April 20, 2018 Decrease	251,836	0.00	**83,322,578**	**1.30**
	April 27, 2018 Decrease	1,964,455	0.03	**81,358,123**	**1.26**
	May 04, 2018 Decrease	31,011	0.00	**81,327,112**	**1.26**
	May 11, 2018 Increase	2,972,999	0.05	**84,300,111**	**1.31**
	May 18, 2018 Increase	847,355	0.01	**85,147,466**	**1.32**
	May 25, 2018 Increase	3,718,223	0.06	**88,865,689**	**1.38**
	June 01, 2018 Increase	5,055,968	0.08	**93,921,657**	**1.46**
	June 08, 2018 Increase	4,595,451	0.07	**98,517,108**	**1.53**
	June 15, 2018 Increase	5,320,162	0.08	**103,837,270**	**1.61**
	June 22, 2018 Increase	4,954,992	0.08	**108,792,262**	**1.69**
	June 30, 2018 Decrease	6,660,520	0.10	**102,131,742**	**1.59**
	July 06, 2018 Increase	8,883,426	0.14	**111,015,168**	**1.73**
	July 13, 2018 Increase	4,487,574	0.07	**115,502,742**	**1.80**

DIRECTORS' REPORT

Sr. No.	Name of the shareholders	Shareholding at the beginning of the year		**Cumulative Shareholding during the Year**	
		No. of shares	% of total shares of the Company	**No. of shares**	**% of total shares of the Company**
	July 20, 2018 Increase	5,498,693	0.09	**121,001,435**	**1.88**
	July 27, 2018 Decrease	14,114,434	0.22	**106,887,001**	**1.66**
	August 03, 2018 Increase	168,080	0.00	**107,055,081**	**1.66**
	August 10, 2018 Decrease	3,379,784	0.05	**103,675,297**	**1.61**
	August 17, 2018 Decrease	3,245	0.00	**103,672,052**	**1.61**
	August 24, 2018 Decrease	1,458,768	0.02	**102,213,284**	**1.59**
	August 27, 2018 Increase	2,676,706	0.04	**104,889,990**	**1.63**
	August 31, 2018 Increase	9,236,521	0.14	**114,126,511**	**1.77**
	September 05, 2018 Increase	1,457,993	0.02	**115,584,504**	**1.80**
	September 07, 2018 Increase	2,273,077	0.04	**117,857,581**	**1.83**
	September 14, 2018 Increase	772,187	0.01	**118,629,768**	**1.84**
	September 21, 2018 Increase	2,536,042	0.04	**121,165,810**	**1.88**
	September 29, 2018 Increase	6,567,394	0.10	**127,733,204**	**1.98**
	October 05, 2018 Increase	85,582	0.00	**127,818,786**	**1.99**
	October 12, 2018 Increase	1,696,587	0.03	**129,515,373**	**2.01**
	October 19, 2018 Decrease	3,453,955	0.05	**126,061,418**	**1.96**
	October 26, 2018 Decrease	1,103,191	0.02	**124,958,227**	**1.94**
	November 02, 2018 Decrease	4,049,762	0.06	**120,908,465**	**1.88**
	November 09, 2018 Increase	1,053,611	0.02	**121,962,076**	**1.89**
	November 16, 2018 Decrease	3,917,720	0.06	**118,044,356**	**1.83**
	November 23, 2018 Decrease	1,730,819	0.03	**116,313,537**	**1.81**
	November 30, 2018 Decrease	758,607	0.01	**115,554,930**	**1.79**
	December 07, 2018 Increase	258,241	0.00	**115,813,171**	**1.80**
	December 14, 2018 Increase	2,006,884	0.03	**117,820,055**	**1.83**
	December 21, 2018 Decrease	4,751,856	0.07	**113,068,199**	**1.76**
	December 28, 2018 Increase	46,331	0.00	**113,114,530**	**1.76**
	December 31, 2018 Increase	69,149	0.00	**113,183,679**	**1.76**
	January 04, 2019 Increase	114,857	0.00	**113,298,536**	**1.76**
	January 11, 2019 Increase	534,910	0.01	**113,833,446**	**1.77**
	January 18, 2019 Decrease	2,416,534	0.04	**111,416,912**	**1.73**
	January 25, 2019 Decrease	1,745,324	0.03	**109,671,588**	**1.70**
	February 01, 2019 Decrease	2,575,797	0.04	**107,095,791**	**1.66**
	February 08, 2019 Increase	8,636,667	0.13	**115,732,458**	**1.80**
	February 15, 2019 Increase	1,006,618	0.02	**116,739,076**	**1.81**
	February 22, 2019 Increase	39,404	0.00	**116,778,480**	**1.81**
	March 01, 2019 Decrease	111,377	0.00	**116,667,103**	**1.81**
	March 08, 2019 Increase	78,288	0.00	**116,745,391**	**1.81**
	March 15, 2019 Decrease	2,518,888	0.04	**114,226,503**	**1.77**
	March 22, 2019 Decrease	782,869	0.01	**113,443,634**	**1.76**
	March 30, 2019 Increase	1,720,724	0.03	**115,164,358**	**1.79**
	At the end of the year			**115,164,358**	**1.79**

Sr. No.	Name of the shareholders	Shareholding at the beginning of the year		**Cumulative Shareholding during the Year**	
		No. of shares	% of total shares of the Company	**No. of shares**	**% of total shares of the Company**
8	**Government of Singapore**				
	At the beginning of the year	101,380,233	1.58	**101,380,233**	**1.58**
	April 06, 2018 Increase	3,529,872	0.05	**104,910,105**	**1.63**
	April 13, 2018 Decrease	1,126,939	0.02	**103,783,166**	**1.61**
	April 20, 2018 Decrease	1,598,915	0.02	**102,184,251**	**1.59**
	April 27, 2018 Increase	157,183	0.00	**102,341,434**	**1.59**
	May 04, 2018 Decrease	1,563,865	0.02	**100,777,569**	**1.57**
	May 11, 2018 Decrease	8,487,422	0.13	**92,290,147**	**1.43**
	May 18, 2018 Decrease	1,102,651	0.02	**91,187,496**	**1.42**
	May 25, 2018 Decrease	13,318	0.00	**91,174,178**	**1.42**
	June 01, 2018 Decrease	1,695,245	0.03	**89,478,933**	**1.39**
	June 08, 2018 Increase	2,833,318	0.04	**92,312,251**	**1.44**
	June 15, 2018 Increase	1,358,851	0.02	**93,671,102**	**1.46**
	June 22, 2018 Increase	3,312,440	0.05	**96,983,542**	**1.51**
	June 30, 2018 Increase	1,992,577	0.03	**98,976,119**	**1.54**
	July 06, 2018 Decrease	37,383	0.00	**98,938,736**	**1.54**
	July 20, 2018 Decrease	254,852	0.00	**98,683,884**	**1.53**
	July 27, 2018 Increase	1,865,647	0.03	**100,549,531**	**1.56**
	August 03, 2018 Decrease	1,323,700	0.02	**99,225,831**	**1.54**
	August 10, 2018 Decrease	342,374	0.01	**98,883,457**	**1.54**
	August 17, 2018 Decrease	4,123,838	0.06	**94,759,619**	**1.47**
	August 24, 2018 Increase	245,236	0.00	**95,004,855**	**1.48**
	August 27, 2018 Increase	444,906	0.01	**95,449,761**	**1.48**
	August 31, 2018 Increase	953,900	0.01	**96,403,661**	**1.50**
	September 05, 2018 Increase	285,932	0.00	**96,689,593**	**1.50**
	September 07, 2018 Increase	236,264	0.00	**96,925,857**	**1.51**
	September 14, 2018 Increase	260,813	0.00	**97,186,670**	**1.51**
	September 21, 2018 Increase	483,649	0.01	**97,670,319**	**1.52**
	September 29, 2018 Decrease	985,610	0.02	**96,684,709**	**1.50**
	October 05, 2018 Decrease	1,004,301	0.02	**95,680,408**	**1.49**
	October 12, 2018 Increase	535,763	0.01	**96,216,171**	**1.50**
	October 19, 2018 Increase	124,648	0.00	**96,340,819**	**1.50**
	November 02, 2018 Increase	515,161	0.01	**96,855,980**	**1.50**
	November 09, 2018 Increase	99,703	0.00	**96,955,683**	**1.51**
	November 16, 2018 Increase	27,248	0.00	**96,982,931**	**1.51**
	November 23, 2018 Increase	279,802	0.00	**97,262,733**	**1.51**
	November 30, 2018 Increase	1,380,352	0.02	**98,643,085**	**1.53**
	December 07, 2018 Increase	206,324	0.00	**98,849,409**	**1.53**
	December 14, 2018 Increase	31,859	0.00	**98,881,268**	**1.54**
	December 21, 2018 Increase	388,054	0.01	**99,269,322**	**1.54**
	December 28, 2018 Decrease	20,391	0.00	**99,248,931**	**1.54**
	December 31, 2018 Increase	6,107	0.00	**99,255,038**	**1.54**
	January 04, 2019 Increase	239,130	0.00	**99,494,168**	**1.54**

DIRECTORS' REPORT

Sr. No.	Name of the shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	January 11, 2019 Decrease	1,358,519	0.02	**98,135,649**	**1.52**
	January 18, 2019 Decrease	183,618	0.00	**97,952,031**	**1.52**
	January 25, 2019 Increase	230,357	0.00	**98,182,388**	**1.52**
	February 01, 2019 Decrease	3,526,370	0.05	**94,656,018**	**1.47**
	February 08, 2019 Increase	733,930	0.01	**95,389,948**	**1.48**
	February 22, 2019 Increase	1,522,955	0.02	**96,912,903**	**1.50**
	March 01, 2019 Decrease	347,549	0.01	**96,565,354**	**1.50**
	March 08, 2019 Decrease	270,458	0.00	**96,294,896**	**1.49**
	March 15, 2019 Increase	445,857	0.01	**96,740,753**	**1.50**
	March 22, 2019 Increase	716,624	0.01	**97,457,377**	**1.51**
	March 30, 2019 Increase	689,854	0.01	**98,147,231**	**1.52**
	At the end of the year			**98,147,231**	**1.52**
9	**Kotak Capital Fund (Various Mutual Fund Accounts)**				
	At the beginning of the year	63,578,593	0.99	**63,578,593**	**0.99**
	April 06, 2018 Decrease	1,533,503	0.02	**62,045,090**	**0.97**
	April 13, 2018 Decrease	3,282,080	0.05	**58,763,010**	**0.91**
	April 20, 2018 Decrease	2,712,206	0.04	**56,050,804**	**0.87**
	April 27, 2018 Decrease	3,023,328	0.05	**53,027,476**	**0.82**
	May 04, 2018 Increase	680,887	0.01	**53,708,363**	**0.84**
	May 11, 2018 Increase	551,225	0.01	**54,259,588**	**0.84**
	May 18, 2018 Increase	1,352,969	0.02	**55,612,557**	**0.86**
	May 25, 2018 Increase	393,096	0.01	**56,005,653**	**0.87**
	June 01, 2018 Increase	553,472	0.01	**56,559,125**	**0.88**
	June 08, 2018 Decrease	45,835	0.00	**56,513,290**	**0.88**
	June 15, 2018 Increase	1,924,819	0.03	**58,438,109**	**0.91**
	June 22, 2018 Increase	2,506,199	0.04	**60,944,308**	**0.95**
	June 30, 2018 Increase	3,024,791	0.05	**63,969,099**	**0.99**
	July 06, 2018 Increase	4,884,891	0.08	**68,853,990**	**1.07**
	July 13, 2018 Increase	4,259,199	0.07	**73,113,189**	**1.14**
	July 20, 2018 Decrease	425,115	0.01	**72,688,074**	**1.13**
	July 27, 2018 Increase	1,454,669	0.02	**74,142,743**	**1.15**
	August 03, 2018 Decrease	3,949,193	0.06	**70,193,550**	**1.09**
	August 10, 2018 Decrease	6,076,506	0.09	**64,117,044**	**1.00**
	August 17, 2018 Decrease	1,177,672	0.02	**62,939,372**	**0.98**
	August 24, 2018 Increase	2,948,070	0.05	**65,887,442**	**1.02**
	August 27, 2018 Increase	420,348	0.01	**66,307,790**	**1.03**
	August 31, 2018 Increase	326,108	0.01	**66,633,898**	**1.04**
	September 05, 2018 Increase	1,122,173	0.02	**67,756,071**	**1.05**
	September 07, 2018 Increase	1,005,279	0.02	**68,761,350**	**1.07**
	September 14, 2018 Increase	1,028,444	0.02	**69,789,794**	**1.08**
	September 21, 2018 Increase	1,040,108	0.02	**70,829,902**	**1.10**
	September 29, 2018 Increase	3,282,590	0.05	**74,112,492**	**1.15**

Sr. No.	Name of the shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	October 05, 2018 Decrease	54,629	0.00	**74,057,863**	**1.15**
	October 12, 2018 Decrease	814,993	0.01	**73,242,870**	**1.14**
	October 19, 2018 Increase	1,835,350	0.03	**75,078,220**	**1.17**
	October 26, 2018 Increase	389,317	0.01	**75,467,537**	**1.17**
	November 02, 2018 Increase	2,137,988	0.03	**77,605,525**	**1.21**
	November 09, 2018 Increase	536,403	0.01	**78,141,928**	**1.21**
	November 16, 2018 Decrease	2,815,951	0.04	**75,325,977**	**1.17**
	November 23, 2018 Increase	127,213	0.00	**75,453,190**	**1.17**
	November 30, 2018 Increase	3,172,150	0.05	**78,625,340**	**1.22**
	December 07, 2018 Increase	484,826	0.01	**79,110,166**	**1.23**
	December 14, 2018 Increase	1,357,822	0.02	**80,467,988**	**1.25**
	December 21, 2018 Decrease	891,788	0.01	**79,576,200**	**1.24**
	December 28, 2018 Increase	926,598	0.01	**80,502,798**	**1.25**
	December 31, 2018 Decrease	16,256	0.00	**80,486,542**	**1.25**
	January 04, 2019 Decrease	229,661	0.00	**80,256,881**	**1.25**
	January 11, 2019 Increase	177,736	0.00	**80,434,617**	**1.25**
	January 18, 2019 Increase	341,593	0.01	**80,776,210**	**1.25**
	January 25, 2019 Increase	2,112,842	0.03	**82,889,052**	**1.29**
	February 01, 2019 Increase	5,005,926	0.08	**87,894,978**	**1.36**
	February 08, 2019 Increase	541,839	0.01	**88,436,817**	**1.37**
	February 15, 2019 Increase	1,933,023	0.03	**90,369,840**	**1.40**
	February 22, 2019 Decrease	624,999	0.01	**89,744,841**	**1.39**
	March 01, 2019 Increase	1,742,455	0.03	**91,487,296**	**1.42**
	March 08, 2019 Decrease	4,434,202	0.07	**87,053,094**	**1.35**
	March 15, 2019 Decrease	261,251	0.00	**86,791,843**	**1.35**
	March 22, 2019 Decrease	447,209	0.01	**86,344,634**	**1.34**
	March 30, 2019 Decrease	1,188,750	0.02	**85,155,884**	**1.32**
	At the end of the year			**85,155,884**	**1.32**
10	**National Pension System Trust**				
	At the beginning of the year	52,548,930	0.82	**52,548,930**	**0.82**
	April 06, 2018 Increase	222,940	0.00	**52,771,870**	**0.82**
	April 13, 2018 Increase	478,015	0.01	**53,249,885**	**0.83**
	April 20, 2018 Increase	1,280	0.00	**53,251,165**	**0.83**
	May 04, 2018 Increase	170,459	0.00	**53,422,036**	**0.83**
	May 11, 2018 Decrease	2,771	0.00	**53,419,265**	**0.83**
	May 25, 2018 Increase	231,600	0.00	**53,650,865**	**0.83**
	June 01, 2018 Increase	158,800	0.00	**53,809,665**	**0.84**
	June 08, 2018 Increase	299,075	0.00	**54,108,740**	**0.84**
	June 15, 2018 Increase	222,575	0.00	**54,331,315**	**0.84**
	June 22, 2018 Increase	293,058	0.00	**54,624,373**	**0.85**
	June 30, 2018 Increase	109,473	0.00	**54,733,846**	**0.85**
	July 06, 2018 Increase	595,188	0.01	**55,329,034**	**0.86**
	July 13, 2018 Increase	90,600	0.00	**55,419,634**	**0.86**

DIRECTORS' REPORT

Sr. No.	Name of the shareholders	Shareholding at the beginning of the year		**Cumulative Shareholding during the Year**	
		No. of shares	% of total shares of the Company	**No. of shares**	**% of total shares of the Company**
	July 20, 2018 Increase	118,882	0.00	**55,538,516**	**0.86**
	July 27, 2018 Increase	121,669	0.00	**55,660,185**	**0.87**
	August 10, 2018 Increase	4,373	0.00	**55,664,558**	**0.87**
	August 17, 2018 Increase	1,855	0.00	**55,666,413**	**0.87**
	August 24, 2018 Increase	102,811	0.00	**55,769,224**	**0.87**
	August 27, 2018 Increase	21,025	0.00	**55,790,249**	**0.87**
	August 31, 2018 Increase	71,153	0.00	**55,861,402**	**0.87**
	September 05, 2018 Increase	49,127	0.00	**55,910,529**	**0.87**
	September 07, 2018 Increase	69,874	0.00	**55,980,403**	**0.87**
	September 14, 2018 Increase	71,027	0.00	**56,051,430**	**0.87**
	September 21, 2018 Increase	56,465	0.00	**56,107,895**	**0.87**
	September 29, 2018 Increase	50,010	0.00	**56,157,905**	**0.87**
	October 05, 2018 Increase	375,565	0.01	**56,533,470**	**0.88**
	October 12, 2018 Increase	8,177	0.00	**56,541,647**	**0.88**
	October 19, 2018 Increase	62,582	0.00	**56,604,229**	**0.88**
	October 26, 2018 Increase	5,527	0.00	**56,609,756**	**0.88**
	November 02, 2018 Increase	308,632	0.00	**56,918,388**	**0.88**
	November 09, 2018 Decrease	74,987	0.00	**56,843,401**	**0.88**
	November 16, 2018 Decrease	38,051	0.00	**56,805,350**	**0.88**
	November 23, 2018 Increase	126,590	0.00	**56,931,940**	**0.88**
	November 30, 2018 Increase	65,064	0.00	**56,997,004**	**0.89**
	December 07, 2018 Increase	54,269	0.00	**57,051,273**	**0.89**
	December 14, 2018 Increase	657,858	0.01	**57,709,131**	**0.90**
	December 21, 2018 Increase	958,295	0.01	**58,667,426**	**0.91**
	December 28, 2018 Increase	75,200	0.00	**58,742,626**	**0.91**
	December 31, 2018 Increase	21,710	0.00	**58,764,336**	**0.91**
	January 04, 2019 Increase	239,998	0.00	**59,004,334**	**0.92**
	January 11, 2019 Increase	83,881	0.00	**59,088,215**	**0.92**
	January 18, 2019 Increase	123,399	0.00	**59,211,614**	**0.92**
	January 25, 2019 Increase	613,110	0.01	**59,824,724**	**0.93**
	February 01, 2019 Increase	154,267	0.00	**59,978,991**	**0.93**
	February 08, 2019 Increase	655,557	0.01	**60,634,548**	**0.94**
	February 15, 2019 Increase	111,792	0.00	**60,746,340**	**0.94**
	February 22, 2019 Increase	602,769	0.01	**61,349,109**	**0.95**
	March 01, 2019 Increase	367,750	0.01	**61,716,859**	**0.96**
	March 08, 2019 Increase	140,997	0.00	**61,857,856**	**0.96**
	March 15, 2019 Increase	119,577	0.00	**61,977,433**	**0.96**
	March 22, 2019 Increase	81,030	0.00	**62,058,463**	**0.96**
	March 30, 2019 Increase	243,318	0.00	**62,301,781**	**0.97**
	At the end of the year			**62,301,781**	**0.97**

1 *Top ten shareholders (on basis of PAN) of the Bank as on March 31, 2019 has been considered for the above disclosure.*
2 *The above mentioned details have been provided by our RTA on the basis of weekly beneficial position received from Depositories and relied upon.*

(v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name of the Directors	Shareholding at the beginning of the year		**Cumulative Shareholding during the Year**	
		No. of shares	% of total shares of the Company	**No. of shares**	**% of total shares of the Company**
1	Lalit Kumar Chandel[1]				
	At December 4, 2018	6	0.00	**6**	**0.00**
	At the end of the year			**6**	**0.00**
2	Dileep Choksi				
	At the beginning of the year	2,750	0.00	**2,750**	**0.00**
	At the end of the year			**2,750**	**0.00**
3	Rama Bijapurkar[2]				
	At January 14, 2019	2,600	0.00	**2,600**	**0.00**
	At the end of the year			**2,600**	**0.00**
4	M. K. Sharma[3]				
	At the beginning of the year	55,000	0.00	**55,000**	**0.00**
	At June 30, 2018			**55,000**	**0.00**
5 (a)	Chanda Kochhar[4]				
	At the beginning of the year	2,597,787	0.04	**2,597,787**	**0.04**
	April 9, 2018 ESOS Allotment	20,000	0.00	**2,617,787**	**0.04**
	April 12, 2018 ESOS Allotment	25,000	0.00	**2,642,787**	**0.04**
	April 26, 2018 ESOS Allotment	20,000	0.00	**2,662,787**	**0.04**
	June 7, 2018 ESOS Allotment	100,000	0.00	**2,762,787**	**0.04**
	July 2, 2018 ESOS Allotment	100,000	0.00	**2,862,787**	**0.04**
	July 16, 2018 ESOS Allotment	100,000	0.00	**2,962,787**	**0.05**
	July 19, 2018 ESOS Allotment	103,050	0.00	**3,065,837**	**0.05**
	September 24, 2018 ESOS Allotment	25,000	0.00	**3,090,837**	**0.05**
	September 27, 2018 ESOS Allotment	239,250	0.00	**3,330,087**	**0.05**
	At October 4, 2018			**3,330,087**	**0.05**
5 (b)	Chanda Kochhar (as joint holder)[4]				
	At the beginning of the year	825	0.00	**825**	**0.00**
	At October 4, 2018			**825**	**0.00**
6	N. S. Kannan[5]				
	At the beginning of the year	468,737	0.01	**468,737**	**0.01**
	At June 18, 2018			**468,737**	**0.01**
7	Sandeep Bakhshi[6]				
	At July 31, 2018	452,805	0.01	**452,805**	**0.01**
	August 23, 2018 Transfer	50	0.00	**452,755**	**0.01**
	November 16, 2018 ESOS Allotment	100,000	0.00	**552,755**	**0.01**
	December 17, 2018 Market Sale	18,250	0.00	**534,505**	**0.01**
	March 26, 2019 Market Sale	10,000	0.00	**524,505**	**0.01**
	At the end of the year			**524,505**	**0.01**
8	Anup Bagchi				
	At the beginning of the year	0	0.00	**0**	**0.00**
	April 26, 2018 ESOS Allotment	107,250	0.00	**107,250**	**0.00**
	May 11, 2018 Market Sale	107,250	0.00	**0**	**0.00**
	March 18, 2019 ESOS Allotment	288,750	0.00	**288,750**	**0.00**

DIRECTORS' REPORT

Sr. No.	Name of the Directors	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	March 26, 2019 Market Sale	288,750	0.00	0	0.00
	At the end of the year			0	0.00
9 (a)	Vishakha Mulye (as first holder)				
	At the beginning of the year	838,612	0.01	838,612	0.01
	December 6, 2018 ESOS Allotment	123,750	0.00	962,362	0.01
	March 14, 2019 Market Sale	50,000	0.00	912,362	0.01
	March 15, 2019 Market Sale	50,000	0.00	862,362	0.01
	March 18, 2019 Market Sale	25,000	0.00	837,362	0.01
	March 22, 2019 ESOS Allotment	233,750	0.00	1,071,112	0.02
	March 28, 2019 Market Sale	10,000	0.00	1,061,112	0.02
	March 29, 2019 Market Sale	25,000	0.00	1,036,112	0.02
	At the end of the year			1,036,112	0.02
9 (b)	Vishakha Mulye (as joint holder)				
	At the beginning of the year	1,375	0.00	1,375	0.00
	At the end of the year			1,375	0.00
10	Vijay Chandok				
	At the beginning of the year	28,300	0.00	28,300	0.00
	April 2, 2018 ESOS Allotment	2,400	0.00	30,700	0.00
	April 12, 2018 ESOS Allotment	4,500	0.00	35,200	0.00
	May 15, 2018 Market Sale	3,150	0.00	32,050	0.00
	June 11, 2018 ESOS Allotment	2,400	0.00	34,450	0.00
	July 26, 2018 ESOS Allotment	4,900	0.00	39,350	0.00
	August 2, 2018 Market Sale	10,000	0.00	29,350	0.00
	August 6, 2018 Market Sale	10,000	0.00	19,350	0.00
	August 8, 2018 Market Sale	2,500	0.00	16,850	0.00
	August 9, 2018 Market Sale	10,000	0.00	6,850	0.00
	August 17, 2018 Market Sale	5,000	0.00	1,850	0.00
	August 20, 2018 ESOS Allotment	4,500	0.00	6,350	0.00
	August 23, 2018 ESOS Allotment	4,400	0.00	10,750	0.00
	September 7, 2018 Market Sale	5,000	0.00	5,750	0.00
	September 21, 2018 Market Sale	2,000	0.00	3,750	0.00
	October 8, 2018 ESOS Allotment	2,300	0.00	6,050	0.00
	October 11, 2018 ESOS Allotment	4,500	0.00	10,550	0.00
	October 15, 2018 ESOS Allotment	2,300	0.00	12,850	0.00
	October 17, 2018 ESOS Allotment	6,900	0.00	19,750	0.00
	October 22, 2018 ESOS Allotment	2,200	0.00	21,950	0.00
	October 29, 2018 Market Sale	12,950	0.00	9,000	0.00
	October 30, 2018 Market Sale	7,000	0.00	2,000	0.00
	November 1, 2018 ESOS Allotment	6,600	0.00	8,600	0.00
	November 5, 2018 ESOS Allotment	8,900	0.00	17,500	0.00
	November 7, 2018 Market Sale	1,000	0.00	16,500	0.00
	November 12, 2018 ESOS Allotment	4,400	0.00	20,900	0.00
	November 14, 2018 Market Sale	5,000	0.00	15,900	0.00

Sr. No.	Name of the Directors	Shareholding at the beginning of the year		**Cumulative Shareholding during the Year**	
		No. of shares	% of total shares of the Company	**No. of shares**	**% of total shares of the Company**
	November 15, 2018 Market Sale	10,000	0.00	**5,900**	**0.00**
	November 19, 2018 ESOS Allotment	2,100	0.00	**8,000**	**0.00**
	November 19, 2018 Market Sale	2,500	0.00	**5,500**	**0.00**
	November 28, 2018 Market Sale	5,500	0.00	**0**	**0.00**
	December 3, 2018 ESOS Allotment	12,500	0.00	**12,500**	**0.00**
	December 12, 2018 Market Sale	1,450	0.00	**11,050**	**0.00**
	December 14, 2018 Market Sale	1,500	0.00	**9,550**	**0.00**
	December 17, 2018 ESOS Allotment	17,200	0.00	**26,750**	**0.00**
	December 17, 2018 Market Sale	3,000	0.00	**23,750**	**0.00**
	December 18, 2018 Market Sale	6,550	0.00	**17,200**	**0.00**
	December 20, 2018 ESOS Allotment	30,500	0.00	**47,700**	**0.00**
	December 24, 2018 ESOS Allotment	2,200	0.00	**49,900**	**0.00**
	December 26, 2018 Market Sale	2,500	0.00	**47,400**	**0.00**
	December 28, 2018 Market Sale	3,000	0.00	**44,400**	**0.00**
	December 31, 2018 Market Sale	3,000	0.00	**41,400**	**0.00**
	January 2, 2019 Market Sale	5,000	0.00	**36,400**	**0.00**
	February 6, 2019 Market Sale	10,000	0.00	**26,400**	**0.00**
	February 7, 2019 Market Sale	5,000	0.00	**21,400**	**0.00**
	February 11, 2019 ESOS Allotment	22,900	0.00	**44,300**	**0.00**
	February 14, 2019 Market Sale	3,000	0.00	**41,300**	**0.00**
	February 19, 2019 Market Sale	10,000	0.00	**31,300**	**0.00**
	February 21, 2019 ESOS Allotment	2,200	0.00	**33,500**	**0.00**
	February 21, 2019 Market Sale	10,000	0.00	**23,500**	**0.00**
	February 25, 2019 ESOS Allotment	8,600	0.00	**32,100**	**0.00**
	March 1, 2019 Market Sale	3,000	0.00	**29,100**	**0.00**
	March 4, 2019 ESOS Allotment	2,200	0.00	**31,300**	**0.00**
	March 5, 2019 Market Sale	10,000	0.00	**21,300**	**0.00**
	March 6, 2019 Market Sale	10,000	0.00	**11,300**	**0.00**
	March 7, 2019 Market Sale	3,000	0.00	**8,300**	**0.00**
	March 11, 2019 Market Sale	5,000	0.00	**3,300**	**0.00**
	March 12, 2019 Market Sale	3,300	0.00	**0**	**0.00**
	March 14, 2019 ESOS Allotment	4,100	0.00	**4,100**	**0.00**
	March 22, 2019 ESOS Allotment	6,000	0.00	**10,100**	**0.00**
	March 26, 2019 Market Sale	4,000	0.00	**6,100**	**0.00**
	March 28, 2019 Market Sale	6,100	0.00	**0**	**0.00**
	At the end of the year			**0**	**0.00**

1 w.e.f. December 4, 2018
2 w.e.f. January 14, 2019
3 upto June 30, 2018
4 upto October 4, 2018
5 upto June 18, 2018
6 w.e.f. July 31, 2018
None of the other Directors held any shares during fiscal 2019.
The cumulative shareholding column reflects the balance as on day end.

DIRECTORS' REPORT

Sr. No.	Name of Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the Company	**No. of shares**	**% of total shares of the Company**
1	Rakesh Jha Chief Financial Officer				
	At the beginning of the year	14,850	0.00	**14,850**	**0.00**
	April 23, 2018 ESOS Allotment	23,000	0.00	**37,850**	**0.00**
	April 26, 2018 ESOS Allotment	21,000	0.00	**58,850**	**0.00**
	December 20, 2018 Market Sale	15,000	0.00	**43,850**	**0.00**
	December 24, 2018 Market Sale	15,000	0.00	**28,850**	**0.00**
	December 27, 2018 Market Sale	15,000	0.00	**13,850**	**0.00**
	January 10, 2019 ESOS Allotment	30,000	0.00	**43,850**	**0.00**
	January 31, 2019 ESOS Allotment	35,000	0.00	**78,850**	**0.00**
	At the end of the year			**78,850**	**0.00**
2	P. Sanker[1] Company Secretary				
	At the beginning of the year	38,500	0.00	**38,500**	**0.00**
	At July 27, 2018			**38,500**	**0.00**
3	Ranganath Athreya[2] Company Secretary				
	At July 28, 2018	110	0.00	**110**	**0.00**
	February 21, 2019 ESOS Allotment	1,500	0.00	**1,610**	**0.00**
	March 29, 2019 Market Sale	1,500	0.00	**110**	**0.00**
	At the end of the year			**110**	**0.00**

1 Upto July 27, 2018
2 w.e.f. July 28, 2018
The cumulative shareholding column reflects the balance as on day end.

V. INDEBTEDNESS

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

₹ in crore

	Secured Loans excluding deposits	Unsecured Loans	Deposits	**Total Indebtedness**
Indebtedness at the beginning of the financial year				
i) Principal Amount	16,456.25	166,402.38	-	**182,858.62**
ii) Interest due but not paid	-	-	-	**-**
iii) Interest accrued but not due	411.77	2,389.66	-	**2,801.43**
Total (i+ii+iii)	**16,868.02**	**168,792.03**	**-**	**185,660.05**
Change in Indebtedness during the financial year (refer Note 1 & 2)				
• Addition	6,171.63	8,364.52	-	**14,536.15**
• Reduction	16,456.25	15,618.55	-	**32,074.80**
Net Change	**(10,284.62)**	**(7,254.03)**	**-**	**(17,538.65)**
Indebtedness at the end of the financial year				
i) Principal Amount	6,171.63	159,148.35	-	**165,319.97**
ii) Interest due but not paid	-	-	-	**-**
iii) Interest accrued but not due	2.47	2,840.08	-	**2,842.55**
Total (i+ii+iii)	**6,174.10**	**161,988.42**	**-**	**168,162.52**

Data is pertaining to Schedule 4 borrowings under "Secured Loans/Unsecured loans".

Notes:

1 *Movement in short-term market borrowing is shown on net basis.*
2 *Uamortised premium and accrual of discount is included under "Addition" row.*
3 *Principal amount for secured and unsecured loan consists of schedule 4 borrowings balance.*
4 *Secured loans include borrowings under Collateralised Borrowing and Lending Obligation, and transactions under Liquidity Adjustment Facility, Marginal Standing Facility and REPO (including Tri-party Repo).*
5 *Being a banking company, there are no public deposits.*

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. *Remuneration to Managing Director, Wholetime Directors and/or Manager:*

Sr. No.	Particulars of Remuneration	Chanda Kochhar	Sandeep Bakhshi	N. S. Kannan	Vishakha Mulye	Vijay Chandok	Anup Bagchi	Total (₹)
		Amount in ₹						
1	**Gross Salary:** **(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961**							
	Salary and Allowances for fiscal 2019 - (A)	60,781,868	38,275,925	8,648,435	40,497,479	35,035,973	37,660,740	220,900,420
	Bonus paid in fiscal 2019 (B)	–	–	–	–	–	–	–
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961							
	Perquisites - (C)	11,087,205	6,210,549	2,677,264	6,721,122	7,775,115	3,906,732	38,377,987
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	–	–	–	–	–	–	–
2	Stock Option (Perquisite on Employee Stock Option exercised in fiscal 2019)	226,395,700	20,123,000	0	92,475,351	28,625,627	86,821,351	454,441,029
3	Sweat Equity	–	–	–	–	–	–	–
4	Commission (as % of Profit/Others)	–	–	–	–	–	–	–
5	Others	–	–	–	–	–	–	–
	(A)+(B) +(C) Total remuneration paid in fiscal 2019 (excludes perquisites on Stock Options exercised in Fiscal 2019 as mentioned in point 2)	**71,869,073**	**44,486,474**	**11,325,699**	**47,218,601**	**42,811,088**	**41,567,472**	**259,278,407**
	Ceiling as per the Act[1]							

1 *Being a Banking Company, the provisions of the Banking Regulation Act, 1949 apply to the Bank and the remuneration of every wholetime Director is subject to the approval of RBI. The remuneration is however well within the limits prescribed under the Companies Act, 2013.*
2 *The performance bonus payable in fiscal 2019 (pertaining to fiscal 2018) is pending RBI approvals.*
3 *Last working date of Chanda Kochhar with the Bank was October 4, 2018. Her remuneration includes amount pertaining to full and final settlement given to her in October 2018.*
4 *Sandeep Bakhshi assumed office as Chief Operating Officer (Designate) effective June 19, 2018. RBI approved his appointment as Wholetime Director designated as Chief Operating Officer effective July 31, 2018. He was subsequently appointed as Managing Director & CEO as per RBI approval effective October 15, 2018.*
5 *N.S. Kannan was with the Bank till June 18, 2018.*

DIRECTORS' REPORT

B. Remuneration to other Directors

Sr. No.	Name of Directors	Fee for attending Board/ Committee meetings[1]	Commission[2]	Others*	Total (₹)
		Amount in ₹			
1.	**Independent Directors**				
	G. C. Chaturvedi[1,3]	11,00,000	–	24,74,465	**35,74,465**
	M. K. Sharma[4]	18,50,000	–	40,83,334	**59,33,334**
	Rama Bijapurkar[5]	3,50,000	–	–	**3,50,000**
	Uday Chitale[1]	44,50,000	2,02,740	–	**46,52,740**
	Dileep C. Choksi[1]	46,50,000	10,00,000	–	**56,50,000**
	Neelam Dhawan[1]	26,50,000	216,438	–	**28,66,438**
	Radhakrishnan Nair[1]	48,00,000	–	–	**48,00,000**
	Hari L. Mundra[6]	7,00,000	–	–	**7,00,000**
	V. K. Sharma	13,00,000	10,00,000	–	**23,00,000**
	B. Sriram[5]	4,50,000	–	–	**4,50,000**
	Tushaar Shah[7]	2,00,000	10,00,000	–	**12,00,000**
	M. D. Mallya[8]	–	–	–	**–**
	Total (1)	**2,25,00,000**	**34,19,178**	**6,557,799**	**32,476,977**
2.	**Other Non-Executive Directors[9]**				
	Total (2)	–	–	–	–
	Total (1)+(2)	**2,25,00,000**	**34,19,178**	**65,57,799**	**32,476,977**
	Ceiling as per the Act#				

1 The independent Directors were paid sitting fees for its meeting held on September 12, 2018
2 Commission pertaining to fiscal 2018, paid in fiscal 2019
3 w.e.f. July 1, 2018
4 upto June 30, 2018
5 w.e.f. January 14, 2019
6 w.e.f. October 26, 2018
7 upto May 2, 2018
8 w.e.f. May 29, 2018 and upto October 4, 2018
9 Government Nominee Director is only entitled to reimbursement of expenses for attending Board/Committee Meetings.
** Gross amount paid as remuneration to G. C. Chaturvedi for the period July 17, 2018 to March 31, 2019 and to M. K. Sharma for the period May 1, 2017 to June 30, 2018.*
 # Being a Banking Company, the provisions of the Banking Regulation Act, 1949 apply to the Bank. The remuneration is however well within the limits prescribed under the Companies Act, 2013.

C. *Remuneration to Key Managerial Personnel other than MD/Manager/WTD*

Sr. No.	Particulars of Remuneration	Rakesh Jha	Ranganath Athreya[1]	P. Sanker[2]	Total (₹)
		Chief Financial Officer	Company Secretary	Company Secretary	
		Amount in ₹			
1	**Gross Salary**				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	Salary and Allowances for Fiscal 2019 - (A)	25,385,796	14,891,692	20,504,200	**60,781,688**
	Bonus Paid in fiscal 2019 - (B)	11,518,203	2,890,620	5,824,728	**20,233,551**
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961				
	Perquisites – (C)	4,411,048	1,202,688	2,627,226	**8,240,962**
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	–	–	–	**–**
2	Stock Option (Perquisite on Employee Stock Option exercised in fiscal 2019)	17,591,780	90,375	2,030,100	**19,712,255**
3	Sweat Equity	–	–	–	**–**
4	Commission (as % of Profit/Others)	–	–	–	**–**
5	Others	–	–	–	**–**
	(A)+(B) + (C) Total Remuneration paid in Fiscal 2019 (excludes Perquisites on Stock Options exercised in fiscal 2019 as mentioned in point 2)	**41,315,047**	**18,985,000**	**28,956,154**	**89,256,201**

1 Ranganath Athreya was appointed Company Secretary effective July 28, 2018. The salary mentioned above is for FY2018-19.
2 P. Sanker was the Company Secretary of the Bank till July 27, 2018. The salary mentioned above is for FY2018-19.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT/ Court]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment			None		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			None		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			None		
Compounding					

May 6, 2019

G. C. Chaturvedi
Chairman

DIRECTORS' REPORT

ANNEXURE D

DIVIDEND DISTRIBUTION POLICY

1. **Introduction**

ICICI Bank Limited (the Bank or ICICI Bank) is a public company incorporated under the Companies Act, 1956 and licensed as a bank under the Banking Regulation Act, 1949. The Bank has been making profits since inception and has been paying equity share dividends in accordance with the guidelines of Reserve Bank of India (RBI) and Securities and Exchange Board of India (SEBI), Companies Act, 1956, Companies Act, 2013 and Banking Regulation Act, 1949.

This policy documents the guidelines on payment of dividends, and sets out the key considerations for arriving at the dividend payment decision. The Board will have the flexibility to determine the level of dividend based on the considerations laid out in the policy and other relevant developments.

2. **Regulatory framework**

The Bank while proposing equity share dividend will ensure compliance with the RBI guidelines relating to declaration of dividend, capital conservation requirements under guidelines on Basel III norms issued by RBI, provisions of the Banking Regulation Act, 1949, the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, provisions of the Companies Act, 2013 and guidelines provided under the section titled "Dividends" in the Articles of Association (AOA) of the Bank.

3. **Approval process**

The Board of Directors of the Bank would take into account the following aspects while deciding on the proposal for dividend:

a) profitability and key financial metrics;
b) the interim dividend paid, if any;
c) the auditors' qualifications pertaining to the statement of accounts, if any;
d) whether dividend/coupon payments for non-equity capital instruments (including preference shares) have been made;
e) the Bank's capital position and requirements as per Internal Capital Adequacy Assessment Process (ICAAP) projections and regulatory norms; and
f) the applicable regulatory requirements

The dividend decision would be subject to consideration of any other relevant factors, including, for example:

- External factors including state of the domestic and global economy, capital market conditions and dividend policy of competitors;
- Tax implications including applicability and rate of dividend distribution tax;
- Shareholder expectations

The decision regarding dividend shall be taken only by the Board at its Meeting and not by a Committee of the Board or by way of a Resolution passed by circulation.

Final dividend shall be paid only after approval at an Annual General Meeting (AGM) of the Bank. Shareholder approval is not required for payment of interim dividend.

4. **Utilisation of retained earnings**

The Bank would utilise the retained earnings for general corporate purposes, including organic and inorganic growth, investments in subsidiaries/associates and/or appropriations/drawdowns as per the regulatory framework. The Board may decide to employ the retained earnings in ensuring maintenance of an optimal level of capital adequacy, meeting the Bank's future growth/expansion plans, other strategic purposes and/or distribution to shareholders, subject to applicable regulations.

5. **Parameters for various classes of shares**

Currently, the Bank has only one class of equity shareholders. In the absence of any other class of equity shares and/or equity shares with differential voting rights, the entire distributable profit for the purpose of declaration of dividend is considered for the equity shareholders. The Bank has preference shares on which a fixed rate of dividend is appropriated out of profits.

6. **Circumstances under which the shareholders may or may not expect dividend**

The Board of the Bank may vary the level of dividend or not recommend any dividend based on the regulatory eligibility criteria for recommendation of dividend, including any regulatory restriction placed on the Bank on declaration of dividend. There may also be obligations that the Bank could have undertaken under the terms of perpetual non-cumulative preference shares or debt capital instruments pursuant to applicable regulations which might prohibit the Bank from declaring dividend in certain circumstances.

The Board of the Bank may vary the level of dividend or not recommend any dividend based on the capital and reserves position of the Bank. The Board may recommend lower or no dividends if it is of the view that there is a need to conserve capital. The Board may recommend higher dividends, subject to applicable regulations, if the capital and reserves position supports a higher distribution to the shareholders.

7. **Review**

The dividend policy of the Bank would be reviewed annually, or earlier if material changes take place in the applicable regulations.

ANNEXURE E

ALWYN D'SOUZA & CO.
Company Secretaries
Annex-103, Dimple Arcade, Asha Nagar, Kandivali (East), Mumbai 400101.
Branch Office: B-002, Gr. Floor, Shreepati-2, Royal Complex, Behind Olympia Tower,
Mira Road (East), Thane-401107; **Tel:** 022-28125781; **Mob:** 09820465195;
E-mail: alwyn.co@gmail.com; **Website:** www.alwynjay.com

CERTIFICATE

[Pursuant to Regulation 34(3) read with Sub Clause 10(i) of Clause C of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
ICICI Bank Limited
ICICI Bank Tower, Near Chakli Circle,
Old Padra Road, Vadodara,
Gujarat - 390007

Dear Sir/Madam,

I have considered and examined the annual submissions made by each Director of **ICICI Bank Limited ("Company")**. On the basis of the documents submitted to me and based on verification of relevant information available in public domain, I hereby certify that the following Directors on the Board of the Company are not debarred or disqualified from being appointed or continuing as directors of the Companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority:

Sr. No.	Name of Director	DIN	Designation
1.	Mr. Girish C. Chaturvedi	00110996	Independent Director
2.	Ms. Rama Bijapurkar	00001835	Additional Independent Director
3.	Mr. Uday Chitale	00043268	Independent Director
4.	Ms. Neelam Dhawan	00871445	Independent Director
5.	Mr. S. Madhavan	06451889	Additional Independent Director
6.	Mr. Hari L. Mundra	00287029	Additional Independent Director
7.	Mr. Radhakrishnan Nair	07225354	Independent Director
8.	Mr. B. Sriram	02993708	Additional Independent Director
9.	Mr. Lalit Kumar Chandel	00182667	Nominee Director
10.	Mr. Sandeep Bakhshi	00109206	Managing Director
11.	Ms. Vishakha Mulye	00203578	Wholetime Director
12.	Mr. Vijay Chandok	01545262	Wholetime Director
13.	Mr. Anup Bagchi	00105962	Wholetime Director

Place : Mumbai
Date : May 3, 2019

Alwyn D'Souza & Co.
Company Secretaries

Office Address
Annex-103, Dimple Arcade,
Asha Nagar, Kandivali (East),
Mumbai 400101.

[Alwyn D'Souza, FCS.5559]
[Proprietor]
[Certificate of Practice No.5137]

DIRECTORS' REPORT

ANNEXURE F

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

1. **A brief outline of the company's CSR policy, including overviewofprojectsorprogramsproposedtobeundertaken andareferencetotheweb-linktotheCSRpolicyandprojects or programs**

   Corporate Social Responsibility (CSR) has been a long-standing commitment at ICICI Bank Limited (ICICI Bank/the Bank). The Bank's contribution to social sector development includes several pioneering interventions and is implemented through the involvement of stakeholders within the Bank and through the broader community. The Bank established the ICICI Foundation for Inclusive Growth (ICICI Foundation) in 2008 with a view to significantly expand the activities in the area of CSR. Over the years, ICICI Foundation has developed projects in specific areas, particularly in the area of skill development, and has built capabilities for direct project implementation as opposed to extending financial support to other organisations.

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

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

   https://www.icicibank.com/managed-assets/docs/about-us/ICICI-Bank-CSR-Policy.pdf

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

   The Bank's CSR Committee is chaired by an independent Director. The composition of the Committee is set out below:

   - Mr. Radhakrishnan Nair, Chairman
   - Mr. Anup Bagchi
   - Mr. Uday Chitale (w.e.f. June 30, 2019)
   - Ms. Rama Bijapurkar (w.e.f. June 30, 2019)

   The functions of the Committee include review of CSR initiatives undertaken by the ICICI Group and ICICI Foundation; formulation and recommendation to the Board of a CSR Policy indicating the activities to be undertaken by the company and recommendation of the amount of the expenditure to be incurred on such activities; reviewing and recommending the annual CSR plan to the Board; making recommendations to the Board with respect to the CSR initiatives, policies and practices of the ICICI Group; monitoring the CSR activities, implementation of and compliance with the CSR Policy; and reviewing and implementing, if required, any other matter related to CSR initiatives as recommended/suggested by Reserve Bank of India or any other body.

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

   The average net profit of the company for the last three financial years calculated as specified by the Companies Act, 2013 for fiscal 2019 was ₹ 59.48 billion.

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

   The prescribed CSR expenditure requirement for fiscal 2019 was ₹ 1,189.6 million.

5. **Details of CSR spent during the financial year**

   (a) Total amount to be spent for the financial year

   Total amount spent towards CSR during fiscal 2019 was ₹ 922.0 million.

   (b) Amount unspent, if any

   Amount unspent was ₹ 267.6 million.

(c) Manner in which the amount spent during the financial year is detailed in the following table:

Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs 1. Local area or other 2. Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or program wise (₹ mn)	Amount spent on the projects or programs Sub-heads 1. Direct expenditure on projects or programs 2. Overheads (₹ mn)	Cumulative expenditure upto the reporting period (₹ mn)	Amount spent direct or through implementing agency
1	Projects of ICICI Foundation for Inclusive Growth	Promoting education, employment, enhancing vocational skills, livelihood enhancement projects	Pan-India	380.0	380.0	2,125.0	Amount spent through ICICI Foundation for Inclusive Growth. The Foundation was set up in 2008 to focus on activities in the area of CSR
2.	Rural development and related activities	Rural development	Pan-India	100.0	117.4	4,796.0	Direct & through Bank's business correspondent network
3.	Education & research	Promoting education	Chennai	100.0	100.0	159.1	Direct, for setting up a new university
4.	Relief and welfare in calamity affected areas	Contribution to relief fund	Kerala	-	100.0	176.5	Kerala Chief Minister's Distress Relief Fund
5.	Health	Promoting preventive health care and sanitation and making available safe drinking water	Pan-India	96.4	105.23	105.23	Direct; supported construction of toilets, Rubella vaccination drive, and providing safe drinking water facilities
6.	Armed forces welfare	Measures for the benefit of armed forces veteran, war widows and their dependents	Pan-India	50.0	50.0	100.0	Armed Forces Flag Day Fund, Kendriya Sainik Board
7.	Financial Literacy	Promoting education	Pan-India	36.0	35.0	91.2	Disha Trust
8.	Education	Women empowerment	Pan-India	16.0	16.0	16.0	Direct; #Education For Equality campaign to promote girl child education
9.	Miscellaneous	Environmental sustainability, Swachh Bharat, reducing inequalities	–	411.6	18.4	89.7	Direct: promoting use of dustbins, protection of trees, and supporting socially and economically backward rural households

DIRECTORS' REPORT

6. **In case the company has failed to spend the 2% of the average net profits of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.**

The amount spent towards CSR during fiscal 2019 was ₹ 922.0 million, which was 1.6% of the average net profits of the last three financial years. The Bank's CSR spends in fiscal 2017 were 1.8% and in fiscal 2018 were 2.0% of the average net profits of the preceding three financial years.

The Bank, through its CSR activities, has always focussed on efforts that can substantially impact the well-being of the disadvantaged segments of the population. The endeavour is to have a comprehensive approach that is meaningful and with a long-term focus to ensure scalability. Skill-development is a major requirement for meeting sustainable development goals of the Indian economy. Towards this objective, significant efforts have been made to improve skills of underprivileged youth since fiscal 2014. The ICICI Foundation for Inclusive Growth (ICICI Foundation) has driven the skill training efforts through various initiatives including the ICICI Academy for Skills (skill academies), Rural Self-Employment Training Institutes (RSETIs) and the rural initiatives in villages.

During fiscal 2019, a total of 135,000 individuals received training through the various skill training initiatives, and of which 63.0% were women. The skill training facilities were further enhanced with the introduction of new in-demand courses like beauty therapist and home health aide at the skill academies. The total number of courses offered at the skill academies aggregated 12 and over 50 wide-ranging locally relevant courses were being offered at the villages. Further, in fiscal 2019 two new training centres were opened at Gorakhpur and Dehradun under the ICICI Academy for Skills. On a cumulative basis, till March 31, 2019, over 400,000 individuals were provided skill training thus facilitating employability and ensuring a meaningful increase in the livelihood of these individuals. Further, a total of 1,200 villages have been covered under the rural initiative of ICICI Foundation. The efforts made in the villages apart from facilitating job opportunities and marketability, has also promoted local entrepreneurship including among women. ICICI Foundation received several prestigious awards during the year in recognition of its efforts.

Details on skill training activities	
Number of individuals trained in fiscal 2019	135,189
- Of which women trainees	*63%*
Total number of individuals trained till March 31, 2019	402,755
- Of which women trainees	*54%*
Total number of villages covered	1,200
Total number of states covered	29

The Bank also contributed towards other causes during fiscal 2019 as follows:

- Promoting higher education by supporting the setting up of a new university in Chennai;
- Providing relief to flood-affected people in Kerala and contributing to the Chief Minister's disaster relief fund;
- Supporting widows and children of ex-servicemen by contributing to the army fund;
- Promoting preventive healthcare by supporting the Rubella vaccination drive in Maharashtra, encouraging construction of toilets and providing safe drinking water facilities;
- Driving financial literacy and financial counselling through a dedicated team;
- #EducationForEquality campaign to promote women empowerment.

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 in fiscal 2019. Accordingly, it was not included in the total CSR spends for fiscal 2019.

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

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

Anup Bagchi
Executive Director

Radhakrishnan Nair
CSR Committee Chairman

May 6, 2019

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of ICICI Bank Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 22 October 2018.

2. We have examined the compliance of conditions of corporate governance by ICICI Bank Limited ('the Bank') for the year ended on 31 March 2019, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

3. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Bank has complied with the conditions of corporate governance, as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Bank for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Bank.

5. We have examined the relevant records of the Bank in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Bank has complied, in all material respects, with the conditions of corporate governance, as stipulated in the Listing Regulations during the year ended 31 March 2019, subject to the findings of the enquiry report of Hon'ble Mr. Justice (Retd.) B.N Srikrishna, as described below:

   a. In the case of the allegations against Ms. Chanda Kochhar, the former MD and CEO, pertaining to conflict of interest in certain instances prior to 31 March 2018, the enquiry report of Hon'ble Mr. Justice (Retd.) B.N Srikrishna concluded that the former MD and CEO was in violation of the ICICI Bank Code of Conduct and its framework for dealing with conflict of interest, including due disclosure or recusal requirements. This also constitutes non-adherence to regulation 26(5) of the Listing Regulations, which requires the senior management to make disclosures to the Board of Directors relating to all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the listed entity at large. The final findings of the enquiry report and actions taken by the Bank were disclosed to the stock exchanges and a press release dated 30 January 2019 was also issued by the Bank in this respect, which is available on the Bank's website.

8. We state that such compliance is neither an assurance as to the future viability of the Bank nor the efficiency or effectiveness with which the management has conducted the affairs of the Bank.

Restriction on use

9. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come, without our prior consent in writing.

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

Khushroo B. Panthaky
Partner
Membership No.: 042423

UDIN No: 19042423AAAABF1088

Place: Mumbai
Date: 06 May 2019

MANAGEMENT'S DISCUSSION & ANALYSIS

OPERATING ENVIRONMENT

Growth

The growth of India's Gross Domestic Product (GDP) was 7.2% in the nine months ended December 31, 2018 (9M-2019), the same level as in fiscal 2018. The Central Statistical Organisation has estimated that India's GDP would grow by 7.0% in fiscal 2019. Investments, as measured by gross fixed capital formation, have grown by 10.8% during 9M-2019 compared to 9.3% in fiscal 2018. On a gross value added basis, growth in the agriculture sector is estimated to be 2.7% in fiscal 2019 compared to 5.0% in fiscal 2018 and in the services sector to be 7.4% in fiscal 2019 compared to 8.1% in fiscal 2018. Industrial sector growth is expected to be 7.7% in fiscal 2019 compared to 5.9% in fiscal 2018.

Inflation and interest rates

Inflation as measured by the Consumer Price Index (CPI) increased in the initial part of the year from 4.3% in March 2018 to 6.4% in June 2018 and subsequently declined to 2.9% in March 2019. Core inflation (inflation excluding food and fuel) increased from 5.4% in March 2018 to 6.4% in June 2018 and eased to 5.0% in March 2019. The Reserve Bank of India (RBI) increased the repo rate by 25 basis points each in June 2018 and August 2018, from 6.0% to 6.5%, and subsequently reduced the repo rate by 25 basis points in February 2019 to 6.25%. The policy stance was changed from "neutral" to "calibrated tightening" in October 2018 and again changed to "neutral" in February 2019.

Financial markets

The Rupee depreciated from ₹ 65.11 per US dollar at end-March 2018 to a high of ₹ 74.33 per US dollar on October 9, 2018 and subsequently appreciated to ₹ 69.16 per US dollar at end-March 2019. Since Indian banks are subject to reserve requirements, with a large part of the reserves held in government securities, movement in government bond yields have an impact on the treasury portfolio. During fiscal 2019, yields on government securities were volatile particularly in view of tight liquidity conditions between September-December 2018. This resulted in significant losses in the treasury book for most Indian banks during the third quarter of fiscal 2019. Yields on the 10-year benchmark government bonds increased from 7.4% at end-March 2018 to over 8.0% in September 2018, and subsequently declined to 7.4% at end-March 2019.

Current account and fiscal position

The increase in global crude oil prices in fiscal 2019 led to an increase in India's current account deficit to 2.5% as a proportion of GDP during the nine months ended December 31, 2018, compared to 1.9% in fiscal 2018. The fiscal deficit position remained stable at 3.4% of GDP in fiscal 2019. In the interim budget for fiscal 2020, the government of India has announced measures that are expected to stimulate consumption in the Indian economy. At the same time, the interim budget has a significant borrowing programme for fiscal 2020, which could lead to pressures on government bond yields.

Banking sector trends

During fiscal 2019, non-food credit grew by 13.3% at March 29, 2019 while deposits grew by 10.0%. This resulted in the credit to deposit ratio increasing from 75.5% at March 31, 2018 to 77.7% at end-March 2019. In terms of sector-wise deployment of credit, credit growth in the services sector was at 17.8%, in the retail sector was at 16.4%, in industry was at 6.9% and in agriculture sector was at 7.9%, as on March 29, 2019. Additions to non-performing assets moderated during the nine months ended December 31, 2018. As per RBI's Financial Stability Report for December 2018, the gross non-performing asset ratio for Indian banks declined from a peak of 11.5% at March 31, 2018 to 10.8% at September 30, 2018. However, challenges emerged for the non-banking financial companies (NBFCs) following a default by a large non-banking financial company engaged primarily in infrastructure. This resulted in tightening liquidity conditions and increase in yields on their debt, leading to refinancing challenges for NBFCs. In a step towards initiating consolidation in the banking sector, the government announced the merger of three public sector banks in fiscal 2019. The merger was effective from April 1, 2019.

The process of resolution of large stressed accounts continued. Of the accounts referred under the Insolvency and Bankruptcy Code (IBC) with the National Company Law Tribunal (NCLT), as required by the RBI, five large accounts from the first list were resolved during the year with the average recovery rate from these accounts exceeding 44.0%. Additions to the non-performing pool of banks declined during the year. However, challenges emerged in a few sectors and specific corporates/promoter groups during the year. Provisions made by banks continued to be elevated.

The key regulatory developments impacting banks during fiscal 2019 were as follows:

- In March 2019, RBI deferred the implementation of Ind AS till further notice as the legislative amendments recommended by it were still under the consideration of the Government of India.
- RBI deferred the implementation of the last tranche of 0.625% of Capital Conservation Buffer (CCB) from March 31, 2019 to March 31, 2020. Accordingly, the minimum capital conservation ratios as earlier applicable from March 31, 2018 would now apply from March 31, 2019 till the CCB attains the level of 2.5% of risk weighted assets (RWA) as on March 31, 2020. The pre-specified trigger for loss absorption through conversion/write-down of Additional Tier 1 instruments shall remain at 5.5% of RWAs and would increase to 6.125% of RWAs on March 31, 2020.
- In September 2018, RBI permitted banks to reckon an additional 2.0% of their net demand and time liabilities (NDTL), under Facility to Avail Liquidity for Liquidity Coverage Ratio (FALLCR) within the

mandatory statutory liquidity requirement (SLR), as level one high quality liquid assets (HQLA) for the purpose of computing their liquidity coverage ratio (LCR). This was applicable from October 1, 2018 resulting in a total of 15.0% of NDTL comprising statutory liquidity ratio securities available for banks to be recognised as level one HQLA. In April 2019, RBI permitted a further 2.0% of NDTL to be reckoned as level one HQLA in a phased manner.

- With a view to align the SLR with the LCR requirement, RBI decided to reduce the SLR by 25 basis points every quarter until the SLR reaches 18.0% of NDTL. The first reduction of 25 basis points from 19.50% to 19.25% was effective from January 1, 2019.
- With a view to facilitate meaningful restructuring of micro, small and medium enterprises' (MSME) accounts that are stressed, RBI permitted a one-time restructuring of existing loans to MSMEs that are in default but 'standard' as on January 1, 2019, without an asset classification downgrade. To be eligible for the scheme, the aggregate exposure, including non-fund based facilities of banks and NBFCs, to a borrower should not exceed ₹ 250.0 million as on January 1, 2019. The restructuring will have to be implemented by March 31, 2020. A provision of 5.0%, in addition to the provisions already held, shall be made in respect of accounts restructured under this scheme.
- With a view to facilitate flow of credit to well-rated NBFCs, in February 2019 RBI revised the risk weights on exposures to non-deposit taking systemically important NBFCs. From a uniform risk weight of 100%, RBI allowed rated exposures of banks to these NBFCs to be risk-weighted as per the rating assigned by the accredited rating agencies, in a manner similar to that for corporates. The rated exposures of banks to all NBFCs excluding Core Investment Companies (CICs), will now be risk-weighted in a manner similar to that for corporates. Exposures to CICs continue to be risk-weighted at 100%.
- In February 2019, RBI revised the definition of bulk deposits (i.e. deposits where banks have the discretion to offer differential rate of interest) from single deposit of ₹ 10.0 million and above to single deposit of ₹ 20.0 million and above. Banks are henceforth required to maintain their bulk deposit interest rate cards in the core banking system for supervisory review.
- In April 2019, the Supreme Court declared the RBI circular on revised framework for resolution of stressed assets dated February 12, 2018 as unconstitutional. RBI is in the process of issuing revised guidelines.
- In November 2018, the Securities and Exchange Board of India released a framework that requires a company rated AA and above and with an outstanding long term borrowing of ₹ 1.00 billion and above at March 31 in any given year, to necessarily raise 25.0% of its incremental borrowings for the following year through the bond market. This is effective from April 1, 2019.

Outlook

The Bank believes that the Indian economy has significant long-term potential, based on its demographic profile, consumption growth and vast potential for investment. These factors would drive the long-term growth of the Indian financial sector. The banking sector is expected to benefit from the growing formalisation of the economy, the recently introduced insolvency resolution regime and the rapid adoption of technology in banking.

STRATEGY

During fiscal 2019, the Bank was focussed on its strategic objective of risk calibrated profitable growth. Core operating profits of the Bank grew by 16.5% during fiscal 2019. The Bank made progress on increasing the granularity of its portfolio and enhancing the customer franchise during the year. Retail loans as a proportion of total loans increased from 56.6% at March 31, 2018 to 60.1% at March 31, 2019. Including non-fund based outstanding, retail loans as a proportion of total loans was 46.9% at March 31, 2019. The Bank continued to improve the portfolio mix by lending to higher rated well-established corporates and reduce concentration risk. The additions to non-performing loans moderated during the year, while provisions remained elevated. As a result, the provision coverage ratio improved substantially. The Bank maintained a strong capital position with capital adequacy ratios significantly above regulatory requirements.

Going forward, the Bank's strategic focus of growing its core operating profits in a risk calibrated and granular manner would continue. The Bank seeks to build scalable and resilient businesses while operating within the guardrails of risk management. The Bank would seek to contain provisions within the levels set by its enterprise risk management framework. The Bank would aim to pursue growth in low capital consuming businesses and further strengthen its liabilities franchise. A customer-centric approach with ownership of growing the core operating profit at every level within the organisation would be an important driver in meeting the Bank's strategic objectives.

The Bank would leverage its extensive network with wide geographical reach, a comprehensive range of products and services and state-of-the-art technology for providing superior customer experience. The Bank believes that there are significant opportunities across customer segments and their ecosystems. The Bank will aim to provide a comprehensive suite of financial services while profitably maximising its share of these opportunities, including by entering into mutually beneficial partnerships. The Bank is leveraging technology and analytics for deeper insights into customer needs

MANAGEMENT'S DISCUSSION & ANALYSIS

and behaviour and making customer onboarding and transacting smooth and frictionless. The Bank would continue to invest in technologies to provide an edge in its offerings to customers.

The Bank aims to be the trusted financial services provider of choice for its customers and deliver products and services that create value. The Bank will focus on consistent execution of strategy, enhancing stakeholder confidence and shareholder value.

STANDALONE FINANCIALS AS PER INDIAN GAAP

SUMMARY

Core operating profit increased by 16.5% from ₹ 189.39 billion in fiscal 2018 to ₹ 220.72 billion in fiscal 2019 primarily due to a 17.3% increase in net interest income and a 15.9% increase in fee income, offset, in part, by a 15.2% increase in operating expenses. Income from treasury-related activities decreased from ₹ 58.02 billion in fiscal 2018 to ₹ 13.66 billion in fiscal 2019 and provisions and contingencies (excluding provision for tax) increased by 13.6% from ₹ 173.07 billion in fiscal 2018 to ₹ 196.61 billion in fiscal 2019. Hence, profit after tax decreased by 50.4% from ₹ 67.77 billion in fiscal 2018 to ₹ 33.63 billion in fiscal 2019.

Net interest income increased by 17.3% from ₹ 230.26 billion in fiscal 2018 to ₹ 270.15 billion in fiscal 2019 reflecting an increase of 10.7% in the average volume of interest-earning assets and an increase in the net interest margin from 3.23% in fiscal 2018 to 3.42% in fiscal 2019.

Fee income increased by 15.9% from ₹ 103.41 billion in fiscal 2018 to ₹ 119.89 billion in fiscal 2019. Dividend from subsidiaries decreased by 11.2% from ₹ 12.14 billion in fiscal 2018 to ₹ 10.78 billion in fiscal 2019.

Operating expenses increased by 15.2% from ₹ 157.04 billion in fiscal 2018 to ₹ 180.89 billion in fiscal 2019 primarily due to an increase in staff cost and other administrative expenses.

Income from treasury-related activities decreased from ₹ 58.02 billion in fiscal 2018 to ₹ 13.66 billion in fiscal 2019. During fiscal 2019, the Bank sold equity shares representing 2.00% shareholding in ICICI Prudential Life Insurance Company Limited resulting in a net gain of ₹ 11.10 billion. During fiscal 2018, the Bank had sold equity shares representing 7.00% shareholding in ICICI Lombard General Insurance Company Limited resulting in a net gain of ₹ 20.12 billion and had sold equity shares representing 20.78% shareholding in ICICI Securities Limited resulting in a net gain of ₹ 33.20 billion through initial public offers (IPO).

Provisions and contingencies (excluding provision for tax) increased by 13.6% from ₹ 173.07 billion in fiscal 2018 to ₹ 196.61 billion in fiscal 2019. The Indian corporate sector experienced several challenges over the last few years. These challenges resulted in lower than projected cash flows for the corporates and the progress in reducing leverage in the corporate sector remained slow. As a result, there was a substantial increase in the level of additions to non-performing loans, including slippages from restructured loans into non-performing status, for the banking sector and the Bank since fiscal 2016. The revised framework for resolution of stressed assets, released by the RBI in February 2018, further accelerated the recognition of stressed accounts as non-performing in fiscal 2018. In fiscal 2019, the additions to non-performing loans in the banking system declined sharply. During fiscal 2019, a few large accounts referred under the Insolvency and Bankruptcy Code were resolved. The additions to non-performing loans of the Bank reduced significantly, while provisions remained elevated. As a result, the provision coverage ratio improved substantially. The gross additions to NPAs were ₹ 171.13 billion in fiscal 2016, ₹ 335.44 billion in fiscal 2017 and ₹ 287.30 billion in fiscal 2018. Gross additions to the Bank's non-performing assets (NPAs) in fiscal 2019 decreased significantly to ₹ 110.39 billion. Gross NPAs (net of write-offs) decreased from ₹ 540.63 billion at March 31, 2018 to ₹ 462.92 billion at March 31, 2019. Net NPAs decreased by 51.3% from ₹ 278.86 billion at March 31, 2018 to ₹ 135.77 billion at March 31, 2019. The net NPA ratio decreased from 4.77% at March 31, 2018 to 2.06% at March 31, 2019. The provision coverage ratio (excluding cumulative technical/prudential write-offs) increased from 47.7% at March 31, 2018 to 70.6% at March 31, 2019.

The income tax expense decreased by 37.0% from ₹ 6.57 billion in fiscal 2018 to ₹ 4.14 billion in fiscal 2019. The effective tax rate increased from 8.8% in fiscal 2018 to 10.9% in fiscal 2019 primarily reflecting the composition of income.

Net worth increased from ₹ 1,051.59 billion at March 31, 2018 to ₹ 1,083.68 billion at March 31, 2019 primarily due to accretion to reserves out of profit for the year, offset, in part, by payment of dividend for fiscal 2018.

Total assets increased by 9.7% from ₹ 8,791.89 billion at March 31, 2018 to ₹ 9,644.59 billion at March 31, 2019. Total advances increased by 14.5% from ₹ 5,123.95 billion at March 31, 2018 to ₹ 5,866.47 billion at March 31, 2019 primarily due to an increase in domestic advances by 16.9%, offset, in part, by a decrease in overseas advances by 2.2%. Total deposits increased by 16.4% from ₹ 5,609.75 billion at March 31, 2018 to ₹ 6,529.20 billion at March 31, 2019. Term deposits increased by 21.4% from ₹ 2,710.50 billion at March 31, 2018 to ₹ 3,289.79 billion at March 31, 2019. Current and savings account (CASA) deposits increased by 11.7% from ₹ 2,899.25 billion at March 31, 2018 to ₹ 3,239.40 billion at March 31, 2019.

The Bank had a branch network of 4,874 branches and an ATM network of 14,987 ATMs at March 31, 2019.

The Bank is subject to Basel III capital adequacy guidelines stipulated by RBI. As per these guidelines, the total capital adequacy ratio of the Bank at March 31, 2019 (after deduction of proposed dividend from capital funds) in accordance with RBI guidelines on Basel III was 16.89% with a Tier-1 capital adequacy ratio of 15.09%

as compared to 18.42% with a Tier-1 capital adequacy ratio of 15.92% at March 31, 2018. The CET-1 ratio was 13.63% at March 31, 2019 as compared to 14.43% at March 31, 2018.

OPERATING RESULTS DATA

The following table sets forth, for the periods indicated, the operating results data.

₹ in billion, except percentages

Particulars	Fiscal 2018	Fiscal 2019	% change
Interest income	₹ 549.66	**₹ 634.01**	15.3%
Interest expense	319.40	**363.86**	13.9
Net interest income	**230.26**	**270.15**	**17.3**
Fee income[1]	103.41	**119.89**	15.9
Dividend from subsidiaries	12.14	**10.78**	(11.2)
Other income (including lease income)	0.62	**0.79**	27.4
Core operating income	**346.43**	**401.61**	**15.9**
Operating expenses	157.04	**180.89**	15.2
Core operating profit	**189.39**	**220.72**	**16.5**
Treasury income	58.02	**13.66**	(76.5)
Operating profit	**247.41**	**234.38**	**(5.3)**
Provisions, net of write-backs	173.07	**196.61**	13.6
Profit before tax	**74.34**	**37.77**	**(49.2)**
Tax, including deferred tax	6.57	**4.14**	(37.0)
Profit after tax	**₹ 67.77**	**₹ 33.63**	**(50.4%)**

1 *Includes merchant foreign exchange income and margin on customer derivative transactions.*
2 *All amounts have been rounded off to the nearest ₹ 10.0 million.*
3 *Prior period figures have been re-grouped/re-arranged, where necessary.*

Particulars	Fiscal 2018	Fiscal 2019
Return on average equity (%)[1]	6.60	**3.16**
Return on average assets (%)[2]	0.87	**0.39**
Net interest margin (%)	3.23	**3.42**
Cost to income (%)[3]	38.83	**43.56**
Earnings per share (₹)	10.56	**5.23**
Book value per share (₹)	163.60	**168.11**

1 *Return on average equity is the ratio of the net profit after tax to the quarterly average equity share capital and reserves.*
2 *Return on average assets is the ratio of net profit after tax to average assets.*
3 *Cost represents operating expense. Income represents net interest income and non-interest income.*

The return on average equity, return on average assets and earnings per share decreased primarily due to a decrease in profit after tax.

NET INTEREST INCOME AND SPREAD ANALYSIS

The following table sets forth, for the periods indicated the net interest income and spread analysis.

₹ in billion, except percentages

Particulars	Fiscal 2018	Fiscal 2019	% change
Interest income	₹ 549.66	**₹ 634.01**	15.3%
Interest expense	319.40	**363.86**	13.9
Net interest income	**230.26**	**270.15**	**17.3**
Average interest-earning assets	7,129.46	**7,892.29**	10.7
Average interest-bearing liabilities	₹ 6,382.35	**₹ 7,132.64**	11.8%
Net interest margin	**3.23%**	**3.42%**	**-**
Average yield	7.71%	**8.03%**	-
Average cost of funds	5.00%	**5.10%**	-
Interest spread	2.71%	**2.93%**	-

1 *All amounts have been rounded off to the nearest ₹ 10.0 million.*

MANAGEMENT'S DISCUSSION & ANALYSIS

Net interest income increased by 17.3% from ₹ 230.26 billion in fiscal 2018 to ₹ 270.15 billion in fiscal 2019 reflecting an increase of 10.7% in the average volume of interest-earning assets and an increase in net interest margin by 19 basis points.

The yield on average interest-earning assets increased by 32 basis points from 7.71% in fiscal 2018 to 8.03% in fiscal 2019. The cost of funds increased by 10 basis points from 5.00% in fiscal 2018 to 5.10% in fiscal 2019. The interest spread increased by 22 basis points from 2.71% in fiscal 2018 to 2.93% in fiscal 2019. Net interest margin increased by 19 basis points from 3.23% in fiscal 2018 to 3.42% in fiscal 2019.

The net interest margin on domestic operations increased by 17 basis points from 3.60% in fiscal 2018 to 3.77% in fiscal 2019 primarily due to an increase in yield on interest-earning assets and a decrease in cost of funds. The yield on domestic interest-earning assets increased by 19 basis points from 8.28% in fiscal 2018 to 8.47% in fiscal 2019 primarily due to an increase in the proportion of advances in total interest-earning assets, an increase in yield on advances, an increase in yield on investments and an increase in interest on income tax refund. The cost of domestic funds decreased by 2 basis points from 5.31% in fiscal 2018 to 5.29% in fiscal 2019 primarily due to a decrease in cost of borrowings.

The net interest margin of overseas branches decreased by 19 basis points from 0.49% in fiscal 2018 to 0.30% in fiscal 2019 primarily due to an increase in cost of funds and a decrease in interest income on non-trading interest rate swaps, offset, in part, by an increase in yield on advances. The cost of overseas funds increased by 59 basis points from 3.03% in fiscal 2018 to 3.62% in fiscal 2019 primarily due to an increase in cost of borrowings on account of an increase in LIBOR. The yield on overseas advances increased by 72 basis points from 3.69% in fiscal 2018 to 4.41% in fiscal 2019 primarily due to higher interest collections on NPAs and an increase in LIBOR.

During fiscal 2019, the Bank had an expense of ₹ 2.50 billion on non-trading interest rate swaps as compared to an income of ₹ 2.13 billion in fiscal 2018.

The following table sets forth, for the periods indicated, the trend in yield, cost, spread and margin.

Particulars	Fiscal 2018	Fiscal 2019
Yield on interest-earning assets	**7.71%**	**8.03%**
- On advances	8.63	**8.96**
- On investments	6.82	**7.08**
- On SLR investments	7.07	**7.24**
- On other investments	6.11	**6.56**
- On other interest-earning assets	3.63	**3.63**
Cost of interest-bearing liabilities	**5.00**	**5.10**
- Cost of deposits	4.87	**4.87**
- Current and savings account (CASA) deposits	2.81	**2.73**
- Term deposits	6.60	**6.68**
- Cost of borrowings	5.41	**5.86**
Interest spread	**2.71**	**2.93**
Net interest margin	**3.23%**	**3.42%**

The yield on average interest-earning assets increased by 32 basis points from 7.71% in fiscal 2018 to 8.03% in fiscal 2019 primarily due to the following factors:

- The yield on domestic advances increased by 11 basis points from 9.51% in fiscal 2018 to 9.62% in fiscal 2019. The yield on overseas advances increased by 72 basis points from 3.69% in fiscal 2018 to 4.41% in fiscal 2019 primarily due to higher interest collections on NPAs and an increase in LIBOR.

  The overall yield on average advances increased by 33 basis points from 8.63% in fiscal 2018 to 8.96% in fiscal 2019 primarily due to an increase in proportion of domestic advances to total advances.

- The yield on average interest-earning investments increased by 26 basis points from 6.82% in fiscal 2018 to 7.08% in fiscal 2019. The yield on Statutory Liquidity Ratio (SLR) investments increased by 17 basis points from 7.07% in fiscal 2018 to 7.24% in fiscal 2019 primarily due to an increase in investment in government securities at higher yields and a reset of rate of interest on floating rate bonds at higher levels. The yield on non-SLR investments increased by 45 basis points from 6.11% in fiscal 2018 to 6.56% in fiscal 2019 primarily due to an increase in yield on certificate of deposits, commercial papers, pass through certificates and mutual funds.

- The yield on other interest-earning assets remained at a similar level of 3.63% in fiscal 2018 and fiscal 2019.

  The Bank has foreign currency bond borrowings where the interest rate is fixed. In order to manage the market risk, the Bank undertakes non-trading fixed to floating interest rate swaps, where the Bank receives fixed and pays floating interest rate. During fiscal 2019, the Bank had an expense of ₹ 2.50 billion as compared to an income of ₹ 2.13 billion in fiscal 2018 primarily due to an increase in LIBOR.

  The yield on Rural Infrastructure Development Fund (RIDF) and related deposits decreased by 29 basis points from 5.34% in fiscal 2018 to 5.05% in fiscal 2019.

  Interest on income tax refund increased from ₹ 2.63 billion in fiscal 2018 to ₹ 4.48 billion in fiscal 2019. The receipt, amount and timing of such income depends on the nature and timing of determinations by tax authorities and are hence neither consistent nor predictable.

The cost of funds increased by 10 basis points from 5.00% in fiscal 2018 to 5.10% in fiscal 2019 primarily due to the following factors:

- The cost of borrowings increased by 45 basis points from 5.41% in fiscal 2018 to 5.86% in fiscal 2019 primarily due to an increase in the cost of foreign currency call and term borrowings and interest expense on funding swaps, offset, in part, by a decrease in the cost of refinance borrowings.

- The cost of average deposits remained at a similar level of 4.87% in fiscal 2018 and fiscal 2019.

The cost of term deposits increased by 8 basis points from 6.60% in fiscal 2018 to 6.68% in fiscal 2019.

Effective August 19, 2017, the Bank reduced its interest rate on savings account deposits by 50 basis points on deposits below ₹ 5.0 million from 4.00% to 3.50%. This reduction positively impacted the cost of deposits by about 4 basis points during fiscal 2019 as compared to fiscal 2018. The average CASA deposits increased from 45.6% of total average deposits in fiscal 2018 to 45.9% of total average deposits in fiscal 2019. While the Bank expects continued growth in CASA deposits, the stronger growth in retail term deposits is likely to result in some decline in the proportion of average CASA deposits in total average deposits.

The Bank's interest income, yield on advances, net interest income and net interest margin are also likely to be impacted by recoveries from NPAs, systemic liquidity, the competitive environment and regulatory developments. The timing and quantum of recoveries and interest on income tax refund is uncertain.

The RBI, in its statement of Development and Regulatory Policies dated December 5, 2018, had proposed that from April 1, 2019, all new floating rate loans (housing, auto, etc.) and floating rate loans to micro and small enterprises should be benchmarked to one of the prescribed external rates. The final guidelines are awaited. Any change in the methodology of determining benchmark rates may impact the Bank's interest income, yield on advances, net interest income and net interest margin.

The following table sets forth, for the period indicated, the trend in average interest-earning assets and average interest-bearing liabilities:

₹ in billion, except percentages

Particulars	Fiscal 2018	**Fiscal 2019**	% change
Advances	₹ 4,736.93	**₹ 5,351.93**	13.0%
Interest-earning investments[1]	1,695.33	**1,806.88**	6.6
Other interest-earning assets	697.20	**733.48**	5.2
Total interest-earning assets	**7,129.46**	**7,892.29**	**10.7**
Deposits	4,809.02	**5,448.71**	13.3
Borrowings[1,2]	1,573.33	**1,683.93**	7.0
Total interest-bearing liabilities	**₹ 6,382.35**	**₹ 7,132.64**	**11.8%**

1 Average investments and average borrowings include average short-term repurchase transactions.

2 Borrowings exclude preference share capital.

3 All amounts have been rounded off to the nearest ₹ 10.0 million.

The average volume of interest-earning assets increased by 10.7% from ₹ 7,129.46 billion in fiscal 2018 to ₹ 7,892.29 billion in fiscal 2019. The increase in average interest-earning assets was primarily on account of an increase in average advances by ₹ 615.00 billion and average interest-earning investments by ₹ 111.55 billion.

Average advances increased by 13.0% from ₹ 4,736.93 billion in fiscal 2018 to ₹ 5,351.93 billion in fiscal 2019 primarily due to an increase in domestic advances, offset, in part, by a decrease in overseas advances.

Average interest-earning investments increased by 6.6% from ₹ 1,695.33 billion in fiscal 2018 to ₹ 1,806.88 billion in

MANAGEMENT'S DISCUSSION & ANALYSIS

fiscal 2019 primarily due to an increase in SLR investments by 9.9% from ₹ 1,256.31 billion in fiscal 2018 to ₹ 1,380.54 billion in fiscal 2019. Average interest-earning non-SLR investments decreased by 2.9% from ₹ 439.02 billion in fiscal 2018 to ₹ 426.34 billion in fiscal 2019.

Average other interest-earning assets increased by 5.2% from ₹ 697.20 billion in fiscal 2018 to ₹ 733.48 billion in fiscal 2019 primarily due to an increase in balances with banks outside India, RIDF and related deposits and balance with RBI, offset, in part, by a decrease in call money lent.

Average interest-bearing liabilities increased by 11.8% from ₹ 6,382.35 billion in fiscal 2018 to ₹ 7,132.64 billion in fiscal 2019 primarily due to an increase in average deposits by ₹ 639.69 billion and an increase in average borrowings by ₹ 110.60 billion.

Average deposits increased by 13.3% from ₹ 4,809.02 billion in fiscal 2018 to ₹ 5,448.71 billion in fiscal 2019 due to an increase in average CASA deposits by ₹ 310.36 billion and an increase in average term deposits by ₹ 329.33 billion.

Average borrowings increased by 7.0% from ₹ 1,573.33 billion in fiscal 2018 to ₹ 1,683.93 billion in fiscal 2019 primarily due to an increase in refinance borrowings and call and term money borrowings.

FEE INCOME

Fee income primarily includes fees from retail customers such as loan processing fees, fees from cards business, account servicing charges, third party referral fees and fees from corporate clients such as loan processing fees and transaction banking fees.

Fee income increased by 15.9% from ₹ 103.41 billion in fiscal 2018 to ₹ 119.89 billion in fiscal 2019 primarily due to an increase in fee income from cards business and retail lending linked fees.

DIVIDEND FROM SUBSIDIARIES

Dividend from subsidiaries decreased by 11.2% from ₹ 12.14 billion in fiscal 2018 to ₹ 10.78 billion in fiscal 2019. The following table sets forth, for the periods indicated, the details of dividend received from subsidiaries:

₹ in billion

Name of the entity	Fiscal 2018	Fiscal 2019
ICICI Prudential Life Insurance Company Limited	5.44	**3.72**
ICICI Securities Limited	1.77	**1.94**
ICICI Prudential Asset Management Company Limited	2.27	**1.66**
ICICI Bank Canada	1.09	**1.37**
ICICI Lombard General Insurance Company Limited	0.40	**1.27**
ICICI Venture Funds Management Company Limited	-	**0.46**
ICICI Securities Primary Dealership Limited	0.67	**0.36**
ICICI Prudential Trust	0.00[1]	**0.00[1]**
ICICI Home Finance Company Limited	0.50	**-**
Total dividend	**12.14**	**10.78**

1 *Insignificant amount*

2 *All amounts have been rounded off to the nearest ₹ 10.0 million.*

Other income (including lease income)

Other income increased from ₹ 0.62 billion in fiscal 2018 to ₹ 0.79 billion in fiscal 2019.

OPERATING EXPENSES

The following table sets forth, for the periods indicated, the principal components of operating expenses.

₹ in billion, except percentages

Particulars	Fiscal 2018	Fiscal 2019	% change
Payments to and provisions for employees	₹ 59.14	**₹ 68.08**	15.1%
Depreciation on owned property (including non-banking assets)	7.81	**7.77**	(0.5)
Other administrative expenses	90.09	**105.04**	16.6
Total operating expense	**₹ 157.04**	**₹ 180.89**	**15.2%**

1 *All amounts have been rounded off to the nearest ₹ 10.0 million.*

Operating expenses primarily include employee expenses, depreciation on assets and other administrative expenses. Operating expenses increased by 15.2% from ₹ 157.04 billion in fiscal 2018 to ₹ 180.89 billion in fiscal 2019.

Payments to and provisions for employees
Employee expenses increased by 15.1% from ₹ 59.14 billion in fiscal 2018 to ₹ 68.08 billion in fiscal 2019 primarily due to an increase in provision for retirement benefit obligations due to a decrease in the discount rate linked to yield on government securities, an increase in dearness allowances and an increase in provision for performance bonus and performance-linked retention pay. Employee expense also reflects the impact of annual increments and promotions. The average staff strength increased from 83,577 for fiscal 2018 to 84,523 for fiscal 2019 (number of employees at March 31, 2018: 82,724 and at March 31, 2019: 86,763), primarily in retail and rural business. The employee base includes sales executives, employees on fixed term contracts and interns.

Depreciation
Depreciation on owned property decreased by 0.5% from ₹ 7.81 billion in fiscal 2018 to ₹ 7.77 billion in fiscal 2019.

Other administrative expenses
Other administrative expenses primarily include rent, taxes and lighting, advertisements, sales promotion, repairs and maintenance, direct marketing expenses and other expenditure. Other administrative expenses increased by 16.6% from ₹ 90.09 billion in fiscal 2018 to ₹ 105.04 billion in fiscal 2019. The increase in other administrative expenses was primarily due to an increase in retail business volumes.

Profit/(loss) on treasury-related activities (net)
Income from treasury-related activities includes income from sale of investments and unrealised profit/(loss) on account of revaluation of investments in the fixed income portfolio, equity and preference share portfolio, units of venture funds and security receipts issued by asset reconstruction companies.

Profit from treasury-related activities decreased from ₹ 58.02 billion in fiscal 2018 to ₹ 13.66 billion in fiscal 2019. In fiscal 2019, the Bank made a net gain of ₹ 11.10 billion on sale of equity shares of ICICI Prudential Life Insurance Company Limited. In fiscal 2018, the Bank made a net gain of ₹ 20.12 billion on sale of equity shares of ICICI Lombard General Insurance Company Limited and a net gain of ₹ 33.20 billion on sale of equity shares of ICICI Securities Limited through an offer for sale in their IPOs. Further, treasury income in fiscal 2018 was higher due to higher realised gains in government securities and other fixed income portfolios.

PROVISIONS AND CONTINGENCIES (EXCLUDING PROVISIONS FOR TAX)

The following tables set forth, for the periods indicated, the components of provisions and contingencies.

₹ in billion, except percentages

Particulars	Fiscal 2018	Fiscal 2019	% change
Provision for non-performing and other assets[1]	₹ 142.45	**₹ 168.12**	18.0%
Provision for investments (including credit substitutes) (net)	18.77	**3.56**	(81.0%)
Provision for standard assets	2.77	**2.55**	(7.8%)
Others	9.08	**22.38**	-
Total provisions and contingencies (excluding provision for tax)	**₹ 173.07**	**₹ 196.61**	**13.6%**

1 Includes restructuring related provision.
2 All amounts have been rounded off to the nearest ₹ 10.0 million.

Provisions are made by the Bank on standard, sub-standard and doubtful assets at rates prescribed by RBI. Loss assets and the unsecured portion of doubtful assets are provided for/written off as required by RBI guidelines. For loans and advances of overseas branches, provisions are made either as per RBI regulations or as per host country regulations, whichever is higher. Provisions on retail non-performing loans are made at the borrower level in accordance with the retail assets provisioning policy of the Bank, subject to the minimum provisioning levels prescribed by RBI. The Bank holds specific provisions against non-performing loans and advances and against certain performing loans and advances in accordance with RBI directions, including provisions on accounts directed by RBI to be referred to the National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016 (IBC). The specific provisions on retail loans and advances held by the Bank are higher than the minimum regulatory requirement. 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 the fraud has been detected. In respect of non-retail loans where there have been delays in reporting the fraud to RBI or which are classified as loss accounts, the entire amount is provided for immediately. In cases of frauds in retail accounts, the entire amount is provided for immediately.

Provision on loans and advances restructured/rescheduled is made in accordance with the applicable RBI guidelines on restructuring of loans and advances by banks. In addition to the specific provision on NPAs, the Bank maintains a general provision on standard loans and advances at rates prescribed by RBI. For standard loans and advances in overseas branches, the general provision is made at the higher of host country regulatory requirements and RBI requirements. The Bank also makes additional general provision on loans to specific borrowers in specific stressed sectors. The Bank makes floating provision as per a Board approved policy, which is in addition to the specific and general provisions made

MANAGEMENT'S DISCUSSION & ANALYSIS

by the Bank. The floating provision can be utilised with the approval of the Board and RBI.

Provisions and contingencies (excluding provisions for tax) increased from ₹ 173.07 billion in fiscal 2018 to ₹ 196.61 billion in fiscal 2019 primarily due to an increase in provision on advances, offset, in part, by a decrease in provision for investments.

Provision for advances increased from ₹ 142.45 billion in fiscal 2018 at ₹ 168.12 billion in fiscal 2019 primarily due to additional provisions on loans classified as NPAs in earlier years. The Indian corporate sector experienced several challenges over the last few years. These challenges resulted in lower than projected cash flows for the corporates and the progress in reducing leverage in the corporate sector remained slow. As a result, there was a substantial increase in the level of additions to non-performing loans, including slippages from restructured loans into non-performing status, for the banking sector and the Bank since fiscal 2016. The revised framework for resolution of stressed assets, released by RBI in February 2018, further accelerated the recognition of stressed accounts as non-performing in fiscal 2018. In fiscal 2019, the additions to non-performing loans in the banking system declined sharply. During fiscal 2019, a few large accounts referred under the Insolvency and Bankruptcy Code were resolved. The additions to non-performing loans of the Bank reduced significantly, while provisions remained elevated. The provision coverage ratio improved substantially. The provision coverage ratio (excluding cumulative technical/prudential write-offs) increased significantly from 47.7% at March 31, 2018 to 70.6% at March 31, 2019.

During fiscal 2018, RBI advised the banks to initiate insolvency resolution process under the provisions of IBC for certain specific accounts. RBI also required the banks to make provision at 40% of the secured portion and 100% of unsecured portion, or provision as per extant RBI guideline on asset classification norms, whichever is higher, as at March 31, 2018. Banks were required to further increase the provision on the secured portion of the loan to 50.0% at June 30, 2018. During the three months ended June 30, 2018, the Bank had made the provision on these accounts as per April 2018 guidelines of RBI. At March 31, 2019, the Bank holds a provision of ₹ 75.65 billion in respect of outstanding loans amounting to ₹ 103.06 billion to these borrowers which amounts to a provision coverage ratio (excluding cumulative technical/prudential write-offs) of 73.9%.

Provision for investments decreased from ₹ 18.77 billion in fiscal 2018 to ₹ 3.56 billion in fiscal 2019 primarily due to recovery towards bonds, which were fully provided in earlier years and lower provisions on equity shares.

Provision for standard assets decreased from ₹ 2.77 billion in fiscal 2018 to ₹ 2.55 billion in fiscal 2019. The cumulative general provision held at March 31, 2019 was ₹ 28.74 billion (March 31, 2018: ₹ 25.91 billion).

Other provisions and contingencies increased from ₹ 9.08 billion in fiscal 2018 to ₹ 22.38 billion in fiscal 2019 primarily due to provision on non-banking assets and non-fund based facilities.

TAX EXPENSE

The income tax expense decreased by 37.0% from ₹ 6.57 billion in fiscal 2018 to ₹ 4.14 billion in fiscal 2019. The effective tax rate increased from 8.8% in fiscal 2018 to 10.9% in fiscal 2019 primarily reflecting the composition of income.

FINANCIAL CONDITION

ASSETS

The following table sets forth, at the dates indicated, the principal components of assets.

₹ in billion, except percentages

Assets	At March 31, 2018	**At March 31, 2019**	% change
Cash and bank balances	₹ 841.69	**₹ 802.96**	(4.6%)
Investments	2,029.94	**2,077.33**	2.3
- Government and other approved investments[1]	1,384.27	**1,479.09**	6.8
- Equity investment in subsidiaries	98.32	**98.03**	(0.3)
- Other investments	547.35	**500.21**	(8.6)
Advances	5,123.95	**5,866.47**	14.5
- Domestic	4,479.65	**5,236.15**	16.9
- Overseas branches	644.30	**630.32**	(2.2)
Fixed assets (including leased assets)	79.04	**79.31**	0.3
Other assets	717.27	**818.52**	14.1
- RIDF and other related deposits[2]	269.25	**292.55**	8.7
Total assets	**₹ 8,791.89**	**₹ 9,644.59**	**9.7%**

1 Banks in India are required to maintain a specified percentage, currently 19.25% (at March 31, 2019), of their net demand and time liabilities by way of liquid assets like cash, gold or approved unencumbered securities.

2 Deposits made in Rural Infrastructure Development Fund and other related deposits pursuant to shortfall in the amount required to be lent to certain specified sectors called priority sector as per RBI guidelines.

3 All amounts have been rounded off to the nearest ₹ 10.0 million.

Total assets of the Bank increased by 9.7% from ₹ 8,791.89 billion at March 31, 2018 to ₹ 9,644.59 billion at March 31, 2019, primarily due to a 14.5% increase in advances, 2.3% increase in investments and 14.1% increase in other assets.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and balances with RBI and other banks, including money at call and short notice. Cash and cash equivalents decreased from ₹ 841.69 billion at March 31, 2018 to ₹ 802.96 billion at March 31, 2019 primarily due to a decrease in money at call and short notice and balances with banks outside India, offset, in part, by an increase in balance with RBI.

Investments

Total investments increased by 2.3% from ₹ 2,029.94 billion at March 31, 2018 to ₹ 2,077.33 billion at March 31, 2019 primarily due to an increase in investments in government securities by ₹ 87.38 billion and pass through certificates by ₹ 14.63 billion, offset, in part, by a decrease in investment in commercial papers by ₹ 23.04 billion and bonds and debentures by ₹ 11.56 billion.

At March 31, 2019, the Bank had an outstanding net investment of ₹ 32.86 billion in security receipts issued by asset reconstruction companies compared to ₹ 34.38 billion at March 31, 2018.

Advances

Net advances increased by 14.5% from ₹ 5,123.95 billion at March 31, 2018 to ₹ 5,866.47 billion at March 31, 2019 primarily due to an increase in domestic advances. Domestic advances increased by 16.9% from ₹ 4,479.65 billion at March 31, 2018 to ₹ 5,236.15 billion at March 31, 2019. Net retail advances increased by 21.7% from ₹ 2,898.94 billion at March 31, 2018 to ₹ 3,528.33 billion at March 31, 2019. Net advances of overseas branches decreased by 2.2% from ₹ 644.30 billion at March 31, 2018 to ₹ 630.32 billion at March 31, 2019.

Fixed and other assets

Fixed assets (net block) increased by 0.3% from ₹ 79.04 billion at March 31, 2018 to ₹ 79.31 billion at March 31, 2019.

Other assets increased by 14.1% from ₹ 717.27 billion at March 31, 2018 to ₹ 818.52 billion at March 31, 2019 primarily due to an increase in receivables on account of treasury transactions, income tax paid in advance and RIDF and related deposits, offset, in part, by a decrease in trade receivables on account of pending settlement. RIDF and related deposits made in lieu of shortfall in directed lending requirements increased by 8.7% from ₹ 269.25 billion at March 31, 2018 to ₹ 292.55 billion at March 31, 2019.

LIABILITIES

The following table sets forth, at the dates indicated, the principal components of liabilities (including capital and reserves).

₹ in billion, except percentages

Liabilities	At March 31, 2018	**At March 31, 2019**	% change
Equity share capital	₹ 12.92	**₹ 12.94**	0.2%
Reserves	1,038.68	**1,070.74**	3.1
Deposits	5,609.75	**6,529.20**	16.4
- Savings deposits	2,009.67	**2,276.71**	13.3
- Current deposits	889.58	**962.69**	8.2
- Term deposits	2,710.50	**3,289.80**	21.4
Borrowings (excluding subordinated debt and preference share capital)	1,510.25	**1,382.85**	(8.4)
- Domestic	696.30	**635.07**	-
- Overseas branches	813.95	**747.78**	(8.1)
Subordinated debt (included in Tier-1 and Tier-2 capital)	314.84	**270.35**	(14.1)
- Domestic	314.84	**270.35**	(14.1)
- Overseas branches	-	**-**	-
Preference share capital[1]	3.50	**-**	(100.0)
Other liabilities	301.96	**378.51**	25.4
Total liabilities	**₹ 8,791.89**	**₹ 9,644.59**	**9.7%**

1 Included in Schedule 4 - 'Borrowings' of the balance sheet.

2 All amounts have been rounded off to the nearest ₹ 10.0 million.

Total liabilities (including capital and reserves) increased by 9.7% from ₹ 8,791.89 billion at March 31, 2018 to ₹ 9,644.59 billion at March 31, 2019 primarily due to a 16.4% increase in deposits, offset, in part, by a 9.6% decrease in borrowings.

MANAGEMENT'S DISCUSSION & ANALYSIS

Deposits

Deposits increased by 16.4% from ₹ 5,609.75 billion at March 31, 2018 to ₹ 6,529.20 billion at March 31, 2019.

Term deposits increased by 21.4% from ₹ 2,710.50 billion at March 31, 2018 to ₹ 3,289.80 billion at March 31, 2019. Savings account deposits increased by 13.3% from ₹ 2,009.67 billion at March 31, 2018 to ₹ 2,276.71 billion at March 31, 2019 and current account deposits increased by 8.2% from ₹ 889.58 billion at March 31, 2018 to ₹ 962.69 billion at March 31, 2019. The current and savings account (CASA) deposits increased by 11.7% from ₹ 2,899.25 billion at March 31, 2018 to ₹ 3,239.40 billion at March 31, 2019. The CASA ratio was 49.6% at March 31, 2019 compared to 51.7% at March 31, 2018. The average CASA increased by 14.2% from ₹ 2,191.86 billion in fiscal 2018 to ₹ 2,502.22 billion in fiscal 2019. The average CASA ratio was 45.9% in fiscal 2019 compared to 45.6%in fiscal 2018.

Deposits of overseas branches increased by 9.3% from ₹ 49.58 billion at March 31, 2018 to ₹ 54.21 billion at March 31, 2019.

Total deposits at March 31, 2019 formed 79.8% of the funding (i.e., deposits and borrowings, other than preference share capital).

Borrowings

Borrowings decreased by 9.6% from ₹ 1,828.59 billion at March 31, 2018 to ₹ 1,653.20 billion at March 31, 2019 primarily due to a decrease in borrowings with RBI under liquidity adjustment facility, foreign currency term money borrowings, borrowings under collateralised lending and borrowing obligations and subordinated bond borrowings, offset, in part, by an increase in foreign currency call money borrowings and refinance borrowings. Net borrowings of overseas branches decreased from ₹ 813.95 billion at March 31, 2018 to ₹ 747.78 billion at March 31, 2019.

Other liabilities

Other liabilities increased by 25.4% from ₹ 301.96 billion at March 31, 2018 to ₹ 378.51 billion at March 31, 2019 primarily due to an increase in payables on account of forex transactions, sundry creditors and bills payable.

Equity share capital and reserves

Equity share capital and reserves increased from ₹ 1,051.59 billion at March 31, 2018 to ₹ 1,083.68 billion at March 31, 2019 primarily due to accretion to reserves out of retained profit, offset, in part, by payment of dividend.

OFF BALANCE SHEET ITEMS, COMMITMENTS AND CONTINGENCIES

The following table sets forth, for the periods indicated, the principal components of contingent liabilities.

₹ in billion

Particulars	At March 31, 2018	**At March 31, 2019**
Claims against the Bank, not acknowledged as debts	₹ 62.66	**₹ 55.01**
Liability for partly paid investments	0.01	**0.01**
Notional principal amount of outstanding forward exchange contracts	4,326.69	**4,701.00**
Guarantees given on behalf of constituents	945.36	**1,066.66**
Acceptances, endorsements and other obligations	410.04	**433.79**
Notional principal amount of currency swaps	416.99	**423.34**
Notional principal amount of interest rate swaps and currency options and interest rate futures	6,592.93	**12,441.82**
Other items for which the Bank is contingently liable	137.76	**98.75**
Total	**₹ 12,892.44**	**₹ 19,220.38**

1 All amounts have been rounded off to the nearest ₹ 10.0 million.

Contingent liabilities increased from ₹ 12,892.44 billion at March 31, 2018 to ₹ 19,220.38 billion at March 31, 2019 primarily due to an increase in notional amount of interest rate swaps and currency options. The notional amount of interest rate swaps and currency options increased from ₹ 6,592.93 billion at March 31, 2018 to ₹ 12,441.82 billion at March 31, 2019 primarily due to an increase in outstanding position of overnight index swaps.

Claims against the Bank, not acknowledged as debts, represent 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 Accounting Standard 29, the Bank has reviewed and classified these items as possible obligations based on legal opinion/judicial precedents/assessment by the Bank. No provision in excess of provisions already made in the financial statements is considered necessary.

The Bank enters into foreign exchange contracts in its normal course of 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.

As a part of project financing and commercial banking activities, the Bank has issued guarantees to support regular business activities of clients. These generally represent irrevocable assurances that the Bank will make payments in the event that the customer fails to fulfil its financial or performance obligations. Financial guarantees are obligations to pay a third party beneficiary where a customer fails to make payment towards a specified financial obligation, including advance payment guarantee. Performance guarantees are obligations to pay a third party beneficiary where a customer fails to perform a non-financial contractual obligation. The guarantees are generally issued for a period not exceeding ten years. The credit risks associated with these products, as well as the operating risks, are similar to those relating to other types of financial instruments. Cash margins available to reimburse losses realised under guarantees amounted to ₹ 129.53 billion at March 31, 2019 as compared to ₹ 136.65 billion at March 31, 2018. Other property or security may also be available to the Bank to cover potential losses under guarantees.

The Bank is obligated under a number of capital contracts. Capital contracts are job orders of a capital nature, which have been committed. Estimated amounts of contracts remaining to be executed on capital account in domestic operations aggregated to ₹ 6.70 billion at March 31, 2019 compared to ₹ 4.87 billion at March 31, 2018.

Other items for which the Bank is contingently liable decreased from ₹ 137.76 billion at March 31, 2018 to ₹ 98.75 billion at March 31, 2019 primarily due to pending settlement for purchase/sale of Government of India securities where settlement date method of accounting is followed in accordance with RBI guidelines.

CAPITAL RESOURCES

The Bank actively manages its capital to meet regulatory norms, current and future business needs and the risks in its businesses. The capital management framework of the Bank is administered by the Finance Group and the Risk Management Group under the supervision of the Board and the Risk Committee. The capital adequacy position and assessment is reported to the Board and the Risk Committee periodically.

Regulatory capital

The Bank is subject to the Basel III guidelines issued by RBI, effective from April 1, 2013, which are being implemented in a phased manner by March 31, 2020 as per the transitional arrangement provided by RBI for Basel III implementation.

At March 31, 2019, the Bank was required to maintain a minimum Common Equity Tier-1 (CET1) capital ratio of 7.525%, minimum Tier-1 capital ratio of 9.025% and minimum total capital ratio of 11.025%. The minimum total capital requirement includes a capital conservation buffer of 1.875% and capital surcharge of 0.15% on account of the Bank being designated as a Domestic Systemically Important Bank (D-SIB). Under Pillar 1 of the RBI guidelines on Basel III, the Bank follows the standardised approach for measurement of credit risk, standardised duration method for measurement of market risk and basic indicator approach for measurement of operational risk.

The following table sets forth the capital adequacy ratios computed in accordance with Basel III guidelines of RBI at March 31, 2018 and March 31, 2019.

₹ in billion, except percentages

Basel III	At March 31, 2018	**At March 31, 2019[1]**
CET1 capital	915.87	**936.89**
Tier-1 capital	1,010.64	**1,037.16**
Tier-2 capital	159.14	**123.74**
Total capital	**1,169.78**	**1,160.90**
Credit Risk — Risk Weighted Assets (RWA)	5,220.54	**5,741.03**
On balance sheet	4,433.49	**4,888.69**
Off balance sheet	787.05	**852.34**
Market Risk — RWA	523.37	**488.38**
Operational Risk — RWA	605.17	**644.34**
Total RWA	**6,349.08**	**6,873.75**
Total capital adequacy ratio	**18.42%**	**16.89%**
CET1 capital adequacy ratio	14.43%	**13.63%**
Tier-1 capital adequacy ratio	15.92%	**15.09%**
Tier-2 capital adequacy ratio	2.50%	**1.80%**

1 Including retained earnings for fiscal 2019, post proposed mandatory appropriations and post appropriation of proposed dividend.

2 All amounts have been rounded off to the nearest ₹ 10.0 million.

At March 31, 2019, the Bank's Tier-1 capital adequacy ratio was 15.09% as against the requirement of 9.03% and total capital adequacy ratio was 16.89% as against the requirement of 11.03%.

MANAGEMENT'S DISCUSSION & ANALYSIS

Movement in the capital funds and risk weighted assets from March 31, 2018 to March 31, 2019 as per Basel III norms

Capital funds (net of deductions) decreased by ₹ 8.88 billion from ₹ 1,169.78 billion at March 31, 2018 to ₹ 1,160.90 billion at March 31, 2019 primarily due to progressive discounting of Tier 2 capital instruments as per RBI extant guidelines and exercise of call option for Tier 2 capital instruments of ₹ 45.21 billion and innovative perpetual debt instrument of ₹ 5.00 billion, offset, in part, by inclusion of retained earnings for fiscal 2019 and issuance of Additional Tier 1 capital instruments of ₹ 11.40 billion during fiscal 2019. The mandatory appropriation towards Investment Fluctuation Reserve of ₹ 12.69 billion has been considered under Tier-2 capital.

Credit risk RWA increased by ₹ 520.49 billion from ₹ 5,220.54 billion at March 31, 2018 to ₹ 5,741.03 billion at March 31, 2019 primarily due to an increase of ₹ 455.20 billion in RWA for on-balance sheet assets and an increase of ₹ 65.29 billion in RWA for off-balance sheet assets. On-balance sheet RWA increased primarily due to growth in advances during the year.

Market risk RWA decreased by ₹ 34.99 billion from ₹ 523.37 billion at March 31, 2018 to ₹ 488.38 billion at March 31, 2019 primarily due to a decrease in value of equity investments, offset, in part, by an increase in RWA for fixed income securities.

Operational risk RWA increased by ₹ 39.17 billion from ₹ 605.17 billion at March 31, 2018 to ₹ 644.34 billion at March 31, 2019. The operational risk capital charge is computed based on 15% of the average of the previous three financial years' gross income and is revised on an annual basis at June 30. RWA is arrived at by multiplying the capital charge by 12.5.

RWA as a percentage of average assets was 80.3% at March 31, 2019 (at March 31, 2018: 81.8%).

Internal assessment of capital

The capital management framework of the Bank includes a comprehensive internal capital adequacy assessment process conducted annually, which determines the adequate level of capitalisation necessary to meet regulatory norms and current and future business needs. Adequate stress testing, as determined by several stress scenarios is also done. The internal capital adequacy assessment process is undertaken at both the standalone bank level and the consolidated group level. The internal capital adequacy assessment process encompasses capital planning for a four-year time horizon, identification and measurement of material risks and the relationship between risk and capital.

The capital management framework is complemented by the risk management framework, which covers the policies, processes, methodologies and frameworks established for the management of material risks. Stress testing, which is a key aspect of the internal capital adequacy assessment process and the risk management framework, provides an insight into the impact of extreme but plausible scenarios on the Bank's risk profile and capital position. Based on the stress testing framework approved by the Board, the Bank conducts stress tests on various portfolios and assesses the impact on the capital ratios and the adequacy of capital buffers for current and future periods. The Bank periodically assesses and refines its stress testing framework in an effort to ensure that the stress scenarios capture material risks as well as reflect possible extreme market moves that could arise as a result of market conditions and the operating environment. The business and capital plans and the stress testing results of certain key group entities are integrated into the internal capital adequacy assessment process.

Based on the internal capital adequacy assessment process, the Bank determines the level of capital that needs to be maintained by considering the following in an integrated manner:

- strategic focus, business plan and growth objectives;
- regulatory capital requirements as per RBI guidelines;
- assessment of material risks and impact of stress testing;
- perception of shareholders and investors;
- future strategy with regard to investments or divestments in subsidiaries; and
- evaluation of options to raise capital from domestic and overseas markets, as permitted by RBI from time to time.

The Bank continues to monitor relevant developments and believes that its current robust capital adequacy position and demonstrated track record of access to domestic and overseas markets for capital raising will enable it to maintain the necessary levels of capital as required by regulations while continuing to grow its business.

LOAN CONCENTRATION

The Bank follows a policy of portfolio diversification and evaluates its total financing exposure to a particular industry in the light of its forecasts of growth and profitability for that industry. The Bank's Credit Risk Management Group monitors all major sectors of the economy and specifically tracks industries in which the Bank has credit exposures. The Bank monitors developments in various sectors to assess potential risks in its portfolio and new business opportunities. The Bank's policy is to limit its exposure to any particular industry (other than retail loans) to 15.0% of its total exposure. In addition, the Bank has strengthened its framework for managing concentration risk with respect to single borrower and group exposures, based on the internal rating and track record of the borrowers.

The following tables set forth, at the dates indicated, the composition of the Bank's gross advances (net of write-offs).

₹ in billion, except percentages

	March 31, 2018		**March 31, 2019**	
Particulars	Total advances	% of total advances	**Total advances**	**% of total advances**
Retail finance[1, 2]	₹ 2,939.95	54.7%	**₹ 3,619.36**	**58.5%**
Services – finance	342.11	6.4	**456.24**	**7.4**
Road, ports, telecom, urban development and other infrastructure	204.50	3.8	**287.11**	**4.6**
Power	276.76	5.1	**201.60**	**3.3**
Iron/steel and products	203.18	3.8	**167.24**	**2.7**
Crude petroleum/refining and petrochemicals	132.80	2.5	**156.74**	**2.5**
Wholesale/retail trade	125.87	2.3	**152.42**	**2.5**
Services – non-finance	172.74	3.2	**145.51**	**2.4**
Construction	117.65	2.2	**120.66**	**1.9**
Electronics and engineering	81.40	1.5	**101.00**	**1.6**
Mining	105.06	1.9	**78.65**	**1.3**
Chemical and Fertilisers	53.29	1.0	**66.12**	**1.1**
Food and beverages	58.59	1.1	**56.03**	**0.9**
Cement	63.07	1.2	**33.83**	**0.5**
Other industries[3]	502.47	9.2	**547.34**	**8.8**
Total	**₹ 5,379.45**	**100.0%**	**₹ 6,189.85**	**100.0%**

1 *Includes home loans, automobile loans, commercial business loans, dealer financing and small ticket loans to small businesses, personal loans, credit cards, rural loans and loans against securities.*

2 *Includes loans against FCNR deposits of ₹ 64.48 billion at March 31, 2019 (March 31, 2018: ₹ 15.48 billion).*

3 *Other industries primarily include developer financing portfolio, gems and jewellery, metal and products (excluding iron and steel), textile, shipping, manufacturing products (excluding metal), automobiles, drugs and pharmaceuticals and FMCG.*

4 *All amounts have been rounded off to the nearest ₹ 10.0 million.*

The Bank's capital allocation is focussed on higher growth in retail and rural lending and selective lending to the corporate sector with focus on an increase in lending to higher rated corporates and building a granular portfolio. Given the focus on the above priorities, gross retail finance advances (including loans against FCNR deposits) increased by 23.1% compared to an increase of 15.1% in total gross advances in fiscal 2019. As a result, the share of gross retail finance advances increased from 54.7% of gross advances at March 31, 2018 to 58.5% of gross advances at March 31, 2019.

The following table sets forth, at the dates indicated, the composition of the Bank's outstanding net advances:

₹ in billion

Particlars	At March 31, 2018	**At March 31, 2019**
Advances	5,123.95	**5,866.47**
- Domestic book	4,479.65	**5,236.14**
- Retail	2,898.94	**3,528.31**
- SME	254.45	**306.09**
- Corporate	1,326.60	**1,401.75**
- Overseas book	644.30	**630.32**

MANAGEMENT'S DISCUSSION & ANALYSIS

The following table sets forth, at the dates indicated, the rating wise categorisation of the Bank's outstanding net advances:

₹ in billion, except percentages

Ratings category[1,2]	At March 31, 2018	At March 31, 2019
AA- and above	42.4%	**45.1%**
A+, A, A-	20.1	**22.0**
A- and above	62.5	**67.1**
BBB+, BBB, BBB-	27.5	**28.2**
BB and below[3]	9.4	**4.5**
Unrated	0.6	**0.2**
Total	**100.0%**	**100.0%**
Total net advances	**5,123.95**	**5,866.47**

1 *Based on internal ratings.*
2 *For retail loans, ratings have been undertaken at the product level.*
3 *Includes net non-performing loans*

The exposure to top 20 borrowers (excluding banks) as a percentage of total exposure decreased from 12.5% at March 31, 2018 to 10.8% at March 31, 2019. The proportion of exposure to borrowers internally rated A- and above in top 20 borrowers (excluding banks) increased from 96.0% at March 31, 2018 to 100.0% at March 31, 2019. The exposure to top 10 borrower groups decreased from 14.3% at March 31, 2018 to 13.6% at March 31, 2019.

The following table sets forth, at the dates indicated, the composition of the Bank's gross (net of write-offs) outstanding retail finance portfolio.

₹ in billion, except percentages

Particulars	March 31, 2018		**March 31, 2019**	
	Total retail advances	% of total retail advances	**Total retail advances**	**% of total retail advances**
Home loans	₹ 1,505.43	51.2%	**₹ 1,784.11**	**49.3%**
Rural loans	443.06	15.1	**511.19**	**14.1**
Automobile loans	294.91	10.0	**318.80**	**8.8**
Personal loans (unsecured)	211.82	7.2	**314.63**	**8.7**
Business banking[1]	175.24	6.0	**236.62**	**6.5**
Commercial business	173.18	5.9	**227.20**	**6.3**
Credit cards (unsecured)	96.39	3.3	**126.90**	**3.5**
Others[2,3]	39.92	1.3	**99.91**	**2.8**
Total retail finance portfolio[3]	**₹ 2,939.95**	**100.0%**	**₹ 3,619.36**	**100.0%**

1 *Includes dealer financing and small ticket loans to small businesses.*
2 *Includes loans against securities*
3 *Includes loans against FCNR deposits of ₹ 64.48 billion at March 31, 2019 (March 31, 2018: ₹ 15.48 billion).*
4 *All amounts have been rounded off to the nearest ₹ 10.0 million.*

DIRECTED LENDING

RBI requires banks to lend to certain sectors of the economy. Such directed lending comprises priority sector lending and export credit.

Priority Sector Lending and Investment

The RBI guidelines on priority sector lending require banks to lend 40.0% of their adjusted net bank credit (ANBC), to fund certain types of activities carried out by specified borrowers. The definition of ANBC includes bank credit in India adjusted by bills rediscounted with RBI and other approved financial institutions and certain investments including Priority Sector Lending Certificates (PSLCs) and investments in Rural Infrastructure Development Fund and other specified funds on account of priority sector shortfall and is computed with reference to the outstanding amount at corresponding date of the preceding year as prescribed by the RBI guidelines titled 'Master Direction – Priority Sector Lending – Targets and Classification'. Further, the RBI allows exclusion from ANBC for loans extended in India against incremental foreign currency non-resident (bank)/non-resident external deposits during specified period and funds raised by way of issue of long-term bonds for financing infrastructure and low-cost housing, subject to certain limits.

As prescribed by RBI's Master Direction on 'Priority Sector Lending - Targets and Classification' dated July 7, 2016, the priority sectors include categories such as agriculture, micro, small and medium enterprises, education, housing, social infrastructure, renewable energy and export credit. Out of the overall target of 40.0%, banks are required to lend a minimum of 18.0% of their ANBC to the agriculture sector. Sub-targets of 8.0% for lending to small & marginal farmers (out of agriculture) and 7.5% lending target to micro-enterprises were introduced from fiscal 2016. RBI has directed banks to maintain direct lending to non-corporate farmers at the banking system's average level for the last three years, failing which banks will attract penalties for shortfall. RBI would notify the banks of the banking system's average level at the beginning of each year. RBI notified a target level of 11.99% of ANBC for this purpose for fiscal 2019. The banks are also required to lend 10.0% of their ANBC to certain borrowers under the 'weaker section' category. Priority sector lending achievement is evaluated on a quarterly average basis from fiscal 2017 instead of only at the year-end.

The Bank is required to comply with the priority sector lending requirements prescribed by RBI from time to time. The shortfall in the amount required to be lent to the priority sectors and weaker sections may be required to be deposited in funds with government sponsored Indian development banks like the National Bank for Agriculture and Rural Development, the Small Industries Development Bank of India, the National Housing Bank, MUDRA Limited and other financial institutions as decided by the RBI from time to time. These deposits have a maturity of up to seven years and carry interest rates lower than market rates. At March 31, 2019, the Bank's total investment in such bonds was ₹ 292.55 billion, which was fully eligible for consideration in overall priority sector lending achievement.

As prescribed in the RBI guideline, the Bank's priority sector lending achievement is computed on a quarterly average basis from fiscal 2017 onwards. Total average priority sector lending for fiscal 2019 was ₹ 1,891.65 billion (fiscal 2018: ₹ 1,500.78 billion) constituting 41.5% (fiscal 2018: 37.7%) of ANBC, against the requirement of 40.0% of ANBC. The average lending to the agriculture sector was ₹ 749.77 billion (fiscal 2018: ₹ 587.55 billion) constituting 16.5% (fiscal 2018: 14.8%) of ANBC against the requirement of 18.0% of ANBC. The average advances to weaker sections were ₹ 403.47 billion (fiscal 2018: ₹ 246.63 billion) constituting 8.9% (fiscal 2018: 6.2%) of ANBC against the requirement of 10.0% of ANBC. Average lending to small and marginal farmers was ₹ 307.73 billion (fiscal 2018: ₹ 170.72 billion) constituting 6.8% (fiscal 2018: 4.3%) of ANBC against the requirement of 8.0% of ANBC. The average lending to micro enterprises was ₹ 360.10 billion (fiscal 2018: ₹ 266.32 billion) constituting 7.9% (fiscal 2018: 6.7%) of ANBC against the requirement of 7.5% of ANBC. The average lending to non-corporate farmers was ₹ 496.10 billion (fiscal 2018: ₹ 352.03 billion) constituting 10.9% (fiscal 2018: 8.9%) of ANBC against the requirement of 11.99% of ANBC (11.78% for fiscal 2018). The above includes the impact of PSLCs purchased/sold by the Bank.

CLASSIFICATION OF LOANS

The Bank classifies its assets as performing and non-performing in accordance with RBI guidelines. Under RBI guidelines, an asset is generally classified as non-performing if any amount of interest or principal remains overdue for more than 90 days in respect of term loans. In respect of overdraft or cash credit, an asset is classified as non-performing if the account remains out of order for a period of 90 days and in respect of bills, if the account remains overdue for more than 90 days. RBI guidelines also require an asset to be classified as non-performing based on certain other criteria like restructuring of a loan, inability of a borrower to complete a project funded by the Bank within stipulated timelines and certain other non-financial parameters. In respect of borrowers where loans and advances made by overseas branches are identified as impaired as per host country regulations for reasons other than record of recovery, but which are standard as per RBI guidelines, the amount outstanding in the host country is classified as non-performing.

RBI has separate guidelines for classification of loans for projects under implementation, which are based on the date of commencement of commercial production and date of completion of the project as originally envisaged at the time of financial closure. For infrastructure projects, a loan is classified as non-performing if it fails to commence commercial operations within two years from the documented date of commencement and for non-infrastructure projects, the loan is classified as non-performing if it fails to commence operations within 12 months from the documented date of such commencement.

RBI also has separate guidelines for restructured loans. Upto March 31, 2015, a fully secured standard asset could be restructured by re-scheduling of principal repayments and/or the interest element, but had to be separately disclosed as a restructured asset. The diminution in the fair value of the restructured loan, if any, measured in present value terms, was either written off or a provision was made to the extent of the diminution involved. Similar guidelines applied for restructuring of sub-standard loans. Loans restructured after April 1, 2015 (excluding loans given for implementation of projects in the infrastructure sector and non-infrastructure sector and which are delayed up to a specified period) by re-scheduling of principal repayments and/or the interest element are classified as non-performing. For such loans, the diminution in the fair value of the loan, if any, measured in present value terms, has to be provided for in addition to the provisions applicable to non-performing loans.

MANAGEMENT'S DISCUSSION & ANALYSIS

The following table sets forth, at the dates indicated, information regarding asset classification of the Bank's gross non-performing assets (net of write-offs, interest suspense and derivative income reversals).

₹ in billion

Particulars	March 31, 2018	March 31, 2019
Non-performing assets		
Sub-standard assets	₹ 75.51	**₹ 52.98**
Doubtful assets	450.03	**385.24**
Loss assets	15.09	**24.70**
Total non-performing assets[1]	**₹ 540.63**	**₹ 462.92**

1 Include advances, lease receivables and credit substitutes like debentures and bonds. Excludes preference shares.
2 All amounts have been rounded off to the nearest ₹ 10.0 million.

The following table sets forth, at the dates indicated, information regarding the Bank's non-performing assets (NPAs).

₹ in billion, except percentages

Particulars	Gross NPA[1]	Net NPA	Net customer assets	% of net NPA to net customer assets[2]
March 31, 2016	₹ 267.21	₹ 132.97	₹ 4,972.29	2.67%
March 31, 2017	₹ 425.52	₹ 254.51	₹ 5,209.52	4.89%
March 31, 2018	₹ 540.63	₹ 278.86	₹ 5,848.78	4.77%
March 31, 2019	₹ 462.92	₹ 135.77	₹ 6,580.34	2.06%

1 Net of write-offs, interest suspense and derivatives income reversal.
2 Include advances, lease receivables and credit substitutes like debentures and bonds. Excludes preference shares.
3 All amounts have been rounded off to the nearest ₹ 10.0 million.

The following table sets forth, at March 31, 2018 and March 31, 2019, the composition of gross non-performing assets (net of write-offs) by industry sector.

₹ in billion, except percentages

Particulars	March 31, 2018		March 31, 2019	
	Amount	%	**Amount**	**%**
Retail finance[1]	₹ 47.14	8.7%	**₹ 60.22**	**13.0%**
Power	105.35	19.5	**72.98**	**15.8**
Mining	89.72	16.6	**64.08**	**13.8**
Construction	59.65	11.0	**52.77**	**11.4**
Iron/steel and products	68.54	12.7	**41.54**	**9.0**
Road, ports, telecom, urban development and other infrastructure	26.90	5.0	**28.35**	**6.1**
Services – non-finance	47.71	8.8	**29.74**	**6.4**
Crude petroleum/refining and petrochemicals	18.37	3.4	**18.90**	**4.1**
Electronics and engineering	15.47	2.9	**16.90**	**3.6**
Food and beverages	6.72	1.2	**15.97**	**3.4**
Shipping	11.75	2.2	**10.64**	**2.3**
Wholesale/retail trade	6.20	1.1	**9.38**	**2.0**
Manufacturing products (excluding metal)	8.83	1.6	**5.77**	**1.2**
Services – finance	-	-	**3.33**	**0.7**
Metal & products (excluding iron & steel)	-	-	**0.10**	**-**
Other industries[2]	28.28	5.3	**32.25**	**7.2**
Total	**₹ 540.63**	**100.0%**	**₹ 462.92**	**100.0%**

1 Includes home loans, automobile loans, commercial business loans, dealer financing and small ticket loans to small businesses, personal loans, credit cards, rural loans and loans against securities.
2 Other industries primarily include textile, chemical and fertilizers, gems and jewellery, drugs and pharmaceuticals, FMCG, automobiles and developer financing.
3 All amounts have been rounded off to the nearest ₹ 10.0 million.

The operating environment for Indian banks had remained challenging for the past few years particularly due to the stress in the Indian corporate sector. The Indian corporate sector has experienced a prolonged period of muted growth in sales and profits. Several challenges impacted the sector, including an elongation of working capital cycles and a high level of receivables, including from the government, significant challenges in project completion and cash flow generation due to policy changes, delays in approvals like clearances on environment and land, judicial decisions like the deallocation of coal mines, significant decline in global commodity prices in fiscal 2015 and fiscal 2016 and adjustments to structural reforms such as demonetisation and Goods & Services Tax. These challenges resulted in lower than projected cash flows and the progress in reducing leverage in the corporate sector remained slow. As a result, there was a substantial increase in the level of additions to non-performing loans, including slippages from restructured loans, into non-performing status for the banking sector and the Bank from fiscal 2016. Further, the revised framework for resolution of stressed assets, released by RBI in February 2018, further accelerated the recognition of stressed accounts as non-performing in fiscal 2018. Subsequently, the additions to non-performing loans in the banking system declined sharply during fiscal 2019. During fiscal 2019, a few large accounts referred under the Insolvency and Bankruptcy Code were resolved. However, challenges emerged in some sectors and specific corporates/promoter groups towards the later part of the year.

The gross additions to NPAs were ₹ 171.13 billion in fiscal 2016, ₹ 335.44 billion in fiscal 2017 and ₹ 287.30 billion in fiscal 2018. The gross additions to NPAs decreased significantly to ₹ 110.39 billion in fiscal 2019. In fiscal 2019, additions to gross NPAs were primarily in the food and beverages, services-non finance and mining sectors. In fiscal 2019, the Bank recovered/upgraded non-performing assets amounting to ₹ 47.16 billion, wrote-off non-performing assets amounting to ₹ 112.49 billion and sold non-performing assets amounting to ₹ 28.45 billion. As a result, gross NPAs (net of write-offs) of the Bank decreased from ₹ 540.63 billion at March 31, 2018 to ₹ 462.92 billion at March 31, 2019.

Net NPAs decreased from ₹ 278.86 billion at March 31, 2018 to ₹ 135.77 billion at March 31, 2019. The ratio of net NPAs to net customer assets decreased from 4.77% at March 31, 2018 to 2.06% at March 31, 2019.

At March 31, 2019, gross non-performing loans in the retail portfolio were 1.69% of gross retail loans compared to 1.61% at March 31, 2018 and net non-performing loans in the retail portfolio were 0.72% of net retail loans compared to 0.65% at March 31, 2018.

The provision coverage ratio at March 31, 2019 including cumulative technical/prudential write-offs was 80.7% (March 31, 2018: 60.5%). Excluding cumulative technical/prudential write-offs, the provision coverage ratio was 70.6% (March 31, 2018: 47.7%).

The total non-fund based outstanding to borrowers classified as non-performing was ₹ 42.20 billion (March 31, 2018: ₹ 29.80 billion). The Bank held a provision of ₹ 15.91 billion at March 31, 2019 (March 31, 2018: ₹ 3.46 billion) against these non-fund based outstanding.

The gross outstanding loans to borrowers whose facilities have been restructured decreased from ₹ 15.95 billion at March 31, 2018 to ₹ 3.49 billion at March 31, 2019 billion at March 31, 2018 primarily due to upgradation from standard restructured category to standard category of ₹ 10.40 billion. The net outstanding loans to borrowers whose facilities have been restructured decreased from 15.53 billion at March 31, 2018 to ₹ 3.21 billion at March 31, 2019. The aggregate non-fund based outstanding to borrowers whose loans were restructured was ₹ 2.15 billion at March 31, 2019 (March 31, 2018: ₹ 3.96 billion).

At March 31, 2019 the Bank had performing loans of ₹ 6.24 billion where S4A had been implemented and performing loans of ₹ 19.14 billion where 5/25 scheme had been implemented. The aggregate non-fund based outstanding to these borrowers (where S4A had been implemented) was ₹ 15.39 billion.

In addition to the above, at March 31, 2019, the outstanding loans and non-fund facilities to borrowers in the corporate and small and medium enterprises portfolio rated BB and below were ₹ 175.25 billion, which included ₹ 42.20 billion of non-fund outstanding to borrowers classified as NPA.

The Bank, in its previous Annual Report for 2018, had reported on the various steps and measures taken pursuant to its becoming aware in March 2018 of an anonymous whistleblower complaint alleging incorrect asset classifications stemming from claimed irregular transactions in borrower accounts, incorrect accounting of interest income and NPA recoveries as fees, and overvaluation of collateral securing corporate loans. As previously reported, the Bank, at the direction of the Audit Committee and with the assistance of external counsel, is continuing to investigate all of the allegations made in the complaint. The Bank has an established process whereby all whistleblower complaints and matters escalated to senior management are investigated for appropriate action, including an assessment of the impact on financial statements, if any.

In addition, as a large and internationally active bank, with operations and listing of its equity and debt instruments in multiple jurisdictions, the Bank is regularly engaged with regulators, including the United States Securities and Exchange Commission (‘SEC’), on a range of matters, including regarding the March 2018 complaint. Even before this complaint, the Bank has been responding to requests for information from the SEC investigatory staff regarding an enquiry relating to the timing and amount of the Bank’s loan impairment provisions taken under U.S. GAAP. The Bank evaluates loans for impairment under U.S. GAAP for the purpose of preparing the annual footnote reconciling the Bank's Indian GAAP financial statements to U.S. GAAP. The Bank has voluntarily complied with all requests of the SEC investigatory staff for information and continues to cooperate with the SEC on the matter.

SEGMENT INFORMATION

RBI, in its guidelines on 'segmental reporting', has stipulated specified business segments and their definitions, for the purposes of public disclosures on business information for banks in India.

The standalone segmental report for fiscal 2019, based on the segments identified and defined by RBI, has been presented as follows:

- **Retail Banking** includes exposures of the Bank, which satisfy the four qualifying criteria of 'regulatory retail portfolio' as stipulated by RBI guidelines on the Basel III framework.
- **Wholesale Banking** includes all advances to trusts, partnership firms, companies and statutory bodies, by the Bank, which are not included in the Retail Banking segment, as per RBI guidelines for the Bank.
- **Treasury** includes the entire investment portfolio of the Bank.
- **Other Banking** includes leasing operations and other items not attributable to any particular business segment of the Bank.

Framework for transfer pricing

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 and directed lending requirements.

Retail banking segment

The profit before tax of the segment increased by 15.2% from ₹ 71.41 billion in fiscal 2018 to ₹ 82.23 billion in fiscal 2019 primarily due to an increase in net interest income and non-interest income, offset, in part, by an increase in non-interest expenses and provisions.

Net interest income increased by 17.7% from ₹ 134.48 billion in fiscal 2018 to ₹ 158.28 billion in fiscal 2019 primarily due to growth in average loan portfolio and an increase in average deposits.

Non-interest income increased by 15.9% from ₹ 65.72 billion in fiscal 2018 to ₹ 76.15 billion in fiscal 2019 primarily due to an increase in fee income from credit card portfolio, transaction banking fees and lending linked fees.

Non-interest expenses increased by 16.3% from ₹ 121.34 billion in fiscal 2018 to ₹ 141.16 billion in fiscal 2019 primarily due to an increase in employee cost and other administrative expenses reflecting an increase in business volume.

While the provision as a percentage of retail loan portfolio continues to remain low for the Bank, the provisions (net of write-back) increased by 48.2% from ₹ 7.45 billion in fiscal 2018 to ₹ 11.04 billion in fiscal 2019 primarily due to an increase in retail loan portfolio and a change in composition. The provision also included the impact of provision on farmer finance.

Wholesale banking segment

The loss (before tax) of the segment increased from ₹ 82.81 billion in fiscal 2018 to ₹ 102.42 billion in fiscal 2019 primarily due to an increase in provisions, offset, in part, by an increase in net interest income.

Net interest income increased by 20.3% from ₹ 60.97 billion in fiscal 2018 to ₹ 73.36 billion in fiscal 2019 primarily due to an increase in loan portfolio, an increase in average deposits and higher interest collection on non-performing assets during fiscal 2019.

Non-interest income increased by 12.4% from ₹ 35.91 billion in fiscal 2018 to ₹ 40.38 billion in fiscal 2019.

Provisions increased from ₹ 146.68 billion in fiscal 2018 to ₹ 181.52 billion in fiscal 2019 primarily due to additional provisions on cases classified as NPAs in earlier periods, provision on non-fund based facilities and provision on non-banking assets acquired under debt-asset swap.

Treasury segment

The profit before tax of the segment decreased by 36.3% from ₹ 81.14 billion in fiscal 2018 to ₹ 51.65 billion in fiscal 2019 primarily due to a decrease in non-interest income, offset, in part, by a decrease in provision on investments.

Non-interest income decreased from ₹ 71.70 billion in fiscal 2018 to ₹ 27.71 billion in fiscal 2019. Non-interest income of fiscal 2018 included gain on sale of equity shares of ICICI Lombard General Insurance Company Limited of ₹ 20.12 billion (before tax and after IPO expenses) and ICICI Securities Limited of ₹ 33.20 billion (before tax and after IPO expenses) through IPO. Non-interest income of fiscal 2019 included gain on sale of equity shares of ICICI Prudential Life Insurance Company Limited of ₹ 11.10 billion (before tax and after IPO expenses) through an offer for sale. Gain on government securities and other fixed income positions was higher in fiscal 2018 as compared to fiscal 2019 primarily due to higher realised gains.

Provisions decreased from ₹ 18.87 billion in fiscal 2018 to ₹ 3.71 billion in fiscal 2019 primarily due to recovery towards bonds, which were fully provided in earlier years and lower provision on equity shares.

Other banking segment

Profit before tax of other banking segment increased from ₹ 4.60 billion in fiscal 2018 to ₹ 6.31 billion in fiscal 2019 primarily due to an increase in net interest income.

Net interest income increased from ₹ 4.30 billion in fiscal 2018 to ₹ 6.53 billion in fiscal 2019 primarily due to an increase in interest on income tax refund. Interest on income tax refund increased from ₹ 2.63 billion in fiscal 2018 to ₹ 4.48 billion in fiscal 2019.

CONSOLIDATED FINANCIALS AS PER INDIAN GAAP

From April 1, 2018, certain group companies (ICICI Securities Limited, ICICI Securities Primary Dealership Limited, ICICI Prudential Asset Management Company and ICICI Home Finance Company) have adopted Ind AS. However, for preparation of consolidated financial statements of the Bank, financial statements as per Indian GAAP for these entities have been considered.

The consolidated profit after tax decreased by 44.8% from ₹ 77.12 billion in fiscal 2018 to ₹ 42.54 billion in fiscal 2019 primarily due to a decrease in the profit of ICICI Bank, ICICI Prudential Life Insurance and loss incurred by ICICI Bank UK PLC, offset, in part, by an increase in profit of ICICI Lombard General Insurance.

The consolidated assets of the Bank and its subsidiaries and other consolidating entities increased from ₹ 11,242.81 billion at March 31, 2018 to ₹ 12,387.94 billion at March 31, 2019. Consolidated advances increased from ₹ 5,668.54 billion at March 31, 2018 to ₹ 6,469.62 billion at March 31, 2019.

At March 31, 2019, the consolidated Tier-1 capital adequacy ratio was 14.73% as against the minimum requirement of 9.025% and total consolidated capital adequacy ratio was 16.47% as against the minimum requirement of 11.025%.

ICICI PRUDENTIAL LIFE INSURANCE COMPANY (ICICI LIFE)

ICICI Life offers a range of products within the protection and savings category. ICICI Life's market share was 17.7% in fiscal 2019 based on new business written premium (on a retail weighted new business premium basis) according to the Life Insurance Council. The Value of New Business (VNB) margin was 17.0% for fiscal 2019 compared to 16.5% for fiscal 2018. The company's VNB increased from ₹ 12.86 billion for fiscal 2018 to ₹ 13.28 billion for fiscal 2019. ICICI Life's total premium grew by 14.3% from ₹ 270.69 billion in fiscal 2018 to ₹ 309.30 billion in fiscal 2019. Annualised Premium Equivalent (APE) from the protection business increased by 61.9% from ₹ 4.46 billion in fiscal 2018 to ₹ 7.22 billion in fiscal 2019 and it accounts for 9.33% of overall APE for fiscal 2019. In fiscal 2019, the protection business contributed over 20% of new business premium received. The post-dividend Embedded Value grew by 15.1% from ₹ 187.88 billion at March 31, 2018 to ₹ 216.23 billion at March 31, 2019. The total assets under management of ICICI Life stood at ₹ 1,604.10 billion at March 31, 2019.

Net premium earned increased from ₹ 268.11 billion in fiscal 2018 to ₹ 305.79 billion in fiscal 2019. The profit after tax decreased from ₹ 16.20 billion in fiscal 2018 to ₹ 11.41 billion in fiscal 2019 primarily due to higher new business strain resulting from the new business growth of protection business.

ICICI LOMBARD GENERAL INSURANCE COMPANY (ICICI GENERAL)

ICICI General is among the large private sector general insurance companies in India. ICICI General's overall market share was 8.5% during fiscal 2019 on the basis of gross direct premium according to the General Insurance Council of India. The Gross Domestic Premium Income of ICICI General increased by 17.2% year-on-year to ₹ 144.88 billion in fiscal 2019. The company's combined ratio improved to 98.5% in fiscal 2019 from 100.2% in fiscal 2018. The return on equity increased to 21.3% in fiscal 2019 as against 20.8% in fiscal 2018. The solvency ratio at March 31, 2019 was 224.0% against the minimum regulatory requirement of 150.0%. The number of policies issued increased to 26.5 million in fiscal 2019 compared to 23.5 million policies in fiscal 2018.

Net earned premium increased from ₹ 69.12 billion in fiscal 2018 to ₹ 83.75 billion in fiscal 2019 primarily due to an increase in motor, health and personal accident insurance business. The profit after tax increased from ₹ 8.62 billion in fiscal 2018 to ₹ 10.49 billion in fiscal 2019 primarily due to an increase in net earned premium, offset, in part, by an increase in claims and benefits paid and tax expenses.

ICICI PRUDENTIAL ASSET MANAGEMENT COMPANY (ICICI PRUDENTIAL AMC)

ICICI Prudential AMC is India's leading asset manager with average quarterly assets under management (AUM) of ₹ 3,207.93 billion at March 31, 2019. The company's overall market share in the domestic mutual fund business was 13.1% on a quarterly average basis. At March 31, 2019, the quarterly average equity mutual fund AUM (excluding exchange traded funds) managed by the company was ₹ 1,376.42 billion with a market share of 14.3%.

As per Indian GAAP, the profit after tax of ICICI Prudential AMC increased from ₹ 6.26 billion in fiscal 2018 to ₹ 6.87 billion in fiscal 2019 primarily due to an increase in fee income, offset, in part, by an increase in staff cost. During fiscal 2019, ICICI Prudential AMC has paid a compensation to certain schemes and its investors amounting to ₹ 1.09 billion, in relation to certain investments made by the relevant schemes. This compensation was made based on an advice received from the regulators.

ICICI SECURITIES LIMITED (ICICI SECURITIES)

ICICI Securities is a leading retail broking firm. The company has a leadership position in the equity brokerage space with over 4.4 million operational accounts. Its customers have access to high quality research and advisory services, backed by a robust technology platform to meet their financial goals. In the distribution business, ICICI Securities is the second largest non-bank mutual fund distributor with assets under management of over ₹ 347.00 billion. The company

MANAGEMENT'S DISCUSSION & ANALYSIS

also sells other financial products like National Pension Scheme, life, health and general insurance, sovereign gold bonds, corporate fixed deposits, etc. through a network of close to 200 branches in more than 75 cities and a network of sub-brokers and ICICI Bank branches.

As per Indian GAAP, the consolidated profit after tax of ICICI Securities Limited and its subsidiaries decreased from ₹ 5.58 billion in fiscal 2018 to ₹ 4.95 billion in fiscal 2019 primarily due to a decrease in brokerage income on account of a decrease in equity delivery volumes and a decrease in third party product distribution fees.

ICICI SECURITIES PRIMARY DEALERSHIP (I-SEC PD)

I-Sec PD maintained its leading position in auction bidding and underwriting as well as in secondary market trading activity in fiscal 2019. The company remained profitable, despite the spike in yields during the year. I-Sec PD managed multiple corporate debt placements in fiscal 2019 and was ranked 5th in the PRIME League Tables. The company is empanelled as one of the fund managers managing the corpus of both the Employee Provident Fund Organisation, India's largest retirement fund, and the Coal Mines Provident Fund, India's second largest fund.

As per Indian GAAP, the profit after tax of I-Sec PD decreased from ₹ 1.12 billion in fiscal 2018 to ₹ 0.61 billion in fiscal 2019 primarily due to a decrease in trading gains. Trading gains decreased primarily due to an increase in yield on government securities. During fiscal 2019, yield on 10-year government securities increased by 9 basis points.

ICICI HOME FINANCE COMPANY (ICICI HFC)

ICICI HFC is primarily engaged in providing retail mortgage loans to individuals. It also provides property search services to its individual and corporate customers. The Company is registered as a housing finance company with National Housing Bank (NHB). During fiscal 2019, the company diversified its liability portfolio by raising funds through external commercial borrowings of ₹ 19.66 billion, refinance line from NHB of ₹ 10.00 billion and also increased its fixed deposit portfolio to ₹ 10.49 billion. The company disbursed total loans amounting to ₹ 63.33 billion during the year, including buy-out of portfolios from other housing finance companies. This led to a 37% growth in its loan book to ₹ 133.33 billion at March 31, 2019.

As per Indian GAAP, the profit after tax of ICICI HFC decreased from ₹ 0.64 billion in fiscal 2018 to ₹ 0.28 billion in fiscal 2019 primarily due to an increase in staff costs and other administrative expenses. Net NPAs increased from ₹ 2.04 billion at March 31, 2018 to ₹ 2.71 billion at March 31, 2019 primarily due to addition to NPAs in Construction Realty Finance (CRF) portfolio.

ICICI VENTURE FUNDS MANAGEMENT COMPANY (ICICI VENTURE)

ICICI Venture concluded eight new investments with an aggregate capital outlay of over USD 565.0 million across IAF Series 4, iREIF, AION (a strategic partnership between ICICI Venture and Apollo Global Management in the area of special situations) and Resurgent (a power platform company co-sponsored by ICICI Venture and Tata Power). ICICI Venture also concluded nine full or partial exits across various funds for an aggregate realisation of about USD 300.0 million. During fiscal 2019, subsequent closings of its third real estate fund iREIF were concluded taking the total commitment beyond the target fund size of ₹ 5.0 billion to ₹ 5.25 billion, thereby triggering the green shoe option.

The profit after tax of ICICI Venture Fund Management Company Limited increased from ₹ 0.11 billion in fiscal 2018 to ₹ 0.70 billion in fiscal 2019 primarily due to an increase in income from venture capital units, offset, in part, by an increase in staff cost and a decrease in management fees.

ICICI BANK CANADA

The profit after tax of ICICI Bank Canada increased from CAD 44.2 million (₹ 2.22 billion) in fiscal 2018 to CAD 52.4 million (₹ 2.79 billion) in fiscal 2019 primarily due to an increase in net interest income, fee income and higher write-back of provisions, offset, in part, by loss on foreign exchange and an increase in operating expenses. ICICI Bank Canada's return on average net worth was 9.40% in fiscal 2019 as compared to 6.90% in fiscal 2018.

At March 31, 2019, ICICI Bank Canada had total assets of CAD 6.63 billion compared to CAD 6.32 billion at March 31, 2018. Net NPAs increased from nil at March 31, 2018 to CAD 9.3 million (₹ 0.48 billion) at March 31, 2019. ICICI Bank Canada had a total capital adequacy ratio of 17.1% at March 31, 2019 as against 17.3% at March 31, 2018. ICICI Bank Canada has distributed common share dividends of CAD 25.6 million in fiscal 2019 compared to CAD 21.6 million in fiscal 2018.

ICICI BANK UK PLC (ICICI BANK UK)

The operating income of ICICI Bank UK was USD 79.8 million for fiscal 2019, compared to USD 83.2 for fiscal 2018, primarily due to a decrease in non-interest income and loss on sale of financial assets, offset, in part, by an increase in net interest income. Loss of ICICI Bank UK increased from US$ 25.5 million (₹ 1.65 billion) in fiscal 2018 to US$ 52.9 million (₹ 3.71 billion) in fiscal 2019 primarily due to higher specific provisions on non-performing loans.

At March 31, 2019, ICICI Bank UK had total assets of USD 3.84 billion compared to USD 3.88 billion at March 31, 2018. Net NPAs decreased from US$ 194.0 million (₹ 12.64 billion) at March 31, 2018 to US$ 63.1 million (₹ 4.36 billion) at March 31, 2019. There was an improvement in the company's gross impairment ratio to 8.3% and net impairment ratio to 2.6% in fiscal 2019 compared to 13.0% and 8.2%, respectively, in fiscal 2018. ICICI Bank UK had a capital adequacy ratio of 16.8% at March 31, 2019 compared to 16.5% at March 31, 2018.

The following table sets forth, for the periods and at the dates indicated, the profit/(loss) and total assets of our principal subsidiaries.

₹ in billion

Company	Profit after tax		Total assets[1]	
	Fiscal 2018	**Fiscal 2019**	At March 31, 2018	**At March 31, 2019**
ICICI Prudential Life Insurance Company Limited	₹ 16.20	**₹ 11.41**	₹ 1,417.24	**₹ 1,629.32**
ICICI Lombard General Insurance Company Limited	8.62	**10.49**	297.41	**334.02**
ICICI Prudential Asset Management Company Limited	6.26	**6.87**	11.29	**13.10**
ICICI Securities Limited (consolidated)	5.58	**4.95**	28.49	**46.51**
ICICI Bank Canada	2.22	**2.79**	319.93	**341.61**
ICICI Venture Funds Management Company Limited	0.11	**0.70**	3.31	**3.07**
ICICI Securities Primary Dealership Limited	1.12	**0.61**	172.10	**115.93**
ICICI Home Finance Company Limited	0.64	**0.28**	100.60	**138.83**
ICICI Bank UK PLC	₹ (1.65)	**₹ (3.71)**	₹ 253.96	**₹ 266.43**

1 *Total assets are as per classification used in the consolidated financial statements and hence the total assets as per subsidiary's financial statements may differ.*

2 *See also 'Financials- Statement pursuant to Section 129 of the Companies Act, 2013'.*

3 *All amounts have been rounded off to the nearest ₹ 10.0 million.*

MIGRATION TO INDIAN ACCOUNTING STANDARDS (IND AS)

Banks in India currently prepare their financial statements as per the guidelines issued by RBI, the Accounting Standards notified under section 133 of the Companies Act, 2013 and generally accepted accounting principles in India (Indian GAAP). In January 2016, the Ministry of Corporate Affairs issued the roadmap for implementation of new Indian Accounting Standards (Ind AS), which were based on convergence with the International Financial Reporting Standards (IFRS), for scheduled commercial banks, insurance companies and non-banking financial companies (NBFCs). In March 2019, RBI deferred the implementation of Ind AS for banks till further notice as the recommended legislative amendments were under consideration of Government of India.

The key impact areas for the Bank include accounting of financial instruments, employee stock options, consolidation accounting, deferred tax and implementation of technology systems. Of these, the accounting of financial assets differs significantly from Indian GAAP in many areas, which include classification, fair valuation, expected credit losses, effective interest rate accounting and derecognition.

The Bank is in the process of implementing a centralised system solution to cater to Ind AS specific accounting requirements in certain areas such as effective interest rate accounting and expected credit loss. For implementation of Ind AS, the Bank has formed a Steering Committee, which meets regularly to supervise the progress of the project. An update on the implementation status is also submitted to the Audit Committee at quarterly intervals.

KEY FINANCIAL INDICATORS: LAST 10 YEARS

(₹ in billion, except per share data and percentages)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	**2019**
Total deposits	2,020.17	2,256.02	2,555.00	2,926.14	3,319.14	3,615.63	4,214.26	4,900.39	5,609.75	**6,529.20**
Total advances	1,812.06	2,163.66	2,537.28	2,902.49	3,387.03	3,875.22	4,352.64	4,642.32	5,123.95	**5,866.47**
Equity capital & reserves	516.18	550.91	604.05	667.06	732.13	804.29	897.36	999.51	1,051.59	**1,083.68**
Total assets	3,634.00	4,062.34	4,890.69	5,367.95	5,946.42	6,461.29	7,206.95	7,717.91	8,791.89	**9,644.59**
Total capital adequacy ratio	19.4%[1]	19.5%[1]	18.5%[1]	18.7%[1]	17.7%[2]	17.0%[2]	16.6%[2]	17.4%[2]	18.4%[2]	**16.9%[2]**
Core operating profit	85.51	92.63	103.99	127.04	155.77	180.27	198.03	179.10	189.39	**220.72**
Net interest income	81.14	90.17	107.34	138.66	164.75	190.40	212.24	217.37	230.26	**270.15**
Net interest margin	2.49%	2.64%	2.73%	3.11%	3.33%	3.48%	3.49%	3.25%	3.23%	**3.42%**
Profit after tax	40.25	51.51	64.65	83.25	98.10	111.75	97.26	98.01	67.77	**33.63**
Earnings per share (Basic) [3,4]	6.57	8.23	10.20	13.13	15.45	17.56	15.23	15.31	10.56	**5.23**
Earnings per share (Diluted) [3,4]	6.55	8.19	10.17	13.08	15.39	17.39	15.14	15.25	10.46	**5.17**
Return on average equity	7.9%	9.6%	11.1%	12.9%	13.7%	14.3%	11.3%	10.3%	6.6%	**3.2%**
Dividend per share[3]	2.40	2.80	3.30	4.00	4.60	5.00	5.00	2.50	1.50	**1.00**

1. *Total capital adequacy ratio has been calculated as per Basel II framework.*
2. *Total capital adequacy ratio has been calculated as per Basel III framework.*
3. *During the year ended March 31, 2015, the shareholders of the Bank approved the sub-division of one equity share of ₹ 10 into five equity shares having a face value of ₹ 2 each. Per share information reflects the effect of sub-division for each of the periods presented.*
4. *During the year ended March 31, 2018, the Bank issued bonus shares in the proportion of 1:10, i.e. 1 (One) bonus equity share of ₹ 2 each for every 10 (Ten) fully paid-up equity shares held (including shares underlying ADS). Per share information reflects the effect of bonus issue for each of the periods presented.*

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

<table>
<tr><td colspan="2">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)</td></tr>
<tr><th>Key Audit Matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>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.</td><td>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.</td></tr>
</table>

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

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

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

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

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.*

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**

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**

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

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).*

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).*

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 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**

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

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.*

SCHEDULES

forming part of the Accounts

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.

SCHEDULES

forming part of the Accounts *(Contd.)*

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.

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.

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.

SCHEDULES

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.

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.

SCHEDULES

forming part of the Accounts *(Contd.)*

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.*

SCHEDULES

forming part of the Accounts *(Contd.)*

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%

SCHEDULES

forming part of the Accounts *(Contd.)*

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.

SCHEDULES

forming part of the Accounts *(Contd.)*

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)

SCHEDULES

forming part of the Accounts *(Contd.)*

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.*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

₹ 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).

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.*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

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).

SCHEDULES

forming part of the Accounts *(Contd.)*

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.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

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).*

SCHEDULES

forming part of the Accounts *(Contd.)*

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.*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

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**

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.*

SCHEDULES

forming part of the Accounts *(Contd.)*

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

SCHEDULES

forming part of the Accounts *(Contd.)*

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.*

SCHEDULES

forming part of the Accounts *(Contd.)*

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.

SCHEDULES

forming part of the Accounts *(Contd.)*

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.*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

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**

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.*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

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

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).

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).

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

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**

SCHEDULES

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.*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

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.*

SCHEDULES

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.*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

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.*

SCHEDULES

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.

SCHEDULES

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).*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

(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%

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

₹ 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.*

SCHEDULES

forming part of the Accounts *(Contd.)*

(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

SCHEDULES

forming part of the Accounts *(Contd.)*

₹ 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.*

SCHEDULES

forming part of the Accounts *(Contd.)*

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.

SCHEDULES

forming part of the Accounts *(Contd.)*

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.

SCHEDULES

forming part of the Accounts *(Contd.)*

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**

SCHEDULES

forming part of the Accounts *(Contd.)*

₹ 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.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

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)

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
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).

SCHEDULES

forming part of the Accounts *(Contd.)*

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.*

SCHEDULES

forming part of the Accounts *(Contd.)*

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.*

SCHEDULES

forming part of the Accounts *(Contd.)*

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.

SCHEDULES

forming part of the Accounts *(Contd.)*

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.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

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'.*

SCHEDULES

forming part of the Accounts *(Contd.)*

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]		

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

₹ 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**

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

₹ 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		

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

₹ 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

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 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

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

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	**-**	-

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

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**

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

₹ 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.

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 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.

SCHEDULES

forming part of the Accounts *(Contd.)*

- **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.

SCHEDULES

forming part of the Accounts *(Contd.)*

- **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.

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:

a. Information technology systems relating to ICICI Prudential Life Insurance Company Limited	
Key Audit Matter	**How the key audit matter was addressed**
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.	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).

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.

.

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

Girish Chandra Chaturvedi
Chairman
DIN-00110996

Uday M. Chitale
Director
DIN-00043268

Sandeep Bakhshi
Managing Director & CEO
DIN-00109206

Khushroo B. Panthaky
Partner
Membership no.: 042423

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 **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

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.*

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).*

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.*

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).*

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 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).*

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.*

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

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**

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.*

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of Consolidated Accounts

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.

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

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

SCHEDULES

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

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

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

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.

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

SCHEDULES

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

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.

SCHEDULES

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

SCHEDULES

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

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 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.

SCHEDULES

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

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.

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

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

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.*

SCHEDULES

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

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**

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

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

₹ 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	-

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

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

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

SCHEDULES

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

₹ 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	**-**	-

SCHEDULES

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.*

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.

SCHEDULES

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

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**

SCHEDULES

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

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**

SCHEDULES

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

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

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**

SCHEDULES

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

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**

SCHEDULES

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

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)

SCHEDULES

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

₹ 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.

SCHEDULES

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

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]		

SCHEDULES

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

₹ 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.

SCHEDULES

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

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*

SCHEDULES

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

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.

SCHEDULES

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

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.

SCHEDULES

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

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.

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

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

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.*

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

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

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.*

SCHEDULES

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

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".

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

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

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

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
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	-	-	-	-

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.

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

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

BASEL PILLAR 3 DISCLOSURES

at March 31, 2019

Pillar 3 disclosures at March 31, 2019 as per Basel III guidelines of RBI have been disclosed separately on the Bank's website under 'Regulatory Disclosures Section' on the home page. The link to this section is http://www.icicibank.com/regulatory-disclosure.page.

The section contains the following disclosures:

- Qualitative and quantitative disclosures at March 31, 2019
    - Scope of application
    - Capital adequacy
    - Credit risk
    - Securitisation exposures
    - Market risk
    - Operational risk
    - Interest rate risk in the banking book (IRRBB)
    - Liquidity risk
    - Counterparty credit risk
    - Risk management framework of non-banking group companies
    - Disclosure requirements for remuneration
    - Equities – Disclosure for banking book positions
    - Leverage ratio
- Composition of capital
- Composition of capital – reconciliation requirements
- Main features of regulatory capital instruments
- Full terms and conditions of regulatory capital instruments

GLOSSARY OF TERMS

Average advances	Average of advances as reported in Form A to RBI
Average assets	For the purpose of performance analysis, represents averages of daily balances, except averages of foreign branches which are fortnightly averages for the period till September 2014. From October 2014, averages of foreign branches are also averages of daily balances
Average cost of funds	Cost of interest bearing liabilities
Average deposits	Average of deposits as reported in Form A to RBI
Average equity	Quarterly average of equity share capital and reserves
Average total assets	For the purpose of business ratio, represents averages of total assets as reported in Form X to RBI
Average yield	Yield on interest earning assets
Business	Total of average deposits plus average advances as reported in Form A to RBI
Business per employee	Average deposits plus average advances divided by number of employees
Book value per share	Share capital plus reserves divided by outstanding number of equity shares
Capital (for CRAR)	Capital includes share capital, reserves and surplus (revaluation reserve and foreign currency translation reserve are considered at discounted amount), capital instruments and general provisions as per the RBI Basel III guidelines
Capital to risk weighted assets ratio (CRAR)	Capital (for CRAR) divided by Risk Weighted Assets (RWAs)
Earnings per share	Net profit after tax divided by weighted average number of equity shares outstanding during the year
High quality liquid assets	Stock of liquid assets which can be readily sold at little or no loss of value or used as collateral to obtain funds
Interest income to working funds	Interest income divided by working funds
Interest spread	Average yield less average cost of funds
Liquidity coverage ratio	Stock of unencumbered high quality liquid assets divided by total net cash outflows estimated for the next 30 calendar days
Net interest income	Total interest earned less total interest expended
Net interest margin	Total interest earned less total interest expended divided by average interest earning assets
Net profit per employee	Net profit after tax divided by number of employees
Non-interest income to working funds	Non-interest income divided by working funds
Number of employees	Quarterly average of number of employees. The number of employees includes sales executives, employees on fixed term contracts and interns
Operating profit	Profit before provisions and contingencies
Operating profit to working funds	Operating profit divided by working funds
Provision coverage ratio	Provision for non-performing advances divided by gross non-performing advances
Return on assets	Net profit after tax divided by average total assets
Return on average assets	Net profit after tax divided by average assets
Return on average equity	Net profit after tax divided by average equity
Risk weighted assets (RWAs)	RWAs are computed by assigning risk weights as per the RBI Basel III guidelines to various on-balance sheet exposure, off-balance sheet exposures and undrawn exposures
Working funds	Average of total assets as reported in Form X to RBI

REGISTERED OFFICE

ICICI Bank Tower,
Near Chakli Circle, Old Padra Road,
Vadodara 390 007
Tel: +91-265-6722239
CIN: L65190GJ1994PLC021012

STATUTORY AUDITORS

Walker Chandiok & Co LLP
16th Floor, Tower II,
Indiabulls Finance Centre,
S B Marg, Elphinstone (W), Mumbai
Maharashtra 400 013

CORPORATE OFFICE

ICICI Bank Towers,
Bandra-Kurla Complex,
Mumbai 400 051
Tel: +91-22-33667777
Fax: +91-22-26531122

REGISTRAR AND TRANSFER AGENTS

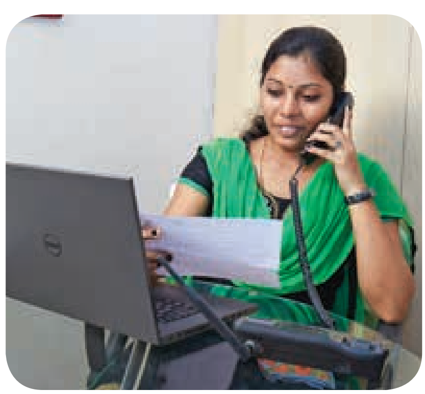
3i Infotech Limited,
International Infotech Park,
Tower 5, 3rd Floor,
Vashi Railway Station Complex,
Vashi, Navi Mumbai 400 703

NOTES

ICICI Foundation
for Inclusive Growth



Over 400,000 people trained under our skill development programmes


iMobile
Your bank in an app.
Offers more than 250 services for banking, payments, investments and shopping

Mera iMobile
The multilingual mobile banking app for our rural customers. Get banking services, current mandi prices and real-time weather information in 11 languages

Eazypay
Designed for merchants to receive payments from customers digitally through cards, internet banking, UPI and more

Pockets
ICICI Bank's e-wallet for easy recharges, bill payments, shopping and offers

Money2India
A convenient and secure remittances app that helps our NRI customers to quickly send money to their loved ones back home

ICICI Bank

ICICI Bank Limited, ICICI Bank Towers, Bandra-Kurla Complex, Mumbai 400 051 | www.icicibank.com

facebook.com/icicibank twitter.com/icicibank youtube.com/icicibank
linkedin.com/company/icici-bank instagram.com/icicibank