

forming part of the accounts

1 CORPORATE INFORMATION

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

During the year ended March 31, 2018, the Company completed the Initial Public Offering (IPO) through an Offer for Sale of 66,925,305 equity shares of ₹ 5/- each at a price of ₹ 520 per equity share by ICICI Bank Limited, the Holding Company, aggregating up to ₹ 34,801.2 million. The equity shares of the Company were listed on the National Stock Exchange of India Limited and BSE Limited on April 4, 2018.

2 SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (“Indian GAAP”). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies has been consistently applied by the Company except where otherwise stated are considered with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of the services and the time between the provision of services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

b) Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles in India requires management to make judgements, estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income, expenses and results during the reporting period. The estimates used in the preparation of the financial statements are based on management’s best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c) Revenue recognition

- i) Brokerage income in relation to stock broking activity is recognised on a trade date basis.
- ii) Revenue from issue management, debt syndication, financial advisory services etc., is recognised based on the stage of completion of assignments and terms of agreement with the client.
- iii) Commission income in relation to public issues / other securities is recognised based on mobilization and intimation received from clients/ intermediaries.
- iv) Gains/ losses on dealing in securities are recognised on a trade date basis.
- v) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- vi) Revenue from dividends is recognised when the right to receive the dividend is established.
- vii) Training fee income from financial educational programs is recognized on an accrual basis.

d) Investments

Investments are classified into long term investments and current investments. Investments which are intended to be held for more than one year are classified as long term investments and investments which are intended to be held for less than one year are classified as current investments. Long term investments are accounted at cost and any decline in the carrying value other than temporary in nature is provided for in the statement of profit and loss. Current investments are valued at cost arrived at on first in first out (‘FIFO’) basis and fair value, determined on an individual investment basis, whichever is lower.

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

e) Stock-in-trade

Securities acquired with the intention to trade are classified as stock-in-trade. The securities held as stock-in-trade are carried at cost arrived at on first in first out (‘FIFO’) basis and fair value, determined on an individual investment basis, whichever is lower. The profit or loss on sale of securities is recognised on a trade date basis in the Statement of Profit and Loss.

f) Fixed assets

(i) Property, Plant and Equipment (PPE) / Depreciation

PPE are carried at cost less accumulated depreciation. Cost comprises purchase price, borrowing cost if capitalisation criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use.

Losses arising from the retirement of, and gains or losses arising from disposal of PPE are recognised in the statement of profit and loss.

Depreciation on PPE is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by management/ limits specified in schedule II of the Companies Act, 2013. The Company has used the following rates to provide depreciation on the PPE.

Asset	Useful life
Tangible Assets	
Office equipments comprising air conditioners, photo-copying machines, etc.	5 years
Computers	3 years
Servers & Network	6 years
Furniture and fixtures	6.67 years
Motor vehicles	5 years

Leasehold improvements are depreciated over the lease period subject to a maximum of 9 years.

Depreciation is provided on a straight-line basis from the date the asset is ready for its intended use or put to use whichever is earlier. In respect of assets sold, depreciation is provided up to the date of disposal.

Management has estimated, the useful lives of the following classes of assets, which is lower than that indicated in schedule II of the Companies Act, 2013 on the basis of technical assessment.

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

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at the balance sheet date and adjusted prospectively.

(ii) Intangible Assets / Amortisation

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

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

The amortization rates used are:

Intangible asset	Useful life/ Amortisation period
Computer software	4 years
CMA Membership rights*	5 years

*CMA - Capital Market Authority of Oman

g) Foreign exchange transaction

Foreign currency income and expenditure items of domestic operations are translated at the exchange rates prevailing on the date of the transaction. Monetary foreign currency assets and liabilities of domestic foreign operations are translated at closing exchange rates at the balance sheet date and the resulting gains/losses are included in the statement of profit and loss in the year in which they arise.

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

h) Employee Benefits

Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company is statutorily required to contribute a specified portion of the basic salary of an employee to a provident fund as a part of retirement benefits to its employees. The contributions during the year are charged to the statement of profit and loss. The Company recognises

contribution payable to the provident fund scheme as an expenditure when an employee renders the related service.

With respect to Oman Branch, for Omani national employees, the Company makes contributions to the Omani Public Authority for Social Insurance Scheme calculated as a percentage of the employees' salaries. The Company's obligations are limited to these contributions, which are expensed when incurred.

Gratuity

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

The Company accounts for the gratuity liability as per an actuarial valuation by an actuary appointed by the Company. In accordance with the gratuity fund's rules, actuarial valuation of gratuity liability is calculated based on certain assumptions regarding rate of interest, staff mortality and staff attrition as per the projected unit credit method made at the end of each reporting period. Actuarial gains and losses for defined benefit plans are recognised in full in the period which they occur in the statement of profit and loss.

With respect to Oman Branch, the Company provides end of service benefits to its expatriate employees. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

Compensated absence

The employees can carry forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase the entitlement. The obligation expected to fall beyond 12 months is measured on the basis of independent actuarial valuation using the projected unit credit method. Actuarial losses/gains are recognized in the statement of profit and loss as and when they are incurred.

Long Term Incentive

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

i) Income taxes

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

Deferred tax assets and liabilities are recognised on a prudent basis for the future tax consequences of timing differences arising between the carrying values of assets and liabilities and their respective tax basis. The impact of changes in the deferred tax assets and liabilities is recognised in the statement of profit and loss.

Deferred tax assets are recognised and reassessed at each reporting date, based upon management's judgment as to whether their realization is considered as reasonably certain. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. Deferred tax assets are recognised, in case there are, on carry forward of unabsorbed depreciation, tax losses and carry forward capital losses, only if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

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

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

j) Impairment of assets

The Company assesses at the reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimate the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

k) Provisions

Provision is recognised when an enterprise has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on management estimates required to settle the obligation at the balance sheet date, supplemented by experience of similar transactions. These are reviewed at the balance sheet date and adjusted to reflect the current management estimates.

l) Contingent liabilities and assets

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

Contingent assets are neither recognised nor disclosed.

m) Earnings per share ("EPS")

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

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

n) Lease

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

o) Cash and cash equivalents

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

p) Borrowing cost

Borrowing costs are interest and other costs (including exchange differences from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred by the Company in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of those tangible fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized. Other borrowing costs are recognized as an expense in the year in which they are incurred.

The difference between the discounted amount mobilized and redemption value of commercial papers is apportioned on time basis over the life of the instrument and charged as interest expense in the statement of profit and loss.

q) Derivative instruments

The Company enters into exchange traded derivative products i.e. equity / index futures and options, for proprietary trading purposes. The derivative contracts are recognized on a trade date basis and stated at the fair value, being the last quoted closing price on the National Stock Exchange of India Limited ('NSE') (in case not traded on NSE, last quoted closing price on BSE Limited is considered) on the balance sheet date. Changes in the fair value of the derivative contracts are recognized in the statement of profit and loss.

3. SHARE CAPITAL

	As at March 31, 2018	(₹ in million) As at March 31, 2017
Authorised:		
400,000,000 equity shares of ₹ 5/- each (March 31, 2017 : 1000,000,000 equity shares of ₹ 2/- each)	2,000.0	2,000.0
5,000,000 preference shares of ₹ 100/- each (March 31, 2017 : 5,000,000 of preference shares of ₹ 100/- each)	500.0	500.0
	<u>2,500.0</u>	<u>2,500.0</u>
Issued, subscribed and fully paid-up shares:		
322,141,400 equity shares of ₹ 5/- each, fully paid (March 31, 2017 : 805,353,500 equity shares of ₹ 2/- each, fully paid)	1,610.7	1,610.7
Total issued, subscribed and fully paid-up share capital	<u>1,610.7</u>	<u>1,610.7</u>

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

	As at March 31, 2018		As at March 31, 2017	
	Nos	(₹ million)	Nos	(₹ million)
At the beginning of the year	805,353,500	1,610.7	805,353,500	1,610.7
Issued during the year - Bonus issue	-	-	-	-
Issued during the year - ESOP	-	-	-	-
Consolidation of shares during the year-Nos (refer note below)*	(483,212,100)	-	-	-
Outstanding at the end of the year	<u>322,141,400</u>	<u>1,610.7</u>	<u>805,353,500</u>	<u>1,610.7</u>

*The shareholders of the Company have, at the Extraordinary General Meeting (EGM) held on December 4, 2017 accorded their consent to the consolidation of the authorised and issued equity share capital of the Company by increasing the nominal value of the equity share from ₹ 2/- (Rupees two only) each to ₹ 5/- (Rupees five only) each. The record date for the consolidation was December 8, 2017. Accordingly, the revised authorised equity share capital of the Company now stands at 400,000,000 equity shares of ₹ 5/- each and issued, subscribed and paid up equity share capital 322,141,400 equity shares of ₹ 5/- each.

During the year ended March 31, 2018, the Company completed the Initial Public Offering (IPO) through an Offer for Sale of 66,925,305 equity shares of ₹ 5/- each at a price of ₹ 520/- per equity share by ICICI Bank Limited, the Holding Company, aggregating upto ₹ 34,801.2/- million. The equity shares of the Company were listed on the National Stock Exchange of India Limited and BSE Limited on April 4, 2018.

b Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 5/- per share with effect from December 4, 2017. Till December 3, 2017, the Company had only one class of equity share having par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year, the Company had declared and paid interim dividend of ₹ 5.50- per share amounting to ₹ 2,132.5 million. Further the Board of Directors at their meeting held on April 14, 2018 proposed a final dividend of ₹ 3.90 (Previous Year ₹ Nil) per share, subject to the approval of the members at the ensuing Annual General Meeting. In terms of revised Accounting Standard (AS) 4 'Contingencies and Events occurring after the Balance Sheet date' as notified by Ministry of Corporate Affairs through amendments to Companies Accounting Standard (Amendment) Rules, 2016, dated March 30, 2016, the Company has not accounted for proposed dividend as a liability as at March 31, 2018. If approved the total liability arising to the Company would be ₹ 1,514.6 million including dividend distribution tax, (Previous Year ₹ Nil).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c Pattern of Shareholding

Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company :

Shareholder	As at March 31, 2018		As at March 31, 2017	
	Nos	% of Holding	Nos	% of Holding
ICICI Bank Limited & its nominees	255,216,095	79.22%	805,353,500	100%
Total	<u>255,216,095</u>	<u>79.22%</u>	<u>805,353,500</u>	<u>100%</u>

d Aggregate number of bonus share issued, shares issued for consideration other than cash and shares bought back the period for five years immediately preceding the reporting date :

Particulars	2018	2017	2016	2015	2014
	No of Shares				
Equity shares bought back by the company	-	-	-	-	-

4. RESERVES AND SURPLUS

Reserves and surplus consist of the following:

	As at March 31, 2018	(₹ in million) As at March 31, 2017		As at March 31, 2018	(₹ in million) As at March 31, 2017
(a) Securities premium account			8. TRADE PAYABLES		
Opening balance	244.0	244.0	Trade payables consist of the following:		
Add : Additions during the year (net)	-	-	(a) total outstanding dues of micro enterprises and small enterprises	-	-
Closing balance	244.0	244.0	(Refer note 34 for details of dues to micro and small enterprises)		
(b) Foreign currency translation reserve			(b) total outstanding dues of creditors other than micro enterprises and small enterprises	10,164.9	8,713.6
Opening balance	18.6	18.8	TOTAL	10,164.9	8,713.6
Add : Additions during the year (net)	(0.7)	(0.2)			
Closing balance	17.9	18.6	9. OTHER CURRENT LIABILITIES		
(c) General reserve			Other current liabilities consist of the following:		
Opening balance	666.8	666.8	(a) Income received in advance	15.0	37.6
Add : Additions during the year (net)	0.0	-	(b) Others		
Closing balance	666.8	666.8	1) Statutory liabilities	656.6	312.9
(d) Surplus i.e. balance in the statement of profit and loss			2) Employee related liabilities	1,370.0	1,276.7
Opening balance	2,310.4	1,402.0	3) Other liabilities	35.3	40.8
Add: profit after tax for the year	5,533.6	3,376.1	TOTAL	2,076.9	1,668.0
	7,844.0	4,778.1			
Less: Appropriations			10. SHORT TERM PROVISION		
Interim dividend on equity shares	1,771.8	2,050.3	Short term provision consist of the following:		
Dividend distribution tax on equity dividend	360.7	417.4	Provision for employees benefits		
Closing balance	5,711.5	2,310.4	i) Provision for gratuity (Refer Note 30)	84.1	41.1
TOTAL	6,640.2	3,239.8	ii) Provision for compensated absence	22.9	9.9
			TOTAL	107.0	51.0
5. OTHER LONG TERM LIABILITIES					
Other long term liabilities consist of the following:					
Other liabilities	957.3	826.3			
TOTAL	957.3	826.3			
Other liabilities include -					
a) Long term incentive payable to the employees	714.0	635.3			
b) Others	243.3	191.0			
6. LONG TERM PROVISIONS					
Long-term provisions consist of the following:					
Provision for employee benefits					
(a) Provision for gratuity (Refer Note 30)	382.7	320.3			
(b) Provision for compensated absence	45.0	17.8			
TOTAL	427.7	338.1			
7. SHORT TERM BORROWINGS					
Short term borrowings consist of the following:					
(a) Secured loans					
Bank overdraft	-	-			
(Secured against first charge on all receivables, book debts, cash flows, and proceeds arising therefrom and a lien on fixed deposits including but not limited to the Company's cash in hand both present and future)					
(b) Unsecured loans					
Commercial paper (repayable within one year)	6,725.1	3,954.1			
TOTAL	6,725.1	3,954.1			

	Property, Plant and Equipment							Intangible		TOTAL (A+B)
	Computers	Furniture and fixtures	Office equipment	Vehicles	Lease hold improvements	Total (A)	Software	CMA membership right	Total (B)	
Gross Block (At Cost)										
At April 1, 2016	248.3	31.3	67.8	116.7	209.7	673.8	229.0	25.8	254.8	928.6
Additions	24.4	3.7	4.5	28.8	42.9	104.3	50.7	-	50.7	155.0
Sale / Adjustment *	39.0	2.9	2.6	17.1	12.7	74.3	45.8	0.5	46.3	120.6
At March 31, 2017	233.7	32.1	69.7	128.4	239.9	703.8	233.9	25.3	259.2	963.0
Additions	94.4	7.2	17.1	33.0	15.9	167.6	44.8	-	44.8	212.4
Sale / Adjustment *	40.3	1.5	2.5	30.0	7.0	81.3	50.4	(0.1)	50.3	131.6
At March 31, 2018	287.8	37.8	84.3	131.4	248.8	790.1	228.3	25.4	253.7	1,043.8
Depreciation/ Amortisation										
At April 1, 2016	166.4	17.1	32.5	60.7	146.5	423.2	125.8	25.8	151.6	574.8
Additions	47.5	6.6	13.0	23.4	15.9	106.4	48.2	-	48.2	154.6
Sale / Adjustment *	38.8	0.7	1.8	14.3	12.1	67.7	44.5	0.5	45.0	112.7
At March 31, 2017	175.1	23.0	43.7	69.8	150.3	461.9	129.5	25.3	154.8	616.7
Additions	44.6	3.9	12.3	24.4	18.0	103.2	49.4	-	49.4	152.6
Sale / Adjustment *	38.3	1.4	2.4	24.2	5.3	71.6	36.0	(0.1)	35.9	107.5
At March 31, 2018	181.4	25.5	53.6	70.0	163.0	493.5	142.9	25.4	168.3	661.8
Net Block										
At March 31, 2017	58.6	9.1	26.0	58.6	89.6	241.9	104.4	0.0	104.4	346.3
At March 31, 2018	106.4	12.3	30.7	61.4	85.8	296.6	85.4	0.0	85.4	382.0

Notes: (₹ In million)

At March 31, 2017

At March 31, 2018

* Fixed assets sale / adjustments includes effect of foreign currency translation amounting to ₹ 0.0 million (Previous year ₹ 0.3 million).

* Fixed assets sale / adjustments includes effect of foreign currency translation amounting to ₹ 0.0 million (Previous year ₹ 0.0 million).

11. FIXED ASSETS
Fixed assets consist of the following:

(₹ million)

					(₹ in million)							(₹ in million)		
					As at							As at		
					March 31, 2018							March 31, 2018		
					March 31, 2017							March 31, 2017		
12. NON-CURRENT INVESTMENTS														
Non-current investments consist of the following													(₹ in million)	
Name of the Company	Quantity Nos.	Face value per unit	As at March 31, 2018	As at March 31, 2017										
Trade Investments														
In equity instruments (valued at cost) (fully paid)														
Subsidiary Company:														
(a) ICICI Securities Holding Inc. (unquoted)	1,664 (1,664)	₹ 10 / (₹ 10)	728.2	728.2										
Less :Provision for impairment			(605.5)	(605.5)										
			<u>122.7</u>	<u>122.7</u>										
Others (fully paid):														
(a) BSE Limited (quoted)	11,414 (11,414)	₹ 2 / (₹ 2)	0.0	0.0										
(b) Receivable Exchange of India Limited (unquoted)	1,500,000 (1,500,000)	₹ 10 / (₹ 10)	15.0	15.0										
(c) Universal Trustees Private Limited (unquoted)	3,00,000 (180,000)	₹ 10 / (₹ 10)	10.6	9.4										
(d) Parabolic Drugs Limited (quoted)	Nil (794,000)	Nil / (₹ 10)	-	45.5										
			<u>25.6</u>	<u>69.9</u>										
Less :Provision for impairment			(6.7)	(49.4)										
			<u>18.9</u>	<u>20.5</u>										
TOTAL			<u><u>141.6</u></u>	<u><u>143.2</u></u>										
1) Aggregate carrying amount of quoted investments			0.0	2.8										
2) Aggregate market value of quoted investments			8.6	17.9										
3) Aggregate carrying amount of unquoted investments			141.6	140.4										
4) Aggregate amount of diminution in the value of investments			612.1	654.9										
₹ 0.0 million indicates values are lower than ₹ 0.1 million, where applicable														
13. DEFERRED TAX ASSETS														
The break-up of deferred tax assets is given below:														
Deferred tax asset in respect of:														
(a) Provision for doubtful debts			45.0	22.1										
(b) Provision for gratuity			161.5	125.1										
(c) Provision for compensated absence			23.5	9.6										
(d) Provision for lease rent escalation			76.2	65.3										
(e) Depreciation and amortisation			58.6	44.1										
(f) Provision for investments			0.8	5.7										
(g) Provision for long term incentive and statutory bonus			362.1	305.7										
(h) Revenue Recognition			8.1	-										
(i) Provision for foreign currency translation reserve			0.2	-										
(j) Marked to market loss			0.4	0.2										
TOTAL			<u><u>736.4</u></u>	<u><u>577.8</u></u>										
14. LONG TERM LOANS AND ADVANCES														
Long term loans and advances consist of the following:														
Unsecured, considered good (unless stated otherwise)														
i) Capital advances					0.1	-								
ii) Security deposit for leased premises and assets					270.8	334.9								
iii) Security deposit with stock exchanges					55.8	25.8								
iv) Advance tax					1,063.5	971.8								
[net of provision for tax of ₹ 12,642.9 million (March 31, 2017 : ₹ 9,493.7)]														
v) Deposit with related parties														
a) ICICI Lombard General Insurance Company Limited					0.1	0.1								
vi) Security deposit with related parties														
a) ICICI Bank Limited					2.6	2.6								
vii) Other loans and advances														
a) Prepaid expenses					14.4	1.9								
b) Other security deposits					11.2	6.8								
c) Others					12.9	14.0								
TOTAL					<u><u>1,431.4</u></u>	<u><u>1,357.9</u></u>								
15. OTHER NON-CURRENT ASSETS														
Other non-current assets consist of the following:														
Others:														
(a) Interest receivable					0.9	9.0								
(b) Fixed deposits with banks*														
i) In India					24.8	794.1								
ii) Outside India					8.5	8.4								
					<u>33.3</u>	<u>802.5</u>								
TOTAL					<u><u>34.2</u></u>	<u><u>811.5</u></u>								
*Fixed deposits under lien with stock exchanges amounted to ₹ 19.5 million (March 31, 2017: ₹ 731.3 million) and kept as collateral security towards bank guarantees issued amounted to ₹ 11.1 million (March 31, 2017: ₹ 8.6 million) and kept as collateral security against bank overdraft facility amounted to ₹ Nil (March 31, 2017: ₹ 60.0 million) and others ₹ 2.7 million (March 31, 2017: ₹ 2.6 million)														
16. CURRENT INVESTMENTS														
Current investments consist of the following														
(₹ in million)														
Name of the Company	Quantity Nos	NAV per unit	As at March 31, 2018	As at March 31, 2017										
Mutual funds (quoted) :														
ICICI Mutual Fund Fixed Maturity Plan (units of ₹ 10/- each, fully paid)	Nil (50,000)	Nil / ₹ 14.01	-	0.7										
			<u>-</u>	<u>0.7</u>										
Current investments are valued at cost and market value whichever is lower.														
Aggregate carrying amount of quoted investments													-	0.7
Aggregate market value of quoted investments													-	0.7

	Quantity (Face Value)	₹ in million		₹ in million	
		As at March 31, 2018	As at March 31, 2017	As at March 31,2018	As at March 31, 2017
17. STOCK-IN-TRADE					
Stock-in-trade consist of the following:					
(a) Equity shares (quoted) (fully paid)					
IRB InvIT Fund-EQUITY	365,000 (Nil) / ₹ 102 each	29.9	-		
Mahindra Lifespace Developers Limited	100(100) / (₹ 10 each)	0.0	0.0		
		<u>29.9</u>	<u>0.0</u>		
(b) Non-convertible debentures (quoted) (fully paid)					
8.90% Indiabulls Housing Finance Ltd. 26 09 2021	Nil(1,790) / ₹ 1,000 each	-	1.8		
9.10 % Dewan Housing Finance Corp Limited	149,095 (150,095) / ₹ 1,000 each	149.7	150.1		
9.25 % Dewan Housing Finance 09/09/2023	Nil (33,683) / ₹ 100 each	-	33.5		
10.75 %Dewan Housing Finance 23/08/2099	32 (50) / ₹ 1,000,000 each	-	50.3		
RCL Market Linked Debentures Series B-190	Nil (375) / ₹ 100,000 each	-	53.7		
RCL Market Linked Debentures Series B-198	Nil (150) / ₹ 100,000 each	-	21.5		
8.75 % ERFL 22-03-2021	150,000(Nil) / ₹ 1000 each	148.5	-		
		<u>298.2</u>	<u>310.9</u>		
(c) Bonds (quoted) (fully paid)					
8.85 % HDFC Bank 12-05-2099	4 (Nil) / ₹ 1,000,000 each	4.0	-		
8.75 % Axis Bank 28-06-2099	19 (Nil) / ₹ 1,000,000 each	18.9	-		
9.50 % Yes Bank 23-12-2099	25 (Nil) / ₹ 1,000,000 each	25.6	-		
		<u>48.5</u>	<u>-</u>		
TOTAL		<u><u>376.6</u></u>	<u><u>310.9</u></u>		
1) Stock in trade are valued at cost or market value whichever is lower.					
2) Aggregate carrying value of quoted securities		376.6	310.9		
3) Aggregate market value of quoted securities		379.3	314.4		
4) ₹ 0.0 million indicates values are lower than ₹ 0.1 million, where applicable					
18. TRADE RECEIVABLES					
Trade receivables consist of the following:					
Secured					
(a) Receivables outstanding for a period exceeding six months:					
i) Considered good		-	-		
ii) Considered doubtful		-	-		
(b) Others					
i) Considered good		2,599.2	6,519.3		
ii) Considered doubtful		-	-		
Less: Allowances for doubtful debts		-	-		
TOTAL (A)		<u><u>2,599.2</u></u>	<u><u>6,519.3</u></u>		
Unsecured					
(a) Receivables outstanding for a period exceeding six months:					
i) Considered good		3.4	7.8		
ii) Considered doubtful		72.1	46.8		
Less: Allowances for doubtful debts		(72.1)	(46.8)		
(b) Others					
i) Considered good		495.5	570.4		
ii) Considered doubtful		48.6	7.8		
Less: Allowances for doubtful debts		(48.6)	(7.8)		
TOTAL (B)		<u><u>498.9</u></u>	<u><u>578.2</u></u>		
TOTAL (A) + (B)		<u><u>3,098.1</u></u>	<u><u>7,097.5</u></u>		
Dues from directors and officers Nil (March 31, 2017:Nil)					
19. CASH AND BANK BALANCES					
Cash and bank balances consist of the following:					
(i) Cash and cash equivalents					
Cash on hand *		0.0	0.0		
Cheques on hand		-	10.2		
Balances with Banks					
(a) In current accounts with banks					
i) In India with scheduled banks		1,302.6	1,010.1		
ii) Outside India		14.4	32.3		
(b) Fixed Deposit with original maturity less than 3 months		250.0	-		
		<u>1,567.0</u>	<u>1,052.6</u>		
(ii) Other bank balances					
Fixed deposits in India**		13,202.5	7,617.3		
		<u>13,202.5</u>	<u>7,617.3</u>		
TOTAL		<u><u>14,769.5</u></u>	<u><u>8,669.9</u></u>		
* ₹ 0.0 million indicates values are lower than ₹ 0.1 million, where applicable					
** Fixed deposits under lien with stock exchanges amounted to ₹ 11,739.6 million (March 31, 2017 : ₹ 6,936.5 million) and kept as collateral security towards bank guarantees issued amounted to ₹ 372.2 million (March 31, 2017 : ₹ 0.4 million) and kept as collateral security against bank overdraft facility amounted to ₹ 1,089.7 million (March 31, 2017 : ₹ 504.2 million) and others ₹ 1.0 million (March 31, 2017 : ₹ 80.7 million)					
** Fixed deposits other than under lien having original maturity more than 3 months ₹ Nil (March 31, 2017 : ₹ 95.5 million)					
20. SHORT TERM LOANS AND ADVANCES					
Short term loans and advances consist of the following:					
Secured, considered good					
i) Margin trade funding		5,560.0	-		
ii) ESOP Funding		226.9	49.6		
Unsecured, considered good					
i) Security deposit for leased premises and assets		14.1	22.9		
ii) Other loans and advances					
a) Prepaid expenses		33.7	34.0		
b) Advance to creditors		78.8	28.1		
c) Other advances		398.4	189.2		
TOTAL		<u><u>6,311.9</u></u>	<u><u>323.8</u></u>		
21. OTHER CURRENT ASSETS					
Other current assets consist of the following:					
(a) Accrued income from services		366.0	438.5		
(b) Accrued interest		463.4	286.0		
(c) Others		559.8	9.3		
TOTAL		<u><u>1,389.2</u></u>	<u><u>733.8</u></u>		
Others includes amounts due from ICICI Bank Ltd ₹ 545.9 million towards reimbursement of IPO expenses					
22. INTEREST AND OTHER OPERATING INCOME					
Interest and other operating income consist of the following:					
				₹ in million	
				For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Interest on					
i) Fixed deposits and application money		805.8	602.8		
ii) Funding and late payments		746.3	474.3		
iii) Securities held as stock-in-trade		22.0	3.8		
iv) Other advances and deposits		0.2	0.2		
(b) Dividend income		3.0	0.2		
(c) Other income		5.7	9.0		
TOTAL		<u><u>1,583.0</u></u>	<u><u>1,090.3</u></u>		

23. PROFIT / (LOSS) ON SALE OF SECURITIES (NET)

Profit/ (Loss) on sale of securities consist of the following:

	For the year ended March 31, 2018	(₹ in million) For the year ended March 31, 2017
(a) Profit/(loss) on securities held as stock in trade / current investments (net)	215.6	213.9
(b) Profit/(loss) on sale of long term investments (net)	3.5	-
TOTAL	219.1	213.9

24. EMPLOYEE BENEFITS EXPENSES

Employee benefits expense consist of the following:

	For the year ended March 31, 2018	(₹ in million) For the year ended March 31, 2017
(a) Salaries, wages and bonus	4,796.9	4,240.4
(b) Contribution to gratuity / provident and other funds	280.0	268.2
(c) Staff welfare expenses	220.1	226.9
TOTAL	5,297.0	4,735.5

25. OPERATING EXPENSES

Operating expenses consist of the following:

	For the year ended March 31, 2018	(₹ in million) For the year ended March 31, 2017
(a) Brokerage and commission	907.2	616.8
(b) Transaction charges	100.9	89.0
(c) Turnover fees and stamp duty	25.3	6.4
(d) Custodial and depository charges	471.7	378.2
(e) Call centre charges	123.2	125.6
(f) Franking charges 1	93.9	91.0
(g) Scanning expenses	47.1	36.9
(h) Customer loss compensation	16.1	42.2
(i) Other operating expenses	32.7	27.3
(j) Bad and doubtful debts	78.8	34.5
TOTAL	1,896.9	1,447.9
1. Net of recoveries	55.5	39.4

26. FINANCE COSTS

Finance cost consist of the following:

	For the year ended March 31, 2018	(₹ in million) For the year ended March 31, 2017
(a) Interest expense	483.3	276.7
(b) Other borrowing cost	7.9	8.3
TOTAL	491.2	285.0

27. OTHER EXPENSES

Other expenses consist of the following:

	For the year ended March 31, 2018	(₹ in million) For the year ended March 31, 2017
(a) Rent and amenities	665.5	720.3
(b) Insurance	3.8	3.3
(c) Travelling and conveyance expenses	208.6	214.3
(d) Business promotion expenses	124.3	180.5
(e) Repairs, maintenance, upkeep and others	412.8	384.1
(f) Rates and taxes	52.5	54.6
(g) Electricity expenses	63.2	98.6

	For the year ended March 31, 2018	(₹ in million) For the year ended March 31, 2017
(h) Communication expenses	181.7	145.9
(i) (Profit) / Loss on sale of fixed assets (net)	16.8	2.5
(j) Advertisement and publicity	86.2	85.1
(k) Printing and stationery	28.5	32.3
(l) Subscription and periodicals	83.5	75.7
(m) Professional fees	109.2	106.9
(n) Payments to non-executive directors	5.1	4.0
(o) Auditors' remuneration (refer note below) #	8.7	8.6
(p) Corporate Social Responsibility (CSR) expenses (refer note 38)	91.6	65.4
(q) Recruitment expenses	31.0	23.1
(r) Net gain or loss on foreign currency transaction and translation	19.3	0.4
(s) Royalty expenses	33.8	-
(t) Donation	-	0.6
TOTAL	2,226.1	2,206.2

Auditors' remuneration:

	For the year ended March 31, 2018	For the year ended March 31, 2017
For statutory audit	5.3	5.3
for taxation matters	0.6	0.7
for other services (certification)	2.5	2.5
for reimbursement of expenses	0.3	0.1
TOTAL	8.7	8.6

28. EARNINGS PER EQUITY SHARE

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

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Basic & Diluted earnings per share		
Net profit after tax, before preference dividend (₹ in million)	5,533.6	3,376.1
Net profit after tax and preference dividend (₹ in million) (A)	5,533.6	3,376.1
Weighted average no. of equity shares outstanding (in million) (B)	322.1	322.1
Basic and diluted earnings per share (₹) (A) / (B)	17.18	10.48
Nominal value per share (₹)	5.00	5.00

The shareholders of the Company have, at the Extraordinary General Meeting (EGM) held on December 4, 2017 accorded their consent to the consolidation of the authorised and issued equity share capital of the Company by increasing the nominal value of the equity share from ₹ 2/- (Rupees two only) each to ₹ 5/- (Rupees five only) each. The record date for the consolidation was December 8, 2017. Accounting Standard 20 on "Earnings per share", requires an adjustment in the calculation of basic and diluted earnings per share for all the periods presented if the number of equity or potential equity shares outstanding change as a result of consolidation of shares. Pursuant to the shareholders' consent to the consolidation of the equity shares at the EGM mentioned above, the weighted average numbers of shares and consequently the basic and diluted earnings per share have been accordingly adjusted in the financial statements for all the periods presented in accordance with Accounting Standard 20 on "Earnings per share".

29 RELATED PARTY DISCLOSURES

List of Related Parties:

- A. Related party where control exists irrespective whether transactions have occurred or not**
 Holding Company: ICICI Bank Limited
 Subsidiary Companies: ICICI Securities Holding Inc.; ICICI Securities Inc.
- B. Other related parties where transactions have occurred during the year**
Fellow Subsidiaries:
 ICICI Securities Primary Dealership Limited; ICICI Prudential Life Insurance Company Limited; ICICI Lombard General Insurance Company Limited; ICICI Prudential Asset Management Company Limited; ICICI Home Finance Company Limited; ICICI Venture Funds Management Company Limited

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

D. Key Management Personnel

- a) Ms. Shilpa Kumar Managing Director & CEO (from November 1, 2016)
- b) Mr. Anup Bagchi Managing Director & CEO (till October 31, 2016)
- c) Mr. Ajay Saraf Executive Director

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

Nature of Transaction	Holding Company		Subsidiary Companies		Fellow Subsidiary Companies	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Income from services and brokerage (commission and fees)	257.5	399.6				
ICICI Home Finance Company Limited					1.9	28.7
ICICI Prudential Life Insurance Company Limited					513.2	733.7
ICICI Securities Primary Dealership Limited					0.6	1.2
ICICI Lombard General Insurance Company Limited					9.1	9.3
ICICI Prudential Asset Management Company Limited					183.6	76.7
ICICI Securities Inc			11.4	-		
ICICI Venture Funds Management Company Limited					0.5	13.5
ICICI Investment Management Company Limited						
ICICI Bank UK PLC						
Interest income	86.9	216.7				
Staff expenses	12.6	13.0				
ICICI Securities Primary Dealership Limited					(0.2)	(0.0)
ICICI Prudential Life Insurance Company Limited					3.5*	2.4
ICICI Lombard General Insurance Company Limited					92.1	83.0
ICICI Prudential Asset Management Company Limited					(0.1)	-
Operating expenses	633.1	526.2				
ICICI Securities Inc			214.7	161.7		
Other expenses	211.1	154.9				
ICICI Lombard General Insurance Company Limited					3.6	3.2
ICICI Securities Primary Dealership Limited					1.0	1.2
ICICI Prudential Life Insurance Company Limited					1.8	2.9
ICICI Securities Inc			10.5	7.6		
Finance cost	6.2	7.7				
Dividend paid	1,771.8	2,050.3				
Purchase value of bond	-	-				
ICICI Securities Primary Dealership Limited					-	66.4

₹ 0.0 million indicates values are lower than ₹ 0.1 million, where applicable

*Excludes an amount of ₹ 3.5 million (March 31, 2017 : ₹ Nil), received as premium by ICICI Prudential Life Insurance Company Limited from customers of the Company under the Group Insurance Policy. The premium is paid by the customers directly to ICICI Prudential Life Insurance Company Limited.

Nature of Transaction	Holding Company		Subsidiary Companies		Fellow Subsidiary Companies	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Share capital	1,276.1	1,610.7				
Payables	94.8	110.8				
ICICI Lombard General Insurance Company Limited					0.7	0.5
ICICI Securities Primary Dealership Limited					0.2	0.5
ICICI Prudential Life Insurance Company Limited					0.1	0.6
ICICI Securities Inc			87.8	14.6		
Fixed assets purchased	-	1.2				
ICICI Prudential Life Insurance Company Limited					1.7	-

Nature of Transaction	Holding Company		Subsidiary Companies		Fellow Subsidiary Companies	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
ICICI Prudential Asset Management Company Limited					1.0	-
Fixed assets sold	-	3.8				
Investment						
ICICI Securities Holding Inc [Net of Provision of ₹ 605.5 million (Previous year ₹ 605.5 million)]			122.7	122.7		
Fixed deposits	1,717.6	735.4				
Accrued interest income	59.1	42.9				
Bank balance	1,290.4	1,001.5				
(Net of current liabilities of ₹ 0.0 million (Previous year ₹ 4.5))						
Deposit	2.6	2.6				
ICICI Lombard General Insurance Company Limited					0.1	0.1
Loans & advances (including prepaid expenses)	0.1	0.0				
ICICI Lombard General Insurance Company Limited					5.7	4.8
ICICI Prudential Life Insurance Company Limited					2.5	2.1
ICICI Securities Primary Dealership Limited					0.1	0.1
Other current assets	*545.9	-				
Receivables	-	-				
ICICI Prudential Life Insurance Company Limited					17.7	0.3
ICICI Lombard General Insurance Company Limited					1.1	0.0
ICICI Prudential Asset Management Company Limited					22.6	2.1
ICICI Home Finance Company Limited					0.2	3.9
ICICI Venture Funds Management Company Limited					-	9.5
ICICI Securities Primary Dealership Limited					2.1	-
Accrued income	8.6	10.7				
ICICI Lombard General Insurance Company Limited					0.6	0.7
ICICI Prudential Life Insurance Company Limited					33.7	118.2
ICICI Prudential Asset Management Company Limited					1.9	8.8
ICICI Home Finance Company Limited					0.1	3.2
ICICI Venture Funds Management Company Limited					-	0.3

₹ 0.0 million indicates values are lower than ₹ 0.1 million, where applicable

The Company has contributed ₹ 86.8 million (Previous year ₹ 49.0 million) to the corpus of ICICI Foundation for Inclusive Growth as part of the CSR expenditure.

During the year ended March 31, 2018, the Company completed the Initial Public Offering (IPO) through an offer for sale of 66,925,305 equity shares of ₹ 5/- each at a price of ₹ 520/- per equity share, by ICICI Bank Limited, the Holding Company, aggregating upto ₹ 34,801.2 million. As the IPO was through an offer for sale, the Company did not receive any proceeds from the offer and the proceeds were paid to ICICI Bank Limited. Hence the same has not been disclosed under related party disclosure.

*The expenses incurred by the Company in relation to the proposed IPO amounting to ₹ 545.9 million during the year ended March 31, 2018 is reimbursable by ICICI Bank Ltd and it is forming part of other current assets.

Key Management Personnel

The details of compensation paid for the year ended March 31, 2018 as below -

Key Management Personnel	March 31, 2018	
	March 31, 2018	March 31, 2017
Shilpa Kumar, MD & CEO (from November 1, 2016)	31.7	9.8
Anup Bagchi, MD & CEO (till October 31, 2016)	8.5	40.5
Ajay Saraf, Executive Director	28.4	28.4

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

During the year ended March 31, 2009, the Company had paid managerial remuneration which was in excess of the limits specified by the relevant provisions of the Companies Act, 1956. The Company had made an application to the appropriate regulatory authorities in this regard, for payment of such excess remuneration paid to managerial personnel. The limits specified by the Companies Act, 1956 would be ₹ 4.4 million.

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

During the quarter ended March 31, 2018, the Company has recovered the amount which was due from Mr. A Murugappan in line with communication dated February 8, 2012. The Company has communicated the recovery to the Ministry of Company Affairs vide letter dated April 5, 2018

30 EMPLOYEE BENEFITS

a) Gratuity

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

Particulars	Year ended	
	March 31, 2018	March 31, 2017
(₹ in million)		
i) Reconciliation of defined benefit obligation (DBO) :		
Change in Defined Benefit Obligation		
Opening defined benefit obligation	398.7	312.5
Service cost	50.8	39.8
Interest cost	27.7	24.5
Actuarial (gain) / loss	25.4	55.5
Past service cost	1.4	-
Liabilities assumed on acquisition / (settled on divestiture)	13.0	(15.7)
Benefits paid	(48.7)	(18.0)
Closing defined benefit obligation	468.3	398.6
Change in Fair Value of Assets		
Opening fair value of plan assets	40.5	38.5
Expected return on plan assets	0.9	1.3
Actuarial gain / (loss)	0.6	4.3
Contributions by employer	-	30.0
Assets acquired on acquisition / (settled on divestiture)	13.0	(15.6)
Benefits paid	(48.7)	(18.0)
Closing fair value of plan assets	6.3	40.5
ii) Balance sheet		
Net asset / (liability) recognised in the balance sheet:		
Present value of the defined benefit obligations	(468.3)	(398.6)
Fair value of plan assets at the end of the year	6.3	40.5
Unrecognised past service cost	-	-
Net Liability	(462.0)	(358.1)
Liability recognized in the balance sheet	(462.0)	(358.1)
Current	(79.3)	(37.9)
Non-current	(382.7)	(320.2)
iii) Statement of profit and loss		
Expenses recognised in the Statement of Profit and Loss:		
Current Service cost	50.8	39.8
Interest on defined benefit obligation	27.7	24.5
Expected return on plan assets	(0.9)	(1.3)
Actuarial (gain) / loss	24.8	51.2
Past Service Cost	1.4	-
Total included in 'Employee benefits expense'	103.8	114.2
Actual Return on Plan Assets	1.5	5.7

Particulars	Year ended	
	March 31, 2018	March 31, 2017
(₹ in million)		

iv) Investment details of plan assets		
Insurer Managed Funds	85.00%	97.00%
Others	15.00%	3.00%
v) Assumptions		
Interest rate (p.a.)	7.30%	6.75%
Salary escalation rate (p.a.)	7.00%	7.00%
Estimated rate of return on plan assets (p.a.)	8.00%	8.00%

The Company expects to contribute ₹ 20.0 million (March 31, 2017 : ₹ 20.0 million) to Gratuity Fund in 2018-2019.

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

vi) The following table summarizes the experience adjustments

Particulars	Year ended				
	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
(₹ in million)					
Defined benefit obligation	468.3	398.7	312.5	240.8	182.5
Plan assets	6.3	40.5	38.5	60.3	55.7
Surplus/(deficit)	(462.0)	(358.1)	(274.0)	(180.5)	(126.8)
Experience adjustments on plan liabilities	34.5	34.9	24.8	24.1	21.0
Experience adjustments on plan assets	0.6	4.4	(4.9)	10.6	1.0

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

b) Long Term Incentive Plan

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

Assumptions

Particulars	Year ended	
	March 31, 2018	March 31, 2017
Discount rate	6.80%	6.50%
Increase in Incentive amount	0.00%	0.00%

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

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

Particulars	Year ended	
	March 31, 2018	March 31, 2017
(₹ in million)		
Earnings:		
Income from services	279.7	193.7
Expenditure:		
Procurement and other expenses	464.9	363.1

32 CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for is ₹ 17.3 million (March 31, 2017 : ₹ 22.5 million).

33 CONTINGENT LIABILITIES

The following are details of contingent liabilities:

- Direct tax matters disputed by the Company are ₹ 1,046.3 million (March 31, 2017 : ₹ 1,420.3 million).
- Indirect tax matters disputed by the Company are ₹ 156.1 million (March 31, 2017 : ₹ 156.1 million).
- Customer complaints not acknowledged as debts are ₹ Nil (March 31, 2017 : ₹ 32.5 million).
- Underwriting commitments by the Company are Nil (March 31, 2017 : ₹ 1,475.1 million).

34 MICRO, SMALL AND MEDIUM ENTERPRISES

There are no micro, small and medium enterprises, to which the Company owes dues, as at March 31, 2018. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

35 DERIVATIVE INSTRUMENTS

The following are the details of derivative position:

Particulars	As at March 31, 2018		As at March 31, 2017	
	Quantity	Market Value	Quantity	Market Value
	Nos	₹ in million	Nos	₹ in million
Futures :				
Buy	75,000	761.4	51,000	469.1
Options :				
Call Buy	-	-	60,375	0.9
Call Sell	(82,500)	(2.8)	(132,375)	(2.7)
Put Buy	75,000	11.1	101,625	4.9
Put Sell	(105,000)	(6.3)	(197,775)	(8.2)
Interest rate futures (Buy)	-	-	300,000	31.2

36 UN-HEDGED FOREIGN CURRENCY EXPOSURE

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

Particulars	Amount
Receivables	US \$ 0.6 million @ closing of 1 USD = ₹ 65.175 (Previous year US \$ 0.1 million @ closing rate of 1 USD = ₹ 64.85) and GBP 0.0 million @ 1 GBP = ₹ 91.0885 (Previous year GBP Nil)
Payable	US \$ 1.5 million @ closing of 1 USD = ₹ 65.1750, ₹ 99.3 million (Previous year March 31, 2017: US \$ 0.0 million @ closing of 1 USD = ₹ 64.85, ₹ 0.0 million), HK \$ Nil (Previous year March 31, 2017: HK \$ 0.0 million @ closing of 1 HK \$ = ₹ 8.35, ₹ 0.0 million)

₹ 0.0 million indicates values are lower than ₹ 0.1 million, where applicable

37-A LEASE

The Company's significant leasing arrangements are in respect of operating leases for premises which are renewable on mutual consent at agreed terms. Certain agreements provide for cancellation by either party or certain agreements contains clause for escalation and renewal of agreements. The non-cancellable operating lease agreements are ranging for a period 36 to 60 months. There are sub-lease agreements which are renewable on mutual consent at agreed terms. The aggregate lease rentals payable are charged to the statement of profit and loss. The Company has also obtained office equipment and furniture and fixtures on operating lease. The lease period for these also range from 36 months to 60 months.

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

Particulars	(₹ in million)	
	Year ended March 31, 2018	Year ended March 31, 2017
A) Lease payments recognized in the Profit and Loss Account during the year		
- Minimum lease payments	568.3	623.0
- Contingent rent		
Sub-lease payments received/receivable recognized in the statement of profit and loss during the period	31.2	25.0

As per our report of even date attached

For B S R & Co. LLP
ICAI Firm Registration No.: 101248W/W-100022
Chartered Accountants

VENKATARAMANAN VISHWANATH
Partner
Membership No.: 113156

Mumbai, April 14, 2018

Particulars	(₹ in million)	
	Year ended March 31, 2018	Year ended March 31, 2017
B) Total Minimum Lease Payments under non cancellable operating leases for each of the following periods :		
Minimum Lease Payments :		
- Not later than one year	139.6	125.2
- Later than one year but not later than five years	540.8	511.6
- Later than five years	136.8	263.0

37-B Specified Bank Notes (SBN) held and transacted

The details of Specified Bank Notes (SBN) held and transacted during the period November 8, 2016 to December 30, 2016 are as provided in the table below -

Particulars	(₹ in million)		
	Specified Bank Notes	Other Denomination Notes	Total
Closing cash in hand as on November 8, 2016	-	-	-
Add : Permitted receipts	-	0.0	0.0
Less : Permitted payments	-	-	-
Less : Amount deposited in Banks	-	(0.0)	(0.0)
Closing cash in hand as on December 30, 2016	-	-	-

The disclosures regarding details of specified bank notes held and transacted during November 8, 2016 to December 30, 2016 has not been made since the requirement does not pertain to financial year ended March 31, 2018. Corresponding amounts as appearing in the audited standalone financial statements for the period ended March 31, 2017 have been disclosed.

₹ 0.0 million indicates values are lower than ₹ 1 million, where applicable

38 STATEMENT OF CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

Particulars	(₹ in million)	
	Year ended March 31, 2018	Year ended March 31, 2017
a Gross amount required to be spent during the year	91.5	65.4
b Amount spent during the year on		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above - in cash	91.6	65.4
Out of the above, contribution made to related party is as below		
ICICI Foundation for Inclusive Growth	86.8	49.0

39 SEGMENT REPORTING

The Company is preparing consolidated financial statements and hence in accordance with Accounting Standard 17 - Segment Reporting, segment information is presented in the consolidated financial statements.

40 THE COMPANY HAS REGROUPED / RECLASSIFIED PREVIOUS YEAR FIGURES WHEREVER NECESSARY.

For and on behalf of the Board of Directors

CHANDA KOCHHAR
Chairperson
DIN - 00043617

SHILPA KUMAR
Managing Director & CEO
DIN - 02404667

RAJU NANWANI
Company Secretary

ASHVIN PAREKH
Director
DIN - 06559989

AJAY SARAF
Executive Director
DIN - 00074885

HARVINDER JASPAL
Chief Financial Officer