ICICI Bank UK PLC

Directors' report and financial statements

March 31, 2012

Registered number 4663024

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Directors' report

The Directors have pleasure in presenting the ninth annual report of ICICI Bank UK PLC, together with the audited financial statements for the year ended March 31, 2012.

Principal Activities

ICICI Bank UK PLC ("the Bank") is a full service bank offering retail and corporate banking services. The Bank is authorised and regulated by the Financial Services Authority (FSA). The Bank is a wholly owned subsidiary of ICICI Bank Limited, which is India's largest private sector Bank. The key business areas include retail banking, corporate banking, commercial banking and treasury.

The Bank delivers its corporate, commercial and retail banking products and services through eleven branches located in the UK and two branches in mainland Europe, located in Antwerp (Belgium) and Frankfurt (Germany) as well as through online banking.

Business Review

The Bank was incorporated in England and Wales as a private company with limited liability on February 11, 2003 and was converted to a public limited company, assuming the name ICICI Bank UK PLC, on October 30, 2006. As a public limited company, the Bank is able to access the capital markets.

The Bank's corporate business mainly includes banking services for Indian corporations seeking to develop their overall business, including in the UK and Europe, as well as for Europe based multinational corporations which have active trade and investment flows with India. The business strategy of the Bank, has mainly been driven by the increased globalization of the Indian economy, the growing trend of Indian corporates expanding overseas, the large population of non-resident Indians and persons of Indian origin across the globe and overseas companies looking to invest in India.

The Bank provides retail deposit products to UK consumers with a varied product suite including current accounts, savings accounts, online banking and debit cards. Additionally, the Bank offers an interest based savings account and fixed rate term accounts to the UK and German consumers which is supported over internet and phone enabled channels.

Over the past few years, the Bank has taken proactive steps towards balance sheet consolidation and optimisation and effective liquidity and capital management. During the course of FY2012, the Bank focused on key strategic objectives of diversification of the business profile, further optimisation of the balance sheet, continued focus on risk management, maintenance of cost discipline and meeting the requirements of the changing regulatory environment. The Bank successfully implemented the strategic objectives to embed a long term sustainable business model.

The Bank has a senior debt rating of Baa2 from Moody's Investors Service Limited (Moody's).

The Bank has been managed as a single business. For the purposes of the enhanced business review, however, management has described activity within the individual business segments.

Financial Results

The financial statements for the reporting year ended March 31, 2012 are shown on pages 10 to 51.

Directors' report (continued)

Financial Highlights

The financial performance for the financial year 2012 is summarised in the following table:

Profit and loss account

USD 000s, except percentages	Financial 2012	Financial 2011	% Change
Net interest income	**58,440**	74,828	(22%)
Non interest income	**26,639**	28,691	(7%)
Gain on buy back of bonds	**-**	150	(100%)
Mark to market on financial instruments	**(694)**	3,240	(121%)
Total operating income	**84,385**	106,909	(21%)
Operating expenses	**(39,170)**	(44,491)	(12%)
Profit before provisions, charges and taxes	**45,215**	62,418	(28%)
Specific impairment provision and charges	**(11,311)**	(15,021)	(25%)
Collective provision	**6,751**	(2,735)	(347%)
(Loss)/Profit on sale of debt securities	**(5,205)**	6,390	(181%)
Profit before tax	**35,450**	51,052	(31%)
Profit after tax	**25,390**	36,556	(31%)

Balance Sheet

USD 000's, except percentages	Financial 2012	Financial 2011	% Change
Loans and advances	**2,689,210**	4,469,979	(40%)
Investments	**1,173,254**	1,575,373	(26%)
Total assets	**4,084,322**	6,466,780	(37%)
Customer accounts	**2,411,464**	4,210,158	(43%)
Shareholders' funds	**709,640**	683,362	4%

Capital

Ratios	Financial 2012	Financial 2011	Increase
Core Tier 1 ratio	**19.7%**	13.1%	6.60%
Tier 1 ratio	**21.2%**	14.1%	7.10%
Total ratio	**32.4%**	23.1%	9.30%

USD 000's, except percentages	Financial 2012	Financial 2011	% Change
Risk weighted assets	**3,436,999**	5,155,270	(33%)

Key strategic highlights: FY2012

In view of the market and regulatory changes related to higher capital and liquidity requirements, at the beginning of FY2012, the Bank recognized that further changes were required to rebalance both its asset and liability profile. This included reducing the concentration of the corporate loan and the investment portfolio and realigning of the liability composition.

Consequently, during the year both the industrial and geographical concentration of the credit portfolio decreased markedly. The corporate loan portfolio reduced as compared to the previous financial year by 33.5% and the investment portfolio (excluding Treasury Bills) by 55%. During the year, the Bank also extended selective credits and strengthened its trade finance and commercial banking business.

The decrease in retail liabilities was mainly due to maturities of term deposits and was in line with the reduction in assets. The Bank took further steps towards leveraging the institutional funding channels to broaden its funding profile.

Specific focus was given to enhancing the granularity of income streams by implementing and building scale in several non interest income generating businesses. The new business initiatives, such as launch of "Travel Money", "Travel card" and the "Money to India Europe" remittance platform offer

Directors' report (continued)

significant opportunities for growth and complement the Bank's existing core strengths and competencies. The Bank believes that income from an increased number of business streams will help in the diversification of its income profile and will reduce risk across the Bank.

Key Financial highlights: FY2012

As at March 31, 2012, the Bank had total assets of USD 4,084.3 million as compared to USD 6,442.0 million as at March 31, 2011. The profit before tax in FY2012 was lower at USD 35.5 million as compared to USD 51.1 million in FY2011, in line with the reduction in the balance sheet. Total operating income fell by 21% to USD 84.4 million primarily due to the decrease in net interest income resulting from the balance sheet reduction. However, Net Interest Margin (NIM) improved to 1.18% from 1.13% in the previous year. The cost of funds reduced during the year due to maturities of high cost liabilities. The reduction in the investment portfolio also contributed to an improvement in overall asset yields.

Despite a reduction in the balance sheet by 37%, non interest income at USD 26.6 million was only marginally lower than the previous year. The decline was mainly due to lower corporate banking fees. However, the Bank's focus on commercial banking and improvement in remittance volumes led to an increase in commercial and retail banking income by over 60% compared with the previous year.

Disciplined cost management and process efficiencies resulted in a reduction in operating expenses by 12% compared with the previous year. The Bank, however, remains committed to strengthening its control framework to meet enhanced regulatory and reporting obligations.

Specific impairment provisions of USD 8.9 million for investments and USD 2.4 million for corporate loans were booked during the year. The impaired assets coverage ratio at 38% remained consistent with the previous year. The collective provision for loan impairments was reduced by USD 6.7 million as a result of reduction in the corporate loan portfolio.

The Bank paid USD 4.1 million of preference dividend during the financial year. The Bank also paid USD 20.0 million of equity dividend for the first time since its incorporation.

Corporate and Commercial Banking

The Corporate Banking Group continued its focus on the strategy of careful management of the balance sheet through reduction in corporate loans. The group maintained a close focus on key client relationships, while exiting segments and products which were not core to the Bank's growth strategy. Special focus was maintained on supporting India linked global relationships of ICICI Group. In this respect, the group targeted the European market through new relationships with subsidiaries of selected Indian companies and large multinational companies, including global trading houses. In terms of product areas, emphasis was placed on initiating and building transaction and commercial banking and trade finance volumes.

In line with the growth in continental Europe, the Bank's business in Frankfurt, Germany has also been steadily growing, leveraging on expanding Europe-India business opportunities. During FY2012, the Bank established new corporate banking relationships in the German market and increased the funded and non-funded asset portfolio. Given the large volume of trade between India and Germany, the Bank participates in financing such trade through various instruments and products such as supplier's credit and buyer's credit, including credits backed by export credit agency credit insurance.

The Bank through its Frankfurt branch expanded its remittance business by implementing an online remittance platform under the brand name 'Money to India (M2I)' Europe.

Retail Banking

The Retail unit contributed in two significant areas for the Bank, namely liability generation and fee income contribution. The Bank chose to reduce its retail balance as part of its overall strategy of balance sheet consolidation and optimisation during the financial year. This was implemented through a measured reduction in pricing on its savings and fixed rate accounts, as well as a substantially reduced focus on marketing for new customers. The Bank's retail customer account balances stood at USD 2.4 billion as at March 31, 2012 (March 31, 2011: USD 4.2 billion).

Directors' report (continued)

Retail fee income, driven primarily through the Bank's branches, has shown sustained growth of over 30% in FY2012. The Bank continued to have a significant market share of the remittance market to India, as well as a substantial franchise of customer relationships. Several new fee initiatives were launched in FY2012, such as an online travel money product and an Indian Rupee travel card. The Bank won awards for the second consecutive year for its HiSAVE products and service offerings, including being awarded as the 'Best Online Savings Provider' in UK by MoneyFacts, UK's largest consumer financial information agency.

Treasury

The Treasury group of the Bank focuses on managing the balance sheet, supporting the capital needs and managing the market and liquidity risk of the Bank. In preparation for the new liquidity regime of the FSA, Treasury built a Liquid Asset Buffer (LAB) in Government securities and balances with central banks. Further, the group continued to adopt a strategy of maintaining adequate liquidity at all times, both in terms of amount and quality, to ensure that the Bank continues to meet its liabilities as they fall due and to fund the requirements of the balance sheet. The group regularly reviews the Bank's asset/liability maturity mismatches and interest rate positions, and maintains liquidity gaps and interest rate positions within prescribed limits, which are monitored by the Asset and Liability Committee (ALCO) of the Bank. In line with the strategy of diversification of funding sources, the group focused on exploring alternate sources of funding in order to ensure optimal composition of the sources of funds. The Treasury group manages the investment portfolio of the Bank. During the year, the investment book reduced compared with the previous financial year due to strategic sales of bonds. Treasury activity is carried out through the Balance Sheet Management desk, the Investment desk, Global Markets Group (GMG) and Foreign Currency Convertible Bonds (FCCB) desk.

Corporate Governance and Risk Management

Corporate Governance

The Bank's corporate governance framework is based on an effective independent Board, the separation of the Board's supervisory role from the executive management of the Bank and the constitution of Board committees to oversee critical areas and functions of executive management.

The Bank has independent control groups such as Compliance, Risk, Internal Audit, Finance and Legal to facilitate independent evaluation, monitoring and reporting of various risks. These support groups function independently of the business groups and are represented at the various committees.

Effective corporate governance controls and compliance is a prerequisite to achieving the Bank's strategic objectives, particularly at a time when the regulatory landscape is undergoing considerable change. The Bank maintains its focus on controls, governance, compliance and risk management to provide a sound foundation for the business. The Bank continues to ensure embedding of a controls and compliance culture throughout the organization through appropriate training, maintaining adequate resources within the control groups commensurate with the Bank's operations, continuous strengthening of internal systems and processes and effective deployment of technology. Information technology is used as a strategic tool for the Bank's business operations, to gain a competitive advantage and to improve its overall productivity and efficiency.

The Bank has embedded the principles of Treating Customers Fairly (TCF) within its corporate culture and operating procedures. The Bank considers the TCF commitments as a key pillar to serve its customers better. The Bank evaluates the impact of the changing regulatory requirements on an ongoing basis, such as those detailed in the Banking Conduct Regime, Retail Conduct Risk Outlook and Product Intervention discussion paper, in order to enhance its processes and deliver the expected improved outcome for its retail customers.

Risk Management

The Bank has a centralised Risk Management Group with a mandate to identify, assess and monitor all its principal risks in accordance with defined policies and procedures. The Risk Management Group is independent of the business units and the Head of Risk reports directly to the Managing Director and Chief Executive Officer, as well as to the Risk Management Group of the Parent Bank.

Directors' report (continued)

The Bank is primarily exposed to credit risk, market risk, operational risk and compliance and reputation risk. In its lending operations, the Bank is principally exposed to credit risk which generates the largest regulatory capital requirements. Credit risk is the risk of loss that may occur from the failure of any customer or counterparty to make the required repayments on loans due to the Bank as and when they fall due.

The main market risks facing the Bank are interest rate risk arising due to adverse movements in the interest rates, exchange rate risk on foreign currency positions and liquidity risk arising due to the potential difficulty of accessing the financial markets to meet day to day business requirements.

The Bank has an effective Operational Risk management framework, using a Risk and Control Self Assessment (RCSA) approach to identify its operational risks and comprehensive policies, procedures and controls to manage the risks identified. During the year, the Bank made significant progress in further enhancing the governance, control and compliance arrangements. This included a comprehensive review of the Credit Risk Management framework and strengthening of the Operational Risk Management framework.

As part of overall risk management and to adapt to the changing banking regulatory environment in the UK, at the beginning of the year, the Bank had reviewed its business model and conducted a strategic review of its lending portfolio with a view to further diversify its asset base and reduce key concentrations in the portfolio (such as geographical and industry concentration). The Board also approved the revised credit management framework which included new limits on country of risk exposures, type and ratings of loans for enhancing the overall credit risk management of the Bank.

Details of the Bank's governance arrangements, financial risk management objectives and policies, including those in respect of financial instruments, and details of the Bank's indicative exposure to risks are given in Note 33.

Company Secretary

The name of the Company Secretary at the date of the report and who served during the year is as follows:
Ms. Aarti Sharma

Share Capital

During the year ended March 31, 2012, the Bank did not raise equity capital. As at March 31, 2012, the issued and fully paid share capital (including preference shares), amounted to USD 595 million.

Employees

As at March 31, 2012 the Bank had 211 employees. The Bank encourages the involvement of all employees in the Bank's overall performance and profitability. The Bank has a pension scheme operating in the UK in which the employees are entitled to a minimum of five percent contribution of their basic salary. All employees have life insurance cover to the extent of four times their base salary. The Bank also has a private medical insurance plan, which covers employees and their dependents.

The Bank is committed to employment practices and policies which recognise the diversity of its workforce and ensures equality for employees regardless of sex, race, disability, age, sexual orientation or religious belief. Employees are kept closely involved in major changes affecting them through such measures as team meetings, briefings, internal communications and opinion surveys.

The Bank recognises its social and statutory duty to employ disabled persons and has followed a policy of providing, wherever possible, the same employment opportunities for disabled persons as for others.

The Bank follows a conservative and comprehensive approach towards rewards management. The Bank has adopted and implemented a Remuneration Policy which has been approved by the Board Governance and Ethics Committee. The Bank ensures that it adheres to the Remuneration Code guidelines published by the FSA. The Bank's remuneration policy disclosures are made available on the Bank's website: http://www.icicibank.co.uk/personal/basel_disclosures.html.

Directors' report (continued)

Political and charitable contributions

The Bank made no charitable contributions during the financial year 2012 (financial year 2011: USD 8,974). The Bank made no political contributions during the financial year 2012 (financial year 2011: Nil).

Payment to Creditors

The Bank has a regular cycle of obtaining services and releasing payment to creditors and suppliers. The Bank honours payment to its creditors and suppliers as per agreed terms and conditions and within agreed time frame as stipulated in the contract.

Directors

The names of the Directors as at the date of this report and those who served during the year are as follows:

Mrs. Chanda Kochhar	Chairperson of the Board
Mr. N.S. Kannan	Non Executive Director
Mr. William Michael Thomas Fowle	Independent Non Executive Director (Served till January 24, 2012)
Mr. Richard Michael James Orgill	Independent Non Executive Director (Served till March 31, 2012)
Dr. Mohan Lal Kaul	Independent Non Executive Director
Mr. Richard Banks	Independent Non Executive Director
Mr. Jonathan Britton	Independent Non Executive Director (Appointed effective October 03, 2011)
Mr. John Burbidge	Independent Non Executive Director (Appointed effective January 23, 2012)
Mr. Suvek Nambiar	Managing Director and CEO

During the year, Mr. William Michael Thomas Fowle and Mr. Richard Michael James Orgill retired from the Non Executive Director positions of the Bank.

Disclosure of information to the Auditor

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Bank's Auditor is unaware; and each Director has taken all the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Bank's auditor is aware of that information.

Auditor

In accordance with Section 489 of the Companies Act 2006, a resolution for the re-appointment of KPMG Audit Plc as auditor of the Bank is to be proposed at the forthcoming Annual General Meeting.

By order of the Board

Suvek Nambiar
Managing Director & Chief Executive Officer

Aarti Sharma
Chief Financial Officer & Company Secretary

April 24, 2012
Registered address:
One Thomas More Square
London E1W 1YN

Statement of Directors' responsibilities in respect of the Directors' Report and the financial statements

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law, the Directors must not approve the financial statements unless they are satisfied that the statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible to report a fair review of the development and performance of the business and the position of the company together with a description of the principal risks and uncertainties faced by the company. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Bank's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Board

Suvek Nambiar	**Aarti Sharma**
Managing Director & Chief Executive Officer	Chief Financial Officer & Company Secretary

April 24, 2012

Report of the independent auditor to the members of ICICI Bank UK PLC

We have audited the financial statements of ICICI Bank UK PLC ("the Bank") for the year ended March 31, 2012 set out on pages 10 to 51. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the Bank's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Bank's members we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Bank and the Bank's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 8, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/UKNP.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Bank's affairs as at March 31, 2012 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Helen Ruth Horgan
Senior Statutory Auditor
for and on behalf of KPMG Audit Plc, Statutory Auditor

Chartered Accountants
15 Canada Square
London E14 5GL

April 24, 2012

Profit and loss account
for the year ended March 31, 2012

	Note	**Year ended March 31, 2012 USD 000s**	Year ended March 31, 2011 USD 000s
Interest income and similar income arising on debt securities		**21,078**	30,887
Other interest income and similar income		**175,104**	226,787
Interest expense		**(137,742)**	(182,846)
Net interest income		**58,440**	74,828
Fees and commissions receivable		**16,514**	23,578
Foreign exchange revaluation gains		**9,277**	2,828
(Loss)/Income on financial instruments at fair value through profit and loss	5	**(694)**	3,240
Other operating income	6	**848**	2,285
Gains on buy back of bonds	7	**-**	150
Operating income		**84,385**	106,909
Administrative expenses	8	**(37,630)**	(42,153)
Depreciation	21	**(1,540)**	(2,338)
Specific impairment on investment securities	19	**(8,916)**	1,112
Impairment on loans and advances	18	**4,356**	(18,868)
(Loss)/Profit on sale of debt securities		**(5,205)**	6,390
Profit on ordinary activities before tax		**35,450**	51,052
Tax on profit on ordinary activities	11	**(10,060)**	(14,496)
Profit on ordinary activities after tax		**25,390**	36,556

The dividends paid during the year (not included above) are detailed below:

	Year ended March 31, 2012 USD 000s	Year ended March 31, 2011 USD 000s
Preference Dividend	**(4,125)**	(4,125)
Ordinary shares Dividend	**(20,000)**	-

The result for the year is derived entirely from continuing activities.

The notes on pages 14 to 51 form part of these financial statements.

Balance sheet
at March 31, 2012

	Note	**March 31, 2012 USD 000s**	March 31, 2011 USD 000s
Assets			
Cash		**1,255**	1,057
Loans and advances to banks	15	**301,503**	875,384
Loans and advances to customers	16	**2,387,707**	3,594,595
Investment in Treasury Bills	19	**693,723**	517,435
Investment Securities other than Treasury Bills	19	**479,531**	1,057,938
Tangible fixed assets	21	**8,487**	9,760
Other assets	22	**182,211**	337,406
Prepayments and accrued income		**29,905**	48,445
Total assets		**4,084,322**	6,442,020
Liabilities			
Deposits by banks	23	**318,651**	355,627
Customer accounts	24	**2,411,464**	4,210,158
Debt securities and subordinated liabilities	25	**372,621**	838,492
Other liabilities	26	**222,742**	262,727
Accruals and deferred income		**49,204**	91,654
Total Liabilities		**3,374,682**	5,758,658
Shareholders' funds:			
Ordinary share capital	27	**545,095**	545,095
Preference share capital	27	**50,000**	50,000
Capital Contribution		**3,151**	2,131
Retained earning		**149,278**	148,013
Available for sale reserve		**(37,884)**	(61,877)
Total Equity		**709,640**	683,362
Total Equity and Liabilities		**4,084,322**	6,442,020

The notes on pages 14 to 51 form part of these financial statements

These financial statements were approved by the Board of Directors on April 24, 2012 and were signed on its behalf by:

Suvek Nambiar
Managing Director & Chief Executive Officer

Aarti Sharma
Chief Financial Officer
& Company Secretary

ICICI Bank UK PLC
Registered number 4663024

Statement of total recognised gains and losses
for the year ended March 31, 2012

	Note	March 31, 2012 USD 000s	March 31, 2011 USD 000s
Profit on ordinary activities after tax		**25,390**	36,556
Movement in available for sale reserve			
- Movement in fair value during the year		**30,020**	17,962
- Amount transferred to the profit and loss account in respect of impairment		**-**	14,905
Movement in available for sale reserve		**30,020**	32,867
Taxation relating to available for sale reserve	11	**(6,027)**	(9,203)
Net movement in available for sale reserve		**23,993**	23,664
Total gains and losses recognised		**49,383**	60,220

The notes on pages 14 to 51 form part of these financial statements.

**Reconciliation of movements in shareholders' funds
for the year ended March 31, 2012**

	Issued Share Capital USD 000s	Profit and loss Account USD 000s	Available for Sale Reserve USD 000s	Other USD 000s	Total USD 000s
As at April 1, 2010	595,095	115,582	(85,541)	1,467	626,603
Capital Contribution (Share based payments)	-	-	-	664	664
Unrealised gain on available for sale securities	-	-	32,867	-	32,867
Tax impact	-	-	(9,203)	-	(9,203)
Profit on ordinary activities after tax	-	36,556	-	-	36,556
Preference dividend paid during the year	-	(4,125)	-	-	(4,125)
As at April 1, 2011	595,095	148,013	(61,877)	2,131	683,362
Capital Contribution (Share based payments)	**-**	**-**	**-**	**1,020**	**1,020**
Unrealised gain on available for sale securities	**-**	**-**	**30,020**	**-**	**30,020**
Tax impact			**(6,027)**		**(6,027)**
Profit on ordinary activities after tax		**25,390**			**25,390**
Preference dividend paid during the year		**(4,125)**			**(4,125)**
Equity dividend paid during the year		**(20,000)**			**(20,000)**
Closing shareholders' funds as at March 31, 2012	**595,095**	**149,278**	**(37,884)**	**3,151**	**709,640**

The notes on pages 14 to 51 form part of these financial statements.

Notes
(Forming part of the financial statements)

1 Reporting entity

ICICI Bank UK PLC ("ICICI Bank" or "the Bank"), is a Company incorporated in the United Kingdom. The Bank's registered address is - One Thomas More Square, London E1W 1YN. The Bank is primarily involved in providing a wide range of banking and financial services including retail banking, corporate and commercial banking, trade finance and treasury services.

2 Basis of preparation

(a) Statement of Compliance

The financial statements of the Bank have been prepared in accordance with the UK GAAP as issued by the Accounting Standards Board.

(b) Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with the special provisions of Part XV of the Companies Act 2006 relating to banking companies and applicable accounting standards except for derivative financial instruments, financial instruments at fair value through profit or loss and available for sale financial assets which are valued at fair value.

(c) Functional and presentation currency

The financial statements are prepared and presented in US Dollars, which is the functional currency of the Bank as it represents the currency of the primary economic environment in which the Bank operates. A significant proportion of the banking assets and revenues are transacted in US Dollars.

(d) Cash flow exemptions

Under FRS 1 the Bank is exempted from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Bank in its own published consolidated financial statements (see Note 40).

(e) Related party exemptions

As the Bank is a wholly owned subsidiary of ICICI Bank Limited, the Bank has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of ICICI Bank Limited (see Note 40).

(f) Going concern

The financial statements are prepared on a going concern basis as the Bank is satisfied that it has the resources to continue in business for the foreseeable future. The Bank meets its liquidity requirements through managing both retail and wholesale funding sources and meets the regulatory liquidity requirements through maintaining a liquid asset buffer (LAB). With regard to Capital, the Bank maintains a capital buffer over regulatory capital requirements. The Bank's risk management policies and procedures are outlined in Note 33.

The Bank is a wholly owned subsidiary of ICICI Bank Limited. The Parent Bank has issued a letter of comfort to the Bank's regulator, the Financial Services Authority (FSA), stating that the Parent Bank intends to financially support the Bank in ensuring that it meets all of its financial obligations as they fall due.

In addition, the Bank's forecasts and projections, taking account of possible changes in its business model in subsequent years, including stress testing and scenario analysis, show that the Bank will be able to operate at adequate levels of both liquidity and capital for the foreseeable future. In making their assessment, the Directors have also considered future projections of profitability, cash flows and capital resources as well as the strategic review of the business model which is conducted on a periodic basis. The Bank has been maintaining a strong Capital adequacy and Tier 1 capital ratio. The Directors are satisfied that the Bank has adequate resources to continue in business for the foreseeable future and therefore it is appropriate to prepare the Annual Accounts on a going concern basis.

3 Significant accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

(a) Interest income and expense

Interest income and expense are recognised in profit and loss using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or where appropriate, a shorter period) to the carrying amount of the financial asset or liability. When calculating the effective interest rate, the Bank estimates the future cash flows considering all contractual terms of the financial instruments but not the credit losses. The effective interest rate is established on initial recognition (or upon reclassification) of the financial asset and liability and is not revised subsequently.

(b) Fees and commissions income and expense

Fees and commission are recognised in the profit and loss account when the service has been rendered, except when those fees are an adjustment to the yield on the related asset, in which case they are amortised over the expected maturity of the asset using the effective interest rate method. Fees and commissions payable on borrowings raised are expensed to the profit and loss account over the life of the borrowing raised using the effective interest rate method and are included in interest expense.

(c) Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies are translated into US Dollars at the exchange rates ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account. Income and expenses denominated in foreign currencies are converted into US Dollars at the rate of exchange ruling at the date of the transaction.

(d) Investment securities

Investment securities are initially measured at fair value plus, in case of investment securities not classified as at fair value through profit or loss, incremental direct transaction costs. Subsequently accounted for, depending on their classification, as either held to maturity, loans and receivable, fair value through profit or loss, or available for sale.

(e) Financial assets and financial liabilities

The Bank initially recognises loans and advances, deposits, debt securities issued and subordinated liabilities on the date of origination.

The Bank classifies its financial assets in the following categories: financial instruments at fair value through profit and loss; loans and receivables; available for sale financial assets and held to maturity investments. The management determines the classification of financial assets at initial recognition. The financial assets are de-recognised when the rights to receive cash flows have expired or the Bank has transferred substantially all the risks and rewards of ownership. Financial assets are recognised at trade date, being the date on which the Bank commits to purchase or sell the assets.

Financial liabilities (other than derivatives) are measured at amortised cost and are recognised at trade date. They are de-recognised when liabilities are extinguished.

(f) Loans and receivables

Loans and receivables, which include loans and advances and other receivables, are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and which are not classified as held for trading, designated at fair value through profit and loss, available for sale or held to maturity. Loans and receivables are initially recognised at fair value including direct and incremental transaction costs. They are subsequently valued at amortised cost using effective interest rate method. Loans and receivables are stated at amortised cost after deduction of amounts which are required as impairment provisions. Where loans have been acquired at a premium or discount, these premiums and discounts are amortised through the profit and loss account from the date of acquisition to the expected date of maturity using the effective interest rate method.

Policy in relation to write-offs: The Bank writes off its exposure in full when the Bank has pursued all remedies available to it and all underlying processes to recover have been exhausted. Write off may also be considered when a recovery is not anticipated to be made for at least twelve months and the interest is not being serviced. Any amount written off is in the first instance applied against specific provision for the exposure. In the normal course of business the loss to be written off will already have been fully provided. Any decision for a write-off is approved by the Board Credit Committee of the Bank.

Policy in relation to write back: If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the previously recognised impairment loss is reversed either directly or by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss. Any recovery related to a written off asset is recognised in the profit and loss.

***(g)* Fair value measurement**

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction, on the measurement date. This is determined by reference to the quoted bid price or asking price (as appropriate) in an active market wherever possible.

When independent prices are not available or if the market for a financial instrument is not active, fair values are determined by using valuation techniques which refer to observable market data. These include comparison with similar instruments where market observable prices exist, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants. Fair values of financial instruments may be determined in whole or in part using valuation techniques based on assumptions that are not supported by prices from current market transactions or observable market data.

In case of unobservable inputs or in case of unlisted entities, the inputs into valuations based on unobservable data are inherently uncertain because there is little or no current market data available from which the level at which an arm's length transaction would occur under normal business conditions could be determined. In such cases, estimates are made in the valuation technique to reflect uncertainties in fair values resulting from a lack of market data inputs. These include most recent arm's length transaction between knowledgeable, willing parties; reference to fair value of a similar instrument; discounted cash flow; or option pricing models.

However, the valuation techniques incorporate all factors that market participants have considered in setting a price; and have been consistent with accepted economic methodologies for pricing financial instruments.

Note 19 provide a detailed disclosure regarding classification and Fair value of instruments held by the Bank.

***(h)* Financial instruments at fair value through profit and loss**

Financial instruments are classified in this category if they are held for trading. Instruments are classified as held for trading if they are:

i) Acquired/incurred principally for the purposes of selling or repurchasing in the near term; or

ii) Part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking.

iii) It is a derivative (except for derivative that is a financial guarantee contract or a designated as effective hedging instrument).

Financial instruments cannot be transferred into or out of this category after inception except certain assets on reclassification. Financial instruments included in this category are recognised initially at fair value and transaction costs are taken directly to the profit and loss account. Financial instruments at fair value through profit and loss include debt securities which are held for trading and valued at fair value.

Derivatives are carried at fair value in the balance sheet within 'Other assets' and 'Other liabilities'. Valuation adjustments to cover credit and market liquidity risks are made with gains and losses taken directly to the profit and loss account and reported within income/ (loss) on financial instruments at fair value through profit and loss. Positive and negative fair values of derivatives are offset where the contracts have been entered into under netting agreements or other arrangements that represent a legally enforceable right of set-off, which will survive the liquidation of either party, and there is the intention to settle net.

***(i)* Held to maturity financial assets**

Held-to-maturity investments are non-derivative assets with fixed or determinable payments and fixed maturity that the Bank has the positive intent and ability to hold to maturity, and which are not designated at fair value through profit or loss or as available for sale. Held-to-maturity investments are carried at amortised cost using the effective interest method.

***(j)* Available for sale financial assets**

Available for sale financial assets are those non-derivative financial assets that are designated as available for sale and are not categorised into any of the other categories described above. They are initially recognised at fair value including direct and incremental transaction costs. They are subsequently held at fair value. Gains and losses arising from changes in fair value are included in the available for sale securities reserve until sale/ derecognition, when the cumulative gain or loss is transferred to the profit and loss account.

Impairment losses on available for sale investment securities are recognised by transferring the cumulative loss that has been recognised directly in equity to profit and loss. The cumulative loss that is removed from equity and recognised in profit and loss is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss previously recognised in profit or loss.

If, in a subsequent period, the fair value of an impaired available for sale debt security increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed, with the amount of the reversal recognised in profit or loss. However, any subsequent recovery in the fair value of an impaired available for sale equity investment is recognised directly in equity since it cannot be reversed through the profit and loss account.

***(k)* Reclassification of financial assets**

The amendment to FRS 26 issued on October 10, 2008 permits an entity to reclassify non-derivative financial assets (other than those designated at fair value through profit or loss by the Bank upon initial recognition) out of the fair value through profit and loss category in rare circumstances. The amendment also permits an entity to transfer from the available for sale category to the loans and receivables category a financial asset that would have met the definition of loans and receivables and if the entity has the intention and ability to hold that financial asset for the foreseeable future.

When a financial asset is reclassified, it is reclassified at its fair value on the date of reclassification. Any gain or loss already recognized in the profit and loss account or shareholder equity, as appropriate, is not reversed. The fair value of the financial asset on the date of reclassification becomes its fair value or amortised cost, as applicable.

***(l)* Derivatives held for risk management purposes and hedge accounting instruments and hedging activities**

Transactions are undertaken in derivative financial instruments (derivatives), which include interest rate swaps, futures, forward rate agreements, currency swaps, options and similar instruments, for trading

and non-trading purposes. The Bank may designate a derivative as either a hedge of the fair value of a recognised fixed rate asset or liability or an unrecognised firm commitment (fair value hedge), a hedge of a forecasted transaction or the variability of future cash flows of a floating rate asset or liability (cash flow hedge) or a foreign-currency fair value or cash flow hedge (foreign currency hedge). All derivatives are recorded as assets or liabilities on the balance sheet at their respective fair values with unrealised gains and losses recorded either in reserves or in the profit and loss account, depending on the purpose for which the derivative is held. Derivatives that do not meet the criteria for designation as a hedge under FRS 26 at inception, or fail to meet the criteria thereafter, are accounted for in other assets with changes in fair value recorded in the profit and loss account.

Changes in the fair value of a derivative that is designated and qualifies as a fair value hedge, along with the gain or loss on the hedged asset or liability that is attributable to the hedged risk are recorded in the profit and loss account as other non-interest income. To the extent of the effectiveness of a hedge, changes in the fair value of a derivative that is designated and qualifies as a cash flow hedge, are recorded in reserves. For all hedging relationships, ineffectiveness resulting from differences between the changes in fair value or cash flows of the hedged item and changes in the fair value of the derivative are recognised in the profit and loss account as other non-interest income.

At the inception of a hedge transaction, the Bank formally documents the hedging relationship and the risk management objective and strategy for undertaking the hedge. This process includes identification of the hedging instrument, hedged item, risk being hedged and the methodology for measuring effectiveness. In addition, the Bank assesses both at the inception of the hedge and on an ongoing quarterly basis, whether the derivative used in the hedging transaction has been highly effective in offsetting changes in fair value or cash flows of the hedged item, and whether the derivative is expected to continue to be highly effective.

The Bank discontinues hedge accounting prospectively when it is either determined that the derivative is no longer highly effective in offsetting changes in the fair value or cash flows of a hedged item; the derivative expires or is sold, terminated or exercised; the derivative is de-designated because it is unlikely that a forecasted transaction will occur; or management determines that designation of the derivative as a hedging instrument is no longer appropriate.

When a fair value hedge is discontinued, the hedged asset or liability is no longer adjusted for changes in fair value and the existing basis adjustment is amortised or accreted over the remaining life of the asset or liability. When a cash flow hedge is discontinued but the hedged cash flow or forecasted transaction is still expected to occur, gains and losses that were accumulated in reserves are amortised or accreted into the profit and loss account. Gains and losses are recognised in the profit and loss account immediately if the cash flow hedge was discontinued because a forecasted transaction did not occur.

The Bank may occasionally enter into a contract (host contract) that contains a derivative that is embedded in the financial instrument. If applicable, an embedded derivative is separated from the host contract and can be designated as a hedge; otherwise, the derivative is recorded as a freestanding derivative. Such financial instruments stand extinguished at the time of conversion (debt into equity), sale and maturity.

***(m)* Identification and measurement of impairment**

Impairment provisions / charges are made where there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset and that loss event (or events) has an impact on the estimated future cash flows from the asset that can be reliably estimated. Losses expected as a result of future events are not recognised. Evidence of impairment is considered on both individual and portfolio basis.

Refer Note 4 (a) and Note 4 (b) for the detailed policy guidance.

***(n)* Tangible fixed assets**

Fixed assets are stated at cost less accumulated depreciation and impairment. Cost includes expenditures that are directly attributable to the acquisition of the asset

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets on a straight-line basis over their estimated useful economic lives as follows:

Leasehold improvements	Over the lease period
Office equipment	6 – 7 years
Furniture, fixtures and fittings	6 – 7 years
Computer hardware and software	3 – 4 years

Depreciation methods, useful life and residual values are reviewed at each balance sheet date.

(o) Provisions

Provisions are recognised when it is probable that an outflow of economic benefits will be required to settle a present, legal or constructive obligation, which has arisen as a result of a past event and for which a reliable estimate can be made of the amount of the obligation. All significant provisions have been discounted for current market assessments and the time value of money.

(p) Deposits, debt securities issued and subordinated liabilities

Deposits, debt securities issued and subordinated liabilities are the sources of debt funding. Deposits, debt securities issued and subordinated liabilities are initially measured at fair value plus directly attributable transaction costs, and subsequently measured at their amortised cost using the effective interest method.

(q) Income tax expense

Income tax expense comprises current and deferred tax. Income tax and deferred tax expense is recognised in the profit and loss statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantially enacted at the reporting date and includes any adjustment to tax payable in respect of previous years.

Deferred tax is recognised, in respect of all timing differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. As required by FRS 19 "Deferred Tax", deferred tax is measured at the tax rates expected to be applied to the temporary difference when they reverse, based on the tax laws that have been enacted or substantially enacted by the reporting date. Deferred tax assets are recognised to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be sufficient future taxable profits from which the future reversal of the underlying timing differences can be deducted.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(r) Employee benefits

The Bank operates a stakeholder defined contribution pension scheme. Contributions to the scheme are charged to the profit and loss account as incurred.

(s) Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the non-cancellable lease term provided the same is ascertainable unless another basis is more appropriate.

(t) Share based payments

The Parent Bank (ICICI Bank Limited) has issued share options to the employees of ICICI Bank UK PLC. These transactions are recognised as equity-settled share based payments. The expense is recognised over the vesting period based on the market value of shares as on the date of grant of shares, adjusted for the number of the employees leaving the Bank. A capital contribution from the Parent Bank is recognised in the books over the vesting period in the shareholders' funds.

(u) **Cash and cash equivalents**

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with central banks and highly liquid financial assets with original maturities of less than three months, which are subject to insignificant risk of changes in their fair value, and are used by the Bank in the management of its short-term commitments.

(v) **Share Capital**

Shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from proceeds, net of tax.

4 Significant judgements and estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Estimates, judgements and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. The accounting policies deemed critical to the Bank's results and financial position, based upon significant judgements and estimates, are discussed below.

(a) **Allowances for credit losses**

The Bank regularly reviews its loan portfolio to assess for impairment. Provisions are established to recognise incurred losses in the loan portfolio carried at amortised cost. In determining whether an impairment has occurred at the balance sheet date, the Bank assesses if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. It may not be possible to identify a single, discrete event that caused the impairment rather the combined effect of several events may have caused the impairment.

The Bank's policies governing specific impairment, restructuring/renegotiation and collective provision are detailed below:

i) **Specific impairment**: In accordance with the Bank's Credit Risk Management Policy (CRMP), the Bank identifies on a monthly basis, cases that are internally rated 'B' or below and/or significantly in breach of any covenants, including delays in debt servicing and/or where there is an expectation of significant credit deterioration.

   Borrower's financial difficulty / credit deterioration / trigger event: The Bank assesses an asset for specific impairment if it becomes probable that the borrower is facing significant financial difficulty. The Bank also assesses for specific impairment and makes specific provision if necessary, if there is evidence of any significant credit deterioration or any event which indicates a reduced ability for the borrower to repay its interest and principal. The indicators of impairment can include, among other things -

   a) Net worth of the risk counterparty/borrower turning negative
   b) Delay in interest and or principal repayments
   c) Breach in financial covenants
   d) Likelihood of borrower entering bankruptcy/ financial reorganization.
   e) Rating downgrade by external credit rating agencies.
   f) National or local economic conditions that correlate with defaults on the assets in the borrower group (e.g. an increase in the unemployment rate in the geographical area of the borrowers, a decrease in oil prices for loan assets to oil producers, or adverse changes in industry conditions that affect the borrowers in the group).
   g) Substantial decline in value of security provided to the Bank, especially when security is prime consideration for the lending. The unsecured portion of the exposure may be subjected to impairment testing.
   h) Invocation of contractual comfort by the Bank such as corporate guarantee/put option which is not honoured by the counterparty.

The Bank's policy is to identify and recognize impairment in a loan when it is probable that the Bank will not be able to collect, or there is no longer a reasonable certainty that the Bank will collect all amounts due according to the contractual terms of the loan agreement. In line with ICICI Bank Limited group policy, the Bank considers past due cases as impaired if the principal or interest on a loan is ninety days overdue as at the end of the quarter and the Bank does not have a realistic prospect of recovery of the amounts outstanding in the near term. The objective of the policy is to maintain a prudent level of provision reflective of the risk profile of the loan portfolio. It is not the Bank's policy to systematically over-provide or under-provide for its Credit Risk. The provision weightings included in the policy document are continually monitored against the lending experience of the Bank and are periodically adjusted to reflect such experience.

The Bank's policy is predicated on the premise that regardless of the quality of a lending institution and of its systems and procedures and of its client base the business of extending credit carries the intrinsic risk of such credit not being repaid and monies advanced proving to be irrecoverable. In accordance with the guidelines of FRS 26, an impairment loss for financial assets measured at amortized cost is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. The estimated future cash flows include only those credit losses that have been incurred at the time of the impairment loss calculation. In case the expected cash flows are not available, the breakup value of security/collateral for respective facilities under watch is calculated based on the most recent valuation available. In line with accounting guidelines, the Bank recognises an impairment loss equal to the best estimate within the range of reasonably possibly outcomes, taking into account all relevant information available about conditions existing at the end of the reporting period.

ii) **Restructured / renegotiated cases**: A restructured account is one where the Bank, for economic or legal reasons relating to the borrower's difficulty, grants to the borrower concessions that the Bank would not otherwise consider. Restructuring would normally involve modification of the terms of advances/securities which could include alteration of repayment period/ repayable amount/ the amount of instalments /rate of interest (due to reasons other than competition). The restructuring of an asset is only granted in situations where the customer has showed a willingness to repay the borrowing and is expected to be able to meet the revised terms of the restructuring. The Bank measures a restructured troubled loan by reducing its recorded value to its net realisable value, taking into account the cost of all concessions at the date of the restructuring. The reduction in the carrying value is recorded as a charge to the profit and loss statement in the period in which the loan is restructured.

In relation to loans and advances, the modifications of terms and conditions related to security and collateral arrangements or the waiver of certain covenants which do not affect payment arrangements, are not regarded as sufficient indicators of impairment or restructuring, as such changes do not necessarily indicate credit issues affecting the borrower's payment ability.

The Bank charges penal interest to the borrower for any delay in interest/ principal payment unless a waiver has been approved by the Bank's relevant authority. As per the Bank's practice, such waivers are given in exceptional circumstances which could be mainly related to procedural delays in receiving the interest/principal payment by the due date.

iii) **Collective provision**: Collectively assessed impairment allowances cover credit losses inherent in portfolios with similar economic characteristics, when there is objective evidence to suggest that they contain impaired claims, but, the individual impaired items cannot yet be identified. In assessing the need for collective impairment allowances, management considers factors such as historical loss trends, credit quality of the portfolio, portfolio size, concentrations, and economic factors. The aggregate amount of specific and collective provisions is intended to be sufficient to absorb estimated credit losses generated in the loan portfolio.

The collective impairment policy as defined in the CRMP stipulates that collective provision, based on the credit rating of the exposures, needs to be provided in respect of the entire performing loan and receivables portfolio. The Bank has followed FRS 26 guidelines for defining its collective impairment policy wherein the provisioning is determined by the extent of the underlying credit risk in the portfolio of the Bank. This is also the direction provided by the Basel Accord. The exposures that are individually assessed for impairment and for which an impairment loss is or

continues to be recognised, are not included in the collective assessment of impairment. In line with market practice, the Bank has been using a representative set of Probability of Default (PD) / Loss Given Default (LGD) data to determine the extent of provisioning required to be made by the Bank in respect of its performing loan portfolio on a collective basis. The aggregate provisioning requirement is arrived at by multiplying the outstanding amounts under each portfolio type (internally rated and externally rated exposures) on the relevant date with the corresponding PD and LGD of that rating band.

In the absence of an adequate default history of its own and on account of a similar internal credit rating scale, the Bank has used Probability of Default (PD) data of its Parent (ICICI Bank Limited) for estimating the collective provisioning on its internally rated portfolio. For the internally rated corporate portfolio, the Bank has used the average one year PDs for each rating category based on data from the Parent Bank's portfolio from FY2004 onwards (from FY2004 to FY2011 for the collective impairment exercise for FY2012). For the externally rated Asset Backed Securities (ABS) held as loan, the average one year PD data for structured finance transactions, published by Standard and Poor (S&P) for the period 1978-2011 has been used to calculate the collective provision. For the internally rated portfolio, the LGD has been assumed at 45.0% in line with Basel-II provisions for senior unsecured debt, while for the externally rated portfolio, the LGD has been assumed at 50.0% based on S&P's experience of recovery rates among global corporates.

The historical average PD data being used are 'through the cycle' default rates and capture periods of low economic activity when relatively higher default rates were observed in the Parent Bank's portfolio. The Bank has conservatively assumed LGD in excess of historic specific provisioning levels to estimate the loss in its portfolio. Further the Management of the Bank assesses the portfolio for any additional provisioning (referred to as 'management overlay') on a particular segment of/ specific assets in the portfolio based on risk concentration and conservative estimate of losses. A management overlay may be considered when the specific impairment testing of an impaired asset assesses no currently observable impairment loss based on security cover and collateral value.

***(b)* Impairment of available for sale financial assets**

The Bank regularly reviews its available for sale securities portfolio to assess for impairment. The Bank considers all available evidence, including observable market data or information about events specifically relating to the securities which may result in a shortfall in recovery of future cash flows. These events may include a significant financial difficulty of the issuer, a breach of contract such as a default, bankruptcy or other financial reorganisation, or the disappearance of an active market for the debt security because of financial difficulties relating to the issuer, information about the issuer's liquidity, business and financial risk exposures, level of and trends in default for similar financial assets, national and local economic conditions. While assessing ABS for objective evidence of impairment, the Bank considers the performance of the underlying collateral, changes in credit rating, credit enhancements, default events etc. Once impairment has been identified, the amount of impairment is measured based on the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss previously recognised in profit or loss. In determining whether an impairment event has occurred at the balance sheet date, the Bank considers whether there is any observable data which comprises evidence of the occurrence of a loss event, and evidence that the loss event results in a decrease in estimated future cash flows or their timings. Such observable data includes any adverse change in the payment status of borrowers or changes in economic conditions that correlate with defaults on loan repayment obligations. A significant or prolonged decline in the fair value of an available for sale equity investment below its cost is evidence of impairment considered by the Bank.

The negative mark to market on the AFS portfolio is monitored by the Bank on a regular basis. The Bank follows its valuation policy for valuing its AFS portfolio (refer point (c) relating to 'Valuation of financial instruments' below).

(c) Valuation of financial instruments

The Bank values its available for sale and held for trading investment securities at fair market value. The best evidence of fair value is a quoted price in an actively traded market. If the market for a financial instrument is not active, or the financial instruments are traded infrequently and have little price transparency or the fair value is less objective, and requires varying degrees of judgment, the Bank uses valuation techniques to arrive at the fair value.

The valuation techniques employ observable market data to calculate fair values, including comparisons with similar financial instruments for which market observable prices exist. When valuing instruments by reference to comparable instruments, management takes into account the maturity, structure and rating of the instrument with which the position held is being compared.

5 (Loss) / Income on financial instruments at fair value through profit and loss

(Loss)/Income on financial instruments at fair value through profit and loss consists of unrealised and realised gains or losses on transactions in securities and derivatives.

	Year ended March 31, 2012 USD 000s	Year ended March 31, 2011 USD 000s
Income on other financial assets	**1,423**	1,635
Realised / unrealized (losses) / gains on derivative instruments	**(2,117)**	1,605
Total	**(694)**	3,240

Other financial assets include credit linked notes, derivative instruments include currency spot, forwards and option contracts including the equity option component of foreign currency convertible bonds (FCCB) and interest rate swaps and futures. Gains and losses on derivatives are presented on a net basis as it is not practical to split the same, although derivative assets and liabilities are grossed up within other assets and other liabilities on the balance sheet.

6 Other operating income

Other operating income primarily consists of retail branch related fees and other corporate banking related income.

7 Gains on buy back of bonds

During the year the Bank did not buy back its own bonds (2011: bonds with a notional value of USD 16.25 million were bought back, realizing a gain of USD 0.15 million).

8 Administrative expenses

	Year ended March 31, 2012 USD 000s	Year ended March 31, 2011 USD 000s
Staff costs (including Directors' emoluments) :		
Wages and salaries	**20,284**	20,986
Social security costs	**2,124**	1,649
Other administrative expenses	**15,222**	19,518
Total	**37,630**	42,153

The number of persons employed by the Bank (including Directors) during the year was as follows:

	Year ended March 31, 2012 No. of Employees	Year ended March 31, 2011 No. of Employees
Management	**42**	52
Non Management	**169**	183
Total	**211**	235

9 Profit on ordinary activities before tax is stated after charging

	Year ended March 31, 2012 USD 000s	Year ended March 31, 2011 USD 000s
Auditor's remuneration		
Amounts receivable by the auditors and their associates in respect of:		
Audit of financial statements pursuant to legislation	**878**	935
Other services pursuant to such legislation	**94**	184
Other services relating to taxation	**76**	52
Total	**1,048**	1,171
Depreciation on tangible fixed assets	**1,540**	2,338
Operating lease rental in respect of leasehold premises	**3,496**	3,213

10 Segmental reporting

The Bank centrally manages its banking activities as a single business from its offices in the UK, Germany and Belgium.

11 Taxation

(a) Analysis of charge in the year

	Year ended March 31, 2012 USD 000s	Year ended March 31, 2011 USD 000s
Current tax		
UK Corporation tax[1] at 26% (2011: 28%) on the taxable profit for the year	**8,215**	12,663
Overseas corporation charge	**1,293**	1,717
	9,508	14,380
Adjustments for prior years	**38**	120
	9,546	14,500
Deferred tax		
Origination and reversal of timing differences	**514**	235
Prior year adjustment to deferred tax	**-**	(239)
Tax on profit on ordinary activities	**10,060**	14,496

(b) Factors affecting the tax charge for the current year

	Year ended March 31, 2012 USD 000s	Year ended March 31, 2011 USD 000s
Current tax reconciliation		
Profit on ordinary activities before tax	**35,450**	51,052
Current tax at 26% (2011: 28%)	**9,217**	14,295
Add effects of:		
Expenses not deductible for tax purposes	**230**	193
Other timing differences (FRS 26 Impact)	**(370)**	(505)
Timing difference on movement of collective provisions for bad and doubtful debts	**(55)**	(60)
Depreciation less than capital allowances for the year	**106**	269
Overseas taxes (net of overseas tax credit relief)	**380**	188
Adjustment for prior year	**38**	120
Total current tax charge (see 11 (a) above)	**9,546**	14,500

***(c)* The movements in deferred tax asset during the year were:**

	Year ended March 31, 2012 USD 000s	Year ended March 31, 2011 USD 000s
Balance as at March 31, 2011	**2,134**	2,129
Debit to profit and loss account :		
Reversal of Deferred tax asset	**(380)**	(70)
Debit to available for sale reserves :		
Rate differential from 28% to 26%	**(134)**	(164)
Adjustments for prior year	**-**	239
Balance as at March 31, 2012[2]	**1,620**	2,134

***(d)* Deferred tax is composed of the tax impact of the following items:**

	Year ended March 31, 2012 USD 000s	Year ended March 31, 2011 USD 000s
Collective provision	**205**	277
Effect of FRS 26		
- Fees Income amortisation	**829**	1,122
- Recognition of fair value of derivatives	**321**	435
Excess of tax written down value over book value of tangible fixed assets	**265**	300
Total	**1,620**	2,134

***(e)* Taxation relating to available for sale reserve**

	Year ended March 31, 2012 USD 000s	Year ended March 31, 2011 USD 000s
Provision for tax for current year	**(6,027)**	(9,203)
	(6,027)	(9,203)

1 The UK corporation tax rate reduced from 28% to 26%, effective from April 1, 2011 and a further change to 25%, effective from April 1, 2012 was substantively enacted during the period.

2 As per the 2012 Budget announcement on 21 March 2012, it was stated that the UK corporation tax rate will reduce to 22% by 2014. A reduction in the rate from 26% to 25% (effective from April 1, 2012) was substantively enacted on July 5, 2011, and a further reduction to 24% (effective from April 1, 2012) was substantively enacted on March 26, 2012

This will reduce the Bank's future current tax charge accordingly. The deferred tax asset at March 31, 2012 has been calculated based on the rate of 24% substantively enacted at the balance sheet date.

12 Emoluments of Directors

	Year ended March 31, 2012 USD 000s	Year ended March 31, 2011 USD 000s
Directors' fees and gross emoluments	**911**	805

The gross emoluments[1] of the highest paid director were USD 549,791 (2011: USD 484,264) excluding share based payments. Contributions on behalf of a director under a money purchase pension scheme amounted to USD 20,362 (2011: USD 15,334). The number of directors to whom the stock options are granted under the stock option scheme[2] is 1 (2011:1). The number of stock options granted during the year was 20,000 (2011:72,500).

[1] Gross emoluments include base salary and performance bonus

[2] Refer note 13 for the details of the stock option scheme.

13 Share-based payments

During the year, USD 1.02 million was charged to the profit and loss account in respect of equity-settled share-based payment transactions (2011: USD 0.66 million). This expense, which was computed from the fair values of the share-based payment transactions when granted, arose under employee share awards made in accordance with the ICICI Bank Limited group's reward structures.

Stock Option Scheme

The Parent Bank has an Employee Stock Option Scheme (ESOS) to enable the employees and Directors of the Bank and its subsidiaries to participate in the future growth and financial success of the Bank. As per the ESOS as amended from time to time, the maximum number of options granted to any employee / Director in a year is limited to 0.05% of the Parent Bank's issued equity shares at the time of the grant, and the aggregate of all such options is limited to 5% of Parent Bank's issued equity shares on the date of the grant. Options granted vest in a graded manner over a four year period, with 20%, 20%, 30% and 30% of the grants vesting in each year, commencing from the end of 12 months from the date of grant. Options granted in April 2009 vest in a graded manner over a five-year period, with 20%, 20%, 30% and 30% of the grants vesting in each year, commencing from the end of 24 months from the date of grant. The options can be exercised within 10 years from the date of grant or five years from the date of vesting, whichever is later.

Particulars of options granted to employees of ICICI Bank UK PLC up to March 31, 2012 are given below:

	March 31, 2012 Number (000s)	March 31, 2011 Number (000s)
Outstanding at the beginning of the year	**694**	569
Additions during the year	**107**	125
Outstanding at the end of the year	**801**	694

Calculation of fair values

Fair values of stock options/awards, measured at the date of grant of the option/award are calculated using a binomial tree model. The expected life of options depends on the behaviour of option holders, which is incorporated into the option model on the basis of historic observable data. The fair values calculated are inherently subjective and uncertain due to the assumptions made and the limitations of the model used. Expected dividends are incorporated into the valuation model for stock options / awards, where applicable. The significant weighted average assumptions used to estimate the fair value of the options granted were as follows:

	Year ended March 31, 2012 Range	Year ended March 31, 2011 Range
Risk-free interest rate[1] (%)	**7.99-8.37**	5.26-8.41
Expected term[2] (years)	**6.35**	6.35-6.87
Expected volatility[3] (%)	**49.03**	48.38-49.82
Expected dividend yield (%)	**1.26**	1.20
Share price at grant date (INR)	**1,106.85**	972.73

[1] Risk free interest rates over the expected term of the option are based on the Indian government securities yield in effect at the time of the grant.
[2] Expected term is not a single input parameter but a function of various behavioural assumptions. The expected term of an option is estimated based on the vesting term as well as expected exercise behavior of the employees who receive the option. Expected term is determined based on simplified method of vesting for grants.
[3] Expected volatility during the estimated expected term of the option is based on historical volatility determined based on observed market prices of the Bank's publicly traded equity shares.

14 Financial Services Compensation Scheme

The Financial Services Compensation Scheme ('FSCS') has provided compensation to consumers following the collapse during 2008 of a number of deposit takers such as Bradford & Bingley plc, Heritable Bank plc, Kaupthing Singer & Friedlander Limited, Landsbanki 'Icesave' and London Scottish Bank plc. The compensation paid out to consumers is currently funded through loans from the Bank of England and HM Treasury. The Bank could be liable to pay a proportion of the outstanding borrowings

that the FSCS has borrowed from HM Treasury which at March 31, 2011 stood at USD 30.1 billion. The Bank is also obligated to pay its share of forecast management expenses based on the Bank's market share of deposits protected under the FSCS. When the loans were agreed, FSCS and HM Treasury committed to review the potential repayment schedule after three years in the light of prevailing market conditions with a view to agreeing new terms to come into effect from 1 April 2012. As a result, with effect from 1 April, the interest on the loans will increase from 12 month LIBOR plus 30 basis points to 12 month LIBOR plus 100 basis points.

The Bank booked an expense of USD 1.3 million during the FY2012 (FY2011: USD 1.7 million), in respect of statutory levies. This mainly includes the Bank's share of forecast management expense, including interest costs, for 2012/13 levy year. The Bank accrues for the FSCS levy based on its estimated share of total market protected deposits at December 31, 2011. During the year, even though the Bank's deposit base declined, the levy expense accrual continued to remain high due to the increase in the estimated interest cost for 2012/13 levy year detailed above. However, the ultimate FSCS levy to the industry as a result of the 2008 collapses cannot currently be estimated reliably as it is dependent on various uncertain factors including the potential recoveries of assets by the FSCS and changes in the interest rate, the level of protected deposits and the population of FSCS members at the time.

15 Loans and advances to banks

(a) Residual Maturity	**March 31, 2012 USD 000s**	March 31, 2011 USD 000s
Banks		
Repayable on demand	**13,605**	17,761
Other loans and advances		
Remaining Maturity :		
Over 5 years	**24,849**	27,487
5 year or less but over 1 year	**1,729**	-
1 year or less but over 3 months	**4,335**	113,080
3 months or less	**263,135**	646,090
	307,653	804,418
Parent and Group Companies		
Repayable on demand	**5,122**	6,124
Other loans and advances		
Remaining Maturity :		
1 year or less but over 3 months	**-**	75,000
	5,122	81,124
Sub Total	**312,775**	885,542
Collective provision	**(96)**	(779)
Specific impairment allowance	**(11,176)**	(9,379)
Total	**301,503**	875,384

(b) Concentration of exposure

The Bank has the following concentrations of loans and advances to banks:

	March 31, 2012 USD 000s	March 31, 2011 USD 000s
Total gross advances to banks located in :		
UK	**41,304**	138,127
Europe	**69,102**	160,366
North America	**309**	942
India	**175,370**	585,470
Rest of the World	**26,690**	637
Total	**312,775**	885,542

As at March 31, 2012, the Bank had no direct exposure to banks in Portugal, Italy, Ireland, Greece or Spain (2011: NIL).

Geographical concentration represents the country of risk exposure. Generally, the risk domicile of an exposure is identified as the country of residence of the borrower provided that the cash flows of the borrower and / or the value of the security adequately covers the loan exposure of the Bank.

16 Loans and advances to customers

(a) Residual Maturity

	March 31, 2012 USD 000s	March 31, 2011 USD 000s
Repayable on demand or at short notice	**44,251**	70,156
Other loans and advances		
Remaining Maturity :		
Over 5 years	**240,402**	225,628
5 years or less but over 1 year	**1,028,049**	2,293,068
1 year or less but over 3 months	**691,792**	606,968
3 months or less	**419,532**	448,623
Sub total	**2,424,026**	3,644,443
Collective provision	**(16,249)**	(22,317)
Specific impairment allowance	**(20,070)**	(27,531)
Total	**2,387,707**	3,594,595

(b) Concentration of exposure

Geographical concentrations of loans and advances to customers

	March 31, 2012 USD 000s	March 31, 2011 USD 000s
UK	**611,847**	379,627
Europe	**496,671**	603,687
North America	**5,670**	-
India	**1,296,738**	2,529,177
Rest of the World	**13,100**	131,952
Total	**2,424,026**	3,644,443

As at March 31, 2012, the outstanding exposure to customers in Ireland was USD 34.3 million (2011: USD 45.6 million). As at March 31, 2012, the Bank had no direct exposure to customers in Portugal, Italy, Greece or Spain. (2011: NIL).

Geographical concentration represents the country of risk exposure. Generally, the risk domicile of an exposure is identified as the country of residence of the borrower provided that the cash flows of the borrower and / or the value of the security adequately covers the loan exposure of the Bank.

17 Potential credit risk on financial instruments

March 31, 2012 **USD 000s**

	Neither past due nor impaired	**Past due not impaired**	**Impaired**	**Impairment allowances**	**Total**
Cash	**1,255**	**-**	**-**	**-**	**1,255**
Loans and advances to banks	**287,797**	**-**	**24,882**	**(11,176)**	**301,503**
Loans and advances to customers	**2,266,116**	**11,915**	**129,746**	**(20,070)**	**2,387,707**
Investment securities	**1,154,400**	**-**	**40,848**	**(21,994)**	**1,173,254**
Other assets:					
- Cheques in clearing	**1,363**	**-**	**-**	**-**	**1,363**
- Deposits receivable	**2,707**	**-**	**-**	**-**	**2,707**
- Deferred tax asset	**1,620**	**-**	**-**	**-**	**1,620**
- Derivative financial instruments	**102,624**	**-**	**-**	**-**	**102,624**
Prepayments and accrued income	**29,905**	**-**	**-**	**-**	**29,905**
Total financial instruments	**3,847,787**	**11,915**	**195,476**	**(53,240)**	**4,001,938**

March 31, 2011 USD 000s

	Neither past due nor impaired	Past due not impaired	Impaired	Impairment allowances	Total
Cash	1,057	-	-	-	1,057
Loans and advances to banks	859,881	-	24,882	(9,379)	875,384
Loans and advances to customers	3,534,533	5,963	81,630	(27,531)	3,594,595
Investment securities	1,549,107	-	41,171	(14,905)	1,575,373
Other assets:					
- Cheques in clearing	1,842	-	-	-	1,842
- Deposits receivable	2,768	-	-	-	2,768
- Deferred tax asset	2,134	-	-	-	2,134
- Derivative financial instruments	228,637	-	-	-	228,637
- Unsettled securities	11,900	-	-	-	11,900
Prepayments and accrued income	48,445	-	-	-	48,445
Total financial instruments	6,240,304	5,963	147,683	(51,815)	6,342,135

Loans and advances to customers

	March 31, 2012 USD 000s	March 31, 2011 USD 000s
Loans contractually overdue as to principal or interest		
- Less than 60 days	**11,915**	5,963
- 61 to 90 days	**-**	-
- more than 90 days	**84,514**	38,493
Total	**96,429**	44,456
Concentration of overdue exposure		
United Kingdom	**5,000**	5,055
Europe	**7,015**	14,923
India	**84,414**	24,478
Total	**96,429**	44,456
Past due whether impaired or not		
Past due not impaired	**11,915**	5,963
Past due impaired	**84,514**	38,493
Total	**96,429**	44,456
Past due not impaired		
- Less than 60 days	**11,915**	5,963
- 61 to 90 days	**-**	-
- more than 90 days	**-**	-
Total	**11,915**	5,963

As at March 31, 2012 the Bank did not have any loans which have been renegotiated/ restructured during the year, which would otherwise have been past due/ impaired.

18 Impairment on loans and advances

Net loan impairment charge to profit and loss account

	March 31, 2012 (USD 000s)	March 31, 2011 (USD 000s)
New charges	**(5,428)**	(18,622)
Release of allowance	**9,901**	465
Write off directly to profit and loss	**(117)**	(711)
	4,356	(18,868)

Movement in impairment allowance on loans and advances

	March 31, 2012 (USD 000s)			March 31, 2011 (USD 000s)		
	Specific Impairment	**Collective Provision**	**Total**	Specific Impairment	Collective Provision	Total
Opening Balance	**36,910**	**23,096**	**60,006**	22,189	20,734	42,923
Amounts written off	**(7,942)**	**-**	**(7,942)**	(1,074)	-	(1,074)
Recovery of amounts provided in previous years	**(2,755)**	**-**	**(2,755)**	-	-	-
Charge to profit and loss account	**5,033**	**(7,146)**	**(2,113)**	15,795	2,827	18,622
Retail loans	**-**	**395**	**395**	-	(465)	(465)
Closing Balance	**31,246**	**16,345**	**47,591**	36,910	23,096	60,006

19 Investment securities

Classification of Investment securities

	March 31, 2012 Market Value USD 000s	March 31, 2011 Market Value USD 000s
Analyzed by class		
Treasury Bills	**693,723**	517,435
Other securities		
- Credit Link Notes	**14,365**	97,942
- Bonds	**344,245**	809,986
- Asset Backed Securities	**101,954**	123,745
- Equity	**18,967**	26,265
Total other securities	**479,531**	1,057,938
Total	**1,173,254**	1,575,373
Analysed by designation :		
Available for sale	**1,133,475**	1,451,193
Held to Maturity	**25,414**	26,238
Financial instruments at fair value through profit and loss	**14,365**	97,942
Total	**1,173,254**	1,575,373

Analysed by issuer :		
Available for sale		
Issued by public bodies:		
Government Issued	**693,723**	517,435
Other Public sector securities	**118,015**	178,639
Issued by other issuers	**321,737**	755,119
Held to Maturity		
Issued by other issuers	**25,414**	26,238
Financial instruments at fair value through profit and loss		
Issued by other issuers	**14,365**	97,942
Total	**1,173,254**	1,575,373
Analysed by listing status:		
Available for sale		
Unlisted	**725,454**	517,435
Listed	**408,021**	933,758
Held to Maturity		
Unlisted	**25,414**	26,238
Financial instruments at fair value through profit and loss		
Unlisted	**14,365**	97,942
Total	**1,173,254**	1,575,373
Analyzed by maturity		
Due within 1 year	**784,442**	759,996
Due 1 year and above	**369,845**	815,377
Total	**1,154,287**	1,575,373

Included above are bonds issued by the Parent Bank and ICICI Bank Canada (a fellow subsidiary) with a market value of USD 31.6 million at March 31, 2012 (2011: USD 34.5 million)

Impairment on investment securities

During the year the Bank booked impairment of USD 8.9 million (2011: release of USD 1.1 million) through the profit and loss in respect of certain equity investments held as available for sale.

Investments held at fair value at March 31, 2012, by valuation method:

USD 000s

	Level 1	Level 2	Level 3	Total
Treasury Bill	**693,723**	**-**	**-**	**693,723**
Credit Link Notes	**-**	**14,365**	**-**	**14,365**
Bonds	**258,267**	**60,564**	**-**	**318,831**
Asset Backed Securities	**100,848**	**1,106**	**-**	**101,954**
Equity	**18,854**	**113**	**-**	**18,967**
Total	**1,071,692**	**76,148**	**-**	**1,147,840**

Investments held at fair value at March 31, 2011, by valuation method:

USD 000s

	Level 1	Level 2	Level 3	Total
Treasury Bill	517,435	-	-	517,435
Credit Link Notes	-	97,942	-	97,942
Bonds	544,660	239,088	-	783,748
Asset Backed Securities	123,745	-	-	123,745
Equity	26,265	-	-	26,265
Total	1,212,105	337,030	-	1,549,135

During FY2012, the valuation methodology for ABS instruments held under the available for sale category has been changed from valuation techniques to market quotes as the available quotes depict the reliable fair value of the instruments. The reliability of the market quotes was analysed and checked through bid offer spreads, number of transactions and the availability of two way quotes.

Valuation Hierarchy
The valuation hierarchy is set out below:
Level 1: Investments valued using unadjusted quoted prices in active markets for identical assets.
Level 2: Investments valued using valuation techniques based on observable market data for instruments where markets are considered less than active. Instruments in this category are valued using:

(a) Quoted prices for similar assets, or identical assets in markets which are considered to be less than active; or
(b) Valuation techniques where all the inputs that have a significant effect on the valuation are directly or indirectly based on observable market data.

Level 3: Investments valued using valuation model based on significant non market observable inputs.

20 Reclassification of Financial Assets

In October 2008, the Accounting Standard Board's issued amendments to FRS 26 'Financial Instruments: Recognition and Measurement' and FRS 29 'Financial Instruments: Disclosures' which permits an entity to reclassify certain financial assets out of the held for trading category. The amendment also permits an entity to transfer from the available for sale category to the loans and receivable category in certain circumstances.

The reclassifications were made as a result of significant reductions in market liquidity for these assets, and a change in the intention to hold the assets for the foreseeable future or to maturity. These circumstances formed part of the wider context of market turmoil and are considered a rare event and, as such, the reclassification was permitted under the amendments to FRS 26. On the date of reclassification, the fair value of the asset was deemed to be the asset's new amortized cost, and the assets have been tested for impairment since reclassification.

USD 000s

	March 31, 2012		March 31, 2011	
	Carrying amount	**Fair value**	Carrying amount	Fair value
From held for trading to available for sale				
-Corporate Bonds	**8,518**	**8,518**	237,069	237,069
-Asset Backed Securities	**2,992**	**2,992**	4,038	4,038
From held for trading to loans and receivables				
-Asset Backed Securities			-	-
From available for sale to loans and receivables				
-Corporate Bonds	**147,571**	**143,249**	207,584	207,584
-Asset Backed Securities	**142,366**	**129,864**	150,018	142,173
Total	**301,447**	**284,623**	598,709	590,864

The amount reclassified was based on the fair value of the financial assets as at the date of reclassification. If these reclassifications had not been made, the Bank's pre-tax profit for FY2012 would have decreased by USD 0.4 million and the Bank's pre-tax gain in AFS reserve would have increased

by USD 16.7 million. The following table sets forth, for the periods indicated, the fair value gains and losses, income and expense recognized in the profit and loss account both before and after the date of reclassification.

Impact on profit and loss account **USD 000s**

	Post Reclassification	**Assuming No reclassification**	Post Reclassification	Assuming No reclassification
	March 31, 2012	**March 31, 2012**	March 31, 2011	March 31, 2011
From held for trading to available for sale				
-Corporate Bonds	**4,493**	**4,046**	10,725	8,352
-Asset Backed Securities	**51**	**53**	108	(220)
From held for trading to loans and receivables				
-Asset Backed Securities	**-**	**-**	123	235
From available for sale to loans and receivables				
-Corporate Bonds	**18,228**	**18,228**	17,498	17,498
-Asset Backed Securities	**6,104**	**6,104**	(4,638)	(4,638)
Total	**28,876**	**28,431**	23,816	21,227

The following table sets forth, for the periods indicated, the fair value gains and losses recognized in the AFS reserve, in the books of the Bank for the trades outstanding as on respective periods.

Impact of gains /(losses) on available for sale reserve **USD 000s**

	Post reclassification	**Assuming No reclassification**	Post Reclassification	Assuming No reclassification
	March 31, 2012	**March 31, 2012**	March 31, 2011	March 31, 2011
From held for trading to available for sale				
-Corporate Bonds	**32**	**-**	813	-
-Asset Backed Securities	**(114)**	**-**	(117)	-
From held for trading to loans and receivables				
-Asset Backed Securities	**-**	**-**	-	-
From available for sale to loans and receivables				
-Corporate Bonds	**5,149**	**827**	971	971
-Asset Backed Securities	**23,493**	**10,990**	12,113	4,269
Total	**28,560**	**11,817**	13,780	5,240

21 Tangible fixed assets

	Leasehold Improvements USD 000s	**Other fixed assets USD 000s**	**Total USD 000s**
Cost :			
At April 1, 2011	12,168	7,679	19,847
Additions	171	99	270
Disposal	-	(3)	(3)
At March 31, 2012	**12,339**	**7,775**	**20,114**
Accumulated depreciation :			
At April 1, 2011	4,252	5,835	10,087
Charge for year	886	654	1,540
At March 31, 2012	**5,138**	**6,489**	**11,627**
Net book value :			
At March 31, 2012	**7,201**	**1,286**	**8,487**
At April 1, 2011	7,916	1,844	9,760

22 Other assets

	March 31, 2012	March 31, 2011
	USD 000s	USD 000s
Amounts in clearing	**1,363**	1,842
Deposits receivable	**2,707**	2,768
Deferred tax asset	**1,620**	2,134
Derivative financial instruments	**102,624**	228,637
Unsettled securities	**-**	11,900
Other receivables	**73,897**	90,125
Total	**182,211**	337,406

Other receivables of USD 73.9 million mainly include USD 69.5 million on income accrued on convertible bonds held by the Bank (2011: USD 85.7 million).

23 Deposits by banks

With agreed maturity dates or periods of notice, by remaining maturity:

	March 31, 2012	March 31, 2011
Banks	**USD 000s**	USD 000s
5 years or less but over 1 year	**20,009**	310,727
1 year or less but over 3 months	**243,642**	25,000
3 months or less but not repayable on demand	**55,000**	19,900
	318,651	355,627

24 Customer accounts

With agreed maturity dates or periods of notice, by remaining maturity:

	March 31, 2012	March 31, 2011
	USD 000s	USD 000s
5 years or less but over 1 year	**508,080**	1,285,789
1 year or less but over 3 months	**839,970**	1,481,906
3 months or less but not repayable on demand	**289,914**	439,578
	1,637,964	3,207,273
Repayable on demand	**773,500**	1,002,885
Total	**2,411,464**	4,210,158

25 Debt securities and subordinated liabilities

	March 31, 2012	March 31, 2011
Bonds issued*	**USD 000s**	USD 000s
Residual Maturity		
Over 5 years	**378,497**	468,510
1 year or less but over 3 months	**-**	377,430
	378,497	845,940
Less: Bond issue expenses	**(2,580)**	(3,504)
Less: Adjustments to carrying amount for change in the value of hedge which is ineffective	**(3,296)**	(3,944)
	372,621	838,492

* Listed with Singapore stock exchange.

Details of various bonds and notes under the medium term notes programmes issued by the Bank at March 31, 2012 are as follows:

Date of Issue	Nature of Issue	Interest Rate	Interest frequency	Maturity	USD 000s
Subordinated debt					
12-Dec-06	Perpetual junior subordinated notes	6.38%	Semi-annually	Callable by issuer at par in 2016; no maturity	85,000
27-Dec-07	Unsecured junior subordinated bonds due 2017 (Issued in GBP Currency)	GBP Libor + 275 bps	Semi annually	First call in Dec 2012, Maturity in December 2017	15,997
31-Mar-08	Unsecured junior subordinated bonds due 2018	Libor + 460 bps	Quarterly	First call in June 2013, Maturity in April 2018	50,000
21-Jul-08	Unsecured junior subordinated bonds due 2018	8.00%	Semi annually	First call in July 2013, Maturity in July 2018	77,500
23-Nov-10	Unsecured subordinated fixed rate notes due 2020	7.00%	Semi annually	Bullet payment in November 2020	150,000
Less: Bond issue expenses					(2,580)
Less: Adjustments to carrying amount for change in the value of hedge which is ineffective					(3,296)
					372,621

For all the subordinated notes, the notes and coupons are direct, unsecured and subordinated obligations of the Bank, and rank pari passu without any preference among themselves.

26 Other liabilities

	March 31, 2012 **USD 000s**	March 31, 2011 USD 000s
Amounts in clearing	**1,511**	20,733
Corporation tax payable	**11,295**	16,116
Other creditors	**11,140**	11,909
Derivative financial instruments	**85,456**	213,969
Unsettled securities	**113,340**	-
Total	**222,742**	262,727

27 Called up share capital

The concept of authorised share capital was abolished under the UK Companies Act 2006 with effect from October 1, 2009 and amendments to the Bank's Articles of Association were approved by shareholders at a General meeting on April 15, 2011.

At March 31, 2012 the Issued share capital of ICICI Bank UK PLC was:

	March 31, 2012 **USD 000s**	March 31, 2011 USD 000s
545 million ordinary shares of USD 1 each	**545,000**	545,000
50 million non-cumulative perpetual callable preference shares of USD1 each	**50,000**	50,000
50,002 ordinary shares of £1 each	**95**	95
Total Share Capital	**595,095**	595,095

28 Employee benefits

During the year, the Bank made a contribution of USD 231,043 (2011: USD 209,640) to the pension scheme. Out of this amount, USD 17,589 was accrued at the year end (2011: USD 17,638).

29 Contingent liabilities and commitments

(a) Guarantees and other commitments:

	March 31, 2012 USD 000s	March 31, 2011 USD 000s
Guarantees	**429,563**	177,100
Other commitments		
Undrawn formal standby facilities, credit lines and other commitments to lend maturing in:		
Less than one year	**5,028**	11,122
More than one year	**-**	-
Total guarantees and commitments	**434,591**	188,222

(b) Significant concentrations of contingent liabilities and commitments

Approximately 61% (2011: 66%) of the total contingent liabilities and commitments relate to counterparties in India and the majority of the remaining balance relates to Europe.

(c) Foreign exchange contracts

In addition to the commitments disclosed above, there are outstanding foreign exchange contracts of USD 754 million (2011: USD 1,147 million).

30 Operating lease commitments

As at March 31, 2012, the Bank has the following non cancellable annual operating lease commitments:

Land and Buildings	March 31, 2012 USD 000s	March 31, 2011 USD 000s
Operating leases which expire :		
Within 1 year	**423**	458
Between 1 and 5 years	**304**	148
More than 5 years	**2,170**	2,338
	2,897	2,944

31 Categories and classes of Financial Instruments

Assets:

As at March 31, 2012 **USD 000s**

	Fair value though P&L	Available for Sale	Loans & Receivables	Held to maturity	Others	Total
Cash	**-**	**-**	**-**	**-**	**1,255**	**1,255**
Loans and advances to banks	**-**	**-**	**301,503**	**-**	**-**	**301,503**
Loans and advances to customers	**-**	**-**	**2,387,707**	**-**	**-**	**2,387,707**
Investment Securities	**14,365**	**1,133,475**	**-**	**25,414**	**-**	**1,173,254**
Other assets	**102,624**	**-**	**-**	**-**	**79,587**	**182,211**
Prepayments and accrued income	**-**	**-**	**-**	**-**	**29,905**	**29,905**
Total financial assets	**116,989**	**1,133,475**	**2,689,210**	**25,414**	**110,747**	**4,075,835**

As at March 31, 2011 USD 000s

	Fair value though P&L	Available for Sale	Loans & Receivables	Held to maturity	Others	Total
Cash	-	-	-	-	1,057	1,057
Loans and advances to banks	-	-	875,384	-	-	875,384
Loans and advances to customers	-	-	3,594,595	-	-	3,594,595
Investment in Securities	97,942	1,451,193	-	26,238	-	1,575,373
Other assets	228,637	-	-	-	108,769	337,406
Prepayments and accrued income	-	-	-	-	48,445	48,445
Total financial assets	326,579	1,451,193	4,469,979	26,238	158,271	6,432,260

Liabilities:

As at March 31, 2012 **USD 000s**

	Fair value though P&L	Available for Sale	Non trading liability	Others	Total
Deposits by banks	**-**	**-**	**318,651**	**-**	**318,651**
Customer accounts	**-**	**-**	**2,411,464**	**-**	**2,411,464**
Debt securities in issue	**-**	**-**	**372,621**	**-**	**372,621**
Other liabilities	**85,456**	**-**	**137,286**	**-**	**222,742**
Accruals and deferred income	**-**	**-**	**49,204**	**-**	**49,204**
Shareholders' funds:					
Ordinary share capital	**-**	**-**	**-**	**545,095**	**545,095**
Preference share capital	**-**	**-**	**-**	**50,000**	**50,000**
ESOP Granted	**-**	**-**	**-**	**3,151**	**3,151**
Profit and loss account	**-**	**-**	**-**	**149,278**	**149,278**
Available for sale securities reserve	**-**	**(37,884)**	**-**	**-**	**(37,884)**
Total liabilities	**85,456**	**(37,884)**	**3,289,226**	**747,524**	**4,084,322**

As at March 31, 2011 **USD 000s**

	Fair value though P&L	Available for Sale	Non trading liability	Others	Total
Deposits by banks	-	-	355,627	-	355,627
Customer accounts	-	-	4,210,158	-	4,210,158
Debt securities in issue	-	-	838,492	-	838,492
Other liabilities	213,969	-	48,758	-	262,727
Accruals and deferred income	-	-	91,654	-	91,654
Shareholders' funds:					
Ordinary share capital	-	-	-	545,095	545,095
Preference share capital	-	-	-	50,000	50,000
ESOP Granted	-	-	-	2,131	2,131
Profit and loss account	-	-	-	148,013	148,013
Available for sale securities reserve	-	(61,877)	-		(61,877)
Total liabilities	213,969	(61,877)	5,544,689	745,239	6,442,020

32 Capital Management

The Bank's regulatory capital requirements are set and monitored by the FSA. The Bank implemented the Basel II framework for calculating minimum capital requirements, with effect from January 1, 2008.

The Bank's regulatory capital is categorised into two tiers:

Tier 1 capital, which includes ordinary share capital, preference share capital, and retained earnings.

Tier 2 capital, which includes qualifying subordinated liabilities, collective provision and other allowances and the elements of fair value reserves relating to unrealized gains/losses on equity instruments.

Various limits are applied to the elements of the capital base. Qualifying Tier 2 capital cannot exceed Tier 1 capital; and qualifying term subordinated loan capital may not exceed 50% of Tier 1 capital. There are also restrictions on the amount of collective provision that may be included in Tier 1 capital.

Under Basel II, the Bank calculates requirements for market risk in its trading portfolios based on Standardised model.

Banking operations are categorized as either trading or banking book, and risk-weighted assets are determined according to specified requirements that seek to reflect the varying levels of risk attached to assets and exposures not recognized in the balance sheet.

The Bank uses regulatory capital ratios in order to monitor its capital base and these capital ratios remain the international standards for measuring capital adequacy. The FSA's approach to such measurement based upon Basel II is now primarily based on monitoring the Capital Resource Requirement to available capital resources. The FSA also sets individual capital guidance (ICG) for the Bank that sets capital requirements in excess of the minimum Capital Resource Requirement. A key input to the ICG setting process is the Bank's Internal Capital Adequacy Assessment Process (ICAAP). The Bank submitted its last ICAAP document to the FSA in July 2011.

The Bank's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The impact of the level of capital on shareholders' return is also recognized and the Bank recognizes the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position.

The Bank has complied with all regulatory capital requirements throughout the year.

The Bank's regulatory capital position under Basel II is as follows:

	March 31, 2012 USD million	March 31, 2011 USD million
Total Capital	**1,114.1**	1,189.1
- Tier I	**728.0**	727.3
- Tier II	**386.1**	461.8

33 Risk Management Framework

ICICI Bank UK PLC has adopted governance practices in line with the requirements of the UK's Combined Code on Corporate Governance. The Board is assisted by its sub-committees, the Audit Committee, the Governance Committee, the Board Risk Committee (BRC), and the Board Credit Committee (BCC), and follows the ICICI Group's overall risk management framework. The Board has delegated responsibility for the day-to-day management of the Bank to the Managing Director and Chief Executive Officer. In this role, the Managing Director and Chief Executive Officer is supported by the Management Committee, which he chairs. The Management Committee is supported by various other committees, which include the Executive Credit and Risk Committee (ECRC), the Asset Liability Management Committee (ALCO), the Operational Risk Management Committee (ORMC), the Fraud Governance Committee (FGC) and the Product and Process Approval Committee (PAC).

As a financial intermediary, the Bank is exposed to various types of risks. The objective of the risk management framework of the Bank is to ensure that the key risks facing the Bank are identified, understood, measured and monitored; and that the policies and procedures established to address these risks are strictly adhered to.

The key principles underlying the risk management framework of the Bank are as follows:

1. The Board of Directors has oversight over the risks assumed by the Bank. Specific Board committees have been constituted to facilitate focused oversight of various risks.
2. Policies approved from time to time by the Board of Directors/Committees of the Board form the governing framework for each type of risk. The business activities are undertaken within this policy framework.
3. Independent groups and sub-groups have been constituted across the Bank to facilitate independent evaluation, monitoring and reporting of risks. These groups function independently of the business groups/sub-groups.

The key risks that the Bank is exposed to include credit (including concentration risk, country risk and residual risk), market (including interest rate risks) and liquidity risk and operational risk. The approach adopted by management to manage the key risks facing the Bank is outlined below.

Credit Risk

Credit risk is the risk that unexpected losses may arise as a result of the Bank's borrowers or market counterparties failing to meet obligations under a contract. The Bank's Credit Risk Management Policy (CRMP), which is approved by its Board Credit Committee, describes the principles which underlie and drive the Bank's approach to credit risk management together with the systems and processes through which it is implemented and administered. The CRMP aims to maximise the Bank's risk-adjusted rate of return whilst maintaining the Bank's credit risk exposure within limits and parameters as approved by the Board of Directors of the Bank.

The Bank has a two tier approach to assessment of credit risk- a commercial officer proposing the transaction review followed by a credit officer's independent assessment of the same. The CRMP lays down a structured credit approval process, which includes a procedure of independent credit risk assessment and the assignment of an internal risk rating ('IRR') to the borrower. The risk rating is a critical input for the credit approval process and is used as an input in arriving at the risk premium for the proposal.

The Bank assesses a variety of risks relating to the borrower and the relevant industry while assigning an internal rating. Borrower risk is evaluated by considering, inter alia:

- The financial position of the borrower, by analyzing the quality of its financial statements, its past financial performance, its financial flexibility in terms of ability to raise capital and its cashflow adequacy;
- The borrower's relative market position and operating efficiency; and
- The quality of management by analyzing its track record, payment record and financial conservatism.

Industry risk is evaluated by considering, inter alia:

- Certain industry characteristics, such as the importance of the industry to the economy, its growth outlook, cyclicality and government policies relating to the industry;
- The competitiveness of the industry; and
- Certain industry financials, including return on capital employed, operating margins, and earnings stability.

After conducting an analysis of a specific borrower's risk, the Bank assigns an internal risk rating to the borrower. The Bank has a rating scale ranging from 'AAA' to 'D' (AAA signifying the highest level of credit worthiness and D signifying default). AAA through to BBB are considered as 'Investment Grade' while BB and below are considered 'Non-Investment Grade'.

Credit approval

The delegation structure for approval of credit limits is approved by the Board. Credit proposals are approved by the Board Credit Committee (BCC) or the Executive Credit and Risk Committee (ECRC) based on, inter alia, the amount and internal risk rating of the facility. All credit proposals are passed through the ECRC before, if required as per the CRMP, being put up to the BCC.

The Credit Risk team is also responsible for the following with respect to managing the Bank's credit risk:

- Formulating credit policies in consultation with the Corporate Banking Group which cover the collateral management policy, credit rating framework, provisioning policy, etc.
- Establishing the delegation of sanctioning powers available to individuals, singly or jointly, and the credit committees which are documented in the Credit Approval Authorization Manual.
- Limiting concentrations of exposure to counterparties, geographies, industrial sectors, internal rating categories, etc. and reviewing the same on a regular basis.
- Performing regular credit stress tests on the Bank's portfolio and communicating the results to the BCC.

The credit middle office function is responsible for credit administration which includes monitoring compliance with the terms and conditions for credit facilities prior to disbursement. It also reviews the completeness of documentation and creation of security for assets financed.

Concentration risk

Concentration risk arises from significant exposures to groups of counterparties whose likelihood of default is driven by common underlying factors, e.g. sector, economy, geographical location, instrument type. The concentration risk in the Bank's portfolio is governed by the Credit Risk Management Policy which stipulates various limits to manage exposure concentrations within the Bank. The key parameters of risk concentrations measured in the Bank include sectoral, country, rating category based, product specific exposures, counterparty and large exposures. The concentration limits that are material to the Bank are reviewed and approved annually by the BCC.

Credit Monitoring

Credit quality is monitored on an ongoing basis but can also be triggered by any material credit event coming to the Bank's notice through either primary or secondary sources. The Bank has various early warning indicators as part of the credit monitoring tools for early detection of risks in borrowers showing signs of any credit deterioration. It is the Bank's policy to review borrower accounts at least on an annual basis, or, in a shorter interval if recommended by the credit officer or the relevant sanctioning committee. The Bank has established a list of assets under watch as an additional tool for monitoring exposures which show or are expected to show signs of weakness. The assets under watch are reviewed on a quarterly basis by the BCC. The Bank documents the 'lessons learned' from its experiences of exposures against which specific provisions have been raised. These are circulated to the commercial officers on an ongoing basis.

Credit risk is also managed at the portfolio level by monitoring and reporting to the BCC the key parameters of risk concentration of product specific exposures, single counterparty exposure, large exposures, industry /sectoral exposures, country/geographical exposures and rating category based exposures.

The segregation of responsibilities and oversight by groups external to the business groups ensure adequate checks and balances.

An analysis of the Bank's investment portfolio based on credit ratings provided by external rating agencies is as follows:

	March 31, 2012	March 31, 2011
	USD 000s	USD 000s
AAA	**785,259**	633,251
AA	**6,333**	26,179
AA-	**56,517**	160,242
A+	**19,567**	72,415
A	**21,916**	261,827
A-	**82,394**	161,698
BBB+	**-**	66,042
BBB	**-**	22,874
BBB-	**141,395**	103,664
BB+ and below	**15,492**	14,679
Non rated	**44,381**	52,503
Total	**1,173,254**	1,575,374

Credit quality of loan portfolio

The definition of internal risk rating for the loans and advances are given below:

AAA to AA-	:	Highest safety
A+ to A-	:	Adequate safety
BBB+ to BBB-	:	Moderate safety
BB and below	:	Inadequate safety / High risk

The Bank's internal risk rating scale is a measure of relative credit worthiness and does not map exactly with that of external rating agencies.

Internal risk rating of loans and advances to customers

Rating	**March 31, 2012**	March 31, 2011
	USD 000s	USD 000s
AAA to AA-	**79,656**	39,459
A+ to A-	**714,819**	1,162,806
BBB to BBB-	**688,309**	1,299,803
BB and below	**472,338**	574,405
Total	**1,955,122**	3,076,473

Investments held as loans and receivables which are internally risk rated:

Rating	**March 31, 2012**	March 31, 2011
	USD 000s	USD 000s
AAA to AA-	**213,833**	264,608
A+ to A-	**70,132**	116,504
BBB to BBB-	**42,573**	18,380
BB and below	**-**	12,836
Total	**326,538**	412,328

Investments held as loans and receivables which are externally risk rated:

Rating	**March 31, 2012**	March 31, 2011
	USD 000s	USD 000s
A+ to A-	**48,572**	59,789
BBB to BBB-	**86,056**	83,976
BB and below	**7,738**	11,877
Total	**142,366**	155,642

The Bank has adopted the standardised approach to Credit Risk Management under the Basel II framework.

Industry exposure

The following is an analysis of loans and advances to customers by industry:

	March 31, 2012	March 31, 2011
	USD 000s	USD 000s
Industrials	**304,169**	584,219
Consumer Discretionary	**144,879**	384,361
Consumer Staples	**315,263**	257,800
Energy	**315,230**	427,044
Financials	**99,675**	81,903
Gems and Jewellery	**298,816**	327,736
Healthcare	**128,095**	166,332
Information Technology	**57,506**	212,091
Materials	**532,184**	715,177
Real Estate	**52,000**	127,000
RMBS	**116,734**	122,673
SME CLO	**25,633**	23,635
CMBS	**-**	9,334
Telecom Services	**17,829**	189,559
Utilities	**14,860**	14,849
Others	**1,153**	730
Total	**2,424,026**	3,644,443

The above exposure is gross of collective and specific impairment.

Collateral Management

The Bank has a policy on collateral management and credit risk mitigation which provides guidance for identifying eligible collateral as per Prudential sourcebook for Banks, Building Societies and Investment Firms (BIPRU) for the purpose of credit risk mitigation and securing capital relief.

Apart from obtaining eligible collateral for capital relief, the Bank endeavours to reduce or mitigate, to the extent possible, the credit risk on credit facilities by way of securing the facilities with appropriate collateral. The Bank determines the appropriate collateral for each facility based on the type of product, the counterparty and the appropriateness of the collateral typically offered in the jurisdiction of the borrower.

The security accepted by the Bank includes cash deposits, pledge / contractual comfort over equity shares (both listed and unlisted), charges over fixed assets (including plant and machinery and land and building) for term loans, charges over current assets for working capital finance, charges on specific receivables with escrow arrangements, mortgages on residential / commercial property, assignment of underlying project contracts for project finance loans. The Bank also accepts corporate guarantees and related support undertakings from borrower group entities for mitigating credit risk.

The Bank's credit risk limit framework which forms part of Credit Risk Management Policy (CRMP) limits the funding of unsecured exposures to 50.0% of total exposures as at March 31, 2012. This framework also provides guidance for identifying and defining secured facilities and valuing the underlying security. The Bank monitors and reports the proportion of unsecured exposures in loan portfolio to the ECRC on a monthly basis and to the BCC on a quarterly basis.

The table below provides the value of collateral/collaterals held by the Bank:

Loans and advances to customers	**March 31, 2012 USD 000s**	**March 31, 2011 USD 000s**
Collateral value	**1,337,299**	2,007,684
Gross loans and advances	**2,424,026**	3,644,443
Less: Investments held as loans and receivables	**(468,904)**	(567,970)
Outstanding balance against which collateral held	**1,955,122**	3,076,473

No collateral is held against loans and advances to banks.

The collateral valuations in the table above are based on the valuation available from the latest available audited financial statements of the organization, valuation reports for tangible assets and reports from security trustee for loans against the shares. The valuations exclude any charges which might be incurred for selling the collateral.

The maximum amount of on balance sheet credit risk, without taking account of any collateral or netting arrangements, as at March 31, 2012 is approximately USD 4.0 billion (2011: USD 6.4 billion). The maximum amount of off balance sheet credit risk on guarantees and letters of credit is approximately USD 434.6 million (2011: USD 188.2 million). Potential credit risk on financial instruments is detailed in Note 17.

The collateral value in the above table excludes the value of such collateral which the Bank may accept to manage its risks more effectively such as second charge on assets, other liens and corporate guarantees and related support undertakings from the borrower group entities. The Bank has applied appropriate haircuts while calculating the collateral value detailed above.

Market Risk

Market risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates, credit spreads and other asset prices. The key policies for managing the market risk as approved by the Board Risk Committee (BRC) are:

- Treasury policy manual (TPM) which comprises of the liquidity policy statement (LPS) and trading book policy statement (TBPS)
- Valuation and model validation policy

These policies are designed to ensure that transactions in securities, foreign exchange and derivatives are conducted in accordance with sound and acceptable business practices and are as per the extant regulatory guidelines, laws governing transactions in financial securities and the financial environment. The policies contain the limit structure that governs transactions in financial instruments. The policies are reviewed periodically to incorporate therein, changed business requirements, economic environment and revised policy guidelines.

The key market risks to which the Bank is exposed relate to:

- Interest rate risk – Interest rate risk is defined as the risk of loss which the Bank will incur as a result of an increase or decrease in interest rates. Interest income/expense from interest sensitive assets and liabilities are impacted by changes in interest rates. The overall value of the investment portfolio, the underlying value of the Bank's other assets, its liabilities, and off balance sheet (OBS) instruments are also impacted due to change in interest rates because the present value of future cash flows changes when interest rates change (economic value perspective).

Interest rate risk on the balance sheet is measured by the use of re-pricing gap reports and estimating the sensitivity of the Bank's net interest income (defined as Earnings at Risk) to changes in interest rates. The sensitivity is calculated for various interest rate scenarios across different currencies that the Bank's balance sheet is exposed to including a standard scenario of 200 basis points adverse change in the level of interest rates. The various limits set for interest rate risk are monitored and the utilizations reported to the ALCO and BRC on a periodic basis.

The Bank uses Duration of Equity (DoE) as an all-encompassing measure, which takes into consideration duration and value of both assets and liabilities. DoE is a measure of interest rate sensitivity, which indicates how much the market value of equity would change if interest rates change by 1%. Currently a limit band of -5.0 to +5.0 has been prescribed for the DoE of the Bank.

- Forex risk – The risk arises due to positions in non-dollar denominated currencies, which in turn arises from assets and liabilities in those currencies. The risk originates as a result of the impact on revenue due to the potential revaluation of non-dollar assets and liabilities. Foreign exchange risk is managed within the Treasury function in accordance with the position limits. Net overnight open position (NOOP) of the Bank as at March 31, 2012 is USD 5.2 million (2011: USD 27.9 million).
- Equity Risk – Equity price risk arises due to the volatility of price movements on the Bank's investment in equity shares and convertibles. The equity investment of the Bank as at March 31, 2012 was USD 18.9 million (2011: USD 26.3 million) and option value of the convertibles was USD 1.8 million (2011: USD 11.7 million).

The Bank has devised various risk metrics for different products and investments. These risk metrics are measured and reported to the senior management independently by the Bank's Treasury Middle Office Group (TMOG). Some of the risk metrics adopted by the Bank for monitoring its risks are value-at-risk (VaR), duration of equity (DoE), price value of basis point (PV01) and stop loss amongst others. Based on the risk appetite of the Bank, limits are placed on the risk metrics which are monitored on a periodic basis.

The VAR is calculated using a parametric approach at a 99% confidence level over a one day holding period. The total VAR for the Bank's trading book portfolio as at March 31, 2012 was USD 0.16 million. The maximum, average and minimum VAR during the year for the trading book portfolio was USD 0.16 million, USD 0.04 million and USD 0.0 million respectively.

The impact of an increase in interest rates on investment securities held in the AFS category (bonds, asset backed securities and treasury bills) as at March 31, 2012, assuming a parallel shift in yield curve, has been set out in the following table:

Particulars	**Portfolio size**	**Increase in interest rates (in bps)**	
		100	**200**
Reserves (in USD 000s)	**1,114,508**	**6,361**	**12,721**
Decrease in value of debt securities (excluding credit linked notes) (in USD 000s)		**6,361**	**12,721**

The impact of an increase in interest rates on bonds and asset backed securities) as at March 31, 2011, assuming a parallel shift in yield curve, has been set out in the following table:

Particulars	**Portfolio size**	**Increase in interest rates (in bps)**	
		100	200
Reserves (in USD 000s)	1,451,165	3,850	7,700
Decrease in value of debt securities (excluding credit linked notes) (in USD 000s)		3,850	7,700

Volatility in interest rates has an impact on an entity's interest earnings. The impact of an increase in interest rates on the Bank's net interest income as at March 31, 2012, assuming a parallel shift in the yield curve, has been set out in the following table:

Equivalent in USD million

Currency	**Impact on Net Interest Income over a one year horizon**	
	Increase in interest rates by 100 bps	**Increase in interest rates by 200 bps**
EUR	**0.91**	**1.82**
USD	**6.91**	**13.82**
GBP	**3.69**	**7.38**
Other currencies	**(0.05)**	**(0.10)**
Total	**11.46**	**22.92**

The impact of an increase in interest rates on the Bank's net interest income as at March 31, 2011, assuming a parallel shift in the yield curve, has been set out in the following table:

Equivalent in USD million

Currency	**Impact on Net Interest Income over a one year horizon**	
	Increase in interest rates by 100 bps	**Increase in interest rates by 200 bps**
EUR	0.43	0.86
USD	6.49	12.98
GBP	7.34	14.68
Other Currencies	(0.03)	(0.06)
Total	14.23	28.46

An increase in interest rates results in a positive impact on the NII on account of positive re-pricing gaps on the balance sheet i.e. more assets re-price within a 1 year horizon than liabilities.

The combined impact of the price risk associated with an increase of 100 bps in interest rates on the trading book assets, coupled with the impact on the net interest income viewed over a four quarter horizon is measured against a limit of 5% of the Tier I and II capital base of the Bank as at the end of the immediately preceding financial year.

Liquidity risk

Liquidity risk relates to the potential difficulty of resorting to the financial markets in order to meet payment obligations or through the available cash flows. The Bank differentiates liquidity risk between funding liquidity risk and market liquidity risk.

Funding liquidity risk is the risk that the Bank will not be able to efficiently meet cash flow requirements in timely manner for its payment obligations including liability repayments, even under adverse conditions, and to fund all investment/lending opportunities, even under adverse conditions. Market liquidity refers to a Bank's ability to execute its transactions and to close out its positions at a fair market price. This may become difficult in certain market conditions either because of the underlying product itself or because of the Bank's own creditworthiness.

The goal of liquidity risk management of the Bank is to be able, even under adverse conditions, to meet all liability repayments on time and to fund all investment opportunities by raising sufficient funds either by increasing liabilities or by converting assets into cash expeditiously and at reasonable cost.
The Bank maintains diversified funding base comprising retail, corporate customer deposits and institutional balances. These deposits are augmented by wholesale deposits, borrowings and through issuance of bonds and subordinated debt from time to time. Loan maturities and sale of investments also provide liquidity. Further, the Bank holds unencumbered, high quality liquid assets to protect against stress conditions.

The Bank monitors and manages its overall liquidity risk appetite by ensuring that it maintains adequate liquid assets for projected stressed outflows under various scenarios and also ensure that its liquidity gap position is within the approved limit for the various time buckets. This framework is

further augmented by defining risk limit for individual risk drivers within the relevant regulatory environment. The ALCO monitors these parameters on a monthly basis and the BRC reviews these parameters on a quarterly basis.

The Bank mitigates the risk of a liquidity mismatch in excess of its risk appetite by managing the liquidity profile of the balance sheet through both short-term liquidity management and long-term funding strategy. Short-term liquidity management is considered from two perspectives; business as usual and liquidity under stressed conditions, both of which relate to funding in the less than one year time horizon. Longer term funding is used to manage the Bank's strategic liquidity profile which is determined by the Bank's balance sheet structure.

The Bank uses various tools for measurement of liquidity risk including the statement of structural liquidity (SSL), dynamic liquidity gap statements, liquidity ratios and stress testing through scenario analysis. The SSL is used as a standard tool for measuring and managing net funding requirements and assessment of surplus or shortfall of funds in various maturity buckets in the future. The Bank also prepares dynamic liquidity gap statements, which in addition to scheduled cash flows, also considers the liquidity requirements pertaining to incremental business and the funding thereof.

As part of the stock and flow approach to monitor liquidity, the Bank monitors certain liquidity ratios covering various liquidity risk drivers inter-alia short-term liquidity risk, structural mismatch risk, wholesale funding risk, off balance sheet risk and non-marketable assets risk. Amongst the various ratios monitored, the Bank lays more emphasis on the liquid assets to short term liabilities ratio and withdrawable funding ratio and the loan (customer advances) to total assets ratio. The liquid asset to short term liabilities ratio describes the value of liquid assets as compared to the short term liabilities maturing within 8 days. This ratio was 1.63 as at March 31, 2012 (1.76 as at March 31, 2011). The withdrawable funding ratio indicates the proportion of deposits that can be withdrawn by the customers without any notice to total funding resources. The ratio as at March 31, 2012 was 0.24 (0.19 as at March 31, 2011).The loan (customer advances) to total assets ratio indicates the structural liquidity of asset portfolio of the Bank. The ratio as at March 31, 2012 was 0.48 (0.51 as at March 31, 2011).

The Bank has implemented the Individual Liquidity Adequacy Assessment (ILAA) framework in line with the requirements of the FSA policy document PS09/16 on "Strengthening Liquidity Standards" during the current year. The ILAA summarizes the level of liquidity required by the Bank to meet the UK regulatory requirements and the liquidity commensurate with the risks identified in the Bank's portfolio and strategic plans. The ILAA sets out the framework used to ensure that the Bank maintains sufficient liquidity at all times, including periods of stress. This has been done through the quantification of outflows and inflows associated with material risks identified using scenarios – themselves a combination of historic data, external events and seasoned judgment. Based on the scenarios defined in the ILAA framework, the Bank carries out a stress testing of its liquidity position on a monthly frequency and reports the results of the stress test to the ALCO and BRC on a monthly and quarterly basis respectively.

The Bank also has a liquidity contingency plan (LCP) which details the overall approach and actions the Bank would undertake in order to manage the Bank's liquidity position during stressed conditions, as identified. The LCP addresses both the funding and operational requirements of the Bank and sets-out a funding, operational and communication plan to enable the Bank to deal with a liquidity crisis.

In summary, the Bank seeks to follow a conservative approach in its management of liquidity and has in place, a robust governance structure, policy framework and review mechanism to ensure availability of adequate liquidity even under stressed market conditions.

Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, and systems or from external events. The management of operational risk is governed by the Operational Risk Management Policy (ORMP) approved by the Board Risk Committee (BRC) which covers the aspects pertaining to minimizing losses due to process failures, flaws in product designs that can expose the Bank to losses due to fraud, impact of failures in technology/ systems and continuity in the Bank's operations. Operational risk elements covered in the ORMP include operational risk incident

management, techniques for risk identification and measurement, monitoring through key risk indicators and risk mitigation techniques.

An Operational Risk Management Committee (ORMC) comprising of the senior management is responsible for the mitigation of operational risk within the Bank by the creation and maintenance of an explicit operational risk management process. The ORMC meets at least on a monthly basis to track and monitor the progress of the implementation of the ORMP. A report on the activities of the ORMC held during a quarter is presented to the BRC on a quarterly basis.

The Operational Risk Management Group (ORMG) is responsible for coordinating all the operational risk related activities of the Bank including implementing tools for managing operational risk and maintenance of the ORMP.

The Bank has implemented its Risk and Control Self Assessment (RCSA) approach to identify and ensure effective control of its operational risks. The RCSAs are reviewed periodically as per BRC approved plan in consultation with the business groups and the results of the RCSA exercise are presented to BRC semi-annually. The Bank also captures certain Key Risk Indicators (KRIs) of the various business groups. The KRIs are monitored on a monthly basis and the results are presented to the ORMC and the BRC on a quarterly basis.

The Bank has implemented a loss data collection and reporting process for all operational risk loss data (including internal and external fraud) and near miss events. The data is collected from all business and support units in the UK as well as those outsourced to India. Analysis of such data is reported to the ORMC and the BRC on a quarterly basis.

The Bank has adopted the Basic Indicator Approach for the purposes of calculating its operational risk capital charge as per Basel II. The Bank has put in place an Operational Risk Stress Testing (ORST) framework for assessing the adequacy of the operational risk capital charge. Twenty nine operational risk events based on existing and external loss data and risks identified in RCSA and internal audit reports, have been assessed which are further used to create seven operational risk scenarios. Each of these scenarios is assessed for its probability and financial impact and compared with the operational risk capital charge. The ORST results are presented to the ORMC and BRC on a semi annual basis.

To identify operational risks in new products / processes, all such proposals are required to be approved by the Product and Process Approval Committee (PAC), comprising of senior management after obtaining inputs from all the relevant groups and control functions in the Bank.

The Bank has developed and implemented a Business Continuity and Crisis Management Plan (BCP). This plan is designed to facilitate continuity in critical business operations in the event of a disaster or an emergency situation. The BCP has been formulated on the basis of a business impact analysis carried out for the individual groups involving identification of critical activities and determination of their recovery time objectives. Periodic testing of the BCP is carried out and the results and the updates are shared with ORMC. The corporate BCP of the Bank along with the 20 group specific plans are renewed and presented to the BRC annually.

The Bank has developed and implemented an Outsourcing Policy to mitigate outsourcing risks and ensure the application of a standardized approach for all outsourcing arrangements entered into by the Bank. Proposed outsourcing arrangements are assessed for their criticality prior to outsourcing. For arrangements deemed to be critical, a detailed assessment is conducted and the proposal is approved by the BRC and pre-notified to FSA. The performance of vendors is periodically reviewed and assessment reports are presented to the BRC on a quarterly basis by the performance monitoring unit.

34 Cash flow payable under contractual maturity

At March 31, 2012, the contractual maturity comprised **USD 000s**

	Less than 3 months	More than 3 months but not more than 6 months	More than 6 months but not more than 1 year	More than 1 year but not more than 5 years	More than 5 years	No contractual maturity	Total
Deposits by banks	55,890	100,840	144,612	20,205	-	-	321,547
Customer accounts	1,063,414	219,399	620,571	508,080	-	-	2,411,464
Other liabilities	147,689	1,479	-	-	3,419	-	152,587
Derivative financial liabilities	1,623	10,281	2,754	55,497	-	-	70,155
Accruals and deferred income	35,928	2,161	6,111	5,004	-	-	49,204
Debt securities in issue	6,300	6,300	12,531	180,908	341,378	-	547,417
Shareholders' funds	-	-	-	-	-	709,640	709,640
Total Liabilities	**1,310,844**	**340,460**	**786,579**	**769,694**	**344,797**	**709,640**	**4,262,014**

At March 31, 2011, the contractual maturity comprised **USD 000s**

	Less than 3 months	More than 3 months but not more than 6 months	More than 6 months but not more than 1 year	More than 1 year but not more than 5 years	More than 5 years	No contractual maturity	Total
Deposits by banks	20,866	25,927	1,464	314,072	-	-	362,329
Customer accounts	1,442,465	636,329	845,578	1,285,789	-	-	4,210,161
Other liabilities	80,334	-	-	-	-	-	80,334
Derivative financial liabilities	29,514	5,320	26,062	108,629	12,868	-	182,393
Accruals and deferred income	51,871	9,120	12,235	18,428	-	-	91,654
Debt securities in issue	7,735	7,735	392,523	109,861	543,645	-	1,061,499
Shareholders' funds	-	-	-	-	-	683,362	683,362
Total Liabilities	1,632,785	684,431	1,277,862	1,836,779	556,513	683,362	6,671,732

The balances as noted above incorporate all cash flows on an undiscounted basis which relates to the principal and future coupon payments (except for trading liabilities and trading derivatives).

35 Fair values of financial assets and financial liabilities

Set out below is a comparison by category of book values and fair values of the Bank's trading and non trading financial assets and financial liabilities as at the year end.

USD 000s

	March 31, 2012	**March 31, 2012**	March 31, 2011	March 31, 2011
	Fair value	**Book value**	Fair value	Book value
Non trading book financial assets and liabilities				
Assets:				
Cash	**1,255**	**1,255**	1,057	1,057
Loans and advances to banks	**299,208**	**301,503**	876,385	875,384
Loans and advances to customers	**2,359,820**	**2,387,707**	3,572,072	3,594,595
Investment securities	**1,157,420**	**1,158,889**	1,477,331	1,477,431
Liabilities:				
Deposits by banks and customer accounts	**2,724,698**	**2,730,115**	4,561,193	4,565,785
Debt securities in issue	**367,368**	**372,621**	855,187	838,492
Financial assets and liabilities at fair value through profit and loss				
Assets:				
Derivative financial instruments	**102,624**	**102,624**	228,637	228,637
Credit linked notes	**14,365**	**14,365**	97,942	97,942
Liabilities:				
Derivative financial instruments	**85,456**	**85,456**	213,969	213,969

Notes:

1. Fair value of loans and advances to banks and customers is based on estimated spreads that a market participant would use in valuing these loans with similar maturity and rating.
2. The fair value of deposits by banks and customers has been estimated using current rates offered for deposits of similar maturities.
3. The fair vale of debt securities is derived based on prevalent market quotes as at balance sheet date. In case market quotes are not available the Bank has used the internal valuation technique to calculate the fair value. Internal valuation discounts the estimated future cash flows, computed based on the prevailing interest rates and credit spreads in the market

36 Derivative financial instruments

The Bank enters into various financial instruments as principal to manage balance sheet interest rate and foreign exchange rate risk.

Interest related contracts include swaps, futures and forward rate agreements. Interest rate swap transactions generally involve the exchange of fixed and floating interest payment obligations without the exchange of the underlying principal amounts. Forward rate agreements are contracts under which two counterparties agree on the interest to be paid on a notional deposit of a specified maturity at a specific future settlement date; there is no exchange of principal.

Exchange rate related contracts include spot, currency swaps, options and forward transactions. The Bank's currency swap transactions generally involve an exchange of currencies and an agreement to re-exchange the currency at a future date where the swaps relate to assets and liabilities denominated in different currencies.

The Bank uses derivatives to mitigate interest rate risk. Hedge accounting is applied to derivatives and hedged items when the criteria under FRS 26 have been met. The swaps exchange fixed rate for floating rate on assets/liabilities to match the floating rates paid/received on funding or exchanges fixed rates on funding to match the floating rates received/ paid on assets/ liabilities. For qualifying hedges, the fair value changes of the derivative are substantially matched by corresponding fair value changes

of the hedged item, both of which are recognised in profit and loss. As at March 31, 2012, the notional amounts of swaps designated as fair value hedges was USD 1,016 million (2011: USD 1,453 million) and these contracts had a positive fair value of USD 26.4 million (2011: positive fair value of USD 24.8 million).

The notional principal amounts of these instruments are not indicative of the amounts at risk which are smaller amounts payable under the terms of these instruments and upon the basis of the contract or notional principal amount. Derivatives contracts in the non-trading book are used for hedging purposes only and are accounted for on this basis and are executed with bank counterparties for whom volume and settlement limits have been approved. Group limits are approved for connected exposures.

The methodologies for the valuation of derivative products are defined in the Valuation Policy of the Bank, which has been approved by the Board Risk Committee (BRC) of the Bank. The Bank uses swap rates, cross currency basis spreads and spot rates as inputs for the valuation of currency swaps and foreign exchange forward transactions. Further, the Bank uses swap rates and interest rate basis spreads as inputs for the valuation of interest rate swaps. Inputs are drawn from Reuters on a real time basis. While the currency wise cash flows for currency swaps and forward transactions are discounted with the appropriate swap rate for the respective currency and the applicable cross currency basis spread, cash flows for interest rate swaps are discounted with the appropriate zero rate for the currency. Further, the floating rate cash flows for currency swaps and forward transactions are calculated from the zero rates derived from the swap curve and the appropriate basis spread applicable for the currency. The floating rate cash flows for interest rate swaps are calculated from the zero rates derived from the swap curve and the appropriate interest rate basis applicable for the currency.

At March 31, 2012, the principal amounts of the derivative financial instruments were:

USD 000s

Instrument	**Non-trading Notional Principal**	**Trading Notional Principal**	**Gross Positive Fair Value**	**Gross Negative Fair Value**
Foreign exchange contracts	**544,374**	**1,277,892**	**42,156**	**20,773**
Interest rate	**471,416**	**2,372,208**	**58,679**	**49,382**
Total	**1,015,790**	**3,650,100**	**100,835**	**70,155**

At March 31, 2011, the principal amounts of the derivative financial instruments were:

USD 000s

Instrument	Non-trading Notional Principal	Trading Notional Principal	Gross Positive Fair Value	Gross Negative Fair Value
Foreign exchange contracts	1,161,637	2,213,544	125,357	120,915
Interest rate	291,711	2,470,806	45,914	51,538
Total	1,453,348	4,684,350	171,271	172,453

In addition of the above the Bank holds equity options relating to their Foreign Currency Convertible Bonds. As at March 31, 2012 these equity options had a gross positive fair value of USD 1.8 million (March 31, 2011 gross positive fair value of USD 11.7 million). These options are valued based on valuation techniques with observable market inputs and are classified as level 2.

Derivative financial instruments by valuation method

As at March 31, 2012 **USD 000s**

	Foreign exchange contracts		**Interest rate**	
	Gross Positive Fair Value	**Gross Negative Fair Value**	**Gross Positive Fair Value**	**Gross Negative Fair Value**
Level 1	**104**	**558**	**-**	**-**
Level 2	**42,052**	**20,215**	**52,006**	**42,709**
Level 3	**-**	**-**	**6,673**	**6,673**
Total	**42,156**	**20,773**	**58,679**	**49,382**

As at March 31, 2011 USD 000s

	Foreign exchange contracts		Interest rate	
	Gross Positive Fair Value	Gross Negative Fair Value	Gross Positive Fair Value	Gross Negative Fair Value
Level 1	4	1	-	-
Level 2	125,354	120,914	31,919	37,542
Level 3	-	-	13,996	13,996
Total	125,358	120,915	45,915	51,538

37 Assets and liabilities denominated in foreign currency

	March 31, 2012 USD 000s	March 31, 2011 USD 000s
Denominated in US Dollars	**2,007,097**	2,973,302
Denominated in Sterling	**1,349,538**	2,303,757
Denominated in other currencies	**727,687**	1,164,961
Total assets	**4,084,322**	6,442,020
Denominated in US Dollars	**1,185,945**	1,938,927
Denominated in Sterling	**2,533,473**	3,468,192
Denominated in other currencies	**364,904**	1,034,901
Total liabilities	**4,084,322**	6,442,020

The above should not be considered to demonstrate the Bank's exposure to foreign exchange risk due to the existence of compensating exchange rate contracts as discussed in Note 36 which are held for hedging purposes.

38 Litigation

There are no material outstanding legal proceedings against the Bank.

39 Post balance sheet events

There have been no material events after the balance sheet date which would require disclosure or adjustments to the March 31, 2012 financial statements.

40 Ultimate parent company and parent undertaking of larger group of which the Bank is a member

The Bank is a wholly owned subsidiary of ICICI Bank Limited. The parent company is incorporated in India. Copies of the group accounts for ICICI Bank Limited can be obtained from the Secretarial Department, ICICI Bank Limited, ICICI Bank Towers, Bandra-Kurla Complex, Mumbai 400051, India.