ICICI BANK LTD
Form 6-K
December 31, 2013
FORM 6-K

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Report of Foreign Issuer

Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

For the month of December, 2013

Commission File Number: 001-15002

ICICI Bank Limited
(Translation of registrant's name into English)

ICICI Bank Towers,
Bandra-Kurla Complex
Mumbai, India 400 051
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

FormX 20-F   Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes   No X

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes   No X

Indicate by check mark whether by furnishing the information contained in this Form, the Registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934:

Yes   No X

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g 3-2(b): Not Applicable

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Item

1. Semi-Annual Report filed with the Kanto Local Finance Bureau, Japan on December 27, 2013

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorised.

For ICICI Bank Limited

Date:	December 27, 2013	By:		
			Name:	/s/ Mr. Jagat Reshamwala
			Title:	Assistant General Manager

[Translation]

SEMI-ANNUAL REPORT

(Report under Article 24-5, paragraph 1 of the Financial Instruments and Exchange Law)

For Six-month Period
From: April 1, 2013
To: September 30, 2013

as filed on December 27, 2013 through EDINET System

ICICI Bank Limited
(E05975)

(This translation of the Semi-Annual Report has been prepared solely for reference purposes and shall not have any binding force.)

This document is prepared by outputting and printing out data of the Semi-Annual Report filed on December 27, 2013 through EDINET (Electronic Disclosure for Investors' Network) defined in Article 27-30-2 of the Financial Instruments and Exchange Law, together with the table of contents and the page count.

[Form No. 10]

Cover Page

Document Name:	Semi-Annual Report
Filed with:	Director of Kanto Local Finance Bureau
Date of Filing:	December 27, 2013
For Six-month Period:	From April 1, 2013 through September 30, 2013
Corporate Name:	ICICI Bank Limited
Name and Title of Representative:	Sandeep Batra, Group Compliance Officer and Company Secretary
Location of Registered Office:	Landmark, Race Course Circle, Vadodara 390 007, Gujarat, India
Personal Name or Corporate Name of Attorney-in-Fact:	Hironori Shibata, Attorney-at-Law
Address or Location of Attorney-in-Fact:	Anderson Mori & Tomotsune
	Akasaka K-Tower
	2-7, Motoakasaka 1-chome
	Minato-ku, Tokyo
Telephone Number:	03-6888-1182
Name of Person to Contact with:	Nobuhiro Ito, Attorney-at-Law
Place to Contact with:	Anderson Mori & Tomotsune
	Akasaka K-Tower
	2-7, Motoakasaka 1-chome
	Minato-ku, Tokyo
Telephone Number:	03-6888-4762
Place(s) for Public Inspection:	Not applicable.

Notes:

1. In this Semi-Annual Report, all references to "we", "our" and "us" are, unless the context otherwise requires, to ICICI Bank Limited on an unconsolidated basis. References to specific data applicable to particular subsidiaries or other consolidated entities are made by reference to the name of that particular entity. References to "ICICI Bank" or "the Bank" are, as the context requires, to ICICI Bank Limited on an unconsolidated basis.

2. In this document, references to "US$" are to United States dollars, references to "Rs." are to Indian rupees, and references to "¥" or "JPY" are to Japanese yen. For purposes of readability, certain US dollar amounts have been converted into Japanese yen at the mean of the telegraphic transfer spot selling and buying rates vis-à-vis customers as at December 2, 2013 as quoted by The Bank of Tokyo-Mitsubishi UFJ, Ltd. in Tokyo (US$ 1 = ¥ 102.44), and certain rupee amounts have been converted into Japanese yen at the reference rate of Rs. 1 = ¥ 1.80 based on the foreign exchange rate as announced by The Bank of Tokyo-Mitsubishi UFJ, Ltd. in Tokyo as at December 2, 2013.

3. The fiscal year of the Bank commences on April 1 and ends at March 31 of each year. References to a particular "fiscal" year are to our fiscal year ending at March 31 of that particular year. For example, "fiscal 2014" refers to the year beginning on April 1, 2013 and ending at March 31, 2014.

4. Where figures in tables have been rounded, the totals may not necessarily agree with the arithmetic sum of the figures.

TABLE OF CONTENTS (for reference purpose only)

PART I. CORPORATE INFORMATION

I. SUMMARY OF LEGAL AND OTHER SYSTEMS IN HOME COUNTRY

There has been no material change in legal and other systems in India, since the last Annual Securities Report ("ASR") filed on September 30, 2013 for fiscal 2013, except for the following:

The Companies Act, 2013 received the assent of the President on August 29, 2013 and was notified in the Gazette of India on August 30, 2013. The provisions of the Companies Act, 2013 are being notified in tranches and the existing Companies Act, 1956 would stand repealed in entirety only after all the provisions of the Companies Act, 2013 have been notified along with the final rules for implementation of its provisions. The Ministry of Corporate Affairs, India has issued draft rules and sought comments on these draft rules. The final rules are yet to be issued.

II. OUTLINE OF COMPANY

1. Trends in Major Business Indices, etc.

The following data is derived from the audited unconsolidated financial results of ICICI Bank Limited prepared in accordance with generally accepted accounting principles in India ("Indian GAAP").

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Unconsolidated financial results

(Rs. in crore/JPY in ten-million)

Sr. No.	Particulars	Six months ended September 30, 2013 (Audited)	September 30, 2013	September 30, 2012 (Audited)	September 30, 2011 (Audited)	Year ended March 31, 2013 (Audited)	March 31, 2013	March 3 2012 (Audite
1.	Interest earned (a)+(b)+(c)+(d)	Rs. 21,233.95	JPY 38,221.11	Rs. 19,571.98	Rs. 15,776.14	Rs. 40,075.60	JPY 72,136.08	Rs. 33,54
	a) Interest/discount on advances/bills	14,932.51	26,878.52	13,304.62	10,315.87	27,341.11	49,214.00	22,12
	b) Income on investments	5,723.71	10,302.68	5,446.45	4,596.01	11,009.27	19,816.69	9,68
	c) Interest on balances with Reserve Bank of India and other inter-bank funds	104.74	188.53	272.44	229.10	542.98	977.36	49
	d) Others	472.99	851.38	548.47	635.16	1,182.24	2,128.03	1,23
2.	Other income	4,650.77	8,371.39	3,922.89	3,382.44	8,345.70	15,022.26	7,50
3.	TOTAL INCOME (1)+(2)	25,884.72	46,592.50	23,494.87	19,158.58	48,421.30	87,158.34	41,04
4.	Interest expended	13,369.97	24,065.95	13,007.81	10,858.78	26,209.19	47,176.54	22,80
5.	Operating expenses (e)+(f)	4,812.71	8,662.88	4,344.43	3,712.02	9,012.88	16,223.18	7,85
	e) Employee cost	1,960.98	3,529.76	1,952.91	1,575.55	3,893.29	7,007.92	3,51
	f) Other operating expenses	2,851.73	5,133.11	2,391.52	2,136.47	5,119.59	9,215.26	4,33
6.	TOTAL EXPENDITURE (4)+(5) (excluding provisions and contingencies)	18,182.68	32,728.82	17,352.24	14,570.80	35,222.07	63,399.73	30,65
7.	OPERATING PROFIT (3)-(6) (Profit before provisions and contingencies)	7,702.04	13,863.67	6,142.63	4,587.78	13,199.23	23,758.61	10,38
8.	Provisions (other than tax) and contingencies	1,217.98	2,192.36	973.79	772.65	1,802.54	3,244.57	1,58
9.	Exceptional items	..	..	..	..	..	..	
10.	PROFIT / (LOSS) FROM ORDINARY ACTIVITIES BEFORE TAX (7)-(8)-(9)	6,484.06	11,671.31	5,168.84	3,815.13	11,396.69	20,514.04	8,80

11.	Tax expense (g)+(h)	1,857.80	3,344.04	1,397.68	979.74	3,071.22	5,528.20	2,33
	g) Current period tax	1,834.87	3,302.77	1,415.90	1,071.51	3,005.20	5,409.36	2,19
	h) Deferred tax adjustment	22.93	41.27	(18.22)	(91.77)	66.02	118.84	14
12.	NET PROFIT / (LOSS) FROM ORDINARY ACTIVITIES AFTER TAX (10)-(11)	4,626.26	8,327.27	3,771.16	2,835.39	8,325.47	14,985.85	6,46
13.	Extraordinary items (net of tax expense)	..	..	..	..	..	..	
14.	NET PROFIT / (LOSS) FOR THE PERIOD (12)-(13)	4,626.26	8,327.27	3,771.16	2,835.39	8,325.47	14,985.85	6,46
15.	Paid-up equity share capital (face value Rs. 10/- each)	1,154.45	2,078.01	1,153.08	1,152.47	1,153.64	2,076.55	1,15
16.	Reserves excluding revaluation reserves	71,943.42	129,498.16	63,305.63	57,448.45	65,547.84	117,986.11	59,25

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17. Analytical ratios							
i) Percentage of shares held by Government of India	0.03	..	0.01	..	0.01	..	..
ii) Capital adequacy ratio							
a) Basel II	17.63%	..	18.28%	18.99%	18.74%	..	18.52%
b) Basel III	16.50%	..	NA	NA	NA	..	NA
iii) Earnings per share (EPS)							
a) Basic EPS before and after extraordinary items, net of tax expense (not annualized for six months) (in Rs./JPY)	40.09	72.16	32.71	24.61	72.20	129.96	56.11
b) Diluted EPS before and after extraordinary items, net of tax expense (not annualized for six months) (in Rs./JPY)	39.94	71.89	32.62	24.51	71.93	129.47	55.95
18. NPA Ratio 1							
i) Gross non-performing advances (net of write-off)	10,028.45	18,051.21	10,036.37	10,021.25	9,607.75	17,293.95	9,475.33
ii) Net non-performing advances	2,697.63	4,855.73	2,134.07	2,183.77	2,230.56	4,015.01	1,860.84
iii) % of gross non-performing advances (net of write-off) to gross advances	3.08%	..	3.54%	4.14%	3.22%	..	3.62%
iv) % of net non-performing advances to net advances	0.85%	..	0.78%	0.93%	0.77%	..	0.73%
19. Return on assets (annualized)	1.73%	..	1.58%	1.36%	1.70%	..	1.50%
20. Public shareholding							
i) No. of shares	1,154,394,745	..	1,153,027,642	1,152,412,079	1,153,581,715	..	1,152,714,442
ii) Percentage of shareholding	100	..	100	100	100	..	100
21. Promoter and promoter group							

shareholding							
i) Pledged/encumbered							
a) No. of shares	..	..	..	..	..	..	..
b) Percentage of shares (as a % of the total shareholding of promoter and promoter group)	..	..	..	..	..	..	..
c) Percentage of shares (as a % of the total share capital of the Bank)	..	..	..	..	..	..	..
ii) Non-encumbered							
a) No. of shares	..	..	..	..	..	..	..
b) Percentage of shares (as a % of the total shareholding of promoter and promoter group)	..	..	..	..	..	..	..
c) Percentage of shares (as a % of the total share capital of the Bank)	..	..	..	..	..	..	..

1. At September 30, 2013, the percentage of gross non-performing customer assets to gross customer assets was 2.67% and net non-performing customer assets to net customer assets was 0.73%. Customer assets include advances and credit substitutes.

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Unconsolidated segmental results of ICICI Bank Limited

(Rs. in crore/JPY in ten-million)

Sr. No.	Particulars	Six months ended				Year ended		
		September 30, 2013 (Audited)	September 30, 2013	September 30, 2012 (Audited)	September 30, 2011 (Audited)	March 31, 2013 (Audited)	March 31, 2013	March 31, 2012 (Audited)
1.	Segment revenue							
a	Retail Banking	Rs. 13,095.02	JPY 23,571.04	Rs. 11,043.60	Rs. 9,535.25	Rs. 22,585.63	JPY 40,654.13	Rs. 19,711.2
b	Wholesale Banking	15,812.77	28,462.99	15,237.49	11,988.72	31,368.76	56,463.77	26,171.3
c	Treasury	18,576.89	33,438.40	17,426.43	14,244.38	35,586.28	64,055.30	30,141.4
d	Other Banking	290.53	522.95	153.84	135.52	623.84	1,122.91	282.1
	Total segment revenue	47,775.21	85,995.38	43,861.36	35,903.87	90,164.51	162,296.12	76,306.1
	Less: Inter segment revenue	21,890.49	39,402.88	20,366.49	16,745.29	41,743.21	75,137.78	35,260.7
	Income from operations	25,884.72	46,592.50	23,494.87	19,158.58	48,421.30	87,158.34	41,045.4
2.	Segmental results (i.e. Profit before tax)							
a	Retail Banking	946.34	1,703.41	442.37	21.46	954.55	1,718.19	549.9
b	Wholesale Banking	3,237.77	5,827.99	3,075.62	2,800.81	6,618.86	11,913.95	6,207.7
c	Treasury	2,139.57	3,851.23	1,627.33	982.17	3,653.92	6,577.06	2,080.6
d	Other Banking	160.38	288.68	23.52	10.69	169.36	304.85	(34.9
	Total segment results	6,484.06	11,671.31	5,168.84	3,815.13	11,396.69	20,514.04	8,803.4
	Unallocated expenses	..	..	..	..	..	..	
	Profit before tax	6,484.06	11,671.31	5,168.84	3,815.13	11,396.69	20,514.04	8,803.4
3.	Capital employed (i.e. Segment assets – Segment liabilities)							

a	Retail Banking	(137,299.41)	(247,138.94)	(120,961.40)	(98,663.37)	(131,343.72)	(236,418.70)	(106,850.82
b	Wholesale Banking	130,360.65	234,649.17	115,358.26	88,891.70	119,763.46	215,574.23	106,384.7
c	Treasury	71,115.31	128,007.56	63,115.73	61,675.92	69,818.44	125,673.19	53,552.5
d	Other Banking	2,749.47	4,949.05	1,146.39	1,224.37	2,378.63	4,281.53	1,717.5
e	Unallocated	6,177.38	11,119.28	5,803.16	5,473.62	6,089.15	10,960.47	5,601.1
	Total	Rs. 73,103.40	JPY 131,586.12	Rs. 64,462.14	Rs. 58,602.24	Rs. 66,705.96	JPY 120,070.73	Rs. 60,405.2

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Notes on segmental results:

1. The disclosure on segmental reporting has been prepared in accordance with Reserve Bank of India (RBI) circular no. DBOD.No.BP.BC.81/21.04.018/2006-07 dated April 18, 2007 on guidelines on enhanced disclosures on "Segmental Reporting" which is effective from the reporting period ended March 31, 2008.
2. "Retail Banking" includes exposures which satisfy the four criteria of orientation, product, granularity and low value of individual exposures for retail exposures laid down in Basel Committee on Banking Supervision document "International Convergence of Capital Measurement and Capital Standards: A Revised Framework".
3. "Wholesale Banking" includes all advances to trusts, partnership firms, companies and statutory bodies, which are not included under Retail Banking.
4. "Treasury" includes the entire investment and derivative portfolio of the Bank.
5. "Other Banking" includes leasing operations and other items not attributable to any particular business segment of the Bank.

Notes:

1. The above financial results have been approved by the Board of Directors at its meeting held on October 25, 2013.
2. The financial statements have been prepared in accordance with Accounting Standard (AS) 25 on "Interim Financial Reporting".
3. In accordance with RBI guidelines, banks are required to disclose capital adequacy ratio computed under Basel III capital regulations from the quarter ended June 30, 2013. Accordingly, corresponding details for previous periods are not applicable.
4. Pillar 3 (Market Discipline) disclosures (unaudited) as per RBI guidelines on Composition of Capital Disclosure Requirements at September 30, 2013 for the Group are available at http://www.icicibank.com/aboutus/invest-disclosure.html.
5. The Bank has presented the mark-to-market (MTM) gain or loss on forex and derivative transactions on gross basis. Accordingly, the gross positive MTM amounting to Rs. 21,619.29 crore, Rs. 16,384.26 crore and Rs. 11,323.96 crore has been included in Other assets and gross negative MTM amounting to Rs. 19,162.35 crore, Rs. 14,349.80 crore and Rs. 10,826.32 crore has been included in Other liabilities at September 30, 2013, June 30, 2013 and March 31, 2013 respectively. Consequent to the change, Other assets and Other liabilities have increased by Rs. 14,139.33 crore at September 30, 2012.
6. Reserve Bank of India (RBI) has issued guidelines on August 23, 2013 giving the banks an option to distribute the net depreciation on the 'Available for Sale' (AFS) and 'Held for Trading' (HFT) portfolios during FY2014 in equal installments. For the three months ended September 30, 2013, the net depreciation on these portfolios of the Bank amounted to Rs. 278.84 crore. The Bank has not opted to exercise this option and the entire depreciation for the three months ended September 30, 2013 has been charged to the profit and loss account. Further, RBI has as a one-time measure permitted the banks to transfer Statutory Liquidity Ratio (SLR) securities from AFS/HFT category to 'Held to Maturity' (HTM) category. Accordingly, during the three months ended September 30, 2013, the Bank has transferred SLR securities of Rs. 2,328.54 crore from AFS/HFT category to HTM category. The Bank has booked a loss of Rs. 10.24 crore on the transfer of such securities.
7. During the three months ended September 30, 2013, the Bank has allotted 340,008 equity shares of Rs. 10/- each pursuant to exercise of employee stock options.
8. Status of equity investors' complaints/grievances for the three months ended September 30, 2013:

Opening balance	Additions	Disposals	Closing balance

0	37	37	0

9. Previous period/year figures have been re-grouped/re-classified where necessary to conform to current period classification.
10. The above unconsolidated financial results are audited by the statutory auditors, S.R. Batliboi & Co. LLP, Chartered Accountants.
11. Rs. 1 crore = Rs. 10 million.

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2. Nature of Business

There has been no material change since the last ASR filed on September 30, 2013 for fiscal 2013.

3. State of Affiliated Companies

There has been no material change since the last ASR filed on September 30, 2013 for fiscal 2013 except TCW/ICICI Investment Partners Limited, which was liquidated during the six months ended September 30, 2013 and hence ceased to be a jointly controlled entity.

4. State of Employees

At September 30, 2013, the Bank had 69,602 employees, including interns, sales executives and employees on fixed-term contracts.

III. STATEMENT OF BUSINESS

1. Outline of Results of Operations, etc.

Please refer to " - 7. Analysis of Financial Condition, Operating Results and Statement of Cash Flows".

2. State of Production, Orders Accepted and Sales

Please refer to " - 7. Analysis of Financial Condition, Operating Results and Statement of Cash Flows".

3. Problems to be Coped with

There has been no material change since the last ASR filed on September 30, 2013 for fiscal 2013.

4. Risks in Business, etc.

There has been no material change since the last ASR filed on September 30, 2013 for fiscal 2013.

5. Material Contracts Relating to Management, etc.

There has been no material change since the last ASR filed on September 30, 2013 for fiscal 2013.

6. Research and Development Activities

Please refer to " - II. - 2. Nature of Business".

7. Analysis of Financial Condition, Operating Results and Statement of Cash Flows

The following discussion is based on the audited unconsolidated financial results of the Bank for the six months ended on September 30, 2013.

Our profit after tax increased by 22.7% from Rs. 37.71 billion in the six months ended September 30, 2012 to Rs. 46.26 billion in the six months ended September 30, 2013. The increase in profit after tax was mainly due to a 19.8% increase in net interest income and an 18.6% increase in non-interest income, offset, in part, by a 10.8% increase in non-interest expenses and 25.1% increase in provisions and contingencies (excluding provisions for tax).

Net interest income increased by 19.8% from Rs. 65.64 billion in the six months ended September 30, 2012 to Rs. 78.64 billion in the six months ended September 30, 2013, reflecting an increase of 29 basis points in net interest margin and an increase of 9.3% in average interest-earning assets.

Non-interest income primarily includes fee and commission income, income from treasury-related activities, dividend from subsidiaries and other income including lease income. The increase in non-interest income by 18.6% from Rs. 39.23 billion in the six months ended September 30, 2012 to Rs. 46.51 billion in the six months ended September 30, 2013 was primarily on account of an increase in income from treasury-related activities, fee income and dividend income from subsidiaries.

Provisions and contingencies (excluding provisions for tax) increased by 25.1% from Rs. 9.74 billion in the six months ended September 30, 2012 to Rs. 12.18 billion in the six months ended September 30, 2013. The increase in provisions and contingencies (excluding provisions for tax) was primarily due to higher provisions made on non-performing and restructured loans in the small and medium enterprises (SME) and corporate loan portfolio.

Non-interest expenses increased by 10.8% from Rs. 43.44 billion in the six months ended September 30, 2012 to Rs. 48.13 billion in the six months ended September 30, 2013.

Total assets increased by 10.2% from Rs. 5,111.94 billion at September 30, 2012 to Rs. 5,635.08 billion at September 30, 2013. Total deposits increased by 9.8% from Rs. 2,814.38 billion at September 30, 2012 to Rs. 3,090.46 billion at September 30, 2013. Savings account deposits increased by 16.0% from Rs. 806.18 billion at September 30, 2012 to Rs. 935.35 billion at September 30, 2013. The current and savings account ratio was at 43.3% at September 30, 2013 compared to 40.7% at September 30, 2012. Term deposits increased by 4.9% from Rs. 1,670.20 billion at September 30, 2012 to Rs. 1,751.38 billion at September 30, 2013. Total advances increased by 15.5% from Rs. 2,750.76 billion at September 30, 2012 to Rs. 3,177.86 billion at September 30, 2013 primarily due to an increase in the domestic retail loans and the impact of depreciation in the value of the rupee on the loan portfolio of overseas branches, which remained flat in U.S. dollar terms. Net non-performing assets increased by 26.6% from Rs. 21.38 billion at September 30, 2012 to Rs. 27.07 billion at September 30, 2013 and the net non-performing assets to net customer assets increased from 0.66% at September 30, 2012 to 0.73% at September 30, 2013.

We continued to expand our branch network in India. Our branch network in India increased from 2,772 branches and extension counters at September 30, 2012 to 3,507 branches and extension counters at September 30, 2013. We also increased our ATM network from 10,006 ATMs at September 30, 2012 to 11,098 ATMs at September 30, 2013.

The total capital adequacy ratio of ICICI Bank on a standalone basis at September 30, 2013, in accordance with the Reserve Bank of India guidelines on Basel III, was 16.50% with a Tier-1 capital adequacy ratio of 11.33%, without including profit for the six months ended September 30, 2013. The total capital adequacy ratio based on Basel II was 17.63% with a Tier-1 capital adequacy ratio of 11.98% at September 30, 2013 compared to a total capital adequacy ratio of 18.28% and Tier-1 capital adequacy ratio of 12.83% at September 30, 2012.

Net Interest Income

The following table sets forth, for the periods indicated, the principal components of net interest income.

Particulars	Six months ended September 30, 2012	2013	2013	2013/2012% change	
	(in million, except percentages)				
Interest income	Rs. 195,719.8	Rs. 212,339.5	JPY 382,211.1	8.5	%
Interest expense	(130,078.1)	(133,699.7)	(240,659.5)	2.8	
Net interest income	Rs. 65,641.7	Rs. 78,639.8	JPY 141,551.6	19.8	%

Net interest income increased by 19.8% from Rs. 65.64 billion in the six months ended September 30, 2012 to Rs. 78.64 billion in the six months ended September 30, 2013 reflecting an increase in net interest margin by 29 basis points and an increase of 9.3% in the average volume of interest-earning assets.

Net Interest Margin

Net interest margin increased by 29 basis points from 3.00% in the six months ended September 30, 2012 to 3.29% in the six months ended September 30, 2013. The yield on average interest-earning assets decreased by 7 basis points from 8.96% in the six months ended September 30, 2012 to 8.89% in the six months ended September 30, 2013 reflecting primarily a decrease in yield on average interest-earning investments and other interest-earning assets, offset, in part, by an increase in yield on average advances. The cost of funds decreased by 28 basis points from 6.50% in the six months ended September 30, 2012 to 6.22% in six months ended September 30, 2013. This resulted in an increase in the spread by 21 basis points in the six months ended September 30, 2013 as compared to the six months ended September 30, 2012.

Net interest margin of overseas branches improved from 1.40% in the six months ended September 30, 2012 to 1.71% in the six months ended September 30, 2013 primarily on account of an increase in yield on advances and a decrease in cost of borrowings.

The yield on average interest-earning assets decreased by 7 basis points from 8.96% in the six months ended September 30, 2012 to 8.89% in the six months ended September 30, 2013 primarily due to the following factors:

- Yield on average interest-earning investments decreased from 7.83% in the six months ended September 30, 2012 to 7.48% in the six months ended September 30, 2013. Yield on average interest-earning investments decreased primarily on account of a decrease in yield on investments other than investment in government and other approved securities in India. The yield on average interest-earning investments other than investment in government and other approved securities in India decreased from 7.96% in the six months ended September 30, 2012 to 7.01% in the six months ended September 30, 2013 primarily due to the maturity of high-yielding bonds and debentures and certificate of deposits in our portfolio. Further, yield on pass-through certificates decreased primarily due to the deduction of tax on distributed income by securitization trusts from May 31, 2013 in accordance with the Finance Act, 2013. The yield on investments in government and other approved securities in India increased marginally from 7.77% in the six months ended September 30, 2012 to 7.78% in the six months ended September 30, 2013.

- Interest income on non-trading interest rate swaps and foreign currency swaps of ICICI Bank, which were undertaken to manage the market risk arising from the assets and liabilities, decreased in the six months ended September 30, 2013 as compared to the six months ended September 30, 2012. The interest income from non-trading interest rate swaps and foreign currency swaps decreased from Rs. 5.17 billion in the six months ended September 30, 2012 to Rs. 4.02 billion in the six months ended September 30, 2013 on account of the maturity of swaps.

However, the above decrease was offset, in part, on account of

- Yield on average advances increased from 9.90% in the six months ended September 30, 2012 to 9.98% in the six months ended September 30, 2013 due to an increase in proportion of average domestic advances to the total average advances. This was due to a higher increase in average domestic advances as compared to overseas advances. As domestic advances earn higher yield compared to overseas advances, yield on average advances increased in the six months ended September 30, 2013. In April 2012, we reduced our Base Rate from 10.00% to 9.75%. However, subsequently we increased our Base Rate to 10.00% with effect from August 23, 2013, in response to the rise in interest rates in the system.

- Net interest margin of overseas branches improved from 1.40% for the six months ended September 30, 2012 to 1.71% for the six months ended September 30, 2013 primarily on account of an increase in yield on advances and decrease in cost of borrowings.

- Income on securitized pool of assets (including credit losses on existing pools) was Rs. 0.18 billion in the six months ended September 30, 2013 compared to a loss of Rs. 0.38 billion in the six months ended September 30, 2012.

- The Reserve Bank of India reduced the cash reserve ratio by 50 basis points in phases from September 2012 to September 2013. The cash reserve ratio was 4.50% at September 22, 2012, 4.25% at November 3, 2012 and 4.00% at February 9, 2013. As cash reserve ratio balances do not earn any interest income, there duction had a positive impact on yield on interest-earning assets in the six months ended September 30, 2013.

- Interest on income tax refund was higher at Rs. 1.25 billion in the six months ended September 30, 2013 (six months ended September 30, 2012: Rs. 0.10 billion). The receipt, amount and timing of such income depend on the nature and timing of determinations by tax authorities and are neither consistent nor predictable.

The cost of funds decreased by 28 basis points from 6.50% in the six months ended September 30, 2012 to 6.22% in the six months ended September 30, 2013 due to the following factors:

- The cost of average deposits decreased by 30 basis points from 6.42% in the six months ended September 30, 2012 to 6.12% in the six months ended September 30, 2013, primarily due to a decrease in the cost of average term deposits. The cost of average term deposits decreased by 38 basis points from 8.55% in the six months ended September 30, 2012 to 8.17% in the six months ended September 30, 2013, reflecting the impact of a decrease in deposit rates from September 2012. However, due to tight banking system liquidity, we increased term deposit rates on select maturities from August 2013. The full impact of this increase will be reflected in the cost of deposits in the second half of fiscal 2014. The cost of deposits also benefited from the increase in proportion of current and savings account deposits in the six months ended September 30, 2013 as compared to the six months ended September 30, 2012.

- The cost of borrowings decreased by 26 basis points from 6.65% in the six months ended September 30, 2012 to 6.39% in the six months ended September 30, 2013. The cost of borrowings decreased primarily due to a decrease in cost of call and term borrowings, overseas borrowings and refinance borrowings.

Interest-Earning Assets

The average volume of interest-earning assets increased by 9.3% from Rs. 4,357.64 billion in the six months ended September 30, 2012 to Rs. 4,762.27 billion in the six months ended September 30, 2013. The increase in average interest-earning assets was primarily on account of an increase in average advances by Rs. 304.59 billion and an increase in average interest-earning investments by Rs. 140.45 billion.

Average advances increased by 11.4% from Rs. 2,679.95 billion in the six months ended September 30, 2012 to Rs. 2,984.53 billion in the six months ended September 30, 2013 primarily on account of an increase in domestic advances. In USD terms, advances of overseas branches increased by 0.7% from US$ 13.4 billion at September 30, 2012 to US$ 13.5 billion at September 30, 2013. In rupee terms, advances of overseas branches increased by 18.9% from Rs. 709.99 billion at September 30, 2012 to Rs. 844.07 billion at September 30, 2013.

Average interest-earning investments increased by 10.1% from Rs. 1,386.53 billion in the six months ended September 30, 2012 to Rs. 1,526.98 billion in the six months ended September 30, 2013, primarily due to an increase in average investment in government and other approved securities in India by 16.1% from Rs. 821.01 billion in the six months ended September 30, 2012 to Rs. 953.31 billion in the six months ended September 30, 2013. Average interest-earning investments other than investments in government and other approved securities in India increased by 1.4% from Rs. 565.52 billion in the six months ended September 30, 2012 to Rs. 573.67 billion in the six months ended September 30, 2013. Average interest-earning investments other than investments in government and other approved securities in India primarily include investments in corporate bonds and debentures, the Rural Infrastructure Development Fund and other related investments, commercial paper, certificates of deposits and investments in liquid mutual funds to deploy excess liquidity.

There was a decrease in other interest-earning assets by 13.9% from Rs. 291.16 billion in the six months ended September 30, 2012 to Rs. 250.75 billion in the six months ended September 30, 2013 primarily due to a decrease in balances/deposits with other banks and term money lent.

Interest-Bearing Liabilities

Average interest-bearing liabilities increased by 7.5% from Rs. 3,991.49 billion in the six months ended September 30, 2012 to Rs. 4,290.54 billion in the six months ended September 30, 2013 on account of an increase of Rs. 238.68 billion in average deposits and an increase of Rs. 60.37 billion in average borrowings. The increase in average deposits was due to an increase in average term deposits by Rs. 109.13 billion and average current and savings account deposits by Rs. 129.55 billion in the six months ended September 30, 2013 compared to the six months ended September 30, 2012. The average current and savings account ratio was at 39.6% during the six months ended September 30, 2013 compared to 38.3% during the six months ended September 30, 2012.

The average borrowings increased by 4.2% from Rs. 1,431.39 billion in the six months ended September 30, 2012 to Rs. 1,491.76 billion in the six months ended September 30, 2013. The average borrowings increased primarily due to an increase in call and term borrowings, refinance borrowings and capital instrument borrowings, offset, in part by a decrease in participation certificates. In U.S. dollar terms, gross borrowings of overseas branches decreased by 12.3% from US$ 13.8 billion at September 30, 2012 to US$ 12.1 billion at September 30, 2013. However, due to rupee depreciation, gross borrowings of overseas branches increased by 3.5%, in rupee terms, from Rs. 731.10 billion at September 30, 2012 to Rs. 756.44 billion at September 30, 2013.

Non-Interest Income

The following table sets forth, for the periods indicated, the principal components of non-interest income.

	Six months ended September 30,			
				2013/2012
	2012	2013	2013	% change
	(in million, except percentages)			
	Rs.	Rs.	JPY	
Fee income (1)	33,555.5	37,865.3	68,157.5	12.8 %
Income from treasury-related activities (2)	1,512.1	3,244.7	5,840.5	-
Dividend from subsidiaries	4,037.3	4,539.9	8,171.8	12.4
Other income (including lease income)	124.0	857.8	1,544.0	-
	Rs.	Rs.	JPY	
Total non-interest income	39,228.9	46,507.7	83,713.9	18.6 %

(1) Includes merchant foreign exchange income and margin on customer derivative transactions.
(2) Includes profit/loss on sale of investments and revaluation of investments and foreign exchange gain/loss.

Non-interest income primarily includes fee and commission income, income from treasury-related activities, dividend from subsidiaries and other income including lease income. The increase in non-interest income by 18.6% from Rs. 39.23 billion in the six months ended September 30, 2012 to Rs. 46.51 billion in the six months ended September 30, 2013 was primarily on account of an increase in income from treasury-related activities, fee income and dividend income from subsidiaries.

Fee Income

Fee income primarily includes fees from forex and derivative products, fees from corporate clients such as loan processing fees and transaction banking fees and fees from retail customers such as loan processing fees, fees from credit cards business, account service charges and third party referral fees.

Fee income increased by 12.8% from Rs. 33.56 billion in the six months ended September 30, 2012 to Rs. 37.87 billion in the six months ended September 30, 2013 primarily due to an increase in income from loan processing fees, income from forex and derivative products, commercial banking fees and third party referral fees.

Profit/ (loss) on Treasury-Related Activities (net)

Net income from treasury-related activities includes income from sale of investments and the revaluation of investments on account of changes in unrealized profit/(loss) in our fixed income, equity and preference share portfolio, units of venture capital and security receipts.

Profit from treasury-related activities increased from a gain of Rs. 1.51 billion in six months ended September 30, 2012 to a gain of Rs. 3.24 billion in six months ended September 30, 2013. The gain from treasury-related activities of Rs. 3.24 billion in six months ended September 30, 2013 includes gain on government securities and other fixed income positions of Rs. 1.77 billion, profit on security receipts of Rs. 0.76 billion and other gains of Rs. 0.44 billion. The gain from treasury-related activities of Rs. 1.51 billion in the six months ended September 30, 2012 includes gain on government securities and other fixed income positions of Rs. 1.42 billion and reversal of mark-to-market losses on equity and preference portfolio of Rs. 0.19 billion, offset, in part, by mark-to-market provision on security receipts of Rs. 0.82 billion.

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There was significant volatility in the Indian financial markets during the six months ended September 30, 2013. Yields on ten-year benchmark government securities declined from 7.95% at year-end fiscal 2013 to 7.5% at end-June 2013, providing opportunities for gains on fixed income investments. However, uncertainties about the U.S. Federal Reserve's tapering of its quantitative easing programme and India's high current account deficit triggered significant capital outflows, particularly during June and July 2013. The six months ended September 30, 2013 saw net outflows of approximately US$ 5.33 billion compared to net inflows of US$ 6.20 billion during the six months ended September 30, 2012. There was a sharp depreciation of the rupee vis-a-vis the U.S. dollar. In July 2013, the Reserve Bank of India announced several monetary measures to contain currency volatility by reducing domestic liquidity and increasing the cost at which liquidity was made available to the banking system. The yield on ten-year benchmark government securities increased sharply to 9.2% at August 19, 2013, before easing to 8.8% at end-September 2013. The increase in yields impacted treasury income in the three months ended September 30, 2013. For the six months ended September 30, 2013, the gain in government securities and other fixed income investments was Rs. 1.76 billion, compared to Rs. 1.42 billion in the six months ended September 30, 2012.

The Reserve Bank of India issued guidelines on August 23, 2013 giving the banks an option to distribute the net depreciation on the available for sale and held for trading portfolios during fiscal 2014 in equal installments. For the three months ended September 30, 2013, the net depreciation on these portfolios amounted to Rs. 2.79 billion. We have opted not to exercise this option and the entire depreciation has been charged to the profit and loss account. Further, the Reserve Bank of India has as a one-time measure permitted the banks to transfer statutory liquidity ratio securities from available for sale or held-for-trading category to held-to-maturity category. Accordingly, we transferred statutory liquidity ratio securities of Rs. 23.29 billion from available for sale or held-for-trading category to held-to-maturity category. We recognized a loss of Rs. 0.10 billion on the transfer of such securities.

We deal in credit derivative instruments including funded and non-funded obligations. There were no credit derivatives in funded instruments at September 30, 2013 and at September 30, 2012. Further, outstanding notional principal in non-funded instruments at September 30, 2013 was Rs. 0.10 billion as compared to Rs. 6.39 billion at September 30, 2012. During the six months ended September 30, 2013, there was a provision of Rs. 0.02 billion as compared to a reversal of provision of Rs. 0.07 billion in the six months ended September 30, 2012.

At September 30, 2013, we had an outstanding net investment of Rs. 9.69 billion in security receipts issued by asset reconstruction companies in relation to sales of non-performing loans compared to Rs. 14.26 billion at September 30, 2012. During the six months ended September 30, 2013, there was a gain of Rs. 0.76 billion on these security receipts compared to a loss of Rs. 0.82 billion in the six months ended September 30, 2012.

Dividend from Subsidiaries

Dividend from subsidiaries increased by 12.4% from Rs. 4.04 billion in the six months ended September 30, 2012 to Rs. 4.54 billion in the six months ended September 30, 2013. Dividend from subsidiaries includes dividend from ICICI Prudential Life Insurance Company Limited, ICICI Bank Canada and ICICI Home Finance Company Limited amounting to Rs. 2.10 billion, Rs. 1.35 billion and Rs. 0.80 billion in the six months ended September 30, 2013 (the six months ended September 30, 2012: Rs. 1.48 billion, Rs. 1.50 billion and Rs. 0.72 billion) respectively.

Other Income (including lease income)

Other income increased from Rs. 0.12 billion in the six months ended September 30, 2012 to Rs. 0.86 billion in the six months ended September 30, 2013, primarily due to higher profits on sale of properties.

Non-Interest Expense

The following table sets forth, for the periods indicated, the principal components of non-interest expense.

Particulars	Six months ended September 30, 2012	2013	2013	2013/2012 % change
	(in million, except percentages)			
		Rs.	JPY	
Employee expenses	Rs. 19,529.1	19,609.8	35,297.6	0.4 %
Depreciation on own property	2,201.0	2,594.7	4,670.5	17.9
Depreciation (net of lease equalization) on leased assets	181.4	154.5	278.1	(14.8)
Other administrative expenses	21,532.8	25,768.1	46,382.6	19.7
Total non-interest expenses	Rs. 43,444.3	Rs. 48,127.1	JPY 86,628.8	10.8

Non-interest expenses primarily include employee expenses, depreciation on assets and other administrative expenses. Non-interest expenses increased by 10.8% from Rs. 43.44 billion in the six months ended September 30, 2012 to Rs. 48.13 billion in the six months ended September 30, 2013.

Employee Expenses

Employee expenses increased by 0.4% from Rs. 19.53 billion in the six months ended September 30, 2012 to Rs. 19.61 billion in the six months ended September 30, 2013. Employee expenses increased primarily due to an increase in staff strength from 61,414 employees at September 30, 2012 to 69,602 employees at September 30, 2013 and higher salary on account of annual increments and promotions. This increase was partially offset by lower expenses on provision for retirement benefit obligations, due to higher yields on government securities, and variable compensation. The employee base includes sales executives, employees on fixed term contracts and interns.

Depreciation

Depreciation on owned property increased by 17.9% from Rs. 2.20 billion in the six months ended September 30, 2012 to Rs. 2.59 billion in the six months ended September 30, 2013 primarily due to an increase in our branch and ATM network.

Other Administrative Expenses

Other administrative expenses primarily include rent, taxes and lighting, advertisement, sales promotion, repairs and maintenance, direct marketing expenses and other expenditure. Other administrative expenses increased by 19.7% from Rs. 21.53 billion in the six months ended September 30, 2012 to Rs. 25.77 billion in the six months ended September 30, 2013. The increase in other administrative expenses was primarily due to an increase in our branch and ATM network. The number of branches and extension counters (excluding foreign branches and offshore banking units) increased from 2,772 at September 30, 2012 to 3,507 at September 30, 2013. We also increased our ATM network from 10,006 ATMs at September 30, 2012 to 11,098 ATMs at September 30, 2013. Direct marketing agency expenses increased from Rs. 1.36 billion in the six months ended September 30, 2012 to Rs. 2.31 billion in the six months ended September 30, 2013 reflecting higher disbursements in retail loans.

Provisions and Contingencies (Excluding Provisions for Tax)

The following table sets forth, for the periods indicated, the composition of provisions and contingencies, excluding provisions for tax.

	Six months ended September 30,			
Particulars	2012	2013	2013	2013/2012 % change
	(in million, except percentages)			
Provision for investments(including credit substitutes) (net)	Rs. 599.7	Rs. 68.8	JPY 123.8	(88.5)%
Provision for non-performing assets	8,346.1	11,173.3	20,111.9	33.9
Provision for standard assets	630.3	568.9	1,024.0	(9.7)
Others	161.8	368.8	663.8	-
Total provisions and contingencies	Rs. 9,737.9	Rs. 12,179.8	JPY 21,923.6	25.1 %

Provisions are made by us on standard, sub-standard and doubtful assets at rates prescribed by the Reserve Bank of India. Loss assets and unsecured portions of doubtful assets are provided/written off as required by the extant Reserve Bank of India guidelines. Provisions on retail non-performing loans are made at the borrower level in accordance with our retail assets provisioning policy, subject to the minimum provisioning levels prescribed by the Reserve Bank of India. The specific provisions on retail loans held by us were higher than the minimum regulatory requirement. In addition to the specific provision on non-performing assets, we maintain a general provision on performing loans and advances at rates prescribed by the Reserve Bank of India. For performing loans and advances in overseas branches, the general provision is made at the higher of host country regulations requirement and the Reserve Bank of India requirement.

Provisions and contingencies (excluding provisions for tax) increased by 25.1% from Rs. 9.74 billion in the six months ended September 30, 2012 to Rs. 12.18 billion in the six months ended September 30, 2013. Provision for advances increased from Rs. 8.35 billion in the six months ended September 30, 2012 to Rs. 11.17 billion in the six months ended September 30, 2013. The increase in provisions was primarily due to higher provisions made on non-performing and restructured loans in the SME and corporate loan portfolio during the six months ended September 30, 2013.

The cumulative general provision on standard assets held at September 30, 2013 was Rs. 17.55 billion (September 30, 2012: Rs. 15.43 billion).

Our provision coverage ratio at September 30, 2013 computed as per the extant Reserve Bank of India guidelines was 73.1% (September 30, 2012: 78.7%).

Provisions for Restructured Loans and Non-performing Assets

We classify our loans and credit substitutes, in accordance with the Reserve Bank of India guidelines, into performing and non-performing loans. Further, non-performing assets are classified into sub-standard, doubtful and loss assets based on the criteria stipulated by the Reserve Bank of India. Loans held at the overseas branches that are identified as impaired as per host country regulations but which are standard as per the extant Reserve Bank of India guidelines are identified as non-performing assets at the borrower level. The Reserve Bank of India has separate guidelines for restructured loans. A fully secured standard asset can be restructured by rescheduling principal repayments and/or the interest element, but must be separately disclosed as a restructured asset. Similar guidelines apply to restructuring of sub-standard and doubtful loans.

The Reserve Bank of India has issued a guideline revising the format of disclosures on restructured loans. The revised format requires us to disclose the movement of the borrower level outstanding in the borrower accounts whose loans were restructured. During the six months ended September 30, 2013, our restructured standard loans of 18 borrowers with a principal outstanding of Rs. 19.40 billion at September 30, 2013 as compared to loans of nine borrowers with a principal outstanding of Rs. 5.98 billion at September 30, 2012 (fiscal 2013: 23 borrowers with a principal outstanding of Rs. 18.14 billion at March 31, 2013). At September 30, 2013, there were 130 borrowers classified as standard with an aggregate outstanding of Rs. 75.86 billion whose loans had been restructured by us compared to 138 borrowers classified as standard with an aggregate outstanding of Rs. 48.87 billion at September 30, 2012 (At March 31, 2013: 174 borrowers classified as standard with an aggregate outstanding of Rs. 58.25 billion).

The following table sets forth, at the dates indicated, certain information regarding non-performing assets.

	At				
	September 30, 2012	March 31, 2013	September 30, 2013	September 30, 2013	% change March 2013 to September 2013
	(in million, except percentages)				
	Rs.	Rs.		JPY	
Gross non-performing assets	100,508.8	96,467.4	Rs.100,777.3	181,399.1	4.5
Provisions for non-performing assets	(79,127.5)	(74,124.3)	(73,711.7)	(132,681.1)	(0.6)

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				JPY		
Net non-performing assets	Rs. 21,381.3	Rs. 22,343.1	Rs. 27,065.6	48,718.1	21.1	%
Gross customer assets	3,322,132.1	3,600,038.7	3,775,408.1	6,795,734.6	4.9	
Net customer assets	3,235,118.0	3,517,621.9	3,689,698.2	6,641,456.8	4.9	
Gross non-performing assets as a percentage of gross customer assets	3.03%	2.68%	2.67%			
Net non-performing assets as a percentage of net customer assets	0.66%	0.64%	0.73%			

Gross non-performing assets increased by 4.5% from Rs. 96.47 billion at March 31, 2013 to Rs.100.78 billion at September 30, 2013. Our net non-performing assets increased from Rs. 22.34 billion at March 31, 2013 to Rs. 27.07 billion at September 30, 2013. The net non-performing assets to net customer assets increased from 0.64% at March 31, 2013 to 0.73% at September 30, 2013.

Gross non-performing assets increased by 4.5% from Rs. 96.47 billion at March 31, 2013 to Rs. 100.78 billion at September 30, 2013. The gross additions to gross non-performing assets during the six months ended September 30, 2013 was Rs. 22.17 billion as compared to Rs. 20.53 billion during the six months ended September 30, 2012. Non-performing assets amounting to Rs. 8.33 billion were upgraded/recovered during the six months ended September 30, 2013 as compared to Rs. 8.84 billion during the six months ended September 30, 2012. Non-performing assets amounting Rs. 9.54 billion were written-off during the six months period ended September 30, 2013 as compared to Rs. 6.81 billion during the six months ended September 30, 2012.

Our net non-performing assets increased from Rs. 22.34 billion at March 31, 2013 to Rs. 27.07 billion at September 30, 2013. The net non-performing assets to net customer assets increased from 0.64% at March 31, 2013 to 0.73% at September 30, 2013.

During the six months ended September 30, 2013, we sold two non-performing assets (other than fully written off cases) to an asset reconstruction company, with an aggregate gain over net book value of Rs. 267.4 million as compared to one non-performing asset (other than fully written-off cases) during the six months ended September 30, 2012, with an aggregate gain over net book value amounting to Rs. 0.3 million.

Tax Expense

The income tax expense (including wealth tax) increased by 32.9% from Rs. 13.98 billion in the six months ended September 30, 2012 to Rs. 18.58 billion in the six months ended September 30, 2013. The effective tax rate was 28.7% in the six months ended September 30, 2013 compared to the effective tax rate of 27.0% in the six months ended September 30, 2012.

Financial Condition

Assets

The following table sets forth, at the dates indicated, the principal components of assets.

	At				
	September 30, 2012	March 31, 2013	September 30, 2013	September 30, 2013	2013/2012 % change
	(in million, except percentages)				
Cash and Cash Equivalents	Rs. 424,221.1	Rs. 414,175.2	Rs. 335,802.7	JPY 604,444.9	(20.8)%
Investments (1)	1,579,139.6	1,713,936.0	1,688,286.4	3,038,915.5	6.9
Advances	2,750,756.3	2,902,494.3	3,177,862.3	5,720,152.1	15.5
Fixed assets (including leased assets)	46,214.9	46,470.6	46,113.1	83,003.6	(0.2)
Other assets	311,612.6	290,870.7	387,013.9	696,625.0	24.2
Total assets	Rs. 5,111,944.5	Rs. 5,367,946.8	Rs. 5,635,078.4	JPY 10,143,141.1	10.2%

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(1) Includes government and other approved securities qualifying for statutory liquidity ratio. Banks in India are required to maintain a specified percentage, currently 23.0%, of their net demand and time liabilities by way of liquid assets like cash, gold or approved unencumbered securities.

The total assets increased by 10.2% from Rs. 5,111.94 billion at September 30, 2012 to Rs. 5,635.08 billion at September 30, 2013, primarily due to an increase in advances and investments. The net advances increased by 15.5% from Rs. 2,750.76 billion at September 30, 2012 to Rs. 3,177.86 billion at September 30, 2013. Investments increased by 6.9% from Rs. 1,579.14 billion at September 30, 2012 to Rs. 1,688.29 billion at September 30, 2013.

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand and balances with the Reserve Bank of India and other banks, including money at call and short notice. Cash and cash equivalents decreased from Rs. 424.22 billion at September 30, 2012 to Rs. 335.80 billion at September 30, 2013 primarily due to a decrease in balances/deposits with other banks. The balances with the Reserve Bank of India decreased from Rs. 172.75 billion at September 30, 2012 to Rs. 148.87 billion at September 30, 2013 primarily due to a reduction in cash reserve ratio requirement by 50 basis points from 4.50% at September 30, 2012 to 4.00% at September 30, 2013.

Investments

Total investments increased by 6.9% from Rs. 1,579.14 billion at September 30, 2012 to Rs. 1,688.29 billion at September 30, 2013, primarily due to an increase in investment in government securities of Rs. 126.87 billion, pass through certificates of Rs. 54.38 billion and Rural Infrastructure Development Fund and other related investments in lieu of shortfall in directed lending requirements of Rs. 42.16 billion. The investment in mutual funds decreased by Rs. 41.26 billion, corporate bonds and debentures decreased by Rs. 61.33 billion and commercial paper and certificates of deposit decreased by Rs. 17.29 billion at September 30, 2013 compared to September 30, 2012. At September 30, 2013, we had an outstanding net investment of Rs. 9.69 billion in security receipts issued by asset reconstruction companies in relation to the sale of non-performing loans compared to Rs. 14.26 billion at September

30, 2012.

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Advances

Net advances increased by 15.5% from Rs. 2,750.76 billion at September 30, 2012 to Rs. 3,177.86 billion at September 30, 2013. Net advances increased primarily due to an increase in domestic retail loans and the impact of depreciation in the value of the rupee on the loan portfolio of overseas branches, which remained flat in U.S. dollar terms. Net retail advances increased by 19.6% from Rs. 962.63 billion at September 30, 2012 to Rs. 1,150.89 billion at September 30, 2013. Net advances of overseas branches (including offshore banking unit), in U.S. dollar terms, increased by 0.7% from US$ 13.4 billion at September 30, 2012 to US$ 13.5 billion at September 30, 2013. Net advances of overseas branches (including offshore banking unit), in rupee terms, increased by 18.9% from Rs. 709.99 billion at September 30, 2012 to Rs. 844.07 billion at September 30, 2013 due to rupee depreciation from Rs. 52.86 per U.S. dollar at September 30, 2012 to Rs. 62.61 per U.S. dollar at September 30, 2013.

Fixed and Other Assets

Fixed assets (net block) decreased marginally from Rs. 46.21 billion at September 30, 2012 to Rs. 46.12 billion at September 30, 2013.

Other assets increased by 24.2% from Rs. 311.61 billion at September 30, 2012 to Rs. 387.01 billion at September 30, 2013. At September 30, 2013, we have presented mark-to-market on foreign exchange and derivatives trading transactions (including revaluation on outstanding funding swaps) and interest accrual on hedge swaps on a gross basis. Accordingly, the gross positive mark-to-market, amounting to Rs. 216.19 billion, has been included in other assets at September 30, 2013. Consequent to the change, other assets have increased by Rs. 141.39 billion at September 30, 2012. This was previously presented on a net basis and the net positive mark-to-market was recorded in ‘Other Assets’ and the net negative mark-to-market was recorded in ‘Other Liabilities’.

Liabilities

The following table sets forth, at the dates indicated, the principal components of liabilities (including capital and reserves).

Liabilities	At September 30, 2012	March 31, 2013	September 30, 2013	September 30, 2013	2013/2012 % change
	(in million, except percentages)				
	Rs.	Rs.	Rs.		
Deposits	2,814,382.0	2,926,136.3	3,090,461.5	JPY 5,562,830.7	9.8 %
Borrowings (1)	1,353,901.3	1,453,414.9	1,453,561.8	2,616,411.2	7.4
Other liabilities	299,039.8	321,336.0	360,021.1	648,038.0	20.4
Total liabilities	4,467,323.1	4,700,887.2	4,904,044.4	8,827,279.9	0.1
Equity share capital	11,530.8	11,536.4	11,544.5	20,780.1	0.1
Reserves and surplus	633,090.6	655,523.2	719,489.5	1,295,081.1	13.6
Total liabilities (including capital and reserves)	Rs. 5,111,944.5	Rs. 5,367,946.8	Rs. 5,635,078.4	JPY 10,143,141.1	10.2 %

(1) Includes borrowings in the nature of capital instruments and redeemable non-cumulative preference shares.

Total liabilities (including capital and reserves) increased by 10.2% from Rs. 5,111.94 billion at September 30, 2012 to Rs. 5,635.08 billion at September 30, 2013, primarily due to an increase in borrowings and deposits. Deposits increased from Rs. 2,814.38 billion at September 30, 2012 to Rs. 3,090.46 billion at September 30, 2013. Borrowings increased from Rs. 1,353.90 billion at September 30, 2012 to Rs. 1,453.57 billion at September 30, 2013.

Deposits

Deposits increased by 9.8% from Rs. 2,814.38 billion at September 30, 2012 to Rs. 3,090.46 billion at September 30, 2013. Term deposits increased from Rs. 1,670.20 billion at September 30, 2012 to Rs. 1,751.38 billion at September 30, 2013, while savings deposits increased from Rs. 806.18 billion at September 30, 2012 to Rs. 935.35 billion at September 30, 2013 and current deposits increased from Rs. 338.00 billion at September 30, 2012 to Rs. 403.73 billion at September 30, 2013. The current and savings account deposits increased from Rs. 1,144.18 billion at September 30, 2012 to Rs. 1,339.08 billion at September 30, 2013. Total deposits at September 30, 2013 constituted 68.0% of our funding (i.e., deposits and borrowings, other than preference share capital).

Borrowings

Borrowings increased by 7.4% from Rs. 1,353.90 billion at September 30, 2012 to Rs. 1,453.57 billion at September 30, 2013. Borrowings increased primarily due to an increase in capital instruments borrowings, refinance borrowings and short-term borrowings, offset, in part, by a decrease in transactions with the Reserve Bank of India under liquidity adjustment facility and borrowings under collateralized borrowings and lending obligation. In USD terms, gross borrowings of overseas branches decreased from US$ 13.8 billion at September 30, 2012 to US$ 12.1 billion at September 30, 2013. In rupee terms, gross borrowings of overseas branches increased from Rs. 731.10 billion at September 30, 2012 to Rs. 756.44 billion at September 30, 2013.

Other Liabilities

Other liabilities increased by 20.4% from Rs. 299.04 billion at September 30, 2012 to Rs. 360.02 billion at September 30, 2013. At September 30, 2013, we have presented mark-to-market on forex and derivatives trading transactions (including revaluation on outstanding funding swaps) and interest accrual on hedge swaps on gross basis. Accordingly, the gross negative mark-to-market amounting to Rs. 191.62 billion has been included in other liabilities at September 30, 2013. Consequent to the change, other liabilities at September 30, 2012 have increased by Rs. 141.39 billion.

Equity Share Capital and Reserves

Equity share capital and reserves increased from Rs. 644.62 billion at September 30, 2012 to Rs. 731.03 billion at September 30, 2013 primarily due to accretion to reserves out of profit.

Statement of Cash Flow

Cash and cash equivalents decreased by 18.92% from Rs. 414.18 billion at March 31, 2013 to Rs. 335.80 billion at September 30, 2013 due to net cash outflow from investing activities and financing activities, offset, in part, by net cash inflow from operating activities. Cash and cash equivalents increased by 17.1% from Rs. 362.29 billion at March 31, 2012 to Rs. 424.22 billion at September 30, 2012 primarily due to net cash inflow from operating activities, offset, in part, by net cash outflow from investing activities and financing activities.

The net cash outflow from investing activities of Rs. 119.24 billion during the six months ended September 30, 2013 and Rs. 57.57 billion during the six months ended September 30, 2012 was primarily on account of purchase of held-to-maturity securities. The net cash outflow from financing activities of Rs. 25.39 billion during the six months ended September 30, 2013 was primarily on account of dividend payment. Net cash outflow from financing activities of Rs. 69.33 billion during the six months ended September 30, 2012 was primarily on account of repayment of borrowings and dividend payment.

During the six months ended September 30, 2013, the net cash inflow from operating activities of Rs. 49.55 billion was on account of profits for the period, increase in deposits, other liabilities and reduction in investments other than held-to-maturity investments, offset, in part, by increase in advances, other assets and payment of current tax. During the six months ended September 30, 2012, the net cash inflow from operating activities of Rs. 186.13 billion was primarily on account of profits for the period, increase in deposits and reduction in investments other than held-to-maturity investments, offset, in part, by increase in advances and payment of current tax.

IV. STATEMENT OF FACILITIES

1. State of Major Facilities

There has been no material change since the last ASR filed on September 30, 2013 for fiscal 2013.

2. Plan for Installation, Retirement, etc. of Facilities

There has been no material change since the last ASR filed on September 30, 2013 for fiscal 2013.

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V. STATEMENT OF FILING COMPANY

1. State of Shares, etc.

(1) Total Number of Shares, etc.

(i) Total Number of Shares

(At September 30, 2013)

Number of Shares Authorized to be Issued	Number of Issued Shares	Number of Unissued Shares
1,275,000,000 equity shares of Rs. 10/- each	1,154,394,745 (1) shares	120,605,255 shares
15,000,000 shares of Rs. 100/- each (2)	Nil	15,000,000 shares
350 preference shares of Rs. 10,000,000 each	350 shares	Nil

(1) Excludes 111,603 shares forfeited.

(2) Above shares will be of such class and with rights, privileges, conditions or restrictions as may be determined by the Bank in accordance with the Bank's Articles of Association and subject to the legislative provisions in force at that time.

(ii) Issued Shares

(At September 30, 2013)

Bearer or Registered; Par Value or Non-Par Value	Kind	Number of Issued Shares	Names of Listed Financial Instruments Exchanges or Registered Financial Instruments Firm Association	Remarks
Registered shares, with par value of Rs. 10 each	Ordinary shares	1,154,394,745 (1) shares	Underlying equity shares on: Bombay Stock Exchange; and National Stock Exchange of India Limited ADRs on: New York Stock Exchange	Equity shares with a face value of Rs. 10 each
Registered shares, with par value of Rs. 10 million each	Preference shares	350 shares	Not applicable	Preference shares with a face value of Rs. 10,000,000 each
Total	-	1,154,395,095 (1) shares	-	-

(1) Excludes 111,603 shares forfeited.

(2) State of Exercise of Bonds with Stock Acquisition Rights etc. with Moving Strike Clause

Not applicable.

(3) Total Number of Issued Shares and Capital Stock

(At November 30, 2013)

	Number of Shares on Issue		Share Capital (in Rs.)		
Date	Number of Shares Increased/ (Decreased)	Number of Outstanding Shares After Increase/ (Decrease)1	Amount of Share Capital Increased/ (Decreased)	Amount After Share Capital Increase/ (Decrease)	Remarks
Total shares outstanding as on April 1, 2013		1,153,581,715		11,535,817,150 (JPY 20,764,470,870)	-
During fiscal year 2014 (Up to November 30, 2013)	902,055	1,154,483,770	9,020,550 (JPY 16,236,990)	11,544,837,700 (JPY 20,780,707,860)	Allotment of 902,055 shares issued on exercise of options, under the Employee Stock Option Scheme 2000

(1) Excludes 111,603 shares forfeited.

(4) Major Shareholders

Shareholding more than 1% of the total number of shares.

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(At November 8, 2013)

Shareholder	Address	Shares (million)	% Holding
Deutsche Bank Trust Company Americas (Depositary for ADS holders)	C/O. ICICI Bank, Sms, Empire House, 1st Floor, 414, Senapati Bapat Marg, Lower Parel,Mumbai - 400013	336.70	29.17%
Life Insurance Corporation of India	Investment Department, 6th Floor, West Wing, Central Office, Yogakshema, Jeevan Bima Marg, Mumbai 400021	121.68	10.54%
Dodge and Cox International Stock Fund	Deutsche Bank Ag, DB House, Hazarimal Somani Marg, Post Box No. 1142, Fort, Mumbai - 400001	32.36	2.80%
Europacific Growth Fund	JPMorgan Chase Bank N.A., India Sub Custody, 6th Floor, Paradigm B, Mindspace, Malad W,Mumbai - 400064	21.28	1.84%
Carmignac Gestion A/c Carmignac Patrimoine	HSBC Securities Services, 2nd Floor, "Shiv", Plot No. 139-140 B, Western Express Highway, Sahar Road Junction, Vile Parle (East), Mumbai - 400057	18.91	1.64%
Aberdeen Global India Equity (Mauritius) Limited	BNP Paribas House,6th Floor, 1 North Avenue Custody Operations Maker Maxity, BKC, Bandra East Mumbai-400051	18.08	1.57%

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Centaura Investments (Mauritius) Pte Ltd	Citibank NA, Custody Services, 3rd Floor, Trent House, G Block, Plot No. 60, BKC, Bandra (East), Mumbai - 400051	14.02	1.21%
Merrill Lynch Capital Markets Espana S.A. S.V. (Custodian for participatory notes)	Citibank NA, Custody Services, 3rd Floor, Trent House, G Block, Plot No. 60, BKC, Bandra (East), Mumbai – 400051	13.19	1.14%
SBI Life Insurance Co. Ltd.	Natraj, 6th Floor, CTS No. 354 A, Andheri Kurla Road, Gundavali, Opp. W. E. Highway, Andheri (East), Mumbai - 400069	11.53	1.00%
Vanguard Emerging Markets Stock Index Fund, A series Of Vanguard International Equity Index Fund	Deutsche Bank Ag, Db House, Hazarimal Somani Marg, Post Box No. 1142, Fort, Mumbai - 400001	11.49	1.00%
Total	-	599.24	51.91%

2. Trends in Stock Prices

Monthly High and Low Stock Prices of Shares for each of the Last Six Months ended September 30, 2013

National Stock Exchange of India Limited (NSE)

(in Rs.)

Month	April 2013	May 2013	June 2013	July 2013	August 2013	September 2013
High (yen)	1,177.35 (2,119.23)					