

FORM FORM NL-12-INVESTMENTS SCHEDULE

Investments

	Particulars	31.12.2010	31.12.2009
		(Rs.'000)	(Rs.'000)
	LONG TERM INVESTMENTS		
1	Government securities and Government guaranteed bonds including Treasury Bills	30485712	27507337
2	Other Approved Securities	10475	10475
3	Other Investments		
	(a) Shares		
	(aa) Equity	77181931	72381025
	(bb) Preference	3072	5076
	(b) Mutual Funds		
	(c) Derivative Instruments		
	(d) Debentures/ Bonds	14272341	10254343
	(e) Other Securities (to be specified)		
	(f) Subsidiaries	762	762
	(g) Investment Properties-Real Estate		
4	Investments in Infrastructure and Social Sector	24130270	15376296
5	Other than Approved Investments	4727130	4746240
	SHORT TERM INVESTMENTS		
1	Government securities and Government guaranteed bonds including Treasury Bills	2561993	2212080
2	Other Approved Securities	0	0
3	Other Investments		
	(a) Shares		
	(aa) Equity	0	
	(bb) Preference	4973	2969
	(b) Mutual Funds	441801	718743
	(a) Derivative Instruments		
	(b) Debentures/ Bonds	1389645	283977
	(c) Other Securities - commercial papers	923492	188747
	(d) Subsidiaries		
	(e) Investment Properties-Real Estate		
4	Investments in Infrastructure and Social Sector	776686	1084331
5	Other than Approved Investments		200918
	TOTAL	156910283	134973319

Notes:

(a) Investments in subsidiary/holding companies, joint ventures and associates shall be separately disclosed, at cost.

(i) Holding company and subsidiary shall be construed as defined in the Companies Act, 1956:

(ii) Joint Venture is a contractual arrangement whereby two or more parties undertake an economic activity, which is subject to joint control.

(i) Joint control - is the contractually agreed sharing of power to govern the financial and operating policies of an economic activity to obtain benefits from it.

(ii) Associate - is an enterprise in which the company has significant influence and which is neither a subsidiary nor a joint venture of the company.

(iii) Significant influence (for the purpose of this schedule) - means participation in the financial and operating policy decisions of a company, but not control of those policies. Significant influence may be exercised in several ways, for example, by representation on the board of directors, participation in the policymaking process, material inter-company transactions, interchange of managerial personnel or dependence on technical information. Significant influence may be gained by share ownership, statute or agreement. As regards share ownership, if an investor holds, directly or indirectly through subsidiaries, 20 percent or more of the voting power of the investee, it is presumed that the investor does have significant influence, unless it can be clearly demonstrated that this is not the case. Conversely, if the investor holds, directly or indirectly through subsidiaries, less than 20 percent of the voting power of the investee, it is presumed that the investor does not have significant influence, unless such influence is clearly demonstrated.

A substantial or majority ownership by another investor does not necessarily preclude an investor from having significant influence.

- (b) Aggregate amount of company's investments other than listed equity securities and derivative instruments and also the market value thereof shall be disclosed.
- (c) Investments made out of Catastrophe reserve should be shown separately.
- (d) Debt securities will be considered as "held to maturity" securities and will be measured at historical cost subject to amortisation.
- (e) Investment Property means a property [land or building or part of a building or both] held to earn rental income or for capital appreciation or for both, rather than for use in services or for administrative purposes.
- (f) Investments maturing within twelve months from balance sheet date and investments made with the specific intention to dispose of within twelve months from balance sheet date shall be classified as short-term investments