Private & Confidential – For Private Circulation Only

# ICICI Home Finance Company Limited

(hereinafter referred to as the **"Issuer"** or the **"Company"**)
**CIN:** U65922MH1999PLC120106 **PAN**: AAACI6285N
**Date of Incorporation:** May 28, 1999 **Place of Incorporation:** Mumbai
**Registration Number issued by Registrar of Companies (ROC):** 120106
**Certificate of Registration issued by National Housing Bank** having no. 01.0007.01
**Registered office:** ICICI Bank Towers, Bandra - Kurla Complex, Mumbai – 400 051
**Corporate office:** ICICI HFC Tower, Andheri Kurla Road, JB Nagar, Andheri (E), Mumbai – 400 059
**Website:** www.icicihfc.com **Email ID:** hfcsecretarial@icicihfc.com **Tel:** 022-4009 3457

**General Information Document**

**Date:** January 11, 2024 **No.** IHFC/FY24/GID/January

**Type of issue document:** General Information Document for Private Placement

*This General Information Document for Private Placement dated January 11, 2024* ***("General Information Document")*** *is neither a prospectus nor a statement in lieu of prospectus and does not constitute an offer to the public generally to subscribe for or otherwise acquire the Bonds (as defined hereinafter) and Commercial Papers (as defined hereinafter) being issued in terms of this General Information Document.*

This General Information Document has been prepared in conformity with Securities Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 issued by SEBI vide notification number SEBI/LAD-NRO/GN/2021/39 on August 09, 2021, as amended from time to time, the Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper issued by SEBI vide circular number SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021, as amended from time to time, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued by SEBI vide notification number SEBI/LAD-NRO/GN/2015-16/013, as amended from time to time, Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI vide circular number RBI/2020-21/73 DOR.FIN.HFC.CC.No.120 /03.10.136/2020-21, as amended from time to time and the private placement offer letter as per PAS-4 pursuant to Section 42 and Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 of Companies Act, 2013, as amended from time to time and other notification/circular/guidelines issued by SEBI and other regulatory authorities from time to time, for the issuance of the following instruments, on a private placement basis, in one or more Series / Tranche **("Issue"):**

i) (A) secured and/or unsecured, rated, listed, redeemable senior and/or subordinated bonds in the nature of non-convertible debentures **("NCDs");** and/or (B) secured and/or unsecured, rated, listed, redeemable, principal protected, market linked non-convertible debentures **("MLDs");** and/or (C) unsecured, rated, listed, perpetual debt instruments in the nature of non-convertible securities **("PDIs");** and/or (D) subordinated, unsecured, rated, listed, redeemable, non-convertible debentures in the form of subordinated debt for inclusion as Tier II capital **("Tier II Bonds");** and/or (E) secured and/or unsecured, rated, listed, redeemable non-convertible securities in nature of green debt securities as defined in the SEBI NCS Regulations **("Green Debt Securities")** for an amount aggregating up to ₹27.20 billion (Rupees twenty-seven billion two hundred million only) **("Bond Issuance Limit");** and/or

ii) unsecured, rated, listed commercial papers **("Commercial Papers")** for such aggregate amounts as may be permitted in terms of the resolution of the Board, passed from time to time or the limit

specified under the relevant rating letter, whichever is lower. **("Commercial Paper Issuance Limit").**

The NCDs, the MLDs, the PDIs, Tier II Bonds, the Green Debt Securities issued/ to be issued by the Issuer pursuant to this General Information Document are hereinafter collectively referred to as **"Bonds".** The Bond Issuance Limit and the Commercial Paper Issuance Limit is hereinafter collectively referred to as **"GID Issuance Limit".**

The aforementioned Bonds and Commercial Papers will be issued in multiple Tranches/Series, on private placement basis, in accordance with the terms and conditions as may be finalised by the Issuer at the time of issuance of the said Bonds and Commercial Papers and which terms and conditions shall be identified in the Key Information Document to be issued for offer of the relevant Series/ Tranches of **the respective instrument** and be communicated to the designated Stock Exchange by the Issuer before the opening of the Issue from time to time, if required**.**

Each Tranche/Series of Bonds and Commercial Papers offered pursuant to this General Information Document shall be subject to the terms and conditions pertaining to the respective Bonds and/or Commercial Papers as specifically outlined hereunder and as modified/ supplemented by the terms of the respective Key Information Document filed with the Stock Exchange in relation to such Series/Tranches of Bonds and/or Commercial Papers.

The terms and conditions contained in this General Information Document shall be read in conjunction with the provisions contained in the respective Key Information Documents issued with respect to issuance of Tranche(s)/ Series of Bonds and Commercial Papers, and in case of any repugnancy, inconsistency or where there is a conflict between the terms and conditions as are stipulated in the respective Key Information Documents on one hand, and the terms and conditions in the General Information Document on the other:

(i) In relation to matters regarding the specific details of the Issue, the provisions contained in the Key Information Documents shall prevail over and override the provisions of this General Information Document; and

(ii) In relation to other general matters, the provisions contained in this General Information Document shall prevail over and override the provisions of the respective Key Information Documents.

**NOTHING IN THIS GENERAL INFORMATION DOCUMENT AND THE KEY INFORMATION DOCUMENT SHALL CONSTITUTE AND/OR DEEM TO CONSTITUTE AN OFFER OR AN INVITATION TO OFFER, TO BE MADE TO THE PUBLIC GENERALLY TO SUBSCRIBE FOR OR OTHERWISE ACQUIRE THE BONDS AND COMMERCIAL PAPERS AND ITS CONTENTS SHOULD NOT BE CONSTRUED TO BE A PROSPECTUS UNDER THE COMPANIES ACT, 2013 AND ACCORDINGLY, THIS GENERAL INFORMATION DOCUMENT HAS NOT BEEN FILED OR DELIVERED FOR FILING TO THE REGISTRAR OF COMPANIES UNDER SUB-SECTION (4) OF SECTION 26 OF COMPANIES ACT, 2013.**

**PERIOD OF VALIDITY OF GENERAL INFORMATION DOCUMENT:** This General Information Document shall be valid for a period of 1 (One) year from the Issue Opening Date of the first Tranche/Series of Bonds or Commercial Papers issued by the Company, whichever is first and in respect of each offer of Bonds or Commercial Papers during the period of validity of this General Information Document, the Issuer shall file with the Stock Exchange, a Key Information Document with respect to each Tranche/ Series of Bonds or Commercial Papers, containing the terms of issue of the relevant Tranche/ Series of Bonds or Commercial Papers and material changes, if any, in the information including the financial information provided in this General Information Document or the earlier Key Information Document, as applicable.

Please note that this General Information Document has been prepared in conformity with Schedule I of the SEBI NCS Regulations, SEBI LODR Regulations, SEBI NCS Master Circular, SEBI DT Master Circular, EBP Guidelines, RBI HFC Direction. Further, any specific disclosures to be made with respect to the Bonds and Commercial Papers shall be disclosed in the relevant Key Information Document.

Please refer pages 1-8 for all information required to be placed on the front page of a General Information Document as per Schedule I of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended from time to time.

**CHAPTER V NON-APPLICABILITY DISCLAIMER:** The Issuer may at its sole discretion and subject to compliance with applicable law issue 'Bonds' under Chapter V of the SEBI NCS Regulations which can be classified as 'non-equity regulatory capital'. In the event the Issuer seeks to issue any Tranche/ Series of Bonds which can be classified as 'non-equity regulatory capital' it shall make the relevant disclosures and disclaimers in relation to the same under the Key Information Document to be issued for such Tranche/ Series of Bonds.

| **Details of Compliance Officer (for SEBI)/Company Secretary** | **Details of Chief Financial Officer** | **Details of Promoters** |
|---|---|---|
| Name: Priyanka Shetty<br>Telephone:022-4009 3457<br>E-mail:<br>priyanka.shetty@icicihfc.com | Name: Vikrant Gandhi<br>Telephone: 022-4009 3496<br>E-mail:<br>vikrant.gandhi@icicihfc.com | Name: ICICI Bank Ltd<br>Telephone: 022-2653 1414<br>E-mail:<br>investor@icicibank.com<br><br>For further details of the Promoters, please refer to paragraph A of Part A of this General Information Document. |

| **Details of Debenture Trustee** | **Details of Registrar to the Issue** | **Details of Joint Statutory Auditors** | |
|---|---|---|---|
| Axis Trustee Services Limited | Datamatics Business Solutions Limited | Mukund M. Chitale & Co. Chartered Accountants | Singhi & Co. Chartered Accountants |
| AXIS TRUSTEE | Datamatics Business Solutions | MUKUND M. CHITALE & CO. CHARTERED ACCOUNTANTS | Singhi & Co. Chartered Accountants |
| Registered Address:<br>Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400 025<br><br>Corporate Address:<br>The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar | Registered Address/ Corporate Address:<br>Plot No B- 5, Part B Cross Lane, MIDC, Andheri (East), Mumbai -400093, Maharashtra, India | Registered Office/ Corporate Office:<br>2nd Floor, Kapur House, Paranjpe B Scheme Road No. 1, Vile Parle – East, Mumbai-400 057 | Registered Office/ Corporate Office:<br>B2 402B Marathon Innova, Off Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013 |

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| (West), Mumbai – 400028 | | | |
| Tel No.: 91-22-62300451<br>Fax No.: 91-22-62300451 | Tel No.: 91-22-6671 9645<br>Fax No.: 91-22-6671 2206 | Tel No.: +91-22-26633500 | Tel No.: 022 - 66625537 |
| Email: debenturetrustee@axistrustee.in<br>Website: www.axistrustee.in | Email: sunny.abraham@datamaticsbpm.com<br>Website: www.datamaticsbpm.com | Email: akamat@mmchitale.com | Email: mumbai@singhico.com |
| Contact Person: Anil Grover – Head of Operations | Contact Person: Mr. Sunny Abraham | Contact Person: Abhay V. Kamat | Contact Person: Ms. Shweta Singhal |

| **Details of Credit Rating Agency** | | |
|---|---|---|
| CRISIL Rating, ICRA and CARE Ratings have awarded rating limits to the borrowing by the Issuer by way of issuance of NCDs, MLDs and Commercial Papers. The rating letter in relation to overall borrowing limits of the Issuer as available with each of the said rating agencies for the said instruments has been attached hereto as Annexure 11. The Issuer at the time of issuance of any Bonds other than the NCDs and MLDs obtain relevant ratings from any Rating Agency and make disclosure with respect to the same under the relevant Key Information Document issued/ to be issued for such instrument.<br><br>Accordingly, the rating used/adopted along with details of the relevant rating agency in relation to: (a) the NCDs, MLDs and Commercial Papers from the overall limits as mentioned above; and (b) other Bonds, shall be specified in the relevant Key Information Document to be issued with respect to the relevant Tranche/ Series of Bonds or Commercial Papers. | | |
| **CRISIL Ratings Limited**<br>(A subsidiary of CRISIL Limited) | **ICRA Limited** | **Care Ratings Limited** |
| CRISIL An S&P Global Company | ICRA | CareEdge RATINGS |
| Address: CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai 400 076 | Address: B-710, Statesman House, 148, Barakhamba Road, New-Delhi-110001<br><br>Corporate office address: Building No. 8, 2nd Floor, Tower A, DLF Cyber City, Phase II, Gurgaon-122002 | Address: 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off. Eastern Express Highway, Sion (E), Mumbai - 400 022. |
| Tel: +91 22 3342 3000<br>Fax: +91 22 4040 5800 | Tel.: +91 11 23357940-45 | Tel: 022-6754 3456<br>Fax: 022-6754 3528 |
| Website: www.crisilratings.com<br>Email: crisilratingdesk@crisil.com | Website: https://www.icra.in<br>Email:shivakumar@icraindia.com | Website: www.careratings.in |

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| | | Email: p.sudhakar@careedge.in |
| Contact Person: Ajit Velonie<br>SEBI Registration No: IN/CRA/001/1999 | Contact Person: L. Shivakumar<br>SEBI Registration No: IN/CRA/008/15 | Contact Person: Mr. Sudhakar Prakasam<br>SEBI Registration No: IN/CRA/004/1999 |

**ISSUE HIGHLIGHTS**

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| **Nature of securities offered** | i) NCDs – Secured and/or unsecured, rated, listed, redeemable, senior and/or subordinated bonds in the nature of non-convertible debentures, to be issued in one or more Tranche/Series;<br>ii) MLDs – Secured and/or unsecured, rated, listed, redeemable, principal protected, market linked non-convertible debentures, to be issued in one or more Tranche/Series;<br>iii) PDIs - Unsecured, rated, listed, perpetual debt instruments in the nature of non-convertible securities, to be issued in one or more Tranche/Series;<br>iv) Tier II Bonds – Subordinated, unsecured, rated, listed, redeemable, non-convertible debentures in the form of subordinated debt for inclusion as Tier II capital, to be issued in one or more Tranche/Series;<br>v) Green Debt Securities – Secured and/or unsecured, rated, listed, redeemable non-convertible securities in the nature of green debt securities as defined in the SEBI NCS Regulations, to be issued in one or more Tranche/Series;<br>vi) Commercial Paper – unsecured, rated, listed commercial papers to be issued in one or more Tranches/Series. |
| **Number, Price and Amount of securities offered and Issue Size** | As per the relevant Key Information Document |
| **Base Issue and Green Shoe Option** | As per the relevant Key Information Document |
| **Coupon Rate, if any** | As per the relevant Key Information Document |
| **Coupon Payment Frequency** | As per the relevant Key Information Document |
| **Redemption Date** | As per the relevant Key Information Document |
| **Redemption Amount** | As per the relevant Key Information Document |
| **Details of Debenture Trustee** | The Debenture Trustee appointed in relation to the Issue of the Bonds is Axis Trustee Services Limited, please refer consent letter dated December 11, 2023 and bearing reference no. ATSL/CO/23-24/7867 **("Debenture Trustee Consent Letter")** issued by the Debenture Trustee which is attached hereto as Annexure 4 of this General Information Document.<br><br>Pursuant to the Debenture Trustee Consent Letter, the Debenture Trustee has on or about the date hereof entered into a Debenture Trustee Agreement for *inter alia* setting out the terms and conditions for appointment of Axis Trustee Services Limited as the debenture trustee in relation to the Bonds. |
| **Details of the Issuing and Paying Agent (applicable in** | As per the relevant Key Information Document to be issued in relation to each Tranche/Series of Commercial Papers. |

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| **case of issuance of Commercial Papers)** | |
| **Details about Underwriting of the Issue including the Amount Undertaken to be Underwritten by the Underwriters.** | As per the relevant Key Information Document |
| **Distributor / Distribution Agency (wherever applicable)** | As per the relevant Key Information Document |
| **Valuation Agent (applicable in case of issuance of MLDs)** | As per the relevant Key Information Document |
| ***For further details on the terms of the Issue, please also refer the Section on 'Summary Term Sheet'** | |

**ISSUE SCHEDULE**

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| **ISSUE/ BID OPENING DATE** | As per the relevant Key Information Document |
| **ISSUE/ BID CLOSING DATE** | As per the relevant Key Information Document |
| **PAY-IN DATE** | As per the relevant Key Information Document |
| **DEEMED DATE OF ALLOTMENT** | As per the relevant Key Information Document |
| **DATE OF EARLIEST CLOSING OF THE ISSUE** | As per the relevant Key Information Document |

The Issue Schedule, being the Issue Opening Date, the Closing Date, the Pay- in Date, Deemed Date of Allotment and the Date of earliest closing of the Issue with respect to each Tranche/ Series of the Bonds and the Commercial Papers will be informed to the Debenture Trustee separately and will be identified in the respective Key Information Document which will be issued in relation to each Tranche/ Series of Bonds. The Issue shall, subject to the timelines of the EBP, be open for subscription during the banking hours on each day during the period covered by the Issue Schedule as shall be identified in the relevant Key Information Document. Further, the Issuer reserves the right to change the Issue Schedule including the Deemed Date of Allotment at its sole discretion, without giving any reasons or prior notice.

**CREDIT RATING:**

**Details of credit rating along with the latest press release of the Credit Rating Agency in relation to the issue (along with all the ratings obtained by the Issuer for that security) and declaration that the rating is valid as on the date of issuance and listing. The said press release shall not be older than one year from the date of opening of the issue:**

| **For NCDs** |
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| CRISIL Ratings Limited, ICRA Limited and CARE Ratings Limited have assigned the following ratings to the overall borrowings of the Issuer by way of issuance of NCDs.<br><br>"CRISIL AAA/Stable outlook" – Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.<br><br>"ICRA AAA/Stable outlook" – Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk. |

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| "CARE AAA/Stable outlook" – Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk. |
| **For MLDs** |
| CRISIL Ratings Limited and CARE Ratings Limited have assigned the following ratings to the overall borrowings of the Issuer by way of issuance of MLDs.<br><br>"CRISIL PP-MLD AAA/Stable outlook" – Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.<br><br>"CARE PP-MLD AAA/Stable outlook" – Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk. |
| **For Subordinated debts** |
| CRISIL Ratings Limited, ICRA Limited and CARE Ratings Limited have assigned the following ratings to the overall borrowings of the Issuer by way of issuance of NCDs.<br><br>"CRISIL AAA/Stable outlook" – Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.<br><br>"ICRA AAA/Stable outlook" – Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.<br><br>"CARE AAA/Stable outlook" – Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk. |
| **For Commercial Papers** |
| ICRA Limited and CARE Ratings Limited have assigned the following rating to the overall borrowings of the Issuer by way of issuance of Commercial Papers.<br><br>"ICRA A1+" – Instruments with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations. Such instruments carry lowest credit risk.<br><br>"CARE A1+" – Instruments with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations. Such instruments carry lowest credit risk. |
| For Other Bonds - Please refer to the Key Information Document issued/ to be issued by the Issuer for such Bonds. |

The rating letter in relation to overall borrowing limits of the Issuer as available with each of the said rating agencies for the said instruments as referred above has been attached hereto as Annexure 11. The Issuer at the time of issuance of any Bonds other than the NCDs and MLDs will obtain relevant ratings from any Rating Agency and make disclosure with respect to the same under the relevant Key Information Document issued/ to be issued for such instrument.

Accordingly, the rating used/adopted along with details of the relevant rating agency in relation to: (a) the NCDs, MLDs and Commercial Papers from the overall limits as mentioned above; and (b) other Bonds, shall be specified in the relevant Key Information Document to be issued with respect to the relevant Tranche/ Series of Bonds or Commercial Papers.

**Date of Rating Letters:** As per relevant Key Information Document
**Date of Press Release of Ratings:** As per relevant Key Information Document
**Press Release and Rating Rationale:** As per relevant Key Information Document
**Declaration:** As per relevant Key Information Document

**LISTING:**

Each Tranche/ Series of Bonds and Commercial Papers are proposed to be listed on the wholesale debt market segment of the BSE Limited **("BSE").** Please refer to **Annexure 12** of this General Information Document for the copy of the in-principle approval issued by BSE in relation to the Issue.

**ELIGIBLE INVESTORS:**

Nothing in this General Information Document shall constitute and/or deem to constitute an offer or an invitation to offer, to be made to the public or any section thereof through this General Information Document and Key Information Document and its contents should not be construed to be a prospectus under the Act. The Issue is a domestic issue and is being made in India only. This General Information Document and the Key Information Document and the contents thereof are restricted for only the intended recipient(s) who have been addressed directly through a communication by the Issuer and only such recipients are eligible to apply for the Bonds.

Subject to applicable law:

1. the categories of investors eligible to subscribe to the NCDs/Tier II Bonds/Green Debt Securities, when addressed directly, are all Qualified Institutional Buyers and any non-QIB Investors specifically mapped by the Issuer on the Electronic Book Provider Platform (EBP Platform) of the Stock Exchange.

2. the categories of investors eligible to subscribe to the PDIs, when addressed directly, are all Qualified Institutional Buyers.

3. the categories of investors eligible to subscribe to the MLDs shall be identified in the relevant Key Information Document.

Note: Participation by potential investors in the Issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal, tax and regulatory advice in relation to the laws applicable to them. Please also refer to the Section on **'Who Can Apply'** under Annexure 8 of this General Information Document, where the issuance is proposed to be done on EBP Platform.

**COMPLIANCE WITH ELECTRONIC BOOK MECHANISM:**

The Issue shall be open for bidding and subscription in accordance with the guidelines issued by SEBI and BSE pertaining to the procedure of electronic book mechanism as specified by the SEBI NCS Master Circular, and the related operational guidelines, regulations issued by the concerned Electronic Book Provider, as may be amended, clarified or updated from time to time (collectively, **"Electronic Book Mechanism Guidelines").**

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| **Issue Composition - Details of size of the issue and green shoe portion, if any** | As per the relevant Key Information Document |

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| **Interest Rate Parameter – Coupon Rate and Coupon Type** | As per the relevant Key Information Document |
| **Issue / Bid opening date** | As per the relevant Key Information Document |
| **Issue / Bid closing date** | As per the relevant Key Information Document |
| **Manner of bidding:** | As per the relevant Key Information Document |
| **Manner of Allotment:** | As per the relevant Key Information Document |
| **Allotment Size** | As per the relevant Key Information Document |
| **Manner of Settlement:** | As per the relevant Key Information Document |
| **Minimum Bid Lot and Multiple of Single Bid:** | As per the relevant Key Information Document |
| **Trading Lot Size** | As per the relevant Key Information Document |
| **Settlement Cycle [T+1/ T+2] where T refers to the date of bidding/ issue day** | As per the relevant Key Information Document |
| **Anchor Portion and Anchor Investors** | As per the relevant Key Information Document |

Please note that pursuant to the provisions of the SEBI Regulations, as on the date of this General Information Document, it is not mandatory to follow the Electronic Book Mechanism Guidelines for issuance of MLDs and Commercial Papers and accordingly, unless otherwise required by the SEBI Regulations and the Electronic Book Mechanism Guidelines, the Issuer may opt to not undertake issuance of any Tranche/Series of the MLDs and Commercial Papers on the Electronic Book Provider Platform.

So long as the terms and conditions of the existing securities (under the respective issues) in the ISIN are not revised (i) otherwise than as may be required/permitted by regulations; or (ii) which results in breach of or violation of the regulation, which specifically precludes such revision, the Issuer reserves the rights entitled to add additional securities (for such additional amounts as may be issued by the Issuer from time to time) to the existing ISIN from time to time on such terms and conditions, which may be different from the existing securities under the respective issues under same ISIN. Such additional securities and their terms may be such as are permitted by regulation or not specifically precluded by regulations, as may be amended or modified from time to time.

By signing the application form and making an application to subscribe to the Bonds to be issued by the Issuer, all Bond Holders of the Bonds under any particular ISIN and any Bond Holders who acquire the Bonds in the secondary market shall be deemed to have irrevocably given their consent to the Issuer to add such additional securities (for such additional amounts as may be issued by the Issuer from time to time) to the existing ISIN from time to time, subject to applicable laws.

Further, by subscribing to the Commercial Papers to be issued by the Issuer, all CP Holders of the Commercial Papers under a particular ISIN and any CP Holders who acquires the Commercial Papers in the secondary market shall be deemed to have irrevocably given their consent to the Issuer to add such additional Commercial Papers (for such additional amounts as may be issued by the Issuer from time to time) to the existing ISIN from time to time, subject to applicable laws.

The financial details provided in this General Information Document are as at March 31, 2023. Further, as the audited financial results/statements of the Issuer are declared on an annual basis, after the end of the relevant financial year, the financial details provided for the quarter ended September 30, 2023, are provided on the basis of the unaudited financial results for the quarter ended September 30, 2023 and the same may vary from the audited financial statement. Further, limited review report for the half year ended on September 30, 2023 is also attached as Annexure 6 of this General Information Document.

## UNDERTAKINGS OF THE ISSUER

**ISSUER'S ABSOLUTE RESPONSIBILITY:** The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that the Disclosure Documents contain all information with regard to the Issuer and the Issue which is material in the context of the Issue, that the information contained in the Disclosure Documents are true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading.

**GENERAL RISKS:** Investment in debt and non-convertible securities is risky and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, the Investors must rely on their own examination of the Issuer and the Issue including the risks involved therein. For taking an investment decision, Investors must rely on their own examination of the Issuer and the Issue including the risks involved in it. Specific attention of investors is invited to the statement of 'Management's Perception of Risk Factors' given in Annexure 2 of this General Information Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the Bonds or Commercial Papers or investor's decision to purchase the Bonds or Commercial Papers.

Where any Tranche/Series of Bonds are proposed to be secured, such Bonds shall be considered as secured only if the charged asset is registered with the relevant Sub-registrar and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the Debenture Trustee.

Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and the offer including the risks involved. The securities have not been recommended or approved by the any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'Management's Perception of Risk factors' set out in Annexure 2 of this General Information Document. In addition to the Annexure 2, attention of the Investors is also invited to the additional risk factors which are/ may be applicable in relation to each Tranche/ Series of Bonds or Commercial Papers which shall be more particularly identified in the Key Information Document to be issued with respect to such Tranche/ Series of Bonds or Commercial Papers.

The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this General Information Document contains all information with regard to the Issuer and the Issue, that the information contained in the General Information Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

The Issuer declares that all the relevant provisions of the Companies Act, RBI Regulations, SEBI Regulations, the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992 and other applicable law have been complied with and nothing in this General Information Document is contrary to the provisions of the Companies Act, RBI Regulations, SEBI Regulations, the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992 and other applicable law.

**NO SIDE LETTERS:** The Issuer has no side letter with any debt securities holders except the one(s) disclosed in the relevant Key Information Document. Any covenants later added shall be disclosed on the stock exchange website where the Bonds and/or the Commercial Paper is listed.

## DISCLAIMERS

### GENERAL DISCLAIMER:

The Disclosure Documents are neither a "prospectus" nor a "statement in lieu of prospectus" but a "General Information Document" or "Key Information Document" (as applicable) prepared in accordance with Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and other applicable laws. The Disclosure Documents do not constitute an offer to the public generally to subscribe for or otherwise acquire the NCDs/MLDs/PDIs/Tier II Bonds/Green Debt Securities/Commercial Papers to be issued by the Issuer. The Disclosure Documents are for the exclusive use of the prospective investors to whom it is delivered, and it should not be circulated or distributed to any third parties. The Issuer certifies that the disclosures made in the Disclosure Documents are generally adequate and are in conformity with the Companies Act, RBI Regulations, SEBI Regulations and other applicable law. This requirement is to facilitate investors to take an informed decision for making investment in the proposed Issue. The Issue shall be subject to the terms and conditions of Disclosure Documents and other Transaction Documents in relation to the Issue.

All information considered adequate and relevant about the Issue and the Issuer has been made available in the Disclosure Documents for the use and perusal of the potential Investors and no selective or additional information would be available for a section of potential Investors, in any manner whatsoever. The Issuer accepts no responsibility for statements made otherwise than in this General Information Document and the relevant Key Information Documents or in the advertisement or any other material issued by or at the instance of the Issuer and anyone placing reliance on any other source of information would be doing so at his/her/their own risk.

This General Information Document has been prepared to provide general information about the Issuer and the Issue to potential bond holders to whom it is addressed and who are willing and eligible to subscribe to the Bonds and/or Commercial Papers. This General Information Document does not purport to contain all the information that any potential Investors may require. Neither this General Information Document nor any other information supplied in connection with the Bonds and/or the Commercial Paper is intended to provide the basis of any credit or other evaluation and any recipient of this General Information Document and the Key Information Document should not consider such receipt a recommendation to purchase any Bonds and/or Commercial Paper. Each potential Investor holder contemplating purchasing any Bonds and/or Commercial Paper should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Potential Investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Bonds and/or Commercial Papers and should possess the appropriate resources to analyse such investment and the suitability of such investment to such investor's particular circumstances.

### DISCLAIMER OF THE RESERVE BANK OF INDIA:

The Bonds and the Commercial Papers have not been recommended or approved by RBI nor does RBI guarantee the accuracy or adequacy of this General Information Document. It is to be distinctly understood that this General Information Document should not, in any way, be deemed or construed that the Bonds or the Commercial Papers have been recommended for investment by RBI. Further, RBI does

not take any responsibility either for the financial soundness of the Issuer, or the Bonds / Commercial Papers being issued by the Issuer or for the correctness of the statements made or opinions expressed in the General Information Document. Potential Investors may make investment decisions in respect of the Bonds or Commercial Papers offered in terms of this General Information Document solely on the basis of their own analysis and RBI does not accept any responsibility about servicing /repayment of such investment.

**DISCLAIMER CLAUSE OF THE NATIONAL HOUSING BANK:**

The Issuer has obtained a certificate of registration dated July 31, 2001 issued by the National Housing Bank under Section 29A of the National Housing Bank Act, 1987. However, a copy of this General Information Document has not been filed with or submitted to the NHB. It is distinctly understood that the General Information Document and the Key Information Documents issued hereunder, should not in any way be deemed or construed to be approved or vetted by the NHB, the NHB does not accept any responsibility or guarantee about the present position as to the financial soundness of the Issuer or for the correctness of any of the statements or representations made or opinions expressed by the Issuer and for discharge of liability by the Issuer. By issuing the aforesaid certificate of registration dated July 31, 2001 to the Issuer, the NHB neither accepts any responsibility nor guarantee for the payment of any amount due to any investor in respect of the proposed Bonds issue. Potential Investors may make investment decisions in respect of the Bonds or the Commercial Papers offered in terms of this General Information Document solely on the basis of their own analysis and NHB does not accept any responsibility about servicing /repayment of such investment.

**DISCLAIMER OF THE SECURITIES AND EXCHANGE BOARD OF INDIA:**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE GENERAL INFORMATION DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE GENERAL INFORMATION DOCUMENT.**

The Disclosure Documents have not been filed with SEBI. The securities have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this document. The issue of NCDs/MLDs/PDIs/Tier II Bonds/Green Debt Securities/Commercial Papers being made on private placement basis, filing of this document is not required with SEBI, however SEBI reserves the right to take up at any point of time, with the Issuer, any irregularities or lapses in this document.

**DISCLAIMER OF THE DEBENTURE TRUSTEE**

The Debenture Trustee, *ipso* facto, does not have the obligations of a borrower or principal debtor or a guarantor as to the monies paid/invested by eligible investors for the Bonds.

**DISCLAIMER IN RESPECT OF JURISDICTION:**

Issue of these Bonds or Commercial Papers have been/will be made in India to Investors as specified under the Section on **"Who Can Apply"** appended as Annexure 8 in this General Information Document. This General Information Document is not to be construed or constituted as an offer to sell or an invitation to subscribe to Bonds or Commercial Papers offered hereby to any person who does not have access to the documents or who is not eligible under extant regulations or law. The Bonds and the Commercial Papers

are governed by and shall be construed in accordance with the existing Indian laws. Any dispute arising in respect thereof will be subject to the exclusive jurisdiction of the courts and tribunals of Mumbai.

**FORCE MAJEURE BEFORE THE ISSUE CLOSING DATE**

The Issuer reserves the right to withdraw the Issue at any time prior to the Issue Closing Date in the event of any unforeseen development adversely affecting the economic and/or regulatory environment or otherwise. In such an event, the Issuer will refund the application money, if any, collected without assigning any reason.

**DISCLAIMER OF THE STOCK EXCHANGE**

It is to be distinctly understood that filing of the Disclosure Documents to the Stock Exchange or hosting the same on its website should not in any way be deemed or construed to mean that the same has been cleared or approved by the Stock Exchange. The Stock Exchange has scrutinised this General Information Document for its limited internal purpose and the Stock Exchange does not in any manner: a) warrant, certify or endorse the correctness or completeness of any of the contents of the Disclosure Documents; or b) warrant that this Company's securities will be listed or will continue to be listed on the Stock Exchange; or c) take any responsibility for the financial or other soundness of this Company, its promoter, its management or any scheme or project of this Company, and it should not for any reason be deemed or construed that the Disclosure Documents have been cleared or approved by Stock Exchange. Every person who desires to apply for or otherwise acquires any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

**DISCLAIMER OF THE RATING AGENCIES**

**CRISIL Ratings Limited**

CRISIL Ratings Limited (CRISIL Ratings) has taken due care and caution in preparing the Material based on the information provided by its client and / or obtained by CRISIL Ratings from sources which it considers reliable (Information). A rating by CRISIL Ratings reflects its current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL Ratings. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy, sell, or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. The Rating is not a recommendation to invest / disinvest in any entity covered in the Material and no part of the Material should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL Ratings especially states that it has no liability whatsoever to the subscribers / users / transmitters/ distributors of the Material. Without limiting the generality of the foregoing, nothing in the Material is to be construed as CRISIL Ratings providing or intending to provide any services in jurisdictions where CRISIL Ratings does not have the necessary permission and/or registration to carry out its business activities in this regard. ICICI Home Finance Company Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Material or part thereof outside India. Current rating status and CRISIL Ratings' rating criteria are available without charge to the public on the website, www.crisil.com. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please contact Customer Service Helpdesk at 1800-267-1301.

**ICRA Limited**

A credit rating means an opinion regarding the relative credit risks associated with the debt and debt-like security(ies) or any other instruments, issuers, entities, expressed in the form of standard symbols or in any other standardised manner, assigned by a credit rating agency. Credit ratings do not constitute or provide investment or financial advice, and credit ratings are not and do not provide recommendations to purchase, sell, or hold any particular securities or debt instruments. Credit ratings do not comment on the suitability of an investment for any particular investor. The ratings are subject to a process of surveillance, which may lead to a revision in ratings and are based on the information obtained by rating agencies from the sources believed to be accurate and reliable, including from the rated issuers. The rating agencies, however, do not make any representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information and are not responsible for any errors or omissions or for the results obtained from the use of such information. The rating agencies shall not be liable for any financial liability and/or any losses incurred by users from any use of the ratings or their content or publications in any manner whatsoever. Users are advised to refer to the respective websites of credit rating agencies to know the latest status of the ratings assigned by them.

**Care Ratings Limited**

Ratings are opinions on credit quality and are not recommendations or solicitation to enter into any transaction in any manner whatsoever, or to sanction, renew, disburse or recall the concerned facilities or to buy, invest, sell or hold any security. The Rating Agency(ies) has based its ratings on information obtained from sources believed by it to be accurate and reliable. The Rating Agency(ies) do not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Nothing contained in this General Information Document is capable or intended to create any legally binding obligations on the sender or CARE which accepts no responsibility, whatsoever, for loss or damage, direct or indirect (including special, incidental or consequential loss or damage) from the use of the said information. Most entities whose bank facilities/instruments are rated by the Rating Agency(ies) have paid a credit rating fee, based on the amount and type of bank facilities/instruments. The Rating Agency(ies) is not responsible for any errors and has no financial liability or any other liabilities of whatsoever nature arising from the use of this General Information Document to the subscribers/users/transmitters/distributors of its ratings. The subscriber/user assumes their sole and entire risk and consequences arising from the usage of this General Information Document or Data herein. CARE shall reveal/ disclose the contents of the General Information Document to the extent necessary and required by appropriate regulatory/statutory authorities, viz., SEBI, RBI, Government authorities, etc.

CARE and its affiliates have no fiduciary relationship with the bank facilities/instruments. CARE and its affiliates also do not act as an expert to the extent defined under Section 2(38) of the Companies Act, 2013. While CARE obtains information from sources it believes to be reliable, it does not perform an audit and undertakes no independent verification of any information/certifications/statements it receives from auditors, lawyers, chartered engineers or other experts, and relies on in its reports.

By accepting a copy of this General Information Document, the recipient expressly agrees to accept the terms of this Disclaimer. This Disclaimer forms an integral part of this General Information Document and shall always be read in conjunction with this General Information Document and not in isolation.

**DISCLAIMER ON VALUATION (Applicable only for MLDs)**

The valuation reflects the independent views of the Valuation Agent (*as defined hereinafter*). It is expressly stated that the valuation is not the view of the Issuer or its affiliates. The Issuer has not reviewed

the valuation and is not responsible for the accuracy of such valuations. Further, the valuations provided by the Valuation Agent and made available on the website of the Issuer and the Valuation Agent do not represent the actual price that may be received upon sale or redemption of the MLDs and the said valuations merely represent the Valuation Agent's computation of the valuation which may in turn be based on several assumptions.

**DISCLAIMER BY THE VALUATION AGENT (Applicable only for MLDs)**

Valuation provided by the Valuation Agent in relation to the MLDs reflects the Valuation Agent's opinion on the value of the MLDs on the valuation date and does not constitute an audit of the Issuer by the Valuation Agent. The valuation is based on the information sought from and/or provided by the Issuer or obtained by the Valuation Agent from sources it considers reliable. The Valuation Agent does not guarantee the completeness or accuracy of the information on which the valuation is based. The Valuation Agent specifically states that the valuation is an indicative value of the MLDs on the valuation date and can be different from the actual realisable value of the MLDs. The valuation does not comment on the market price of the MLDs or suitability for a particular investor. The Valuation Agent is not responsible for any errors and especially states that it has no financial liability to the Issuer/investor/users of the valuation. In the event of early redemption/buy back/ any other premature exit, investors may choose to contact the Issuer directly or through their intermediaries (through whom investments in the specified MLDs were made) or, in the alternative, follow the procedure as set out in the relevant Disclosure Document.

**DISCLAIMER BY THE DISTRIBUTOR/ADVISOR/INTERMEDIARY (Applicable only for MLDs)**

It is advised that the Issuer has exercised self-due-diligence to ensure complete compliance of prescribed disclosure norms in this General Information Document. The role of the distributor/advisor/intermediary in the assignment is confined to marketing and placement of the MLDs on the basis of this General Information Document as prepared by the Issuer. The distributor/advisor/intermediary has neither scrutinised/ vetted nor has it done any due diligence for verification of the contents of this General Information Document. The distributor/advisor/ intermediary shall use this General Information Document for the purpose of soliciting subscription from the eligible Bond Holders, as identified by the Board, for the MLDs to be issued by the Issuer on a private placement basis. It is to be distinctly understood that the aforesaid use of this General Information Document by the distributor/advisor/intermediary should not in any way be deemed or construed that the General Information Document has been prepared, cleared, approved or vetted by the distributor/advisor/intermediary; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this General Information Document; nor does it take responsibility for the financial or other soundness of the Issuer, its promoters, its management or any scheme or project of the Issuer. The distributor/advisor/intermediary or any of their directors, employees, affiliates or representatives do not accept any responsibility and/or liability for any loss or damage arising of whatever nature and extent in connection with the use of any of the information contained in this General Information Document.

**ISSUANCE OF THE BONDS AND THE COMMERCIAL PAPERS IN DEMATERIALISED FORM**

The Bonds and the Commercial Papers will be issued in dematerialised form. The Issuer has made arrangements with the Depositories for the issue of the Bonds in dematerialised form. Investors will have to hold the Bonds and the Commercial Papers in dematerialised form as per the provisions of the Depositories Act. The Issuer shall take necessary steps to credit the Bonds and/or the Commercial Papers allotted to the beneficiary account maintained by the Investor with its Depository Participant. The Issuer will make the allotment of the Bonds to eligible investors on the Deemed Date(s) of Allotment after verification of the application form, the accompanying documents and on realisation of the application money.

**EACH PERSON RECEIVING THE DISCLOSURE DOCUMENTS ACKNOWLEDGES THAT:**

1. Such person has been afforded an opportunity to request and to review and has received all additional information considered by it to be necessary to verify the accuracy of or to supplement the information herein;

2. Such person has not relied on any intermediary that may be associated with issuance of NCDs/MLDs/PDIs/Tier II Bonds/Green Debt Securities/Commercial Papers in connection with its investigation of the accuracy of such information or its investment decision.

3. Such person has made an independent evaluation and judgment of all risks and merits before investing in the NCDs/MLDs/PDIs/Tier II Bonds/Green Debt Securities/Commercial Papers.

4. The Issuer does not undertake to update the information in the Disclosure Documents to reflect subsequent events after the date of the Disclosure Documents and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

Neither the delivery of the Disclosure Documents nor any sale of Bonds or Commercial Papers made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof. However, the Issuer shall in each Key Information Document highlight the material changes, if any, in the information about the Issuer contained in the General Information Document.

**Table of Contents**


| Sr. No. | Contents | Page No. |
|---|---|---|
| 1. | Part A Disclosures under SEBI NCS Regulations | 22 |
| 2. | Part B Disclosures under SEBI NCS Master Circular | 85 |
| 3. | Part C Additional Disclosures Applicable for MLDs | 93 |
| 4. | Part D Additional Disclosures Applicable for PDIs | 94 |
| 5. | Part E Additional Disclosures Applicable for Tier II Bonds | 95 |
| 6. | Part F Additional Disclosures Applicable for Green Debt Securities | 96 |
| 7. | Part G Additional Disclosures Applicable for Commercial Papers | 98 |
| 8. | Declaration by Directors/ Company | 99 |
| | Annexures | |
| 9. | Annexure 1: Litigations | 100 |
| 10. | Annexure 2: Disclosure under Form PAS - 4 | 108 |
| 11. | Annexure 3: Related party transactions | 126 |
| 12. | Annexure 4: Debenture Trustee Consent Letter | 139 |
| 13. | Annexure 5: Audited Financial Information for last 3 years | 140 |
| 14. | Annexure 6: Limited Review Report | 790 |
| 15. | Annexure 7: Key Information Document | 844 |
| 16. | Annexure 8: Application Process under EBP Mechanism | 889 |
| 17. | Annexure 9: Copy of shareholder's resolution | 898 |
| 18. | Annexure 10: Copy of resolutions of the Board and its Committee | 900 |
| 19. | Annexure 11: Rating letters and Rating Rationale | 910 |
| 20. | Annexure 12: In-principle Approval of BSE Limited | 930 |
| 21. | Annexure 13: Auditor's certificate | 932 |
| 22. | Annexure 14: Lending and Borrowing Policy | 939 |
| 23. | Annexure 15: Due Diligence Certificate | 942 |
| 24. | Annexure 16: Key Terms of the Debenture Trustee Agreement | 943 |

**Glossary**

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| **Board** | Board of directors of the Issuer or a committee thereof formed or to be formed in this regard. |
| **Bond Holders** | Persons who are/will become the holders of the Bonds and whose names are/will be entered in the register of debenture holders or register of any other securities holders as maintained by the Issuer in terms of Section 88 of the Companies Act. |
| **Bond Issuance Limit** | The aggregate amount of ₹27.20 billion (Rupees twenty-seven billion two hundred million only), which has been identified as the limit for issuance of Bonds in terms of this General Information Document |
| **BSE** | BSE Limited |
| **COD** | Committee of Directors |
| **COE** | Committee of Executives |
| **CDSL** | Central Depository Services Limited |
| **CERSAI** | Central Registry of Securitisation Asset Reconstruction and Security Interest of India. |
| **CP Holders** | Persons who are/will become the holders of the Commercial Papers issued by the Issuer pursuant to this General Information Document. |
| **Commercial Paper Issuance Limit** | The aggregate amount as may be permitted in terms of the resolution of the Board passed from time to time or the limit specified under the relevant rating letter, whichever is lower. |
| **Companies Act/ Companies Act, 2013/Act** | Shall mean the Companies Act, 2013 and all applicable amendments, notifications, circulars issued hereunder from time to time. |
| **Company/ Issuer** | ICICI Home Finance Company Limited, having its registered office at ICICI Bank Towers, Bandra - Kurla Complex, Mumbai – 400 051. |
| **Debenture Trustee** | The trustee of the Bond Holder(s), in this case being Axis Trustee Services Limited. |
| **Debenture Trustee Agreement** | The debenture trustee agreement dated December 18, 2023 entered into between the Issuer and the Debenture Trustee for appointment of Axis Trustee Services Limited as the debenture trustee in relation to the Issue of Bonds. |
| **Debenture Trust Deed** | With respect to each Tranche/ Series of Bonds, shall mean each of the debenture trust deed entered into between the Issuer and the Debenture Trustee, for setting out the detailed terms and conditions of such Tranche/Series of NCDs/MLDs/PDIs/Tier II Bonds/Green Debt Securities under the relevant Issue. |
| **Deemed Date of Allotment** | The Deemed Date of Allotment in relation to each Tranche/ Series of Bonds and Commercial Papers to be issued pursuant to the terms of this General Information Document shall be identified in the Key Information Document. |

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| **Depository** | A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, as amended from time to time, in this case being NSDL and CDSL. |
| **Depositories Act** | Shall mean the Depositories Act, 1996 and all applicable amendments, notifications, circulars issued hereunder from time to time. |
| **Depository Participant** | Shall mean depository participant of either NSDL or CDSL. |
| **Directors** | Any director appointed on the Board. |
| **Disclosure Documents** | Collectively, this General Information Document for the aggregate Issue and the relevant Key Information Document for the issue of Bonds and/or Commercial Papers. |
| **EBP Guidelines/ Electronic Book Mechanism Guidelines** | The guidelines issued by SEBI with respect to electronic book mechanism under the terms of the SEBI NCS Regulations, the SEBI NCS Master Circular and the operational guidelines issued by the relevant Electronic Book Provider, as may be amended, clarified or updated from time to time. |
| **EBP/ Electronic Book Provider** | With respect to each Tranche/ Series, shall be as identified in the Key Information Document to be issued in relation to such Tranche/ Series of Bonds or Commercial Paper. |
| **EBP Platform / Electronic Book Provider Platform** | The platform provided by an EBP for private placement of securities. |
| **ECS** | Electronic clearing system |
| **Key Information Document** | The supplement to this General Information Document to be issued by the Company, in accordance with SEBI Regulations broadly in the format provided in Annexure 7 hereof containing *inter alia* the terms and conditions regarding each Tranche/ Series of the Bonds and/or Commercial Paper issued/ to be issued under the Issue. Please note that the format of the Key Information Document as annexed hereto as Annexure 7 is indicative in nature and would be suitably modified in accordance with the terms of each Tranche/ Series of Bonds and/or Commercial Papers and any additional disclosures etc. to be included on account of any requirement (whether existing and effective as on the date of this General Information Document or as on the date of issuance of the relevant Key Information Document) under the SEBI Regulations, the EBP Guidelines, the RBI HFC Direction and or under any other applicable law. |
| **Green Debt Securities** | Secured and/or unsecured, rated, listed, redeemable non-convertible securities in nature of green debt securities as defined in the SEBI NCS Regulations and issued in terms of the Disclosure Document and the relevant Key Information Document and shall also include 'transition bonds'. |
| **GID Issuance Limit** | The Bond Issuance Limit and the Commercial Paper Issuance Limit shall be collectively known as GID Issuance Limit. |
| **IPA** | Issuing and Paying Agent, which shall be as identified in the relevant Key Information Document to be issued in relation to such Tranche/ Series of Commercial Papers. |

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| **INR / Rs. / ₹** | The lawful currency of the Republic of India. |
| **Investors** | Shall mean the Bond Holders or the CP Holders. |
| **ISIN** | International Securities Identification Number |
| **Issue** | Issue of:<br>(i) (A) NCDs; and/or (B) MLDs; and/or (C) PDIs; and/or (D) Tier II Bonds; and/or (E) Green Debt Securities; within the Bond Issuance Limit; and/or<br>(ii) Commercial Papers within the Commercial Paper Limit. |
| **MLD** | secured and/or unsecured, rated, listed, redeemable, principal protected, market linked non-convertible debentures issued in terms of the Disclosure Document |
| **NCD** | Secured and/or unsecured, rated, listed, redeemable senior and/or subordinated bonds in the nature of non-convertible debentures issued in terms of the Disclosure Documents |
| **NHB** | National Housing Bank. |
| **NSDL** | National Securities Depository Limited. |
| **PDI** | unsecured, rated, listed, perpetual debt instruments in the nature of non-convertible securities issued in terms of the Disclosure Document |
| **Qualified Institutional Buyers / QIBs** | Qualified Institutional Buyers, as defined under Section 2(ss) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time. |
| **Rating Agency** | A credit rating agency registered with the SEBI under the Securities and Exchange Board of India (Credit Rating Agencies) Regulations, 1999, as amended from time to time and in case of NCDs means CRISIL Ratings Limited and/or ICRA Limited and/or CARE Ratings Limited. |
| **RBI** | Reserve Bank of India. |
| **RBI HFC Direction** | Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021 as may be amended from time to time |
| **RBI Regulations** | The RBI HFC Direction and/or any other regulation, master circular, circular, notification, order issued by RBI from time to time. |
| **RTGS** | Real Time Gross Settlement. |
| **SEBI** | Securities and Exchange Board of India. |
| **SEBI DT Master Circular / DT Master Circular** | The Master Circular for debenture trustees issued by Securities Exchange Board of India vide circular number SEBI/HO/DDHS-PoD1/P/CIR/2023/109 dated March 31, 2023, as amended/ supplemented/ altered/ updated from time to time. |
| **SEBI DT Regulations** | The SEBI (Debenture Trustees) Regulations, 1993, as amended from time to time. |

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| **SEBI LODR Regulations / LODR Regulations** | SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. |
| **SEBI NCS Master Circular / NCS Master Circular** | The Master Circular for issue and listing of non-convertible securities, securitised debt instruments, security receipts, municipal debt securities and commercial paper issued by Securities Exchange Board of India vide circular number SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021, as amended/ supplemented/ altered/ updated from time to time. |
| **SEBI NCS Regulations / NCS Regulations/** | SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended and modified from time to time. |
| **Security Documents** | Wherever the Bonds are proposed to be secured, the term 'Security Documents" shall mean all deeds, agreements, letters to be entered into in relation to the proposed security to be created for securing the relevant Bonds. |
| **SEBI Regulations** | Shall mean SEBI DT Regulations and/or SEBI LODR Regulations and/or SEBI NCS Regulations and/or SEBI NCS Master Circular and/or SEBI DT Master Circular and/or any other regulation, master circular, circular, notification, order issued by SEBI from time to time. |
| **Security Trustee** | SBICAP Trustee Company Limited |
| **Security Trustee Agreement / STA** | Security trustee agreement dated August 13, 2020 executed by the Issuer and SBICAP Trustee Company Limited for appointment of SBICAP Trustee Company Limited as security trustee to inter alia hold the first ranking pari passu floating charge on eligible receivables for the benefit of all the finance parties. |
| **Stock Exchange** | BSE Limited |
| **Tier II Bonds** | Subordinated, unsecured, rated, listed, redeemable, non-convertible debentures in the form of subordinated debt for inclusion as Tier II capital issued in terms of the Disclosure Document |
| **Tranche/ Series** | Any Tranche/ Series of Bonds or Commercial Papers issued under the Issue pursuant to the issue of the Key Information Document. |
| **Transaction Documents** | The Debenture Trustee Agreement, this General Information Document, the Key Information Documents, the Debenture Trust Deed(s) and such other document as may be executed in relation to the Bonds and have been designated as 'Transaction Document' by the Debenture Trustee. |
| **Valuation Agent** | Shall mean and refer to the valuation agent as appointed in relation to the issue of MLDs and as shall be identified in the relevant Key Information Document to be issued in relation to such MLDs. |

## PART A

## DISCLOSURES UNDER SEBI NCS REGULATIONS

### 1. GENERAL INFORMATION

### A. Details of Promoters of the Company:

The Issuer is wholly owned subsidiary of ICICI Bank Limited **("ICICI Bank").** ICICI Bank is one of the major private sector bank in India and offers a wide range of banking products and financial services to corporate and retail customers through a variety of delivery channels. It has subsidiaries in the areas of life insurance, venture capital, stock broking, asset management, etc. ICICI Bank's equity shares are listed in India on BSE Limited and the National Stock Exchange of India Limited and its American Depositary Receipts (ADRs) are listed on the New York Stock Exchange (NYSE).

ICICI Limited **("ICICI")** was formed in 1955 at the initiative of the World Bank, the Government of India and representatives of Indian industry. The principal objective was to create a development financial institution for providing medium-term and long-term project financing to Indian businesses. Until the late 1980s, ICICI primarily focused its activities on project finance, providing long-term funds to a variety of industrial projects. With the liberalization of the financial sector in India in the 1990s, ICICI transformed its business from a development financial institution offering only project finance to a diversified financial services provider that, along with its subsidiaries and other group companies, offered a wide variety of products and services. As India's economy became more market-oriented and integrated with the world economy, ICICI capitalized on the new opportunities to provide a wider range of financial products and services to a broader spectrum of clients. ICICI Bank was incorporated in 1994 as a part of the ICICI group. In 1999, ICICI became the first Indian company and the first bank or financial institution from non-Japan Asia to be listed on the New York Stock Exchange.

In October 2001, the Boards of Directors of ICICI and ICICI Bank approved the merger of ICICI and two of its wholly owned retail finance subsidiaries, ICICI Personal Financial Services Limited and ICICI Capital Services Limited, with ICICI Bank. The merger was approved by shareholders of ICICI and ICICI Bank in January 2002, by the High Court of Gujarat at Ahmedabad in March 2002, and by the High Court of Judicature at Mumbai and the Reserve Bank of India in April 2002. Consequent to the merger, the ICICI group's financing and banking operations, both wholesale and retail, were integrated in a single entity. (Source: https://www.icicibank.com/aboutus/history.page?#toptitle)

The consolidated profit after tax of ICICI Bank was ₹215.32 billion in H1-2024 compared to ₹153.92 billion in H1-2023. Consolidated assets grew by 15.8% year-on-year to ₹21.2 trillion as of September 30, 2023 from ₹18.3 trillion as of September 30, 2022. (Source: https://www.icicibank.com/content/dam/icicibank/india/managedassets/docs/aboutus/2024/2023_10_pr2_q2-2024.pdf)

Other details of the Promoter of the Issuer are as follows:

| | |
|---|---|
| **Name of the Promoter** | ICICI Bank Limited |
| **Date of Incorporation** | January 5, 1994 |
| **Age** | Not Applicable |

| | |
|---|---|
| **Registered Address** | ICICI Bank Tower, Near Chakli Circle, Old Padra Road, Vadodara, Gujarat - 390 007 |
| **Educational Qualification** | Not Applicable |
| **Telephone Number** | 022-2653 1414 |
| **Email Address** | investor@icicibank.com |
| **Experience in the business or Employment** | The Company has completed 29 years of operation. |
| **Positions/Posts held in the past** | Not Applicable |
| **Directorships held** | Not Applicable |
| **Other ventures of each promoter** | - |
| **Special achievements** | - |
| **Business and Financial activities** | ICICI Bank offers a wide range of banking and financial products and services to corporate and retail customers through a variety of delivery channels. ICICI Bank also undertake treasury operations and offer treasury-related products and services to its customers. |
| **Photograph** | Not Applicable |
| **Permanent Accountant Number** | AAACI1195H |

The Issuer confirms that the Permanent Account Number, Aadhaar Number, Driving License Number, Bank Account Number(s) and Passport Number of the Promoters (as applicable) and Permanent Account Number of directors have been submitted to the Stock Exchange on which the Bonds are proposed to be listed, at the time of filing the General Information Document.

**B. Details of credit rating along with the latest press release of the credit rating agency in relation to the Issue, and a declaration that the rating is valid as on the date of issuance and listing.**

The Issuer has obtained ratings from CRISIL Ratings Limited, ICRA Limited and CARE Ratings Limited for its borrowing details of which have been set out in the table below.

| **Instrument** | **CRISIL** | | **ICRA*** | | **CARE** | |
|---|---|---|---|---|---|---|
| **(as on September 30, 2023)** | **Rating** | **Amount ₹ in billion** | **Rating** | **Amount ₹ in billion** | **Rating** | **Amount ₹ in billion** |
| Short term borrowing | - | - | A1+ | 40.0 | A1+ | 40.0 |
| Senior Bonds | AAA/Stable Outlook | 65.45 | AAA/Stable Outlook | 66.09 | AAA/Stable Outlook | 110.00 |

| Instrument | CRISIL | | ICRA* | | CARE | |
|---|---|---|---|---|---|---|
| Subordinated Bonds | AAA/Stable Outlook | 5.0 | AAA/Stable Outlook | 6.66 | AAA/Stable Outlook | 5.0 |
| Long term fund based limits | - | - | AAA/Stable Outlook | 150.00 | - | - |
| Fixed Deposits | AAA/Stable Outlook | 45.0 | AAA/Stable Outlook | - | AAA/Stable Outlook | 50.0 |
| PP-MLDs | PP-MLD AAA/Stable Outlook | 16.34 | - | - | PP-MLD AAA/Stable Outlook | 20.00 |

*The Company has standalone issuer credit rating of ICRA AAA/Stable.

Please refer to **Annexure 11** of this General Information Document for a copy of the rating letters issued by each of the Rating Agency in relation to the aforementioned instruments.

The credit rating used/adopted in relation to relevant Tranche/ Series of Bonds and/or the Commercial Paper shall be identified in the Key Information Document.

Please refer to Key Information Document for rating used/adopted in relation to relevant Tranche/ Series of Bonds and/or the Commercial Paper and the rating letter and the latest press release issued by the relevant Rating Agencies in relation to the same alongwith the declaration that such rating is valid as on the date of issuance and listing.

The Issuer hereby declares that the aforesaid credit rating obtained by it in relation to the Bonds and the Commercial Paper shall be valid on the date of Issue and on the date of listing of the Bonds and the Commercial Papers.

**C. Name(s) of the stock exchange(s) where the non-convertible securities are proposed to be listed and the details of their in-principle approval for listing obtained from these stock exchange(s).**

The Bonds and the Commercial Papers are proposed to be listed on the wholesale debt market segment of BSE. Before issue of Bonds, the Issuer shall apply for and obtain an in-principle approval from the recognized stock exchange where the Bonds are proposed to be listed. Please refer to **Annexure 12** of this General Information Document for the copy of the in-principle approval issued by BSE in relation to the Issue. **The recovery expense fund in relation to the Issue has been created and shall continue to be maintained with BSE.**

**D. If non-convertible securities are proposed to be listed on more than one stock exchange(s) then the Issuer shall specify the designated stock exchange for the Issue. The Issuer shall specify the stock exchange where the recovery expense is being or has been created, as specified by the Board.**

Not Applicable. The Bonds and Commercial Papers are proposed to be listed only on wholesale debt market segment of BSE. The recovery expense fund in relation to the Issue has been created and shall continue to be maintained with BSE.

## E. Issue Schedule

Please refer to page 05 of this General Information Document.

**F. Name, logo, addresses, website, email address, telephone number and contact person of Legal Counsel (if any), Merchant banker and Co-Managers to the Issue (not applicable for private placement, but to be disclosed if appointed), Legal Advisor (applicable in case of public issue), bankers to the issue (applicable in case of public issue), sponsor bank applicable in case of public issue), Guarantor (if any) and Arrangers (if any).**

| | **Name and Logo** | **Address** | **Website & e-mail address** | **Telephone Number and Contact Person** |
|---|---|---|---|---|
| Legal Counsel | As per the relevant Key Information Document. | | | |
| Merchant Banker (not applicable for private placement, however if appointed, to be disclosed) | As per the relevant Key Information Document. | | | |
| Co-Manager (not applicable for private placement, however if appointed, to be disclosed) | As per the relevant Key Information Document. | | | |
| Legal advisor | Not Applicable | | | |
| Bankers to the issue | Not Applicable | | | |
| Sponsor bank | Not Applicable | | | |
| Guarantor | As per the relevant Key Information Document. | | | |
| Arrangers | As per the relevant Key Information Document. | | | |

**G. About the Issuer**

**(i) <u>Overview and a brief Summary of the business activities of the Issuer:</u>**

**(a) Brief History**

Issuer is a deposit taking housing finance company registered with the NHB and regulated by the RBI. The Issuer is a wholly owned subsidiary of ICICI Bank Limited.

Issuer was incorporated as a wholly owned subsidiary of the erstwhile ICICI Personal Financial Services Limited. Issuer obtained its certificate of commencement of business on July 9, 1999. Subsequently, it became a wholly owned subsidiary of the erstwhile ICICI Limited with effect from November 22, 1999. Following the merger of erstwhile ICICI Limited with ICICI Bank Limited, Issuer became a wholly owned subsidiary of ICICI Bank Limited. The Issuer does not have any subsidiary as on the date of filing the General Information Document.

**(b) Overview of the business of the Issuer**

The Issuer's business activities consist of primarily housing finance including other retail loans and mortgage loans to customers, corporate loans to real estate developers and other lending businesses, distribution of third party products and fee-based products and services.

Long-term mortgage loans to individuals and corporates and construction finance to builders are secured by a mortgage of the property. Housing loans are extended for maturities generally ranging from five to twenty-five years and a large proportion of these loans are at floating rates of interest. Any change in the benchmark rate to which the rate of interest on the home loan is referenced is effected on to the borrower on the first day of the succeeding quarter or the succeeding month, as applicable. Any decrease in the rate of interest payable on floating rate home loans is generally effected by an acceleration of the repayment schedule, keeping the monthly installment amount unchanged subject to regulatory and internal guidelines. Any increase in the rate of interest payable on floating rate home loans is effected by either a prolongation of the repayment schedule, keeping the monthly installment amount unchanged or by changing the monthly installment amount based on certain approved criteria subject to regulatory and internal guidelines.

Issuer provides finance for purchase of homes and consultancy services for real estate businesses.

***Product / Service Offering***

Products offered to customers in the retail housing loan sector include:

**Home Loans -** Home Loans are given for acquisition or construction or extension of residential property and purchase of land and construction thereon to all categories of borrowers. The loans are extended for under construction or ready for possession or resale properties. The residential property is taken as the security for the loan by creating a charge by way of mortgage.

**Home Improvement Loans -** Home Improvement Loans are extended for the purpose of painting, tiling and flooring, grills and windows, plumbing and sanitary work, structural changes, external repairs, water proofing, boundary wall construction, construction of underground or overhead tanks etc. The property on which the improvement work is to be done is taken as the security for the loan by creating a charge by way of mortgage.

**Home Equity Loans -** Home Equity Loans are given against residential and commercial properties. The loan can be utilized for the purpose of business, education, marriage, medical treatment and other personal needs. An end use letter is taken from the customer specifying the final use of the borrowed funds. The property is taken as security for the loan by creating a charge by way of mortgage.

**Office Premises Loans -** Office Premises loans are extended for the purpose of purchase, construction, extension, improvement of an office, shop, clinic or nursing home. The commercial property is taken as the security for the loan by creating a charge by way of mortgage.

**Loan to NRI -** Loans are given to non-resident Indians for acquisition/construction of a residential property, purchase of land and construction thereon for residential purpose and home improvement loan. The property is taken as the security for the loan by creating a charge by way of mortgage.

Corporate finance for real estate requirements is extended based on the financial strength of the borrowing entity. The product line for the non-retail segment for real estate financing includes construction finance and lease rental discounting. Construction finance is given to developers or builders for project acquisition and construction costs. Lease rental discounting facility is given to corporates to unlock the value from leased premises.

**Asset Valuation Team (AV) –** The AV team facilitates the business mortgage group providing them with the fair market value of the properties ensuring that the properties which are taken as security are adequate and thus avoid errors due to over valuation. Host of services offered by them are as follows:

- Valuation of the property across key markets
- Monitoring funded properties

**(c) Brief particulars of the management of the Issuer**

Issuer is a housing finance company registered with NHB and regulated by RBI and is a wholly owned subsidiary of ICICI Bank Limited. The Issuer is managed by an independent Board comprising nominee directors from ICICI Bank Ltd (Promoter) and certain independent directors. The Issuer is headed by the Managing Director & Chief Executive Officer (CEO) and a team of professionals with rich and diversified experience across various business functions. In addition to this, Issuer has executive counsel comprising of Managing Director & CEO and other vertical heads namely Chief Human Resource Officer, Chief Financial Officer, Chief Operating Officer, Chief Risk Officer, Chief Distribution Officer and Head – Real Estate Loans and Chief Technology Officer. The organization structure is provided above.

**(ii) <u>Structure of the Group</u>**

**Please refer to the following picture depicting the structure of the Group.**

**(iii) <u>A brief summary of the business activities of the subsidiaries of the Issuer:</u>**

Not Applicable. The Company does not have any subsidiaries, associates or joint ventures.

**(iv) <u>Details of branches or units where the Issuer carries on its business activities:</u>**

| Sr. No. | Branch | State | Branch Address | Category |
|---|---|---|---|---|
| 1 | Visakhapatnam | Andhra Pradesh | Ground floor, 47-9-14, Ganta Arcade, 3rd lane, Dwarakanagar, Vishakapatnam, A.P. 530016 | Branch |
| 2 | Guntur | Andhra Pradesh | Supriya Towers, Upper Ground Floor, D. No. 5-37-155, 4/15 Brodipet, Guntur, Andhra Pradesh 522002 | Branch |
| 3 | Nellore | Andhra Pradesh | 1st floor, Unit No. 5, Shridhar's Krishna Towers, D no. 26-15-27, FF 5-6 Iskon City, Nellore City - 524004 | Branch |
| 4 | Kurnool | Andhra Pradesh | Shop. No 8 & 9,1st floor, Beside ICICI Bank Ltd, Park Road, Kurnool-518001 | Branch |

| Sr. No. | Branch | State | Branch Address | Category |
|---|---|---|---|---|
| 5 | Rajahmundry | Andhra Pradesh | North Side, 1st floor, Plot No. A 36, 2nd Block, 76-1-4; Lalitha Bhaskar Enterprises, Gandhi Puram-II, Rajamahendravaram, Ap- 533103 | Branch |
| 6 | Kakinada | Andhra Pradesh | D. No.13-1-54, 1st floor, Dr. N. V. Ramesh Complex, Ramayya Street, Main Road, Kakinada – 533001 | Branch |
| 7 | Tirupati | Andhra Pradesh | Door no. 23-8-156/A, 1st floor, R. R. Enclave, New Balaji Colony, A.I.R. Bypass Road, Above ICICI Bank, Tirupati - 517502 | Branch |
| 8 | Hyderabad - Kukatpally | Telangana | Part A of 2nd floor, MIG, Dharma Reddy Colony, Opposite Jntu, Kphb, Hyderabad -500072 | Branch |
| 9 | Hyderabad - Secunderabad | Telangana | Ground floor, Usha Kiran Complex, S.D.Road, Secunderabad -500003 | Branch |
| 10 | Hyderabad - Dilsukhnagar | Telangana | 1st floor, Office No. 16-11-20/7/A, Opposit T.V.Tower, Malakpet, Hyderabad – 500036 | Branch |
| 11 | Warangal | Telangana | Sarayu Plaza, Shop No.2-10-874/2/C, 1st floor, Waddepally Village, Subedari, Bank Colony, Hanamkonda, Warangal, Telangana - 506001 | Branch |
| 12 | Patna | Bihar | 4th floor, 401, Kanak Brajraj Complex, Dhakkanpura, Kavi Raman Path, Patna – 800001 | Branch |
| 13 | Raipur | Chhattisgarh | Sky Park, Ground floor, Unit No.1, Near Canal Road Raipur - 492001 | Branch |
| 14 | Bilaspur | Chhattisgarh | 1st floor, Indira Tower, A-26, Zone II, Main Road Vyapar Vihar Bilaspur (C.G.) 495001 | Branch |
| 15 | Ranchi | Jharkhand | 3rd floor, Amravati Complex, Circular Road, Lalpur, Ranchi - 834001, Jharkhand | Branch |
| 16 | Jamshedpur | Jharkhand | 1st floor, P.P Tower, Ram Mandir Lane, Bistupur, Jamshedpur - 831001 | Branch |
| 17 | Bhubaneswar | Orissa | 96, Janpath, 2nd floor, Kharavela Nagar, Bhubneswar-751001 | Branch |
| 18 | Kolkata-AJCBoseRoad | West Bengal | 8/1A, 2nd floor, Sir William Jones Sarani (Formerly 8/1, Middleton Row), Kolkata – 700071 | Branch |
| 19 | Kolkata-Suburban Howrah | West Bengal | 4th floor, Krishna Enclave, 2/1, Bhajan Lal Lohia Lane, Near Howrah AC Market, Above Yes Bank, Howrah-711101 | Branch |

| Sr. No. | Branch | State | Branch Address | Category |
|---|---|---|---|---|
| 20 | Ahmedabad – West | Gujarat | 1st Floor, 101 & 102, SPG Empressa, opposite LG Showroom, BS. Passport Seva Kendra, near Mithakhali Six Roads, Navranpura – 380009 | Branch |
| 21 | Ahmedabad – Nikol | Gujarat | Showroom No. 2, 1st floor, Office No. B-120, Shantiniketan Business Park, Gangotri Circle, Nikol, Ahmedabad-382350 | Branch |
| 22 | Surat | Gujarat | 4th floor, 410, Milestone Vibrant, Opp. Apple Hospital, Udhna Darwaja, Surat-395002 | Branch |
| 23 | Vadodara | Gujarat | 4th Floor, Office No 436-443 Emerald One, Winward Buisness Park, Jetalpur Road, Vadodara, Gujarat- 390020 | Branch |
| 24 | Rajkot | Gujarat | 3rd floor, 301, Nakshatra-3 , 150 Fit Ring Road, Near Raoya Telephone Exchange, Rajkot - 360007 | Branch |
| 25 | Mehsana | Gujarat | 1st floor, Shakti Business Centre, Above United Bank, Mehsana Highway, Mehsana – 384002 | Branch |
| 26 | Bhavnagar | Gujarat | Office No. 201, 2nd floor, Plot No. 8/B, Gijiubhai Badheka Marg, Opp. Dakshivamurti School, Waghawadi Road, Bhavnagar – 364002 | Branch |
| 27 | Gandhidham | Gujarat | Plot No. 342, Ward-12/B, Office No. 203 , 2nd floor, Rajkamal-2, Near Yes Bank, ICICI Bank, Gandhidham-370201 | Branch |
| 28 | Anand | Gujarat | Shop No.106, 1st floor, Shree Ram Shikhar, New Station Road, Anand - 388001 | Branch |
| 29 | Rohtak | Haryana | Second floor, 2/30, Bulganins Tower, Adarsh Nagar, D Park, Delhi Road, Rohtak – 124001 | Branch |
| 30 | HISSAR | Haryana | SCO 154, 1st floor, Red Square Market, UE-1, Near Telephone Exchange, Hisar - 125001 | Branch |
| 31 | Ambala | Haryana | Shanti Complex, 1st floor, Building No. 4307/12-14, Jagadhari Road, Opposite Civil Hospital, Ambala Cantt – 133001 | Branch |
| 32 | Panipat | Haryana | City Square, 1st floor, Plot No. 932/935, Opposite IB Collage, GT Road, Panipat – 132103 | Branch |

| Sr. No. | Branch | State | Branch Address | Category |
|---|---|---|---|---|
| 33 | Karnal | Haryana | Plot No. 45-46, 1st floor, Sat Kartar Complex, 45, Wazir Chand Colony, Opp Mughal Canal Foutain Chowk, Karnal - 132001 | Branch |
| 34 | Sonepat | Haryana | 1st floor, no.159/20, Sudha Complex, Atlas Road, Near Subhash Chowk, Sonipat - 131001 | Branch |
| 35 | Yamunanagar | Haryana | SCO No -121, Sector 17, 1st floor, Commercial Belt, Jagadhari Road, Yamuna Nagar – 135003 | Branch |
| 36 | Bangalore-Yeshwantpur | Karnataka | 1st floor, No.165 & 166, Manjunatha Chambers, Shankar Nagar, Main Road, Mahalakshmipuram, Bangalore – 560096 | Branch |
| 37 | Bangalore-JPNagar | Karnataka | Shop No. 1316/C, 2nd floor, 9th Cross, 9th Main, Opp To Tirumalagiri Venkateshwara Temple, J P Nagar, 2nd Phase Above Central Bank, Bangalore - 560078 | Branch |
| 38 | HUBBALLI | Karnataka | 2nd floor, R.D Baddi Mansion, Above Kotak Bank, Dharwad Hubli 123, D Club Road, Hubballi – 580029 | Branch |
| 39 | Belgaum | Karnataka | CTS No. 3414, 1st floor, Anant Plaza , Samdevi Galli, Khade Baazar, Near Bogarves Circle, Belgaum - 590002 | Branch |
| 40 | Gulbarga | Karnataka | 1st floor, Dr. Savitha Commercial Complex, Above Idea Showroom, 2/907/23/2, Opp to Basaveshwara Hospital, Sedam Road, Gulbarga – 585105 | Branch |
| 41 | Thiruvananthapuram (Trivandrum) | Kerala | 1st Floor, Shop No. 2/30, T.C. VII/673/1-4(2), M G Corporate Centre, Medical College PO, Ulloor, Trivandrum - 695011 | Branch |
| 42 | Kochi | Kerala | Shop No. 34/514, 1st floor, Chollampattu Building, Edappally Toll Junction, Kochi – 682024 | Branch |
| 43 | Kozhikode (Calicut) | Kerala | 1st floor, 3/128, Simax Tower, Vandi Petta Junction, West Nadakkavu, Calicut – 673011 (Kerla) | Branch |
| 44 | Kollam | Kerala | Ground floor, Shop No. V/1165-351C, SM Towers, Madannada JN, | Branch |

| Sr. No. | Branch | State | Branch Address | Category |
|---|---|---|---|---|
| | | | Vadakkevila PO, Pallimukku, Kollam – 691010 | |
| 45 | Thrissur | Kerala | 1st floor, Prasad Arcade, Building No. 28 / 127 / 5, Patturakkal Junction, Shornur Road, Thrissur - 680022 | Branch |
| 46 | Palakkad | Kerala | 1st Floor, Sundar Tower, 24/868(3), Opp. Nissan Pinnacle , Kunnathurmedu Post, Palakkadu 678013 | Branch |
| 47 | Kottayam | Kerala | W Mall Building, 2nd floor, Wexco Homes, Kanjikuzhi, Kottayam – 686004 | Branch |
| 48 | Indore - Navlakha | Madhya Pradesh | Office No -106,1st floor, Pukhraj Corporate, Navlakha Indore – 452001 | Branch |
| 49 | Bhopal | Madhya Pradesh | Upper Ground Floor, Z-18 , M.P. Nagar , Zone -1, Near At Miracles Hospital, Bhopal (M.P.) Pin Code-462011 | Branch |
| 50 | Gwalior | Madhya Pradesh | 1st floor, The Empire, Office no.-F-05, 33-City Centre, Ward no. 30, Near Income Tax Building, Opposite Madhav Rao Scindia Park, Gwalior (Mp) 474011 | Branch |
| 51 | Jabalpur | Madhya Pradesh | 1st floor, Plot no. 46, Ahuja Tower, NapierTown, Bhawartal Swami Dayanand Sarswati Ward, Jabalpur-482001 | Branch |
| 52 | Mira Road | Maharashtra | 1st Floor, Shop No.129, 130, 131, 132, Poonam Shrushti, C, D, E, F Cooperative Housing Society, Latif Park, Opp. S.K Store, Mira Bhayandar Road, Mira Road (East), Thane- 401107. | Branch |
| 53 | Vasai | Maharashtra | 301-A, Nikunj Signature, 3rd floor, Ambadi Road, Vishal Nagar, Vasai West, Maharashtra 401202 | Branch |
| 54 | Mumbai – Borivali | Maharashtra | 1st floor, Office No. 102, 765 Flyedge, Near Datta Pada Brigde, SV Road, Borivali (W) – 400092 | Branch |
| 55 | Thane | Maharashtra | Premises No. 201, 2nd floor, West View, Opp. ICICI Bank, Veer Savarkar Road, Thane-400602 | Branch |
| 56 | Dombivali | Maharashtra | Office no. 105 to 107, 1st floor, Plot no. 29, Ayre, AAI CHS Ltd., Kelkar Road , Ramnagar , Dombivali (E) - 421201 | Branch |

| Sr. No. | Branch | State | Branch Address | Category |
|---|---|---|---|---|
| 57 | Vashi | Maharashtra | 1st floor, A-101, BSEL Tech Park, Plot No. 39/5 & 39/5A, Opposite Vashi Station, Sector 30A, Vashi, Navi Mumbai-400703 | Branch |
| 58 | Boisar | Maharashtra | 1st floor, Office no. PO2/147, Harmony Plaza, Opp. SBI, Boisar, Dist- Palghar – 401501 | Branch |
| 59 | Panvel | Maharashtra | 2nd Floor, Office 204, Junction 406, Plot no.406/1B, Takka Road, Panvel West 410206 | Branch |
| 60 | Badlapur | Maharashtra | Vikash Galaxy, 1st floor, Shop No. 103 & 104, Sanewadi, Railway Station Road, Badlapur(W), Maharashtra 421503 | Branch |
| 61 | Faridabad | Haryana | 1st floor, SCO no. 89, Sector-16, Shopping Center Of Urban Estate, Faridabad -121002 | Branch |
| 62 | Gurgaon 1 - Sec 29 | Haryana | 2nd floor, SCO-319, Sec -29, Gurgaon, Haryana -122001 | Branch |
| 63 | Noida | Uttar Pradesh | Plot no.7, 2nd floor, Block- N, Sec-18, Noida, UP - 201301 | Branch |
| 64 | Central Delhi - Karol Bagh | Delhi | 1st floor, XVI / 10200, 13/30 Beadon Pura, Padam Singh Road, Karol Bagh, Delhi-110005. | Branch |
| 65 | East Delhi – Laxmi Nagar | Delhi | Premises no. 14, 1st floor, Shankar Vihar, Vikas Marg, Delhi- 110092 | Branch |
| 66 | West Delhi – Janakpuri | Delhi | Ground floor, B-1/4, Community Centre, Janakpuri, New Delhi – 110058 | Branch |
| 67 | North Delhi – Pitampura | Delhi | 3rd floor, 302-303, Pearl Bert Hights-L, Netaji Subhash Place, Wazirpur, Pitampura, Delhi - 110034 | Branch |
| 68 | Nagpur | Maharashtra | 1st floor, Gokul Roshan, Plot No 25 & 26, Zenda Chowk, Dharampeth, Nagpur -440001 | Branch |
| 69 | Nashik | Maharashtra | 1st floor, Indira Heights, Near Pramod Mahajan Garden, Opposite to Dongri Vasti Gruh, Old Gangapur Naka, Nashik 422005 | Branch |
| 70 | Aurangabad | Maharashtra | 1st floor, Office No. 101, Plot No - 159, Manohar Space Landmarks, Samath Nagar, Aurangabad - 431001 | Branch |
| 71 | Amravati | Maharashtra | Shop No. 301, 302, 303, 3rd floor, Next Level Mall, In front of Hotel | Branch |

| Sr. No. | Branch | State | Branch Address | Category |
|---|---|---|---|---|
| | | | Grand Mehfill, Camp Road, Amravati – 444601 | |
| 72 | Jalgaon | Maharashtra | City Survey No.1976B/1+2 India Garage, South Western Corner, 1st floor of India Plaza Complex, Jilha Peth Swatantraya Chowk, Jalgaon -425001 | Branch |
| 73 | Ahmednagar | Maharashtra | 2nd floor, Office no. 201-202, Sai Midas, Opposite Patiyala House, Nagar, Manmad Poad, Savedi, Ahmednagar- 414003 | Branch |
| 74 | Akola | Maharashtra | 2nd floor, No. 201-202, Icon Complex, Infront of Icon Hospital, Kediya Plot, Akola – 444001 | Branch |
| 75 | Chandigarh | Chandigarh | 2nd floor, SCO 337-38, Sector 35-B, Chandigarh – 160022 | Branch |
| 76 | Panchkula | Haryana | 1st floor, SCO No. 397, Sector-20, Urban Estate, Panchkula, Haryana -134116 | Branch |
| 77 | Ludhiana | Punjab | 1st floor, SCO-146-147, Feroze Gandhi Market, Ludhiana -141001 | Branch |
| 78 | Amritsar | Punjab | 2nd floor, Sf-3&4, Opposite Vodafone Office, Central Mall 32, Mall Road, Amritsar (Punjab) – 143001 | Branch |
| 79 | Patiala | Punjab | 1st Floor, JTS Estate, Showroom No. 3, Bhupindra Road, Patiala - 147001 | Branch |
| 80 | Bhatinda | Punjab | 1st floor, Shop No. 132, above SBI, GT Road, Bhatinda – 151001 | Branch |
| 81 | Jalandhar | Punjab | 1st floor, 3-A, City Center Building, Massand Chowk, Model Town, Jalandhar-144003 | Branch |
| 82 | SriGanganagar | Rajasthan | 1st Floor, Shop No. 91-92, New Cloth Market, Sri Ganganagar, Rajasthan 335001 | Branch |
| 83 | Jaipur | Rajasthan | S-32, JDA Market, Gopalpura, Mansarover Link Road, Near Ridhi Sidhi Sweets, Jaipur -302018 | Branch |
| 84 | Jodhpur | Rajasthan | 1st floor, Hope Tower, Office No.-683 B, Sardarpura 9Th C-D Road, Jodhpur - 342003 | Branch |
| 85 | Kota | Rajasthan | Plot No.1, 1st floor, Sahyog Bhawan, Aerodrome Circle, Kota - 324007 | Branch |
| 86 | Ajmer | Rajasthan | 2nd floor, Rajvansh Nissan building, Opp. Patel Stadium, Near | Branch |

| Sr. No. | Branch | State | Branch Address | Category |
|---|---|---|---|---|
| | | | Bajrang Petrol Pump, Jaipur Road, Ajmer – 305001 | |
| 87 | Udaipur | Rajasthan | Ground floor, Plot No. 10, Durga Nursery Road, Udaipur- 313001 | Branch |
| 88 | Bikaner | Rajasthan | 1st floor, G. K Tower, Plot No.14, Sardul Colony, Ambedkar Circle, Bikaner- 334001 | Branch |
| 89 | Alwar | Rajasthan | 1st floor, Soni Tower, Road No. 2, Near Meo Boarding, Alwar – 301001 | Branch |
| 90 | Pali | Rajasthan | 1st floor, 294, Mehar Plaza, Plot No. 1,2,15 & 16, Veer Durgadas Nagar, Pali, Rajasthan 306401 | Branch |
| 91 | Pune-Main | Maharashtra | 1187/22 Venkatesh Meher, Ghole Road, Shivaji Nagar, Pune – 411005 | Branch |
| 92 | Pune - Wakad | Maharashtra | Office No. 101, 1st floor, Fortune Business Centre, Near Ambience Hotel, Kaspate Wasti, Wakad Pune - 411057 | Branch |
| 93 | Solapur | Maharashtra | 2nd floor, Kanale Plaza, 82 Railway Lines, Solapur- 413001 | Branch |
| 94 | Kolhapur | Maharashtra | Ground Floor, Vasant Plaza, Bagal Chowk, Rajaram Road, Rajarampuri, Kolhapur – 416008 | Branch |
| 95 | Sangli | Maharashtra | 2nd floor, Office No 201, C. S. No. 13604/80, Siddhivinayak House, Near Hotel Ambassador, Sangli Miraj Road, Sangli – 416416 | Branch |
| 96 | Satara | Maharashtra | 1st floor, Office No. 23, 24, 25, Satara City Business Center, S No 283/1, A, Final Plot No.-29, Sub Plot No.-1, Radika Road, Karanje Tarf Satara- 415002 | Branch |
| 97 | Ratnagiri | Maharashtra | 2nd floor, Office No 202, Kohinoor Paradise, Survey No 284, Shivaji Nagar, Ratnagiri 415612 | Branch |
| 98 | Puducherry | Puducherry | Unit 1, Mezzanine floor, GKM Arcade, 81, Ward - H, Block - 4, 100 Feet Road, Near Indira Gandhi Square, Pudupalayam Revenue village, Pondicherry-605005 | Branch |
| 99 | Chennai - T Nagar | Tamil Nadu | 3rd floor, M.T.Rajen's Square, Door No.40, Bazullah Road, T. Nagar, Chennai - 600017 | Branch |

| Sr. No. | Branch | State | Branch Address | Category |
|---|---|---|---|---|
| 100 | Chennai – Annanagar | Tamil Nadu | 2nd floor, AB-106, Old No :134, 4th Avenue, Shanthi Colony, Annanagar, Chennai-600040 | Branch |
| 101 | Coimbatore | Tamil Nadu | Shop No. 102, 103 and 115, 1st floor, Door No. 483, Asoka Plaza, Dr. Nanjappa Road, Coimbatore - 641018 | Branch |
| 102 | Madurai | Tamil Nadu | 2nd floor, No 38/1, Sri Lakhsmi Nivas, Krishna Rao Tank Street, Madurai, Tamilnadu -625001 | Branch |
| 103 | Trichy | Tamil Nadu | 2nd floor, No: 75 D, Laxmi Vaults, Plot - A-8, Salai Road, Thillai Nagar, Tiruchirappalli - 620018 | Branch |
| 104 | Salem | Tamil Nadu | 356/1, Empire Arcade,Ground floor, Omalur Main, Alagapuram,Opp New Bus Stand, Salem,Tamil Nadu -636004 | Branch |
| 105 | Chennai-Tambaram | Tamil Nadu | 2nd Floor, Door No. 20, Kakkan Street, West Tambaram, Chennai - 600045 | Branch |
| 106 | Tirunelveli | Tamil Nadu | Lion Arcade, 1A, 1st floor, Madurai Road, West Street, Sindupoondarai, Tirunelveli-627001 | Branch |
| 107 | Tiruppur | Tamil Nadu | 1st floor, Door No. 66, G.G Towers, Kumaran Road, Opposite Town Hall, Tirupur - 641601 | Branch |
| 108 | Vellore | Tamil Nadu | 1st floor, Plot No. 8/3, Municiple Colony Sathya Mansion, Kazhinjur Village, Kangayanallur Road, Gandhinagar Katoadi, Vellore-632006 | Branch |
| 109 | Agra | Uttar Pradesh | Office No-8, 2nd floor, Sumriddhi Business Suites, 38/4-A, Sanjay Place Agra – 282002 | Branch |
| 110 | Meerut | Uttar Pradesh | 307/1, 1st floor, Bishnoi Tower, Mangal Pandey Nagar, Opposite Apex Tower, Meerut - 250004 | Branch |
| 111 | Allahabad-Prayagraj | Uttar Pradesh | 200/45/4, 1st floor, Indira Arcade, Mahatma Gandhi Marg, Civil Lines, Allahabad – 211001 | Branch |
| 112 | Dehradun | Uttarakhand | Showroom no. 301, 3rd floor, Shri Ram Arcade, Old Municipal No. 74, Rajpur Road, Dehradun 248009 | Branch |
| 113 | Latur | Maharashtra | 2nd floor, Sonvane Complex, Beside Kamdar Petrol Pump, Mini Market, Main Road, Latur – 413512 | Branch |

| Sr. No. | Branch | State | Branch Address | Category |
|---|---|---|---|---|
| 114 | Sikar | Rajasthan | 4th floor, Bhaskar Heights Building, Front Facing, Office No. 1, Near Kalyan Hospital, Silver Jubilee Road, Sikar - 332001 | Branch |
| 115 | Siliguri | West Bengal | 2nd floor, Merchant Square, Saraswati Rice Mill Compound, Opp Payel Cinema Hall, Sevoke Road, 2nd Mile, Siliguri- 734001 | Branch |
| 116 | Kanpur | Uttar Pradesh | Ground floor, 104/438, P. Road, Sisamau, Rambagh Chauraha, Kanpur- 208012 | Branch |
| 117 | Bareilly | Uttar Pradesh | Shop No 9, Ground floor, GKS Palace, Ayub Khan- Choupla Road 63-64, Civil Lines, Bareilly- 243001 | Branch |
| 118 | Andheri HFC Tower | Maharashtra | ICICI Home Finance Co. Ltd., HFC Tower, Andheri Kurla Road, J.B.Nagar, Andheri(E), Mumbai-400059 | Corporate Office |
| 119 | Andheri HFC Tower | Maharashtra | ICICI Home Finance Co. Ltd., HFC Tower, Andheri Kurla Road, J.B.Nagar, Andheri(E), Mumbai-400059 | Branch |
| 120 | Ferozpur | Punjab | 2nd floor, Kakar Tower, Mall Road, Ferozpur-152002 | Branch |
| 121 | Pathankot | Punjab | 2nd floor, R.K. complex, Dalhousie road, Pathankot - 145001 | Branch |
| 122 | Junagadh | Gujarat | 4th Floor, Krishan Capital, Near Bank of Baroda, Zanzarda Road, Junagadh, Gujarat- 362001 | Branch |
| 123 | Davangere | Karnataka | Door No. 718, 2nd main, 8th Cross, Near BEA High School, Nijalingappa layout, near "More" Shop, Davanagere - 577004 | Branch |
| 124 | Shimoga | Karnataka | 1st floor, office no. 361/2-361/2-1232, Jayachandra Building, PB Gowda compound, 4th cross park extension, Durgigudi, Shimoga - 577201 | Branch |
| 125 | Hasan | Karnataka | 1st Floor, KH No. 1863/1, Shree Lakshmi Venkateshwara Nilaya, 60 feet road, Satyamanagala, Hassan, Karnataka -573201 | Branch |
| 126 | Sagar | Madhya Pradesh | Yadav Complex, shop no. 82/A, Besides Axisbank,10 civil lines, Sagar, M.P, 470001 | Branch |
| 127 | Guna | Madhya Pradesh | 1st floor, office no.1, Triyam height, Opp. Axis bank, A.B. Road, Guna - 473001 | Branch |

| Sr. No. | Branch | State | Branch Address | Category |
|---|---|---|---|---|
| 128 | Ratlam | Madhya Pradesh | 2nd Floor, Shop no. 3, 142, Satyam Palace, New road, opp balaji hotel, do batti, Ratalm - 457001 | Branch |
| 129 | Surendranagar | Gujarat | 3rd Floor, Office no - 323, City Center (Labh-II) Opp. M.P. Shah Arts and science college, Surendranagar - 363001. | Branch |
| 130 | Bharuch | Gujarat | 1st Floor, Unit no. 317, Orion Arcade complex, near Inox multiplex, Zhadeshwar, Bharuch - 392001 | Branch |
| 131 | Khammam | Telangana | 2nd floor, Plot No.141, VDO Colony, Gattaiah Centre, Khammam 507001. | Branch |
| 132 | Morbi | Gujarat | 1st floor, Shop No 105-106, Vakhat Complex, Ravapar Road, Morbi - 363641 | Branch |
| 133 | Varanasi | Uttar Pradesh | D-64/127, CH, Arihant complex, Sigra, Varanasi- 221010 | Branch |
| 134 | Buldhana | Maharashtra | 1st Floor, Plot no.19, F.S. no. 87/1, Mauje, Near SBI Branch Sundar khed, Chikhali road, Buldhana-443001 | Branch |
| 135 | Baramati | Maharashtra | 2nd floor, Shop no. 11, Vidhya Corner Super Market, MIDC Chowk, Baramati- 413133 | Branch |
| 136 | Dhule | Maharashtra | 2nd Floor, Office No. 208, Late Aabasaheb R.R.Patil Vyapari Sankul, Parola Road, Lane No 6, Dhule-424001 | Branch |
| 137 | Bangalore Yeshwantpur - NDMA | Karnataka | 1st floor, No.165 & 166, Manjunatha Chambers, Shankar Nagar, Main Road, Mahalakshmipuram, Bangalore – 560096 | Branch |
| 138 | Mysore | Karnataka | 2nd floor, Sapta Swara complex, Next to Palace Honda show room, Near Fire Brigade, Kantharaj Urs Road, Saraswathipuram, Mysore - 570009 | Branch |
| 139 | Nanded | Maharashtra | T-16, 217/C, Bajaj Galaxy, Canal Road Wadi Bk, Nanded - 431605 | Branch |
| 140 | Chandrapur | Maharashtra | 1st floor, Office no. 101, Shreelaxmi Chambers, Behind CDCC Bank, Chandrapur – 442401 | Branch |
| 141 | Secunderabad OPS | Telangana | Second floor, 1-8-167 to 179/2/B, Usha Kiran Complex, S.D.Road, Secunderabad -500003 | Back office |

| Sr. No. | Branch | State | Branch Address | Category |
|---|---|---|---|---|
| 142 | Chandkheda | Gujarat | 210, Shukan Mall, Near Vishat Petrol Pump, Chandkheda, Sabarmati, Ahmedabad - 380005 | Branch |
| 143 | Ujjain | Madhya Pradesh | Shrimaya square, 2nd Floor, 62,Ksapanak marg, Freeganj, Opp. Madhav nagar Hospital, Ujjain-456010 | Branch |
| 144 | Bopal | Gujarat | 3rd Floor, C-351, Sobo Center, Gala Gymkhana road, South Bopal, Ahmedabad 380058 | Branch |
| 145 | Narol | Gujarat | 1st Floor, 104 Bhagirath Icon, Near Narol Flyover, 382440, Ahmedabad , Gujarat. | Branch |
| 146 | Kalwar road | Rajasthan | Sahu Plaza, 1st Floor, Plot No A4, Sanjay Nagar, Kalwar Road , Rajasthan 302012 | Branch |
| 147 | Jagatpura | Rajasthan | Office No 51A, Second floor, JTM Mall, Jagatpura Flyover Road, B-2, Near Model Town, Malviyanagar, Jaipur 302017 | Branch |
| 148 | Vidyadhar nagar | Rajasthan | A 5 Cross Road Mall, Shop No 46 & 47, Central Spine, Vidhyadharnagar, 302039 | Branch |
| 149 | Nashik Road | Maharashtra | 2nd Floor, Pratik Arcade, Opposite to Vidyut Bhavan, Bytco Point, Nashik Road, Nashik-422101 | Branch |
| 150 | Haridwar | Uttarakhand | 1st floor, Ashirwad Tower, Model Colony, Near Ranipur Mor, Haridwar-249407. | Branch |
| 151 | Ameerpet | Telangana | 9th floor, Unit no. 1005, Vasavi MPM Grand, Yellareddyguda, Ameerpet, Hyderabad -500073 | Branch |
| 152 | Satna | Madhya Pradesh | 1st floor, Ekta Tower, Above ICICI Bank, Rewa road, Satna-485001 | Branch |
| 153 | Durg | Chhattisgarh | Crescent Plaza, Unit-H4, 2nd Floor, Near Swaroop, Talkies, Station Road, Durg, Chhattisgarh-491001 | Branch |
| 154 | Lucknow-South | Uttar Pradesh | 1st Floor, KH No. 700, Sarsawan Pargana, Arjunganj, Near- Bhatia Bakery & Axis Bank, Lucknow Uttar Pradesh- 226002. | Branch |
| 155 | Barabanki | Uttar Pradesh | 2nd Floor, Verma Market, East End, Above Union Bank, Ayodhya Road, Barabanki, U.P – 225001 | Branch |
| 156 | Saharanpur | Uttar Pradesh | 1st Floor, B-20, Awas vikas,Delhi road,Saharanpur – 247001. | Branch |

| Sr. No. | Branch | State | Branch Address | Category |
|---|---|---|---|---|
| 157 | RC Puram | Telangana | 1st Floor, Sri Krishna Complex, House No. 25-16, Road No.4, Near SBI Bank, RC Puram, Hyderabad 502032 | Branch |
| 158 | Jankipuram | Uttar Pradesh | 3rd Floor, Plot no. C -03, Sector E, Engineering college road,Sector B, Jankipuram , Lucknow,U.P - 226021 | Branch |
| 159 | Indore Main - MG road | Madhya Pradesh | 1st floor, 116,Shekhar Central, Manorama ganj, Indore – 452001 | Branch |
| 160 | Central Dehradun | Uttarakhand | First Floor, Khasra no. 110/1 & 110/2 Mauza Kanwali, R.D Tower, GMS Road, , Pargana Central Doon, Dehradun – 248001. | Branch |
| 161 | Kengeri | Karnataka | 1250/15/1B, 1st floor, Agani Complex Kengeri Satellite Town, Kengeri , Bangalore-560060 | Branch |
| 162 | ECIL Hyderabad | Telangana | 1-9-388, 2nd Floor, Surya Arcade,Kushaiguda Main Road, ECIL, Hyderabad, Telangana-500062 | Branch |
| 163 | Gorakhpur | Uttar Pradesh | 1st Floor, Medical College road, Above ICICI Bank,Basaratpur, Gorakhpur – 273004 | Branch |
| 164 | Bangalore - Sahakar Nagar | Karnataka | Plot no. 510, F Block, 3rd Floor, Sahakar Nagar, Bangalore 560092 | Branch |
| 165 | Nagpur Wardha Road | Maharashtra | Plot No. 6, KH no. 51, 52/1 & 52/5, P.H no. 9, 2nd Floor, Gawande Layout, Pioneer Cooperative Housing Society, Khamla Ring Road, Chhatrapati Square, Near Wardha Road, Nagpur 440015. | Branch |
| 166 | Kharar | Punjab | SCO B0023/00398, 1st Floor, Above Canara Bank, Ward no. 4, Desu Majra, NH-21, Kharar, Dist. Mohali -140301 | Branch |
| 167 | Pithampur | Madhya Pradesh | ICICI Home Finance, 1st Floor, Indrasan Tower, 12, 13, 14 Sanskar Velly, Sector 1, Mhow Neemuch Road, Pithampur 454775. | Branch |
| 168 | Dhar | Madhya Pradesh | ICICI Home Finance, Plot no. 58, 1st Floor, Avani Amish Square, Silver Hills colony, Above ICICI Bank, Dhar 454001. | Branch |
| 169 | Palanpur | Gujarat | ICICI Home Finance, Second Floor 205, HK Tower, Hanuman Tekri, | Branch |

| Sr. No. | Branch | State | Branch Address | Category |
|---|---|---|---|---|
| | | | Above ICICI Bank, Palanpur 385001. | |
| 170 | Bhimavaram | Andhra Pradesh | 22-11-9, 1st Floor, Mavullamma Temple, Sunday Market Thatavarthi Vari Street. Revenue ward no. 5, Bhimavaram, Andhra Pradesh 534201. | Branch |
| 171 | Ashta | Madhya Pradesh | 3rd Floor, Mundra Finance Tower, Ward – 16, No. 600, Kannod Road, Ashta, Madhya Pradesh 466116 | Branch |
| 172 | Ongole | Andhra Pradesh | Shop No: 4, A Block, Gupta Square, 60 feet Road Kurnool Road, Ongole, Andhra Pradesh 523002 | Branch |
| 173 | Vidisha | Madhya Pradesh | 1st Floor, Office No. 2, Above SBI Bank, Sanchi Road, Vidisha, Madhya Pradesh 464001 | Branch |
| 174 | Mathura | Uttar Pradesh | Plot no.C2/2 & C2/3, City Centre Mall, Radhika Vihar, Phase 2, NH-19, Mathura - 281004 | Branch |
| 175 | Kharadi | Maharashtra | Office No. 201, 2nd Floor, Khurana Icon, Mundhwa Kharadi Road, Kharadi, Pune – 411014 | Branch |
| 176 | Pilibhit | Uttar Pradesh | 1st Floor, Civil Lines North, Above ICICI Bank branch, Pilibhit – Uttar Pradesh -262001 | Branch |
| 177 | Kashipur | Uttarakhand | 1st Floor, Spectrum, Cheema Chauraha, Ramnagar road , Kashipur -244713 | Branch |
| 178 | Chomu | Rajasthan | Gagan Tower, Ward No. 21, Jogiyon ka Mohalla, Jaipur Road, Chomu, District Jaipur, Rajasthan 303702 | Branch |
| 179 | Dausa | Rajasthan | Plot No. A-52/1, Ashok Nagar-III Scheme, Khasra No. 1477, District Dausa, Rajasthan 303303 | Branch |
| 180 | Machilipatnam | Andhra Pradesh | 7/242,243-7, Sri Venkateswara Complex, Koneru Center, Machilipatnam, Andhra Pradesh 521001 | Branch |
| 181 | Mandsaur | Madhya Pradesh | 1st Floor, 13-A, Ward no.5 , Parakh Colony, Kalidas Marg, Station Road, Above Yes Bank, Mandsaur, Madhya Pradesh -458001. | Branch |
| 182 | Rudrapur | Uttarakhand | Plot no. 16/1 & 17/1, Ward no. 13, Shop no. 9, 2nd Floor, SGAD | Branch |

| Sr. No. | Branch | State | Branch Address | Category |
|---|---|---|---|---|
| | | | Complex, Nainital Road, Rudrapur – 263153. | |
| 183 | Dewas | Madhya Pradesh | Office No. 204, Plot no. 8 Tarani Colony Tilak Tower, 2nd Floor, A.B. Road, Dewas Madhya Pradesh - 455001 | Branch |
| 184 | Himmatnagar | Gujarat | 202, 2nd Floor, Shantam 9, Motipura Circle, Himmatnagar, Gujarat- 383001 | Branch |
| 185 | Patan | Gujarat | Shop no. 21,22,23 Krishnam Plaza, 1st Floor, Opp District Court, Patan, Gujarat- 384265 | Branch |
| 186 | Raebareli | Uttar Pradesh | No. 460, 460/1, 460/2, Ward no. 24, Plot no. 255M, 1st Floor, Madhur Complex, Canal Road, Raebareli, Uttar Pradesh -229001. | Branch |
| 187 | Vijayawada | Andhra Pradesh | 54-20-1B, Unit No. 4, Third Floor, Surya Prakash Square, Gurunanak Colony , Revenue Ward No. 2, Vijayawada, Andra Pradesh - 520007 | Branch |
| 188 | Modasa | Gujarat | No. 203, Second Floor, Shantam 11, Near Kotak Mahindra Bank, Shamlaji Road, Modasa -Gujarat- 383315. | Branch |
| 189 | Tuticorin | Tamil Nadu | 135B/1, Polpettai, Tuticorin, Tamil Nadu 628002 | Branch |
| 190 | Marathahalli | Karnataka | Katha No. 587/6,588/7,588/8,590/9,Balaji Plaza,Third Floor, Abdul Kalam layout,Opp.ISRO Main gate,Marathahalli Outer Ring Road, Doddanekundi, Bangalore-560037 | Branch |
| 191 | Tenkasi | Tamil Nadu | 88B, Mattapa Street, Tenkasi, Tamil Nadu-627811 | Branch |
| 192 | Nagercoil | Tamil Nadu | No. 75A, 1st Floor, Arunodhayam Complex, Watertank road, Nagercoil - 629001 | Branch |
| 193 | Roorkee | Uttarakhand | 66/1, Opposite Shikha Petrol Pump, Purvawali, Dehradun Road, Roorkee, Uttarakhand - 247667. | Branch |
| 194 | Kotputli | Rajasthan | Building No. 17-20, Mohalla Bachari, Krishna Takies Road, Bank Gali, Kotputli, Jaipur, Rajasthan 303108 | Branch |

| Sr. No. | Branch | State | Branch Address | Category |
|---|---|---|---|---|
| 195 | Bijnor | Uttar Pradesh | 1st floor, Harshit Complex Above HDFC Bank, Kothi Antaghar, Civil lines, Bijnor – 246701 | Branch |
| 196 | Tonk | Rajasthan | 1st floor , Bahadur Residency, Bamore Gate, Jaipur Road, Tonk, Rajasthan 304001 | Branch |
| 197 | Moradabad | Uttar Pradesh | 1st Floor, Rastogi Complex, Khasra no. 267, Above Yes bank, Delhi Road, Moradabad - 244001 | Branch |
| 198 | Vikasnagar | Uttarakhand | No. 1/187, 1st Floor backside,Above Axis Bank, Nagar Palika Chakrata Road, Main Market, Vikas Nagar, Uttarakhand – 248198 | Branch |
| 199 | Eluru | Andhra Pradesh | 23B-5-7, Shop No. 2, 4th Floor, Vasavi Plaza, Eadaravari Street, Ramachandra Rao Pet, Eluru, Andhra Pradesh-534002. | Branch |
| 200 | Hosur | Tamil Nadu | 6/25B1, 1st Floor, Sri Krishna Towers, Krishnagiri Bye Pass road, Hosur-635109 | Branch |
| 201 | Jhansi | Uttar Pradesh | 1st Floor, 780, A/A Civil Lines,Kanika Building, Above ICICI Bank, Jhansi, Uttar Pradesh – 284001. | Branch |
| 202 | Haldwani | Uttarakhand | 2nd floor, Shri Gajanand Tower, Bareilly, Nanital road, Haldwani - 263139 | Branch |
| 203 | Chittorgarh | Rajasthan | Plot No. 13, Kalyan Complex, Opp. Pannadhay Bus Stand, Ghatiyawali Road, Distt. Chittorgarh,Rajasthan-312001. | Branch |
| 204 | Bangalore-Koramangala | Karnataka | No. 584, Ocean Pearl, Opp. Bethany High, Above ICICI Bank, 2nd floor, 80feet road, 8th Block, Koramangala -560095 | Branch |
| 205 | Gurgaon – Sohna Road | Haryana | 6th Floor, Unit No.616, A,B,C and 617 A-B-C-D, Universal Trade Tower, Sector-49, Gurgaon, Haryana-122018 | Branch |
| 206 | Hyderabad - Punjagutta | Telangana | 3rd Floor, 3-903/10, Nagarjuna Nagar colony, Yella Reddy Guda, Ameerpet, Punjagutta, Hyderabad, Telangana -500073 | Branch |
| 207 | Ghaziabad (Kaushambi) | Uttar Pradesh | 2nd floor, Vishwakarma Complex, Plot No 17/18, Behind Yashoda | Branch |

| Sr. No. | Branch | State | Branch Address | Category |
|---|---|---|---|---|
| | | | Hospital, Kaushambi, Ghaziabad-201010 | |
| 208 | Lucknow | Uttar Pradesh | 302, 303, 304, 3rd Floor, Eldeco Corporate Chamber III, TC 58V, Vibhuti Khand, Gomtinagar, Lucknow-226010 | Branch |
| 209 | Vapi | Gujarat | Unit no. 5 & 6, 1st floor, Shanti Complex, Plot No P-50/1, G.I.D.C. B/H, 21st Century Hospital, Vapi – 396195 | Branch |
| 210 | Jaipur - Main | Rajasthan | City Corporate, Plot No. D3, Shop No. 103 to 106, Malviya Marg, C-Scheme, Jaipur, Rajasthan , 302001 | Branch |
| 211 | Indore Vijaynagar | Madhya Pradesh | 3rd Floor, Dhan Trident, Office No. 322-323, DPC Estate Pvt Ltd, Scheme No. 54, Vijaynagar, Indore, Madhya Pradesh 452010. | Branch |
| 212 | Bhilwara | Rajasthan | ICICI Home Finance Company Limited, 2nd Floor, B – Block, Shop No. 1, S. K. Plaza, Pur Road, Bhilwara, Rajasthan – 311001. | Branch |
| 213 | Ameerpet NDMA | Telangana | 3rd Floor, 3-903/10, Nagarjuna Nagar colony, Yella Reddy Guda, Ameerpet, Punjagutta, Hyderabad, Telangana -500073 | Branch |
| 214 | New Delhi-Dwarka | New Delhi | Plot no.19, Sector 12A, Opposite Bal Bharti School, Above ICICI Bank, Dwarka, New Delhi- 110075 | Branch |
| 215 | Bangalore - JP Nagar (REL) | Karnataka | 1316/C, 1st Floor, 9thCross, 9th Main, opp to Tirumalagiri Venkateshwarat Temple, J PNagar, 2nd Phase, Above Central Bank, Bangalore - 560078 | Branch |
| 216 | Lajpat Nagar | New Delhi | A-37, Upper Gorund floor, Lajpat Nagar – 2, New Delhi 110024. | Branch |

**(v)** **<u>Project cost and means of financing, in case of funding of new projects:</u>**

Not Applicable.

**H. Expense of the Issue (along with a breakup for each item of expense, including details of the fees payable, including details of the fees payable to separately as under (in terms of amount, as a percentage of the total issue expenses and as a percentage of total issue size), as applicable.)**

| Expenses | Fees Amount (in Rs.) | Fees as a percentage of total issue expenses (%) | Fees as a percentage of total issue size (%) |
|---|---|---|---|

| | | | |
|---|---|---|---|
| Lead manager(s) fees | As per the Relevant Key Information Document | As per the Relevant Key Information Document | As per the Relevant Key Information Document |
| Underwriting commission | As per the Relevant Key Information Document | As per the Relevant Key Information Document | As per the Relevant Key Information Document |
| Brokerage, selling, commission and upload fees | As per the Relevant Key Information Document | As per the Relevant Key Information Document | As per the Relevant Key Information Document |
| Fees payable to the registrars to the issue | As per the Relevant Key Information Document | As per the Relevant Key Information Document | As per the Relevant Key Information Document |
| Fees payable to the legal advisors | Not Applicable | | |
| Advertising and marketing expenses | As per the Relevant Key Information Document | As per the Relevant Key Information Document | As per the Relevant Key Information Document |
| Fees payable to the regulators including stock exchanges | As per the Relevant Key Information Document | As per the Relevant Key Information Document | As per the Relevant Key Information Document |
| Expenses incurred on printing and distribution of issue stationary | As per the Relevant Key Information Document | As per the Relevant Key Information Document | As per the Relevant Key Information Document |
| Any other fees, commission or payments under whatever nomenclature | As per the Relevant Key Information Document | As per the Relevant Key Information Document | As per the Relevant Key Information Document |
| **Total** | As per the Relevant Key Information Document | | |

**I. The audited financial statements (i.e. profit and loss statement, balance sheet and cash flow statement) both on a standalone and consolidated basis for a period of three completed years, along with the auditor's report and the requisite schedules, footnotes, summary etc.:**

Please refer to Annexure 5 of this General Information Document for the audited financial statements (i.e., profit and loss statement, balance sheet and cashflow statement) on standalone basis for a period of last three financial years alongwith the auditor's report and the requisite schedules, footnotes, summary etc.

Please also refer to the Annexure 6 for the limited review report of the financial statements of the Company for the half yearly period commencing from April 01, 2023 to September 30, 2023.

**J. Key operational and financial parameters (as in the three audited balance sheets immediately preceding the date of issue of this General Information Document):**

**Consolidated Basis: Not Applicable**

**Standalone Basis***

**(₹ in million)**

| Particulars | Six months ended September 30, 2023 (Unaudited) | Financial Year ended March 31, 2023 (Audited) | Financial Year ended March 31, 2022 (Audited) | Financial Year ended March 31, 2021 (Audited) |
|---|---|---|---|---|
| **Balance Sheet** | | | | |
| **Assets** | | | | |
| **Property, Plant and Equipment[1]** | 1,432.7 | 1,387.2 | 1,302.4 | 1,441.2 |
| **Financial Assets** | 2,11,233.4 | 1,86,905.7 | 1,56,963.3 | 1,52,027.9 |
| **Non-financial Assets excluding property, plant and equipment** | 1,266.2 | 1,155.8 | 1,137.3 | 1,632.4 |
| **Total Assets** | **2,13,932.3** | **1,89,448.7** | **1,59,403.0** | **1,55,101.5** |
| | | | | |
| **Liabilities** | | | | |
| **Financial Liabilities** | - | - | 200.5 | 1,434.8 |
| **- Derivative financial instruments** | 1,874.3 | 1,874.0 | 1,625.0 | 1,541.9 |
| **- Trade Payables** | 62,126.6 | 54,563.6 | 44,808.1 | 28,854.2 |
| **- Debt Securities** | 69,172.1 | 53,237.4 | 47,551.3 | 58,547.4 |
| **- Borrowings (other than debt securities)** | 37,258.7 | 36,500.4 | 30,870.6 | 35,058.1 |
| **- Subordinated liabilities** | 4,401.9 | 4,316.8 | 4,337.0 | 4,198.6 |
| **- Other financial liabilities** | 8,308.5 | 10,068.8 | 8,710.8 | 7,271.2 |
| | | | | |
| **Non-Financial Liabilities** | | | | |
| **- Current tax liabilities (net)** | NIL | NIL | NIL | NIL |
| **- Provisions** | 163.7 | 65.0 | 94.7 | 156.8 |
| **- Deferred tax liabilities (net)** | 629.0 | 565.3 | - | - |
| **Other non-financial liabilities** | 64.2 | 187.8 | 154.0 | 167.1 |
| | | | | |

| Particulars | Six months ended September 30, 2023 (Unaudited) | Financial Year ended March 31, 2023 (Audited) | Financial Year ended March 31, 2022 (Audited) | Financial Year ended March 31, 2021 (Audited) |
|---|---|---|---|---|
| **Equity (equity share capital and other equity)** | 29,933.3 | 28,069.6 | 21,051.0 | 17,871.4 |
| **Total liabilities and equity** | **2,13,932.3** | **1,89,448.7** | **1,59,403.0** | **1,55,101.5** |
| **Profit and Loss** | | | | |
| **Total Revenue from operations** | 12,290.3 | 19,493.4 | 15,905.0 | 16,064.8 |
| **Other Income** | 53.5 | 14.1 | 11.5 | 70.6 |
| **Total Income** | 12,343.8 | 19,507.5 | 15,916.5 | 16,135.4 |
| **Total Expense (including tax expense)** | 10,174.1 | 16,489.3 | 14,274.8 | 15,918.7 |
| **Profit after Tax for the year** | 2,169.7 | 3,018.2 | 1,641.7 | 216.7 |
| **Other Comprehensive Income** | (5.9) | 1,661.3 | 1,529.5 | 956.3 |
| **Total Comprehensive Income** | 2,163.8 | 4,679.5 | 3,171.2 | 1,173.0 |
| **Earnings per equity share (Basic)** | 1.80 | 2.58 | 1.49 | 0.20 |
| **Earnings per equity share (Diluted)** | 1.80 | 2.58 | 1.49 | 0.20 |
| **Cash Flow** | | | | |
| **Net cash (used in) / generated from operating activities** | (16,350.9) | (23,814.4) | (1,932.2) | 6,855.2 |
| **Net cash (used in) / generated from investing activities** | (1,636.5) | 1,550.6 | (1,786.5) | 2,041.4 |
| **Net cash (used in) / generated from financing activities** | 21,925.7 | 23,943.3 | (1,024.1) | (1,681.2) |
| **Net increase/decrease(-) in cash and cash equivalents** | 3,938.3 | 1,679.5 | (4,742.8) | 7,215.4 |

| Particulars | Six months ended September 30, 2023 (Unaudited) | Financial Year ended March 31, 2023 (Audited) | Financial Year ended March 31, 2022 (Audited) | Financial Year ended March 31, 2021 (Audited) |
|---|---|---|---|---|
| **Cash and cash equivalents as per Cash Flow Statement as at end of Half Year** | 8,311.4 | 4,373.1 | 2,693.6 | 7,436.4 |
| **Additional information** | | | | |
| **Net Worth** | 29,933.3 | 28,069.6 | 21,051.0 | 17,871.4 |
| **Cash and Cash Equivalents** | 8,311.4 | 4,373.1 | 2,693.6 | 7,436.4 |
| **Loans** | 1,93,656.5 | 1,75,436.2 | 1,44,985.0 | 1,37,578.2 |
| **Total Debts to Total Assets** | 0.81 | 0.78 | 0.80 | 0.82 |
| **Interest Income** | 10,887.5 | 17,732.6 | 14,512.2 | 14,635.4 |
| **Interest Expense** | 5,843.7 | 9,536.7 | 8,789.4 | 10,551.9 |
| **Impairment on Financial Instruments/write-offs** | 1,021.6 | 1,775.0 | 1,755.3 | 2,694.6 |
| **Gross NPA (%)** | 2.4% | 3.1% | 5.8% | 6.7% |
| **Net NPA (%)** | 1.2% | 2.0% | 4.3% | 5.2% |
| **Tier I Capital Adequacy Ratio (%)[2]** | 18.1% | 19.2% | 16.9% | 15.9% |
| **Tier II Capital Adequacy Ratio (%)[2]** | 3.9% | 4.3% | 5.0% | 5.0% |

[1]Includes capital work-in-progress
[2]Capital adequacy ratio are computed in accordance with guidelines issued by RBI/NHB

* Please note that the above disclosures are made basis the financial statements prepared as per the IND AS requirements.

Note: Amounts have been re-grouped/re-classified wherever necessary to correspond with current period's classification/disclosures.

**K. Details of any other contingent liabilities of the Issuer based on the latest audited financial statements including amount and nature of liability.**

**(₹ in million)**

| Nature of liability | As of March 31, 2023 |
|---|---|
| Litigation | 34.0 |
| Loan commitments | 10,603.1 |
| Capital commitments | 44.3 |

| Nature of liability | As of March 31, 2023 |
|---|---|
| Tax contingencies | 417.4 |
| Total | 11,098.8 |

**L. The amount of corporate guarantee or letter of comfort issued by the Issuer along with details of the counterparty (viz. name and nature of the counterparty, whether a subsidiary, joint venture entity, group company etc.) on behalf of whom it has been issued, contingent liability including debt service reserve account guarantees/ any put option etc.**

NIL

**M. A brief history of the Issuer since its incorporation giving details of its following activities:-**

**(i) Details of share capital as on last quarter end; i.e. September 30, 2023**

| Share Capital | Amount (₹ in billion) |
|---|---|
| **Authorized Share Capital:** | 24.00 |
| 2385000000 Equity shares of Rs.10/- each | 23.85 |
| 15000000 Preference Shares of Rs.10/- each | 0.15 |
| **Issued, subscribed and paid-up share capital** | 12.04 |

**(ii) Changes in its capital structure as at last quarter end i.e. September 30, 2023 for the preceding three financial years and current financial year**

| Date of Change | Particulars |
|---|---|
| July 28, 2022 | The Company in its meeting of Committee of Directors convened on July 28, 2022 allotted 104,777,870 equity shares having a face value of ₹10/- per equity share at a premium of ₹13.86/- per equity share aggregating to a total consideration of ₹2,49,99,99,978/- on rights basis to its existing shareholders. |

**(iii) Equity share capital history of the Issuer for the preceding three financial year and current financial year:**

| Date of Allotment | No. of Equity Shares | Face Value (Rs) | Issue Price (Rs) | Consideration (Cash, other than cash etc) | Nature of Allotment | Cumulative | | | Remarks |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | No of Equity Shares | Equity Share Capital | Equity Share Premium (in Rs) | |
| June 19,1999 | 700 | 10 | 10 | Cash | Subscription to Memorandum of Association | 700 | 7000 | NA | NA |
| November 22, 1999 | 19,999,300 | 10 | 10 | Bank Transfer | Preferential Allotment | 2,00,00,000 | 200,000,000 | NA | NA |
| September 29, 2000 | 75,000,000 | 10 | 10 | Bank Transfer | Preferential Allotment | 95,000,000 | 950,000,000 | NA | NA |
| October 4, 2001 | 20,000,000 | 10 | 10 | Bank Transfer | Preferential Allotment | 115,000,000 | 115,00,00,000 | NA | NA |
| December 28, 2004 | 25,000,000 | 10 | 10 | Bank Transfer | Preferential Allotment | 140,000,000 | 140,00,00,000 | NA | NA |
| August 20, 2005 | 500 | 10 | 10 | Bank Transfer | Preferential Allotment | 140,000,500 | 140,00,05,000 | NA | NA |
| August 20, 2005 | 43,749,500 | 10 | 10 | Bank Transfer | Preferential Allotment | 183,75,0000 | 183,75,00,000 | NA | NA |
| March 31, 2006 | 100,000,000 | 10 | 10 | Bank Transfer | Preferential Allotment | 283,75,0000 | 283,75,00,000 | NA | NA |
| December 12, 2007 | 500,000,000 | 10 | 10 | Bank Transfer | Preferential Allotment | 783750000 | 783,75,00,000 | NA | NA |
| June 10, 2008 | 250,000,000 | 10 | 10 | Bank Transfer | Preferential Allotment | 1,033,750,000 | 1033,75,00,000 | NA | NA |
| December 29, 2008 | 50,000,000 | 10 | 10 | Bank Transfer | Preferential Allotment | 1,083,750,000 | 1083,75,00,000 | NA | NA |
| March 14, 2009 | 15,000,000 | 10 | 10 | Bank Transfer | Conversion of Preference shares in to Equity shares | 1,098,750,000 | 1098,75,00,000 | NA | NA |
| July 28, 2022 | 104,777,870 | 10 | 23.86 (10 + 13.86 premium) | Bank Transfer | Allotment of Equity share on Rights basis | 1,203,527,870 | 12,035,278,700 | 13.86 | NA |
| **Total** | **1,203,527,870** | | | | | | | | |

Note: Shares pledged or encumbered by the promoters – None

**(iv) Details of any acquisition of or amalgamation with any entity in the preceding one year**:

**Not Applicable**

**(v) Details of any reorganisation or reconstruction in the preceding one year:** Not Applicable

| Type of Event | Date of Announcement | Date of Completion | Details |
|---|---|---|---|
| None | | | |

**(vi) Details of the shareholding of the Issuer as at the latest quarter end, i.e. September 30, 2023:**

| Particulars | Total No. of Equity Shares | No. of shares in demat form | Total shareholding as % of total no. of equity shares |
|---|---|---|---|
| Promoter | 1,20,35,26,770 | 12,03,52,67,70 | 99.999 |
| Bodies Corporate[1] | 1,100 | 900 | 0.0001 |
| Total | 1,20,35,27,870 | 1,203,527,670 | 100.00 |

[1]*Beneficial interest on the above shares are held by the Promoter, ICICI Bank Limited.*

Note: The promoters have not pledged/encumbered any shares held by them.

**(vii) List of top 10 holders of equity shares of the Issuer as on the latest quarter end i.e. September 30, 2023**

| Sr No. | Name of the shareholder | Total No. of equity shares | No. of shares in demat form | Total Shareholding as % of total no. of equity shares |
|---|---|---|---|---|
| 1 | ICICI Bank Limited | 1,20,35,26,770 | 12,03,52,67,70 | 99.9999 |
| 2 | ICICI Securities Limited[1] | 600 | 600 | 0.0001 |
| 3 | ICICI Lombard General Insurance Company Limited[1] | 100 | - | 0.00 |
| 4 | ICICI Investment Management Company Limited[1] | 100 | 100 | 0.00 |
| 5 | ICICI Trusteeship Services Limited[1] | 100 | 100 | 0.00 |
| 6 | ICICI Venture Funds Management Company Limited[1] | 100 | 100 | 0.00 |
| 7 | ICICI Securities Primary Dealership Limited[1] | 100 | - | 0.00 |
| | **Total** | **1,20,35,27,870** | **1,203,527,670** | **100.00** |

[1]*Beneficial interest on the above shares are held by ICICI Bank Limited*

**N. Following details regarding the directors of the Issuer: -**

**(i) Details of current directors of the Issuer:**

| Name, Designation, DIN and Occupation* | Age | Address | Date of Appointment | Details of other directorship |
|---|---|---|---|---|
| Anirudh Kamani<br>Managing Director & CEO<br>DIN- 07678378<br>Occupation- Service | 53 | Flat No. C-1501 Oberoi Exquisite, Oberoi Garden City Goregaon East, Mumbai 400063 | November 01, 2017 | None, as on the date of this General Information Document. |
| Atul Arora<br>Director<br>DIN- 10254306<br>Occupation- Service | 55 | 601, 6th Floor, Plot 149, 10th Road, Kokil Khar Sukhi Jeevan CHSL, Opp. Khar Police Station, Khar West, Mumbai 400052 | July 25, 2023 | None, as on the date of this General Information Document. |
| Vinod Kumar Dhall<br>Independent Director (Chairman)<br>DIN – 02591373<br>Occupation- Advocate | 78 | Dewan Manohar House, B-88, Sector 51, Noida (U.P.) – 201301 India | January 18, 2019 | • ICICI Securities Limited<br>• Advani Hotels And Resorts (India) Limited |
| CA S. Santhanakrishnan<br>Independent Director<br>DIN – 00032049<br>Occupation- Chartered Accountant | 72 | Old No. 33C, New No. 24, Unnamalai Ammal Street, T. Nagar, Chennai-600017<br>Tamil Nadu | October 16, 2014 | • Sands Chembur Properties Private Limited<br>• Sands BKC Properties Private Limited<br>• PKF Proserv Private limited<br>• Vankateswara Charitable foundation<br>• Sri Chandrasekhara Foundation of Vedic Studies |
| G. Gopalakrishna<br>Independent Director<br>DIN – 06407040<br>Occupation- Retired Executive | 66 | B-301-302, Lady Ratan Tower, Danik Shivner Marg, Gandhinagar, Worli, Mumbai 400018 | January 18, 2019 | • Risk and Compliance Professionals Association<br>• SIDBI<br>• Axis Mutual Fund Trustee Limited<br>• Krazybee Services Private Limited<br>• ICICI Prudential Pension Funds Management Company Limited |

| Name, Designation, DIN and Occupation* | Age | Address | Date of Appointment | Details of other directorship |
|---|---|---|---|---|
| | | | | |
| Rakesh Jha<br>Additional Non-Executive Director<br>DIN- 00042075<br>Occupation- Service | 51 | 701, Raheja Princess Apartments,<br>Agar Bazar, S.K. Bole Road, Dadar (West)<br>Mumbai<br>Maharashtra<br>India<br>400028 | October 13, 2022 | • ICICI Bank Limited<br>• ICICI Securities Limited<br>• ICICI Lombard General Insurance Company Limited<br>• ICICI Venture Funds Management Company Limited<br>• Master Card Asia/Pacific Pte. Ltd. |

*None of the Directors of the Issuer appear as defaulter in the RBI defaulter list and/or ECGC default list.

**(ii) Details of change in directors in the preceding three financial years and current financial year:**

| Name, Designation and DIN | Date of Appointment | Date of Cessation, if applicable | Date of Resignation, if applicable | Remarks |
|---|---|---|---|---|
| N. R. Narayanan Director<br>DIN- 07877022 | July 13, 2017 | NA | September 1, 2021 | Ceased to be a Director by way of superannuation |
| Supritha Shetty, Director<br>DIN -02101473 | August 22, 2019 | NA | January 05, 2023 | Ceased to be a Director due to withdrawal of nomination by ICICI Bank Limited |
| Sanjay Singhvi, Director<br>DIN- 09317585 | September 13, 2021 | NA | July 25, 2023 | Ceased to be a Director due to withdrawal of nomination by ICICI Bank Limited |
| Vinod Kumar Dhall<br>Independent Director<br>DIN - 02591373 | January 18, 2019 | NA | NA | Appointed as Independent Director |
| G. Gopalakrishna<br>Independent Director<br>DIN - 06407040 | January 18, 2019 | NA | NA | Appointed as Independent Director |
| Anup Bagchi<br>Non-Executive Director<br>DIN- 00105962 | February 23, 2017 | NA | September 17, 2022 | Ceased to be a Director due to change in organizational structure |

| Name, Designation and DIN | Date of Appointment | Date of Cessation, if applicable | Date of Resignation, if applicable | Remarks |
|---|---|---|---|---|
| Rakesh Jha<br>Non-executive Non-Independent Director | October 13, 2022 | NA | NA | Appointed as Director |
| Zeenat Hamirani<br>Non-Executive Non Independent Director | January 5, 2023 | NA | NA | Appointed as Director |
| Atul Arora<br>Non-Executive Non-Independent Director | July 25, 2023 | NA | NA | Appointed as Director |
| Zeenat Amin Hamirani<br>Non-Executive Non-Independent Director | January 5, 2023 | NA | November 29, 2023 | Ceased to be a Director due to withdrawal of nomination by ICICI Bank Limited |

**O. Details of directors' remuneration and such particulars of the nature and extent of their interests in the Issuer (during the current year and preceding three financial years):**

**(i) Remuneration payable or paid to a director by the Issuer, its subsidiary or associate company; shareholding of the director in the company, its subsidiaries and associate companies on a fully diluted basis:**

**(₹ in million)**

| Sr. No. | Name | Category | Amount as on September 30, 2023 | Amount as on March 31, 2023 |
|---|---|---|---|---|
| 1. | Anirudh Kamani | Managing Director & CEO | 21.6 | 41.3 |

Non-executive directors nominated by ICICI Bank Limited are not paid remuneration by the Issuer. Independent Directors are entitled to sitting fees along with profit based commission as approved by the Board.

**(ii) Appointment of any relatives to an office or place of profit of the Issuer, its subsidiary or associate company:**

NIL

**(iii) Full particulars of the nature and extent of interest, if any, of every director:**

**a) In the promotion of the Issuer;**

Not Applicable

**b) In any immovable property acquired by the Issuer company in the two years preceding the date of the General Information Document or any immoveable property proposed to be acquired by it; or**

Not Applicable

**c) Where the interest of such a director consists in being a member of a firm or company, the nature and extent of his interest in the firm or company, with a statement of all sums paid or agreed to be paid to him or to the firm or company in cash or shares or otherwise by any person either to induce him to become, or to help him qualify as a director, or otherwise for services rendered by him or by the firm or company, in connection with the promotion or formation of the issuer company shall be disclosed.**

Not Applicable

**P. Contribution being made by the directors as part of the offer or separately in furtherance of such objects:**

Directors of the Issuer may or may not invest in the Bonds and Commercial Papers being issued pursuant to the General Information Document subject to compliance with applicable law. If a director subscribes to the Bonds or Commercial Papers being issued under this General Information Document, then at time of subscribing to the Bonds and/or Commercial Papers such director shall furnish to the Issuer a declaration in writing to the effect that the subscription amount in relation to the Bonds and/or Commercial Papers is not being given out of funds acquired by him/her by borrowing or accepting from others. Further, all relevant disclosures in relation to the same will be made in the relevant Key Information Document issued by the Company for the issue of such Bonds and Commercial Paper.

However, various group companies of the Issuer under the regulatory guidelines of their respective regulators engage in business of investment that includes investments in Bonds and Commercial Papers, such entities subject to compliance with applicable laws including Companies Act, may invest in the Bonds and Commercial Papers being issued under the purview of the General Information Document either in primary market or through a purchase in the secondary market. It is however clarified that such investors will not get any preferential treatment in terms of allotment / interest rate/ issuance price. Further, all relevant disclosures in relation to the same will be made in the relevant Key Information Document issued by the Company for the issue of such Bonds and Commercial Paper.

**Q. Any financial or other material interest of the directors, promoters, key managerial personnel or senior management in the Issue and the effect of such interest in so far as it is different from the interests of other persons:**

Please refer to the Key Information Document to be issued in relation to each Tranche/ Series of Debentures for the same.

**R. Following details regarding the auditors of the Issuer:**

**(i) Details of the Joint statutory auditor of the Issuer:**

| Sr. No. | Name of the Auditor | Address | Date of Appointment |
|---|---|---|---|
| 1. | M/s Singhi & Co.<br>Peer review certificate no. 014484 | B2 402B, Marathon Innova, 4th Floor, Off Ganpatrao Kadam Marg, Opp. Peninsula Corporate Park, Lower Parel, Mumbai - 400013 | July 30, 2021 |

| | | | |
|---|---|---|---|
| 2. | Mukund M. Chitale & Co.<br>Peer review certificate no. 011816 | 2nd Floor Kapur House<br>Paranjape B Scheme, Road No-1, Vile Parle-East<br>Mumbai - 400057 | July 30, 2021 |

**(ii) Details of changes in auditor for preceding three financial years and current financial year:**

| Name | Address | Date of Appointment/ Resignation | Auditor of the Issuer since (in case of resignation) | Date of cessation, if applicable | Remarks |
|---|---|---|---|---|---|
| B S R & Co. LLP Chartered Accountants | 5th Floor, Lodha Excelus, Apollo Mills Compound, N M Joshi Marg, Mahalaxmi, Mumbai – 400011 | May 26, 2017 | July 30, 2021 | NA | Retired as statutory auditors as per the requirement of the Reserve Bank of India (RBI) recently on April 27, 2021 issued guidelines for Appointment of Statutory Central Auditors (SCAs)/ Statutory Auditors (SAs) for Banks and NBFCs (including HFCs) |
| Singhi & Co.<br><br>Mukund M. Chitale & Co. | B2, 402B, Marathon Innova, 4th Floor, Off Ganpatrao Kadam Marg, Opp. Peninsula Corporate Park, Lower Parel, Mumbai 400013<br><br>2nd Floor Kapur House Paranjape B Scheme Road No-1,<br>Vile Parle-East<br>Mumbai 400057 | July 30, 2021 | - | NA | Appointed as Joint Statutory Auditors of the company till the conclusion of the 23rd AGM to be held for the financial year 2022 |
| Singhi & Co.<br><br>Mukund M. Chitale & Co. | B2, 402B, Marathon Innova, 4th Floor, Off Ganpatrao Kadam Marg, Opp. Peninsula Corporate Park, Lower Parel, Mumba 400013 | June 3, 2022 | | NA | Re-appointed as Joint Statutory Auditors of the company till the conclusion of 25th AGM of the Company to be held for the FY2024. |

| Name | Address | Date of Appointment/ Resignation | Auditor of the Issuer since (in case of resignation) | Date of cessation, if applicable | Remarks |
|---|---|---|---|---|---|
| | 2nd Floor Kapur House<br>Paranjape B Scheme Road<br>No-1,<br>Vile Parle-East<br>Mumbai 400057 | | | | |

**S. Details of the following liabilities of the Issuer, as at the end of the last quarter i.e. September 30, 2023.**

**(i) Details of Outstanding Secured Loan Facilities:**

**(₹ in million)**

| Name of Lender | Type of Facility | Amount Sanctioned (Rs. in million) | Principal Amount Outstanding as on September 30, 2023 (Rs. in million) | Repayment Date / Schedule | Security | Credit Rating, if applicable | Asset Classification |
|---|---|---|---|---|---|---|---|
| Axis Bank | Rupee Term Loan | 6,000.0 | 3,000.0 | Staggered till 2038 | Secured by way of first ranking pari passu floating charge over the eligible receivables to the extent of security cover of one time of obligations | ICRA AAA/Stable | Standard |
| Bank of India | Rupee Term Loan | 2,000.0 | 1,500.0 | Staggered till 2027 | -do- | -do- | -do- |
| Bank of India | Rupee Term Loan | 2,500.0 | 2,000.0 | Staggered till 2028 | -do- | -do- | -do- |
| Dhanlaxmi Bank | Rupee Term Loan | 1,000.0 | 1,000.0 | Staggered till 2026 | -do- | -do- | -do- |
| Federal Bank | Rupee Term Loan | 2,000.0 | 2,000.0 | Staggered till 2029 | -do- | -do- | -do- |
| Federal Bank | Rupee Term Loan | 1,750.0 | 1,750.0 | Staggered till 2030 | -do- | -do- | -do- |

| Name of Lender | Type of Facility | Amount Sanctioned (Rs. in million) | Principal Amount Outstanding as on September 30, 2023 (Rs. in million) | Repayment Date / Schedule | Security | Credit Rating, if applicable | Asset Classification |
|---|---|---|---|---|---|---|---|
| HDFC Bank | Rupee Term Loan | 1,950.0 | 97.5 | Staggered till 2023 | -do- | -do- | -do- |
| HDFC Bank | Rupee Term Loan | 4,250.0 | 125.0 | Staggered till 2024 | -do- | -do- | -do- |
| HDFC Bank | Rupee Term Loan | 7,500.0 | 6,500.0 | Staggered till 2028 | -do- | -do- | -do- |
| HDFC Bank | Rupee Term Loan | 3,000.0 | 2,000.0 | Staggered till 2028 | -do- | -do- | -do- |
| ICICI Bank | Rupee Term Loan | 10,000.0 | 1,166.7 | Staggered till 2037 | -do- | -do- | -do- |
| ICICI Bank | Rupee Term Loan | 10,000.0 | 1,000.0 | Staggered till 2038 | -do- | -do- | -do- |
| IDBI Bank | Rupee Term Loan | 3,000.0 | 1,000.0 | Staggered till 2028 | -do- | -do- | -do- |
| Indian Bank | Rupee Term Loan | 1,500.0 | 1,500.0 | Staggered till 2027 | -do- | -do- | -do- |
| Karnataka Bank | Rupee Term Loan | 1,000.0 | 671.9 | Staggered till 2026 | -do- | -do- | -do- |
| Karnataka Bank | Rupee Term Loan | 2,000.0 | 1,593.8 | Staggered till 2027 | -do- | -do- | -do- |
| Punjab National Bank | Rupee Term Loan | 2,000.0 | 2,000.0 | Staggered till 2031 | -do- | -do- | -do- |
| Punjab National Bank | Rupee Term Loan | 3,500.0 | 1,250.0 | Staggered till 2032 | -do- | -do- | -do- |
| Punjab & Sindh Bank | Rupee Term Loan | 5,000.0 | 437.5 | Staggered till 2026 | -do- | -do- | -do- |
| UCO Bank | Rupee Term Loan | 3,000.0 | 987.5 | Staggered till 2026 | -do- | -do- | -do- |
| UCO Bank | Rupee Term Loan | 2,500.0 | 2,494.0 | Staggered till 2030 | -do- | -do- | -do- |
| UCO Bank | Rupee Term Loan | 2,500.0 | 2,104.2 | Staggered till 2027 | -do- | -do- | -do- |

| Name of Lender | Type of Facility | Amount Sanctioned (Rs. in million) | Principal Amount Outstanding as on September 30, 2023 (Rs. in million) | Repayment Date / Schedule | Security | Credit Rating, if applicable | Asset Classification |
|---|---|---|---|---|---|---|---|
| South Indian Bank | Rupee Term Loan | 2,000.0 | 1,714.3 | Staggered till 2027 | -do- | -do- | -do- |
| Union Bank of India | Rupee Term Loan | 5,000.0 | 4,416.7 | Staggered till 2026 | -do- | -do- | -do- |
| Union Bank of India | Rupee Term Loan | 2,500.0 | 2,500.0 | Staggered till 2030 | -do- | -do- | -do- |
| The Jammu & Kashmir Bank | Rupee Term Loan | 5,000.0 | 2,750.0 | Staggered till 2038 | -do- | -do- | -do- |
| National Housing Bank | NHB Refinance | 10,000.0 | 2,834.1 | Staggered till 2029 | negative lien on identified receivables on borrowings | -do- | -do- |
| National Housing Bank | NHB Refinance | 29,000.0 | 18,746.3 | Staggered till 2033 | Secured by way of first exclusive charge over the identified receivables on borrowings | -do- | -do- |
| **Total** | | **1,31,450.0** | **69,139.4** | | | | |

**(ii) Details of Unsecured Fixed Deposits:**

| Name of Lender | Type of Facility | Principal Amount Outstanding as on September 30, 2023 (Rs. in millions) | Repayment Date / Schedule | Security | Credit Rating, if applicable | Asset Classification |
|---|---|---|---|---|---|---|
| Fixed Deposits[1] | Fixed Deposits | 35,152.6 | Staggered till 2033 | Unsecured | AAA/Stable by ICRA, CARE and CRISIL | - |

[1]*includes unclaimed and unencashed fixed deposits*

**(iii) Details of Outstanding Unsecured Loan Facilities:**

| Name of Lender | Type of Facility | Amount Sanctioned | Principal Amount Outstanding as on September 30, 2023 | Repayment Date / Schedule | Credit Rating, if applicable |
|---|---|---|---|---|---|
| NIL | | | | | |

**(iv) Details of Outstanding Non-Convertible Securities:**

| Debenture Series | ISIN | Tenor (months)/ Period of maturity | Coupon (in %) | Amount Outstanding as on September 30, 2023 (FV) (Rs. In million) | Date of Allotment | Redemption date / Schedule | Credit Rating | Secured / Unsecured | Security |
|---|---|---|---|---|---|---|---|---|---|
| **Senior Bonds** | | | | | | | | | |
| HDBDEC192 | INE071G07298 | 60.0 | 8.00 | 1,200.0 | 05-Dec-19 | 05-Dec-24 | ICRA – AAA stable, CRISIL - AAA stable, CARE - AAA stable | Secured | Secured by way of first ranking pari passu floating charge over the eligible receivables to the extent of security cover of one time of obligations |
| HDBDEC192 | INE071G07298 | 58.2 | 8.00 | 3,500.0 | 30-Jan-20 | 05-Dec-24 | -do- | -do- | -do- |
| HDBAPR202 | INE071G07256 | 60.0 | 7.60 | 1,200.0 | 28-Apr-20 | 28-Apr-25 | -do- | -do- | -do- |
| HDBMAY202 | INE071G07322 | 49.3 | 7.45 | 2,000.0 | 26-May-20 | 05-Jul-24 | -do- | -do- | -do- |
| HDBMAY203 | INE071G07330 | 119.9 | 8.00 | 50.0 | 26-May-20 | 24-May-30 | -do- | -do- | -do- |

| Debenture Series | ISIN | Tenor (months)/ Period of maturity | Coupon (in %) | Amount Outstanding as on September 30, 2023 (FV) (Rs. In million) | Date of Allotment | Redemption date / Schedule | Credit Rating | Secured / Unsecured | Security |
|---|---|---|---|---|---|---|---|---|---|
| HDBOCT201 | INE071G07389 | 48.0 | 6.18 | 1,000.0 | 19-Oct-20 | 18-Oct-24 | ICRA – AAA stable CRISIL - AAA stable | -do- | -do- |
| HDBNOV202 | INE071G07405 | 54.0 | 6.18 | 1,500.0 | 20-Nov-20 | 20-May-25 | -do- | -do- | -do- |
| HDBNOV204 | INE071G07397 | 120.0 | 7.07 | 100.0 | 20-Nov-20 | 20-Nov-30 | -do- | -do- | -do- |
| HDBJUL211 | INE071G07413 | 36.0 | 5.89 | 1,500.0 | 20-Jul-21 | 19-Jul-24 | -do- | -do- | -do- |
| HDBAUG213 | INE071G07439 | 120.0 | 7.25 | 120.0 | 12-Aug-21 | 12-Aug-31 | -do- | -do- | -do- |
| HDBSEP211 | INE071G07454 | 36.0 | 3M T-Bill Rate + 127 bps spread | 1,750.0 | 28-Sep-21 | 27-Sep-24 | -do- | -do- | -do- |
| HDBSEP213 | INE071G07447 | 60.0 | 6.27 | 100.0 | 28-Sep-21 | 28-Sep-26 | -do- | -do- | -do- |
| HDBAUG213 | INE071G07439 | 117.3 | 7.25 | 1,460.0 | 02-Nov-21 | 12-Aug-31 | -do- | -do- | -do- |
| HDBSEP213 | INE071G07447 | 57.8 | 6.27 | 100.0 | 03-Dec-21 | 28-Sep-26 | -do- | -do- | -do- |
| HDBAUG213 | INE071G07439 | 116.3 | 7.25 | 850.0 | 03-Dec-21 | 12-Aug-31 | -do- | -do- | -do- |
| HDBDEC211 | INE071G07462 | 60.0 | 6.55 | 5,350.0 | 23-Dec-21 | 23-Dec-26 | -do- | -do- | -do- |
| HDBDEC212 | INE071G07470 | 42.0 | 6.12 | 1,500.0 | 23-Dec-21 | 23-Jun-25 | -do- | -do- | -do- |

| Debenture Series | ISIN | Tenor (months)/ Period of maturity | Coupon (in %) | Amount Outstanding as on September 30, 2023 (FV) (Rs. In million) | Date of Allotment | Redemption date / Schedule | Credit Rating | Secured / Unsecured | Security |
|---|---|---|---|---|---|---|---|---|---|
| HDBFEB221 | INE071G07488 | 23.9 | 5.85 | 4,250.0 | 03-Mar-22 | 01-Mar-24 | -do- | -do- | -do- |
| HDBSEP221 | INE071G07512 | 24.0 | 7.24 | 1,250.0 | 05-Sep-22 | 05-Sep-24 | -do- | -do- | -do- |
| HDBNOV221 | INE071G07561 | 36.0 | 7.95 | 4,500.0 | 24-Nov-22 | 24-Nov-25 | -do- | -do- | -do- |
| HDBJAN231 | INE071G07579 | 60.0 | 7.88 | 3,000.0 | 27-Jan-23 | 27-Jan-28 | -do- | -do- | -do- |
| HDBMAR231 | INE071G07587 | 15.0 | 8.00 | 650.0 | 29-Mar-23 | 28-Jun-24 | -do- | -do- | -do- |
| HDBAPR231 | INE071G07595 | 20.0 | 7.90 | 2,600.0 | 27-Apr-23 | 27-Dec-24 | -do- | -do- | -do- |
| HDBMAY231 | INE071G07603 | 60.0 | 7.85 | 3,150.0 | 12-May-23 | 12-May-28 | -do- | -do- | -do- |
| HDBMAY231 | INE071G07603 | 58.9 | 7.85 | 800.00 | 15-Jun-23 | 12-May-28 | -do- | -do- | -do- |
| HDBMAY231 | INE071G07603 | 58.7 | 7.85 | 2,000.0 | 22-Jun-23 | 12-May-28 | -do- | -do- | -do- |
| HDMLDJUL221 | INE071G07496 | 17.9 | 6.76 | 1,799.0 | 27-Jul-22 | 25-Jan-24 | CARE PP-MLD AAA/STABLE by CARE and CRISIL PP-MLD AAAr/STABLE BY CRISIL | -do- | -do- |
| HDMLDAUG221 | INE071G07504 | 18.0 | 7.00 | 843.0 | 24-Aug-22 | 23-Feb-24 | -do- | -do- | -do- |
| HDMLDSEP221 | INE071G07520 | 22.0 | 7.10 | 1,230.0 | 14-Sep-22 | 15-Jul-24 | -do- | -do- | -do- |
| HDMLDSEP222 | INE071G07538 | 30.0 | 7.30 | 570.0 | 26-Sep-22 | 26-Mar-25 | -do- | -do- | -do- |

| Debenture Series | ISIN | Tenor (months)/ Period of maturity | Coupon (in %) | Amount Outstanding as on September 30, 2023 (FV) (Rs. In million) | Date of Allotment | Redemption date / Schedule | Credit Rating | Secured / Unsecured | Security |
|---|---|---|---|---|---|---|---|---|---|
| HDMLDOCT221 | INE071G07546 | 30.0 | 7.56 | 1,100.0 | 12-Oct-22 | 11-Apr-25 | -do- | -do- | -do- |
| HDMLDNOV221 | INE071G07553 | 29.5 | 7.65 | 400.0 | 14-Nov-22 | 29-Apr-25 | -do- | -do- | -do- |
| **Total (A)** | | | **51,422.0** | | | | | | |
| **Subordinated Bonds** | | | | | | | | | |
| HDSBJUN201 | INE071G08AH0 | 120.0 | 8.02 | 500.0 | 10-Jun-20 | 10-Jun-30 | ICRA – AAA stable, CRISIL - AAA stable, CARE - AAA stable | Unsecured | Not Applicable |
| HDSBJUN201 | INE071G08AH0 | 119.5 | 8.02 | 455.0 | 26-Jun-20 | 10-Jun-30 | -do- | -do- | -do- |
| HDSBNOV201 | INE071G08AI8 | 119.9 | 7.50 | 640.0 | 10-Nov-20 | 08-Nov-30 | ICRA – AAA stable CRISIL - AAA stable | -do- | -do- |
| HDSBNOV201 | INE071G08AI8 | 118.9 | 7.50 | 1,070.0 | 10-Dec-20 | 08-Nov-30 | -do- | -do- | -do- |
| HDSBDEC201 | INE071G08AJ6 | 180.0 | 7.65 | 200.0 | 10-Dec-20 | 10-Dec-35 | -do- | -do- | -do- |
| HDSBDEC201 | INE071G08AJ6 | 179.0 | 7.65 | 250.0 | 11-Jan-21 | 10-Dec-35 | -do- | -do- | -do- |
| HDSBNOV201 | INE071G08AI8 | 117.9 | 7.50 | 250.0 | 11-Jan-21 | 08-Nov-30 | -do- | -do- | -do- |
| HDSBFEB211 | INE071G08AK4 | 119.9 | 7.40 | 250.0 | 23-Feb-21 | 21-Feb-31 | -do- | -do- | -do- |
| HDSBFEB212 | INE071G08AL2 | 150.0 | 7.50 | 177.0 | 23-Feb-21 | 23-Aug-33 | -do- | -do- | -do- |

| Debenture Series | ISIN | Tenor (months)/ Period of maturity | Coupon (in %) | Amount Outstanding as on September 30, 2023 (FV) (Rs. In million) | Date of Allotment | Redemption date / Schedule | Credit Rating | Secured / Unsecured | Security |
|---|---|---|---|---|---|---|---|---|---|
| HDSBDEC201 | INE071G08AJ6 | 177.6 | 7.65 | 400.0 | 23-Feb-21 | 10-Dec-35 | -do- | -do- | -do- |
| **Total (B)** | | | | **4,192.0** | | | | | |
| **Grand Total (A+B)** | | | **55,614.0** | | | | | | |

**(v) Details of commercial paper issuances as at September 30, 2023 in the following format:**

| Series of NCS | ISIN | Tenor Period of Maturity (in days) | Coupon (in %) | Amount outstanding (₹ in million) (FV) | Date of Allotment | Redemption Date/Schedule | Credit Rating | Secured / Unsecured | Security | Other details viz. details of Issuing and Paying Agent, details of Credit Rating Agencies |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | INE071G14EV1 | 91 | 7.14% | 2,500.0 | 18 August 2023 | 17 November 2023 | A1+ by ICRA & CARE | Unsecured | - | IPA- ICICI Bank Ltd. |
| 2 | INE071G14EW9 | 77 | 7.13% | 1,500.0 | 22 August 2023 | 07 November 2023 | -do- | -do- | - | |
| 3 | INE071G14EV1 | 87 | 7.13% | 1,000.0 | 22 August 2023 | 17 November 2023 | -do- | -do- | - | |
| 4 | INE071G14EW9 | 75 | 7.11% | 500.0 | 24 August 2023 | 07 November 2023 | -do- | -do- | - | |
| 5 | INE071G14EX7 | 91 | 7.05% | 1,500.0 | 05 September 2023 | 05 December 2023 | -do- | -do- | - | |
| 6 | INE071G14EZ2 | 91 | 7.13% | 1,500.0 | 21 September 2023 | 21 December 2023 | -do- | -do- | - | |
| | | | | **8,500.0** | | | | | | |

**(vi) List of Top 10 holders of non- convertible securities in terms of value (in cumulative basis)**

| Sr. No. | Name of holders | Category of holder | No. of Bonds | Face value of holding (₹ in million) | % of total NCS outstanding |
|---|---|---|---|---|---|
| 1 | HDFC BANK LIMITED | BANK - OTHER SCHEDULED BANK | 28,250 | 7,750.0 | 13.94% |
| 2 | IDBI BANK LIMITED | BANK - OTHERS | 3,000 | 3,000.0 | 5.39% |
| 3 | PUNJAB NATIONAL BANK | BANK - NATIONALISED BANK | 15,500 | 2,900.0 | 5.21% |
| 4 | NIPPON LIFE INDIA TRUSTEE LTD-A/C NIPPON INDIA FLOATING RATE FUND | MUTUAL FUND-MF | 2,400 | 2,400.0 | 4.32% |
| 5 | AXIS BANK LIMITED | BANK - OTHER SCHEDULED BANK | 4,000 | 2,000.0 | 3.60% |
| 6 | BOI SHAREHOLDING LIMITED | BANK - NATIONALISED BANK | 2,000 | 2,000.0 | 3.60% |
| 7 | TATA AIG GENERAL INSURANCE COMPANY LIMITED | INSURANCE COMPANY REGISTERED WITH IRDA | 4,000 | 2,000.0 | 3.60% |
| 8 | ICICI LOMBARD GENERAL INSURANCE COMPANY LTD | INSURANCE COMPANY REGISTERED WITH IRDA | 11,200 | 1,600.0 | 2.88% |
| 9 | ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE LOW DURATION FUND | MUTUAL FUND-MF | 15,000 | 1,500.0 | 2.70% |
| 10 | ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE CORPORATE BOND FUND | MUTUAL FUND-MF | 6,116 | 1,166.0 | 2.10% |

Note: Category as per the depository beneficiary data.
Total Debt securities (NCDs and MLDs) outstanding at September 30, 2023 is ₹55,614.00 million.

**(vii) List of Top 10 holders of commercial paper in terms of value (in cumulative basis)**

| Sr. No. | Name of Holder | Category of Holder | Face value of holding (₹ in million) | % of total commercial paper outstanding of the Issuer |
|---|---|---|---|---|
| **1** | HSBC Liquid Fund | MUTUAL FUND - MF | 5,000.00 | 58.82% |
| **2** | DSP Liquidity Fund | MUTUAL FUND - MF | 1,500.00 | 17.65% |
| **3** | Canara Robeco Mutual Fund A/C Canara Robeco Liquid Fund | MUTUAL FUND - MF | 1,000.00 | 11.76% |
| **4** | Mirae Asset Cash Management Fund | MUTUAL FUND - MF | 500.00 | 5.88% |
| **5** | Union Liquid Fund | MUTUAL FUND - MF | 500.00 | 5.88% |
| | | **Total** | **8,500.0** | |

Note: Category as per the depository beneficiary data.
Total CP outstanding at September 30, 2023 is ₹8,500.00 million.

**(viii) Details of the bank fund based facilities / rest of borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) from financial institutions or financial creditors as on September 30, 2023:**

| Party Name (in case of Facility) / Instrument Name | Type of Facility / Instrument | Amount Sanctioned / Issued | Principal Amount Outstanding | Repayment Date / Schedule | Credit Rating | Secured / Unsecured | Security |
|---|---|---|---|---|---|---|---|
| None | | | | | | | |

**T. The amount of corporate guarantee or letter of comfort issued by the Issuer along with name of the counterparty (like name of the subsidiary, joint venture entity, group company etc.) on behalf of whom it has been issued, contingent liability including debt service reserve account guarantees/ any put option etc.**

Please refer to Paragraph L of Part A of this General Information Document.

**U. Details of any outstanding borrowing taken / debt securities issued for consideration other than cash. This information shall be disclosed whether such borrowing/ debt securities have been taken/ issued: (i) in whole or part; (ii) at premium or discount; or (iii) in pursuance of an option or not.**

The Issuer till date has not issued any security for consideration other than cash.

**V. Disclosures on Asset Liability Management (ALM) shall be provided for the latest audited financials:**

| Sr. No. | Particulars of Disclosure | Details | Remarks |
|---|---|---|---|
| 1. | Details with regard to lending done out of the issue proceeds of | Lending Policy<br>Classification of Loans given to associates or entities related to Board, | Lending Policy:<br>*Please refer to paragraph A (i) of Part B of this General Information Document,* |

| Sr. No. | Particulars of Disclosure | Details | Remarks |
|---|---|---|---|
| | earlier issuances of debt securities (whether public issue or private placement) by NBFC | Key Managerial Personnel, Senior management, promoters, etc.<br>Classification of loans into several maturity profile denomination<br>Aggregated exposure to top 20 borrowers<br>Details of loans, overdue and classified as Non-performing assets (NPA) | *which provides disclosures under the SEBI NCS Master Circular.*<br><br>Classification of Loans given to associates or entities related to Board, Key Managerial Personnel, Senior management, promoters, etc.:<br>*Please refer to paragraph A (ii) of Part B of this General Information Document, which provides disclosures under the SEBI NCS Master Circular.*<br><br>Classification of loans into several maturity profile denomination:<br>*Please refer to paragraph A (iii) (g) of Part B of this General Information Document, which provides disclosures under the SEBI NCS Master Circular.*<br><br>Aggregated exposure to top 20 borrowers:<br>*Please refer to paragraph A (iv) of Part B of this General Information Document, which provides disclosures under the SEBI NCS Master Circular.*<br><br>Details of loans, overdue and classified as Non-performing assets (NPA):<br>*Please refer to paragraph A (v) of Part B of this General Information Document, which provides disclosures under the SEBI NCS Master Circular.* |
| 2. | Details of borrowings granted by NBFC | Portfolio Summary of borrowings made by NBFC<br><br>Quantum and percentage of Secured vs. Unsecured borrowings | Portfolio Summary of borrowings made by NBFC:<br>*Please refer to paragraph A (vi) of Part B of this General Information Document, which provides disclosures under the SEBI NCS Master Circular.*<br><br>Quantum and percentage of Secured vs. Unsecured borrowings:<br>*Please refer to paragraph A (viii) of Part B of this General Information Document, which provides disclosures under the SEBI NCS Master Circular.* |
| 3. | Details of change in shareholding | Any change in promoters' shareholding in NBFC during last financial year beyond the threshold | None |

| Sr. No. | Particulars of Disclosure | Details | Remarks |
|---|---|---|---|
| | | prescribed by Reserve Bank of India | |
| 4. | Disclosure of Assets under management | Segment wise break up and Type of loans | Segment wise break up:<br>*Please refer to paragraph A (iii) (c) of Part B of this General Information Document, which provides disclosures under the SEBI NCS Master Circular.*<br><br>Type of Loans:<br>*Please refer to paragraph A (iii) (a) of Part B of this General Information Document, which provides disclosures under the SEBI NCS Master Circular.* |
| 5. | Details of borrowers | Geographical location wise | *Please refer to paragraph A (iii) (e) of Part B of this General Information Document, which provides disclosures under the SEBI NCS Master Circular.* |
| 6. | Details of Gross NPA | Segment wise | Segment wise break up:<br>*Please refer to paragraph A (iii) (f) of Part B of this General Information Document, which provides disclosures under the SEBI NCS Master Circular.* |
| 7. | Details of Assets and Liabilities | Residual maturity profile wise into several bucket | *Please refer to paragraph A (iii) (g) of Part B of this General Information Document, which provides disclosures under the SEBI NCS Master Circular.* |
| 8. | Additional details of loans made by, Housing Finance Company | | *The segment wise details of loans made by the Company is covered in Part B of this General Information Document, which provides ALM disclosures under the SEBI NCS Master Circular.* |
| 9. | Disclosure of latest ALM statements to stock exchange | | The same is available on the website of the BSE Limited at the below link https://www.bseindia.com/xml-data/corpfiling/AttachHis/628f0757-d611-49fa-b0a4-bac2b728bee6.pdf |

**W. Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities, commercial paper (including technical delay) and other financial indebtedness including corporate guarantee issued by the Company, in the past three years and the current financial year.**

Not Applicable.

**X. Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, litigations resulting in material liabilities, corporate restructuring event etc.) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the non-convertible securities/ commercial paper:**

The Issuer is of the view that there are no material developments that may have significant implication on the financials/credit quality of the Issuer. For internal and external risk factors the prospective Debenture Holders may refer section on "Management's Perception of Risk Factors" set out in Annexure 2 of this General Information Document.

**Y. Any litigation or legal action pending or taken by a Government Department or a statutory body or regulatory body during the last three years immediately preceding the year of the issue of this General Information Document against the promoter of the Company.**

Please refer to Annexure 1 of this General Information Document for details.

**Z. Details of default and non-payment of statutory dues for the preceding three financial years and current financial year.**

None

**AA. Details of pending litigation involving the Issuer, promoter, director, subsidiaries, group companies or any other person, whose outcome could have material adverse effect on the financial position of the Issuer, which may affect the Issue or the investor's decision to invest / continue to invest in the Debentures:**

Please refer to Annexure 1 of this General Information Document for details.

**BB. Details of acts of material frauds committed against the Issuer in the preceding three financial years and current financial year, if any, and if so, the action taken by the Issuer:**

No material frauds have been committed against the Issuer in the last 3 (three) financial years and the current financial year.

**CC. Details of pending proceedings initiated against the Issuer for economic offences, if any:**

NIL

**DD. Related party transactions entered during the preceding three financial years and current financial year with regard to loans made or, guarantees given or securities provided:**

Please refer to Annexure 3 of this General Information Document.

**EE. The issue document shall not include a statement purporting to be made by an expert unless the expert is a person who is not, and has not been, engaged or interested in the formation or promotion or management, of the company and has given his written consent to the issue of the issue document and has not withdrawn such consent before the delivery of a copy of the issue document to the Registrar (as applicable) for registration and a statement to that effect shall be included in the issue document.**

Not Applicable

**FF. In case the Issuer is a Non-Banking Finance Company (NBFC) and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format:**

| Sr. No. | Name of Borrower (A) | Amount of Advances / exposures to such borrower (Group) Rs. Crore) (B) | Percentage of Exposure (C) = B/Total Assets Under Management |
|---|---|---|---|
| NIL | | | |

**GG. In order to allow investors to better assess the issue, the following additional disclosures shall be made by the issuer in the issue documents:**

(i) A portfolio summary with regards to industries/ sectors to which borrowings have been granted by NBFCs - *Please refer to paragraph A (vi) of Part B of this General Information Document, which provides disclosures under the SEBI NCS Master Circular.*

**(ii) Quantum and percentage of secured vis-à-vis unsecured borrowings granted by NBFCs -** *Please refer to paragraph A (viii) of Part B of this General Information Document, which provides disclosures under the SEBI NCS Master Circular.*

(iii) **Any change in promoters' holdings in NBFCs during the preceding financial year beyond the threshold specified by the Reserve Bank of India from time to time -** None

**HH. Declaration in case of public issue with regards to the following: (a) procedure of allotment of debt securities and non-convertible redeemable preference shares and unblocking of funds in case of refund; (b) a statement by the Board of Directors about the separate bank account where all monies received out of the issue are to be transferred, and disclosure of details of all monies including utilised and unutilised monies out of the previous issue in the prescribed manner; (c) the details of all utilised and unutilised monies out of the monies collected in the previous issue made by way of public offer shall be disclosed and continued to be disclosed in the balance sheet till the time any part of the proceeds of such previous issue remains unutilised, the purpose for which such monies have been utilised, and the securities or other forms of financial assets in which such unutilized monies have been invested; and (d) the interim use of funds, if any.**

Not Applicable. The Bonds and Commercial Papers proposed to be issued hereunder will be on a private placement basis.

**II. Consent of directors, auditors, bankers to issue, trustees, solicitors or advocates to the issue, legal advisors to the issue, lead managers to the issue, Registrar to the Issue and lenders (if required, as per the terms of the agreement) and experts.**

| Sr. No. | Consent of | |
|---|---|---|
| 1 | Directors | Please refer to the board resolution dated April 17, 2023 granting approval in relation to issuance of the Bonds in terms of this General Information Document. |

| | | |
|---|---|---|
| | | Please refer to the board resolution dated April 17, 2023 granting approval in relation to issuance of the Commercial Papers in terms of this General Information Document. |
| 2 | Auditors | Consent letters dated December 29, 2023 have been obtained from the Joint Statutory Auditors of the Company. |
| 3 | Bankers to the Issue | As per the relevant Key Information Document |
| 4 | Debenture Trustee | Consent letter dated December 11, 2023 has been obtained from the Debenture Trustee. |
| 5 | Solicitors/ Advocates to the Issue | As per the relevant Key Information Document |
| 6 | Legal Advisors to the Issue | As per the relevant Key Information Document |
| 7 | Lead Managers to the Issue | As per the relevant Key Information Document |
| 8 | Registrar to the Issue | Consent letter dated December 19, 2023 has been obtained from the Registrar to the Issue. |
| 9 | Lenders | As per the relevant Key Information Document |
| 10 | Experts | As per the relevant Key Information Document |

**JJ. The names of the debenture trustee(s) shall be mentioned with statement to the effect that debenture trustee(s) has given its consent for appointment along with the copy of the consent letter from the debenture trustee.**

The Issuer has appointed Axis Trustee Services Limited as the debenture trustee to act for and on behalf of the Bond Holders. The address and contact details of the Debenture trustee are as under:

Axis Trustee Services Limited
Address: The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar west, Mumbai – 400028
Tel: + 91-22-62300451
Website: www.axistrustee.in

The Axis Trustee Services Limited has vide its letter dated December 11, 2023 and bearing reference number ATSL/CO/23-24/7867 given its consent to be appointed as the Debenture Trustee to this Issue, which consent letter has been attached hereto as **Annexure 4** of this General Information Document.

The Company has on or about the date hereof entered into Debenture Trustee Agreement in respect of the Bonds. Further, the Company intends to enter into separate Debenture Trust Deed(s), in relation to each Tranche/Series and the Key Information Document, *inter-alia,* specifying the powers and obligations of the Company and Debenture Trustee in respect of each Tranche/Series of Bonds to be issued pursuant to this General Information Document.

**KK. If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document.**

Not Applicable.

**LL. Disclosure of Cash flow with date of interest/dividend/ redemption payment as per day count convention.**

Please refer to the relevant Key Information Document.

**MM. Other details:**

**(i) Details of the resolutions passed by the shareholders and the board of director of the Issuer and authorised signatories.**

The board of directors **("Board")** and shareholders, as applicable, of the Issuer have passed:

**(a)** the Board resolution dated April 17, 2023 authorizing the Issuer to borrow monies up to a limit of ₹35.00 billion through the issuance of secured and/or unsecured non-convertible debentures /bonds, provided such NCDs and/or bonds are issued within 1 (one) year from the date on which the shareholders of the Issuer pass a resolution authorizing the Issuer to borrow monies in accordance with the terms of the Companies Act, 2013. Further, the shareholders of the Issuer at their meeting held on May 30, 2023 have approved aforesaid issuance of NCDs and/or bonds for upto ₹35.00 billion during the period of one year from the date of passing the resolution. The issuance of NCDs and/or bonds under this General Information Document is pursuant to the resolution dated October 13, 2023, wherein, the Board has approved the revalidation of the unutilised portion of limit approved under the resolution of the Board dated April 17, 2023 read with the resolution of the shareholders dated May 30, 2023.

**(b)** the special resolution dated May 30, 2023 passed by the shareholders of the Issuer, pursuant to Section 180(1)(a) of the Companies Act, 2013, authorising the Issuer to create security in order to secure the NCDs; and

**(c)** the special resolution dated May 30, 2023 passed by the shareholders of the Issuer, pursuant to Section 180(1)(c) of the Companies Act, 2013 authorising the Issuer on the maximum borrowing limit which at any time shall not exceed ₹250.00 billion (Rupees Two Hundred Fifty billion) or the limit as specified in RBI Directions as amended from time to time whichever is lower.

Please refer to **Annexure 10** for the resolutions passed by the Board and any committee thereof and **Annexure 9** for the resolutions passed by the shareholders of the company, referred to above. The above resolutions were passed in compliance with provisions of Companies Act, 2013 and other applicable laws and regulations. The proposed Issue does not exceed the limits as approved through the resolutions passed by the Board and the shareholders of the Issuer. The proposed Issue forms part of the above approved limits.

**AUTHORISED SIGNATORIES**

The COD through its resolution dated December 14, 2023, has authorised the following people to issue the General Information Document:

| **Name of Authorised Signatory & Designation** |
|---|
| Any one Director of the Company |
| Vikrant Gandhi, Chief Financial officer |

| |
|---|
| Hetal Pamani, Head- Treasury |
| Priyanka Shetty, Company Secretary |
| Vijay Jain, Vice President- Treasury |

**(ii) Debenture Redemption Reserve creation**

Pursuant to the notification issued by Ministry of Corporate Affairs on Companies (Share Capital and Debentures) Rules, 2014 dated August 16, 2019, as amended and modified from time to time, the Issuer being registered as housing finance company with the NHB, is not required to create a debenture redemption reserve. Therefore, the Issuer will not be maintaining a debenture redemption reserve in respect of the Bonds.

**(iii) Issue / instrument specific regulations – relevant details (Companies Act, RBI Guidelines, etc.):**

The NCDs/MLDs/PDIs/Tier II Bonds/Green Debt Securities/Commercial Papers are governed by and will be construed in accordance with the Indian law. The instruments, General Information Document and the Key Information Documents to be issued hereunder shall be in conformity with the applicable provisions of the Companies Act, RBI HFC Direction, SEBI Regulations, Reserve Bank Commercial Paper Directions, 2017 dated August 10, 2017 bearing reference number FMRD.DIRD.2/14.01.002/2017-18, Operational Guidelines for Commercial Paper issued by Fixed Income Money Market and Derivatives Association of India (FIMMDA) dated October 05, 2017 and other applicable laws and regulations as may be amended or supplemented from time to time.

**(iv) Default in Payment**

Please refer to the Key Information Document.

**(v) Delay in Listing**

In case of delay in listing of Bonds beyond 3 (Three) days from the date of closure of the Issue, the Issuer will pay penal interest of 1% p.a. over the applicable Coupon Rate from the Deemed Date of Allotment and till the listing of the Bonds, to the Bond Holders.

**(vi) Delay in allotment of Securities.**

As shall be identified in the relevant Key Information Document.

**(vii) Issue details:**

Please refer to the relevant Key Information Document.

**(viii) Application Process**

Please refer to Annexure 8 of this General Information Document read with the relevant Key Information Document.

**(ix) Disclosures prescribed under PAS-4 of Companies (Prospectus and Allotment of Securities) Rules, 2014.**

Please refer to Annexure 2 of this General Information Document.

**(x) Project details: Gestation period of the Project, extent of progress made in the Project, deadlines for completion of the Project, the Summary of the Project appraisal report (if any), schedule of implementation of the Project.**

Not Applicable.

**(xi) Certification of eligibility conditions**

Pursuant to paragraph 63.2 of the of the "Master Direction – Non-Banking Financial Company - Housing Finance Companies (Reserve Bank) Directions, 2021" dated February 17, 2021, bearing sr. no. DOR.FIN.HFC.CC. No.120/03.10.136/2020-21, the auditor of the Issuer has certified that the eligibility conditions set forth in the RBI HFC Direction for the issuance of non-convertible debentures are met by the Issuer. Please refer to **Annexure 13** of this General Information Document for the certificate of the auditor.

(xii) **Other terms applicable to the Issue**

**Further Borrowings**

The Company shall be entitled to make further issue of debentures/ raise debt and/or raise further loans facilities from time to time for such amounts and from such persons/public financial institutions/banks or any other financial corporations or body corporate on such basis as may be agreed with such lender without the consent of or any notice to the Bond Holders or CP Holders or the Debenture Trustee.

**NN. Additional Disclosures / Reports:**

**The General Information document shall include the following other matters and reports, namely:**

(a) If the proceeds, or any part of the proceeds, of the issue of the debt securities are or is to be applied directly or indirectly: (i) in the purchase of any business; or (ii) in the purchase of an interest in any business and by reason of that purchase, or anything to be done in consequence thereof, or in connection therewith, the company shall become entitled to an interest in either the capital or profits and losses or both, in such business exceeding fifty per cent. thereof, a report made by a chartered accountant (who shall be named in the issue document) upon – A. the profits or losses of the business for each of the three financial years immediately preceding the date of the issue of the issue document; and B. the assets and liabilities of the business as on the latest date to which the accounts of the business were made up, being a date not more than one hundred and twenty days before the date of the issue of the issue document.

Not Applicable

(b) If the proceeds, or any part of the proceeds, of the issue of the debt securities are or is to be applied directly or indirectly in purchase or acquisition of any immoveable property including indirect acquisition of immoveable property for which advances have been paid to third parties, disclosures regarding: (i) the names, addresses, descriptions and occupations of the vendors; (ii) the amount paid or payable in cash, to the vendor and where there is more than one vendor, or the company is a sub-purchaser, the amount so paid or payable to each

vendor, specifying separately the amount, if any, paid or payable for goodwill; (iii) the nature of the title or interest in such property proposed to be acquired by the company; and (iv) the particulars of every transaction relating to the property completed within the two preceding years, in which any vendor of the property or any person who is or was at the time of the transaction, a promoter or a director or proposed director of the company, had any interest, direct or indirect, specifying the date of the transaction and the name of such promoter, director or proposed director and stating the amount payable by or to such vendor, promoter, director or proposed director in respect of the transaction: Provided that if the number of vendors is more than five, then the disclosures as required above shall be on an aggregated basis, specifying the immoveable property being acquired on a contiguous basis with mention of the location/total area and the number of vendors from whom it is being acquired and the aggregate value being paid. Details of minimum amount, the maximum amount and the average amount paid/payable should also be disclosed for each immovable property.

Not Applicable

(c) If: (i) the proceeds, or any part of the proceeds, of the issue of the Debentures are or are to be applied directly or indirectly and in any manner resulting in the acquisition by the company of shares in any other body corporate; and (ii) by reason of that acquisition or anything to be done in consequence thereof or in connection therewith, that body corporate shall become a subsidiary of the company, a report shall be made by a Chartered Accountant (who shall be named in the issue document) upon – A. the profits or losses of the other body corporate for each of the three financial years immediately preceding the issue of the issue document; and B. the assets and liabilities of the other body corporate as on the latest date to which its accounts were made up.

Not Applicable

(d) The broad lending and borrowing policy including summary of the key terms and conditions of the term loans such as re-scheduling, prepayment, penalty, default; and where such lending or borrowing is between the Issuer and its subsidiaries or associates, matters relating to terms and conditions of the term loans including re-scheduling, prepayment, penalty and default

Lending Policy: Please refer to **Annexure 14** of this General Information Document for a note on our lending policy.

Borrowing Policy: Please refer to **Annexure 14** of this General Information Document for a note on our resource planning policy.

(e) The aggregate number of securities of the Issuer and its subsidiary companies purchased or sold by the promoter group, and by the directors of the company which is a promoter of the Issuer, and by the directors of the Issuer and their relatives, within six months immediately preceding the date of filing the General Information Document with the Registrar of Companies:

NIL

(f) The matters relating to (i) material contracts; (ii) time and place at which the contracts together with documents will be available for inspection from the date of issue document until the date of closing of subscription list.

By the very nature of its business, the Issuer is involved in large number of transactions for availing loans in its ordinary course of business and therefore it may not be possible to furnish details of such material agreements/facilities/contracts entered in to with the lenders by the Issuer. However, the contracts/agreements/documents which may or may not be material are listed below:

I. Certificate of incorporation of the Issuer dated May 28, 1999.

II. Registration certificate issued by NHB dated July 31, 2001.

III. Special resolution passed by the shareholders of the Issuer under Section 42 and 71 of the Companies Act, 2013 for the private placement of non-convertible debentures passed on dated May 30, 2023.

IV. Board resolutions for fixing of limits for overall borrowing, borrowing through non-convertible debentures (NCDs)/bonds and borrowing through commercial papers (CPs) dated April 17, 2023 read with the resolution dated October 13, 2023.

V. Committee of Directors resolution for approving the filing of General Information Document with Exchange passed on December 14, 2023

VI. Annual reports of the Issuer for the last three years.

VII. Consent letter dated December 11, 2023 issued by Axis Trustee Services Limited to act as the Trustee to the Issue and inclusion of its name in the form and context in which it appears in this General Information Document.

VIII. Latest credit rating letters enclosed in this General Information Document.

IX. Listing agreement entered into between the Issuer and BSE Limited dated February 9, 2016

X. Service level agreement dated May 23, 2016 between the Issuer and Datamatics Business Solutions Limited.

XI. Tripartite agreement between the Issuer, National Securities Depository Services Limited (NSDL) and Datamatics Business Solutions Limited June 23, 2015.

XII. Tripartite agreement between the Issuer, Central Depository Services (India) Limited (CDSL) and Datamatics Business Solutions Limited June 17, 2015.

XIII. Agreement between the Issuer and BSE Limited for using electronic book bidding mechanism dated December 6, 2016.

The documents referred to above which are or may be deemed material in respect of the Issue have been entered into by the Issuer. Copies of these contracts/documents may be inspected at the corporate office of the Issuer between 10:00 am and 12:00 noon on any working day of the Issuer till the date of closure of the respective Series/Tranche of the Issue.

(g) Reference to the relevant page number of the audit report which sets out the details of the related party transactions entered during the three financial years immediately preceding the issue of issue document.

| Financial Year | Page no. |
|---|---|
| F.Y. 2022-2023 | Page no. 73 of audit report of F.Y. 2022-2023 |
| F.Y. 2021-2022 | Page no. 45 of audit report of F.Y. 2021-2022 |
| F.Y. 2020-2021 | Page no. 48 of audit report of F.Y. 2020-2021 |

(h) The summary of reservations or qualifications or adverse remarks of auditors in the three financial years immediately preceding the year of issue of the General Information Document, and of their impact on the financial statements and financial position of the Issuer, and the corrective steps taken and proposed to be taken by the Issuer for each of the said reservations or qualifications or adverse remarks:

NIL

(i) The following details with respect to three years immediately preceding the year of issue of the General Information Document, in the case of the Issuer being a company and all of its subsidiaries have to be disclosed:

(i) Any inquiry, inspections or investigations initiated or conducted under the securities laws or Companies Act, 2013 or any previous companies' law: NIL

(ii) Prosecutions filed, if any (whether pending or not): NIL

(iii) Fines imposed or offences compounded: NIL

(j) The details of acts of material frauds committed against the Issuer in the preceding three financial years and current financial year, if any, and if so, the action taken by the Issuer:

No material frauds have been committed against the Issuer in the last 3 (three) financial years and the current financial year.

**OO. The following documents shall be filed along with the listing application to the Exchange and with the Debenture Trustee:**

(i) General Information Document;

(ii) Memorandum and Articles of association;

(iii) Copy of the board/ committee resolution authorizing the borrowing and list of authorised signatories for the allotment of securities;

(iv) copy of last three years audited annual reports of the Issuer;

(v) statement containing particulars of, dates of, and parties to all material contracts and agreements as specified under para NN sub-para f above;

(vi) an undertaking from the Issuer stating that each of the Debenture Trust Deed, in relation to each Tranche/Series, would be executed within the time frame prescribed in the relevant

regulations/act/rules etc. and the same would be uploaded on the website of such Exchange on which the Bonds have been listed;

(vii) any other particulars or documents that the recognized stock exchange may call for as it deems fit; and

(viii) an undertaking that the permission/ consent from the prior creditor for a second or *pari passu* charge being created, where applicable, in favour of the trustees to the proposed issue has been obtained.

In relation to the Bonds, which as per the terms of the relevant Debenture Trust Deed and the Key Information Document issued by the Company for such Bonds, are proposed to be secured by way of first ranking floating charge over the hypothecated assets (as identified in the Key Information Document to be issued with respect to such Bonds), the Company hereby declares and confirms that no specific prior consent or permission is required to be obtained from its existing creditors.

**PP. Documents to be submitted to the Debenture Trustee:**

The following documents have been / shall be submitted to the Debenture Trustee in electronic form (soft copy) on or before the Deemed Date of Allotment:

(a) memorandum and articles of association and necessary resolution(s) for the allotment of the Bonds and the Commercial Papers;

(b) copy of last three years' audited annual reports;

(c) statement containing particulars of, dates of, and parties to all material contracts and agreements;

(d) latest audited / limited review half yearly standalone financial information (profit & loss statement, balance sheet and cash flow statement) and auditor qualifications, if any;

(e) any other documents as may be required to be submitted as per SEBI NCS Regulations, the SEBI NCS Master Circular and any other applicable law.

**QQ. Summary of terms in relation to Issue of Bonds**

Please note that the specific terms of each offer of Commercial Papers to be issued under the General Information Document shall be specified in the relevant Key Information Document to be issued in respect of that offer, which Key Information Document will be filed with BSE.

| | |
|---|---|
| **Security Name** | As per the relevant Key Information Document |
| **Issuer** | ICICI Home Finance Company Limited |
| **Type of Instrument** | As per the relevant Key Information Document |
| **Nature of Instrument** | As per the relevant Key Information Document |
| **Seniority** | As per the relevant Key Information Document |
| **Eligible Investors** | As per the relevant Key Information Document |
| **Listing (name of stock Exchange(s) where it** | The NCDs/MLDs/PDIs/Tier II Bonds/Green Debt Securities are proposed to be listed on the wholesale debt market segment of the BSE Limited within such timelines as prescribed under applicable law. |

| | |
|---|---|
| **will be listed and timeline for listing)** | |
| **Rating of the Instrument** | As per the relevant Key Information Document |
| **Issue Size** | As per the relevant Key Information Document |
| **Minimum subscription** | As per the relevant Key Information Document |
| **Option to retain oversubscription (Amount)** | As per the relevant Key Information Document |
| **Objects of the Issue/ Purpose for which there is requirement of funds** | As per the relevant Key Information Document |
| **In case, the issuer is an NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the prescribed format** | Not Applicable. The proceeds of the Issue will not be utilised for providing loans to any group company. |
| **Details of the utilization of the Proceeds** | As per the relevant Key Information Document |
| **Coupon Rate** | As per the relevant Key Information Document |
| **Step Up/Step Down Coupon Rate** | As per the relevant Key Information Document |
| **Coupon Payment Frequency** | As per the relevant Key Information Document |
| **Coupon payment dates** | As per the relevant Key Information Document |
| **Cumulative / non-cumulative, in case of dividend** | As per the relevant Key Information Document |
| **Coupon Type** | As per the relevant Key Information Document |
| **Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).** | As per the relevant Key Information Document |
| **Day Count Basis** | As per the relevant Key Information Document |
| **Interest on Application Money** | As per the relevant Key Information Document |
| **Default Interest Rate** | As per the relevant Key Information Document |
| **Tenor** | Shall be identified in Key Information Document |
| **Redemption Date** | As per the relevant Key Information Document |
| **Redemption Amount** | As per the relevant Key Information Document |
| **Redemption Premium /Discount** | As per the relevant Key Information Document |
| **Issue Price** | As per the relevant Key Information Document |
| **Discount at which security is issued and the effective yield as a result of such discount.** | As per the relevant Key Information Document |
| **Premium/Discount at which security is** | As per the relevant Key Information Document |

| | |
|---|---|
| **redeemed and the effective yield as a result of such premium/discount.** | |
| **Put Date** | As per the relevant Key Information Document |
| **Put Price** | As per the relevant Key Information Document |
| **Call Date** | As per the relevant Key Information Document |
| **Call Price** | As per the relevant Key Information Document |
| **Put Notification Time** | As per the relevant Key Information Document |
| **Call Notification Time** | As per the relevant Key Information Document |
| **Face Value** | As per the relevant Key Information Document |
| **Minimum Application and in multiples of Debt securities thereafter** | As per the relevant Key Information Document |
| **Issue Timing**<br>**1. Issue Opening Date**<br>**2. Issue Closing Date**<br>**3. Pay-in Date**<br>**4. Deemed Date of Allotment**<br>**5. Date of earliest closing, if any.** | As per the relevant Key Information Document |
| **Settlement mode of the Instrument** | As per the relevant Key Information Document |
| **Depository** | As per the relevant Key Information Document |
| **Disclosure of redemption dates** | As per the relevant Key Information Document |
| **Record Date** | The date which will be used for determining the Bond Holder(s) who shall be entitled to receive the amounts due on any Due Date, which shall be the date falling 15 (Fifteen) calendar days prior to any Due Date. |
| **All covenants of the issue (including side letters, accelerated payment clause, etc.)** | Please note that in relation to each Tranche/ Series of Bonds, the Company will execute separate Debenture Trust Deed along with issuance of the Key Information Document. Accordingly, the Key Information Document shall set out in detail all covenants as applicable to the respective Tranche/ Series of Bonds. |
| **Description regarding Security (where applicable) (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the Debenture Holders over and above the Coupon rate as specified in the Debenture Trust and** | As per the relevant Key Information Document. |

| | |
|---|---|
| **Disclosed in the General Information Document and the Key Information Documents).** | |
| **Transaction Documents** | The Debenture Trustee Agreement, this General Information Document, the Key Information Document, the Debenture Trust Deed(s), the Deed of Hypothecation and such other document as may be executed in relation to the Bonds and have been designated as 'Transaction Document' by the Debenture Trustee. |
| **Conditions Precedent to Disbursement** | As per the relevant Key Information Document |
| **Condition Subsequent to Disbursement** | As per the relevant Key Information Document |
| **Events of Default (including manner of voting/ conditions of joining Inter Creditor Agreement)** | Please note that in relation to each Tranche/ Series of Bonds, the Company will execute separate Debenture Trust Deed along with issuance of the Key Information Document. Accordingly, the Key Information Document shall set out in detail all covenants and event of defaults as applicable to the respective Tranche/ Series of Bonds. |
| **Creation of Recovery Expenses Fund** | The Company shall maintain a recovery expense fund as per the provisions of the SEBI NCS Regulations, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the SEBI NCS Master Circular and other applicable law, as amended from time to time, and if during the currency of these presents, any guidelines are formulated (or modified or revised) by SEBI or any other regulator under the applicable law in respect of creation of the recovery expense fund, the Company shall abide by such guidelines and execute all such supplemental letters, agreements and deeds of modifications as may be required by the Debenture Trustee. |
| **Conditions for breach of covenants (as specified in each Debenture Trust Deed)** | Please note that in relation to each Tranche/ Series of Bonds, the Company will execute separate Debenture Trust Deed along with issuance of the Key Information Document. Accordingly, the Key Information Document shall set out in detail all covenants as applicable to the respective Tranche/ Series of Bonds. |
| **Provisions related to Cross Default Clause** | Please note that in relation to each Tranche/ Series of Bonds, the Company will execute separate Debenture Trust Deed along with issuance of the Key Information Document. Accordingly, the Key Information Document shall set out in detail all covenants as applicable to the respective Tranche/ Series of Bonds. |
| **Role and Responsibilities of Debenture Trustee** | To oversee and monitor the overall transaction for and on behalf of the Debenture Holders as customary for transaction of a similar nature and size and as executed under the appropriate Transaction Documents |
| **Risk Factors pertaining to the Issue** | Please refer to 'Management's Perception of Risk Factors' as set out in Annexure 2 of this General Information Document. |
| **Governing Law and Jurisdiction** | The courts and tribunals of Mumbai have exclusive jurisdiction to settle any dispute arising out of or in connection with the Bonds (including a dispute regarding the existence, validity or termination of the Bonds) **(a "Dispute")** and, accordingly, any legal action, suit or proceedings |

| | |
|---|---|
| | (collectively referred to as **"Proceedings"**) arising out of or in connection with a Dispute may be brought in those courts and tribunals and the Issuer irrevocably submits to and accept for itself and in respect of its property, generally and unconditionally, the jurisdiction of those courts and tribunals. |
| **Terms and conditions of debenture trustee agreement including fees charged by debenture trustees(s) and process of due diligence carried out by the Debenture Trustee** | Please refer to **Annexure 4** for the consent letter dated December 11, 2023 and bearing reference number ATSL/CO/23-24/7867 issued by Axis Trustee Services Limited consenting to act as the debenture trustee in relation to the Issue and for the fee payable by the Issuer to the Debenture Trustee, refer point 2 of Other Disclosures.<br><br>Further terms and conditions shall be identified in Key Information Document. |
| **Further Issue** | The Issuer reserves right to make multiple issuances under the same ISIN with reference to SEBI NCS Regulations and SEBI NCS Master Circular. Issue can be made either by way of creation of fresh ISIN or by way of issuance under the existing ISIN at premium /par/discount as the case may be in line with SEBI NCS Regulations and SEBI NCS Master Circular. |
| **Due diligence certificate issued by the Debenture Trustee** | Please refer to **Annexure 11** of this General Information Document for the due diligence certificate. Further, in relation to each Tranche/Series of Bonds, the due diligence certificate shall be disclosed in the relevant Key Information Document. |
| **Consent for disclosure of Name of the Debenture Holders** | Pursuant to the SEBI NCS Regulations, the name of the top 10 holders of the non-convertible securities issued by the Issuer have to be disclosed by the Issuer in the offer document to be issued in relation to issue of listed non-convertible debt securities and/or Commercial Papers. Accordingly, the subscription of the Bonds being issued pursuant to the terms of this General Information Document and the Key Information Document by the prospective bond holders shall also be deemed as a consent for disclosure of their name, if required, pursuant to the SEBI NCS Regulations, SEBI NCS Master Circular or any other applicable law. |
| **Additional terms pursuant to the EBP Guidelines** | Wherever applicable, shall be as per the relevant Key Information Document. |

General Notes:

(a) If there is any change in Coupon Rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new Coupon Rate and events which lead to such change should be disclosed.

(b) The list of documents which has been executed in connection with the issue and subscription of Bonds issued under each Tranche/ Series shall be identified in the Key Information Document and shall be annexed.

(c) In relation to the Bonds which are proposed to be secured, while such Bonds are secured to the tune of 100% or such other percentage as may be prescribed under the relevant Transaction Documents, of the principal and interest amount or as per the terms of this General Information Document, in favour of Trustee, it is the duty of the Trustee to monitor that the security is maintained.

## PART B

## DISCLOSURES UNDER NCS MASTER CIRCULAR

A. Details with regard to the lending done by the issuer out of the issue proceeds of debt securities in last three years, including details regarding the following:

The lending done by the issuer out of the issue proceeds of debt securities in last three years is in adherence to the object of the issue as specified in the respective disclosure documents.

**(i) Lending policy:**

- **Credit risk**

All credit risk related aspects are governed by the Board approved Credit and Recovery Policy (CRP). CRP outlines the type of products that can be offered, customer categories, target customer profile, credit approval process and limits. The delegation structure for approval of credit limits is approved by the Board of Directors. All credit proposals other than retail products, program lending and certain other specified products are rated by risk management team or external rating agency prior to approval by the appropriate forum.

- **Credit approval authorisation structure**

Every new credit facility and every extension or material change of an existing credit facility (such as its tenor, collateral structure or major covenants) to any counterparty requires credit approval at the appropriate authority level. We assign credit approval authorities to individuals according to their qualifications, experience and training, and we review these periodically. The authorisation is based on the level of risk and the quantum of exposure, to ensure that the transactions with higher exposure and level of risk are put up to correspondingly higher forum/committee for approval.

In respect of retail loans, all exposures are approved under operating notes or programs approved by the requisite committee. This involves a cluster-based approach for a particular product or for homogeneous group of individuals/business entities that comply with certain laid down parameter-based norms. The norms vary across product segments/customer profile, but typically include factors such as the borrower's income, the loan-to-value ratio and demographic parameters. The individual credit proposals are evaluated and approved by executives on the basis of the product policies.

- **Collateral management**

The Company defines collateral as the assets or rights provided to the Company by the borrower or a third party in order to secure a credit facility. The Company would have the rights of secured creditor in respect of the assets offered as security for the obligations of the borrower/obligor. The Company ensures that the underlying documentation for the collateral provides the Company appropriate rights over the collateral or other forms of credit enhancement including the right to liquidate retain or take legal possession of it in a timely manner in the event of default by the counterparty. The collateral is valued at the time of sanctioning the credit facility and loan-to-value (LTV) norms are applied as specified in the credit policies.

- **Monitoring & collection framework**

Independent groups have been constituted across the Company to facilitate independent evaluation, monitoring and reporting of various risks. These control groups function independently of the business groups/sub-groups. The risk management framework forms the basis of developing consistent risk principles.

Material risks are identified, measured, monitored and reported to the Board of Director and Board level committee

The company has standardized mechanism to manage & monitor delinquency levels independent of business unit. The collections unit operates under the guidelines of a standardized recovery policy.

**(ii)** Classification of loans/ advances given to associates, entities/ person relating to board, key managerial personnel, senior management, promoters, others, etc.;

**Details of loans/advances given to the Managing Director & CEO and senior management of the Company outstanding are as follows.**

| Sr. No. | Name | Category | Amount (₹) as on September 30, 2023 | Amount (₹) as on March 31, 2023 |
|---|---|---|---|---|
| 1. | Anirudh Kamani | Managing Director & CEO | 37,811,033/- | 52,463,499/- |

**(iii) Classification of loans/ advances given, according to type of loans, denomination of loan outstanding by loan to value, sectors, denomination of loans outstanding by ticket size, geographical classification of borrowers, maturity profile etc.;**

a. Type of loans

**(₹ in million)**

| Sr. No. | Particulars | Amount[1] as on September 30, 2023 | Amount[1] as on March 31, 2023 |
|---|---|---|---|
| 1 | Secured loans | 2,50,629.3 | 22,0443.0 |
| 2 | Unsecured loans | - | - |
| | **Total assets under management (AUM)** | **2,50,629.3** | **2,20,443.0** |

1. On the basis of Net AUM

b. Denomination of loans outstanding by LTV

| Sr. No. | LTV[1] | Percentage of AUM[2] as on September 30, 2023 | Percentage of AUM[2] as on March 31, 2023 |
|---|---|---|---|
| 1 | Upto 40% | 24.04% | 24.03% |
| 2 | 40-50% | 14.93% | 14.97% |
| 3 | 50-60% | 18.18% | 18.15% |
| 4 | 60-70% | 18.41% | 18.71% |
| 5 | 70-80% | 17.29% | 16.87% |

| Sr. No. | LTV[1] | Percentage of AUM[2] as on September 30, 2023 | Percentage of AUM[2] as on March 31, 2023 |
|---|---|---|---|
| 6 | 80-90% | 6.40% | 6.42% |
| 7 | >90% | 0.75% | 0.85% |
| | **Total** | **100.00%** | **100.00%** |

1. Calculated on the basis of outstanding balance
2. On the basis of Net AUM

c. Sectoral Exposure

| Sr. No. | Segment-wise break-up of AUM | Percentage of AUM[1] as on September 30, 2023 | Percentage of AUM[1] as on March 31, 2023 |
|---|---|---|---|
| **1** | **Retail** | | |
| a | Mortgage loans | 97.09% | 97.59% |
| b | Gold loans | 0.13% | 0.15% |
| c | Vehicle finance | - | - |
| d | MFI | - | - |
| e | M&SME | - | - |
| f | Capital market funding | - | - |
| g | Others | - | 0.01% |
| **2** | **Wholesale** | | |
| a | Infrastructure | - | - |
| b | Real estate | 2.78% | 2.25% |
| c | Promoters funding | - | - |
| d | Any other sector | - | - |
| e | Others | - | - |
| | **Total** | **100.00%** | **100.00%** |

1. On the basis of Net AUM

a. Denomination of loans outstanding by ticket size

| Sr. No. | Ticket Size[1] | Percentage of AUM[2] as on September 30, 2023 | Percentage of AUM[2] as on March 31, 2023 |
|---|---|---|---|
| 1 | Upto ₹ 2 Lakh | 1.23% | 1.21% |
| 2 | ₹ 2-5 Lakhs | 1.57% | 1.72% |
| 3 | ₹ 5-10 Lakhs | 9.61% | 10.48% |
| 4 | ₹ 10-25 lakh | 36.10% | 37.91% |
| 5 | ₹ 25-50 lakh | 24.18% | 23.45% |
| 6 | ₹ 50 lakh-1 crore | 10.53% | 10.13% |
| 7 | ₹ 1-5 crore | 11.41% | 10.24% |
| 8 | ₹ 5-25 crore | 1.38% | 1.06% |
| 9 | ₹ 25-100 crore | 2.26% | 1.81% |
| 10 | > ₹ 100 crore | 1.73% | 1.99% |
| | **Total** | **100.00%** | **100.00%** |

1. Calculated on sanctioned amount
2. On the basis of Net AUM

b. Geographical classification of borrowers

| Sr. No. | Top 5 states[1] | Percentage of AUM[2] as on September 30, 2023 | Percentage of AUM[2] as on March 31, 2023 |
|---|---|---|---|
| 1 | Maharashtra | 23.24% | 24.53% |
| 2 | Karnataka | 10.31% | 9.50% |
| 3 | Telangana | 9.31% | 8.77% |
| 4 | Rajasthan | 8.22% | 8.54% |
| 5 | Gujarat | 7.72% | 7.81% |

1. Calculated on the basis of outstanding balance
2. On the basis of Net AUM

c. Segment-wise gross NPA

| Sr. No. | Segment-wise break-up of AUM | Gross NPA (%)[1] as on September 30, 2023 | Gross NPA (%)[1] as on March 31, 2023 |
|---|---|---|---|
| **1** | **Retail** | | |
| a | Mortgage loans | 2.23% | 2.78% |
| b | Gold loans | 0.04% | 0.03% |
| c | Vehicle finance | - | - |
| d | MFI | - | - |
| e | M&SME | - | - |
| f | Capital market funding | - | - |
| g | Others | - | - |
| **2** | **Wholesale** | | |
| a | Infrastructure | - | - |
| b | Real estate | 7.96% | 14.07% |
| c | Promoter funding | - | - |
| d | Any other sector | - | - |
| e | Others | - | - |

1. % of that respective segment

d. Residual maturity profile of assets and liabilities:

**As on March 31, 2023**

**(₹ in million)**

| Sr. No. | Particulars | Up to 30/31 days | Over 1 Month to 2 Months | Over 2 Months to 3 Months | Over 3 to 6 Months | Over 6 Months to 1 Year | Over 1 Year to 3 Years | Over 3 to 5 Years | Over 5 Years | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Deposit[1] | 116.03 | 185.04 | 860.50 | 194.60 | 623.87 | 1,285.70 | 794.43 | 279.22 | 4,339.39 |
| 2 | Advances[2] | 245.86 | 257.56 | 260.05 | 862.41 | 1,959.64 | 1,606.28 | 1,795.69 | 9,131.22 | 16,118.72 |
| 3 | Investments | 186.63 | - | - | 10.06 | - | 1.56 | 65.12 | 229.34 | 492.72 |
| 4 | Borrowings[3] | 106.77 | 37.29 | 46.96 | 457.57 | 1,237.68 | 5,600.75 | 3,179.77 | 2,354.87 | 13,021.67 |
| 5 | Foreign Currency assets | - | - | - | - | - | - | - | - | - |
| 6 | Foreign Currency liabilities | - | - | - | - | - | - | - | - | - |

Note: The above disclosure is extracted from the Statement of Structural Liquidity (SSL) at March 31, 2023 including assumptions applied in SSL

1. It includes borrowing from commercial paper in accordance with revised NHB format
2. It only includes performing advances
3. It includes Borrowing from Bonds & Debentures

**As on September 30, 2023**

**(₹ in million)**

| Sr. No. | Particulars | Up to 30/31 days | Over 1 Month to 2 Months | Over 2 Months to 3 Months | Over 3 to 6 Months | Over 6 Months to 1 Year | Over 1 Year to 3 Years | Over 3 to 5 Years | Over 5 Years | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Deposit[1] | 1,665.5 | 8,255.5 | 3,850.8 | 1,621.1 | 4,294.1 | 12,758.8 | 9,761.1 | 2,545.8 | 44,752.8 |
| 2 | Advances[2] | 2,861.2 | 3,071.7 | 3,666.2 | 10,546.9 | 22,427.5 | 21,276.8 | 19,706.5 | 1,02,381.1 | 1,85,938.0 |
| 3 | Investments | 3,657.6 | - | - | - | - | 462.9 | 575.8 | 1,917.9 | 6,614.1 |
| 4 | Borrowings[3] | 102.1 | 721.4 | 667.8 | 9,546.0 | 15,404.5 | 56,164.3 | 39,779.8 | 29,550.0 | 1,51,936.0 |
| 5 | Foreign Currency assets | - | - | - | - | - | - | - | - | - |
| 6 | Foreign Currency liabilities | - | - | - | - | - | - | - | - | - |

Note: The above disclosure is extracted from the Statement of Structural Liquidity (SSL) at September 30, 2023 including assumptions applied in SSL

1. It includes borrowing from commercial paper in accordance with revised NHB format
2. It only includes performing advances
3. It includes Borrowing from Bonds & Debentures

**(iv)** Aggregated exposure to the top 20 borrowers with respect to the concentration of advances, exposures to be disclosed in the manner as prescribed by RBI in its stipulations on Corporate Governance for NBFCs or HFCs, from time to time;

a. Concentration of loans and advances

| Particulars | As on March 31, 2023 (₹ in million) |
|---|---|
| Total loans and advances to twenty largest borrowers | 3,747.1 |
| Percentage of loans and advances to twenty largest borrowers to total advances of the HFC | 2.5% |

b. Concentration of all exposure (including off-balance sheet exposure)

| Particulars | As on March 31, 2023 (₹ in million) |
|---|---|
| Total exposure to twenty largest borrowers/customers | 4,743.6 |
| Percentage of exposures to twenty largest borrowers/customers to total exposure of the HFC on borrowers/customers | 3.0% |

**(v)** Details of loans, overdue and classified as non-performing in accordance with RBI stipulations.

**As on March 31, 2023** **(₹ in million)**

| Particulars | Gross NPA | Provisions for NPA |
|---|---|---|
| | As on March 31, 2023 | As on March 31, 2023 |
| Opening balance as on April 1, 2022 | 8597.0 | 2361.0 |
| Addition during the period | 5688.9 | 2116.8 |

| | | |
|---|---|---|
| Reduction during the year | (8674.4) | (2430.1) |
| Closing balance as on March 31, 2023 | 5611.5 | 2047.7 |

**As on September 30, 2023** **(₹ in million)**

| **Particulars** | **Gross NPA** | **Provisions for NPA** |
|---|---|---|
| | **As on September 30, 2023** | **As on September 30, 2023** |
| Opening balance as on April 1, 2023 | 5,611.5 | 2,047.7 |
| Addition during the period | 2,156.1 | 1,288.7 |
| Reduction during the year | (2,933.4) | (895.3) |
| Closing balance as on September 30, 2023 | 4,834.3 | 2,441.1 |

**(vi)** Details of sectors/industries breakup with reference to debt securities outstanding

| **Sectors/Industries** | **Percentage of borrowings as on September 30, 2023** | **Percentage of borrowings as on March 31, 2023** |
|---|---|---|
| Banks | 32 | 39 |
| Insurance companies | 14 | 13 |
| Mutual fund | 18 | 15 |
| Trust/Pensions & PF | 16 | 16 |
| Corporate | 16 | 13 |
| Others | 4 | 4 |

**(vii)** NPA exposures of the issuer for the last three financial years (both gross and net exposures) and provisioning made for the same as per the last audited financial statements of the issuer;

| **Particulars** | **As on March 31, 2023** | | **As on March 31, 2022** | | **As on March 31, 2021** | |
|---|---|---|---|---|---|---|
| | **₹ in million** | **%** | **₹ in million** | **%** | **₹ in million** | **%** |
| GNPA | 5,611.6 | 3.1 | 8,597.0 | 5.8 | 9,385.7 | 6.6 |
| NNPA | 3,568.8 | 2.0 | 6,236.1 | 4.3 | 7,138.2 | 5.2 |
| Provisions | 2,047.7 | | 2,361.0 | | 2,248.4 | |
| | | | | | | |

**(viii)** Quantum and percentage of secured vis-à-vis unsecured borrowings made

| **Sr. No.** | **Particulars** | **Amount Outstanding (₹ in million)** | | **Percentage** | |
|---|---|---|---|---|---|
| | | As on September 30, 2023 | As on March 31, 2023 | As on September 30, 2023 | As on March 31, 2023 |
| 1 | Secured Borrowings | 1,22,886.7 | 100895.4 | 71.05% | 32.11% |

| | | | | | |
|---|---|---|---|---|---|
| 2 | Unsecured Borrowings | 50,072.6 | 47722.8 | 28.95% | 67.89 |
| | **Total** | **1,72,959.3** | **148618.2** | **100.00%** | **100.00%** |

**(ix)** Any change in promoters' holdings during the last financial year beyond the threshold, as prescribed by RBI - No Changes

## PART C

## ADDITIONAL DISCLOSURES APPLICABLE FOR MLDs

***Please note that the disclosures mentioned in this Part C of the General Information Document shall only be applicable for the MLDs proposed to be issued in terms of the Disclosure Documents and the disclosures below are merely indicative in nature and not intended to be an exhaustive list of all the disclosures required to be made in accordance with applicable law. The relevant disclosures for the items listed below along with any additional disclosures to be made under the SEBI Regulations, the EBP Guidelines, the RBI HFC Direction and or under any other applicable law in relation to MLDs shall be made in the relevant Key Information Document.***

**A. A detailed scenario analysis / valuation matrix showing value of the security under different market conditions such as rising, stable and falling market conditions.**

As per the relevant Key Information Document.

**B. Details of indicative returns/ interest rates (on annualized basis)**

As per the relevant Key Information Document.

**C. Disclosure stating that latest and historical valuation for such securities shall be made available on the websites of the issuer and of the valuer appointed for the purpose.**

As per the relevant Key Information Document.

**D. Disclosures of all commissions by whatever name called, if any, paid by issuer to distributor for selling/ distribution of such securities to end investors**

As per the relevant Key Information Document.

**E. Disclosure of conditions for premature redemption of such securities, if any**

As per the relevant Key Information Document.

**F. Disclosure w.r.t cost incurred for valuation from AMFI appointed third party valuation agency**

As per the relevant Key Information Document.

## PART D

## ADDITIONAL DISCLOSURES APPLICABLE FOR PDIs

***Please note that the relevant disclosures for PDIs along with any additional disclosures to be made under the SEBI Regulations, the EBP Guidelines, the RBI HFC Direction and or under any other applicable law in relation to PDIs shall be made in the relevant Key Information Document.***

## PART E

## ADDITIONAL DISCLOSURES APPLICABLE FOR TIER II BONDS

***Please note that the relevant disclosures for Tier II Bonds along with any additional disclosures to be made under the SEBI Regulations, the EBP Guidelines, the RBI HFC Direction and or under any other applicable law in relation to Tier II Bonds shall be made in the relevant Key Information Document.***

## PART F

## ADDITIONAL DISCLOSURES APPLICABLE FOR GREEN DEBT SECURITIES

***Please note that the disclosures mentioned in this Part F of the General Information Document shall only be applicable for the Green Debt Securities proposed to be issued in terms of the Disclosure Documents and the disclosures below are merely indicative in nature and not intended to be an exhaustive list of all the disclosures required to be made in accordance with applicable law. The relevant disclosures for the items listed below along with any additional disclosures to be made under the SEBI Regulations, the EBP Guidelines, the RBI HFC Direction and or under any other applicable law in relation to Green Debt Securities shall be made in the relevant Key Information Document.***

**A. A statement on environmental sustainability objectives of the issue of Green Debt Securities**

As per the relevant Key Information Document to be issued in relation to each Tranche / Series of the Green Debt Securities.

**B. Brief details of decision-making process followed / proposed for determining the eligibility of project(s) and/or asset(s), for which the proceeds are being realized through issuance of the Green Debt Securities, such as:**

(i) **Process followed / to be followed for determining how the project(s) and/or assets(s), fit within the eligible green projects categories as defined under Regulation 2(1)(q) of the SEBI NCS Regulations.**

As per the relevant Key Information Document to be issued in relation to each Tranche / Series of the Green Debt Securities.

(ii) **The criteria making the project(s) and/or asset(s) eligible for using the Green Debt Securities proceeds.**

As per the relevant Key Information Document to be issued in relation to each Tranche / Series of the Green Debt Securities.

(iii) **Details of taxonomies, green standards or certifications both Indian and global, if any referenced and the alignment of projects with the said taxonomies, related eligibility criteria, and exclusion criteria, if applicable.**

As per the relevant Key Information Document to be issued in relation to each Tranche / Series of the Green Debt Securities.

(iv) **Details of alignment of the objective of the Issue with the India's Intended Nationally Determined Contributions in case of the proceeds raised through issuance of transition bonds.**

As per the relevant Key Information Document to be issued in relation to each Tranche / Series of the Green Debt Securities.

**C. Details of the system/procedures to be employed for tracking the deployment of the proceeds of the issue.**

As per the relevant Key Information Document to be issued in relation to each Tranche / Series of the Green Debt Securities.

**D. Details of the project(s) and/or asset(s) or areas where the issuer, proposes to utilise the proceeds of the issue of green debt securities, including towards refinancing of existing green project(s) and/or asset(s), if any.**

As per the relevant Key Information Document to be issued in relation to each Tranche / Series of the Green Debt Securities.

**E. Details of an indicative estimate of distribution of proceeds raised though issuance of green debt security between financing and refinancing of project(s) and/ or asset(s); if applicable.**

As per the relevant Key Information Document to be issued in relation to each Tranche / Series of the Green Debt Securities.

**F. Details of the intended types of temporary placement of the unallocated and unutilised net proceeds from the issue of Green Debt Securities.**

As per the relevant Key Information Document to be issued in relation to each Tranche / Series of the Green Debt Securities.

**G. Details related to the perceived social and environmental risks and proposed mitigation plan associated with the project(s) proposed to be financed/ refinanced through the proceeds from the issue of Green Debt Securities.**

As per the relevant Key Information Document to be issued in relation to each Tranche / Series of the Green Debt Securities.

**H. The issuer shall appoint an independent third-party reviewer/ certifier, for reviewing/certifying the processes including project evaluation and selection criteria, project categories eligible for financing by Green Debt Securities, etc.**

As per the relevant Key Information Document to be issued in relation to each Tranche / Series of the Green Debt Securities.

## PART G

## ADDITIONAL DISCLOSURES APPLICABLE FOR COMMERCIAL PAPERS

***Please note that the disclosures mentioned in this Part G of the General Information Document shall only be applicable for the Commercial Papers proposed to be issued in terms of the Disclosure Documents and the disclosures below are merely indicative in nature and not intended to be an exhaustive list of all the disclosures required to be made in accordance with applicable law. The relevant disclosures for the items listed below along with any additional disclosures to be made under the SEBI Regulations, the EBP Guidelines, FIMMDA Regulations, the RBI HFC Direction and or under any other applicable law in relation to the Commercial Papers shall be made in the relevant Key Information Document.***

1. **Details of current tranche including ISIN, amount, date of issue, maturity, all credit ratings including unaccepted ratings, date of rating, name of credit rating agency, its validity period, declaration that the rating is valid as at the date of issuance and listing, details of issuing and paying agent and other conditions, if any.**

   As per the relevant Key Information Document.

2. **Commercial Paper borrowing limit, supporting board resolution for Commercial Paper borrowing, details of Commercial Paper issued during the last 2 years.**

   As per the relevant Key Information Document.

3. **End-use of funds.**

| | |
|---|---|
| **End-use of Funds** | As per the relevant Key Information Document. |
| **Credit support/ enhancement (if any)** | As per the relevant Key Information Document. |
| **Details of instrument, amount, guarantor company** | As per the relevant Key Information Document. |
| **Copy of the executed guarantee** | As per the relevant Key Information Document. |
| **Net worth of the guarantor company** | As per the relevant Key Information Document. |
| **Names of companies to which guarantor has issued similar guarantee** | As per the relevant Key Information Document. |
| **Extent of the guarantee offered by the guarantor company** | As per the relevant Key Information Document. |
| **Conditions under which the guarantee will be invoked** | As per the relevant Key Information Document. |

**DECLARATION BY THE DIRECTORS THAT:**

The Issuer and each of the Directors of the Issuer hereby confirm and declare that:

(a) the Issuer is in compliance with the provisions of Securities Contract (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act, 2013 and the rules and regulations made thereunder;

(b) the compliance with the aforementioned Acts and the rules made thereunder does not imply that payment of dividend or interest or repayment of Bonds, if applicable, is guaranteed by the Central Government;

(c) the monies received under the Issue shall be used only for the purposes and objects indicated in this General Information Document and/or Key Information Document;

(d) whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the memorandum of association and articles of association of the Issuer.

I am authorized by the Board of Directors of the Issuer *vide* resolution dated April 17, 2023 read with the resolution of the Committee of Directors of the Issuer dated December 14, 2023 to sign this form and declare that all the requirements of the Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

For **ICICI Home Finance Company Limited**

**Anirudh Kamani**
**Managing Director & CEO**
DIN: 07678378
Date: January 11, 2024
Place: Mumbai

## Annexure 1 Litigations

### Show Cause Notices and Penalties

1. The Reserve Bank of India (RBI) has, by an order dated May 03, 2021, imposed a monetary penalty of ₹3 Crores on the Bank. This penalty has been imposed under the provisions of section 47 A (1) (c) read with sections 46 (4) (i) of the Banking Regulation Act, 1949 for shifting certain investments from HTM category to AFS category in May 2017. The Bank had transferred two separate categories of securities on two different dates from HTM to AFS in April and May of 2017, which it believed was permissible as per Master Circular on Prudential Norms for Classification, Valuation and Operation of Investment Portfolio by Banks' dated July 01, 2015. RBI has held that the shifting of securities the second time in May 2017 without explicit permission was in contravention of RBI directions.

2. The Reserve Bank of India (RBI) has by an order dated December 13, 2021 (received by the ICICI Bank on December 15, 2021) imposed a monetary penalty of ₹30 Lakhs on the ICICI Bank (Bank) under the provisions of Section 46(4) (i) read with Section 47A (1) of Banking Regulation Act 1949 for non-compliance with certain directions issued by RBI on 'Levy of Penal charges on non-maintenance of minimum balance in savings bank accounts' dated November 20, 2014. The Bank was levying charge of ₹100/- plus a percentage of shortfall between the minimum average balance (MAB) required to be maintained and actual balance maintained in the saving account as agreed upon at the time of account opening. RBI has held that levy of charges for non-maintenance of MAB were not directly proportionate to the extent of the shortfall observed in the required MAB and actual balance maintained. The Bank has taken steps to align the charge levied for non-maintenance of MAB with the above direction of RBI effective from November 2021.

3. The Bank received a show cause notice dated November 21, 2022 from RBI under Sections 35, 35A, 46 and 47A of Banking Regulation Act, 1949 relating to non-compliance with RBI Know Your Customer (KYC)) Directions, 2016, for one account, based on a high value fraud reported by a bank. The Bank submitted its response to RBI on December 09, 2022. RBI through letter dated January 30, 2023 informed that they have dropped the charges against the Bank and hence the matter stands closed.

4. The Bank had received show cause notice dated February 17, 2023 from RBI under Sections 35, 35A, 46 and 47A of the Banking Regulation Act, 1949- Non-compliance with the statutory provisions and the Reserve Bank of India (RBI) directions observed during statutory inspections with reference to financial position at March 31, 2020 and March 31, 2021. The SCN highlighted four specifically observed acts/omissions leading to stated contravention of directions issued by RBI. The Bank had submitted its response to RBI on March 10, 2023.

   Subsequently, RBI has, by an order dated October 17, 2023, imposed a monetary penalty of ₹12.19 crore (Rupees Twelve crore and nineteen lakhs only) on the Bank for three specifically observed acts/omissions leading to stated contravention of directions issued by RBI. This penalty has been imposed in exercise of powers vested in RBI under the provisions of section 47 A (1) (c) read with section 46 (4) (i) of the Banking Regulation Act (BR Act), 1949 and emanates from statutory inspections for supervisory evaluation for fiscal 2020 and fiscal 2021 for contravention of Section 20(1) of the BR Act read with directions issued by RBI on 'Loans and Advances – Statutory and Other restrictions', Section 6(2) and Section 8 of the BR Act read with directions issued by the RBI on 'Financial Services provided by the Banks', and non-compliance with the RBI directions on 'Frauds classification and reporting by commercial banks and select FIs'. The Bank

has paid the penalty. With regards to the specifically observed act/omission pertaining to upload of accounts on Central KYC Registry (CKYCR) no penalty has been levied on the Bank.

5. Reserve Bank of India (RBI) in December 2020 issued a Show Cause Notice (SCN) for continued operations in InstaSave Salary accounts despite aggregate balances exceeding permissible limits. Subsequently, in May 2021 RBI has cautioned the Bank to be careful in future in the matter.

6. The Directorate of Enforcement (DOE) in March 2019, issued six Show Cause Notices (SCN) against ICICI Bank and certain other entities and persons alleging certain violations under Foreign Exchange Management Act, 1999 mainly pertaining to the sale of foreign exchange travel cards to travelers.

   For two SCNs, charges against ICICI Bank and its employee have been dropped. In rest of 4 SCNs, the Bank has filed an appeal against DOE order imposing penalty on them and their employee.

7. Financial Intelligence Unit – India (FIU-IND), in exercise of its powers u/s 13(2) of the Prevention of Money Laundering Act (PMLA) 2002, had imposed penalty of ₹1.4 million on the Bank in February 2015, for not detecting and reporting attempted suspicious transactions for the incidents concerning media sting. The Bank had filed an appeal against the said order with the Appellate Tribunal (Under the Prevention of Money Laundering Act, 2002). The Tribunal waived off the penalty and issued a warning in accordance with provisions of PMLA, 2002 in June 2017. The Tribunal's judgement was upheld by Hon'ble High Court of Delhi in September 2019 and Hon'ble Supreme Court of India in April 2021. Accordingly, the said penalty amount has since been released to the Bank.

8. In October 2022, ICICI Bank's New York Federal Branch ("New York Branch") entered into a consent order with its federal banking supervisor, the Office of the Comptroller of the Currency, which required the New York Branch to enhance certain processes in its Bank Secrecy Act/Anti-Money Laundering program, and establish and maintain an effective sanctions compliance program. The Consent Order did not involve any monetary penalty. The New York Branch is committed to taking all necessary and appropriate steps to address the aspects identified and implement the necessary corrective actions as approved by the Office of the Comptroller of the Currency. The New York Branch provides a quarterly update to the Office of the Comptroller of the Currency on the progress of the corrective actions being undertaken.

9. The Bank had been served a Show Cause Notice (SCN) by DOE on Feb 6, 2015 stating as to why adjudication proceedings under FEMA should not be held in relation to Overseas Direct Investment transaction undertaken by Aamby Valley Limited (AVL) in 2010, where Bank had acted in the capacity of Authorized Dealer. The Bank is alleged to contravene Section 10(5) of FEMA, 1999 by permitting remittances without being reasonably satisfied considering that promoter and Director of AVL were under SEBI investigation. The Bank had submitted its detailed response to SCN on May 15, 2015 and submitted that the Bank is not in any contravention of the above mentioned provisions of FEMA. The Bank had requested for personal hearing on the matter.

   The Bank has received a notice dated July 17, 2023 from the Directorate of Enforcement (DOE) for Adjudication proceedings under FEMA 1999 and was directed to appear for personal hearing which was scheduled on August 21, 2023. During the hearing, the legal counsel representing the Bank has sought permission for inspection of documents/records relied upon by DOE.

10. A notice dated April 12, 2018 was issued by the Ministry of Corporate Affairs ("MCA") to our Bank alleging that the prescribed limit for corporate social responsibility ("CSR") expenditure in terms

of Section 135 of the Companies Act as stated in the Board's report is ₹2,120 million while the mount spent by our Bank was ₹1,720 million. In this regard, our Bank was requested to furnish the requisite details, for financial year 2015-16, which included, amongst others, proportion of administrative overheads, details of members of CSR committee and its meetings, legally demonstrable specific reasons, if the prescribed amount as per Section 135(5) of the Companies Act is not spent, details of net profit (computed under Section 198 of the Companies Act), net worth and turnover for financial years 2014-15, 2013-14 and 2012-13 and details of projects undertaken by our Bank as CSR activities (as per the disclosure under the annual return of CSR). Our Bank, vide a letter dated April 27, 2018, furnished its response and requisite details to the MCA. Further, by way of its email dated January 14, 2019, the MCA alleged that no details were furnished in respect of utilization of the unspent CSR amounts for financial year 2015-16, and requested our Bank to furnish a detailed action plan for full utilization of the aforesaid remaining unspent amount of ₹400 million for the financial year 2015-16. Our Bank, vide a letter dated January 29, 2019, submitted its response, inter alia, stating that the unspent amount for financial year 2015-16 were not carried forward. Hence, our Bank was unable to provide information regarding the action plan for utilization of such amounts or any details of how such amounts were spent in succeeding financial years. Our Bank has received a show cause notice from the Ministry of Corporate Affairs ("MCA") on July 26, 2019 alleging that our Bank has not complied with the provisions of the Section 135 read with Section 134(3) of the Companies Act by disclosing a non-tenable reason for under spending the corporate social responsibility ("CSR") amount in its Board's report for the financial years 2014-15, 2015-16 and 2016-17. The notice stated that the aforesaid contravention may be compounded under the relevant provisions of the Companies Act or alternatively, our Bank may either transfer the requisite unspent CSR amount in funds provided under Schedule VII of the Companies Act or spend the unspent amount as per our Bank's CSR policy in any subject or areas mentioned under the aforesaid schedule of the Companies Act over and above the current year's CSR expenditure. Our Bank has responded to the MCA vide a letter dated August 16, 2019 dealing the CSR activities undertaken by our Bank and the amount spent by our Bank on such activities. Our Bank requested to treat the matter relating to prior years as closed and not require making up of past shortfalls, and also to waive the notice and hearing direction issued.

11. A notice dated August 8, 2019 was issued by the Office of the Registrar of Companies, Gujarat, Dadra & Nagar Haveli, Ministry of Corporate Affairs, Government of India ("ROCDNH"), to our Bank, under Section 206(1) of the Companies Act, 2013, inter alia, alleging violation of certain provisions of the Companies Act, 1956 and the Companies Act, 2013 related to Investor Education and Protection Fund; and seeking certain information with respect to erstwhile ICICI Limited (which had since merged into our Bank). The ROCDNH issued another notice on August 27, 2019, calling upon our Bank to furnish the information/explanations/documents as specified in its earlier letter dated August 8, 2019. Our Bank submitted detailed responses vide letters dated August 29, 2019, September 10, 2019 and September 19, 2019, inter alia, enclosing various forms and investor wise break-up details as filed by our Bank from time to time and other relevant details as sought by ROCDNH. Pursuant to such information received from our Bank, the ROCDNH issued another notice dated September 24, 2019 ("ROCDNH Notice 3"), inter alia, instructing our Bank to resolve pending cases with the Investor Education and Protection Fund Authority, and seeking additional information/clarification/details of filings made by our Bank under various provisions of the Companies Act, 2013. Further, the Investor Education and Protection Fund Authority, Government of India ("IEPFA") issued a notice dated October 21 2019 to our Bank, under Rule 7(3) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), in respect of alleged pendency of verification reports under the IEPF Rules for more than 90 days. Our Bank submitted detailed responses to the IEPF by way of a letter dated November 7, 2019 ("IEPF Response"). Our Bank also submitted detailed

responses to the ROCDNH Notice 3, by way of letters dated October 1, 2019, October 22, 2019 and November 8, 2019, wherein a copy of the IEPF Response was also enclosed, and furnishing the necessary explanations/information/documents. Subsequently, the ROCDNH issued another notice dated February 4, 2020, alleging violation of various provisions of the Companies Act, including Sections 62, 39(4), 117, 134(5), 137, 138, 158, 179 and 188 of the Companies Act, 2013. Our Bank submitted detailed response to such notice by way of a letter dated March 4, 2020, substantiating our responses to these allegations and providing necessary information/documents, including in many instances forms which were already filed with status 'approved' evidencing due filing and clarifying that our Bank has acted in accordance with the applicable legal provisions. No further communication has been received from ROCDNH in this regard.

**Other matters**

1. SEBI issued an Adjudicating Order on September 12, 2019, imposing a penalty of rupees 0.5 million each (totaling to rupees 1.0 million) under Section 15 HB of SEBI Act and Section 23E of Securities Contract (Regulation) Act (SCRA) on the Bank and rupees 0.2 million under Section 15HB of SEBI act on the Ex Compliance Officer (eCO) on alleged delayed disclosure of an agreement relating to merger of ICICI Bank Limited with erstwhile Bank of Rajasthan. The eCO and the Bank had filed an appeal against SEBI's Order with Securities Appellate Tribunal (SAT) and SAT *vide* its orders has converted the monetary penalty imposed on the Bank and eCO to a warning respectively.

   Subsequently, SEBI filed an appeal with the Supreme Court of India ("Supreme Court") against the SAT orders. Separately, the Bank has also filed an appeal with the Supreme Court against SAT order.

   These matters were heard with Supreme Court. The Bank and eCO subsequently filed counter affidavits before the Supreme Court. To bring closure to the matter, the eCO and the Bank has filed the settlement application, under SEBI (Settlement Proceedings) Regulations, 2018 with SEBI pursuant to which the eCO and the Bank has paid the settlement amount to SEBI. The Bank and the eCO filed the applications seeking for disposal of the civil appeal matters pending before the Supreme Court which were heard on January 4, 2022 and Supreme Court vide its order dated January 4, 2022 disposed off all the appeals in view of the settlement between the parties. Further, SEBI vide their email dated May 12, 2022 has communicated that in view of the Order of the Hon'ble Supreme Court, the matter stands settled in respect of the appeals as mentioned in the said order.

2. The Bank had received a Show Cause Notice on May 9, 2019 for receipt of payment in relation to administration support expenses from ICICI Prudential Life Company Ltd during FY2016. The Bank submitted its response on May 17, 2019 stating that the payment was in line with applicable laws, properly disclosed in financial statements and was stopped w.e.f. April 1, 2017, i.e. post promulgation of new commission regulations. The Bank officials represented Bank's point of view during the personal hearing with IRDAI on January 29, 2020 and has not received any further communication on the same.

3. The Bank had received a Show Cause Notice on May 22, 2020 for onsite inspection held during June 4 - 8, 2018 with regard to corporate agency activities performed by the Bank. The Bank has received final order dated July 27, 2022 based on the response submitted via email dated June 29,

2020 and submissions made during hearing held on May 13, 2022. The order comprised of advisories & direction and no penalty was imposed.

4. FIU-IND through its letter dated May 23, 2019 had communicated that majority of the reporting entities had not submitted complete information as available with them in the prescribed format of Cross Border Wire Transfer Report (CBWTR). FIU-IND had issued a show cause notice dated July 22, 2019 to the Bank detailing the deficiencies mentioned in the CBWTR filing from the Financial Year 2014-15 to December 31, 2018. The Bank had submitted its pointwise response on August 26, 2019. Subsequently, during the course of personal hearing on the show cause notice with FIU-IND on March 03, 2020, the Bank had prayed for extension for completion of re-filing activity.

   After excluding the duplicate filings, the Bank had refiled all the deficient CBWTRs (57,93,280) records in accordance with the guidelines issued by FIU-IND albeit with a delay of 5 months on August 03, 2020. The Bank had kept FIU-IND informed on the progress which was impacted due to the pandemic.

   The Financial Intelligence Unit wide its order dated July 30, 2021 issued a warning under Section 13 of PMLA, 2002 for non-compliance with provisions of Section 12. The said warning was issued for failing to have an effective internal mechanism to detect and report complete information in respect of Cross Border Wire Transfer Reports. The FIU in its order has also mentioned that resubmission of the entire cross border wire transfer data by the Bank according to the guidelines is a mitigating factor in favour of the Bank.

5. The Audit Committee of the Bank under direction given by the Board of Directors instituted an independent enquiry to consider various allegations relating to the former Managing Director and Chief Executive Officer, Ms. Chanda Kochhar. The allegations were levelled against Ms. Kochhar included nepotism, quid pro quo and claims that Ms. Kochhar, by not disclosing conflicts of interest caused by certain transactions between certain borrowers of the Bank and entities controlled by Ms. Kochhar's spouse, committed infractions under applicable regulations and the Bank's Code of Conduct. The enquiry was supported by an independent law firm and a forensic firm.

   Ms. Kochhar proceeded on a leave of absence following the institution of the enquiry. On October 4, 2018, the Board of Directors accepted the request of Ms. Kochhar to seek early retirement from the Bank with immediate effect, while noting that the enquiry instituted by the Board would remain unaffected by this and certain benefits would be subject to its outcome.

   The Board of Directors considered the enquiry report on its receipt at its meeting held on January 30, 2019. Following the receipt of the enquiry and the conclusions there at the Board of Directors decided to treat the separation of Ms. Chanda Kochhar from the Bank as a 'Termination for Cause' under the Bank's internal policies, schemes and the Code of Conduct, with all attendant consequences (including revocation of all her existing and future entitlements such as any unpaid amounts, unpaid bonuses or increments, unvested and vested and unexercised stock options, and medical benefits), and required the clawback of all bonuses paid from April 2009 until March 2018.

   Enquiries by government and regulatory agencies including Enforcement Directorate in the matter are continuing. SEBI issued a show-cause notice to Ms. Kochhar and to the Bank in May 2018 in relation to the allegations. The Bank has responded to the relevant allegations in the notice which pertain to the Bank. The Central Bureau of Investigation ("CBI") had also initiated a preliminary enquiry against various individuals and firms including unknown officers and/or officials of the Bank. In January 2019, the CBI filed a first information report against Ms. Chanda Kochhar, her

spouse and certain borrowers of the Bank and their promoters, accusing them of cheating the Bank. The first information report states that certain individuals, who were on the Board of Directors of the Bank when the alleged transactions occurred and were part of committees that sanctioned credit facilities to the concerned borrower group, may also be investigated. These include the present Managing Director and Chief Executive Officer of the Bank and the present Managing Director of the Bank's life insurance subsidiary.

In November 2019, Ms. Chanda Kochhar had filed a Writ Petition in the Bombay High Court *inter alia* to uphold validity of her early retirement and challenging the separation being treated by the Bank as 'Termination for Cause' and its attendant consequences. The Writ Petition was dismissed by the Bombay High Court as not maintainable. Ms. Chanda Kochhar filed a special leave petition ("SLP") in the Supreme Court against the Bombay High Court judgment dismissing the Writ Petition. The SLP was dismissed by the Supreme Court. Separately, in January 2020, the Bank instituted a recovery suit against Ms. Chanda Kochhar for *inter alia* the clawback of bonus paid from April 2009 to March 2018. In the event Ms. Chanda Kochhar continues to contest the actions taken by the Board of Directors of the Bank in a court of competent jurisdiction, the Bank could incur additional costs, negative publicity and be subject to the outcome of judicial review of such actions.

Enquiries by government authorities and regulatory agencies in the matter are continuing and the Bank has a cooperative posture for such enquiries and requests emanating from such authorities and agencies. The Securities and Exchange Board of India ("SEBI") issued a show-cause notice to Ms. Kochhar and to the Bank in May 2018 in relation to the allegations. In November 2020, SEBI, issued a modified show cause notice to the Bank. Due responses have been submitted by the Bank to both the show cause notices. The Central Bureau of Investigation ("CBI") had also initiated a preliminary enquiry and in January 2019, the CBI filed a first information report against Ms. Chanda Kochhar, her spouse and certain borrowers of the Bank and their promoters, accusing them of cheating the Bank. The first information report states that certain individuals, who were on the board of directors of the Bank and were part of committees (that sanctioned credit facilities to the concerned borrower group when the alleged transactions occurred), may also be investigated. These include the present Managing Director and Chief Executive Officer of the Bank and the present Managing Director of the Bank's life insurance subsidiary. Authorities such as the Enforcement Directorate and Income-tax authorities are also probing the matter.

In the event that the Bank is found by SEBI or the CBI or by any other authority or agency to have violated applicable laws or regulations, the Bank could become subject to legal and regulatory sanctions that may materially and adversely affect our reputation and may impact results of operations or financial condition.

The Audit Committee of the Bank oversaw an independent enquiry into certain allegations made in March 2018 that the Bank incorrectly classified certain assets, incorrectly accounted for interest income and recoveries from non-performing assets as fees, and improperly valued loan collateral, which was concluded in fiscal 2021. If any additional or new information emerges relating to such practices and such additional or new information serves to establish any violation of applicable laws or regulations by the Bank or individuals associated with the Bank, the Bank or individuals associated with the Bank could become subject to legal claims and regulatory sanctions that may materially and adversely affect our results of operations, financial condition and reputation.

6. ICICI Bank Limited & its ex-Managing Director & CEO had received a Notice from SEBI on May 24, 2018 under Rule 4(1) of SCR (Procedure for Holding Inquiry and imposing penalties by Adjudicating Officer) Rules 2005 requiring responses on matters relating to alleged non-compliance with certain provisions of the erstwhile Listing Agreement and the Securities and

Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Bank has submitted its reply to SEBI and hereafter, personal hearing was held at SEBI on the said notice post which supplements to the earlier notice were submitted by the Bank. On November 19, 2020, SEBI issued a modified SCN (MSCN) to the Bank in relation to the above wherein it included Clause 2 of Uniform Listing Agreement and Section 21 of SCRA in addition to the existing cited provisions.

Post inspection of documents, the Bank has submitted its final response on the MSCN to SEBI on February 12, 2021. Further, Ex-MD and CEO filed an appeal with Securities Appellate Tribunal (SAT) against SEBI which was heard on June 10, 2022. SAT issued an order dated June 14, 2022 directing Ex-MD and CEO to file a fresh application with SEBI, indicating with clarity and precision of documents sought for inspection within two weeks from the date of order. Subsequently, SEBI vide letter dated August 18, 2022 sought documents/materials from the Bank with reference to adjudication proceedings which was submitted to SEBI on September 1, 2022. Subsequently, SEBI vide email dated November 10, 2022 and December 27, 2022 had sought certain documents which were submitted to SEBI. Further, SEBI vide letter dated March 27, 2023 sought documents, referred in the SAT order dated January 5, 2023 addressed to SEBI & Ex-MD and CEO, which were submitted to SEBI on April 5, 2023.

7. Legal: NIL, other than in the ordinary course of business of the Bank and/or as publicly disclosed by the Bank in its filings with regulators/stock exchanges and in its annual report.

9. SEBI issued a Show Cause Notice dated January 30, 2020 received by us on February 11, 2020, wherein they have alleged that the Bank has failed to provide appropriate protection against victimisation of the complainant and thus violated the provisions of Regulation 22(2) of the SEBI LODR Regulations, 2015. The Bank submitted its reply to the SCN on March 23, 2020. To bring closure to the matter, the Bank has submitted a settlement application with SEBI under Securities and Exchange Board of India (Settlement Proceedings) Regulations, 2018. SEBI issued a Settlement Order dated January 29, 2021 mentioning that the adjudication proceedings in the said matter is disposed of.

10. The Bank in its capacity as the Designated Depository Participant ("DDP") has received a show-cause notice (SCN) dated December 28, 2020 from SEBI (received on December 31, 2020), for alleged violation of SEBI (Foreign Portfolio Investors) Regulations, 2019/2014 and other related guidelines. SEBI vide the SCN has alleged that the Bank (as DDP) did not report to SEBI the delay in intimation of change in grouping information of two FPIs where the delay was beyond six months and the Bank did not enquire from the FPI as to since when the two FPIs had common control. The Bank had submitted its detailed response to the SCN to SEBI pursuant to which personal hearing was held and further additional submission was made by the Bank to SEBI. After considering the detailed/ additional submissions made by the Bank, SEBI issued and Adjudication Order on June 29, 2021 wherein SEBI had dropped the charges against the Bank.

11. Update on the matter pertaining to RRPR Holding Pvt. Ltd**.**

    A complaint was filed with CBI on April 28, 2017 (through FIR), regarding alleged pecuniary loss to ICICI Bank.- Pursuant to the above complaint, ED office (New Delhi) had sent letters to the Bank seeking information. Employees/ex- employees of the Bank were summoned and Bank has been submitting requisite information sought by ED office on regular basis. It may be noted that no show cause notice has been issued to the Bank in relation to this matter.

12. In fiscal 2019, the Audit Committee under direction given by the Board of Directors of the Bank had instituted an independent enquiry to consider various allegations relating to the former Managing Director and Chief Executive Officer, Ms. Chanda Kochhar. The enquiry was supported by an external counsel and a forensic firm. The allegations levelled against Ms. Kochhar included nepotism, quid pro quo and claims that Ms. Kochhar, by not disclosing conflicts of interest caused by certain transactions between certain borrowers of the Bank and entities controlled by Ms. Kochhar's spouse, committed infractions under applicable regulations and the Bank's Code of Conduct. While the enquiry was underway, the Board accepted Ms. Kochhar's request for early retirement, while noting that the enquiry would remain unaffected by this and certain benefits would be subject to the outcome of the enquiry. Subsequently, in consideration of the enquiry report and its conclusions, the Board of Directors decided to treat the separation of Ms. Chanda Kochhar from the Bank as a 'Termination for Cause' under the Bank's internal policies, schemes and the Code of Conduct, with all attendant consequences.

    In January 2020, the Bank instituted a recovery suit against Ms. Kochhar for, among other things, the clawback of bonus paid from April 2009 to March 2018. Ms. Kochhar also filed a suit before Bombay High Court in January 2022 contending that her employment termination is invalid and she is entitled to all the Employee Stock Options, which were originally allocated to her. An alternative prayer for claiming, damages of Rs. 17.3 billion is sought by her. Both these suits are under trial and being heard by the single bench of Bombay High Court. A Special Leave Petition was filed by Ms. Kochhar challenging the order passed by Bombay High Court was dismissed by Supreme Court on December 8, 2023.

    The Securities and Exchange Board of India issued a show-cause notice to Ms. Kochhar and to the Bank in 2018 in relation to the allegations. In November 2020, the Securities and Exchange Board of India issued a modified show cause notice to the Bank and responses were submitted by the Bank. In fiscal 2023, pursuant to the Securities Appellate Tribunal order the Securities and Exchange Board of India sought documents and materials in relation to the adjudication proceedings from the Bank, which were then submitted by the Bank.

    Authorities such as the Central Bureau of Investigation, Enforcement Directorate and Income-tax authorities are also probing the matter. In the event that the Bank is found by Securities and Exchange Board of India or the Central Bureau of Investigation or by any other authority or agency to have violated applicable laws or regulations, the Bank could become subject to legal and regulatory sanctions that may materially and adversely affect our reputation and may impact results of operations or financial condition.

**Annexure 2**

**Disclosures under Form PAS -4 pursuant to Section 42 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014**

**A. General Information:**

**1. Name, address, website and other contact details of the Company, indicating both registered office and the corporate office:**

Please refer to Page 01 of this General Information Document.

**2. Date of incorporation of the Company:**

Please refer to Page 01 of this General Information Document.

**3. Business carried on by the Company and its subsidiaries with the details of branches or units, if any:**

Please refer to Paragraph G of Part A of this General Information Document.

**4. Brief particulars of the management of the Company**

Please refer to Paragraph G of Part A of this General Information Document.

**5. Names, addresses, DIN and occupations of the current Directors:**

Please refer to Paragraph N of Part A of this General Information Document.

**6. Management's perception of risk factors:**

Prospective Bond Holders should carefully consider the risks described below, in addition to the other information contained in this General Information Document before making any investment decision relating to the Bonds. The occurrence of any of the following events could have a material adverse effect on our business operations, financial results and prospects. Prior to making an investment decision, prospective Bond Holders should carefully consider all the information contained in this General Information Document, including financial statements prepared in accordance with applicable laws and included in **Annexure 5** and **Annexure 6** of this General Information Document.

**GENERAL RISKS**

Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein.

**(i) Internal Factors:**

***We are subject to credit, market and liquidity risk which may have an adverse effect on our credit ratings and our cost of funds.***

To the extent any of the instruments and strategies we use to hedge or otherwise manage our exposure to market or credit risk are not effective, we may not be able to effectively mitigate our

risk exposures in particular market environments or against particular types of risk. Our balance sheet growth will be dependent upon economic conditions, as well as upon our ability to securitize, sell, purchase or syndicate particular loans or loan portfolios.

Our earnings are dependent upon the effectiveness of our management of migrations in credit quality and risk concentrations, the accuracy of our valuation models and our critical accounting estimates and the adequacy of our allowances for loan losses. To the extent our assessments, assumptions or estimates prove inaccurate or not predictive of actual results, we could suffer higher than anticipated losses. The successful management of credit, market and operational risk is an important consideration in managing our liquidity risk because it affects the evaluation of our credit ratings by rating agencies. Rating agencies may reduce or indicate their intention to reduce the ratings at any time. The rating agencies can also decide to withdraw their ratings altogether, which may have the same effect as a downgrade in our ratings. Any downgrade in our ratings (or withdrawal of ratings) may increase our borrowing costs, limit our access to capital markets and adversely affect our ability to sell or market our products, engage in business transactions, particularly longer-term or retain our customers. This, in turn, could reduce our liquidity and negatively impact our operating results and financial condition.

***The value of our collateral may decrease or we may experience delays in enforcing our collateral when borrowers default on their obligations to us, which may result in failure to recover the expected value of collateral security exposing us to a potential loss.***

All our loans to retail customers and corporates are secured primarily by real estate assets. Changes in real estate prices may cause the value of the security provided to us to decline and we may not be able to realize the full value of the security as a result of delays in foreclosure proceedings and bankruptcy, defects or deficiencies in the perfection of the security (including due to inability to obtain approvals that may be required from various persons, agencies or authorities), fraudulent transfers by borrowers and other factors, including current legislative provisions or changes thereto and past or future judicial pronouncements. Failure to recover the expected value of the security could expose us to potential losses, which could adversely affect our business.

***Further deterioration of our non-performing asset portfolio and an inability to improve our provisioning coverage as a percentage of gross non-performing assets could adversely affect our business.***

Although we believe that our total provisions will be adequate to cover all known losses in our asset portfolio, there can be no assurance that there will be no deterioration in the provisioning coverage as a percentage of gross non-performing assets or otherwise or that the percentage of non-performing assets that we will be able to recover will be similar to our past experience of recoveries of non-performing assets. In the event of any further deterioration in our non-performing asset portfolio, there could be an adverse impact on our business and our future financial performance.

***Fraud and significant security breaches in our computer system and network infrastructure could adversely impact our business.***

Our business operations are based on a high volume of transactions. Although we take adequate measures to safeguard against system-related and other fraud, there can be no assurance that we would be able to prevent fraud. Our reputation could be adversely affected by fraud committed by employees, customers or outsiders. Physical or electronic break-ins, security breaches, other disruptive problems caused by our increased use of the Internet or power disruptions could also affect the security of information stored in and transmitted through our computer systems and

network infrastructure. Although we have implemented security technology and operational procedures to prevent such occurrences, there can be no assurance that these security measures will be successful. A significant failure in security measures could have a material adverse effect on our business.

***System failures could adversely impact our business.***

Given the nature of business, retail products and services, the importance of systems technology to our business is very significant. Any failure in our systems could significantly affect our operations and the quality of our customer service and could result in business and financial losses. As a mitigation tool we have in place the Business Continuity Plan and implementing the Disaster Recovery (DR) setup of the critical applications. We also have redundant and resilient network connections to the branches/offices to address / minimize the impact of loss due to system failures.

***We depend on the accuracy and completeness of information about customers and counterparties.***

In deciding whether to extend credit or enter into other transactions with customers and counterparties, we may rely on information furnished to us by or on behalf of customers and counterparties, including financial statements and other financial information. Affordable segment customer which is a major part of our lending also do not always have prior credit history. We may also rely on certain representations as to the accuracy and completeness of that information and, with respect to financial statements, on reports of independent auditors. For example, in deciding whether to extend credit, we may assume that a customer's audited financial statements conform with generally accepted accounting principles and present fairly, in all material respects, the financial condition, results of operations and cash flows of the customer.

***Any inability to attract and retain talented professionals may adversely impact our business.***

Our business is growing with both product line expansion and geographic expansion. Our continued success depends in part on the continued service of key members of our management team and our ability to continue to attract, train, motivate and retain highly qualified professionals is a key element of our strategy and we believe it to be a significant source of competitive advantage. The successful implementation of our growth strategy depends on the availability of skilled management. If we fail to staff our operations appropriately, or lose one or more of our key senior executives or qualified young professionals and fail to replace them in a satisfactory and timely manner, our business, financial condition and results of operations, including our control and operational risks, may be adversely affected. Likewise, if we fail to attract and appropriately train, motivate and retain young professionals or other talent, our business may likewise be affected. Our inability to attract and retain talented professionals or the loss of key management personnel could have an adverse impact on our business.

***Negative publicity could damage our reputation and adversely impact our business and financial results.***

Reputation risk, or the risk to our business, earnings and capital from negative publicity, is inherent in our business. The reputation of the financial services industry in general has been closely monitored as a result of the financial crisis and other matters affecting the financial services industry. Negative public opinion about the financial services industry generally or us specifically or our parent company could adversely affect our ability to keep and attract customers, and expose us to litigation and regulatory action. Negative publicity can result from our actual or alleged

conduct in any number of activities, including lending practices and specific credit exposures, corporate governance, regulatory compliance, mergers and acquisitions, and related disclosure, sharing or inadequate protection of customer information, and actions taken by government, regulators and community organizations in response to that conduct. We are also exposed to the risk of litigation by customers across our businesses.

***We are involved in various litigations. Any final judgment awarding material damages against us could have a material adverse impact on our future financial performance.***

We are often involved in litigations for a variety of reasons, which generally arise because we seek to recover our dues from borrowers or because customers seek claims against us. The majority of these cases arise in the normal course of business and we believe, based on the facts of the cases and consultation with counsel, that these cases generally do not involve the risk of a material adverse impact on our financial performance.

***Bonds are subject to taxation requirements***

Potential purchasers and sellers of the Bonds should be aware that they may be required to pay taxes in accordance with the laws and practices of India. Further, in certain cases, Issuer may be required to make tax deductions in respect of any payments. It is not possible to predict the precise tax treatment which will apply at any given time and independent tax advisers should be consulted for tax incidence.

**(ii) External Factors**

***A prolonged slowdown in economic growth or elevated level of interest rates may impact our business***

Economic growth in India is influenced by several factors, including inflation, interest rates, government policies, and external trade and capital flows. A prolonged slowdown in the Indian economy could adversely affect our business and borrowers. The scenario may lead to a situation of defaults and put pressure on asset quality. In such situation, the prolonged elevated level of interest rates coupled with increasing non-performing assets may impact the Issuer's cost of funds and in turn the net interest margin.

***Our business is very competitive and our strategy depends on our ability to respond to regulatory changes across financial sector and compete effectively.***

Within the mortgage finance market, we face intense competition from commercial banks, mortgage finance companies and other non-banking finance companies including new entrants.

***Any volatility in housing or real estate prices may have an adverse impact on our business and our growth strategy.***

We are primarily engaged in the business of housing finance, and as such are exposed to the effects of volatility in housing and real estate prices. Any sudden or sharp movement in housing prices may adversely affect the demand for housing and housing finance and the quality of our portfolio which may have an adverse impact on our business and growth strategy.

***The enhanced supervisory and compliance environment in the financial sector increases the risk of regulatory action.***

The laws and regulations or the regulatory or enforcement environment in India may change at any time and may have an adverse effect on the products or services we offer, the value of our assets or of the collateral available for our loans or our business in general.

Regulatory authorities from time to time have instituted several changes in regulations applicable to housing finance companies, including changes in risk-weights on certain categories of loans for computation of capital adequacy, changes in general provisioning requirements for various categories of assets and change in capital requirements. Similar changes in future could have an adverse impact on our growth, capital adequacy and profitability.

In addition to be regulated as a housing finance company, being a wholly owned subsidiary of a banking entity we are subject to a variety of banking, and financial services laws, regulations and regulatory policies and a large number of regulatory and enforcement authorities. Since the global financial crisis in the past, regulators in India have intensified their review, supervision and scrutiny of many financial institutions viewing them as presenting a higher risk profile than in the past, in a range of areas. This increased review and scrutiny or any changes in the existing regulatory supervision framework, increases the possibility that we will face adverse legal or regulatory impact. Regulators may have qualifications/ reservations on compliance status of company with applicable laws, regulations, accounting norms or regulatory policies, or with their interpretations of such laws, regulations or regulatory policies, and may take formal or informal actions against us. Despite our best efforts to comply with all applicable regulations, there are a number of risks that cannot be completely controlled.

We cannot predict the timing or form of any current or future regulatory or law enforcement initiatives, which are increasingly common for international banks and financial institutions, but we would expect to cooperate with any such regulatory initiatives.

***Natural calamities, pandemics and climate change could adversely affect the Indian economy and our business.***

India has experienced natural calamities like earthquakes, floods and drought in the past. The extent and severity of natural calamities and pandemic determine their impact on the Indian economy, and our operations.

***Our Company may raise further borrowings and charge its assets subject to receipt of necessary consents.***

Our Company may, subject to receipt of all necessary consents, raise further borrowings and charge its assets. Our Company will decide the nature of security that may be provided for future borrowings. In the event of creation of a pari passu charge with other charge holder(s) may reduce the amounts recoverable by the Debenture Holders upon our Company's bankruptcy, winding-up or liquidation.

***Where any Tranche/ Series of Bonds are secured, risks in relation to maintenance of Security cover or full recovery of the Security in case of Enforcement.***

In the event that the Issuer is unable to meet its payment and other obligations towards Investors under the terms of the Bonds, the Debenture Trustee may enforce the Security as per the terms of

security documents, and other related documents. The Investors recovery in relation to the Bonds will be subject to (i) the market value of such Hypothecated Property, (ii) finding willing buyers for the Hypothecated Property at a price sufficient to repay the potential investors amounts outstanding under the Bonds. The value realised from the enforcement of the Security may be insufficient to redeem the Bonds.

**Where any Tranche/ Series of Bonds are secured, then such Tranche/ Series of Bonds shall be secured against a charge to the tune of at least 100% (One Hundred Percent) of the principal and interest amount in favour of the Security Trustee, and it is the duty of the Debenture Trustee/ Security Trustee to monitor that the security is maintained, however, the possibility of recovery of 100% (One Hundred Percent) of the amount shall depend on the market scenario prevalent at the time of enforcement of the security as mentioned above.**

***Bonds and Commercial Papers that are listed or quoted or admitted to trading may not lead to greater liquidity***

It is not possible to predict if and to what extent a secondary market may develop in the Bonds/ Commercial Papers or at what price the Bonds/ Commercial Papers will trade in the secondary market or whether such market will be liquid or illiquid. If so specified in this General Information Document, application has been made to list or quote or admit to trading the Bonds/ Commercial Papers on the stock exchange or quotation system(s) specified. If the Bonds/ Commercial Papers are so listed or quoted or admitted to trading, no assurance is given that any such listing or quotation or admission to trading will be maintained. The fact that the Bonds/ Commercial Papers may be so listed or quoted or admitted to trading does not necessarily lead to greater liquidity than if they were not so listed or quoted or admitted to trading. The listing of the Bonds is subject to receipt of the final listing and trading approval from the Stock Exchange.

The Company may, but is not obliged to, at any time purchase the Bonds at any price in the open market or by tender or private agreement where permitted by law. Any Bonds so purchased may be resold or surrendered for cancellation. The more limited the secondary market is, the more difficult it may be for Bond Holders to realise value for the Bonds prior to redemption of the Bonds.

***There may be no active market for the Bonds on the WDM segment of the stock exchange. As a result, the liquidity and market prices of the Bonds may fail to develop and may accordingly be adversely affected.***

There can be no assurance that an active market for the Bonds will develop. If an active market for the Bonds fails to develop or be sustained, the liquidity and market prices of the Bonds may be adversely affected. The market price of the Bonds would depend on various factors inter alia including (i) the interest rate on similar securities available in the market and the general interest rate scenario in the country; (ii) the market for listed debt securities; (iii) general economic conditions; and (iv) our financial performance, growth prospects and results of operations. The aforementioned factors may adversely affect the liquidity and market price of the Bonds, which may trade at a discount to the price at which you purchase the Bonds and/or be relatively illiquid.

***Our significant indebtedness and the conditions and restrictions imposed by our financing arrangements could restrict our ability to conduct our business and operations in the manner we desire. If we are not in compliance with the covenants contained in such financial arrangements, including obtaining the relevant consents from our lenders for the Issue, our lenders could accelerate their respective repayment schedules, and enforce their respective***

***security interests, which would lead to an adverse effect on our business, results of operations and financial condition.***

As per our Standalone Financial Statements, as of September 30, 2023, we had outstanding secured debt of ₹12,288.7 crore and unsecured debt of ₹5,007.2 crores. We will continue to incur additional indebtedness in the future. Most of our borrowings are secured by our immovable, movable and other assets. Our significant indebtedness could have several important consequences, including but not limited to the following:

- a portion of our cash flow may be used towards repayment of our existing debt, which will reduce the availability of our cash flow to fund working capital, capital expenditures, acquisitions and other general corporate requirements;

- our ability to obtain additional financing in the future at reasonable terms may be restricted or our cost of borrowings may increase due to sudden adverse market conditions, including decreased availability of credit or fluctuations in interest rates;

- fluctuations in market interest rates may affect the cost of our borrowings, as some of our indebtedness is at variable interest rates;

- there could be a material adverse effect on our business, financial condition, results of operations and/or cash flows if we are unable to service our indebtedness or otherwise comply with financial and other covenants specified in the financing agreements; and

- we may be more vulnerable to economic downturns, may be limited in our ability to withstand competitive pressures and may have reduced flexibility in responding to changing business, regulatory and economic conditions.

Some of our financing agreements also include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities and entering into certain transactions. Failure to meet these conditions or obtain these consents could have significant consequences on our business and operations. Specifically, under some of our financing agreements, we require, and may be unable to obtain, consents from the relevant lenders for, among others, the following matters: entering into any scheme of merger; spinning-off of a business division; selling or transferring all or a substantial portion of our assets; making any change in ownership or control or constitution of our Company; making amendments in our Memorandum and Articles of Association; and creating any further security interest on the assets upon which the existing lenders have a prior charge. Our financing agreements also typically contain certain financial covenants including the requirement to maintain, among others, specified debt-to-equity ratios, debt-to-net worth ratios, or Tier I to Tier II capital ratios that may be higher than statutory or regulatory requirements. These covenants vary depending on the requirements of the financial institution extending the loan and the conditions negotiated under each financing document. Such covenants may restrict or delay certain actions or initiatives that we may propose to take from time to time.

A failure to observe the covenants under our financing arrangements or to obtain necessary consents required thereunder may lead to the termination of our credit facilities, acceleration of all amounts due under such facilities and the enforcement of any security provided. Any acceleration of amounts due under such facilities may also trigger cross default provisions under our other financing agreements. If the obligations under any of our financing documents are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital

requirements and other general corporate purposes. Further, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing. Any of these circumstances could adversely affect our business, credit rating, financial condition, results of operations and/or cash flows.

***Refusal in listing of any security of the Issuer during last three years by any of the stock exchanges in India or abroad***

As of date, the Issuer has not been refused in listing of any security during the last 3 (Three) years by any of the stock exchanges in India or abroad and therefore, this would not be applicable.

**RISKS SPECIFIC TO THE ISSUANCE OF MLDs**

Prospective Investors are advised to carefully read these key risks associated with the MLDs.

1. **The MLDs are subject to model risk, i.e., the securities are created on the basis of complex mathematical models involving multiple derivative exposures which may or may not be hedged and the actual behavior of the securities selected for hedging may significantly differ from the returns predicted by the mathematical models.**

2. **The principal amount is subject to the credit risk of the issuer whereby the investor may or may not recover all or part of the funds in case of default by the issuer.**

3. The calculation as may be provided by the Valuation Agent, on the website of the Issuer and that of the Valuation Agent or otherwise, do not represent the actual price of the MLDs that may be received upon sale or redemption of MLDs. Instead, such calculation merely represents the Valuation Agent's computation of the valuation which may in turn be based on several assumptions. The potential investor/ Bond Holder understands and is aware that the valuation is not in any manner reflective of the actual returns that can be obtained by such Investor on the MLDs.

4. The return on an investment in the MLDs (which are linked/benchmarked to specific security(ies) may differ from the return an investor/Bond Holder might earn on a direct investment in the specific securities over a similar period.

5. The payments to be made to the Bond Holders will not be fixed, and will instead linked to an external variable e.g. government security price. This could result in variability in payments, because of adverse movement in value of the external variable. The risk of such adverse movement in price/value is not addressed by any rating.

**RISKS SPECIFIC TO THE ISSUANCE OF PDIs**

Prospective Investors are advised to carefully read these key risks associated with the PDIs.

***PDIs are Unsecured***

As the PDIs being issued by the Issuer are unsecured, in the event that the Issuer is unable to meet its payment and other obligations towards potential investors under the terms of the PDIs, the Debenture Trustee does not have any security which can be enforced to redeem the PDIs and the PDI Holders shall be treated as unsecured creditors of the Issuer.

***The PDIs are subordinated perpetual instruments and the Investors have no right to require redemption***

The PDIs are perpetual in tenor and have no maturity date. The Company is under no obligation to redeem the PDIs at any time and the PDIs can only be disposed of by sale. Investors who wish to sell their PDIs may be unable to do so at a price at or above the amount they have paid for them, or at all, if insufficient liquidity exists in the market for the PDIs.

***The PDIs may be redeemed only at the option of the Issuer on the Call Option Date***

The terms and conditions provide that the PDIs are redeemable at the Company's option only on the Call Option Date and on the occurrence of an Event of Default, subject to approval from the RBI. The date that the Company elects to redeem the PDIs may not accord with the preference of individual holders, which may be disadvantageous to holders in light of market conditions or the individual circumstances of the holder of the PDIs. Additionally, an investor may not be able to reinvest the redemption proceeds in comparable securities at an effective distribution rate at the same level as that of the PDIs.

**RISKS SPECIFIC TO THE ISSUANCE OF TIER II BONDS**

Additional risks specific to the issuance of Tier II Bonds (if any), shall be disclosed in the relevant Key Information Document.

**RISKS SPECIFIC TO THE ISSUANCE OF COMMERCIAL PAPERS**

Prospective Investors are advised to carefully read these key risks associated with the Commercial Papers.

**Commercial Papers are unsecured in nature**

Given that the Commercial Papers are an unsecured money market instrument, in the event the Company is unable to meet its payment and other obligations towards investors under the terms of the Commercial Papers, the investors do not have any recourse in the form of a security to recover their dues. Potential investors may also have to assess and take into consideration that an investment in the issue of Commercial Papers will be bound by and subject to any market risks associated with investing in short term money market instruments.

**RISKS SPECIFIC TO THE ISSUANCE OF GREEN DEBT SECURITIES**

Risks specific to the issuance of Green Debt Securities shall be disclosed in the relevant Key Information Document.

**7. Details of default in payments, if any, including the amounts involved, duration of default and present status, in repayment of- (a) statutory dues; (b) debentures and interest thereon; (c) deposits and interest thereon; (d) loan from any bank or financial institution and interest thereon;**

| | |
|---|---|
| Statutory Dues | NA |
| Debenture and interest thereon | NA |
| Deposits and interest thereon | NA |
| Loans from banks and financial institutions and interest thereon | NA |

**8. Name, designation address, phone number and e-mail ID of the nodal/ compliance officer of the Issuer, if any, for the private placement offer process;**

Priyanka Shetty,
Company Secretary
ICICI Home Finance Company Limited
ICICI HFC Tower, Andheri Kurla Road,
JB Nagar, Andheri (E)
Mumbai – 400 059
Phone: 022-40093457
Email id: priyanka.shetty@icicihfc.com

**9. Any Default in annual filings of the Issuer under the Companies Act, 2013 or the rules made thereunder:**

None

**B. PARTICULARS OF THE OFFER**

**1. Financial position of the Issuer for the last 3 financial years**

Please refer to Annexure 5 of this General Information Document.

**2. Date of passing of board resolution:**

The Board passed a resolution on April 17, 2023 authorising the Issuer to issue secured or unsecured NCDs/Bonds for an aggregate amount not exceeding ₹35.00 billion for one year from the date of approval of shareholders meeting in accordance with the terms of the Companies Act, 2013. The issuance of NCDs/Bonds under this General Information Document is pursuant to the resolution dated October 13, 2023, wherein, the Board has approved the revalidation of the unutilised portion of limit approved under the resolution of the Board dated April 17, 2023 read with the resolution of the shareholders dated May 30, 2023.

The Board constituted Committee of Directors at its meeting held on December 14, 2023 approved issuance of NCDs and/or Bonds, for upto ₹27.20 billion, under various tranches.

**3. Date of passing of resolution in the general meeting, authorizing the offer of securities:**

Pursuant to Section 42 and Section 71 of the Companies Act, 2013, and rules made thereunder, the shareholders of the Issuer in its meeting held on May 30, 2023 passed the resolution authorizing borrowing not exceeding ₹35.00 billion through issuance of secured or unsecured NCDs/Bonds during the period of one year from the date of passing the resolution. Further, the Company has revalidated its approval for the next six months for the balance unutilised portion of ₹32.20 billion in its Board Meeting held on October 13, 2023.

**4. Kinds of securities offered (i.e. whether share or debentures) and class of security; the total number of shares or securities to be issued:**

Kinds and Class of securities offered:

i) NCDs – Secured and/or unsecured, rated, listed, redeemable, senior and/or subordinated bonds in the nature of non-convertible debentures, to be issued in one or more Tranche/Series;
ii) MLDs – Secured and/or unsecured, rated, listed, redeemable, principal protected, market linked non-convertible debentures, to be issued in one or more Tranche/Series;
iii) PDIs - Unsecured, rated, listed, perpetual debt instruments in the nature of non-convertible securities, to be issued in one or more Tranche/Series;
iv) Tier II Bonds – Subordinated, unsecured, rated, listed, redeemable, non-convertible debentures in the form of subordinated debt for inclusion as Tier II capital, to be issued in one or more Tranche/Series;
v) Green Debt Securities – Secured and/or unsecured, rated, listed, redeemable non-convertible securities in the nature of green debt securities as defined under SEBI NCS Regulations, to be issued in one or more Tranche/Series;
vi) Commercial Paper – unsecured, rated, listed commercial papers to be issued in one or more Tranches/Series.

Total number of securities offered shall be set out in the relevant Key Information Document.

**5. Price at which the security is being offered including the premium if any, along with the justification of the price:**

As set out in the relevant Key Information Document.

**6. Name and address of the valuer who performed the valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer:**

As set out in the relevant Key Information Document.

**7. Relevant date with reference to which the price has been arrived at:**

As set out in the relevant Key Information Document.

**8. The class or classes of persons/eligible investors to whom the allotment is proposed to be made:**

As set out in the relevant Key Information Document.

**9. Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer)**

As set out in the relevant Key Information Document.

**10. The proposed time within which the allotment shall be completed:**

As set out in the relevant Key Information Document.

**11. The names of the proposed allottees and the percentage of post private placement capital that may be held by them**

Not Applicable

**12. The change in control, if any, in the Issuer that would occur consequent to the private placement:**

Not Applicable

**13. The number of persons to whom allotment on preferential basis/private placement/rights issue has already been made during the year (April 1, 2023 to December 31, 2023) in terms of number of securities as well as price:**

| ISIN | Allotment Date | No. of Investors |
|---|---|---|
| INE071G07595 | 27-04-2023 | 4 |
| INE071G07603 | 12-05-2023 | 10 |
| INE071G07603 | 15-06-2023 | 3 |
| INE071G07603 | 22-06-2023 | 1 |
| INE071G07611 | 30-10-2023 | 4 |
| INE071G07629 | 17-11-2023 | 1 |
| **Grand Total** | | **23** |

**14. The justification for the allotment proposed to be made for consideration other than cash together with the valuation report of the registered valuer:**

Not Applicable

**15. Amount the Issuer intends to raise by way of proposed offer of securities:**

By way of this General Information Document the Issuer intends to issue Bonds aggregating upto ₹27.20 billion over 1 year from the date of opening of the first offer of debt securities under this General Information Document, under various tranches, the details of which shall be set out in detail in the Key Information Document. Further, the Issuer also intends to issue Commercial Papers for an amount as may be permitted in terms of the resolution of the Board, passed from time to time or the limit specified under the relevant rating letter, whichever is lower.

**16. Terms of raising of securities: Duration, if applicable, rate of dividend or rate of interest, mode of payment and repayment.**

The Issue specific terms viz. duration / tenor, rate of interest, mode of payment and repayment etc. would be communicated to the Exchange prior to opening of each respective tranche through Key Information Document.

**17. Proposed time schedule for which the private placement offer cum application letter is valid:**

The General Information Document filed would be valid for a period of 1 year from the date of opening of the first offer of Bonds and Commercial Paper under this General Information Document.

**18. Purposes and objects of the offer:**

As set out in the relevant Key Information Document.

**19. Contribution being made by promoters or directors either as a part of the offer or separately in furtherance of such objects:**

As set out in the relevant Key Information Document.

**20. Principle terms of assets charged as security, if applicable:**

As set out in the relevant Key Information Document.

**21. The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Issuer and its future operations:**

None, as on date of this General Information Document.

**22. The pre-issue and post-issue shareholding pattern of the Issuer in the following format:**

| Sl. No. | Category | Pre – Issue | | Post – Issue | |
|---|---|---|---|---|---|
| | | No. of shares held | % of shareholding | No. of shares held | % of shareholding |
| A | Promotors holding | | | | |

| | | | | | |
|---|---|---|---|---|---|
| 1 | Indian | | | | |
| | Individuals | - | - | - | - |
| | Body corporate * | 1,203,527,870 | 100 | 12,035,278,700 | 100 |
| | Sub Total | 1,203,527,870 | 100 | 12,035,278,700 | 100 |
| 2 | Foreign promoters | | | | |
| | **Sub-total (A)** | **1,203,527,870** | **100** | **12,035,278,700** | **100** |
| **B** | **Non- promoters holdings** | | | | |
| 1 | Institutional investors | - | - | - | - |
| 2 | Non- institutional investors | - | - | - | - |
| | Private corporate bodies | - | - | - | - |
| | Directors and relatives | - | - | - | - |
| | Indian public | - | - | - | - |
| | Others (Including Non- resident Indians (NRIs) | - | - | - | - |
| | **Sub- total (B)** | **-** | **-** | **-** | **-** |
| | **Grand Total** | **1,203,527,870** | **100** | **12,035,278,700** | **100** |

** ICICI Bank Limited holds 1,203,527,870 equity shares and 1100 equity shares are held by the Nominees, the beneficial interest of which is held by ICICI Bank Limited.*
***Given that the Issuer is issuing NCDs, there will be no change in the shareholding pattern of the Issuer post the issuance of the said NCDs.*

**23. Mode of Payment for Subscription.**

The payment for subscription shall be done in accordance with the Electronic Book Mechanism Guidelines and the mode of payment of subscription shall be set out in the Key **Information Document to be filed in relation to each Tranche/ Series of NCDs.**

**C. DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC.**

**1. Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other person:**

Please refer to Paragraph Q of Part A of this General Information Document.

**2. Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the Issuer during the last three years immediately preceding the year of the issue of the private placement offer cum application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed: -**

As set out in **Annexure 1** of this General Information Document.

**3. Remuneration of directors (during the current year and last three financial years):**

Please refer to Paragraph O of Part A of this General Information Document.

**4. Details of related party transactions during the last three financial years immediately preceding the year of issue of private placement offer cum application letter including with regard to loans made or, guarantees given or securities provided:**

As set out in **Annexure 3** of the General Information Document.

**5. Summary of reservations or qualifications or adverse remarks of auditors: (in the last five financial years immediately preceding the year of issue of private placement offer cum application letter and of their impact on the financial statements and financial position of the Issuer and the corrective steps taken and proposed to be taken by the Issuer for each of the said reservations or qualifications or adverse remark):**

NIL

**6. Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law (in the last three years immediately preceding the year of circulation of private placement offer cum application letter in the case of Issuer and all of its subsidiaries), and if there were any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of private placement offer cum application letter and if so, section wise details thereof for the Issuer and all of its subsidiaries:**

NIL

**7. Details of acts of material frauds committed against the Issuer in the last three years, if any, and if so, the action taken by the Issuer.**

No material frauds have been committed against the Issuer in the last 3 (three) financial years and the current financial year.

**D. FINANCIAL POSITION OF THE ISSUER**

**(i) Capital structure as on September 30, 2023:**

**(ii) Authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value):**

| Particulars | Aggregate nominal value ₹ in billion |
|---|---|
| Share Capital | |
| (a) Authorized share capital: | 24.00 |
| 2385000000 Equity shares of Rs.10/- each | 23.85 |
| 15000000 Preference Shares of Rs.10/- each | 0.15 |
| (b) size of present offer[1] | Not Applicable |

| | |
|---|---|
| (c) Issued, Subscribe and Paid-up Share Capital | |
| 1203527870 Equity shares of Rs.10/- each | 12.04 |
| (A) after the offer 1203527870 Equity shares of Rs.10/- each | 12.04 |
| (B) after conversion of convertible instruments | NA |
| (d) Share premium account (before and after the offer) | NIL |

[1] Under the current General Information Document the Issuer is not raising any capital, the Issuer is raising funds only in form of debt, and consequently point (b) is marked as not applicable.

**1. Size of the Present Offer**

By way of this General Information Document the Issuer intends to raise Bonds aggregating upto ₹27.20 billion under various series/tranches, over one year from date of opening of first offer, the details of which shall be set out in detail in the Key Information Document. Further, the Issuer also intends to issue Commercial Papers for an amount as may be permitted in terms of the resolution of the Board, passed from time to time or the limit specified under the relevant rating letter, whichever is lower.

The Issue specific terms viz. duration / tenor, rate of interest, mode of payment and repayment etc. would be communicated to the Exchange prior to opening of each respective tranche through Key Information Document.

**2. Paid Up Capital: (a) After the Offer; (b) After conversion of convertible securities:**

This issuance of NCDs will not alter the paid-up capital of the Issuer.

**3. Share Premium Account: (a) Before the Offer; (b) After the Offer**

This issuance of NCDs will not alter the Share Premium Account of the Issuer

**4. Details of the existing share capital of the Issuer with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration:**

| Sr. No | Date of Allotment | No. of Shares Allotted | Face Value | Allotment Price | Form of Consideration | Cumulative | |
|---|---|---|---|---|---|---|---|
| | | | | | | No of Equity Shares | Equity Share Capital |
| 1 | June 19,1999 | 700 | 10 | 10 | Cash | 700 | 7000 |
| 2 | November 22, 1999 | 19,999,300 | 10 | 10 | Bank Transfer | 2,00,00,000 | 200,000,000 |
| 3 | September 29, 2000 | 75,000,000 | 10 | 10 | Bank Transfer | 95,000,000 | 950,000,000 |
| 4 | October 4, 2001 | 20,000,000 | 10 | 10 | Bank Transfer | 115,000,000 | 115,00,00,000 |
| 5 | December 28, 2004 | 25,000,000 | 10 | 10 | Bank Transfer | 140,000,000 | 140,00,00,000 |
| 6 | August 20, 2005 | 500 | 10 | 10 | Bank Transfer | 140,000,500 | 140,00,05,000 |

| Sr. No | Date of Allotment | No. of Shares Allotted | Face Value | Allotment Price | Form of Consideration | Cumulative | |
|---|---|---|---|---|---|---|---|
| | | | | | | No of Equity Shares | Equity Share Capital |
| 7 | August 20, 2005 | 43,749,500 | 10 | 10 | Bank Transfer | 183,75,0000 | 183,75,00,000 |
| 8 | March 31, 2006 | 100,000,000 | 10 | 10 | Bank Transfer | 283,75,0000 | 283,75,00,000 |
| 9 | December 12, 2007 | 500,000,000 | 10 | 10 | Bank Transfer | 783750000 | 783,75,00,000 |
| 10 | June 10, 2008 | 250,000,000 | 10 | 10 | Bank Transfer | 1,033,750,000 | 1033,75,00,000 |
| 11 | December 29, 2008 | 50,000,000 | 10 | 10 | Bank Transfer | 1,083,750,000 | 1083,75,00,000 |
| 12 | March 14, 2009 | 15,000,000 | 10 | 10 | Bank Transfer | 1,098,750,000 | 1098,75,00,000 |
| 13 | July 28, 2022 | 104,777,870 | 10 | 23.86 (10 + 13.86 premium) | Bank Transfer | 1,203,527,870 | 12,035,278,700 |
| | **Total** | **1,203,527,870** | | | | | |

5. **The Issuer has not issued/allotted any shares (including any shares for consideration other than cash) in the last one year preceding the date of the offer letter.**

6. **Profits of the Issuer, before and after making provision for tax, for the three financial years immediately preceding the date issue of private placement offer cum application letter:**

**(₹ in million)**

| Parameters | Six months ended September 30, 2023 (Unaudited) | Financial Year ended March 31, 2023 (Audited) | Financial Year ended March 31, 2022 (Audited) | Financial Year ended March 31, 2021 (Audited) |
|---|---|---|---|---|
| Profit Before Tax | 2,798.3 | 3,868.2 | 2,122.3 | 326.4 |
| Profit After Tax | 2,169.7 | 3,018.2 | 1,641.7 | 216.7 |
| Total Comprehensive Income | 2,163.8 | 4,679.5 | 3,171.2 | 1,173.0 |

**7. Dividends declared in respect of the said three financial years and interest coverage ratio for the last three years (Cash profit after tax plus interest paid/interest paid):**

**(₹ in million)**

| Particulars | Six months ended September 30, 2023 (Unaudited) | Financial Year ended March 31, 2023 (Audited) | Financial Year ended March 31, 2022 (Audited) | Financial Year ended March 31, 2021 (Audited) |
|---|---|---|---|---|
| Dividend declared for the year (excluding DDT) | - | 300.9 | 164.8 | - |
| Interest Coverage Ratio (times) | 1.5 | 1.4 | 1.2 | 1.0 |

**8. A summary of the financial position of the Company as in the three audited balance sheets immediately preceding the date of issue of this General Information Document.**

Relevant details have been set out in Annexure 5 of this General Information Document.

**9. Audited cash flow statements for the three years immediately preceding the date of circulation of offer letter):**

Relevant details have been set out in Annexure 5 of this General Information Document.

**10. Any change in accounting policies during the last three years and their effect on the profits and the reserves of the Company):**

NIL

**11. Applicant Details**

Details of Applicants for each Tranche/ Series of Bonds shall be identified in the relevant Key Information Document.

**Annexure 3 Related Party Transactions**

**DETAILS OF OUTSTANDING BALANCE WITH RELATED PARTIES:**

**(₹ in million)**

| Particulars | Name of the related party | Nature of relationship | As of Sept 30, 2023 | As of March 31, 2023 | As of March 31, 2022 | As of March 31, 2021 | As of March 31, 2020 | As of March 31, 2019 |
|---|---|---|---|---|---|---|---|---|
| Bank balances (including fixed deposits and interest accrued thereon) | ICICI Bank Limited | Holding company | 346.5 | 831.1 | 255.9 | 6,417.2 | 128.9 | 83.7 |
| Interest receivable | ICICI Bank Limited | Holding company | - | - | - | - | - | - |
| Other receivables | ICICI Bank Limited | Holding company | 71.9 | 58.6 | 55.5 | 66.6 | 52.8 | 135.6 |
| | I Process service (I) Private Limited | Associate of holding company | 0.1 | * | * | 0.1 | - | - |
| Investment in equity shares (at cost) | India Infradebt Limited | Associate of holding company | - | - | - | - | - | - |
| MTM receivable | ICICI Bank Limited | Holding company | - | - | 242.7 | - | - | - |
| Fee receivable | ICICI Bank Limited | Holding company | - | - | - | - | - | - |
| | ICICI Lombard General Insurance Company Limited | Fellow subsidiary | 19.3 | 9.3 | 7.6 | 2.5 | 31.0 | 11.9 |
| | ICICI Prudential Life Insurance Company Limited | Fellow subsidiary | 9.3 | 10.3 | 8.5 | 14.6 | 4.8 | 2.8 |
| Loan receivable from KMP | Anirudh Kamani | Key Managerial Personnel | 37.8 | 52.5 | 58.1 | 27.7 | 29.8 | 31.7 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| (staff loan and home loan) and their relatives | | | | | | | | |
| Equity share capital | ICICI Bank Limited | Holding company | 12,035.3 | 12,035.3 | 10,987.5 | 10,987.5 | 10,987.5 | 10,987.5 |
| Loans | ICICI Bank Limited | Holding company | 2,166.7 | 1,208.3 | 4,500.0 | 2,400.0 | 5,000.0 | 1,000.0 |
| Bank/Book overdraft in current accounts | ICICI Bank Limited | Holding company | 6,992.6 | 7,918.8 | 5,549.4 | 2.093.3 | 1,095.7 | 3,272.3 |
| Amount collected from borrowers pending to be transferred (for portfolio sold) | ICICI Bank Limited | Holding company | 946.6 | 893.0 | 776.4 | 812.6 | 448.9 | - |
| Security deposit payable | ICICI Bank Limited | Holding company | 5.8 | 5.8 | 5.8 | - | - | - |
| MTM payable | ICICI Bank Limited | Holding company | - | - | - | 434.5 | 90.1 | 964.6 |
| Bonds | ICICI Prudential Life Insurance Company Limited | Fellow subsidiary | - | - | - | - | - | - |
| | ICICI Lombard General Insurance Company Limited | Fellow subsidiary | 1,600.0 | 1,600.0 | 2,100.0 | 2,100.0 | 2,100.0 | - |
| | ICICI Securities Limited | Fellow subsidiary | 6.5 | 0.5 | 5.0 | - | - | - |
| | ICICI Bank Limited | Holding company | - | - | 1,500.0 | - | - | - |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Anup Bagchi | Key Managerial Personnel | - | - | - | 10.2 | 10.2 | - |
| Interest payable on bonds | ICICI Lombard General Insurance Company Limited | Key Managerial Personnel | 92.8 | 29.2 | 52.4 | 51.5 | 52.4 | - |
| | ICICI Prudential Life Insurance Company Limited | Fellow subsidiary | - | - | - | - | - | - |
| | ICICI Securities Limited | Fellow subsidiary | 0.4 | * | 0.3 | - | - | - |
| | ICICI Bank Limited | Holding company | - | - | 36.9 | - | - | - |
| | Anup Bagchi | Key Managerial Personnel | - | - | - | 0.8 | 0.5 | - |
| Fee payable | ICICI Bank Limited | Holding company | - | 5.5 | 0.7 | 8.1 | 9.5 | 6.2 |
| | ICICI Securities Limited | Fellow subsidiary | - | - | - | 0.6 | - | 1.6 |
| Other payables (Including on account of expenses) | ICICI Bank Limited | Holding company | 60.6 | 66.7 | 66.1 | 27.0 | 96.9 | 172.0 |
| | ICICI Lombard General Insurance Company Limited | Fellow subsidiary | | - | - | - | - | 1.3 |
| | ICICI Securities Limited | Fellow subsidiary | 0.6 | 3.9 | 3.8 | 1.2 | 2.5 | 3.4 |
| | ICICI Prudential Life Insurance Company Limited | Fellow subsidiary | - | - | - | - | 3.0 | 2.4 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | ICICI Investment Management Company Limited | Fellow subsidiary | 1.0 | 0.4 | - | 0.4 | - | - |
| | ICICI Prudential Assets Management Company Limited | Fellow subsidiary | - | - | - | - | - | - |
| | I Process service (I) Private Limited | Associate of holding company | - | - | - | - | 0.4 | 7.3 |
| Fixed deposits | Anirudh Kamani | Key Managerial Personnel | 1.3 | 4.8 | 4.6 | 4.6 | 1.1 | - |
| | Nilima Goel | Relatives of Key Managerial Personnel | 1.7 | 1.4 | 1.4 | 1.1 | 1.0 | - |
| | Shivam Bakhshi | Relatives of Key Managerial Personnel of holding Company | 3.2 | 3.2 | 3.2 | 3.2 | 3.2 | 1.5 |
| | Esha Bakhshi | | 2.6 | 2.6 | 2.6 | 2.6 | 1.6 | 1.0 |
| | Minal Bakhshi | | 2.2 | 2.2 | 2.2 | 2.2 | 0.7 | * |
| Interest payable on FDs | Anirudh Kamani | Key Managerial Personnel | 1.0 | 0.9 | 0.8 | 0.3 | * | - |
| | Nilima Goel | Relatives of Key Managerial Personnel | 0.1 | 0.3 | 0.2 | 0.1 | * | - |
| Directors commission payable | Sankaran Santhanakrishnan | Key Managerial Personnel | 0.4 | 0.8 | 0.8 | - | - | - |
| | Vinod Kumar Dhall | Key Managerial Personnel | 0.4 | 0.8 | 0.8 | - | - | - |
| | G. Gopalakrishna | Key Managerial Personnel | 0.4 | 0.8 | 0.8 | - | - | - |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Swap (notional principal) | ICICI Bank Limited | Holding company | - | - | 15,702.4 | 23,154.8 | 24,329.5 | 26,843.8 |
| Letter of comfort (utilised) | ICICI Bank Limited | Holding company | - | - | - | - | - | 7,060.0 |
| Letter of undertaking (utilized) | ICICI Bank Limited | Holding Company | 9,745.7 | 11,514.8 | 16,226.7 | 22,215.5 | - | - |
| Guarantee | ICICI Bank Limited | Holding company | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| Government Securities held in CLGS account | ICICI Bank Limited | Holding company | 3,099.8 | 3,199.8 | 3,149.8 | 2,799.8 | - | - |

* Insignificant amount

1. The receivables/payables above are expected to be realised/settled in cash/cash equivalents during the regular course of business.
2. No impairment losses or allowances have been recorded during the period against 1.4balance outstanding with related party.

**Details of transactions with related parties:**

**(₹ in million)**

| **Particulars** | **Name of the related party** | **Nature of relation-ship** | **H1-2024** | **FY2023** | **FY2022** | **FY2021** | **FY2020** | **FY2019** |
|---|---|---|---|---|---|---|---|---|
| Rent Income | ICICI Bank Limited | Holding company | 5.8 | 11.7 | 11.1 | 37.4 | 47.2 | 44.7 |
| | Anup Bagchi | Key Managerial Personnel | - | - | - | 0.2 | - | - |
| MTM gain on derivative deals | ICICI Bank Limited | Holding company | - | - | - | - | * | - |
| Expense recovery | ICICI Bank Limited | Holding company | 3.0 | 6.2 | 0.7 | 12.0 | 14.7 | 21.5 |
| | I-Process Service (I) Pvt Ltd | Associate of holding company | - | - | - | * | - | - |
| Servicing fee | ICICI Bank Limited | Holding company | 14.3 | 52.0 | 21.1 | 14.4 | 1.3 | 0.1 |
| Property service fee | ICICI Bank Limited | Holding company | - | - | - | - | - | - |
| Valuation fee | ICICI Bank Limited | Holding company | - | - | - | - | - | - |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Interest income on fixed deposits | ICICI Bank Limited | Holding company | 0.1 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 |
| Interest income on loans | Anirudh Kamani | Key Managerial Personnel | 0.9 | 1.9 | 1.3 | 1.0 | 1.1 | 0.8 |
| Referral fees | ICICI Lombard General Insurance Company Limited | Fellow subsidiary | 40.0 | 43.0 | 13.5 | 32.1 | 77.1 | 24.3 |
| | ICICI Prudential Life Insurance Company Limited | Fellow subsidiary | 33.9 | 79.4 | 57.8 | 44.7 | 19.6 | 19.8 |
| Insurance claim received | ICICI Lombard General Insurance Company Limited | Fellow subsidiary | 2.7 | - | - | - | - | |
| Dividend Income | India Infradebt Limited | Associate of holding company | - | - | - | - | - | 0.9 |
| Transfer for leave balance | ICICI Prudential Asset Management Company Limited | Fellow subsidiary | - | - | - | - | * | - |
| Property service fee | Anup Bagchi | Director of the Company | - | - | - | - | - | 0.2 |
| Servicing fee | ICICI Bank Limited | Holding company | 0.4 | 1.1 | 1.7 | 2.3 | 3.1 | 4.0 |
| Collection cost (shared expenses) | ICICI Bank Limited | Holding company | 0.1 | 1.9 | 10.5 | 30.4 | 231.1 | 233.2 |
| Travel cost | ICICI Bank Limited | Holding company | - | - | - | - | - | 8.0 |
| Arranger fee paid | ICICI Bank Limited | Holding company | 0.8 | 1.6 | 2.0 | 15.0 | 5.5 | 90.5 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | ICICI Securities Primary Dealership Limited | Fellow subsidiary | 0.6 | 1.5 | 1.6 | 1.1 | 0.3 | 0.2 |
| | ICICI Securities Limited | Fellow subsidiary | - | 0.1 | 0.5 | 0.9 | 0.4 | - |
| IT infrastructure cost (shared expenses) | ICICI Bank Limited | Holding company | 24.7 | 84.8 | 52.4 | 32.8 | 24.5 | 42.6 |
| Interest & other finance expenses (including hedging cost) | ICICI Bank Limited | Holding company | 52.4 | 417.7 | 991.8 | 1,143.3 | 1,079.0 | 383.3 |
| Sourcing Cost (Loans and Fixed Deposits) | ICICI Bank Limited | Holding company | 93.5 | 101.5 | 41.1 | 24.5 | 55.4 | 23.6 |
| | ICICI Securities Limited | Fellow subsidiary | 2.6 | 10.9 | 5.2 | 8.8 | 21.1 | 7.7 |
| | ICICI Investment Management Company Limited | Fellow Subsidiary | 2.7 | 3.4 | 3.1 | 10.5 | - | - |
| Fee expenses –Property Service | ICICI Bank Limited | Holding company | - | 5.3 | 10.2 | 15.7 | 16.3 | 8.8 |
| | ICICI Securities Limited | Fellow subsidiary | - | - | 2.2 | 0.6 | - | 1.1 |
| Donation paid | ICICI Foundation for Inclusive Growth | Other related entity of holding company | 21.8 | 10.1 | 9.1 | 2.5 | 29.5 | 45.4 |
| Rent expenses | ICICI Bank Limited | Holding company | - | - | - | - | 4.3 | 13.7 |
| | ICICI Lombard General Insurance Company Limited | Fellow subsidiary | - | - | 0.2 | - | 2.0 | 19.1 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | ICICI Prudential Life Insurance Company Limited | Fellow subsidiary | - | - | 0.1 | 0.4 | 0.4 | 2.4 |
| Miscellaneous (IPA charges, LAS sourcing cost, operation cost, common corporate expenses and man power services.) | ICICI Bank Limited | Holding company | 43.5 | 28.7 | 27.7 | 37.5 | 74.9 | 115.5 |
| | I Process service (I) Private Limited | Associate of holding company | - | * | 0.1 | - | 42.9 | 136.3 |
| | ICICI Lombard General Insurance Company Limited | Fellow subsidiary | - | * | 0.5 | - | - | - |
| | ICICI Prudential Assets Management Company Limited | Fellow subsidiary | - | - | 0.3 | - | - | - |
| | ICICI Securities Primary Dealership Limited | Fellow subsidiary | - | - | - | | - | 0.2 |
| | ICICI Prudential Life Insurance Company Limited | Fellow subsidiary | - | - | 0.1 | - | - | - |
| | ICICI Securities Limited | Fellow subsidiary | - | - | - | - | 0.5 | 1.5 |
| Insurance premium | ICICI Lombard General Insurance Company Limited | Fellow subsidiary | 44.0 | 81.3 | 81.3 | 43.3 | 41.2 | 20.0 |
| | ICICI Prudential Life Insurance Company Limited | Fellow subsidiary | 7.6 | 13.6 | 15.2 | 3.6 | 3.2 | 1.5 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Remuneration[1] | Anirudh Kamani (w.e.f. November 1, 2017) | Key Managerial Personnel | 27.3 | 40.4 | 177.2 | 97.3 | 74.6 | 29.9 |
| | Rohit Salhotra (Upto October 31, 2017) | Key Managerial Personnel | - | - | - | - | - | - |
| Interest expenses on deposits | Anirudh Kamani | Key Managerial Personnel | 0.2 | 0.4 | 0.4 | 0.3 | * | - |
| | Nilima Goel | Relatives of Key Managerial Personnel | 0.1 | 0.1 | 0.1 | 0.1 | - | - |
| | Minal Bakhshi | Relatives of Key Managerial Personnel of holding company | 0.1 | 0.2 | 0.2 | 0.1 | 0.1 | * |
| | Shivam Bakhshi | | 0.1 | 0.3 | 0.3 | 0.3 | 0.2 | * |
| | Esha Bakhshi | | 0.1 | 0.2 | 0.2 | 0.2 | 0.1 | * |
| Employer's contribution to Provident Fund | ICICI HFC Employees Provident Fund | Post-Employment benefit plan | - | 9.7 | 21.0 | 31.6 | 29.5 | 16.4 |
| Contribution to gratuity fund | ICICI HFC Employees Group Gratuity Scheme | Post-Employment benefit plan | 1.2 | 3.4 | 15.4 | 24.5 | 13.3 | 0.3 |
| Contribution to Superannuation Fund | ICICI HFC Employees Superannuation Schemes | Post-Employment benefit plan | 1.3 | 1.5 | 1.1 | 0.3 | - | - |
| Sitting fees | Dileep C Choksi | Directors | - | - | - | - | 0.8 | 1.4 |
| | S Santhanakrishnan | | - | - | - | - | 0.8 | 1.6 |
| | Sankaran Santhanakrishnan | | 1.1 | 2.0 | 2.5 | 1.6 | 1.6 | 1.3 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | G Gopalakrishna | | 1.1 | 2.0 | 2.5 | 1.7 | 0.8 | 0.1 |
| | Vinod Kumar Dhall | | 1.0 | 2.0 | 2.4 | 1.5 | 0.6 | 0.1 |
| MTM Loss on derivatives | ICICI Bank Limited | Holding company | - | - | - | - | - | 31.8 |
| Royalty fees | ICICI Bank Limited | Holding company | 16.4 | 17.9 | 2.3 | * | - | - |
| Shared based payment to employees | ICICI Bank Limited | Holding company | 19.4 | 38.1 | 24.6 | 12.1 | - | - |
| Interest expenses on bonds | Anup Bagchi | Key Managerial Personnel | - | - | - | 0.8 | 0.5 | - |
| | ICICI Bank Limited | Holding company | - | 5.5 | 39.2 | - | - | - |
| | ICICI Lombard General Insurance Company Limited | Fellow subsidiary | 63.6 | 140.3 | 163.5 | 163.1 | 52.4 | - |
| | ICICI Prudential Life Insurance Company Limited | Fellow subsidiary | - | | | - | - | 34.0 |
| | ICICI Securities Limited | Fellow subsidiary | 0.1 | 0.3 | 7.3 | - | - | - |
| | ICICI Securities Primary Dealership Limited | Fellow subsidiary | - | - | 3.6 | - | - | 0.5 |
| Unwinding cost for derivatives | ICICI Bank Limited | Holding company | - | 95.2 | 107.0 | - | - | - |
| Dividend on equity shares | ICICI Bank Limited | Holding company | 300.9 | 164.7 | - | - | 44.1 | - |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Sale of fixed assets | ICICI Bank Limited | Holding company | - | 1.4 | - | - | - | - |
| Purchase of fixed assets | ICICI Bank Limited | Holding company | - | - | - | 0.5 | - | 4.1 |
| | ICICI Securities Limited | Fellow subsidiary | - | - | - | 0.4 | - | - |
| | ICICI Prudential Life Insurance Company Limited | Fellow subsidiary | - | - | - | - | - | 0.1 |
| Sale of consumer finance business on slump sale basis | ICICI Bank Limited | Holding company | - | - | - | - | 1,190.2 | - |
| Sale of retail mortgage loans (Direct assignment) | ICICI Bank Limited | Holding company | 15,437.1 | 19,290.7 | 6,766.5 | 8,071.2 | 21,455.9 | - |
| Purchase of Government securities | ICICI Prudential Life Insurance Company Limited | Fellow subsidiary | - | - | - | - | - | 107.6 |
| Sale of investment in shares | ICICI Bank Limited | Holding company | - | - | - | - | - | 55.8 |
| Sale of Government securities /bonds | ICICI Securities Primary Dealership Limited | Fellow subsidiary | - | - | - | - | - | - |
| Transfer of staff loans | ICICI Bank Limited | Holding company | - | - | - | - | - | 88.0 |
| Recovery of principal amounts of loans from KMPs and | Anirudh Kamani | Key Managerial Personnel | 25.6 | 5.6 | 3.2 | 2.0 | 1.0 | 1.3 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| their relatives | | | | | | | | |
| Bank loans taken earlier, repaid during the year | ICICI Bank Limited | Holding company | 69.0 | 4,541.7 | 2,400.0 | 2,600.0 | - | 3,096.0 |
| Investment in bonds | ICICI Securities Primary Dealership Limited | Fellow subsidiary | - | - | 1,450.0 | 973.4 | 3,200.0 | - |
| | ICICI Securities Limited | Fellow subsidiary | - | - | 329.0 | 49.0 | - | - |
| | ICICI Bank Limited | Holding company | - | - | 2,700.0 | - | - | - |
| | Anup Bagchi | Key Managerial Personnel | - | - | - | - | 10.3 | - |
| Redemption/Maturity of Bonds | ICICI Securities Limited | Fellow subsidiary | - | - | 229.3 | - | - | - |
| | ICICI Lombard General Insurance Company Limited | Fellow subsidiary | - | 1,615.5 | - | - | - | |
| | Anup Bagchi | Key Managerial Personnel | - | - | 10.2 | - | - | - |
| Fixed deposits | Anirudh Kamani | Key Managerial Personnel | - | - | - | 3.5 | 1.1 | - |
| | Nilima Goel | Relative of Key Managerial Personnel | - | - | 0.3 | 0.1 | 1.0 | - |
| Bank loan taken during the period | ICICI Bank Limited | Holding company | 1,027.3 | 1,250.0 | 4,500.0 | - | - | - |
| Employees' | ICICI HFC Employees | Post-Employm | - | 19.2 | 67.1 | 70.3 | 62.5 | 29.4 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| contributi on to Provident Fund | Provident Fund | ent benefit plan | | | | | | |
| Deals of swap/for ward notional principal | ICICI Bank Limited | Holding company | - | - | | - | 1,809.4 | 22,953.9 |
| Equity share capital | ICICI Bank Limited | Holding company | - | 1,047.8 | - | - | - | - |
| Premium on equity share capital | ICICI Bank Limited | Holding company | - | 1,452.2 | - | - | - | - |

* Insignificant Amount
1. Including incentive and perquisite value of employee's stock options granted by the Parent Bank.
2. Amounts have been re-grouped/re-classified wherever necessary to correspond with current year's classification/disclosures.

**Annexure 4**

**ATSL/CO/23-24/7867**
**Date: December 11, 2023**

**To,**
**ICICI Home Finance Company Limited**
ICICI Bank Towers,
Bandra-Kurla Complex,
Mumbai-400051

Dear Sir/ Madam,

**Sub.: Consent to act as Debenture Trustee for the proposed privately placed issue of listed, secured/unsecured non-convertible debentures, market-linked debentures, perpetual debt instruments in the nature of non-convertible debentures, non-convertible debentures in the form of subordinated debt for inclusion as Tier II capital and non-convertible securities in nature of green debt securities issue of upto Rs. 2720 Crores by ICICI Home Finance Company Limited ("Issuer").**

We, Axis Trustee Services Limited, hereby give our consent to act as the Debenture Trustee for the abovementioned issue of Debentures having a tenure of more than one year and are agreeable to the inclusion of our name as Debenture Trustee in the General Information Document and Key Information Document /Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document and/or application to be made to the Stock Exchange for the listing of the said Debentures.

Axis Trustee Services Limited (ATSL) consenting to act as Debenture Trustee is purely its business decision and not an indication on the Issuer's standing or on the Debenture Issue. By consenting to act as Debenture Trustee, ATSL does not make nor deems to have made any representation on the Issuer, its Operations, the details and projections about the Issuer or the Debentures under Offer made in the General Information Document and Key Information Document /Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document. Applicants / Investors are advised to read carefully the General Information Document and Key Information Document /Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document and make their own enquiry, carry out due diligence and analysis about the Issuer, its performance and profitability and details in the General Information Document and Key Information Document /Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document before taking their investment decision. ATSL shall not be responsible for the investment decision and its consequence.

We also confirm that we are not disqualified to be appointed as Debentures Trustee within the meaning of Rule 18(2)(c) of the Companies (Share Capital and Debenture) Rules, 2014.

Yours truly,

**For Axis Trustee Services Limited**

Axis Trustee Services Limited Mumbai

**Authorised Signatory**

Annexure 5

ICICI Home Finance

# ICICI HOME FINANCE COMPANY LIMITED
# ANNUAL REPORT 2020-21

# CONTENT


01 Corporate Information

02 Directors' Report

03 Management Discussion and Analysis

04 Auditor's Report

05 Balance Sheet

06 Statement of Profit and Loss

07 Statement of Changes in Equity

08 Cash Flow Statement

09 Notes forming part of the Accounts

# CORPORATE INFORMATION

**BOARD OF DIRECTORS**

**Non-Executive Chairman**
Anup Bagchi

**Non-Executive Director**
N. R. Narayanan
Supritha Shetty

**Independent Director**
Vinod Kumar Dhall
G. Gopalakrishna
S. Santhanakrishnan

**Managing Director & CEO**
Anirudh Kamani

**KEY MANAGERIAL PERSONNEL**

**Chief Financial Officer**
Vikrant Gandhi

**Company Secretary**
Priyanka Shetty

**SENIOR MANAGERIAL PERSONNEL**

**Chief Human Resources Officer**
Ashish Kakkar

**Chief Distribution Officer**
Abhiroop Pandey

**Chief Risk Officer**
Yogesh Rawat

**Chief Operations & Technology Officer**
Nilesh Deshpande

**REGISTERED OFFICE**
ICICI Bank Towers, Bandra-Kurla Complex, Mumbai - 400051

**CORPORATE OFFICE**
ICICI HFC Tower, Andheri Kurla Road, J.B. Nagar, Andheri (E), Mumbai - 400059
Email: secretarial@icicihfc.com
Website: www.icicihfc.com
Tel.: (+91-22) 40093231

**STATUTORY AUDITOR**
B S R & Co. LLP,
Chartered Accountants

**SECRETARIAL AUDITOR**
Makarand M. Joshi & Co.,
Company Secretaries

**REGISTRAR & TRANSFER AGENT**
Datamatics Business Solutions Limited Plot No. B-5, Part B Crosslane, MIDC, Andheri (East), Mumbai - 400093
Tel: 022-66712196

**DEBENTURE TRUSTEE**
Axis Trustee Services Limited

**SECURITY TRUSTEE**
SBICAP Trustee Company Limited

# DIRECTORS' REPORT

**To the members,**

Your Company is a Housing Finance Company registered with the National Housing Bank (NHB) and now regulated by the Reserve Bank of India (RBI). Your Company is engaged in the primary business of providing a range of home loans and home improvement loans, office premises loans, home equity loans, loan against property to customers and construction finance to developers.

On behalf of the Board of Directors, it is our pleasure to present the 22nd Annual Report along with the Audited Financial Statement of Accounts for the year ended March 31, 2021 (fiscal 2021).

## FINANCIAL HIGHLIGHTS

The financial performance for fiscal 2021 is summarised in the following table:

(₹ in million)

| | Fiscal 2020 | Fiscal 2021 | % of change |
|---|---|---|---|
| Net interest income | 4,957.3 | 5,512.9 | 11.2% |
| Other income | 50.4 | 70.6 | 40.1% |
| Operating expenses | 2,814.6 | 2,562.5 | (9.0)% |
| Impairment on financial instruments/ write-off (Including fair value changes) | 1,934.2 | 2,694.6 | 39.3% |
| Profit before tax | 258.9 | 326.4 | 26.1% |
| Profit after tax | 2.8 | 216.7 | - |
| Total comprehensive income | (136.9) | 1,173.0 | - |

Net interest income was higher by ₹ 555.6 million primarily on account of lower cost of funds and higher income from sell-down and investments. Operating expenditure was lower by ₹ 252.1 million on account of cost optimisation and lockdown in H1-2021 due to COVID-19 pandemic. Provisions were higher due to increase in non-performing assets (NPAs) and mid-bucket pool in mortgage loans due to COVID-19 impact.

### Appropriations

The profit after tax for fiscal 2021 was ₹ 216.7 million after provision for impairment on financial instruments/write-off of ₹ 2,694.6 million, provision for taxes of ₹ 109.7 million and all expenses. The accumulated profit was ₹ 1,587.0 million, taking in to account the balance of ₹ 1,413.8 million brought forward from the previous fiscal year and after appropriating the disposable profit as follows:

(₹ in million)

| | Fiscal 2020 | Fiscal 2021 |
|---|---|---|
| To Special Reserve (created and maintained in terms of Section 29 C of National Housing Bank Act, 1987) | 66.3 | 43.5 |
| Dividend paid during the year | | |
| - Equity Shares (including dividend distribution tax) | 53.2 | - |
| Leaving balance to be carried forward to the next year | 1,413.8 | 1,587.0 |

## DIVIDEND

Your Directors have recommended reinvesting the profits into the business of the Company in order to build a strong reserve base for the long-term growth of the Company. Your Company has formulated a Dividend payout policy as per the applicable regulations for bringing transparency in the matter of declaration of dividend and to protect the interest of investors. In line with the Company's dividend payout policy and applicable regulations, your Directors have not recommended any dividend for fiscal 2021 (fiscal 2020: Nil).

## OPERATIONAL REVIEW

In order to focus on deeper geographies for affordable housing finance business the Company moved to Hub and Spoke model during fiscal 2021 and accordingly, the Company has opened two micro branches and four sales offices and closed three branches, with a final tally of 143 branches/offices at March 31, 2021. The employee strength stood at 1,964 compared to 1,848 last year, including employees on contract. The Company also increased its channel partners network significantly during fiscal 2021.

The overall business of the Company, which is primarily retail mortgages, was impacted by lockdown in first quarter of fiscal 2021 due to the COVID-19 pandemic. The Company enabled WFH for its employees allowing them to work at almost full capacity. Additionally, the Company's digital capabilities built during fiscal 2021 enabled it to perform various activities like customer onboarding and pre/post disbursement and collections processes (Video KYC, Video PD, online fee collection, online disbursements, NACH mandate for EMI collection etc.) online.

Business growth was muted and the Company disbursed loans amounting to ₹ 35,658.6 million, 45% lower compared to the last fiscal. During fiscal 2021, the Company assigned loans amounting to ₹15,692.1 million compared to ₹ 24,147.7 million last fiscal. The total assets under management (AUM) of the Company grew by 3.3% year-on-year to ₹169.73 billion at March 31, 2021.

## MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company from the end of fiscal 2021 and the date of the report.

## CHANGE OF NATURE OF BUSINESS

There has been no change in the nature of the business of the Company during the year under review.

## SIGNIFICANT AND MATERIAL ORDERS

There were no significant and material orders passed by the regulators or courts or tribunals impacting the Company's going concern status and future operations.

## PARTICULARS OF LOANS, GUARANTEE OR INVESTMENT

Pursuant to Section 186(11) of the Companies Act, 2013, the provisions of Section 186 of the Companies Act, 2013, except sub-section (1), do not apply to a loan made, guarantee given, security provided or investment made by a housing finance company in the ordinary course of business.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of the Company currently and at March 31, 2021, comprises of seven Directors consisting of three Non-Executive Independent Directors, three Non-Executive Directors (nominees of ICICI Bank, the Parent) and the Managing Director & CEO.

The Directors of the Company are:

| Sr. No. | Name of the Director | Designation | DIN |
|---|---|---|---|
| 1 | Anup Bagchi | Chairman | 00105962 |
| 2 | S. Santhanakrishnan | Non-executive Independent Director | 00032049 |
| 3 | Vinod Kumar Dhall | Non-executive Independent Director | 02591373 |
| 4 | G. Gopalakrishna | Non-executive Independent Director | 06407040 |
| 5 | N. R. Narayanan | Non-Executive Director | 07877022 |
| 6 | Supritha Shetty | Non-Executive Director | 02101473 |
| 7 | Anirudh Kamani | Managing Director & CEO | 07678378 |

### Declaration of independence

The Independent Directors have confirmed that they satisfy the criteria prescribed for Independent Directors as stipulated in the provisions of Section 149(6) of the Act. The names of all the Independent Directors of the Company have been included in the Independent Directors databank maintained by Indian Institute of Corporate Affairs (IICA). The Company has obtained declaration of independence from all the Independent Directors of the Company that they meet the criteria of independence as laid down under Section 149 of the Companies Act, 2013 and as amended by the Companies (Amendment) Act, 2017, which have been relied upon by the Company and were placed at the Board Meeting held on April 22, 2021. None of the Directors has any pecuniary relationship or transactions with the Company. None of the Directors of the Company are related to each other. They have confirmed that they are not disqualified from being appointed as Directors in terms of Section 164 of the Act and are not debarred from holding the office of Director by virtue of any SEBI order or any other such authority.

In the opinion of the Board, the Independent Directors fulfil the necessary criteria for independence as stipulated under the statutes.

The Board has formed the opinion that the Independent Directors have requisite expertise and experience required by the Company based on their skills, knowledge and competencies.

**Retirement by rotation**

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Anup Bagchi, Director retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for reappointment.

**Appointment and Cessation of Directors**

Pursuant to Section 161 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, Supritha Shetty was appointed as a Non-Executive Director with effect from August 22, 2019 by the members at the AGM held on June 5, 2020.

During the year under review, all the Directors of the Company at March 31, 2020, have continued to be on its Board.

## KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Section 203 of the Companies Act, 2013 Anirudh Kamani (Managing Director & Chief Executive Officer), Vikrant Gandhi (Chief Financial Officer) and Priyanka Shetty (Company Secretary) are Key Managerial Personnel of the Company. Pratap Salian resigned as Company Secretary of the Company from the closure of business hours of January 19, 2021. Priyanka Shetty was appointed as the Company Secretary effective January 19, 2021.

## STATUTORY AUDITORS

Pursuant to Section 139 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules 2014 and as recommended by the Audit Committee and the Board of Directors, the shareholders of the Company appointed B S R & Co. LLP, Chartered Accountants, Firm Registration number 101248W/W-100022, as statutory auditors of the Company to hold office from the conclusion of Eighteenth AGM till the conclusion of Twenty Third AGM of the Company, subject to ratification of their appointment at every AGM. However, as per the Companies (amendment) Act, 2017, effective from May 7, 2018, the requirement of ratification of appointment of auditors at every AGM was done away with.

Further, RBI recently on April 27, 2021 issued guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) for Banks and NBFCs (including HFCs). As per the requirement of the guidelines, the Company can appoint Statutory Auditors for a continuous period of maximum three years, subject to the firms satisfying the eligibility norms on a continuous basis. The said guidelines shall be applicable for the first time to NBFCs (including HFCs), NBFCs/HFCs will have the flexibility to adopt these guidelines from second half of fiscal 2022, in order to ensure that there is no disruption. Accordingly, as per the aforesaid provisions of RBI guidelines, if they are willing, they can continue to hold office till completion of audit of the half-year ending September 30, 2021.

The auditors have indicated their willingness to continue as statutory auditors of the Company for the half year ending September 30, 2021 and provided the certificate that they meet the eligibility criteria as required under the Companies Act, 2013.

Additionally, the guidelines also requires NBFCs/HFCs with asset size of more than ₹ 15,000 crore at March 31, 2021, are required to appoint joint auditors for audit of their accounts.

We understand that industry has made representations to RBI with reference to the aforesaid clause on the tenure of the Auditors to provide relaxation in complying with the guidelines and allow the existing SAs to complete their balance tenure. The clarification from RBI is awaited, accordingly post clarifications from RBI, the Company will comply with the applicable provisions of the guidelines.

Further, the report of the Statutory Auditors along with notes to schedules is enclosed to this report. The Auditors' Report to the members does not contain any qualification. The Notes to Accounts referred to in the Auditors' Report are self-explanatory and do not call for further comments.

## SECRETARIAL AUDITORS

In terms of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Makarand M. Joshi & Co., a firm of Practicing Company Secretaries was appointed as Secretarial Auditors of the Company. The secretarial auditors have submitted their report for fiscal 2021 and the report does not contain any qualification. The report of the Secretarial Auditors is enclosed as **Annexure 1** to this report.

## COMPLIANCE WITH SECRETARIAL STANDARDS

In terms of provisions of Section 118 of the Companies Act, 2013, the Company is in compliance with Secretarial Standards on Meetings of the Board of Directors and Secretarial Standards on General Meeting issued by the Institute of Company Secretaries of India.

## PERSONNEL

The Company had 1,964 (including on contract) employees at March 31, 2021.

The Company, during the COVID-19 pandemic lockdown, to safeguard employees' health and safety, enabled work from home (WFH) facility for all employees and ensured continuous employee engagements and awareness for tracking their health and safety. The Company also provided assistance and support in case any employee or his/her family members tested positive for COVID-19 in the form of extended insurance coverage, hotel and home quarantine facility and medical assistance. The Company will bear the cost of vaccination of all its employees (including contract employees) and their dependent family members.

The disclosure as required in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for fiscal 2021 is given in **Annexure 2**.

The statement containing details of employees as required in terms of Section 197 of the Act read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure 2A** and forms part of this report. In terms of Section 136(1) of the Companies Act, 2013, the annual report and the financial statements are being sent to the Members excluding Annexure 2A. The said Annexure is

available for inspection at the Corporate Office of the Company. Any Member interested in obtaining a copy of the Annexure may write to the Company Secretary of the Company.

## INTERNAL CONTROL AND ITS ADEQUACY

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

These systems provide reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, prevention and detection of frauds, accuracy and completeness of accounting records and ensuring compliance with Company's policies.

## REGULATORY & STATUTORY COMPLIANCES

During the year under review, the NHB/RBI has issued various guidelines to Housing Finance Companies. The updates on the guidelines are placed before the Board of Directors at regular intervals. The Company has put in place adequate systems and processes in place to ensure compliance with the applicable guidelines issued by NHB/RBI/other regulators. RBI issued Master Direction – Non-Banking Financial Company – Housing Finance Companies Directions, 2021 on February 17, 2021. The Company is in the process of implementing the aforesaid Master Direction.

Your Company is also in compliance with the provisions of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 (SEBI LODR Regulation) to the extent applicable to the Company and subsequent amendments thereof and other applicable statutory requirements.

During the year, no penalty was imposed on the Company by any of the regulators.

Your Company is registered as buyer with the Receivables Exchange of India Limited Trade Receivables Discounting System (TReDS) for facilitating the financing of trade receivables of MSMEs from corporate and other buyers, including Government Departments and Public Sector Undertakings (PSUs), through multiple financiers.

Your Company has registered itself on BSE Bond platform to avail the facility of EBP Platform to issue Debt Securities/Non-Convertible Debentures on a private placement basis.

Your Company is registered with Legal Entity Identifier (LEI) India Limited (wholly owned subsidiary of Clearing Corporation of India Limited) and has obtained the LEI code 335800GH1L1U8HKSRG05. The same has a validity period of one year upto April 8, 2022.

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

The provisions of Section 134 (3) (m) of the Companies Act, 2013 relating to conservation of energy and technology absorption do not apply to the Company. The Company uses information technology extensively in its operations.

During fiscal 2021, the Company has not earned any foreign exchange (fiscal 2020: Nil) and the total foreign exchange used was USD 4.9 million (fiscal 2020: USD 10.2 million).

## RELATED PARTY TRANSACTIONS

The transactions between the Company and its related parties, during fiscal 2021, were in the ordinary course of business and based on the principles of arm's length. The Company has a Board approved framework for related party transactions, which has been disclosed on the website of the Company at https://www.icicihfc.com/policies. The details of material related party transactions at an aggregate level for fiscal 2021 are given in **Annexure 3.**

## ARM'S LENGTH PRINCIPLES

The transactions between the Company and its group companies are to be undertaken on an arm's length basis. The following broad principles shall be adhered to at the time of undertaking such transactions:

a) All transactions shall have the substantive characteristics of a transaction between independent parties
b) The transactions shall be entered into in a need based manner and shall be based on principle of impartiality
c) The pricing for specific transactions shall be at market related rates and would be benchmarked against comparable quotes for similar transactions in the market between independent parties
d) The transactions shall comply with all statutory/regulatory guidelines, internal policy norms and procedures (including appropriate documentation) applicable to such transactions, if engaged with independent parties with similar background.

## ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2021 is available on the Company's website on https://www.icicihfc.com/investors

## RISK MANAGEMENT FRAMEWORK

The Company is exposed to various kinds of risks like credit risk, market risk, liquidity risk and operational risk arising out of business operations, which include mortgage lending, construction finance, gold loan, liability management etc. In order to mitigate these risks a risk management policy has been placed under the supervision of the Risk Management Committee (RMC) of the Company and the same has been approved by the Board of the Company. The Company has laid down appropriate systems to facilitate reporting pertaining to key risks to the Board of Directors, Board Committees and the senior management.

The Company has a robust credit risk management framework implemented through various policies, manuals and guidelines. The Company has implemented a pre and post disbursement credit risk control system ensuring effective risk analysis and measurement, periodic monitoring and reporting based on various parameters and adherence to amendments in policy changes. The delegation structure for approval of credit limits is approved by the Board of Directors. All credit proposals other than retail loans and certain other specified products are rated as per the limit prescribed under the policy by the risk management team prior to consideration at the appropriate delegated authority.

Due to the unprecedented situation created by the outbreak of the COVID-19 pandemic, the Company had observed repayment stress from borrowers whose cash flows were impacted by the lockdown and slowdown of the economy. The Company had taken following mitigation steps to curb the credit risk post the outbreak of the COVID-19 pandemic:

- Moratorium benefits as announced by the Regulator have been extended to the eligible borrowers by following the regulatory guidelines.
- For all such accounts where the moratorium was opted for, the asset classification stand still was maintained as per applicable regulation and judicial pronouncements.
- In accordance with RBI guidelines relating to resolution framework issued on August 6, 2020 for COVID-19 stress, the Company had formulated a restructuring policy for the eligible borrowers. Under this policy, the resolution facility has been provided to the borrowers having stress on account of COVID-19.
- Engagement with customers through dedicated relationship managers and collection teams for regularization of standard accounts.
- Policy intervention by way of identifying positive and negative sectors and geographies for future funding need of the customers.
- Realigning the product suite by way of differentiated product mix offering to different segments of borrowers.
- Diversification of geographical concentration risk by way of varied maximum ticket size based on target geography.
- Enhanced field monitoring for partly disbursed retail home loans in under construction projects.
- For developer loans, stringent escrow management, field monitoring and engagement with promoters.

The Company is taking the following additional measures to ensure the effectiveness of risk management, maintaining a strong, diversified and resilient portfolio and ensuring that areas of growth are well controlled and sustainable:

- Micro segment policies for enabling effective sourcing
- Branch level portfolio monitoring and intervention
- Early warning monitoring like early mortality and non-starters reporting
- Calibration of large ticket size loans, LAP portfolio & Real Estate funding

The Company is susceptible to market-related risks such as liquidity risk, interest rate risk and funding risk. Liquidity risk arises when there is an asset-liability mismatch caused by the difference in the maturity profile of assets and liabilities. The risk may arise when the Company may not able to generate sufficient cash flow at reasonable cost to meet expected and/or unexpected claims. The Company is exposed to liquidity risk in view of the fact that the assets

generated by the Company are in a tenor band of seven to eight years against liability tenor of three to five years.

The Company actively monitors the liquidity position. Moreover, various triggers are identified and monitored (as per liquidity contingency plan) regularly to ensure that the Company can meet all the requirements of borrowers and lenders while being able to consider investment opportunities as they arise. Liquidity risk is monitored and reported to the senior management of the Company and the Asset Liability Management Committee (ALCO) on an ongoing basis. The Company seeks diverse sources of finances to facilitate flexibility in meeting funding requirements. The Company's operations are principally funded by borrowings from capital markets, NHB refinance, fixed deposits, banks and financial institutions.

The Company had taken the following steps in managing the liquidity risk during FY2021 considering the COVID-19 situation:

- Increased the liquidity threshold under the Liquidity Contingency Plan (LCP)
- Prepared a plan for recovery of dues up to next 90 days and accordingly calibrated the funds requirement with an assumption that new collections and borrowings will be disrupted severely
- Assessment of structural liquidity after factoring the moratorium effect and expected change in prepayment behavior of the borrower to address liquidity issues, if any

The Company has observed no negative impact on liquidity during the last year. The Company continues to maintain ample liquidity and monitor liquidity positions as a part of the Liquidity Contingency Plan.

Market risk of the investments of the Company is governed by the Investment Policy and Risk Management Policy. The Investment Policy has established limits for various risk metrics, which helps to control the market risk. It describes investment functions, incorporating various limits approved for investment, in line with regulations of the Reserve Bank of India.

Additionally, the Risk Management group also analyses the results of various stress testing scenarios from the perspective of ensuring the Company's capital adequacy under any unfavorable/unforeseen market circumstances and ensuring timely actions, wherever required, towards avoidance of situation that could threaten the financial stability of the Company.

The Operational Risk Management function identifies and monitors the operational risks in various products as well as processes of the Company. It ensures that major risks are covered or mitigated in order to avoid or minimize operational risk loss.

During the pandemic, the Company has followed business continuity by enabling WFH for its employees. Only a few employees were allowed to work from office. The Company has enabled critical activities like disbursement of loans, raising funds, repayment of borrowings etc. remotely. With relaxation of COVID-19 related government directions, the Company rostered its employees to attend the corporate office ensuring that no more than 40% staff strength was attending the office. All COVID-19 protocols are being followed by maintaining social distancing, arranging proper sanitization facilities, masks, temperature checking, minimum use of public transport etc. for employees coming to office.

The Company continues to follow rules issued by the government, local authorities related to COVID-19 and accordingly plans its activities for its offices across India.

The Company also keeps tracking the employees and their family's members' health during this pandemic situation and appropriate actions have been taken for the safety of its employees.

The operations of the Company are periodically subject to Internal Audit/Concurrent Audit, as per the annual risk based audit plan duly approved by the Audit Committee, to ensure that the business operations of the Company are being undertaken as per the Board approved policies and risk management framework.

Over the last few years, the manifold increase in dependence on technology to run critical businesses has also led to the manifestation of newer risks and threats pertaining to the area of cyber security. In order to effectively manage cyber security and at the same time to ensure compliance with regulatory guideline, the Company has developed a comprehensive Cyber Security Policy. The Policy lays down a comprehensive set of measures and practices that would ensure protection of the Company's cyberspace against cyber-attacks, threats and vulnerabilities.

The IT Risk (including cyber security risk) is managed by the Information Technology Strategy Committee (ITSC) of the Company. The core IT systems of the Company is presently hosted at ICICI Bank datacenter and the Group follows Information Security Risk Management framework for risk assessment of these IT systems. The Company ensures awareness of cyber security among all employees by periodic trainings and guidance issued through periodic mailers.

In WFH environment, the Company has ensured system accessibility through Virtual Private Network (VPN) connectivity and dual authentication for employees reducing the risk of security breaches. Further auto-updation of antivirus is also ensured while connecting with the internet. Timely phishing drills are also conducted to check the awareness of employees.

## FAIR PRACTICE CODE, KYC NORMS, ANTI MONEY LAUNDERING STANDARDS AND INFORMATION REQUIRED UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has put in place policy and processes to ensure adherence to the requirement of Fair Practices Code, Know Your Customers (KYC) and Anti Money Laundering (AML) norms as per the regulatory guidelines.

The Company has complied with the provisions related to constitution of Internal Complaint Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There was no complaint reported during the year under this Act.

## CORPORATE GOVERNANCE

### Philosophy of Corporate Governance

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

## Vigil mechanism

The Company has put in place a Whistleblower Policy through which it has set-up a mechanism that enables employees to report about potentially illegal and/or unacceptable practices. It seeks to enable employees to report such practices without fear of victimisation and reprisal. The Whistleblower Policy aims to administer good governance practices in the Company and to ensure that serious concerns are properly raised and addressed.

The purpose of the Whistleblower Policy is to enable a person who observes an unethical practice (whether or not a violation of law) to approach the Head-Internal Audit and Chairperson of the Audit Committee without necessarily informing his supervisors. The Whistleblower Policy governs reporting and investigation of allegations of suspected improper activities.

Employees of the Company are encouraged to use guidance provided in the Whistleblower Policy for reporting all alleged or suspected improper activities. In all instances, the Company retains the right to determine when circumstances warrant an investigation and in conformity with the Whistleblower Policy and applicable laws and regulations, the appropriate investigative process is employed.

## Board evaluation

The Company has adopted a framework for annual evaluation of the Board, Individual Directors and Board Level Committees as per the provisions of the Companies Act, 2013. Your Company is following the most effective way to ensure that Board Members understand their duties and adopt good governance practices. Your Company has defined a manner of evaluation as per the provisions of the Act and SEBI LODR Regulations. In terms of the framework adopted by the Company, the Independent Directors evaluate performances of the Board as a whole and Non-Independent Directors of the Company. The Board members evaluate the performances of the Independent Directors and the Board Governance, Nomination and Remuneration Committee evaluates performance the Non- Independent Directors', the Board as a whole and the Board level committees on the basis of the questionnaires submitted by all the Directors. A separate meeting of Independent Directors without the attendance of Non-Independent Directors and the management team was held during the fiscal as per the provisions of Schedule IV of the Companies Act, 2013.

## Appointment and remuneration policy for Directors, Key Managerial Personnel and other employees

The Board at its meeting held on March 31, 2015, adopted criteria for appointment of Directors (amended from time to time). The Board while appointing a Director considers the areas of expertise as required to be possessed by a Director under the Companies Act, 2013 and the due diligence checks to confirm the fit and proper status. The fundamental core attributes which may be considered for the position of an Executive Director would be proven leadership capability, ability to successfully manage diverse stakeholder relationships and ability to devise and drive the business strategy of the Company with focus on productivity and risk management.

The Company while appointing senior management candidates considers proven skills, performance track record, relevant competencies, maturity and experience in handling core functions relevant to the role.

The Whole-time Directors should have sufficient expertise and tenure to enable them to deliver on the Company's long-term business strategy.

Remuneration for the Independent Directors includes fees for attending each meeting of Committee/Board or for any other purpose whatsoever as may be approved by the Board from time to time within the limits as provided under the Companies Act, 2013.

Additionally, the Independent Directors of the Company are paid a profit related commission of ₹ 750,000 each per annum effective fiscal 2016. The payment would be subject to the provisions of the Companies Act, 2013 and availability of net profits at the end of each fiscal. The Independent Directors would be entitled to reimbursement of expenses for attending Board/Committee meetings, official visits and participation in various forums on behalf of the Company and any other expenses as may be approved by the Board.

The criteria for appointment of Directors and the Compensation Policy of the Company is available on the website of the Company at https://www.icicihfc.com/policies.

**Details of Board meetings**

During the financial year, six (6) Board Meetings were held on May 2, 2020, July 17, 2020, October 20, 2020, December 11, 2020, January 19, 2021 and February 24, 2021. The attendance details of Board members are given below. The intervening gap between the Board Meetings was within the period prescribed under the Act.

| Sr. No. | Names of Directors | Number of Board meetings attended/held |
|---|---|---|
| 1 | Anup Bagchi | 6/6 |
| 2 | S. Santhanakrishnan | 6/6 |
| 3 | Vinod Kumar Dhall | 6/6 |
| 4 | G. Gopalakrishna | 6/6 |
| 5 | N. R. Narayanan | 6/6 |
| 6 | Supritha Shetty | 6/6 |
| 7 | Anirudh Kamani | 6/6 |

**Committees of the Board**

The details of composition of the Board Level Committees and its meetings held are given below.

**a. Audit Committee**

The terms of reference of the Committee inter-alia is to provides direction to the audit function and monitor the quality of internal and statutory audit. The responsibilities of the Audit Committee include examining the financial statements and auditors' report and overseeing the financial reporting process to ensure fairness, sufficiency and credibility of financial statements and other matters related to finance, accounts, compliance, inspection and audits to make suitable recommendation to the Board from time to time.

As per provisions of section 177 of the Companies Act, 2013 and NHB Directions, the Company had re-constituted the Audit and Risk Management Committee. The Audit and Risk Management Committee was reconstituted by splitting into Audit Committee and Risk Management Committee effective May 2, 2020.

During the year, five meetings of the Committee were held on April 24, 2020, May 2, 2020, July 17, 2020, October 20, 2020 and January 19, 2021.

| Sr. No. | Names of Members | Chairman/members | Number of meetings attended/held |
|---|---|---|---|
| 1 | S. Santhanakrishnan | Chairman | 5/5 |
| 2 | G. Gopalakrishna | Member | 5/5 |
| 3 | Supritha Shetty | Member | 5/5 |

**b. Risk Management Committee**

The terms of reference of the Committee inter-alia is to make suitable recommendation to the Board from time to time after careful consideration of matters related to review of risk management policies and review of key risk indicators.

During the year, three meetings of the Committee were held on July 14, 2020, October 16, 2020 and January 18, 2021. The Committee was constituted by the Board effective May 2, 2020.

| Sr. No. | Names of Members | Chairman/members | Number of meetings attended/held |
|---|---|---|---|
| 1 | S. Santhanakrishnan | Chairman | 3/3 |
| 2 | G. Gopalakrishna | Member | 3/3 |
| 3 | Supritha Shetty | Member | 3/3 |

**c. Board Governance, Nomination & Remuneration Committee**

The constitution of Nomination and Remuneration Committee was done in compliance with the requirements of provisions of Section 178 of the Companies Act, 2013. The terms of reference of the Committee inter-alia is to make suitable recommendation to the Board from time to time after careful consideration of matters related to appointment of Directors and senior management personnel, policy relating to the remuneration for the directors, key managerial personnel and other employees.

During the year, four meetings of the Committee were held on May 2, 2020, July 17, 2020, October 20, 2020 and January 19, 2021.

| Sr. No. | Names of Members | Chairman/members | Number of meetings attended/held |
|---|---|---|---|
| 1 | Vinod Kumar Dhall | Chairman | 4/4 |
| 2 | G. Gopalakrishna | Member | 4/4 |
| 3 | Anup Bagchi | Member | 4/4 |

### d. Corporate Social Responsibility Committee

As per section 135 of the Companies Act, 2013 the Company had duly constituted a Corporate Social Responsibility (CSR) Committee. The functions of the Committee include review of corporate social responsibility (CSR) initiatives undertaken by the ICICI Group and the ICICI Foundation for Inclusive Growth, formulation and recommendation to the Board of a CSR Policy indicating the activities to be undertaken by the Company and recommendation of the amount of expenditure to be incurred on such activities, reviewing and recommending the annual CSR plan to the Board, making recommendations to the Board with respect to the CSR initiatives, policies and practices of the ICICI Group, monitoring the CSR activities, implementation and compliance with the CSR Policy and reviewing and implementing, if required, any other matter related to CSR initiatives as recommended/suggested by RBI or any other statutory Authority.

During the year, two meetings of the Committee were held on May 2, 2020 and January 19, 2021.

| Sr. No. | Names of Members | Chairman/members | Number of meetings attended/held |
|---|---|---|---|
| 1 | Supritha Shetty | Chairperson | 2/2 |
| 2 | S. Santhanakrishnan | Member | 2/2 |
| 3 | Vinod Kumar Dhall | Member | 2/2 |
| 4 | G. Gopalakrishna | Member | 2/2 |

The Company has partnered with ICICI Foundation for Inclusive Growth. ICICI Foundation focuses on the areas of sustainable livelihood through skill development and identified social & environmental projects, etc. The initiatives of ICICI Foundation can be viewed on the link www.icicifoundation.org. During the year, the Company has contributed funds amounting to ₹ 10.0 million to PM CARES Fund for COVID-19 related expenses, an amount of ₹ 2.5 million to ICICI Foundation and ₹ 1.0 million was used for tree plantation. The Company has a CSR policy approved by the Board and the CSR budget and activities are overseen by the CSR Committee.

The major initiative taken up is in the area of skill development for enabling sustainable livelihood through the ICICI Foundation for Inclusive Growth (ICICI Foundation).

Detailed report on CSR activities/initiatives is enclosed as **Annexure 4**.

### e. Stakeholders Relationship Committee

As per section 178 of the Companies Act, 2013 the Company had duly constituted a Stakeholders Relationship Committee to consider and resolve the grievances of security holders of the Company.

No Committee meeting was held during the year FY2021 as there were no complaints or pending grievances from the institutional lenders & bond holders of the Company.

| Sr. No. | Names of Members | Chairman/Members |
|---|---|---|
| 1 | N. R. Narayanan | Chairman |
| 2 | S. Santhanakrishnan | Member |
| 3 | Anirudh Kamani | Member |

**f. Management Committee**

The Management Committee was duly constituted by the Board. The terms of reference of the Committee is to inter-alia approve various matters namely all credit/investment proposals of the Company with its Group companies which use 'ICICI' as a part of their name, any proposal exceeding the individual and/or group borrower prudential exposure ceilings if prescribed by the National Housing Bank (NHB) and sell down of loan assets through direct assignment/securitisation to related and unrelated party upto a prescribed limit.

No Management Committee meeting was held during the year FY2021.

| Sr. No. | Names of Members | Chairman/Members |
|---|---|---|
| 1 | Anup Bagchi | Chairman |
| 2 | S. Santhanakrishnan | Member |
| 3 | G. Gopalakrishna | Member |
| 4 | N. R. Narayanan | Member |
| 5 | Supritha Shetty | Member |
| 6 | Anirudh Kamani | Member |

**g. Information Technology (IT) Strategy Committee**

Pursuant to the circular issued by NHB on IT Framework for Housing Finance Companies (HFCs), the Company had duly constituted an Information Technology (IT) Strategy Committee inter-alia to review and amend the IT strategies in line with the corporate strategies, recommend the Board on various policies pertaining to IT Framework, monitor cyber security arrangements and any other matter related to IT Governance.

During the year, two meetings of the Committee were held on July 17, 2020 and January 18, 2021.

| Sr. No. | Names of Members | Chairman/Members | Number of meetings attended/held |
|---|---|---|---|
| 1 | G. Gopalakrishna | Chairman | 2/2 |
| 2 | S. Santhanakrishnan | Member | 2/2 |
| 3 | Supritha Shetty | Member | 2/2 |
| 4 | Anirudh Kamani | Member | 2/2 |

### h. Asset Liability Management Committee

The Company had duly constituted an Asset Liability Management Committee inter-alia, to review the ALM profile, set and monitor the market risk limits including limits on liquidity, interest rate and exchange rate positions for the structural balance sheet and the trading book, decide the business strategy on asset and liability side , oversee the implementation of the Asset Liability Management (ALM) system and review its functioning periodically, consider and approve any other matter related to liquidity and market risk management.

During the year, 19 meetings of the Committee were held on April 10, 2020; April 20, 2020; May 02, 2020; May 27, 2020 June 17, 2020; July 9, 2020; July 17, 2020; July 24, 2020; September 3, 2020; September 14, 2020; October 8, 2020; October 19, 2020; November 17, 2020; November 24, 2020; December 18, 2020; January 7, 2021; January 18, 2021; February 23, 2021 and March 26, 2021.

| Sr. No. | Names of Members | Chairman/Members | Number of meetings attended/held |
|---|---|---|---|
| 1 | Anup Bagchi | Member | 2/19 |
| 2 | N. R. Narayanan | Member | 16/19 |
| 3 | Supritha Shetty | Member | 19/19 |
| 4 | Anirudh Kamani | Member | 17/19 |

### i. Committee of Directors

The Company had duly constituted the Committee of Directors inter-alia to approve various matters namely the sanction proposals, Information Memorandum for issuance of debentures and sell down of loan assets through direct assignment/securitisation to related and unrelated party upto a prescribed limit.

During the year, 13 meetings of the Committee were held on April 10, 2020; April 27, 2020; May 19, 2020; June 17, 2020; July 3, 2020; July 17, 2020; August 13, 2020; September 28, 2020; October 19, 2020; October 30, 2020; January 7, 2021; January 18, 2021; February 23, 2021.

| Sr. No. | Names of Members | Chairman/Members | Number of meetings attended/held |
|---|---|---|---|
| 1 | Anup Bagchi | Chairman | 0/13 |
| 2 | N. R. Narayanan | Member | 11/13 |
| 3 | Supritha Shetty | Member | 12/13 |
| 4 | Anirudh Kamani | Member | 10/13 |

## SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANY

The Company does not have any subsidiary, associate and joint venture company within the meaning of Section 2(87) and 2(6) of the Companies Act, 2013 and no new subsidiary, associate and joint venture company was formed during the year under review.

## DISCLOSURES AS PER THE NON-BANKING FINANCIAL COMPANY- HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021 (AS AMENDED FROM TIME TO TIME)

## PUBLIC DEPOSITS

As required by the aforesaid Directions, the details of public deposits unclaimed at March 31, 2021, are given below.

i. The total number of accounts of public deposits which have not been claimed by the depositors or not paid by the Company after the date on which the deposit became due for repayment: 837
ii. The total amounts due (including interest) under such accounts remaining unclaimed or unpaid beyond the dates referred to in clause (i) as aforesaid: ₹ 166.9 million

The total amount of interest due on such unclaimed or unpaid deposits amounted to ₹ 3.17 million at March 31, 2021.

The Company has sent reminders to the depositors and requested them to claim the same. There are no overdue deposits other than unclaimed deposits.

The Company raised deposits worth ₹ 18,043.8 million during fiscal 2021. The Company's Fixed Deposits programme has received the highest credit ratings of 'MAAA' by ICRA, 'CARE AAA (FD)' by CARE and FAAA by CRISIL.

## DISCLOSURE UNDER HOUSING FINANCE COMPANIES ISSUANCE OF NON-CONVERTIBLE DEBENTURES ON PRIVATE PLACEMENT BASIS/RBI MASTER DIRECTIONS, 2021 (AS AMENDED FROM TIME TO TIME)

i. The total number of non-convertible debentures which have not been claimed by the investors or not paid by the Company after the date on which the non- convertible debentures became due for redemption: Nil
ii. The total amount in respect of such debentures remaining unclaimed or unpaid beyond the date of such debentures become due for redemption: N.A.

## TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of the Companies Act, 2013, the Company filed the necessary form on November 19, 2020 and uploaded the details of unpaid and unclaimed amounts lying with the Company, as on the date of closure of financial year (i.e. March 31, 2021) with the Ministry of Corporate Affairs.

The matured deposits with the Company, which were unclaimed for more than seven years from the date of maturity of ₹ 3.3 million for fiscal 2021 was transferred to IEPF as required by the Companies Act, 2013.

## MAINTENANCE OF COST RECORD

The Company is not required to maintain cost records in terms of Section 148(1) of the Companies Act, 2013.

## DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

There is no application made or pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

## DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

The Company has not availed one-time settlement for any of its loan from Banks or Financial Institutions.

## DETAILS OF DEBENTURE TRUSTEES

As per SEBI circular no. CIR/IMD/DF/18/2013 dated October 29, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of Debenture Trustees are as under.

| | |
|---|---|
| Name | Axis Trustee Services Limited |
| Address | Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400025. |
| Contact details | Tel. No.: 022-62260054<br>Fax No.: 022-43253000 |

## DISCLOSURE OF LARGE CORPORATE ENTITY

Pursuant to SEBI circular SEBI/HO/DDHS/CIR/2018 dated November 26, 2018, the Company has been identified as Large Corporate Entity as per the applicability criteria.

As per the requirement of said circular, the Company after being identified as a Large Corporate entity has to raise 25% of its incremental borrowings during fiscal 2021 through issuance of debt securities. The Company was able to meet the criteria of minimum 25% (it raised 33.9% during the year) of its incremental borrowings through issuance of NCDs, which are in the nature of debt securities.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, Directors confirm that:

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) They had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the fiscal 2021 and of the profit and loss of the Company for that period;

(c) They had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) They had prepared the annual accounts on a going concern basis;

(e) They had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(f) They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**Details of Fraud Reporting to NHB & as per provisions of section 134 (3) (ca), read with section 143 (12) of the Companies Act, 2013**

a) There were no material fraud cases detected and required to be reported during the year under review, as per the provisions of section 134 (3) (ca), read with section 143 (12) of the Companies Act, 2013 to the regulatory authorities.

b) However, the frauds of value involved for ₹ 1 lakh & above and frauds committed by unscrupulous borrowers, detected, during the year under review, the Company has duly reported 9 (nine) fraud cases as per Circular(s)/Guidelines, issued by NHB.

## ACKNOWLEDGEMENTS

The Directors thank the National Housing Bank, the Reserve Bank of India, the Securities and Exchange Board of India, other statutory authorities, Bombay Stock Exchange, vendors, channel partners and the bankers and lenders of the Company for their continued support.

The Directors express their gratitude for the support and guidance received from the Company's shareholder, ICICI Bank Limited and other ICICI Group companies and also express their warm appreciation to all the employees of the Company for their commendable teamwork, professionalism and contribution during the year. The Directors extend their sincere thanks to the customers of the Company for their continued support.

For and on behalf of the Board

**ICICI Home Finance Company Limited**

**Sd/-**

**ANUP BAGCHI**
**Chairman**
**DIN: 00105962**

Place: Mumbai
Date: April 22, 2021

**Annexure 1**

# MAKARAND M. JOSHI & CO.

*Company Secretaries*

Ecstasy, 803-804, 8th Floor, City of Joy, JSD Road, Mulund (W), Mumbai- 400080 (T) 022-21678100

**FORM NO. MR.3**
**SECRETARIAL AUDIT REPORT**
For The Financial Year Ended 31st March, 2021
*[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To
The Members,
ICICI Home Finance Company Limited,
ICICI Bank Towers
Bandra-Kurla Complex,
Mumbai -400051
Maharashtra, India

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 (hereinafter called the **'Audit Period'**) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

(i) The Companies Act, 2013 **(the Act),** and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; **(Not Applicable to the Company during the Audit Period)**

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings; **(Foreign Direct Investment and Overseas Direct Investment Not Applicable to the Company during the Audit Period)**

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

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable to the Company during the Audit Period)**

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

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**

d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable to the Company during the Audit Period)**

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

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009**; (Not Applicable to the Company during the Audit Period)** and

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not Applicable to the Company during the Audit Period)**

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India
(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015, to the extent applicable to the company. **("Listing Regulations");**

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc mentioned above.

**We further report that,** having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the following law applicable specifically to the Company:

(i) National Housing Bank Act, 1987 and notifications, and other directions pertaining to Housing Finance Companies issued by the National Housing Bank and the Housing Finance Companies (NHB) Directions, 2010

(ii) IRDA (Registration of Corporate Agents) Regulations, 2015 issued by the Insurance Regulatory Development Authority

We further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that during the audit period the Company:

a. has taken shareholder approval vide Annual General Meeting dated 5th June, 2020 for Sale/Assignment/Securitisation of loan receivables upto Rs. 40/- billion during a financial year.
b. Allotted 4,400 Nos. of Unsecured, Redeemable, Senior Bonds in the nature of NonConvertible Debentures (NCDs) of face value Rs. 5,00,000/- each aggregating to an amount of Rs. 2,200,000,000/- on private placement basis on 28th April, 2020;
c. Allotted 5,500 Nos. of Unsecured, Redeemable, Senior Bonds in the nature of NonConvertible Debentures (NCDs) of face value Rs. 5,00,000/- each aggregating to an amount of Rs. 2,750,000,000 /- on private placement basis on 19th May, 2020;
d. Allotted 4,100 Nos. of Unsecured, Redeemable, Senior Bonds in the nature of NonConvertible Debentures (NCDs) of face value Rs. 5,00,000/- each aggregating to an amount of Rs. 2,050,000,000 /- on private placement basis on 26th May, 2020;
e. Allotted 1,000 nos. of Unsecured, Redeemable, Subordinated Bonds in the nature of Non-Convertible Debentures (NCDs) of face value of ₹ 5,00,000/- each aggregating to an amount of Rs. 500,000,000 /- on private placement basis on 10th June, 2020;

f. Allotted 910 Nos. of Unsecured, Redeemable, Senior Bonds in the nature of NonConvertible Debentures (NCDs) of face value Rs. 5,00,000/- each aggregating to an amount of Rs. 455,000,000/- on private placement basis on 26th June, 2020;
g. Allotted 2,200 Nos. of Rated, Listed, Secured Redeemable Principal Protected Senior Bonds in the nature of Market Linked Non- Convertible Debentures (MLDs) of face value Rs. 5,00,000/- each aggregating to an amount of Rs. 1,100,000,000/- on private placement basis on 26th August, 2020;
h. Allotted 2,000 Nos. of Rated, Listed, Secured Redeemable Senior Bonds in the nature of Non-Convertible Debentures (NCDs) of face value Rs. 5,00,000/- each aggregating to an amount of Rs. 1,000,000,000/- on private placement basis on 19th October, 2020;
i. Allotted 1,280 Nos. of Rated, Listed, Unsecured Redeemable Subordinated Bonds in the nature of Non-Convertible Debentures (NCDs) of face value Rs. 5,00,000/- each aggregating to an amount of Rs. 640,000,000/- on private placement basis on 10th November, 2020;
j. Allotted 3,200 Nos. of Rated, Listed, Secured Redeemable Senior Bonds in the nature of Non-Convertible Debentures (NCDs) of face value Rs. 5,00,000/- each aggregating to an amount of Rs. 1,600,000,000 /- on private placement basis on 20th November, 2020;
k. Allotted 2,540 nos. of Rated, Listed, Unsecured Redeemable Subordinated Bonds in the nature of Non-Convertible Debentures (NCDs) of face value of ₹5,00,000/- each aggregating to an amount of Rs. 1,270,000,000/- on private placement basis on 10th December, 2020;
l. Allotted 1,000 Nos. of Rated, Listed, Secured Redeemable Senior Bonds in the nature of Non-Convertible Debentures (NCDs) of face value Rs. 5,00,000/- each aggregating to an amount of Rs. 500,000,000 /- on private placement basis on 11th January, 2021.

**For Makarand M. Joshi & Co.**
**Practicing Company Secretaries**

**Sd/-**

**Kumudini Bhalerao**
**Partner**
FCS No. 6667
CP No. 6690
UDIN: F006667C000159710
Peer Review No: P2009MH007000
Place: Mumbai
Date: April 22, 2021

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

ICICI Home Finance

Annexure A

To
The Members,
ICICI Home Finance Company Limited
ICICI Bank Towers
Bandra-Kurla Complex,
Mumbai -400051
Maharashtra, India

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Makarand M. Joshi & Co.**
**Practicing Company Secretaries**

**Sd/-**

**Kumudini Bhalerao**
**Partner**
FCS No. 6667
CP No. 6690
UDIN: F006667C000159710
Peer Review No: P2009MH007000
Place: Mumbai
Date: April 22, 2021

**Annexure 2**

**Disclosures in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. –**

**(i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the fiscal:**

| | |
|---|---|
| Anirudh Kamani, MD & CEO | 74:1 |
| S. Santhanakrishnan, Independent Director[1] | 4:1 |
| Vinod Kumar Dhall[1] | 4:1 |
| G. Gopalakrishna[1] | 4:1 |

1. Includes Commission paid during fiscal 2021 and sitting fees has been excluded for calculation of remuneration.

**(ii) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the fiscal**

During the fiscal there was no increase in remuneration of Director, Chief Executive Officer, Chief Financial Officer and Company Secretary.

**(iii) The percentage increase in the median remuneration of employees in the fiscal**

The median remuneration of employees in the fiscal has increased by 6%.

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

The number of permanent employees on rolls of the Company is 1,812 at March 31, 2021.

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

The average percentile (percentage) increase made in the salaries of total employees other than the Key Managerial Personnel for fiscal 2021 is around 5%, however there was no increase in the remuneration of the Key Managerial Personnel in fiscal 2021.

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

Yes. However, due to inadequate profits for fiscal 2021 the remuneration paid to the Company's Managing Director & CEO exceeds the limit of 5% and overall limit as specified under Section 197 of the Companies Act, 2013. The Company is seeking approval of its Members, by way of a special resolution for authorising the payment of remuneration exceeding the said limits at the ensuing AGM.

ICICI Home Finance

**Annexure 3**

**Related party transactions**

The details of material related party transactions at arm's length principles for the year ended March 31, 2021 on an aggregate basis are given below.

₹ in million

| Sr. no. | Nature of Contracts/ Transactions | Name of the Related Party | Nature of Relationship | Duration of Contracts | Salient terms of Contracts/ Transactions | Amount |
|---|---|---|---|---|---|---|
| 1. | Letter of undertaking (utilised) | ICICI Bank Ltd. | Holding Company | Various maturities | - | 22,215.5 |
| 2. | Sell down of retail mortgage loans by way of Direct Assignment (DA) | ICICI Bank Ltd. | Holding Company | - | At Market Price | 8,071.2 |
| 3. | Bank balances (including fixed deposits and interest accrued thereon) | ICICI Bank Ltd. | Holding Company | - | At Market Price | 6,417.2 |
| 4. | Term Loan repaid | ICICI Bank Ltd. | Holding Company | Various Maturities | At Market Price | 2,600.0 |
| 5. | Book overdraft in current accounts | ICICI Bank Ltd | Holding Company | - | At Market Price | 2,093.3 |

**Sd/-**
**Anirudh Kamani**
**Managing Director & CEO**
**DIN: 07678378**

**Annexure 4**

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES/ INITIATIVES

### 1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs

Corporate Social Responsibility (CSR) has been a long-standing commitment at ICICI Home Finance Company Ltd. The Company's contribution to social sector development includes several pioneering interventions and was implemented through the involvement of stakeholders within the Company and through the broader community. As per the CSR Policy, CSR activities are being undertaken by the Company directly or through ICICI Foundation or through any other entity.

The CSR Policy of the Company sets the framework guiding the Company's CSR activities. It outlines the governance structure, operating framework, monitoring mechanism and CSR activities that would be undertaken. The CSR committee is the governing body that articulates the scope of CSR activities and ensures compliance with the CSR policy. The Company's CSR activities are largely focused in the areas of education, health, skill development and financial inclusion and other activities as the Company may choose to select in fulfilling its CSR objectives. The CSR policy was approved by the Committee in October 2014, and put up on the Company's website https://www.icicihfc.com/policies

### 2. The Composition of the CSR Committee

The Company's CSR Committee comprises three Independent Directors and a Non-Executive Director and is chaired by the Non-Executive Director. The composition of the Committee is set out below.

| Sr. No. | Name | Chairman/ members | Number of CSR Committee meeting held during the year | Number of meeting attended during the year |
|---|---|---|---|---|
| 1 | Supritha Shetty | Chairperson | 2 | 2 |
| 2 | G. Gopalakrishna | Member | 2 | 2 |
| 3 | Vinod Kumar Dhall | Member | 2 | 2 |
| 4 | S. Santhanakrishnan | Member | 2 | 2 |

The functions of the Committee include review of CSR initiatives undertaken by the Company, formulation and recommendation of CSR policy indicating the activities to be undertaken and recommendation of the annual CSR plan and amount of the expenditure to be incurred on such activities to the Board, monitoring the CSR activities, implementation of and compliance with the CSR Policy and reviewing and implementing, if required, any other matter related to CSR initiatives as recommended/suggested by the Board.

3. The web-link where composition of the CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: https://www.icicihfc.com/policies

4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Nil

6. Average net profit of the Company as per Section 135 (5) of the Companies Act, 2013 was ₹ 387.0 million

   a) Two per cent of the average net profit of the Company as per Section 135(5) of the Companies Act, 2013 for fiscal 2021 is ₹ 13.5 million.
   b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
   c) Amount required to be set off for the financial year: Nil
   d) Total CSR obligation for the financial year (7a+7b-7c) was ₹ 13.5 million.

7. a. CSR amount spent or unspent for the financial year:

₹ in million

| | Amount Unspent | | | | |
|---|---|---|---|---|---|
| **Total amount Spent for the Financial Year** | **Total Amount transferred to Unspent CSR Account as per section 135(6)** | | **Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)** | | |
| | **Amount** | **Date of transfer** | **Name of the Fund** | **Amount** | **Date of Transfer** |
| 13.5 | Nil | NA | NA | Nil | NA |

b. Details of CSR amount spent against ongoing projects for the financial year: The skill training programme of ICICI Foundation is a long-term project. However, the targets and outlay, including the training plan, courses offered, new centres to be opened and number of students to be trained, are planned on an annual basis. Accordingly, the programme is considered as an other than ongoing project in the annual report for fiscal 2021.

c. Details of CSR amount spent against other than ongoing projects for the financial year

| (1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | |
|---|---|---|---|---|---|---|---|---|---|
| **Sl No.** | **Name of the project** | **Item from the list of activities in schedule VII to the Act** | **Local area (Yes/ No)** | **Location of the project** | | **Amount spent for the Project (in ₹ million)** | **Mode of implementation - Direct (Yes/No)** | **Mode of implementation - Through implementing agency** | |
| | | | | **State** | **District** | | | **Name** | **CSR Registration No.** |
| 1. | Sustainable livelihood through skill development by the ICICI Academy for Skills and Rural Livelihood initiative along with social and environmental projects | Item no (ii): promoting education, employment enhancing vocation skills and livelihood enhancement projects<br>Item no: (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining | Yes | Pan India | | 2.5 | No | ICICI Foundation for Inclusive Growth | CSR00001979 |

| (1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | |
|---|---|---|---|---|---|---|---|---|---|
| **Sl No.** | **Name of the project** | **Item from the list of activities in schedule VII to the Act** | **Local area (Yes/ No)** | **Location of the project** | | **Amount spent for the Project (in ₹ million)** | **Mode of implementation - Direct (Yes/No)** | **Mode of implementation - Through implementing agency** | |
| | | | | **State** | **District** | | | **Name** | **CSR Registration No.** |
| | | quality of soil, air and water. | | | | | | | |
| 2. | Tree plantation | Item no: (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water. | Yes | Madhya Pradesh, Odisha and Maharas htra | Harda, Koraput and Surav Village | 1.0 | Yes | NA | NA |
| 3. | Contributed towards PM CARES Fund to help India in fighting distress | Item no. (viii) contribution to the prime minister's national relief fund or Prime Minister's Citizen | Yes | Pan India | | 10.0 | Yes | NA | NA |

| (1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | |
|---|---|---|---|---|---|---|---|---|---|
| **Sl No.** | **Name of the project** | **Item from the list of activities in schedule VII to the Act** | **Local area (Yes/ No)** | **Location of the project** | | **Amount spent for the Project (in ₹ million)** | **Mode of implementation - Direct (Yes/No)** | **Mode of implementation - Through implementing agency** | |
| | | | | **State** | **District** | | | **Name** | **CSR Registration No.** |
| | situations like COVID-19 | Assistance and Relief in Emergency Situations Fund (PM CARES Fund) | | | | | | | |
| | **TOTAL** | | | | | **13.5** | | | |

d. Amount spent in Administrative Overheads: Nil

e. Amount spent on Impact Assessment, if applicable: Nil

f. Total amount spent for the fiscal 2021: ₹ 13.5 million

g. Excess amount for set off, if any:

| Sl No. | Particulars | Amount (in ₹ million) |
|---|---|---|
| (i) | Two percent of average net profit of the company as per section 135(5) | 13.5 |
| (ii) | Total amount spent for the Financial Year | 13.5 |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | Nil |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | Nil |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | Nil |

**8.** (a) Details of Unspent CSR amount for the preceding three financial years: Nil
(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding fiscal(s): Nil

**9.** In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).
(a) Date of creation or acquisition of the capital asset(s): NA
(b) Amount of CSR spent for creation or acquisition of capital asset: NA
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: NA
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA

**10.** Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NA

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

**Sd/-**
**Anirudh Kamani**
**Managing Director & CEO**
**DIN: 07678378**

**Sd/-**
**Supritha Shetty**
**CSR Committee Chairperson**
**DIN: 02101473**

ICICI Home Finance

# MANAGEMENT DISCUSSION AND ANALYSIS

## OVERALL BUSINESS ENVIRONMENT

### Macroeconomic overview

The end of Fiscal 2020 saw an outbreak of the COVID-19 pandemic, which impacted most economies and banking systems across the world, including India. The nation-wide lockdown in the first quarter of fiscal 2021 impacted economic activity. As a result, according to IMF, the global economy is estimated to contract by 3.3% and Indian economy contracted by a record ~8%.

The global economy is projected to grow at 5.5% in calendar 2021 and 4.2% in calendar 2022. The strength of the recovery is estimated to vary across countries depending on medical interventions, effectiveness of policy support, exposure to cross country spillovers and changing dynamics following the impact of the pandemic.

Approval and rollout of vaccines have boosted expectations of a global recovery and lifted risk asset prices but until the vaccines are widely available, the market rally and the economic recovery remain predicated on continued monetary and fiscal policy support.

From the middle of March 2021, in the second wave of the Covid-19 pandemic, India has witnessed a huge rise in the number of people infected virus. The rise has been so stupendous that the overall health infrastructure, which was ramped-up during the first wave, has proved to be insufficient. Various state governments have announced partial/full lockdowns leading to a wide scale disruption in economic activities. Going forward, economic activity will depend on the trajectory of the second wave of Covid-19, progress of the vaccination programme, the tenure and nature of restrictions on economic activity. We are better prepared to deal with the pandemic than we were in the first phase and will calibrate growth depending on the trajectory and severity of the second wave of Covid-19.

### Housing and Real Estate

The nationwide lockdowns in the first quarter of fiscal 2021 following the outbreak of the Covid-19 pandemic impacted the real estate sector by shaving off 40-50% of the business. As the restrictions were lifted, the sector continued to be impacted because of interruption in construction activities on account of labour paucity and subdued sales on account of concerns over economic growth. The threat of job losses and pay cuts negatively impacted consumer sentiment.

The pandemic accelerated the pace of digital adoption in real estate. With WFH environment, there has been a behavioural change in people with smaller homes or rented homes towards

larger/ self-occupied homes. This is further supported by the all-time best affordability for the buyers. The ratio of the home loan payment to income has been reducing over the years. According to industry estimates, affordability for a mid-income apartment in Indian city was at 27% in fiscal 2021, which is among the best in the last two decades. Also a decade low interest rates has added to the rise in demand.

Various government initiatives such as the 'Special Window for Completion of Construction of Affordable and Mid-Income Housing Projects' (SWAMIH) fund, loan moratorium given to individuals and corporates, loan restructuring proposed for the real estate sector, reduction in the stamp duty, affordable rental housing complexes and "Housing for all" under the Pradhan Mantri Aawas Yojna (PMAY) have supported the sector.

On the other hand, commercial properties for office space are facing trouble with most of the offices/companies encouraging WFH for all.

**Challenges and opportunities for housing finance companies**

CAGR growth for housing finance companies stood at 15% from FY2015 to FY2020. Growth slowed down considerably after September 2018 due to liquidity constraints and housing finance companies started focusing on managing asset liability mismatches instead of growing the book. This led to decrease in growth from 21% in FY2018 to 9% in FY2019 and 3% in FY2020.The COVID-19 pandemic further aggravated the headwinds for the sector. However, with the gradual easing of restrictions and increasing economic activity, disbursements picked-up considerably in the second half of fiscal 2021. Consequently, overall housing credit is expected to have grown between 3-5% in fiscal 2021. The growth is expected to be skewed in favor of banks, which are expected to have grown by 4-6%, while HFCs by 2-4%, mainly due to lower interest rates offered by banks. However, growth would be significantly lower than the compound annual growth rate (CAGR) of 15% in the last three years.

Within housing credit, asset quality in the affordable and self-employed segments could worsen more vis-à-vis the salaried segment, which is expected to exhibit more resilience. However, salary cuts/job losses in certain sectors could lead to some weakening in the debt repayment capability of salaried borrowers. The construction finance segment, which was already under pressure due to demand-side issues, was further impacted by labour migration and lockdowns, which will delay project execution, completion and sales and thus affect the cash flow of this borrower segment.

Gross Non-Performing Assets (GNPAs) in the housing segment are expected to increase to 1.5-1.8% in fiscal 2021 from 1.3% at March 31, 2020, while slippages in the non-housing segment could be higher, leading to overall GNPAs of 2.9-3.4% at March 31, 2021.

While the above challenges remain with a high level of uncertainty over future growth, we cannot ignore the opportunities for established players like us in the coming years. The hugely under penetrated mortgage finance sector, rise in urban population and their incomes coupled with the low real estate prices and low interest rates will boost growth of housing finance.

**Opportunity in mortgage penetration**

Source: CRISIL

Rapid urbanization, increasing nuclear families will boost housing demand leading to formation of more urban households.

Source: CRISIL

Further, rising demand for affordable housing and a surge in construction in Tier 2 & 3 cities has led to increased focus of financiers in these geographies. Finance penetration in urban

areas has increased from 42.7% in fiscal 2016 to 45.0% in fiscal 2020.

**Key regulatory developments**

Further, the government along with the regulator took steps to ease stress in the real estate and HFC/NBFC sectors by announcing various policies and fiscal interventions such as –

- Infused liquidity of ₹ 3.7 trillion through CRR cuts and TLTRO (targeted long-term refinance operations)
- NPA classification norms relaxed for 90-days initially starting March 2020 later which was extended to August 31, 2020
- Emergency Credit Line Guarantee Scheme (ECLGS) introduced for MSMEs sector for addressing working capital needs, operational liabilities and to restart businesses. The validity of Scheme has been extended upto June 30, 2021 or until the guarantees for an amount of ₹ 3 lakh crore are issued.
- Rationalising of risk weights for individual housing loans irrespective of the amount depending on the loan to value ratio
- Extension of an additional interest deduction of ₹ 1.5 lakhs in income tax on loans for affordable housing and tax holiday to affordable real estate developers
- Increased differential between circle rate and agreement value to 20% from the earlier 10%
- Relaxation of ECB guidelines for affordable housing for buyers who are eligible under PMAY
- Modification of the Partial Credit Guarantee (PCG) scheme to include HFC and NBFCs rated up to BBB+

**Regulatory interventions relating to COVID-19**

Post the outbreak of the COVID-19 pandemic, RBI announced various measures starting with the announcement on moratorium from March 2020 for three months for the benefit of the borrowers who were stressed due to the pandemic, which was further extended for an additional three months till August 2020. Further, RBI announced the resolution (restructuring) scheme, which will provide additional relief to certain set of borrowers who were impacted due to the pandemic by way of additional moratorium for repayment of loans without any additional cost.

Further, GoI/RBI also announced waiver of interest on interest on specific loans and advances for six-month moratorium period under the guidance of the Hon. Supreme Court and accordingly, the amount was credit to the borrowers' accounts.

The Supreme Court's interim stay on lenders for not classifying borrower accounts that are standard at August 31, 2020, as NPAs, was a relief provided to borrowers until February 2021, which was vacated in March 2021. While this worked as relief to the borrowers, for lenders this lead to additional stress since the vacation of stay in end March 21 did not

provide enough time to get these accounts regularised through either recovery action or legal efforts.

## BUSINESS OVERVIEW

### Distribution and other initiatives

It was a tough start to the fiscal 2021 with lockdown, restrictive business operations and standstill economy; we had to re-strategize our business model in terms of focus, expansion and working. Business performance was muted in the first half of fiscal 2021. Second half of the fiscal saw a pick-up in overall economy and business returned to normalcy by end of the fiscal. The Company focused on fixed deposits and Gold loan business in the first half and in the second half it focused on the affordable finance segment. The Company also calibrated its policy to ensure that the loans are given to sectors which were not negatively impacted by the pandemic.

The Company reviewed its non-performing branches and either closed them or converted them into small offices depending on the opportunity available in the vicinity. Accordingly, the Company, at March 31, 2021 had 143 branches/offices, of which nine were micro branches and twelve were sales offices (as compared to 139 full-fledged branches at March 31, 2020). The Company also introduced Hub & Spoke model for certain locations, primarily in deeper affordable geographies where it has placed resident sales executives. The sales offices and resident executive report into the nearest Hub branches.

Simultaneously, the Company invested in hiring a frontline team with experience in affordable business, the Company's focus area going forward. There were 1,964 employees of which 662 were frontline executives at March 31, 2021 as compared to 1,848 employees of which 615 were front line executives at March 31, 2020. In line with the distribution strategy adopted by the Company, it strengthened its channel partner network.

### Loan portfolio

The Company continued to focus on home loan (HL) disbursements in fiscal 2021. HL constituted 57% of the total disbursements in fiscal 2020, which increased to 76% in the fiscal 2021. Differentiated focus on affordable housing through spot sanctions and dedicated front line sales team led to increase in the share of affordable segment in HL disbursements to 43% in fiscal 2021 from 12% in fiscal 2020.

## Asset quality and composition

Under Ind AS, asset classification is done based on expected credit loss model instead of the earlier incurred loss model under Indian GAAP. Accordingly, provisions are based on the Company's historical loss experience and future expected credit loss in addition to other parameters.

## Retail Mortgage – Asset quality

The increase in Gross NPAs during the fiscal is mainly due to the impact of the COVID-19 pandemic on certain type of borrowers whose working capital was affected during lockdown and risk aversion on health issues generally. Additionally, during the fiscal, the Company wrote-off loans aggregating ₹ 1,012.2 million, which were fully provided, leading to decrease in provision coverage ratio to 23.6% at March 31, 2021 from 33.3% at March 31, 2020.

## Corporate – Asset quality

Stage-3 EAD stood at ₹ 2,400.5 million at March 31, 2021 with a coverage ratio at 24.8%. The Company wrote-off loans aggregating ₹ 2,133.7 million, which in the assessment of the Company were not recoverable. The write-off led to a decrease of the provision coverage ratio from 60.2% at March 31,2020 to 24.8% at March 31, 2021.

## Risk management

The Company has a well-established Enterprise Risk Management framework (covering market, credit, liquidity & operational risks). This framework governs policies, procedures and systems to monitor, review and report key risks. The Company continues to follow NHB guidelines for High/Medium/Low categorisation of its customers and further applies pre-defined risk weights based on proprietary credit scoring model to take appropriate credit sanction decisions.

The Company has taken following measures to mitigate the COVID-19 related risk arising in fiscal 2021:

- Engagement with customers through dedicated relationship managers and collection team for regularisation of standard accounts
- Policy intervention by way of identifying positive and negative sectors and geographies for future funding need of the customers

- Realigning the product suite by way of differentiated product mix offering to different segments of borrowers
- Diversification of geographical concentration risk by way of varied maximum ticket size based on target geography
- Enhanced field monitoring for partly disbursed retail home loans in under construction projects
- For developer loans, stringent escrow management, field monitoring and engagement with promoters
- Offered moratorium and restructuring of loans to the borrowers as per regulatory guidelines
- Increased the liquidity threshold under the Liquidity Contingency Plan (LCP)
- Assessment of structural liquidity after factoring the moratorium effect and expected change in prepayment behavior of the borrower to address liquidity issues if any arise
- Ensured system accessibility through Virtual Private Network (VPN) connectivity and dual authentication for employees in WFH working condition reducing the risk of security breaches
- Employee awareness mailers on cyber risk to avoid such incidents

**Technology and digitisation**

The Company has put in place its IT strategy and governing policies to focus on new applications/systems on-boarding (through development/procurement) in a seamless manner to address growing focus on technology enabled processes and customer experience enhancement. The Company will continue to leverage its parent ICICI Bank's technology infrastructure, core business applications for its functions and processes and IT/Cyber security.

The overall business of the Company, which is primarily retail mortgages, was impacted by lockdowns in the quarter of fiscal 2021 due to the COVID-19 pandemic. The Company enabled WFH for its employees allowing them to work at almost full capacity. Additionally, the Company's digital capabilities built during fiscal 2021 enabled it to perform various activities like customer onboarding and pre/post disbursement and collections processes (Video KYC, Video PD, online fee collection, online disbursements, NACH mandate for EMI collection etc.) online.

**Borrowing profile**

The borrowing/resource profile of the Company is well diversified and is therefore one of its key strengths. It has borrowings through NCDs/Bonds, Commercial Papers (CPs), refinance from NHB, Rupee term loans and Fixed Deposits (FDs). The Company had borrowed funds through External Commercial Borrowings (ECBs) in fiscal 2019. The Company also has a diverse investor profile who have lent money through capital market instruments. The Company has also been augmenting funds through sell down of retail mortgage loans.

The aggregate amount of fixed deposits book stands at 27% of the total borrowings at March 31, 2021, comprising of 21% public (retail) fixed deposits.

RBI, since the outbreak of the Covid-19 pandemic has announced various measures such as aggressive repo rate cuts, Targeted Long Term Repo Operations (TLTRO) and additional funds for refinance to NHB, among others, to reduce interest rates and manage liquidity challenges. These measures have aided the Company to significantly reduce the weighted average rate of interest of incremental borrowing. In fiscal 2021, the Company raised funds aggregating ₹ 14.89 billion through medium to long tenor NCDs/bonds/sub-debt issuances, including under TLTRO scheme, of which ₹ 4.19 billion was raised through subordinate NCDs/bonds. Additionally, the Company also raised ₹ 15.96 billion through refinance from NHB under various schemes. Further, during the fiscal, the Company prepaid high cost Rupee term loans amounting to ₹ 31.01 billion and also renegotiated rate of interest with a few banks. As a

result, the Company was able to bring down its cost of funds from 8.7% in FY2020 to 7.8% in FY2021. These efforts also helped the Company in diversifying its borrowing mix by reducing its reliance on Rupee term loans. The share of capital market borrowings and NHB refinance increased to 26% and 18% as against 20% and 6% respectively at March 31, 2020. In addition, the Company could also increase the average duration of its liability book, and improve the Tier-2 capital adequacy.

**Asset Liability Management (ALM)**

The Company's stringent policy norms of restricting reliance on short-term instruments and ongoing efforts to increase the duration of its liabilities has placed its ALM in a comfortable position. Further, the policy of carrying adequate liquidity and liquidity buffers insulated the Company from any liquidity shocks.

The graph includes behavioral analysis of prepayments and other assumptions in accordance with the guidelines issued by the regulator.

The interest rate repricing risk on the floating rate asset book is well supported by a healthy mix of floating and fixed rate borrowing.

**Credit rating**

The Company has been accorded the highest rating by leading credit rating agencies. The Company has a standalone issuer credit rating of AAA/Stable by ICRA. Various borrowing programmes of the Company have also been accorded with the highest credit rating from different rating agencies.

| Instrument | CRISIL | ICRA | CARE |
|---|---|---|---|
| Fixed Deposits | FAAA/Stable | MAAA/Stable | CARE AAA (FD);Stable |
| Senior Bonds Non-Convertible Debentures | CRISIL AAA/Stable | [ICRA] AAA/(Stable) | CARE AAA; Stable |
| Subordinate Bonds | CRISIL AAA/Stable | [ICRA] AAA/(Stable) | CARE AAA; Stable |
| Market Linked Debentures | CRISIL PP-MLD AAAr/Stable | - | CARE PP-MLD AAA; Stable |
| Commercial Paper | - | [ICRA] A1+ | CARE A1+ |
| Long Term Bank Facilities | - | [ICRA] AAA/(Stable) | - |

**Strategy**

The Company is continuously working on increasing the share of housing loans in the overall asset book, specifically the share of affordable housing finance space, a high yielding asset. The Company is in the quest of attaining leadership in affordable housing finance segment.

The affordable housing finance book increased to ₹ 21.55 billion at March 31, 2021 from ₹ 8.19 billion at March 31, 2020. The NIM of the company increased to 3.0% in fiscal 2021 from 2.5% in fiscal 2020. The net interest margin will be further enhanced as we grow the affordable housing finance book.

Going forward, the Company will continue to focus on the mortgage loan portfolio with a special focus on affordable housing credit, which is a high growth segment in the sector. The Company will build upon the existing capacity of frontline sales team, channel partners and synergy with ICICI Bank along with geographical expansion through hub and spoke model for deeper affordable business. The Company will also focus on Portfolio management through a risk calibrated business built on the Lend to Collect foundation. The Company is investing in technology enabled distribution platform, seamless customer acquisition and servicing channel, speedy loan disbursement and enhanced service with a focus on differentiated customer experience.

The Company also intends to leverage its liability franchise to bring cost competitiveness to its business.

**Financial highlights**

Considering the current situation, the Company's infrastructure presence has remained flat in fiscal 2021, resulting in optimising of costs. Consequently, the operating profit has improved in fiscal 2021. The performance highlights for fiscal 2021 are given below.

- Net interest income increased from ₹ 4.96 billion in fiscal 2020 to ₹ 5.51 billion in fiscal 2021, primarily due to lower cost of funds, higher investment income and income from sell down
- Yield decreased from 10.2% in fiscal 2020 to 10.1% in fiscal 2021
- Fee income primarily includes income from third party referrals, income from property search services and advisory business. Fee income remained flat at ₹ 0.30 billion in fiscal 2021 compared to ₹ 0.31 billion in fiscal 2020.
- Other income primarily includes rental income from property. Other income decreased from ₹ 0.05 billion in fiscal 2020 to ₹ 0.03 billion in fiscal 2021 on account of reduction in rent from property due to vacation of certain area occupied by ICICI Bank in ICICI HFC Tower.
- Operating expenses primarily includes employee benefits expenses and other administrative expenses. Employee cost and benefit expenses increased from ₹ 1.45 billion in fiscal 2020 to ₹ 1.59 billion in fiscal 2021. Other administrative expenses include rent, rates and taxes, repairs and maintenance, direct marketing and sourcing business expenses, collection expenses and depreciation on assets. Other operating expenses decreased from ₹ 1.36 billion in fiscal 2020 to ₹ 0.96 billion in fiscal 2021. This is mainly due to the lower business volumes, lockdown in first half of the fiscal and efforts towards cost optimisation.
- Provisions and write-offs increased from ₹ 1.93 billion in fiscal 2020 to ₹ 2.69 billion in

fiscal 2021, primarily due to an increase in provision in the retail portfolio and provision for restructured loans on the account of the COVID-19 pandemic.

- The Company appropriated ₹ 0.04 billion from retained earnings to Special Reserve in fiscal 2021 in accordance with Section 29C of the National Housing Bank Act, 1987. Transfer to Special Reserve amounted to ₹ 0.07 billion in fiscal 2020.
- Total AUM increased from ₹ 164.34 billion at March 31, 2020 to ₹ 169.73 billion at March 31, 2021. Loan book decreased from ₹ 140.92 billion at March 31, 2020 to ₹ 137.58 billion at March 31, 2021.
- Gross non-performing loans (NPA) increased from ₹ 8.46 billion at March 31, 2020 to ₹ 9.38 billion at March 31, 2021. Net non-performing loans (NPA) increased from ₹ 4.69 billion at March 31, 2020 to ₹ 7.13 billion at March 31, 2021. The gross and net NPA ratio for fiscal 2021 were 6.6% and 5.2% respectively.
- Investments decreased from ₹ 5.95 billion at March 31, 2020 to ₹ 4.38 billion at March 31, 2021.
- Total borrowings decreased from ₹ 128.64 billion at March 31, 2020 to ₹ 126.66 billion at March 31, 2021.
- The capital adequacy ratio increased from 14.80% at March 31, 2020 to 20.94% at March 31, 2021 as the Company raised Tier-2 capital in the form of sub-debt, against NHB requirement of 13.00%. The Tier-1 capital adequacy ratio was 15.92% at March 31, 2021 compared to 13.74% at March 31, 2020.

## KEY FINANCIAL INDICATORS OF LAST 4 YEARS

The following table sets forth, for the periods indicated, the key financial ratios.

| Particulars | Fiscal 2018 | Fiscal 2019 | Fiscal 2020 | Fiscal 2021 |
|---|---|---|---|---|
| Return on average equity (%)[1] | 7.12 | 2.73 | * | 1.30 |
| Return on average assets (%)[2] | 1.18 | 0.39 | * | 0.14 |
| Earnings per share (Basic & Diluted) (₹) | 0.96 | 0.40 | 0.00 | 0.20 |
| Net interest margin (%) | 3.25 | 3.06 | 2.52 | 2.99 |
| Fee/Income (%) | 6.32 | 5.23 | 6.15 | 5.43 |
| Cost/Income (%)[3] | 33.92 | 52.67 | 56.21 | 45.90 |

*Insignificant amount.

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

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# Independent Auditor's Report

## To the Board of Directors of ICICI Home Finance Company Limited

### Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of ICICI Home Finance Company Limited (the "Company"), which comprise the balance sheet as at 31 March 2021, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

# Independent Auditor's Report *(Continued)*

# ICICI Home Finance Company Limited

## Key Audit Matters *(Continued)*

| Key audit matter | How the matter was addressed in our audit |
|---|---|
| **Impairment of loans and advances**<br><br>**Charge: INR 2,655.9 million for year ended 31 March 2021**<br>**Provision: INR 3,651.4 million as at 31 March 2021** | |
| *Refer to the accounting policies in "Note 3.7 to the Financial Statements: Impairment", "Note 3.1 to the Financial Statements: Significant Accounting Policies- Use of estimates" and "Note 45 to the Financial Statements: Loans and Advances"* | |
| **Subjective estimate**<br><br>Under Ind AS 109, *Financial Instruments*, allowance for loan losses are determined using expected credit loss (ECL) estimation model. The estimation of ECL on financial instruments involves significant judgement and estimates. The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus in the Company's estimation of ECLs are:<br><br>• Data inputs - The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model.<br><br>• Model estimations – Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Company's modelling approach.<br><br>• Economic scenarios – Ind AS 109 requires the Company to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them especially when considering the current uncertain economic environment arising from COVID-19.<br>• Restructuring – the Company has restructured loans in the current year on account of COVID-19 related regulatory measures. This has resulted in increased management estimation over determination of losses for such restructured loans. | Our key audit procedures included:<br><br>**Design / controls**<br><br>We performed end to end process walkthroughs to identify the key systems, applications and controls used in the ECL processes. We tested the relevant manual (including spreadsheet controls), general IT and application controls over key systems used in the ECL process.<br><br>*Key aspects of our controls testing involved the following:*<br><br>• Testing the design and operating effectiveness of the key controls over the completeness and accuracy of the key inputs, data and assumptions into the Ind AS 109 impairment models.<br><br>• Testing the 'Governance Framework' controls over validation, implementation and model monitoring in line with the RBI guidance.<br><br>• Testing the design and operating effectiveness of the key controls over the application of the staging criteria.<br><br>• Testing management's controls over authorisation and calculation of post model adjustments and management overlays.<br><br>• Testing management's controls on compliance with Ind AS 109 disclosures related to ECL.<br><br>• Testing key controls operating over the information technology in relation to loan impairment management systems, including system access and system change management, program development and computer operations.<br><br>Involvement of specialists - we involved financial risk modelling specialists for the following:<br><br>• Evaluating the appropriateness of the Company's Ind AS 109 impairment methodologies and reasonableness of assumptions used (including management overlays).<br><br>• For models which were changed or updated during the year, evaluating whether the changes were appropriate by assessing the updated model methodology.<br><br>• The reasonableness of the Company's considerations of the impact of the current economic environment due to COVID-19 on the ECL determination. |

## Independent Auditor's Report *(Continued)*

# ICICI Home Finance Company Limited

### Key Audit Matters *(Continued)*

| Key audit matter | How the matter was addressed in our audit |
|---|---|
| • Qualitative adjustments – Adjustments to the model-driven ECL results are recorded by management to address known impairment model limitations or emerging trends as well as risks not captured by models. These adjustments are inherently uncertain and significant management judgement is involved in estimating these amounts especially in relation to economic uncertainty as a result of COVID-19.<br><br>The effect of these matters is that, as part of our risk assessment, we determined that the impairment of loans and advances to customers has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount. The credit risk sections of the financial statements (Note 45) disclose the sensitivities estimated by the Company.<br><br>Disclosures<br><br>The disclosures regarding the Company's application of Ind AS 109 are key to explaining the key judgements and material inputs to the Ind AS 109 ECL results. Further, disclosures to be provided as per RBI circulars with regards to non-performing assets and provisions will also be an area of focus, particularly as this will be the first year some of these disclosures will be presented and are related to an area of significant estimate. | **Test of details**<br><br>Key aspects of our testing included:<br><br>• Sample testing over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data and reasonableness of economic forecasts, weights, and model assumptions applied.<br><br>• Test of details of post model adjustments, considering the size and complexity of management overlays with a focus on COVID-19 related overlays, in order to assess the reasonableness of the adjustments by challenging key assumptions, inspecting the calculation methodology and tracing a sample of the data used back to source data.<br><br>• Assessing disclosures - We assessed whether the disclosures appropriately disclose and address the uncertainty which exists when determining the ECL. As part of this, we assessed the sensitivity analysis that is disclosed. In addition, we assessed whether the disclosure of the key judgements and assumptions made was sufficiently clear. |
| **Assessment of business model for classification and measurement of financial assets**<br><br>**Financial assets classified at Amortised cost: INR 126,788 million as at 31 March 2021**<br>**Financial assets classified at FVOCI: INR 14,442 million as at 31 March 2021** | |
| *Refer to the accounting policies in "Note 3.3 to the Financial Statements: Financial assets", "Note 3.1 to the Financial Statements: Use of estimates and Judgements" and "Note 43 to the Financial Statements: Changes in Business Model and derecognition of financial assets"* | |
| **Classification and measurement of Financial assets – Business model assessment**<br><br>Ind AS 109, Financial Instruments, contains three principal measurement categories for financial assets i.e.:<br><br>• Amortised cost;<br><br>• Fair Value through Other Comprehensive Income (FVOCI); and<br><br>• Fair Value through Profit and Loss (FVTPL). | Our key audit procedures included:<br><br>**Design / controls**<br><br>• Assessing the design, implementation and operating effectiveness of key internal controls over management's intent at the origination, to hold or to sell a financial asset, and the approval mechanism for such stated intent and classification of such financial assets (business model). |

## Independent Auditor's Report

# ICICI Home Finance Company Limited

### Key Audit Matters *(Continued)*

| Key audit matter | How the matter was addressed in our audit |
|---|---|
| A financial asset is classified into a measurement category at inception and is reclassified only in rare circumstances. The assessment as to how an asset should be classified is made on the basis of both the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset.<br><br>The term 'business model' refers to the way in which the Company manages its financial assets in order to generate cash flows. That is, the Company's business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets or both.<br><br>Amortised cost classification and measurement category is met if the financial asset is held within a business model whose objective is to hold financial assets to collect contractual cash flows. FVOCI classification and measurement category is met if the financial asset is held in a business model in which assets are managed both to collect contractual cash flows and for sale. Such financial assets are subsequently measured at fair value, with changes in fair value recognized in other comprehensive income. FVTPL classification and measurement category is met if the financial asset does not meet the criteria for classification and measurement at amortised cost or at FVOCI. Such financial assets are subsequently measured at fair value, with changes in fair value recognized in profit or loss.<br><br>We identified business model assessment as a key audit matter because of the management judgement involved in determining the intent (to hold or to sell) at the time of origination for holding financial assets which could lead to different classification and measurement outcomes of the financial assets and its significance to the financial statements of the Company. | • For financial assets classified at amortised cost, we tested controls over the classification of such assets and subsequent measurement of assets at amortised cost. Further, we tested key internal controls over monitoring of such financial assets to check whether there have been any subsequent sales of financial assets classified at amortised cost.<br><br>• For financial assets classified as FVOCI, tested management's controls over fair valuation of such assets.<br><br>**Test of details**<br><br>• Test of details over of classification and measurement of financial assets in accordance with management's intent (business model).<br><br>• We selected a sample of financial assets entered during the year to test whether their classification as at the balance sheet date is in accordance with management's intent.<br><br>• We have also checked that there have been no reclassifications of assets in the current year.<br><br>• For a selection of loans held at FVOCI, tested management's calculation of fair valuation at balance sheet date. |
| **Information technology ('IT')** | |
| **IT systems and controls**<br><br>The Company's key financial accounting and reporting processes are highly dependent on the automated controls implemented in IT systems, such that, if there exists gaps in the IT control environment, then it could result in the financial accounting and reporting records being materially misstated. The Company uses 'SAP system' as the general ledger for its overall financial reporting and this system is interfaced with other systems that process transactions related to loans, investments and borrowings. | Our audit procedures to assess the IT system access management included the following:<br><br>*General IT controls / application controls and user access management*<br><br>• Tested a sample of key controls operating over the IT in relation to financial accounting and reporting systems, including system access and system change management, program development and computer operations. |

## Independent Auditor's Report *(Continued)*

# ICICI Home Finance Company Limited

## Key Audit Matters *(Continued)*

| Key audit matter | How the matter was addressed in our audit |
|---|---|
| We have focused on user access management, change management, system reconciliation controls and system application controls over key financial accounting and reporting systems. | • Tested the design and operating effectiveness of key controls over user access management which includes granting access right, new user creation, removal of user rights and other preventive controls designed to enforce segregation of duties.<br>• For a selected group of key controls over financial and reporting systems, we independently performed procedures to determine that these controls remained unchanged during the year or were changed following the standard change management process.<br>• We evaluated the design, implementation and operating effectiveness of the significant accounts related IT automated controls which are relevant to the accuracy of system calculation, and the consistency of data transmission.<br>• Other areas that were independently assessed included password policies, security configurations, system interface controls, controls over changes to applications and databases and that business users, developers and production support did not have access to change applications, the operating system or databases in the production environment. |

## Other Information

The Company's management and the Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The other information is expected to be made available to us after the date of this auditor's report. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

## Independent Auditor's Report *(Continued)*

# ICICI Home Finance Company Limited

**Management's and the Board of Directors' Responsibility for the Financial Statements**

The Company's management and the Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by management and the Board of Directors.

## Independent Auditor's Report *(Continued)*

# ICICI Home Finance Company Limited

**Auditor's Responsibilities for the Audit of the Financial Statements (*Continued*)**

- Conclude on the appropriateness of management and the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 (the "Order") issued by the Central Government in terms of section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.

## Independent Auditor's Report *(Continued)*

# ICICI Home Finance Company Limited

**Report on Other Legal and Regulatory Requirements (*Continued*)**

e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its financial statements - Refer Note 40 to the financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 51 to the financial statements; and

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

(C) With respect to the matter to be included in the Auditor's Report under section 197(16):

As more fully described in Note 50 to the financial statements for the year ended 31 March 2021, according to which the managerial remuneration paid to the Managing Director of the Company is in excess of the limits prescribed under section 197 read with Schedule V of the Act. As per the provisions of the Act, the excess remuneration is subject to approval of the shareholders, which the Company proposed to obtain at the forthcoming Annual General Meeting.

The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248 W/W-100022

**Sd/-**
**Vaibhav Shah**
*Partner*
Membership No. 117377
ICAI UDIN : 21117377AAAAAY7281

Place: Mumbai
Date: 22 April 2021

# ICICI Home Finance Company Limited

## Annexure A to the Independent Auditor's Report of even date on the financial statements of ICICI Home Finance Company Limited

i. (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) According to the information and explanations given to us, the Company has a regular programme of physical verification of its fixed assets by which all the fixed assets are verified annually. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed to us by management, on account of the outbreak of COVID-19 virus and the nation-wide lock-down imposed in India in early part of the year and localised lock-down measures taken in various parts of the country since then, the Company has not been able to complete the physical verification exercise for some assets during the year. For the assets where physical verification exercise was completed, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in fixed assets are held in the name of the Company.

ii. The Company is a service company primarily engaged in lending business. Accordingly, it does not hold any inventories. Thus paragraph 3(ii) of the Order is not applicable to the Company.

iii. According to the information and explanations given to us, the Company has granted an unsecured loan to other party (Managing Director) covered in the register maintained under section 189 of the Act, in respect of which:

(a) The terms and conditions of the grant of such unsecured loan is, in our opinion, prima facie, not prejudicial to the Company's interest.

(b) The schedule of repayment of principal and payment of interest has been stipulated and repayments of principal amounts and interest have been regular as per stipulations.

(c) There were no overdue amounts as at 31 March 2021 in respect of such loans.

iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made any investments or provided guarantees and securities which attract the provisions of sections 185 and 186 of the Act. Accordingly, paragraph 3 (iv) of the Order is not applicable to the Company.

v. According to the information and explanation given to us, in the opinion of management of the Company, since the Company is a housing finance company, directives issued by Reserve Bank of India and the provision of sections 73 to 76 or any other relevant provisions of the Act and Rules framed thereunder are not applicable to the Company. Further, in our opinion and according to the information and explanation given to us, the provisions of the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 w.e.f. 17 February 2021 and erstwhile Housing Finance Companies (NHB) Directions, 2010, as amended from time to time have been generally complied with. We are informed by management of the Company that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any other court. Thus, paragraph 3(v) of the Order is not applicable to the Company.

vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.

# ICICI Home Finance Company Limited

## Annexure A to the Independent Auditor's Report of even date on the financial statements of ICICI Home Finance Company Limited *(Continued)*

vii. (a) The Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, goods and service tax, cess and other material statutory dues applicable to it to the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, wealth tax, duty of customs, duty of excise and value added tax.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and services tax, cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us and on the basis of our examination of the records, there are no dues of provident fund, employees' state insurance and goods and services tax that have not been deposited on account of any dispute. However, the following dues of income tax have not been deposited by the Company on account of disputes:

| Name of the Statute | Nature of the Dues | Tax demand raised (INR million) | Amount already provided for in books (INR million) | Period to which the amount relates | Forum where dispute is pending |
|---|---|---|---|---|---|
| Income Tax Act, 1961 | Income Tax demands raised against the Company | 165.0 | 105.1 | Financial Year ("FY") 2004-2005 | Assessing Officer, Mumbai |
| Income Tax Act, 1961 | Income Tax demands raised against the Company | 434.3 | 406.9 | FY 2007-2008 | Commissioner of Income Tax (Appeals) |
| Income Tax Act, 1961 | Income Tax demands raised against the Company | 523.7 | 510.0 | FY 2008-2009 | Income Tax Appellate Tribunal, Mumbai |
| Income Tax Act, 1961 | Income Tax demands raised against the Company | 1,014.8 | 900.0 | FY 2010-2011 | Commissioner of Income Tax (Appeals) |
| Income Tax Act, 1961 | Income Tax demands raised against the Company | 1,240.4 | 1,040.0 | FY 2011-2012 | Commissioner of Income Tax (Appeals) |

# ICICI Home Finance Company Limited

## Annexure A to the Independent Auditor's Report of even date on the financial statements of ICICI Home Finance Company Limited *(Continued)*

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings from financial institutions or banks or debenture holders during the year except for the following :

| Name of the lender | Amount (INR million) | Period |
|---|---|---|
| Federal Bank Limited | 36.26 | 2 days |
| Federal Bank Limited | 25.00 | 1 day |

We understand from management that this was a one-off delay by oversight which was cleared immediately.

During the year, the Company did not have any loans or borrowings from the Government.

ix. In our opinion and according to the information and explanations given to us, monies raised by the Company by way of debt instruments and term loans were generally applied for the purpose for which those were raised, except pending utilisation of the funds that were temporarily deployed in liquid assets. The Company has not raised money by way of initial public offer or further public offer during the year.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations given to us and based on our examination of the records, the Company has paid managerial remuneration to the Managing Director in excess of the limits prescribed under section 197 read with Schedule V of the Act. As per the provisions of the Act, the excess remuneration is subject to approval of the shareholders, which the Company proposed to obtain at the forthcoming Annual General Meeting

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company as per the Act. Thus, paragraph 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not made preferential allotment or private placement of shares or allotted fully or partly convertible debentures during the year. Thus, paragraph 3(xiv) of the Order is not applicable to the Company.

xv. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with Directors or person connected with them. Thus, paragraph 3(xv) of the Order is not applicable to the Company.

# ICICI Home Finance Company Limited

## Annexure A to the Independent Auditor's Report of even date on the financial statements of ICICI Home Finance Company Limited *(Continued)*

xvi. According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Thus, paragraph 3(xvi) of the Order is not applicable to the Company.

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

**Sd/-**
**Vaibhav Shah**
*Partner*
Membership No: 117377
ICAI UDIN : 21117377AAAAAY7281

Mumbai
22 April 2021

# ICICI Home Finance Company Limited

## Annexure B to the Independent Auditor's report of even date on the financial statements of ICICI Home Finance Company Limited for the year ended 31 March 2021

**Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013**

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### Opinion

We have audited the internal financial controls with reference to financial statements of ICICI Home Finance Company Limited (the "Company") as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

### Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

# ICICI Home Finance Company Limited

## Annexure B to the Independent Auditor's Report of even date on the financial statements of ICICI Home Finance Company Limited *(Continued)*

**Auditor's Responsibility *(Continued)***

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

**Meaning of Internal Financial controls with reference to Financial Statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial controls with reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248 W/W-100022

**Sd/-**
**Vaibhav Shah**
*Partner*
Membership No. 117377
ICAI UDIN : 21117377AAAAAY7281

Place: Mumbai
Date: 22 April 2021

ICICI Home Finance

# ICICI HOME FINANCE COMPANY LIMITED

₹ in million

## Balance sheet at March 31, 2021

| | Particulars | Note No. | At March 31, 2021 | At March 31, 2020 |
|---|---|---|---|---|
| I | **ASSETS** | | | |
| | **Financial assets** | | | |
| | Cash and cash equivalents | 6 | 7,436.4 | 221.0 |
| | Bank balance other than above | 7 | 460.5 | 708.5 |
| | Derivative financial instruments | 8 | 681.4 | 1,663.8 |
| | Receivables | 9 | | |
| | (i) Trade receivables | | 25.8 | 49.9 |
| | (ii) Other receivables | | - | - |
| | Loans | 10 | 137,578.2 | 140,923.5 |
| | Investments | 11 | 4,381.9 | 5,943.6 |
| | Other financial assets | 12 | 1,463.7 | 742.7 |
| | | | **152,027.9** | **150,253.0** |
| | **Non-financial assets** | | | |
| | Current tax assets (net) | | 918.1 | 671.3 |
| | Deferred tax assets (net) | 42 | 546.1 | 977.5 |
| | Property, plant and equipment | 13 | 1,329.3 | 1,551.8 |
| | Intangible assets | 14 | 59.1 | 44.4 |
| | Other non-financial assets | 15 | 221.0 | 204.2 |
| | | | **3,073.6** | **3,449.2** |
| | | | **155,101.5** | **153,702.2** |
| II | **LIABILITIES AND EQUITY** | | | |
| | **LIABILITIES** | | | |
| | **Financial liabilities** | | | |
| | Derivative financial instruments | 8 | 1,434.8 | 1,842.2 |
| | Payables | 16 | | |
| | (i) Micro, small and medium enterprises | | 13.8 | 7.1 |
| | (ii) Other payables | | 1,528.1 | 911.2 |
| | Debt securities | 17 | 28,854.2 | 25,335.5 |
| | Borrowings (Other than debt securities) | 18 | 58,547.4 | 78,195.7 |
| | Deposits | 19 | 35,058.1 | 25,125.3 |
| | Subordinate liabilities | 20 | 4,198.6 | - |
| | Other financial liabilities | 21 | 7,271.2 | 5,474.8 |
| | | | **136,906.2** | **136,891.8** |
| | **Non-financial liabilities** | | | |
| | Current tax liabilities (net) | | - | 10.6 |
| | Provisions | 22 | 156.8 | 49.7 |
| | Other non-financial liabilities | 23 | 167.1 | 72.3 |
| | | | **323.9** | **132.6** |
| | **EQUITY** | | | |
| | Equity Share Capital | 4 | 10,987.5 | 10,987.5 |
| | Other equity | 5 | 6,883.9 | 5,690.3 |
| | | | **17,871.4** | **16,677.8** |
| | | | **155,101.5** | **153,702.2** |

**The accompanying notes are an integral part of the financial statements**

As per our report of even date attached
**For B S R & Co. LLP**
Chartered Accountants
Firm registration no.: 101248W/W-100022

For and on behalf of the Board of Directors
**ICICI Home Finance Company Limited**

Sd/-

**Vaibhav Shah**
Partner
Membership No.:117377

Sd/-

**Anup Bagchi**
Chairman
DIN-00105962

Sd/-

**Anirudh Kamani**
Managing Director & CEO
DIN-07678378

Place: Mumbai
Date : April 22, 2021

Sd/-

**Vikrant Gandhi**
Chief Financial Officer

Sd/-

**Priyanka Shetty**
Company Secretary

ICICI Home Finance

# ICICI HOME FINANCE COMPANY LIMITED

₹ in million

**Statement of profit and loss for the year ended March 31, 2021**

| Particulars | Note No. | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|---|
| **Revenue from operations** | | | |
| Interest income | 24 | 14,635.4 | 15,452.1 |
| Dividend income | | 0.3 | 75.8 |
| Fees and commission income | 25 | 303.4 | 307.9 |
| Net gain on fair value changes | 26 | 35.9 | 61.0 |
| Net gain on derecognition of financial instruments under amortised cost category | | 780.9 | 627.2 |
| Other revenue from operations | 27 | 308.9 | 124.5 |
| **Total revenue from operations** | | 16,064.8 | 16,648.5 |
| Other income (Year ended March 31, 2021 includes ₹ 2.9 million pertaining to earlier periods) | 28 | 70.6 | 50.4 |
| **Total income** | | **16,135.4** | **16,698.9** |
| **Expenses** | | | |
| Finance costs | 29 | 10,551.9 | 11,691.2 |
| Fees and commission expense | 30 | 30.5 | 45.2 |
| Impairment on financial instruments | 31 | 2,694.6 | 1,934.2 |
| Employee benefit expenses | 32 | 1,597.8 | 1,432.5 |
| Depreciation and amortisation expenses | | 251.3 | 258.3 |
| Other expenses | 33 | 682.9 | 1,078.6 |
| **Total expenses** | | **15,809.0** | **16,440.0** |
| **Profit before exceptional items and tax** | | **326.4** | **258.9** |
| **Exceptional items** | | - | - |
| **Profit before tax** | | **326.4** | **258.9** |
| Tax expense | 42 | | |
| Current tax | | - | 185.0 |
| Deferred tax | | 109.7 | 71.1 |
| **Profit for the year** | | **216.7** | **2.8** |
| **Other comprehensive income** | | | |
| **Items that will not be reclassified to profit or loss** | | | |
| Re-measurement of net defined benefit plan | | 3.1 | (11.4) |
| Income tax impact | | (0.8) | 3.0 |
| **Items that will be reclassified to profit or loss** | | | |
| **Derivatives designated as cash flow hedge** | | | |
| Fair value change on derivatives designated as cash flow hedge | | 132.5 | (31.3) |
| Income tax impact | | (33.3) | (100.0) |
| **Financial instruments through other comprehensive income** | | | |
| Fair value changes on loans classified under "Hold & Sell" business model | | 1,142.3 | |
| Income tax impact | | (287.5) | |
| **Total other comprehensive income** | | **956.3** | **(139.7)** |
| **Total comprehensive income** | | **1,173.0** | **(136.9)** |
| Earnings per equity share | 37 | | |
| (1) Basic(₹) | | 0.20 | 0.00 |
| (2) Diluted (₹) | | 0.20 | 0.00 |

**The accompanying notes are an integral part of the financial statements**

As per our report of even date attached
**For B S R & Co. LLP**
Chartered Accountants
Firm registration no.: 101248W/W-100022

Sd/-
**Vaibhav Shah**
Partner
Membership No.:117377

Place: Mumbai
Date : April 22, 2021

For and on behalf of the Board of Directors
**ICICI Home Finance Company Limited**

Sd/-
**Anup Bagchi**
Chairman
DIN-00105962

Sd/-
**Anirudh Kamani**
Managing Director & CEO
DIN-07678378

Sd/-
**Vikrant Gandhi**
Chief Financial Officer

Sd/-
**Priyanka Shetty**
Company Secretary

ICICI Home Finance

**ICICI HOME FINANCE COMPANY LIMITED**

**Statement of changes in equity for the year ended March 31, 2020 and March 31, 2021**

## A. Equity share capital

₹ in million

| | |
|---|---|
| Balance at April 1, 2019 | 10,987.5 |
| Changes in equity share capital during the period | - |
| **Balance at March 31, 2020** | **10,987.5** |
| Changes in equity share capital during the period | - |
| **Balance at March 31, 2021** | **10,987.5** |

## B. Other equity

₹ in million

| | Reserves and surplus | | | Other comprehensive income | | | | |
|---|---|---|---|---|---|---|---|---|
| **Particulars** | **Statutory reserve** | **General reserve** | **Retained earnings** | **Capital contribution** | **Actuarial gain/ (losses)** | **Cash flow hedge reserve** | **Loans through OCI** | **Total** |
| **Balance at April 1, 2019** | **4,699.6** | **249.3** | **1,530.5** | **78.3** | **1.2** | **(718.2)** | **-** | **5,840.7** |
| Profit for the year | - | - | 2.8 | - | - | - | - | 2.8 |
| Dividend (including dividend distribution tax) | - | - | (53.2) | - | - | - | - | (53.2) |
| Transfer to retained earnings | - | - | - | - | - | - | - | - |
| Share based payments to employees | - | - | - | 39.7 | - | - | - | 39.7 |
| Cash flow hedge reserve | - | - | - | - | - | (131.3) | - | (131.3) |
| Actuarial gains/ (losses) | - | - | - | - | (8.4) | - | - | (8.4) |
| Fair value changes on loans classified under "Hold & Sell" business model | - | - | - | - | - | - | - | - |
| Transfer to/from reserves | 66.3 | - | (66.3) | - | - | - | - | - |
| **Balance at March 31, 2020** | **4,765.9** | **249.3** | **1,413.8** | **118.0** | **(7.2)** | **(849.5)** | **-** | **5,690.3** |

ICICI Home Finance

**ICICI HOME FINANCE COMPANY LIMITED**

₹ in million

| Particulars | Reserves and surplus | | | | Other comprehensive income | | | Total |
|---|---|---|---|---|---|---|---|---|
| | Statutory reserve | General reserve | Retained earnings | Capital contribution | Actuarial gain/ (losses) | Cash flow hedge reserve | Loans through OCI | |
| **Balance at March 31, 2020** | **4,765.9** | **249.3** | **1,413.8** | **118.0** | **(7.2)** | **(849.5)** | **-** | **5,690.3** |
| Profit for the year | - | - | 216.7 | - | - | - | - | 216.7 |
| Dividend (including dividend distribution tax) | - | - | - | - | - | - | - | - |
| Transfer to retained earnings | - | - | - | - | - | - | - | - |
| Share based payments to employees | - | - | - | 20.6 | - | - | - | 20.6 |
| Cash flow hedge reserve | - | - | - | - | - | 99.2 | - | 99.2 |
| Actuarial gains/ (losses) | - | - | - | - | 2.3 | - | - | 2.3 |
| Fair value changes on loans classified under "Hold & Sell" business model | - | - | - | - | - | - | 854.8 | 854.8 |
| Transfer to/from reserves | 43.5 | | (43.5) | - | - | - | - | - |
| **Balance at March 31, 2021** | **4809.4** | **249.3** | **1,587.0** | **138.6** | **(4.9)** | **(750.3)** | **854.8** | **6,883.9** |

As per our report of even date attached
**For B S R & Co. LLP**
Chartered Accountants
Firm registration no.: 101248W/W-100022

Sd/-
**Vaibhav Shah**

Partner
Membership No.:117377

Place: Mumbai
Date : April 22, 2021

For and on behalf of the Board of Directors
**ICICI Home Finance Company Limited**

Sd/-
**Anup Bagchi**
Chairman
DIN-00105962

Sd/-
**Anirudh Kamani**
Managing Director & CEO
DIN-07678378

Sd/-
**Vikrant Gandhi**
Chief Financial Officer

Sd/-
**Priyanka Shetty**
Company Secretary

ICICI Home Finance

**ICICI Home Finance Company Limited**

| Cash flow statement for the year ended March 31, 2021 | | |
|---|---|---|
| **Particulars** | **Year ended March 31, 2021** | **Year ended March 31, 2020** |
| **A Cash flow from operating activities** | | |
| Profit before taxation and exceptional items | 326.4 | 258.9 |
| Adjustments for: | | |
| Depreciation/amortisation | 251.3 | 258.3 |
| Loss on sale or write off of fixed assets | 8.8 | 0.2 |
| Fair value change in investment | (35.9) | (61.0) |
| Impairment on financial instruments | 2,694.5 | 1,934.1 |
| Share based payment to employees | 32.7 | 39.7 |
| Fair value changes in gratuity | 3.1 | (11.4) |
| Net (gain)/loss on derecognition of financial instruments | (780.9) | (627.2) |
| Dividend Income | (0.3) | (75.7) |
| Interest income on investments | (189.2) | (110.3) |
| Profit on sale of mutual fund units | (308.9) | (124.5) |
| Interest Income on loans | (14,410.2) | (15,335.9) |
| Interest expense on borrowings | 10,551.9 | 11,691.2 |
| **Operating profit before working capital changes** | **(1,856.7)** | **(2,163.6)** |
| *Adjustments for increase or decrease in :* | | |
| (Increase) / Decrease in Trade receivables | (14.5) | 78.2 |
| (Increase) / Decrease in Other financial assets | 52.4 | 1,615.7 |
| (Increase) / Decrease in Other non-financial assets | (16.8) | (451.9) |
| (Decrease) / Increase in Trade payables | 623.7 | 388.0 |
| (Decrease) / Increase in Other financial liabilities | 2,262.1 | 2,500.7 |
| (Decrease) / Increase in Other non financial liabilities | 94.9 | 35.3 |
| (Decrease) / Increase in Provisions | 107.1 | (4.1) |
| (Increase)/Decrease in bank balances other than cash and cash equivalent | 248.0 | (706.0) |
| Loans given (net movement) | 2,165.6 | (8,689.2) |
| Interest income received | 14,076.2 | 14,512.4 |
| Interest expenses on borrowings paid | (10,629.4) | (11,040.1) |
| **Cash generated from Operations** | **7,112.6** | **(3,924.6)** |
| Income taxes paid (net) | (257.4) | (300.8) |
| **Net cash used in / generated from operating activities - A** | **6,855.2** | **(4,225.4)** |
| **B Cash Flow from investing activities** | | |
| Net (Purchase)/sale of fixed assets | (62.2) | (192.9) |
| Net (Purchase)/sale of mutual funds | 2,318.4 | (3,300.0) |
| (Purchase) of investments (other than mutual funds) | (913.2) | (1,595.6) |
| Sale of investments (other than mutual funds) | 200.0 | 2.5 |
| Interest received on investments | 189.2 | 110.3 |
| Dividend income | 0.3 | 75.7 |
| Profit on sale of mutual funds | 308.9 | 124.5 |
| **Net cash (used in) / generated from investing activities - B** | **2,041.4** | **(4,775.5)** |

ICICI Home Finance

**ICICI Home Finance Company Limited**

**Cash flow statement for the year ended March 31, 2021**

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| **C Cash flow from financing activities** | | |
| Proceeds from borrowings | 57,251.9 | 95,686.4 |
| Repayment of borrowings | (58,817.7) | (86,387.8) |
| Repayment of lease liability (including interest payments) | (115.4) | (121.9) |
| Dividend and dividend distribution tax paid | - | (53.2) |
| **Net cash generated from / (used in) financing activities - C** | **(1,681.2)** | **9,123.5** |
| **Net increase/(decrease) in cash and cash equivalents (A+B+C)** | **7,215.4** | **122.6** |
| **Cash and cash equivalents at beginning of the year** | **221.0** | **98.4** |
| **Cash and Cash equivalents at end of the year** | **7,436.4** | **221.0** |

**Notes :**

1 Cash and cash equivalents consists of :

| | | |
|---|---|---|
| (i) Balances in current accounts | 7,436.4 | 221.0 |
| **Total** | **7,436.4** | **221.0** |

2 The above cash flow statement has been prepared under the 'Indirect Method' as set out in Ind AS 7 on "Statement of Cash Flows".

3 Net movement in Borrowings (including Debt Securities), Deposits and Subordinated Liabilities amounting to ₹ 1,998.1 million (Previous year ₹ 10,221.9 million) includes fresh issuance, repayments, effect of changes in foreign exchange rates, interest accrual and unamortised borrowing cost.

4 During the year ended March 31, 2020, the Company had sold its consumer finance business, on slump sale basis, for a cash consideration of ₹ 1,190.2 million. Break-up of assets sold are as below.

| | |
|---|---|
| Loans (net of unamortised income/expenses and loans written-off) | 1,170.7 |
| Property, Plant and Equipments (net-off accumulated depreciation | 27.3 |
| **Total** | **1,198.0** |

5 There was no financing activities which affect the capital and asset structure of the Company without the use of cash and cash equivalents.

As per our report of even date attached

**For B S R & Co. LLP**
Chartered Accountants
Firm registration no.: 101248W/W-100022

For and on behalf of the Board of Directors
**ICICI Home Finance Company Limited**

Sd/-
**Vaibhav Shah**
Partner
Membership No.:117377

Sd/-
**Anup Bagchi**
Chairman
DIN-00105962

Sd/-
**Anirudh Kamani**
Managing Director & CEO
DIN-07678378

Place: Mumbai
Date : April 22, 2021

Sd/-
**Vikrant Gandhi**
Chief Financial Officer

Sd/-
**Priyanka Shetty**
Company Secretary

## NOTES FORMING PART OF THE ACCOUNTS

### 1. Corporate information

ICICI Home Finance Company Limited (the Company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 2013 (erstwhile Companies Act, 1956). The Company is a deposit taking Housing Finance Company registered with the National Housing Bank (NHB) and is governed by the provisions of the Master Direction - Non-Banking Financial Company - Housing Finance Companies (Reserve Bank) Directions, 2021 issued by the Reserve Bank of India ('RBI') ('Master direction'). The Company is wholly-owned subsidiary of ICICI Bank Limited. The Company's registered office is at ICICI Bank Towers, Bandra-Kurla Complex, Bandra, Mumbai, India. The principal place of business of the Company is at ICICI HFC Tower, Andheri Kurla Road, Andheri, Mumbai. The Company is engaged in providing loans for the purpose of acquiring, constructing, erecting, improving, developing any house, flats or buildings or any form of real estate or any part or portion thereof. The Company also provides loans for specified purposes against the security of immovable property and loan against gold. The Company is also engaged in providing advisory, consultancy and broking for residential and commercial properties.

The financial statements were approved for issue by the Board of Directors on April 22, 2021.

### 2. Basis of preparation

#### 2.1 Statement of compliance

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 (the Act) and relevant amendment rules issued thereafter and guidance given by RBI through its Master direction; on the historical cost basis except for certain financial instruments and plan assets of defined benefit plans that are measured at fair values at the end of each reporting period as explained in the significant accounting policies below. The financial statements have been prepared on a going concern basis.

#### 2.2 Functional and presentation currency

The financial statements are presented in Indian Rupees (₹), which is the functional and the presentation currency of the Company. Except as otherwise indicated, financial information presented in Indian Rupees has been rounded to the nearest million with one decimal.

#### 2.3 Presentation and disclosure of financial statements

The Company prepares its financial statements in the format prescribed in the Division III of Schedule III of the Act applicable for preparation and presentation of the financial statements and disclosures required as per annexure III and IV of the Master direction issued by RBI. Additional disclosures as required by the RBI are effective from March 31, 2021. The Company applied the disclosure requirements using the prospective approach. Accordingly, the comparative information is not restated. Schedule to the Balance Sheet of the Housing Finance Company as required under Annexure III of the Master direction issued by RBI is appended as Annexure – 1. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows'. The Company presents its Balance Sheet in the order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in note no. 34. Accounting

policies have been consistently applied except where a newly-issued Ind AS is initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use.

**Offsetting financial instruments**

Financial asset and financial liabilities are generally reported gross in the balance sheet. They are offset and reported net when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

## 3. Significant Accounting policies

### 3.1 Use of estimates and judgement

The preparation of financial statements in conformity with Ind AS requires that management make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities and disclosures of contingent assets and liabilities as of the date of the financial statements and the income and expense for the year. The actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Accounting policies of the Company require critical accounting estimates that involve complex and subjective judgments and the use of assumptions, some of which may be for matters that are inherently uncertain and susceptible to change. Such critical accounting estimates could change from period to period and may have a material impact on the Company's financial condition, changes in financial condition or results of operations. Critical accounting estimates could also involve estimates where management could have reasonably used another estimate in the current accounting period. The critical policies that involves critical accounting estimates includes fair value measurement of financial instruments, business model assessment for classification and measurement of financial assets, recognition of gain on derecognition of financial assets, impairment of financial assets, recognition of interest income/expenses using Effective Interest Rate (EIR) method, measurement of assets and obligations of defined benefit employee plans, measurement of provisions and contingencies and deferred tax. Management believes that the estimates used in the preparation of the Company's financial statements are prudent and reasonable.

The Company has considered the possible effects that may result from the second wave of pandemic relating to COVID-19 on carrying amount of its assets. For details, please refer disclosures on Expected Credit Losses (ECL) and fair valuation. The impact of second wave of COVID-19 on the Company's financial statements may differ from that estimated at the date of approval of these financial statements.

### 3.2 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

## NOTES FORMING PART OF THE ACCOUNTS

### a. Recognition of interest income and interest expenditure

Interest income and expense for all interest bearing financial instruments subsequently measured at amortised cost or fair value through other comprehensive income (FVOCI) are recognised as 'interest income' and 'interest expense', respectively in the Statement of profit and loss on an accrual basis using the EIR method.

The EIR method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The EIR is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability on initial recognition. When calculating the EIR, the Company estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The EIR calculation includes all fees paid or received, transaction costs and all other premiums or discounts. Where the estimates of cash flows have been revised, the carrying amount of the financial asset or liability is adjusted to reflect the actual and revised cash flows, discounted at the instruments original EIR. The adjustment is recognised as interest income or expense in the period in which the revision is made.

Interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets. For credit-impaired financial assets, interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses). Interest expense is calculated by applying the EIR to the gross carrying amount of financial liabilities.

Interest on Government Securities and bank deposits are recognised on a time proportionate basis.

Further, the Company based on the directions/instructions given by the Government of India and RBI, credits/refunds the interest on interest to the eligible borrowers.

### b. Income from Direct assignment

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of Excess Interest Spread (EIS). The future EIS basis the expected cash flows on the execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the statement of profit and loss.

### c. Dividend income

Dividend is accounted on an accrual basis

- when the right to receive the dividend is established,
- it is probable that the economic benefits associated with the dividend will flow to the Company; and
- the amount of dividend can be reliably measured.

**d. Fee and commission income**

Fee and commission income other than those that are integral part of EIR are recognised when the Company satisfies the performance obligation over time and as the related services are performed.

Property services fees are recognised to the extent of invoice raised on the customer, when right to receive payment is established.

**e. Rental income**

Income from operating leases are recognised in the statement of profit and loss as per the contractual rentals unless another systematic basis is more representative of the time pattern in which benefits derived from the leased assets.

**3.3 Financial assets**

**Recognition and Initial measurement**

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity. Few examples of financial assets are loan receivables, investment in equity and debt instruments, trade receivables and cash and cash equivalents.

Financial assets, other than loans, are initially recognised on the trade date, i.e. the date on which the Company becomes the party to the contractual provisions of the instrument. Loans are recognised when the fund transfer is initiated or disbursement cheque is issued.

At initial recognition, the Company measures a financial asset at its fair value plus or minus (other than those measured at FVTPL), transaction costs that are directly attributable to the acquisition or issue of the financial asset.

**Classification of financial assets**

Except where financial assets that are irrevocably designated at initial recognition as fair value through profit or loss (FVTPL), the Company classifies and measures all its financial assets based on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the assets either at:

**(A) Amortised cost:**

The Company classifies the financial assets at amortised cost if the contractual cash flows represents solely payments of principal and interest on the principal amount outstanding and as per the Company's business model management is intending to hold these financial instruments in order to collect contractual cash flows.

The business model of the Company for assets subsequently measured at amortised cost category is to hold and collect contractual cash flows. However, considering the asset-liability maturity gap, liquidity plans and funding needs, it may enter into transactions to sell these portfolios to banks/other lending institutions.

**(B) Fair value through other comprehensive income (FVOCI):**

The Company classifies the financial assets as FVOCI if the contractual cash flows represents solely payments of principal and interest on the principal amount outstanding and the Company's business model is achieved by both collecting contractual cash flow and selling the financial assets.

On derecognition of the financial assets measured at fair value through Other Comprehensive Income, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the Statement of Profit and Loss.

**(C) Fair value through profit or loss (FVTPL):**

Financial assets are classified as FVTPL unless they are classified as FVOCI or at amortised cost.

**Equity instruments**

The Company measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity investments as equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments, Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis. The Company follows trade date method of accounting for purchase and sale of investments. Profit or loss on sale of investments is determined on First in First out (FIFO) basis.

**Subsequent measurement of financial assets**

**(A) Financial assets at amortised cost**

These financial assets are subsequently measured at amortised cost on EIR method. The amortised cost is reduced by impairment losses. Interest income, impairment losses and gains and losses on derecognition are recognised in statement of profit and loss.

**(B) Financial assets at FVOCI**

Financial assets included within the FVOCI category are measured subsequently at each reporting date at fair value. Interest income and impairment loss are recognised in the statement of profit and loss. Fair value movements on subsequent measurement are recognised in the OCI and on derecognition the cumulative gain or loss recognised in OCI are recycled to the statement of profit and loss.

**(C) Financial assets at FVTPL**

Financial assets included within the FVTPL category are measured subsequently at each reporting date at fair value. Net gain or loss, including interest and other income are recognised in the Statement of Profit and Loss.

## NOTES FORMING PART OF THE ACCOUNTS

### Reclassification of financial assets

The Company changes classification of its financial assets only on account of changes in its business model for managing those financial assets. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the changes in the business model that results in reclassification. Also refer note no. 43, for changes in business model.

### 3.4 Financial liabilities and equity instruments

The Company classifies these instruments as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

### Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the face value and proceeds received in excess of the face value are recognised as securities premium.

### Financial liabilities

The Company's borrowings include bonds, commercial paper, fixed deposits, borrowings from banks, etc. Fixed deposits, debt securities issued, subordinated liabilities and other borrowings are initially measured at fair value plus directly attributable transaction costs and subsequently measured at their amortised cost using the EIR method.

### 3.5 Determination of fair value

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid/ask prices and using valuation techniques/methods for other instruments. Valuation techniques/methods include discounted cash flow method and other unobservable inputs.

### 3.6 Modification and derecognition of financial assets and liabilities

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date.

The Company renegotiates loans to customers in financial difficulty, including loans where relief measures on account of COVID-19 pandemic has been given, to maximise collection and minimise the risk of default. Relief is generally given in the form of extension of loan tenure, moratorium on payment of equated monthly instalments (EMIs) for a certain period with/without step-up EMI subsequently. On modification, the financial assets are assessed for de-recognition principals and financial assets are de-recognised when, and only when: (a) the contractual rights to the cash flows from the financial asset expires, or (b) it transfers the financial asset and the transfer qualifies for derecognition as per the priniciples laid down under Ind AS 109, Financial Instruments.

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset, the Company recalculate the gross carrying amount of the financial asset and difference, if any, in the gross carrying amount of the financial asset is recognised as modification gain or loss in statement of profit and loss.

Financial assets are de-recognised when the contractual rights to the cash flows from the financial assets have expired or where the Company has transferred substantially all the risks and rewards of ownership. If substantially all the risks and rewards have been neither retained nor transferred and the Company retains control, the assets continues to be recognised to the extent of the Company's continuing involvement.

Any loans transferred to asset reconstruction companies, against the consideration of security receipts issued by the asset reconstruction companies, do not meet the derecognition criteria and therefore are not de-recognised till such time as the asset reconstruction companies redeem the security receipts.

The Company transfers loans through direct assignment transactions. The transferred loans are de-recognised and gains/losses are accounted for, only if the Company transfers substantially all risks and rewards specified in the underlying assigned loan contracts. In accordance with the Ind AS 109, on de-recognition of a financial asset for assigned transactions, the difference between the carrying amount and the consideration received are recognised in the Statement of profit and loss and present value of future cash flows accruing in the form of differential interest (excess interest spread) over the expected life of the assigned loans is recognised at the date of derecognition as receivable with a corresponding credit to profit and loss account.

The Company continues to perform servicing of the assigned loans and receives servicing fee from the assignee. If the fee to be received is not expected to compensate the Company adequately for performing the servicing activities, a servicing liability for the servicing obligation is recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing activities, a servicing asset is recognised. Corresponding amount is recognised in the Statement of profit and loss.

Financial liabilities are derecognised when they are extinguished, that is when the obligation is discharged, cancelled or expired.

### 3.7 Impairment of financial assets

The Company recognises loss allowances using the ECL model under Ind AS 109 for the financial assets and loan commitments which are not fair valued through profit or loss. ECL for loans and advances are measured at an amount equal to the 12-month ECL (ECL allowance on default events on the financial instruments that are possible within 12 months after the reporting date), unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL (ECL that results from all possible default events over the life of the financial instrument). Equity instruments are measured at fair value and not subject to impairment loss. ECL allowance (or reversal) recognised during the year is recognised as expenses/(income) in the Statement of profit and loss.

Financial assets are normally written-off, either partially or in full, when there is no reasonable expectation of further recovery.

For detailed information on categories of loans into stages as defined under Ind AS 109, significant increase in credit risk, default and methodology of calculating ECL using Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD), refer note no. 45.

### 3.8 Property, plant and equipment

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment losses. The cost includes expenditures that are directly attributable to the acquisition and installation of the asset, net of tax/duty credits availed, if any. PPE is recognised when it is probable that future economic benefits associated with the item is expected to flow to the Company and the cost of the item can be measured reliably. An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

The gain/loss on disposal of an item of PPE is determined by comparing the proceeds from disposal with carrying amount of the item of the PPE and is recognised in the Statement of profit and loss. The costs of the day-to-day servicing of PPE are recognised in statement of profit and loss as and when they are incurred.

### 3.9 Intangible assets

Purchased software are measured at cost less accumulated amortisation and accumulated impairment losses. The cost includes expenditures that are directly attributable to the acquisition and installation of the software, net of tax/duty credits availed, if any. Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use of the asset.

The gain/loss on disposal of an item of intangible assets is determined by comparing the proceeds from disposal with carrying amount of the item of the intangible assets and is recognised in the Statement of profit and loss.

### 3.10 Depreciation and amortisation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is provided on straight-line basis over the estimated useful lives of the assets.

The following table sets forth, useful life of property, plant and equipment.

| Particulars | Useful life (No. of years) |
|---|---|
| Office Buildings on freehold land | 60 |
| Right of use asset (ROU) | Period of lease |
| Improvements to leasehold property | Period of lease |

**NOTES FORMING PART OF THE ACCOUNTS**

| Particulars | Useful life (No. of years) |
|---|---|
| Furniture and fixtures | 5 to 10 |
| Office Equipment | 3 to 5 |
| Electrical installations and equipment | 10 |
| Motor vehicles | 5 |
| Servers and network equipment | 4 to 6 |
| Computers | 3 |
| Software | 4 |

Items individually costing upto ₹ 5,000 are depreciated fully over the period of 12 months from the date of purchase.

Depreciation and amortisation methods, useful lives and residual values are reassessed at each reporting date and effect of changes are recognised prospectively. Advances paid towards acquisition of property, plant and equipment are disclosed as capital advances.

**3.11 Impairment of non-financial assets**

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss. An impairment loss is reversed in the Statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount.

**3.12 Taxation**

Tax expense comprises of current and deferred tax.

**Current tax**

Income tax expense is recognised in the Statement of profit and loss, except to the extent that it relates to items recognised directly in equity/OCI in which case it is recognised in equity/OCI. Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

**Deferred Tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose and the amounts for tax purposes.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised, for all deductible temporary differences, to the extent it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates that are expected to be applied to the temporary

differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. 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. Deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

### 3.13 Employee benefits plans

#### Gratuity

The Company pays gratuity, a defined benefit plan, to employees who retire or resign after a minimum prescribed period of continuous service. The Company makes contribution to a trust which administers the funds through insurance companies.

Actuarial valuation of the gratuity liability is determined by an actuary appointed by the Company. Actuarial valuation of gratuity liability is determined based on certain assumptions regarding rate of interest, salary growth, mortality and staff attrition as per the projected unit credit method. The actuarial gains or losses arising during the year are recognised in OCI and are not reclassified in to profit and loss account in subsequent periods.

Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of planed assets.

#### Provident fund

The Company is statutorily required to maintain a provident fund, a defined benefit plan, as a part of retirement benefits to its employees. Each employee contributes a certain percentage of his or her basic salary and the Company contributes an equal amount for eligible employees. Out of the contribution made by the Company, amount as required by The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 is contributed to Employees' Pension Scheme administered by the Regional Provident Fund Commissioner. The balance contributions are made to a fund administered by trustees. The contributions are recognised as expense in the year in which they are incurred. The funds are invested according to the rules prescribed by the Government of India. Actuarial valuation for the interest rate guarantee on the provident fund balances is determined by an actuary appointed by the Company. Any shortfall in amount is contributed by the Company to the trust and charged to its statement of profit and loss.

## NOTES FORMING PART OF THE ACCOUNTS

### Accumulated leave

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service.
The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes.

The Company provides for leave encashment benefits, which is a defined benefit obligation, based on actuarial valuation conducted by an independent actuary.

### Long-term incentive plan

The Company pays long term incentives to certain employees on fulfilment of criteria prescribed conditions. The Company's liability towards long term incentive is determined actuarially based on certain assumptions regarding rate of interest, staff attrition and mortality as per the projected unit credit method. Expenses towards long term incentive and actuarial gains or losses arising during the year are recognised in the Statement of profit and loss.

### Superannuation Fund and National Pension Scheme

The Company contributes 15% of basic salary for certain employees to superannuation funds, defined contribution plan, managed and administered by insurance companies. Further, the Company contributes 10.0% of the basic salary for certain employees to National Pension Scheme (NPS), a defined contribution plan, which is managed and administered by pension management companies. The Company also gives an option to its employees allowing them to receive the amount in lieu of such contributions along with their monthly salary during their employment.

The amount so contributed/paid by the Company to the Superannuation fund and NPS or to employees during the period are recognised in the Statement of profit and loss.

### 3.14 Share-based payments

The Parent Bank (ICICI Bank Limited) issues stock options to certain employees of the Company. These transactions are recognised as equity-settled share based payment transactions. The stock compensation expense is determined based on grant date fair value of options and the Parent Bank's estimate of options that will eventually vest and is recognised on a straight line basis over the vesting period in the statement of profit and loss. For options granted till FY2020, corresponding impact is given to equity as contribution from the Parent Bank as the cost was not charged by the Parent Bank. For options granted from FY2021, the Company pays the cost charged by the Parent Bank.

### 3.15 Leases

The Company has various lease arrangement for many assets including properties. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time

in exchange for consideration. At the commencement of the lease, the Company recognises a Right-of-Use (ROU) asset and a corresponding lease liability for all lease arrangements, except for leases with a term of twelve months or less (short-term leases) and low value leases. For low-value and short-term leases, lease rentals are recognised in the Statement of profit and loss on accrual basis. The ROU asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for any prepaid lease plus any initial direct costs paid at or before the commencement date and subsequently at cost less accumulated amortisation and accumulated impairment losses, if any. The lease liability is measured at amortised cost at the present value of the future lease payment, discounted using the Company's incremental borrowing rate. The lease liability is subsequently increased by interest cost on the lease liability and decreased by the lease payment made.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of profit and loss.

### 3.16 Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined based on management estimate of cash outflow to settle the obligation at the balance sheet date, supplemented by experience of similar transactions. These are reviewed at each reporting date and adjusted to reflect the current management estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or nonoccurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are neither recognised nor disclosed. Contingent liabilities and contingent assets are reviewed at each reporting date.

### 3.17 Commitments

Commitments are future liabilities, classified and disclosed as follows:

a) Undrawn loan commitments;
b) Estimated amount of contracts remaining to be executed on capital account and not provided for;
c) Uncalled liability on investments partly paid;
d) Other commitments, if any, to the extent they are considered material and relevant in the opinion of management.

## NOTES FORMING PART OF THE ACCOUNTS

### 3.18 Earnings per share

The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

### 3.19 Statement of cash flows

Statement of cash flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is prepared using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

### 3.20 Foreign currencies

Transactions in currencies other than the Company's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported at the rates prevailing at the year-end. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

### 3.21 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with bank. Cash equivalents are short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

### 3.22 Accounting for derivative financial instruments

The Company enters into derivative contracts such as interest rate swaps, foreign exchange contracts and currency swaps, to manage its exposure to interest rate risk and foreign exchange rate risk. The Company recognises and measures such derivative instruments at fair value. Except for those derivatives which are designated as effective cash flow hedge, the gains and losses are recognised in the statement of profit and loss.

The Company has designated certain derivatives as cash flow hedges of interest bearing liabilities. At the inception of a hedge transaction, the Company formally documents the hedge 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 assessing effectiveness and measuring ineffectiveness of the hedge. In addition, the Company assesses both at the inception of the hedge and on an ongoing basis, whether the derivative used in the hedging transaction is effective in offsetting changes in fair value of the hedged item, and whether the derivative is expected to continue to be highly effective. The Company assesses the effectiveness of the hedge instrument at inception and continually on a quarterly basis. The effective portion of change in fair value of the designated hedging instrument is recognised in the OCI. The ineffective portion of designated hedges are recognised immediately in the statement of

profit and loss. A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

### 3.23 Dividend pay-out

The Company recognises a liability towards equity shareholders of the Company when the dividend is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, an interim dividend is authorised when it is approved by the Board of Directors and final dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

## NOTES FORMING PART OF THE ACCOUNTS

### 4. Equity share capital

The following table sets forth, for the period indicated, details of share capital.

₹ in million

| Particulars | At March 31, 2021 | At March 31, 2020 |
|---|---|---|
| **Authorised shares** | | |
| 2,385,000,000 Equity shares of ₹ 10 each (March 2020: 2,385,000,000) | 23,850.0 | 23,850.0 |
| 15,000,000 Preference shares of ₹ 10 each (March 2020: 15,000,000) | 150.0 | 150.0 |
| **Total authorised shares** | **24,000.0** | **24,000.0** |
| **Issued, subscribed and paid-up Equity share capital** | | |
| 1,098,750,000 Equity shares of ₹ 10 each fully paid-up (March 2020 - 1,098,750,000) | 10,987.5 | 10,987.5 |
| **Total Issued, subscribed and paid-up Equity share capital** | **10,987.5** | **10,987.5** |

The following table sets forth, for the periods indicated, reconciliation of the equity shares.

| Particulars | At March 31, 2021 | | At March 31, 2020 | |
|---|---|---|---|---|
| | No. | ₹ in million | No. | ₹ in million |
| At the beginning of the year | 1,098,750,000 | 10,987.5 | 1,098,750,000 | 10,987.5 |
| Issued during the year | - | - | - | - |
| Outstanding at the end of the year | 1,098,750,000 | 10,987.5 | 1,098,750,000 | 10,987.5 |

a. All equity shares are held by the holding company (ICICI Bank Limited) and its nominees at March 31, 2021 and at March 31, 2020.
b. The Company has not reserved any shares for issues under options and contracts/ commitments for the sale.
c. The Company has not allotted any shares pursuant to contracts without payment being received in cash or as bonus shares nor it has bought back any shares during the preceding five financial years.
d. The Company has not:
   i. Issued any securities convertible into equity/preference shares.
   ii. Issued any shares where calls are unpaid.
   iii. Forfeited any shares.
e. Terms/rights attached to equity shares
   The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The holders of equity shares are entitled to dividends, if any,

proposed by the Board of Directors and approved by Shareholders at the Annual General Meeting.

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

During the year ended March 31, 2021, no dividend has been distributed to equity shareholder (year ended March 31, 2020 – per share ₹ 0.04).

## 5. Other Equity

The following table sets forth, for the periods indicated, details of other equity.

### A. Summary of Other Equity balance

₹ in million

| | Particulars | At March 31, 2021 | At March 31, 2020 |
|---|---|---|---|
| (i) | General reserve | 249.3 | 249.3 |
| (ii) | Statutory reserve (As per Section 29C of National Housing Bank Act,1987) (refer note (b) below) | 4,809.4 | 4,765.9 |
| (iii) | Retained earnings | 1,587.0 | 1,413.8 |
| (iv) | Capital contribution (Share based compensation to employees) | 138.6 | 118.0 |
| (v) | Items of Other Comprehensive Income | | |
| | - Re-measurements of net defined benefit plan | (4.9) | (7.2) |
| | - Fair value change on derivatives designated as cash flow hedges | (750.3) | (849.5) |
| | - Fair value changes on loans classified under "Hold & Sell" business model | 854.8 | - |
| | **Total Other Equity** | **6,883.9** | **5,690.3** |

### B. Nature and purpose of reserves

#### a. General Reserve

The Company created a General Reserve in earlier years pursuant to the provisions of the Companies Act, 1956, wherein certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per Companies Act, 2013, the requirement to transfer profits to General Reserve is not mandatory. General reserve is a free reserve available to the Company for distribution.

## NOTES FORMING PART OF THE ACCOUNTS

### b. Statutory Reserve and Special Reserve

The Company has created a reserve fund as required by section 29C of National Housing Bank Act, 1987, wherein a sum not less than twenty percent of its profit every year, as disclosed in the statement of profit and loss and before any dividend is declared, is transferred. For this purpose, any Special Reserve created by the Company under Section 36(1) (viii) of the Income Tax Act, 1961 is considered an eligible transfer. Statutory Reserve can be utilised only for the purposes as may be specified by the NHB from time to time and every such utilisation is required to be reported to the NHB within twenty-one days from the date of such utilisation.

The following table sets forth, for the periods indicated, reconciliation of the statutory reserve.

₹ in million

| Particulars | | At March 31, 2021 | At March 31, 2020 |
|---|---|---|---|
| **Balance at the beginning of the year** | | | |
| a) | Statutory Reserve u/s 29C of National Housing Bank, Act 1987 | 1,684.4 | 1,683.8 |
| b) | Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve under section 29C of the NHB Act, 1987 | 3,081.5 | 3,015.8 |
| **c)** | **Total** | **4,765.9** | **4,699.6** |
| **Addition/Appropriation/Withdrawal during the year** | | | |
| Add: | a) Amount transferred u/s 29C of the NHB Act, 1987 | 43.5 | 0.6 |
| | b) Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve u/s 29C of the NHB Act, 1987 | - | 65.7 |
| Less: | a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987 | - | - |
| | b) Amount Withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987 | - | - |
| **Balance at the end of the year** | | | |
| a) | Statutory Reserve u/s 29C of the National Housing Bank Act, 1987 | 1,727.9 | 1,684.4 |
| b) | Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve under section 29C of the NHB Act, 1987 | 3,081.5 | 3,081.5 |
| **c)** | **Total** | **4,809.4** | **4,765.9** |

**Draw down from reserves**

There has been no draw down from reserves during the year ended March 31, 2021 (year ended March 31, 2020 - Nil).

## NOTES FORMING PART OF THE ACCOUNTS

### c. Capital contribution (Share based compensation to employees)

The Parent Bank (ICICI Bank Limited) has issued stock options to certain employees of the Company. These transactions are recognised as equity-settled share based payment transactions. The stock compensation expense is determined based on fair value of options and the Parent Bank's estimate of options that will eventually vest and is recognised over the vesting period in the statement of profit and loss with corresponding increase in equity as contribution from the Parent Bank.

### d. Other Comprehensive Income (OCI)

Re-measurements of net defined benefit plan - It represents the cumulative actuarial gains/(losses) defined employee benefit plans.

Cash flow hedge - It represents the cumulative gains/(losses) arising on fair valuation of the derivative instruments designated as cash flow hedges through OCI.

Fair value changes on loans classified under "Hold & sell" business model - It represents cumulative gains/(losses) arising on fair valuation of mortgage loans set aside under the hold and sell business model at reporting date.

### 6. Cash and Cash Equivalents

The following table sets forth, for the periods indicated, details of cash and cash equivalents.

₹ in million

| Particulars | At March 31, 2021 | At March 31, 2020 |
|---|---|---|
| Cash on hand | - | - |
| Balances with banks[1] (in current accounts) | 7,436.4 | 221.0 |
| **Total** | **7,436.4** | **221.0** |

1. There was no earmarked balance at March 31, 2021 (March 31, 2020: Nil).

### 7. Bank balances other than cash and cash equivalents

The following table sets forth, for the periods indicated, bank balances other than cash and cash equivalents.

₹ in million

| Particulars | At March 31, 2021 | At March 31, 2020 |
|---|---|---|
| Balances with banks to the extent held as margin money or security against borrowings, guarantees, other commitments[1,] (In deposit accounts with original maturity more than 3 months) | 460.5 | 708.5 |

| Particulars | At March 31, 2021 | At March 31, 2020 |
|---|---|---|
| **Total** | **460.5** | **708.5** |

1. Floating charge has been created on fixed deposits with scheduled banks amounting to ₹ 458.0 million for statutory liquidity ratio (SLR) purpose as per RBI Directions (March 31, 2020: Includes fixed deposits of ₹ 706.0 million placed with scheduled banks to comply with investment/deposits requirements of companies (Share capital and Debentures) Amendment Rules, 2019).

## 8. Derivative financial instruments

The Company enters into derivatives transactions for risk management purposes. The primary risk managed using derivatives instruments are foreign currency risk and interest rate risk. The Company deals in derivatives for hedging floating rate borrowings denominated in foreign currency. Refer note no. 51 for detailed information on derivatives transaction undertaken by the Company.

The following tables set forth, for the periods indicated, notional amounts and fair values of the derivative deals entered into by the Company.

₹ in million

| Particulars | At March 31, 2021 | | | |
|---|---|---|---|---|
| | Notional amounts[1] | Fair value - assets | Notional amounts[1] | Fair value – liabilities |
| **Part I** | | | | |
| **(i) Currency derivatives** | | | | |
| - Forwards | - | - | 2,196.5 | 100.3 |
| - Currency swaps | 20,120.4 | 681.4 | - | - |
| **Sub-total (i)** | **20,120.4** | **681.4** | **2,196.5** | **100.3** |
| **(ii) Interest rate derivatives** | | | | |
| - Forward rate agreements and interest rate swaps | - | - | 20,120.4 | 1,334.5 |
| **Sub-total (ii)** | - | - | **20,120.4** | **1,334.5** |
| **Total derivative financial instruments (i) + (ii)** | **20,120.4** | **681.4** | **22,316.9** | **1,434.8** |
| **Part II** | | | | |
| Included in above (part I) are derivatives held for hedging and risk management purposes as follows: | | | | |
| **(i) Cash flow hedging** | | | | |
| - Currency derivatives | 20,120.4 | 681.4 | 2,196.5 | 100.3 |
| - Interest rate derivatives | - | - | 20,120.4 | 1,334.5 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | At March 31, 2021 | | | |
|---|---|---|---|---|
| | Notional amounts[1] | Fair value - assets | Notional amounts[1] | Fair value – liabilities |
| **Sub-total (i)** | **20,120.4** | **681.4** | **22,316.9** | **1,434.8** |
| **Total derivative financial instruments** | **20,120.4** | **681.40** | **22,316.9** | **1,434.8** |

1. Notional amounts are converted using foreign exchange rates prevailing at reporting date.

₹ in million

| Particulars | At March 31, 2020 | | | |
|---|---|---|---|---|
| | Notional amounts[1] | Fair value – assets | Notional amounts[1] | Fair value – liabilities |
| **Part I** | | | | |
| **(i) Currency derivatives** | | | | |
| - Forwards | 3,142.7 | 104.9 | - | - |
| - Currency swaps | 20,722.9 | 1,558.9 | - | - |
| **Sub-total (i)** | **23,865.6** | **1,663.8** | **-** | **-** |
| **(ii) Interest rate derivatives** | | | | |
| - Forward rate agreements and interest rate swaps | - | - | 20,722.9 | 1,842.2 |
| **Sub-total (ii)** | **-** | **-** | **20,722.9** | **1,842.2** |
| **Total derivative financial instruments (i) + (ii)** | **23,865.6** | **1,663.8** | **20,722.9** | **1,842.2** |
| **Part II** | | | | |
| Included in above (part I) are derivatives held for hedging and risk management purposes as follows: | | | | |
| **(i) Cash flow hedging** | | | | |
| - Currency derivatives | 23,865.6 | 1,663.8 | - | - |
| - Interest rate derivatives | - | - | 20,722.9 | 1,842.2 |
| **Sub-total (i)** | **23,865.6** | **1,663.8** | **20,722.9** | **1,842.2** |
| **Total derivative financial instruments** | **23,865.6** | **1,663.8** | **20,722.9** | **1,842.2** |

1. Notional amounts are converted using foreign exchange rates prevailing at reporting date.

## NOTES FORMING PART OF THE ACCOUNTS

### Interest Rate Swaps (IRS)

The following tables set forth, for the period indicated, the details of risk exposure in interest rate swaps.

₹ in million

| Particulars | At March 31, 2021 |
|---|---|
| (i) The notional principal of swap agreements | 20,120.4 |
| (ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements | - |
| (iii) Collateral required by the HFC upon entering into swaps | - |
| (iv) Concentration of credit risk arising from the swap | - |
| (v) The fair value (MTM) of the swap book | (1,334.5) |

₹ in million

| Particulars | At March 31, 2021 |
|---|---|
| (i) Derivatives (notional principal amount) | 20,120.4 |
| (ii) Marked to market positions | (1,334.5) |
| (iii) Assets (+) | - |
| (iv) Liability (-) | (1,334.5) |
| (v) Credit exposure | - |
| (vi) Unhedged exposures | - |

### Forward Rate Agreement (FRA)

The Company does not have any forward rate agreement in the current year.

### Exchange Traded Interest Rate (IR) Derivative

The Company does not have any exchange traded interest rate derivatives in the current year.

### Currency and forward derivatives

The following table sets forth, for the period indicated, the details of currency and forward derivatives.

₹ in million

| Particulars | At March 31, 2021 |
|---|---|
| The notional principal of currency swap/forward | 22,316.9 |
| Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements | 681.4 |
| Collateral required by the Company upon entering into swaps | - |
| Concentration of credit risk arising from the swap[1] | 100% |

| Particulars | At March 31, 2021 |
|---|---|
| The fair value of (MTM) the swap book | 581.1 |

1. Entire exposure is towards banks.

₹ in million

| Particulars | At March 31, 2021 |
|---|---|
| Derivatives (notional principal amount) | 22,316.9 |
| Marked to market positions | 581.1 |
| Assets (+) | 681.4 |
| Liability (-) | (100.3) |
| Credit exposure | - |
| Unhedged exposures | - |

## 9. Receivables

The following tables set forth, for the periods indicated, details of trade receivables.

₹ in million

| Particulars | At March 31, 2021 | | |
|---|---|---|---|
| | Gross value | Expected credit loss | Net value |
| **Trade receivables** | | | |
| Receivables considered good – secured | - | - | - |
| Receivables considered good – unsecured[1] | 25.8 | - | 25.8 |
| Receivables which have significant increase in credit risk | 27.9 | 27.9 | - |
| Receivables - credit impaired | - | - | - |
| **Total** | **53.7** | **27.9** | **25.8** |
| Included in above: | | | |
| - Debts due by directors or other officers of the Company | - | - | - |
| - Debts due by firms/LLPs/private companies in which any director is partner or a director or a member | - | - | - |
| | **-** | **-** | **-** |

1. Includes ₹ 6.7 million from related parties.

₹ in million

| Particulars | At March 31, 2020 | | |
|---|---|---|---|
| | Gross value | Expected credit loss | Net value |
| **Trade receivables** | | | |
| Receivables considered good – secured | - | - | - |
| Receivables considered good – unsecured[1] | 49.9 | - | 49.9 |

**NOTES FORMING PART OF THE ACCOUNTS**

| Particulars | At March 31, 2020 | | |
|---|---|---|---|
| | Gross value | Expected credit loss | Net value |
| Receivables which have significant increase in credit risk | 24.8 | 24.8 | - |
| Receivables - credit impaired | - | - | - |
| **Total** | **74.7** | **24.8** | **49.9** |
| Included in above: | | | |
| - Debts due by directors or other officers of the Company | - | - | - |
| - Debts due by firms/LLPs/private companies in which any director is partner or a director or a member | - | - | - |
| | **-** | **-** | **-** |

1. Includes ₹ 5.9 million from related parties.

## 10. Loans

The following table sets forth, for the periods indicated, details of loans.

₹ in million

| Particulars | | At March 31, 2021 | | | At March 31, 2020 | | |
|---|---|---|---|---|---|---|---|
| | | Amortised cost | Fair value through OCI[1] | Total | Amortised cost | Fair value through OCI | Total |
| **(A)** | | | | | | | |
| (i) | Loans repayable on demand | 49.6 | - | 49.6 | 114.5 | - | 114.5 |
| (ii) | Term loans | 126,738.0 | 14,442.0 | 141,180.0 | 145,350.4 | - | 145,350.4 |
| (iii) | Others | - | - | - | - | - | - |
| | **Total loans (A) – Gross** | **126,787.6** | **14,442.0** | **141,229.6** | **145,464.9** | **-** | **145,464.9** |
| | Less: Impairment loss allowance | (3,651.4) | - | (3,651.4) | (4,541.4) | - | (4,541.4) |
| | **Total loans (A) – Net** | **123,136.2** | **14,442.0** | **137,578.2** | **140,923.5** | **-** | **140,923.5** |
| **(B)** | **Secured/Unsecured** | | | | | | |
| (i) | Secured by tangible assets | 126,787.6 | 14,442.0 | 141,229.6 | 145,150.1 | - | 145,150.1 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | | At March 31, 2021 | | | At March 31, 2020 | | |
|---|---|---|---|---|---|---|---|
| | | Amortised cost | Fair value through OCI[1] | Total | Amortised cost | Fair value through OCI | Total |
| (ii) | Unsecured | - | - | - | 314.8 | - | 314.8 |
| | **Total loans (B) – Gross** | **126,787.6** | **14,442.0** | **141,229.6** | **145,464.9** | **-** | **145,464.9** |
| | Less: Impairment loss allowance | (3,651.4) | - | (3,651.4) | (4,541.4) | - | (4,541.4) |
| | **Total loans (B) – Net** | **123,136.2** | **14,442.0** | **137,578.2** | **140,923.5** | **-** | **140,923.5** |
| **(C)** | **Loans in India** | | | | | - | - |
| **(i)** | Public sector | - | - | - | - | - | - |
| | Other than Public sector | 126,787.6 | 14,442.0 | 141,229.6 | 145,464.9 | - | 145,464.9 |
| | **Total loans (C) – Gross** | **126,787.6** | **14,442.0** | **141,229.6** | **145,464.9** | **-** | **145,464.9** |
| | Less: Impairment loss allowance | (3,651.4) | - | (3,651.4) | (4,541.4) | - | (4,541.4) |
| | **Total loans (C) – Net** | **123,136.2** | **14,442.0** | **137,578.2** | **140,923.5** | **-** | **140,923.5** |
| **(ii)** | **Loans outside India** | | | | | | |
| | Public sector | - | - | - | - | - | - |
| | Other than public sector | - | - | - | - | - | - |
| | **Total loans – Gross (C) (ii)** | **-** | **-** | **-** | **-** | **-** | **-** |
| | Impairment loss allowance | - | - | - | - | - | - |
| | **Total loans – Net (C) (ii)** | **-** | **-** | **-** | **-** | **-** | **-** |
| | **Total loans – Net (C) (i) and (ii)** | **123,136.2** | **14,442.0** | **137,578.2** | **140,923.5** | **-** | **140,923.5** |

1. On loans measured at FVOCI, net of Impairment allowance amounting to ₹ 45.6 million at March 31, 2021.

## NOTES FORMING PART OF THE ACCOUNTS

### Loans against gold

Outstanding loans granted against collateral of gold jewellery was 0.03% of total assets at March 31, 2021. (March 31, 2020: 0.01%).

### Unsecured advances against intangible assets

The Company has not made advances to any of the borrowers against intangible collaterals at March 31, 2021 (March 31, 2020: Nil).

### Break up of loans & advances and provision thereon

The following table sets forth, for the period indicated, the break-up of loans in housing and non-housing.

₹ in million

| Particulars | At March 31, 2021 | | |
|---|---|---|---|
| | Housing | Non-Housing | Total |
| **Standard assets** | | | |
| Total Outstanding | 85,642.8 | 46,201.1 | 131,843.9 |
| Provision | 628.7 | 774.3 | 1,403.0 |
| **Non-performing assets (NPAs)** | | | |
| **Sub- Standard** | | | |
| Total Outstanding | 2,438.1 | 2,285.3 | 4,723.4 |
| Provision | 362.3 | 325.6 | 687.9 |
| **Doubtful- 1** | | | |
| Total Outstanding | 578.1 | 737.6 | 1,315.7 |
| Provision | 190.0 | 231.6 | 421.6 |
| **Doubtful- 2** | | | |
| Total Outstanding | 1,475.8 | 1,434.2 | 2,910.0 |
| Provision | 681.5 | 208.5 | 890.0 |
| **Doubtful- 3** | | | |
| Total Outstanding | 252.9 | 183.7 | 436.6 |
| Provision | 110.3 | 138.6 | 248.9 |
| **Loss** | | | |
| Total Outstanding | - | - | - |
| Provision | - | - | - |
| **Total** | | | |
| **Total Outstanding** | 90,387.7 | 50,841.9 | 141,229.6 |
| **Provision** | 1,972.8 | 1,678.6 | 3,651.4 |

1. Standard assets represent loans classified as Stage-1 and Stage-2, NPAs represent loans classified as Stage-3, Total outstanding represent Exposure at default and Provisions represent Expected credit loss in the above table.

## NOTES FORMING PART OF THE ACCOUNTS

### Movement of Non-performing assets (NPAs)

The following table sets forth, for the period indicated, movement in stage 3 loans (NPAs) & movement in ECL (provisions).

₹ in million

| Particulars | At March 31, 2021 |
|---|---|
| **(I) Net NPAs to Net Advances(%)** | 5.19% |
| **(II) Movement of NPAs (Gross)** | |
| a) Opening balance | 8,460.7 |
| b) Additions during the year | 4,636.6 |
| c) Reductions during the year | 3,711.5 |
| d) Closing balance | **9,385.8** |
| **(III) Movement of NPAs (Net)** | |
| a) Opening balance | 4,699.6 |
| b) Additions during the year | 2,893.1 |
| c) Reductions during the year | 455.3 |
| d) Closing balance | **7,137.4** |
| **(IV) Movement of provision for NPAs (excluding provisions on standard assets)** | |
| a) Opening balance | 3,761.1 |
| b) Provisions made during the year | 1,743.5 |
| c) Write off/ write back of excess provisions | 3,256.2 |
| d) Closing balance | **2,248.4** |

1. Standard assets represent loans classified as Stage-1 and Stage-2, NPAs represent loans classified as Stage-3 and Provision for NPAs represent Expected credit loss in the above table.

### 11. Investments

The following tables set forth, for the periods indicated, details of investments.

₹ in million

| Particulars | At March 31, 2021 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Amortised cost | At fair value | | | | Others | Total |
| | | Through other comprehensive income | Through profit or loss | Designated at fair value through profit or loss | Sub Total | | |
| **Investments in India** | | | | | | | |
| Mutual funds | - | - | 997.6 | - | 997.6 | - | 997.6 |
| Government securities[1,2] | 2,921.9 | - | - | - | - | - | 2,921.9 |
| Equity instruments | - | - | 462.4 | - | 462.4 | - | 462.4 |
| **Total Gross** | **2,921.9** | **-** | **1,460.0** | **-** | **1,460.0** | **-** | **4,381.9** |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | At March 31, 2021 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Amortised cost | At fair value | | | | Others | Total |
| | | Through other comprehensive income | Through profit or loss | Designated at fair value through profit or loss | Sub Total | | |
| Impairment loss allowance | - | - | - | - | - | - | - |
| **Total Net** | **2,921.9** | **-** | **1,460.0** | **-** | **1,460.0** | **-** | **4,381.9** |

1. Based on the assessment, there is no requirement for allowance for impairment losses on government securities.
2. Floating charge has been created on government securities for statutory liquidity ratio (SLR) purpose as per RBI Directions.

₹ in million

| Particulars | At March 31, 2020 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Amortised cost | At fair value | | | | Others | Total |
| | | Through other comprehensive income | Through profit or loss | Designated at fair value through profit or loss | Sub Total | | |
| **Investments in India** | | | | | | | |
| Mutual funds | - | - | 3,314.7 | - | 3,314.7 | - | 3,314.7 |
| Government securities[1,2] | 2,216.3 | - | - | - | - | - | 2,216.3 |
| Equity instruments | - | - | 412.6 | - | 412.6 | - | 412.6 |
| **Total Gross** | **2,216.3** | **-** | **3,727.3** | **-** | **3,727.3** | **-** | **5,943.6** |
| Impairment loss allowance | - | - | - | - | - | - | - |
| **Total Net** | **2,216.3** | **-** | **3,727.3** | **-** | **3,727.3** | **-** | **5,943.6** |

1. Based on the assessment, there is no requirement for allowance for impairment losses on government securities.
2. Floating charge has been created on government securities for statutory liquidity ratio (SLR) purpose as per NHB Directions.

The following table sets forth, for the period indicated, the details of investments and the movement in fair value changes (provision towards depreciation) on investments of the Company.

₹ in million

| Particulars | At March 31, 2021 |
|---|---|
| Value of investments | |
| (i) Gross value of investments | 4,469.9 |

| Particulars | At March 31, 2021 |
|---|---|
| (a) In India (includes investment in mutual funds of ₹ 997.6 million) | 4,469.9 |
| (b) Outside India | - |
| (ii) Provision for Depreciation | (88.1) |
| (a) In India | (88.1) |
| (b) Outside India | - |
| (iii) Net value of Investments | 4,381.8 |
| (a) In India | 4,381.8 |
| (b) Outside India | - |
| | |
| Movement of provisions held towards depreciation on investments | |
| (i) Opening balance | 127.7 |
| (ii) Add: Provisions made during the year | - |
| (iii) Less: Write-off/Written-back of excess provisions during the year | (39.6) |
| (iv) Closing balance | 88.1 |

1. Provision on investments represents fair value changes.

## 12. Other financial assets

The following table sets forth, for the periods indicated, details of other financial assets.

₹ in million

| Particulars | At March 31, 2021 | At March 31, 2020 |
|---|---|---|
| **At amortised cost** | | |
| Security deposits | 54.2 | 48.1 |
| Advances recoverable | 42.1 | 54.2 |
| Interest only strip receivable | 1,245.3 | 631.8 |
| Other financial assets[1] | 122.1 | 8.6 |
| **Total** | **1,463.7** | **742.7** |

1. Includes receivable amounting to ₹ 118.6 million (At March 31, 2020: Nil) on account of ex-gratia (interest on interest) credits/refunds to the eligible borrowers. Further, March 31, 2020 includes share application money amounting to ₹ 7.5 million.

## NOTES FORMING PART OF THE ACCOUNTS

### 13. Property, plant and equipment

The following table sets forth, for the periods indicated, details of property, plant and equipment.

₹ in million

| Particulars | Gross block | | | | Depreciations/amortization | | | | Net block | |
|---|---|---|---|---|---|---|---|---|---|---|
| | At April 1, 2020 | Additions | Disposals/adjustments | At March 31, 2021 | At April 1, 2020 | For the period | Adjustments/deductions | At March 31, 2021 | At April 1, 2020 | At March 31, 2021 |
| Free hold land | 0.4 | - | - | 0.4 | - | - | - | - | 0.4 | 0.4 |
| | (0.4) | - | - | (0.4) | - | - | - | - | (0.4) | (0.4) |
| Buildings[1] | 1,325.1 | 52.1 | 62.1 | 1,315.1 | 152.4 | 126.0 | - | 278.4 | 1,172.7 | 1,036.7 |
| | (1,210.1) | (123.9) | (8.9) | (1,325.1) | (29.6) | (122.8) | - | (152.4) | (1,180.5) | (1,172.7) |
| Improvements to leasehold property | 182.8 | 6.1 | 7.7 | 181.2 | 40.8 | 39.4 | 3.0 | 77.2 | 142.0 | 104.1 |
| | (157.4) | (27.3) | (1.9) | (182.8) | (6.9) | (36.0) | (2.1) | (40.8) | (150.5) | (142.0) |
| Computers | 59.9 | 5.2 | 1.7 | 63.4 | 24.2 | 20.6 | 1.6 | 43.2 | 35.7 | 20.2 |
| | (48.7) | (34.0) | (22.8) | (59.9) | (13.5) | (21.9) | (11.2) | (24.2) | (35.2) | (35.7) |
| Office equipment | 120.3 | 4.4 | 1.0 | 123.7 | 36.6 | 24.3 | 3.5 | 57.4 | 83.7 | 66.3 |
| | (84.3) | (38.7) | (2.7) | (120.3) | (12.8) | (26.1) | (2.3) | (36.6) | (71.5) | (83.7) |
| Furniture & fixtures | 94.6 | 2.2 | 1.2 | 95.6 | 33.6 | 9.7 | 0.5 | 42.8 | 61.0 | 52.8 |
| | (53.5) | (41.6) | (0.5) | (94.6) | (5.7) | (28.0) | (0.1) | (33.6) | (47.8) | (61.0) |
| Electric Installation & Equipment | 39.1 | 4.2 | - | 43.3 | 4.5 | 2.7 | (2.8) | 10.0 | 34.6 | 33.3 |
| | (30.5) | (8.6) | - | (39.1) | (0.8) | (3.7) | - | (4.5) | (29.7) | (34.6) |
| Server & Network | 25.3 | 0.8 | 0.3 | 25.8 | 5.6 | 5.7 | 0.1 | 11.2 | 19.7 | 14.6 |
| | (8.1) | (17.2) | - | (25.3) | (0.7) | (4.9) | - | (5.6) | (7.4) | (19.7) |
| Vehicles | 3.8 | - | - | 3.8 | 1.8 | 1.0 | - | 2.8 | 2.0 | 1.0 |
| | (3.8) | - | - | (3.8) | (0.8) | (1.0) | - | (1.8) | (3.0) | (2.0) |
| **Total** | **1,851.3** | **75.0** | **74.0** | **1,852.3** | **299.5** | **229.4** | **5.9** | **523.0** | **1,551.8** | **1,329.3** |
| Previous year | (1,596.8) | (291.3) | (36.8) | (1,851.3) | (70.8) | (244.4) | (15.7) | (299.5) | (1,526.0) | (1,551.8) |

1. There is no charge on building (March 2020: Nil) and Free Hold land (March 31, 2020: Nil).
2. Amounts in brackets pertain to previous financial year.

## NOTES FORMING PART OF THE ACCOUNTS

### 14. Other intangible assets

The following table sets forth, for the periods indicated, details of intangible assets.

₹ in million

| Particulars | Gross block | | | | Depreciations/amortization | | | | Net block | |
|---|---|---|---|---|---|---|---|---|---|---|
| | At April 1, 2020 | Additions | Disposals/adjustments | At March 31, 2021 | At April 1, 2020 | For the period | Adjustments/deductions | At March 31, 2021 | At April 1, 2020 | At March 31, 2021 |
| Computer software | 63.9 | 39.5 | 6.1 | 97.3 | 19.5 | 21.9 | 3.2 | 38.2 | 44.4 | 59.1 |
| **Total** | **63.9** | **39.5** | **6.1** | **97.3** | **19.5** | **21.9** | **3.2** | **38.2** | **44.4** | **59.1** |
| Previous year | (44.7) | (39.1) | (19.9) | (63.9) | (9.9) | (13.9) | (4.3) | (19.5) | (34.8) | (44.4) |

### 15. Other non-financial assets

The following table sets forth, for the periods indicated, details of other non-financial assets.

₹ in million

| Particulars | At March 31, 2021 | At March 31, 2020 |
|---|---|---|
| Input tax credit – Goods and Service Tax | 113.3 | 106.4 |
| Capital advances (Unsecured, considered good) | 52.8 | 34.5 |
| Pre-paid expenses | 54.5 | 51.7 |
| Other non-financial assets (Unsecured, considered good) | 0.4 | 11.6 |
| **Total** | **221.0** | **204.2** |

### 16. Payables

The following table sets forth, for the periods indicated, details of payable.

₹ in million

| Particulars | At March 31, 2021 | At March 31, 2020 |
|---|---|---|
| Total outstanding dues of micro, small and medium enterprises (refer note below) | 13.8 | 7.1 |
| Total outstanding dues to creditors other than micro and small enterprises | 1,528.1 | 911.2 |
| **Total** | **1,541.9** | **918.3** |

**NOTES FORMING PART OF THE ACCOUNTS**

**Details of dues to micro and small enterprises as per Micro, Small and Medium Enterprises Development Act, 2006**

The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified based on information available with the Company. The following table sets forth, for the periods indicated, the amount of principal and interest outstanding.

₹ in million

| Particulars | At March 31, 2021 | At March 31, 2020 |
|---|---|---|
| The principal amount and the interest due thereon (Interest - March 31, 2021: Nil, March 31, 2020: Nil) remaining unpaid to any supplier as at the end of each accounting year | 13.8 | 7.1 |
| The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year | - | - |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006. | - | - |
| The amount of interest accrued and remaining unpaid at the end of each accounting year; | - | - |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006 | - | - |

**17. Debt securities**

The following tables set forth, for the periods indicated, details of debt-securities issued.

₹ in million

| Particulars | At March 31, 2021 | | | |
|---|---|---|---|---|
| | At amortised cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total |
| **Debt securities in India** | | | | |
| Non-convertible debentures | | | | |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | At March 31, 2021 | | | |
|---|---|---|---|---|
| | At amortised cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total |
| - Secured[1] | 28,903.4 | - | - | 28,903.4 |
| - Unsecured | - | - | - | - |
| Zero coupon bonds | - | - | - | - |
| Commercial papers | - | - | - | - |
| **Total – Gross** | **28,903.4** | **-** | **-** | **28,903.4** |
| Less – Unamortised borrowing cost | (49.2) | - | - | (49.2) |
| **Total – Net** | **28,854.2** | **-** | **-** | **28,854.2** |

1. The Non-convertible debentures (NCDs)/Bonds, other than Market linked debentures (MLDs) are issued with fixed coupon rate and redeemable at par. NCDs/Bonds in the nature of MLDs are issued with coupon rate linked to performance of underlying/reference index. Entire NCD book at March 31, 2021 is secured by way of first ranking pari passu floating charge over the eligible receivables to the extent of security cover of one time of the obligations. These NCDs at March 31, 2020 were unsecured and were converted to secured on August 13, 2020.

₹ in million

| Particulars | At March 31, 2020 | | | |
|---|---|---|---|---|
| | At amortised cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total |
| **Debt securities in India** | | | | |
| Non-convertible debentures | | | | |
| - Secured | - | - | - | - |
| - Unsecured | 22,910.3 | - | - | 22,910.3 |
| Zero coupon bonds | - | - | - | - |
| Commercial papers | 2,452.2 | - | - | 2,452.2 |
| **Total – Gross** | **25,362.5** | **-** | **-** | **25,362.5** |
| Less – Unamortised borrowing cost | (27.0) | - | - | (27.0) |
| **Total – Net** | **25,335.5** | **-** | **-** | **25,335.5** |

The following table sets forth, for the periods indicated, details of NCDs /Bonds.

₹ in million

| Description | Date of Allotment | Date of Redemption | Rate of Interest | At March 31, 2021 | At March 31, 2020 |
|---|---|---|---|---|---|
| **NCDs, other than MLDs** | | | | | |

## NOTES FORMING PART OF THE ACCOUNTS

| Description | Date of Allotment | Date of Redemption | Rate of Interest | At March 31, 2021 | At March 31, 2020 |
|---|---|---|---|---|---|
| 200 NCDs of ₹ 500,000 each | November 20, 2020 | November 20, 2030 | 7.07% | 100.0 | - |
| 100 NCDs of ₹ 500,000 each | May 26, 2020 | May 24, 2030 | 8.00% | 50.0 | - |
| 3,000 NCDs of ₹ 500,000 each | November 20, 2020 | May 20, 2025 | 6.18% | 1,500.0 | - |
| 2,400 NCDs of ₹ 500,000 each | April 28, 2020 | April 28, 2025 | 7.60% | 1,200.0 | - |
| 2,400 NCDs of ₹ 500,000 each | December 5, 2019 | December 5, 2024 | 8.00% | 1,200.0 | 1,200.0 |
| 7,000 NCDs of ₹ 500,000 each | January 30, 2020 | December 5, 2024 | 8.00% | 3,500.0 | 3,500.0 |
| 2,000 NCDs of ₹ 500,000 each | October 19, 2020 | October 18, 2024 | 6.18% | 1,000.0 | - |
| 4,000 NCDs of ₹ 500,000 each | May 26, 2020 | July 5, 2024 | 7.45% | 2,000.0 | - |
| 2,000 NCDs of ₹ 500,000 each | April 28, 2020 | April 28, 2023 | 7.40% | 1,000.0 | - |
| 5,500 NCDs of ₹ 500,000 each | December 5, 2019 | December 5, 2022 | 7.70% | 2,750.0 | 2,750.0 |
| 6,000 NCDs of ₹ 500,000 each | February 12, 2020 | December 5, 2022 | 7.70% | 3,000.0 | 3,000.0 |
| 5,500 NCDs of ₹ 500,000 each | May 19, 2020 | September 19, 2022 | 7.20% | 2,750.0 | - |
| 3,100 NCDs of ₹ 500,000 each | December 24, 2018 | December 24, 2021 | 9.10% | 1,550.0 | 1,550.0 |
| 4,200 NCDs of ₹ 500,000 each | March 20, 2018 | May 27, 2021 | 8.22% | 2,100.0 | 2,100.0 |
| 3,100 NCDs of ₹ 500,000 each | March 20, 2018 | April 30, 2021 | 8.22% | 1,550.0 | 1,550.0 |
| 2,100 NCDs of ₹ 500,000 each | April 12, 2019 | March 22, 2021 | 8.25% | - | 1,050.0 |
| 3,600 NCDs of ₹ 500,000 each | August 30, 2017 | August 28, 2020 | 7.36% | - | 1,800.0 |
| 1,000 NCDs of ₹ 500,000 each | July 21, 2016 | July 21, 2020 | 8.36% | - | 500.0 |
| 1,700 NCDs of ₹ 500,000 each | June 27, 2017 | June 26, 2020 | 7.50% | - | 850.0 |
| 1,000 NCDs of ₹ 500,000 each | June 20, 2016 | June 19, 2020 | 8.53% | - | 500.0 |
| **Total (A)** | | | | **25,250.0** | **20,350.0** |
| | | | | | |
| **NCDs in the nature of MLDs** | | | | | |
| 2,200 MLDs of ₹ 500,000 each | August 26, 2020 | August 26, 2022 | 5.15% | 1,100.0 | - |
| 540 MLDs of ₹ 500,000 each | September 6, 2019 | January 6, 2022 | 7.70% | 270.0 | 270.0 |
| 230 MLDs of ₹ 500,000 each | October 23, 2019 | January 6, 2022 | 7.60% | 115.0 | 115.0 |
| 316 MLDs of ₹ 500,000 each | November 29, 2019 | January 6, 2022 | 7.40% | 158.0 | 158.0 |
| 2,390 MLDs of ₹ 500,000 each | August 6, 2019 | August 6, 2021 | 8.00% | 1,195.0 | 1,195.0 |
| 120 MLDs of ₹ 500,000 each | October 23, 2019 | August 6, 2021 | 7.40% | 60.0 | 60.0 |
| 500 MLDs of ₹ 500,000 each | June 26, 2019 | June 25, 2021 | 8.10% | 250.0 | 250.0 |
| 100 MLDs of ₹ 500,000 each | July 26, 2019 | June 25, 2021 | 8.00% | 50.0 | 50.0 |
| 916 MLDs of ₹ 500,000 each | August 20, 2019 | June 25, 2021 | 7.70% | 458.0 | 458.0 |
| **Total (B)** | | | | **3,656.0** | **2,556.0** |
| **Total (A+B)** | | | | **28,906.0** | **22,906.0** |
| Add/(Less) – Unamortised Premium/(Discount) | | | | (2.6) | 4.3 |
| **Total** | | | | **28,903.4** | **22,910.3** |

**NOTES FORMING PART OF THE ACCOUNTS**

The following tables set forth, for the periods indicated, details of commercial papers.

**At March 31, 2021 (Interest rate – NA)**

₹ in million

| Maturities | 0-1 month | 1-2 months | 2-3 months | 3-6 months | 6-12 months | Total |
|---|---|---|---|---|---|---|
| Face value | - | - | - | - | - | - |
| Carrying value | - | - | - | - | - | - |

**At March 31, 2020 (Interest rate – 6.55% to 6.85%)**

₹ in million

| Maturities | 0-1 month | 1-2 months | 2-3 months | 3-6 months | 6-12 months | Total |
|---|---|---|---|---|---|---|
| Face value | - | 1,500.0 | - | - | 1,000.0 | 2,500.0 |
| Carrying value | - | 1,489.0 | - | - | 963.0 | 2,452.0 |

The following table sets forth, ratings assigned by credit rating agencies at March 31, 2021.

| Instrument | CRISIL | ICRA | CARE |
|---|---|---|---|
| Fixed deposits | FAAA/Stable | MAAA(Stable) | CARE AAA(FD); Stable |
| Senior bonds/non-convertible debentures | CRISIL AAA/Stable | [ICRA]AAA(Stable) | CARE AAA; Stable |
| Subordinate bonds | CRISIL AAA/Stable | [ICRA]AAA(Stable) | CARE AAA; Stable |
| Market linked debentures | CRISIL PP-MLD AAAr/Stable | - | CARE PP-MLD AAA; Stable |
| Commercial paper | - | [ICRA]A1+ | CARE A1+ |
| Long term bank facilities | - | [ICRA]AAA(Stable) | - |

1. In addition to the debt instrument wise specific credit ratings, the Company has been assigned the Issuer Rating of 'ICRA AAA' by ICRA.
2. During previous financial year, the Company has been assigned "CRISIL AAA/Stable" by CRISIL for its Subordinated Bonds.
3. There has been no migration of rating during the year and previous financial year.

**18. Borrowings (other than debt securities)**

The following tables set forth, for the periods indicated, details of borrowings.

₹ in million

| Particulars | At March 31, 2021 | | | |
|---|---|---|---|---|
| | At amortised cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total |
| **Secured borrowings** | | | | |
| (a) Term loans (Including re-finance) | | | | |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | At March 31, 2021 | | | |
|---|---|---|---|---|
| | At amortised cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total |
| (i) from banks[1] | 14,038.4 | - | - | 14,038.4 |
| (ii) External commercial borrowings[1] | 20,120.2 | - | - | 20,120.2 |
| (iii) from National Housing Bank[2] | 22,215.5 | - | - | 22,215.5 |
| (b) Deferred payment liabilities | - | - | - | - |
| (c) Loans from related parties[1] | 2,400.0 | - | - | 2,400.0 |
| (d) Finance lease obligations | - | - | - | - |
| (e) Liability component of compound financial instruments | - | - | - | - |
| (b) Loans repayable on demand | | | | |
| (i) from banks | - | - | - | - |
| (ii) from related parties | - | - | - | - |
| **Total (A) – Gross** | **58,774.1** | **-** | **-** | **58,774.1** |
| Less – Unamortised borrowing cost | (226.7) | - | - | (226.7) |
| **Total (A) – Net** | **58,547.4** | **-** | **-** | **58,547.4** |
| Borrowings in India | 38,653.9 | - | - | 38,653.9 |
| Borrowings outside India | 20,120.3 | - | - | 20,120.3 |
| **Total (B) – Gross** | **58,774.1** | **-** | **-** | **58,774.1** |
| Less – Unamortised borrowing cost | (226.7) | - | - | (226.7) |
| **Total (B) – Net** | **58,547.4** | **-** | **-** | **58,547.4** |

1. Secured by way of first ranking pari passu floating charge over the eligible receivables to the extent of security cover of one time of the obligations.
2. Secured by way of first exclusive charge over the identified receivables on borrowings amounting to ₹ 15,366.8 million and by way of negative lien on identified receivables on borrowings amounting to ₹ 6,848.7 million.

₹ in million

| Particulars | At March 31, 2020 | | | |
|---|---|---|---|---|
| | At amortised cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total |
| **Unsecured borrowings** | | | | |
| (a) Term loans (Including re-finance) | | | | |
| (i) from banks | 44,683.4 | - | - | 44,683.4 |
| (ii) External commercial borrowings | 20,722.7 | - | - | 20,722.7 |

**NOTES FORMING PART OF THE ACCOUNTS**

| Particulars | At March 31, 2020 | | | |
|---|---|---|---|---|
| | At amortised cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total |
| (iii) from National Housing Bank | 8,181.8 | - | - | 8,181.8 |
| (b) Term loans from related parties | 5,000.0 | - | - | 5,000.0 |
| (c) Loans repayable on demand | | | | |
| (i) from banks | - | - | - | - |
| (ii) from related parties | - | - | - | - |
| **Total (A) – Gross** | **78,587.9** | **-** | **-** | **78,587.9** |
| Less – Unamortised borrowing cost | (392.2) | - | - | (392.2) |
| **Total (A) – Net** | **78,195.7** | **-** | **-** | **78,195.7** |
| Borrowings in India | 57,865.2 | - | - | 57,865.2 |
| Borrowings outside India | 20,722.7 | - | - | 20,722.7 |
| **Total (B) – Gross** | **78,587.9** | **-** | **-** | **78,587.9** |
| Less – Unamortised borrowing cost | (392.2) | - | - | (392.2) |
| **Total (B) – Net** | **78,195.7** | **-** | **-** | **78,195.7** |

a. There has not been any default in repayment of borrowings and interest during financial year ended March 31, 2021 and March 31, 2020, except for below one-off delay by oversight which was cleared immediately.

₹ in million

| Name of the lender | Period | Amount |
|---|---|---|
| Federal Bank Limited | 2 days | 36.3 |
| Federal Bank Limited | 1 day | 25.0 |

b. At March 31, 2021, there are no borrowings guaranteed by directors and others (March 31, 2020: Nil).

The following tables set forth, the interest rates and maturity pattern of term loans at March 31, 2021.

**a. Term loans from banks**

₹ in million

| Maturities | 0-1 year | 1-3 years | 3-5 years | 5 years and above | Total |
|---|---|---|---|---|---|
| < 6.50% | 983.3 | 1,733.3 | - | - | 2,716.7 |
| 6.50% to 7.99% | 2,487.4 | 6,638.7 | 2,195.6 | - | 11,321.7 |
| **Total** | **3,470.8** | **8,372.0** | **2,195.6** | **-** | **14,038.4** |

## NOTES FORMING PART OF THE ACCOUNTS

### b. External commercial borrowings

₹ in million

| Maturities | 0-1 year | 1-3 years | 3-5 years | 5 years and above | Total |
|---|---|---|---|---|---|
| 8.00% to 9.50% | - | 20,120.2 | - | - | 20,120.2 |
| **Total** | **-** | **20,120.2** | **-** | **-** | **20,120.2** |

### c. Term loans from National Housing Bank

₹ in million

| Maturities | 0-1 year | 1-3 years | 3-5 years | 5 years and above | Total |
|---|---|---|---|---|---|
| < 6.50% | 3,559.1 | 4,264.3 | 3,963.4 | 5,649.5 | 17,436.3 |
| 6.50% to 7.99% | 428.8 | 1,111.3 | 1111.3 | 2,127.8 | 4,779.2 |
| **Total** | **3,987.9** | **5,375.5** | **5,074.7** | **7,777.3** | **22,215.5** |

### d. Term loans from related parties

₹ in million

| Maturities | 0-1 year | 1-3 years | 3-5 years | 5 years and above | Total |
|---|---|---|---|---|---|
| 6.50% to 7.99% | - | 2,400.0 | - | - | 2,400.0 |
| **Total** | **-** | **2,400.0** | **-** | **-** | **2,400.0** |

The following tables set forth, the interest rates and contractual maturity pattern of term loans at March 31, 2020.

### a. Term loans from banks

₹ in million

| Maturities | 0-1 year | 1-3 years | 3-5 years | 5 years and above | Total |
|---|---|---|---|---|---|
| < 6.50% | 833.3 | 2,120.8 | 250.0 | - | 3,204.2 |
| 6.50% to 7.99% | 2,241.7 | 1,020.8 | - | - | 3,262.5 |
| 8.00% to 9.50% | 7,890.3 | 23,658.8 | 6,667.7 | - | 38,216.7 |
| **Total** | **10,965.3** | **26,800.5** | **6,917.7** | **-** | **44,683.4** |

### b. External commercial borrowings

₹ in million

| Maturities | 0-1 year | 1-3 years | 3-5 years | 5 years and above | Total |
|---|---|---|---|---|---|
| 8.00% to 9.50% | - | - | 20,722.7 | - | 20,722.7 |
| **Total** | **-** | **-** | **20,722.7** | **-** | **20,722.7** |

## NOTES FORMING PART OF THE ACCOUNTS

### c. Term loans from National Housing Bank

₹ in million

| Maturities | 0-1 year | 1-3 years | 3-5 years | 5 years and above | Total |
|---|---|---|---|---|---|
| < 6.50% | 365.8 | 975.4 | 975.4 | 206.6 | 2,523.2 |
| 6.50% to 7.99% | 232.9 | 621.0 | 615.5 | 2,347.5 | 3,816.9 |
| 8.00% to 9.50% | 172.8 | 409.2 | 388.1 | 871.6 | 1,841.7 |
| **Total** | **771.5** | **2,005.7** | **1,978.9** | **3,425.7** | **8,181.8** |

### d. Term loans from related parties

₹ in million

| Maturities | 0-1 year | 1-3 years | 3-5 years | 5 years and above | Total |
|---|---|---|---|---|---|
| 8.00% to 9.50% | 600.0 | 4,000.0 | 400.0 | - | 5,000.0 |
| **Total** | **600.0** | **4,000.0** | **400.0** | **-** | **5,000.0** |

### 19. Deposits

The following tables set forth, for the periods indicated, details of deposits.

₹ in million

| Particulars | At March 31, 2021 | | | |
|---|---|---|---|---|
| | At amortised cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total |
| (i) Public deposits | 21,527.0 | - | - | 21,527.0 |
| (ii) From banks | 1,085.6 | - | - | 1,085.6 |
| (iii) From others | 12,581.9 | - | - | 12,581.9 |
| **Total – Gross** | **35,194.5** | **-** | **-** | **35,194.5** |
| Less – Unamortised borrowing cost | (136.4) | - | - | (136.4) |
| **Total – Net** | **35,058.1** | **-** | **-** | **35,058.1** |

1. Public deposits as defined in paragraph 2(1)(y) of the Housing Finance Companies (NHB) Directions, 2010, are secured by floating charge and lien in favour of the Trustees for Depositors on the Statutory Liquid Assets maintained in terms of sub-sections (1) and (2) of Section 29B of the National Housing Bank Act, 1987.

₹ in million

| Particulars | At March 31, 2020 | | | |
|---|---|---|---|---|
| | At amortised cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total |
| (i) Public deposits | 16,609.2 | - | - | 16,609.2 |
| (ii) From banks | 720.3 | - | - | 720.3 |

**NOTES FORMING PART OF THE ACCOUNTS**

| Particulars | At March 31, 2020 | | | |
|---|---|---|---|---|
| | At amortised cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total |
| (iii) From others | 7,911.4 | - | - | 7,911.4 |
| | **25,240.9** | **-** | **-** | **25,240.9** |
| Less – Unamortised borrowing cost | (115.6) | - | - | (115.6) |
| **Total** | **25,125.3** | **-** | **-** | **25,125.3** |

1. Public deposits as defined in paragraph 2(1)(y) of the Housing Finance Companies (NHB) Directions, 2010, are secured by floating charge and lien in favour of the Trustees for Depositors on the Statutory Liquid Assets maintained in terms of sub-sections (1) and (2) of Section 29B of the National Housing Bank Act, 1987.

## 20. Subordinate liabilities

The following tables set forth, for the periods indicated, details of subordinate liabilities.

₹ in million

| Particulars | At March 31, 2021 | | | |
|---|---|---|---|---|
| | At amortised cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total |
| **Subordinate liabilities in India** | | | | |
| Non-convertible debentures | 4,198.6 | - | - | 4,198.6 |
| | **4,198.6** | **-** | **-** | **4,198.6** |
| Less – Unamortised borrowing cost | - | - | - | - |
| **Total – in India** | **4,198.6** | **-** | **-** | **4,198.6** |
| Subordinate liabilities outside India | - | - | - | - |
| **Total - Subordinate liabilities** | **4,198.6** | **-** | **-** | **4,198.6** |

₹ in million

| Particulars | At March 31, 2020 | | | |
|---|---|---|---|---|
| | At amortised cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total |
| **Subordinate liabilities in India** | | | | |
| Non-convertible debentures | - | - | - | - |
| | **-** | **-** | **-** | **-** |
| Less – Unamortised borrowing cost | **-** | **-** | **-** | **-** |

| Particulars | At March 31, 2020 | | | |
|---|---|---|---|---|
| | At amortised cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total |
| **Total** | - | - | - | - |

The following table sets forth, for the periods indicated, details of subordinate liabilities.

₹ in million

| Description | Date of Allotment | Date of Redemption | Rate of Interest | At March 31, 2021 | At March 31, 2020 |
|---|---|---|---|---|---|
| 800 NCDs of ₹ 500,000 each | February 23, 2021 | December 10, 2035 | 7.65% | 400.0 | - |
| 400 NCDs of ₹ 500,000 each | December 10, 2020 | December 10, 2035 | 7.65% | 200.0 | - |
| 500 NCDs of ₹ 500,000 each | January 11, 2021 | December 10, 2035 | 7.65% | 250.0 | - |
| 354 NCDs of ₹ 500,000 each | February 23, 2021 | August 23, 2033 | 7.50% | 177.0 | - |
| 500 NCDs of ₹ 500,000 each | February 23, 2021 | February 21, 2031 | 7.40% | 250.0 | - |
| 1,280 NCDs of ₹ 500,000 each | November 10, 2020 | November 8, 2030 | 7.50% | 640.0 | - |
| 2,140 NCDs of ₹ 500,000 each | December 10, 2020 | November 8, 2030 | 7.50% | 1,070.0 | - |
| 500 NCDs of ₹ 500,000 each | January 11, 2021 | November 8, 2030 | 7.50% | 250.0 | - |
| 1,000 NCDs of ₹ 500,000 each | June 10, 2020 | June 10, 2030 | 8.02% | 500.0 | - |
| 910 NCDs of ₹ 500,000 each | June 26, 2020 | June 10, 2030 | 8.02% | 455.0 | - |
| | | | | **4,192.0** | **-** |
| Add/(Less) – Unamortised premium/ (Discount) | | | | 6.6 | - |
| **Total** | | | | **4,198.6** | **-** |

## 21. Other financial liabilities (at amortised cost)

The following table sets forth, for the periods indicated, details of other financial liabilities (at amortised cost).

₹ in million

| Particulars | At March 31, 2021 | At March 31, 2020 |
|---|---|---|
| Interest accrued | 1,790.3 | 2,032.9 |
| Unpaid matured deposits and interest accrued thereon | 186.5 | 267.4 |
| Lease liability | 337.1 | 457.0 |
| Others[1] | 4,957.3 | 2,717.5 |
| **Total** | **7,271.2** | **5,474.8** |

1. Includes book overdraft, unappropriated credits pertaining to loans and fixed deposits, accruals for expenses etc.

## NOTES FORMING PART OF THE ACCOUNTS

### 22. Provisions

The following table sets forth, for the periods indicated, details of provisions.

₹ in million

| Particulars | At March 31, 2021 | At March 31, 2020 |
|---|---|---|
| (a) Provision for employee benefits | | |
| Leave encashment | 33.6 | 26.9 |
| Gratuity | - | 11.1 |
| | | |
| (b) Other provisions | | |
| Provision for others[1] | 123.2 | 11.7 |
| **Total** | **156.8** | **49.7** |

1. Includes provision made towards estimated interest relief (interest on interest) to eligible borrowers. For details refer note no. 24.

### 23. Other non-financial liabilities

The following table sets forth, for the periods indicated, details of other non-financial liabilities.

₹ in million

| Particulars | At March 31, 2021 | At March 31, 2020 |
|---|---|---|
| Undisputed statutory dues | 167.1 | 72.3 |
| **Total** | **167.1** | **72.3** |

### 24. Interest income

The following table sets forth, for the periods indicated, details of interest income.

₹ in million

| Particulars | Year ended March 31, 2021 | | | | Year ended March 31, 2020 | | | |
|---|---|---|---|---|---|---|---|---|
| | On financial assets measured at fair value through OCI | On financial assets measured at amortised cost | On financial assets classified at fair value through profit or loss | Total | On financial assets measured at fair value through OCI | On financial assets measured at amortised cost | On financial assets classified at fair value through profit or loss | Total |
| Interest on loans | 325.0 | 14,085.2 | - | 14,410.2 | - | 15,335.9 | - | 15,335.9 |

| Particulars | Year ended March 31, 2021 | | | | Year ended March 31, 2020 | | | |
|---|---|---|---|---|---|---|---|---|
| | On financial assets measured at fair value through OCI | On financial assets measured at amortised cost | On financial assets classified at fair value through profit or loss | Total | On financial assets measured at fair value through OCI | On financial assets measured at amortised cost | On financial assets classified at fair value through profit or loss | Total |
| Interest income from investments | - | 189.2 | - | 189.2 | - | 110.3 | - | 110.3 |
| Interest on deposits with banks | - | 36.0 | - | 36.0 | - | 5.9 | - | 5.9 |
| **Total** | **325.0** | **14,310.4** | **-** | **14,635.4** | **-** | **15,452.1** | **-** | **15,452.1** |

In accordance with RBI notification dated April 7, 2021, the Company is required to refund/adjust 'interest on interest' to borrowers. As required by the RBI notification, the methodology for calculation of such interest on interest has recently been circulated by the Indian Banks' Association. The Bank is in the process of suitably implementing this methodology. The Company has however created a liability towards estimated interest relief and reduced the same from the interest income.

## 25. Fees and commission income

The following table sets forth, for the periods indicated, details of fees and commission income.

₹ in million

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| Property service fees | 68.2 | 69.1 |
| Processing fee[1] | 89.3 | 75.0 |
| Referral fees – General insurance | 32.1 | 77.1 |
| Referral fees – Life insurance | 44.7 | 19.7 |
| Other fee income | 69.1 | 67.0 |
| **Total** | **303.4** | **307.9** |

1.Represents log-in/processing fee on expired/cancelled cases.

## NOTES FORMING PART OF THE ACCOUNTS

### 26. Net gain/(loss) on fair value changes

The following table sets forth, for the periods indicated, details of net gain/(loss) on fair value changes.

₹ in million

| Particulars | | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|---|
| (A) | Net gain/(loss) on financial instruments at fair value through profit or loss | | |
| | - Investments | 35.9 | 60.9 |
| | - Derivatives | - | 0.1 |
| (ii) | On financial instruments designated at fair value through profit or loss | - | - |
| | **Total** | **35.9** | **61.0** |
| (B) | Others | - | - |
| | **Total** | - | **-** |
| **(C)** | **Total net gain/(loss) on fair value changes** | **35.9** | **61.0** |
| | Fair value changes | | |
| | - realized | - | 1.9 |
| | - unrealized | 35.9 | 59.1 |
| **(D)** | **Total net gain/(loss) on fair value changes** | **35.9** | **61.0** |

### 27. Other revenue from operations

The following table sets forth, for the periods indicated, details of other revenue from operation.

₹ in million

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| Profit on sale of mutual fund units | 308.9 | 124.5 |
| Profit on sale of government securities | - | - |
| **Total** | **308.9** | **124.5** |

### 28. Other income

The following table sets forth, for the periods indicated, details of other income.

₹ in million

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| Rent income | 37.6 | 47.2 |
| Others (including interest on income tax refund)[1] | 33.0 | 3.2 |
| **Total** | **70.6** | **50.4** |

1. Year ended March 31, 2021 includes ₹ 32.9 million pertaining to earlier period. For details refer note no. 72.

## NOTES FORMING PART OF THE ACCOUNTS

### 29. Finance Cost

The following table sets forth, for the periods indicated, details of finance cost.

₹ in million

| Particulars | Year ended March 31, 2021 | | Year ended March 31, 2020 | |
|---|---|---|---|---|
| | On financial liabilities measured at fair value through profit or loss | On financial liabilities measured at amortised cost | On financial liabilities measured at fair value through profit or loss | On financial liabilities measured at amortised cost |
| Interest on deposits | - | 2,621.7 | - | 1,581.7 |
| Interest on borrowings | - | 5,484.3 | - | 8,098.6 |
| Interest on debt securities | - | 2,319.5 | - | 1,952.3 |
| Interest on subordinate liabilities | - | 121.5 | - | 12.7 |
| Interest on lease liabilities | - | 4.9 | - | 45.9 |
| **Total** | **-** | **10,551.9** | **-** | **11,691.2** |

### 30. Fees and commission expenses

The following table sets forth, for the periods indicated, details of fees and commission expenses.

₹ in million

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| Property services fee, brokerage and commission | 11.0 | 21.3 |
| Legal and technical fee | 19.5 | 23.9 |
| **Total** | **30.5** | **45.2** |

### 31. Impairment on financial instruments

The following table sets forth, for the periods indicated, details of impairment and write-offs of financial instruments.

₹ in million

| Particulars | Year ended March 31, 2021 | | Year ended March 31, 2020 | |
|---|---|---|---|---|
| | On financial instruments measured at fair value through OCI | On financial instruments measured at amortised cost | On financial instruments measured at fair value through OCI | On financial liabilities measured at amortised cost |
| Loans | - | 2,655.9 | - | 1,919.9 |
| Investments | - | - | - | - |

| Particulars | Year ended March 31, 2021 | | Year ended March 31, 2020 | |
|---|---|---|---|---|
| | On financial instruments measured at fair value through OCI | On financial instruments measured at amortised cost | On financial instruments measured at fair value through OCI | On financial liabilities measured at amortised cost |
| Others | - | 38.7 | - | 14.3 |
| **Total** | **-** | **2,694.6** | **-** | **1,934.2** |

**Provisions and contingencies**

The following table sets forth, for the periods indicated, the break-up of provisions and contingencies included in profit and loss account.

₹ in million

| Particulars | Year ended March 31, 2021 |
|---|---|
| Provision for depreciation on Investment | - |
| Provision towards non-performing assets | (1,512.7) |
| Provision for standard assets | 668.2 |
| - HL to individuals | 246.1 |
| - HL to others | (1.5) |
| - Teaser Loans | - |
| - Commercial Real Estate-Residential Housing Loans | (3.0) |
| - Commercial Real Estate- Other Loans | (91.6) |
| - Other Loans | 518.2 |
| Other provisions and contingencies write offs | 3,539.1 |
| **Total** | **2,694.6** |
| Provision made towards Income Tax, including deferred tax credit | 109.7 |

Note 1: Standard assets represent loans classified as Stage-1 and Stage-2, NPAs represent loans classified as Stage-3 and Provisions on loans represent Expected credit loss in the above table.

**32. Employee benefits expenses**

The following table sets forth, for the periods indicated, details of employee benefits expenses.

₹ in million

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| Salaries and wages | 1,417.5 | 1,248.3 |
| Contribution to provident and other funds | 80.2 | 84.7 |
| Share based payment to employees | 32.7 | 39.7 |
| Staff welfare expenses | 67.4 | 59.8 |
| **Total** | **1,597.8** | **1,432.5** |

## NOTES FORMING PART OF THE ACCOUNTS

### 33. Other Expenses

The following table sets forth, for the periods indicated, details of other expenses.

₹ in million

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| Rent, rates and energy cost | 39.0 | 59.9 |
| Repairs and maintenance | 68.5 | 60.6 |
| Communication costs | 29.7 | 42.8 |
| Printing and stationery | 17.3 | 22.4 |
| Advertisement and publicity | 44.9 | 75.3 |
| Director's fees, allowances and expenses | 4.8 | 4.6 |
| Auditor's fees and expenses (refer note below) | 10.5 | 11.4 |
| Legal and professional charges | 174.2 | 271.7 |
| Collection expenses | 97.4 | 232.0 |
| Insurance | 4.3 | 5.2 |
| Travelling and conveyance | 54.8 | 105.9 |
| Office expenses | 73.5 | 98.6 |
| Corporate Social Responsibility expenditure[1] | 13.5 | 30.8 |
| Computer consumables | 14.1 | 18.1 |
| Miscellaneous expenses[2] | 36.4 | 39.3 |
| **Total** | **682.9** | **1,078.6** |

1. Refer note 53 for details.
2. For year ended March 31, 2020, Includes loss of ₹ 7.8 Million on transfer of consumer finance business to Parent Bank on a going concern basis by way of slump sale.

### Remuneration to auditors

₹ in million

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| Statutory audit fees | 5.4 | 5.5 |
| Tax audit fees | 0.5 | 0.6 |
| Certification and other fees[1] | 4.6 | 5.3 |
| **Total** | **10.5** | **11.4** |

1. Including reimbursement of expenses and tax credit not available to the Company.

## NOTES FORMING PART OF THE ACCOUNTS

### 34. Current and non-current assets and liabilities

The following tables set forth, for the periods indicated, the assets and liabilities to be recovered or settled within and after twelve months.

₹ in million

| Particulars | At March 31, 2021 | | |
|---|---|---|---|
| | Amounts expected to be recovered or settled | | Total |
| | Within twelve months | After twelve months | |
| **ASSETS** | | | |
| **Financial assets** | | | |
| Cash and cash equivalents | 7,436.4 | - | 7,436.4 |
| Bank balance other than above | 458.0 | 2.5 | 460.5 |
| Derivative financial instruments | - | 681.4 | 681.4 |
| Receivables | | | |
| (i) Trade receivables | 25.8 | - | 25.8 |
| (ii) Other receivables | - | - | - |
| Loans | 7,065.3 | 130,512.9 | 137,578.2 |
| Investments | 1,484.5 | 2,897.4 | 4,381.9 |
| Other financial assets | 722.3 | 741.4 | 1,463.7 |
| | **17,192.3** | **134,835.6** | **152,027.9** |
| **Non-financial assets** | | | |
| Current tax assets (net) | - | 918.1 | 918.1 |
| Deferred tax assets | - | 546.1 | 546.1 |
| Property, plant and equipment | - | 1,329.3 | 1,329.3 |
| Intangible assets | - | 59.1 | 59.1 |
| Other non-financial assets | 136.6 | 84.4 | 221.0 |
| | **136.6** | **2,937.0** | **3,073.6** |
| **Total** | **17,328.9** | **137,772.6** | **155,101.5** |
| | | | |
| **LIABILITIES AND EQUITY** | | | |
| **LIABILITIES** | | | |
| **Financial liabilities** | | | |
| Derivative financial instruments | 34.4 | 1,400.4 | 1,434.8 |
| Payables | | | |
| (i) Micro and Small Enterprises | 13.8 | - | 13.8 |
| (ii) Other payables | 1,528.1 | - | 1,528.1 |
| Debt securities | 7,745.3 | 21,108.9 | 28,854.2 |
| Borrowings (Other than debt securities) | 7,369.7 | 51,177.7 | 58,547.4 |
| Deposits | 15,304.9 | 19,753.2 | 35,058.1 |
| Subordinate liabilities | - | 4,198.6 | 4,198.6 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | At March 31, 2021 | | |
|---|---|---|---|
| | Amounts expected to be recovered or settled | | Total |
| | Within twelve months | After twelve months | |
| Other financial liabilities | 7,009.3 | 261.9 | 7,271.2 |
| | **39,005.5** | **97,900.7** | **136,906.2** |
| **Non-financial liabilities** | | | |
| Current tax liabilities (net) | - | - | - |
| Provisions | 131.3 | 25.5 | 156.8 |
| Other non-financial liabilities | 167.1 | - | 167.1 |
| | **298.4** | **25.5** | **323.9** |
| **EQUITY** | | | |
| Equity Share Capital | - | 10,987.5 | 10,987.5 |
| Other equity | - | 6,883.9 | 6,883.9 |
| | **-** | **17,871.4** | **17,871.4** |
| **Total** | **39,303.9** | **115,797.6** | **155,101.5** |

₹ in million

| Particulars | At March 31, 2020 | | |
|---|---|---|---|
| | Amounts expected to be recovered or settled | | Total |
| | Within twelve months | After twelve months | |
| **ASSETS** | | | |
| **Financial assets** | | | |
| Cash and cash equivalents | 221.0 | - | 221.0 |
| Bank balance other than above | 548.0 | 160.5 | 708.5 |
| Derivative financial instruments | 40.7 | 1,623.1 | 1,663.8 |
| Receivables | | | |
| (i) Trade receivables | 49.9 | - | 49.9 |
| (ii) Other receivables | - | - | - |
| Loans | 20,782.8 | 120,140.7 | 140,923.5 |
| Investments | 3,560.4 | 2,383.2 | 5,943.6 |
| Other financial assets | 389.6 | 353.1 | 742.7 |
| | **25,592.4** | **124,660.6** | **150,253.0** |
| **Non-financial assets** | | | |
| Current tax assets (net) | - | 671.3 | 671.3 |
| Deferred tax assets | - | 977.5 | 977.5 |
| Property, plant and equipment | - | 1,551.8 | 1,551.8 |
| Intangible assets | - | 44.4 | 44.4 |
| Other non-financial assets | 131.5 | 72.7 | 204.2 |

**NOTES FORMING PART OF THE ACCOUNTS**

| Particulars | At March 31, 2020 | | |
|---|---|---|---|
| | Amounts expected to be recovered or settled | | Total |
| | Within twelve months | After twelve months | |
| | **131.5** | **3,317.7** | **3,449.2** |
| **Total** | **25,723.9** | **127,978.3** | **153,702.2** |
| | | | |
| **LIABILITIES AND EQUITY** | | | |
| **LIABILITIES** | | | |
| **Financial liabilities** | | | |
| Derivative financial instruments | - | 1,842.2 | 1,842.2 |
| Payables | | | |
| (i) Micro and Small Enterprises | 7.1 | - | 7.1 |
| (ii) Other payables | 911.2 | - | 911.2 |
| Debt securities | 7,138.9 | 18,196.6 | 25,335.5 |
| Borrowings (Other than debt securities) | 12,220.7 | 65,975.0 | 78,195.7 |
| Deposits | 7,578.6 | 17,546.7 | 25,125.3 |
| Subordinate liabilities | - | - | - |
| Other financial liabilities | 4,134.9 | 1,339.9 | 5,474.8 |
| | **31,991.4** | **104,900.4** | **136,891.8** |
| **Non-financial liabilities** | | | |
| Current tax liabilities (net) | 10.6 | - | 10.6 |
| Provisions | 18.1 | 31.6 | 49.7 |
| Other non-financial liabilities | 72.3 | - | 72.3 |
| | **101.0** | **31.6** | **132.6** |
| **EQUITY** | | | |
| Equity Share Capital | - | 10,987.5 | 10,987.5 |
| Other equity | - | 5,690.3 | 5,690.3 |
| | **-** | **16,677.8** | **16,677.8** |
| **Total** | **32,092.4** | **121,609.8** | **153,702.2** |

## 35. Standards issued but not yet effective

Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards. At March 31, 2021, there are no notification issued by the MCA with respect to applicability of any new standard or amendments to the existing standards, which are applicable from April 1, 2021.

## NOTES FORMING PART OF THE ACCOUNTS

### 36. Capital Management

**Objective**

The Company actively manages its capital to meet regulatory norms as prescribed by RBI and current and future business needs considering the risks in its businesses, expectation of rating agencies, shareholders and investors and the available options of raising capital. No changes have been made to the objectives, policies and processes from the previous financial year.

The capital management framework of the Company is administered by the Finance Group under the supervision of the Board and the Assets Liability Management Committee.

The Company has complied in full, with externally imposed capital requirement over the reporting period.

**Monitoring and reporting**

The Board of Directors maintains an active oversight over the Company's capital adequacy levels. On a half yearly basis an analysis of the capital adequacy position and the risk weighted assets are reported to the Board.

**Capital to Risk Assets Ratio (CRAR)**

The following table sets forth, for the period indicated, computation of capital adequacy ratio.

₹ in million, except ratio (%)

| Particulars | At March 31, 2021 |
|---|---|
| (i) CRAR% | 20.94% |
| (ii) CRAR – Tier I capital % | 15.92% |
| (iii) CRAR – Tier II capital % | 5.02% |
| (iv) Amount of subordinated debt raised as Tier II capital | 4,192.0 |
| (v) Amount raised by issue of Perpetual debt instruments | - |

1. The Company has reckoned the property value at the time of loan origination for the purpose of computation of Loan to value ratio (LTV) and accordingly assigned applicable risk weights.

The following table sets forth, for the period indicated, computation of the debt to equity ratio.

₹ in million, except ratio

| Particulars | At March 31, 2021 | At March 31, 2020 |
|---|---|---|
| Debt | 126,658.3 | 128,656.5 |
| Equity | 17,871.4 | 16,677.8 |
| Debt to equity ratio | 7.09 | 7.71 |

## NOTES FORMING PART OF THE ACCOUNTS

### 37. Earnings per share

The following table sets forth, for the period indicated, computation of the earnings per share.

₹ in million, except per share data

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| **Earnings** | | |
| Net Profit attributable shareholders (before dilution) | 216.7 | 2.8 |
| Dilution impact (if any) | - | - |
| Net Profit attributable shareholders (after dilution) | 216.7 | 2.8 |
| **Common stock** | | |
| Weighted average number of equity shares (basic) | 1,098,750,000 | 1,098,750,000 |
| Dilutive impact | - | - |
| Weighted average number of equity shares (diluted) | 1,098,750,000 | 1,098,750,000 |
| | | |
| **Basic earnings per share (₹)** | **0.20** | **0.00** |
| **Diluted earnings per share (₹)** | **0.20** | **0.00** |

There are no instruments outstanding that could potentially dilute basic earnings per share in the future, but were not included in the calculation of diluted earnings per share because they are anti-dilutive for the period(s) presented.

There were no transactions that have occurred after the reporting date that would have changed significantly the number of ordinary shares outstanding or potential ordinary shares outstanding at the reporting date.

### 38. Operating segment

The Company is engaged in lending business. The Company provides mortgages loans (home loans and loans against properties) and real estate loans. The Company is also engaged in mortgage business related other services such as property search services. All other activities of the Company revolve around the main business. The Board reviews the Company's performance as a single business. The Company's operation is within India only. There being only one segment, disclosure for operating segment is not applicable.

Further, no clients individually accounted for more than 10% of the revenue in financial year ended March 31, 2021 and March 31, 2020.

### 39. Leases

Presentation/disclosure related to leases in financial statements is given below.

1. The Company has presented lease liability as a separate line item in schedule on 'Other Financial Liabilities'. The Company presents ROU assets (pertaining to its branch/office premises) as part of 'Properties, Plant and Equipment'.

## NOTES FORMING PART OF THE ACCOUNTS

2. The Company has presented interest expenses on lease liability separately from depreciation charge for the ROU assets. Interest expenses on lease liability is a component of finance cost.
3. In cash flow statement, the Company has classified
   a) Principal portion of lease payment as financing activities,
   b) Interest on lease liability as financing activities,
   c) Lease payment for short-term assets or low-value assets as operating activities.

The following table sets forth, for the period indicated, movement in carrying value of right of use assets (for branch premises).

₹ in million

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| Opening balance | 429.1 | 419.8 |
| Addition[1] | 52.8 | 122.1 |
| Deletion | (62.1) | (8.9) |
| Depreciation to date | (107.9) | (103.9) |
| Closing balance | 311.9 | 429.1 |

1. Includes impact on account of lease-modifications.

The following tables set forth, for the periods indicated, details pertaining to lease liabilities.

### a) movement in carrying value of lease liability

₹ in million

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| Opening balance | 457.0 | 419.8 |
| Addition[1] | 39.8 | 122.1 |
| Deletion | (63.0) | (8.9) |
| Finance cost accrued during the period | 18.7 | 45.9 |
| Payments made | (115.4) | (121.9) |
| Closing balance | 337.1 | 457.0 |

1. Includes impact on account of lease-modifications.

### b) break-up of lease liability in to current and non-current

₹ in million

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| Current lease liabilities | 108.7 | 87.1 |
| Non-current lease liabilities | 228.4 | 369.9 |
| **Total** | **337.1** | **457.0** |

**NOTES FORMING PART OF THE ACCOUNTS**

**c) Contractual maturities of lease liabilities on an undiscounted basis**

₹ in million

| Particulars | Up to one month | Over 1 month to 3 months | Over 3 months to 1 year | Over 1 year to 5 years | Over 5 year | Total |
|---|---|---|---|---|---|---|
| At March 31, 2021 | 8.9 | 17.8 | 81.9 | 256.5 | 30.2 | **395.3** |
| At March 31, 2020 | 10.5 | 21.1 | 94.6 | 399.8 | 30.1 | **556.1** |

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Further for the year ended March 31, 2021, the Company

- Recorded expense of ₹ 14.7 million for short-term leases and for leases related to low-value leases (March 31, 2020: ₹ 17.6 million).
- Did not have any variable lease payments (March 31, 2020: Nil).
- Had not sub-leased right of use assets (March 31, 2020: Nil).
- Had total cash out flow for leases amounting to ₹ 115.4 million (March 31, 2020: ₹ 121.9 million).
- Does not have any significant restrictions or covenants imposed by leases (March 31, 2020: Nil).
- Has committed undiscounted value of the leases not yet commenced of ₹ 5.8 million (March 31, 2020: ₹ 3.9 million)

**40. Provisions, commitments and contingencies**

The following table sets forth, for the periods indicated, the break-up of provisions and contingencies included in statement of profit and loss.

₹ in million

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| Impairment on financial instruments | 2,655.9 | 1,919.9 |
| Others | 38.7 | 14.3 |
| **Total** | **2,694.6** | **1,934.2** |

The Company has assessed its obligations arising in the normal course of business, including pending litigations, proceedings pending with tax authorities and other contracts including derivative and long term contracts. In accordance with the provisions of Ind AS 37 on 'Provisions, Contingent Liabilities and Contingent Assets', the Company recognises a provision for material foreseeable losses when it has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure to this effect is made as contingent liabilities in the financial statements.

## NOTES FORMING PART OF THE ACCOUNTS

The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

### Litigation

A number of litigations and claims against the Company and its directors are pending in various forums. The claims on the Company mainly arise in connection with civil cases involving allegations of service deficiencies, property or labor disputes, fraudulent transactions, economic offences and other cases filed in the normal course of business. The Company is also subject to counter-claims arising in connection with its enforcement of contracts and loans. A provision is created where an unfavorable outcome is deemed probable and in respect of which a reliable estimate can be made. In view of inherent unpredictability of litigation and cases where claims sought are substantially high, actual cost of resolving litigations may be substantially different than the provision held. The total amount of provision made was ₹ 5.2 million at March 31, 2021 (March 31, 2020: ₹ 7.3 million).

Based upon a review of open matters with its legal counsels including loss contingency on account of such litigation and claims, and classification of such contingency as 'probable', 'possible' or 'remote' and with due provisioning for the relevant litigation and claims, the management believes that the outcome of such matters will not have a material adverse effect on the Company's financial position, results of operations or cash flows.

The following table sets forth, for the periods indicated, movement in provision for legal cases.

₹ in million

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| Opening provision | 7.3 | 6.4 |
| Provision made during the year | 3.7 | 1.0 |
| Utilisation | (0.8) | (0.1) |
| Provision reversed during the year | (5.0) | - |
| Closing provision | 5.2 | 7.3 |

Claims filed against the Company not acknowledged as debt amounted to ₹ 12.8 million at March 31, 2021 (March 2020: ₹ 9.3 million).

### Loan commitments

The Company has outstanding undrawn commitments to provide loans to customers. These loan commitments aggregated ₹ 6,372.7 million at March 31, 2021 (March 31, 2020: ₹ 10,194.5 million). Further, the commitments have fixed expiration dates and are contingent upon the borrower’s ability to maintain specific credit standards.

## NOTES FORMING PART OF THE ACCOUNTS

### Capital commitments

The Company is obligated under various capital contracts. Capital contracts are work/purchase orders of a capital nature, which have been committed. Estimated amounts of contracts remaining to be executed on property, plant and equipment aggregated to ₹ 19.1 million (net of advances - ₹ 8.8 million) at March 31, 2021 (March 31, 2020: Gross – ₹ 10.7 million, Net of advances – ₹ 9.9 million).

Estimated amounts of contracts remaining to be executed on intangible assets aggregated to ₹ 76.0 million (net of advances - ₹ 33.6 million) at March 31, 2021 (March 31, 2020: Gross – ₹ 68.7 million, Net of advances – ₹ 35.0 million).

### Commitment towards investments

Uncalled amount towards investments at March 31, 2021 is Nil (March 31, 2020: ₹ 7.5 million).

### Tax contingencies

Various tax-related legal proceedings are pending against the Company at various levels of appeal either with the tax authorities or in the courts. Where after considering all available information in the opinion of management a liability requires accrual, the Company accrues such liability.

Where such proceedings are sufficiently advanced to enable management to assess that a liability exists and are subject to reasonable estimation, management records its best estimate of such liability. Where a reasonable range of potential outcomes is estimated, management records its best estimate, or in the absence of a basis for selecting a specific estimate within a range, management records a liability no less than the lower end of the estimated range. The contested tax demands are adjusted by the tax authorities against refunds due to the Company on favorable resolution of earlier year's appeals/completion of assessments or paid. The payment/adjustment does not prejudice the outcome of the appeals filed by the Company. The advance tax payments are recorded as advance tax payments.

At March 31, 2021, the Company has assessed its contingent tax liability at an aggregate amount of ₹ 416.3 million pertaining to income tax demands by the Government of India's tax authorities for past years (March 31, 2020: ₹ 416.3 million). Based on consultation with counsel and favorable decisions in the Company's own or other cases, the management believes that the tax authorities are not likely to be able to substantiate their tax assessments and accordingly, has not provided for these tax demands at March 31, 2021. Disputed tax issues that are classified as remote are not disclosed as contingent liabilities by the Company. The key disputed liabilities are detailed below:

a. Income tax deduction for special reserve available to financial institutions
b. Disallowance of expenses incurred for earning tax exempt income

Based on judicial precedents in the Company's and other cases and upon consultation with tax counsels, the management believes that it is more likely than not that the Company's tax position will be sustained. Accordingly, no provision has been made in the accounts.

## NOTES FORMING PART OF THE ACCOUNTS

### 41. Proposed dividend on equity shares

The Board of Directors at its meeting held on April 22, 2021, has not recommended any dividend for year ended March 31, 2021 (year ended March 31, 2020: Nil), as per the dividend pay-out policy of the Company. Further, the Company didn't paid any dividend during year ended March 31, 2021 (year ended March 31, 2020: dividend paid amounting to ₹ 44.1 million and dividend distribution tax amounting to ₹ 9.1 million).

### 42. Income taxes

The following table sets forth, for the periods indicated, major components of income tax expense/ (benefit).

₹ in million

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| **Current tax expense/(benefit)** | | |
| Tax expense/(benefit) for current year | - | 185.0 |
| Adjustments for prior years | - | - |
| **Total current tax expense/(benefit)** | **-** | **185.0** |
| | | |
| **Deferred tax expense/(benefit)** | | |
| Origination and reversal of temporary difference | 109.7 | (142.2) |
| Change in tax rates | - | 213.3 |
| **Total deferred tax expense/(benefit)** | **109.7** | **71.1** |
| **Total income tax expense/(benefit)** | **109.7** | **256.1** |

The tax expense and tax assets have been computed as per applicable tax laws and generally accepted tax computation policies and procedures. Further, there is no uncertain tax treatment.

The following table sets forth, for the periods indicated, income taxes charged or credited directly to statement of other comprehensive income.

₹ in million

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| **Items that will not be reclassified to the profit or loss** | | |
| Defined benefit plan actuarial gains/(losses) | 0.8 | (2.8) |
| Change in tax rates | - | (0.2) |
| **Items that will be reclassified to the profit or loss** | | |
| Impact due to cash flow hedge reserve | 33.3 | (7.9) |
| Change in tax rates | - | 107.9 |
| Impact due to fair value changes on loans classified under "Hold & Sell" business model | 287.5 | - |
| Change in tax rates | - | - |
| **Income tax charged/(credited) to other comprehensive income** | **321.6** | **97.0** |

## NOTES FORMING PART OF THE ACCOUNTS

### Reconciliation of tax rates

The tax rate for domestic corporates as per Income Tax Act, 1961 (including surcharge and education cess) was 25.168% for the year ended March 31, 2021 (March 31, 2020: 25.168%).

The following table sets forth, for the periods indicated, reconciliation of the income taxes at statutory income tax rate to income tax expense/ (benefit) as reported.

₹ in million

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| Profit/(loss) before income taxes | 326.4 | 258.9 |
| **Total** | | |
| Enacted statutory tax rate | 25.168% | 25.168% |
| Income tax expense/(benefit) at the statutory tax rate | 82.1 | 65.2 |
| **Increases/(reductions) in taxes on account of:** | | |
| Income tax deduction for Special Reserve available to financial institutions | - | (16.7) |
| Exempt income (dividend) | - | (17.7) |
| Income charged at rates other than statutory tax rate | - | - |
| Changes in the statutory tax rate | - | 213.3 |
| Deferred tax not recognized | - | - |
| Expenses disallowed for tax purposes | 27.6 | 12.1 |
| **Income tax expense/(benefit) reported** | **109.7** | **256.1** |

The effective income tax rate for year ended March 31, 2021 was 33.6% (March 31, 2020: 98.9%).

There is no re-measurement of deferred tax balances due to change in tax rates in FY2021. Effective tax rate for the year ended March 31, 2020, excluding one-time re-measurement of opening deferred tax balances was 16.5%.

### Components of deferred tax balances

The tax effects of temporary differences are reflected through a deferred tax asset/liability, which is included in the balance sheet of the Company.

The following table sets forth, for the periods indicated, components of the deferred tax balances.

₹ in million

| Particulars | At March 31, 2021 | At March 31, 2020 |
|---|---|---|
| **Deferred tax assets:** | | |
| Allowance for loan losses | 943.8 | 1,136.6 |
| Unused tax losses carried forward[1] | 107.7 | - |
| Cash flow hedge reserve | 252.4 | 285.8 |
| Others | 93.1 | 97.7 |
| **Total** | **1,397.0** | **1,520.1** |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | At March 31, 2021 | At March 31, 2020 |
|---|---|---|
| **Total deferred tax asset** | | |
| | | |
| **Deferred tax liabilities:** | | |
| Depreciation on property, plant and equipment | 108.8 | 102.0 |
| Deferred loan origination expenses (net) and borrowing cost (EIR method of accounting) and interest on stage 3 loans | 115.5 | 265.6 |
| Fair value changes in investments and derivatives | 25.7 | 17.3 |
| Unrealised gains chargeable to tax on realisation basis | 313.4 | 157.7 |
| Fair value changes on financial assets (loans) | 287.5 | - |
| **Total deferred tax liability** | **850.9** | **542.6** |
| | | |
| **Net deferred tax asset/(liability)** | **546.1** | **977.5** |

1. Unutilised tax loss arising due to claim of bad debts written off under section 36(1)(vii) of the Income Tax Act, 1961. The same is eligible for set off against future taxable profits.

In assessing the realisability of deferred tax assets, management has considered whether it is probable that some portion or all of the deferred tax assets will not be realised. The ultimate realisation of the deferred tax asset is dependent on the generation of future taxable income during the periods in which the temporary differences become deductible. Management has considered the scheduled reversal of deferred tax liabilities, the projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable incomes over the periods in which the deferred tax assets are deductible, management believes that it is probable that sufficient taxable profits will be available against which the Company will realise the benefits of those deductible differences.

The following tables set forth, for the periods indicated, movement in temporary differences during the year.

₹ in million

| Particulars | Balance at April 1, 2020 | Recognised in profit and loss account | Recognised in other comprehensive income | Balance at March 31, 2021 |
|---|---|---|---|---|
| Allowance for loan losses | 1,136.6 | (192.8) | - | 943.8 |
| Deferred loan origination expenses (net) and borrowing cost (EIR method of accounting) and interest on stage 3 loans | (265.6) | 150.1 | - | (115.5) |
| Depreciation on Property, plant and equipment | (102.0) | (6.8) | - | (108.8) |
| Fair value changes in investments and derivatives | (17.3) | (8.4) | - | (25.7) |
| Cash flow hedge reserve | 285.8 | - | (33.4) | 252.4 |
| Unrealised gains chargeable to tax on realisation basis | (157.7) | (155.7) | - | (313.4) |
| Others | 97.7 | (3.8) | (0.8) | 93.1 |

| | | | | |
|---|---|---|---|---|
| Unused tax losses carried forward | - | 107.7 | - | 107.7 |
| Fair value changes on financial assets (loans) | - | - | (287.5) | (287.5) |
| **Total** | **977.5** | **(109.7)** | **(321.6)** | **546.1** |

₹ in million

| Particulars | Balance at April 1, 2019 | Recognised in profit and loss account | Recognised in other comprehensive income | Balance at March 31, 2020 |
|---|---|---|---|---|
| Allowance for loan losses | 1,186.0 | (49.4) | - | 1,136.6 |
| Deferred loan origination expenses (net) and borrowing cost (EIR method of accounting) and interest on stage 3 loans | (355.3) | 89.7 | - | (265.6) |
| Depreciation on Property, plant and equipment | (169.9) | 67.9 | - | (102.0) |
| Fair value changes in investments and derivatives | (3.5) | (13.8) | - | (17.3) |
| Cash flow hedge reserve | 385.8 | - | (100.0) | 285.8 |
| Unrealised gains chargeable to tax on realisation basis | - | (157.7) | - | (157.7) |
| Others | 102.4 | (7.8) | 3.0 | 97.7 |
| Unused tax losses carried forward | - | - | - | - |
| Fair value changes on financial assets (loans) | - | - | - | - |
| **Total** | **1,145.5** | **(71.1)** | **(97.0)** | **977.5** |

## 43. Changes in Business Model and derecognition of financial assets

The National Housing Bank (NHB) in order to improve the financials, capital and liquidity structure of HFCs, had issued the following changes in its guidelines:

a) increased the regulatory requirements capital adequacy ratio (CAR) from existing requirement of 12% to 15% in a phased manner by March 2022.
b) mandated HFCs to cap their total borrowings (including public deposits) in a phased manner to not more than 12 times of their Net Owned Funds (NOF) at March 31, 2022 (March 31, 2020: 14 times of NOF) from the earlier 16 times.
c) capped the borrowings by way of public deposit to 3 times NOF from the earlier 5 times.

The Company in order to meet its objective of maintaining leverage at desired level and well within the regulatory requirements and also to ensure that its capacity of originating new loans is not impacted due to these requirements, considered selling of certain portion of its retail mortgage through direct assignment route during year ended March 31, 2020. Further, post pandemic impact in first quarter of current financial year, the business achieved normalcy from second quarter and to achieve Company's objective over a period of time, the Company, w.e.f. October 1, 2020, as per its Board approved policy, classifies part of its newly originated loans in to 'Hold' and 'Hold and sell' categories. Further, considering the Asset Liability Maturity, liquidity

plans and funding needs, the Company sells a part of a portfolio which has been originally classified as amortised cost.

Accordingly, during the year ended March 31, 2021, the Company has sold 90% of a portion of its retail mortgage loans through direct assignments, measured at amortised cost, to maintain reasonable leverage. As per regulatory requirement, the Company continues to hold balance 10% of those loans as Minimum Retention Requirement (MRR). The Company transferred substantially all the risks and rewards relating to assets to the buyer and accordingly, sold portion of loans was derecognised.

The following table below sets forth, for the periods indicated, the summary of carrying amounts of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition.

₹ in million

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| Carrying amount of derecognised financial assets | 15,744.0 | 24,108.8 |
| Gain on derecognition of financial assets[1,2] | 780.9 | 627.2 |

1. Since the Company transferred the above financial asset in a transfer that qualified for derecognition in its entirety therefore the whole of the interest spread at its present value (discounted over the expected life of the asset) is recognised on the date of derecognition as interest-only strip receivable with a corresponding credit to the statement of profit and loss.
2. Net-off of upfront amortisation of loan origination cost (net) of ₹ 16.8 million (March 31, 2020: ₹ 21.2 million).

## 44. Offsetting financial assets and financial liabilities

Certain financial assets and financial liabilities are subject to offsetting where there is currently a legally enforceable right to set-off recognised amounts and the Company intends to either settle on a net basis or to realise the asset and settle the liability, simultaneously. Certain derivative financial instruments are subject to master netting agreements, whereby in the case of insolvency, derivative financial assets and derivative financial liabilities will be settled on a net basis.

The following tables set forth, for the periods indicated, the information on the impact of off-setting on the balance sheet and other related information.

### At March 31, 2021

₹ in million

| Particulars | Effect of offsetting on balance sheet | | | Amounts not set-off on the balance sheet | | | |
|---|---|---|---|---|---|---|---|
| | Gross amounts | Gross amounts set off on the balance sheet | Net amounts presented on the balance sheet (A) | Impact of Master Netting Agreements (B) | Cash collateral (C) | collateral (D) | Net amount (A-B-C-D) |
| **Financial assets** | | | | | | | |

| Particulars | Effect of offsetting on balance sheet | | | Amounts not set-off on the balance sheet | | | |
|---|---|---|---|---|---|---|---|
| | Gross amounts | Gross amounts set off on the balance sheet | Net amounts presented on the balance sheet (A) | Impact of Master Netting Agreements (B) | Cash collateral (C) | collateral (D) | Net amount (A-B-C-D) |
| Other financial assets | - | - | - | - | - | - | - |
| **Financial liabilities** | | | | | | | |
| Other financial liabilities | - | - | - | - | - | - | - |

**At March 31, 2020**

₹ in million

| Particulars | Effect of offsetting on balance sheet | | | Amounts not set-off on the balance sheet | | | |
|---|---|---|---|---|---|---|---|
| | Gross amounts | Gross amounts set off on the balance sheet | Net amounts presented on the balance sheet (A) | Impact of Master Netting Agreements (B) | Cash collateral (C) | collateral (D) | Net amount (A-B-C-D) |
| **Financial assets** | | | | | | | |
| Other financial assets | - | - | - | - | - | - | - |
| **Financial liabilities** | | | | | | | |
| Other financial liabilities | - | - | - | - | - | - | - |

## 45. Financial risk management

### Introduction and overview

The Company, is exposed primarily to credit, market and liquidity risk from financial instruments. The Company is also subject to operational risks.

This section presents information about the Company's exposure to the above risks, its objectives, policies and processes for managing the risk and methods used to measure the risk.

## NOTES FORMING PART OF THE ACCOUNTS

### Risk management framework

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

1. The Board of Directors has oversight on all the risks assumed by the Company. Specific Committees of the Board have been constituted to facilitate focused oversight of various risks. The Board reviews the risk management policies, Risk Management Committee reviews the compliance with risk management guidelines stipulated by the RBI. It reviews key risk indicators covering areas such as credit risk, interest rate risk, liquidity risk and operational risks. Audit Committee provides direction to and also monitors the quality of the internal audit function.

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 have been constituted across the Company to facilitate independent evaluation, monitoring and reporting of various risks. These control groups function independently of the business groups/sub-groups.

The risk management framework forms the basis of developing consistent risk principles.

Material risks are identified, measured, monitored and reported to the Board of Directors and Board level committees.

### Credit risk

The Company is exposed to credit risk in its lending operations. Credit risk is the risk of loss that may occur from the failure of any counterparty to abide by the terms and conditions of any financial contract with the Company, principally the failure to make required payments as per the terms and conditions of the contracts.

### Objectives

The Company manages its risk with the broad objectives of mitigating the risk arising from losses on account of the default, maintaining a healthy credit portfolio, complying with regulatory norms as specified by RBI and maximising return to the stakeholders.

### Policies and processes

All credit risk related aspects are governed by the Board approved Credit and Recovery Policy (CRP). CRP outlines the type of products that can be offered, customer categories, target customer profile, credit approval process and limits. The delegation structure for approval of credit limits is approved by the Board of Directors. All credit proposals relating to construction realty finance and other funding to corporates are rated by risk management team prior to approval by the appropriate forum.

## NOTES FORMING PART OF THE ACCOUNTS

### Credit approval authorisation structure

Every new credit facility and every extension or material change of an existing credit facility (such as its tenor, collateral structure or major covenants) to any counterparty requires credit approval at the appropriate authority level. The Company assigns credit approval authorities to individuals according to their qualifications, experience and training, and these are reviewed periodically. The authorisation is based on the level of risk and the quantum of exposure, to ensure that the transactions with higher exposure and level of risk are put up to correspondingly higher forum/committee for approval.

In respect of retail loans, all exposures are approved under operating notes or programs approved by the Committee of Directors (COD). This involves a cluster-based approach for a particular product or for homogeneous group of individuals/business entities that comply with certain laid down parameter-based norms. The norms vary across product segments/customer profile, but typically include factors such as the borrower's income, the loan-to-value ratio and demographic parameters. The individual credit proposals are evaluated and approved by executives on the basis of the product policies.

### Collateral management

The Company defines collateral as the assets or rights provided to the Company by the borrower or a third party in order to secure a credit facility. The Company would have the rights of secured creditor in respect of the assets offered as security for the obligations of the borrower/obligor. The Company ensures that the underlying documentation for the collateral provides the Company appropriate rights over the collateral or other forms of credit enhancement including the right to liquidate retain or take legal possession of it in a timely manner in the event of default by the counterparty. The collateral is valued at the time of sanctioning the credit facility and loan-to-value (LTV) norms are applied as specified in the credit policies. For loan accounts classified as Stage 3, collaterals are valued on annual basis.

### Impairment assessment

The Company determines credit loss allowances in accordance with Ind AS 109 as follows:

Stage 1 – Borrowers having delinquency less than or equal to 30 days past dues and not classified as Stage 2 or 3, are classified as Stage 1.

Stage 2 – Borrowers having delinquency greater than 30 days past dues or where the contractual terms of the loans are renegotiated/modified as per the RBI circular on resolution framework for Covid-19 related stress dated August 6, 2020.
Stage 3 – Borrowers identified as Credit Impaired.

However, where moratorium is granted to borrower in accordance with extant guidance of regulator, assets classification/staging is also in accordance with the guidance.

The assignment of a financial instrument to Stage 3 is based on the status of the obligor being in default (i.e. having delinquency more than 90 days) or where the contractual terms of the loans are renegotiated/modified, other than those where contractual terms of the loans are renegotiated/modified as per the RBI circular on resolution framework for Covid-19 related stress

dated August 6, 2020 or identified as credit impaired. The expected credit loss calculation for Stage 3 distinguishes between transactions in homogeneous and non-homogenous portfolios.

**Default**

The Company considers a financial instrument defaulted and therefore stage 3 (credit-impaired) for Expected Credit Loss (ECL) in all cases when the borrower becomes 90 days past due on its contractual payments. The Company also considers following for classification as stage 3:

a. If terms of repayment are modified, other than those as per RBI circular on resolution framework for COVID-19 related stress.
b. Overdue accounts based on future cash flows being negative.
c. Cases where fraud has been identified.

**Significant increase in credit risk**

The Company continuously monitors all assets subject to ECLs. In order to determine whether a borrower accounts is subject to 12-month ECL or life time ECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition. The Company considers an exposure in retail loans to have significantly increase in credit risk if a borrower becomes 30 (DPD) on its contractual payments or where the contractual terms of loans with respect to EMI payments and/or tenure of the loans are renegotiated/modified, as per RBI circular on resolution framework for COVID-19 related stress. In addition to days past due criteria, the Company also considers an exposure in Real estate loans to have significant increase in credit risk on moving a customer to watch list.

**Basis of inputs, assumptions and the estimation techniques**

The Company calculates ECL for each financial asset individually. Similarly, the determination of the need to transfer between stages is made on an individual asset basis. The Company uses three main components to measure ECL. These are Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). Risk Management Committee approves the underlying estimates, assumptions and methodology for computing allowances.

The estimation techniques for the input factors for retail portfolio of the Company are described in more detail below.

**Probability of default (PD)**

One year PD - For the purpose of PD estimation, the portfolio is segmented based on months-on-books and days past due (DPD) status. For estimating the PD, historical data at quarterly time points have been used. The one-year PD is generated by taking a simple average of the defaults rates of the most recent 20 quarters of the corresponding pool.

Life time PD – 13-year default rate is considered for lifetime PD estimation since it has been observed that the cumulative PD curve tends to flatten out by 12$^{th}$ year. For cohorts where observation window is less than 13 years, a chain ladder approach has been used to project defaults rates over 13 years. The lifetime PD curves have been generated by taking a simple average of the cumulative PD curves of the most recent 20 quarters of the corresponding pool.

Since a Stage 3 transaction is defaulted, the probability of default is equal to 100%.

With the outbreak of COVID-19 in March 2020, country wide lockdown was imposed which impacted the Indian economy. The slowdown caused due to lockdown impacted the new loan originations and collection efficiencies during first half of current financial year. The economic activity which started improving post November 2021, improved considerably in the last quarter of current financial year leading to loan originations as well as collection efficiencies reaching at pre COVID levels.

The starting of second wave of COVID-19 pandemic and subsequent lockdown by various state governments with major impacted states being Maharashtra, MP and Chhattisgarh. The future development will currently depend on the success of governments vaccination drive and the number of days & geographical stretch of current lockdown. Based on the impact of lockdown due to second wave globally and stance by the Government of India this lockdown will be more of regional lockdowns only as opposed to lockdown in first wave.

As seen during the first wave of COVID-19 pandemic the impact on certain type of borrowers like self-employed borrower segment would be more than the salaried segment due to impact on working capital cycle caused by closure of business during the lockdown. In case of retails loans, the Company calculates ECL on a collective basis. The portfolio is segmented based on nature of products, months-on-books and DPD status. Further, the Company has segmented the portfolio, in to salaried and self-employed borrowers for arriving at the potential impact on probability of default. The Company for lack of any other comparable event of this nature has assumed the financial crisis of 2008 as a benchmark in deciding on the future PD.

The Company has carried out scenario analysis based on PD observed during the financial crisis during the year ended March 31, 2009 compared to pre-financial crisis PD to arrive at the scalar to be multiplied with the currently observed PD to consider the expected impact due to COVID-19. The resultant scalars arrived at post the analysis were higher for self-employed segment in comparison to salaried segment.

**Loss Given Default (LGD)**

LGD is defined as the likely loss intensity in case of a counterparty default. It provides an estimation of the exposure that cannot be recovered in a default event and therefore captures the severity of a loss. For estimation of LGD, portfolio is segmented based on the default status. The LGD for the non-default segment has been considered for all Stage 1 assets. The time horizon ensures that the projected recoveries used for LGD estimation are based on the defaults that have seen at least three years of recovery. The LGD estimation for the non-default segment at each of the financial year end has been based on the observed recoveries for the accounts moving in to default over the next one year. For cohorts where less than 6 years of observed recoveries are available, the recoveries are projected using chain ladder projection method. The recoveries are discounted to the default period using the cost of funds for the respective periods.

The Company expects that there would be no impact on the LGDs of non-default segment. In case of LGDs of default segments, the Company applied overlays ranging from 0.24% to 46.86% across various default segments. The Company, in order to factor prolonged impact of COVID-19 on the economy, increase in GNPA across HFC's post release of Performa NPA leading to lag

in SARFESI proceedings and companies resorting to one time settlements with deeper discounts, applied these overlays over and above the LGDs as per the existing model.

**Exposure at Default (EAD)**

The EAD is defined as the expected amount of the credit exposure to a counterparty at the time of its default. For cases involving undrawn amount, a percentage share of undrawn amount is added to the outstanding amount in order to appropriately reflect the expected outstanding amount in case of a counterparty default. The calibrations of such parameters are based on regulatory guidelines and product type specifics.

**Real Estate Loans**

For real estate loans the Company carried out the individual borrower wise assessment to quantify the COVID-19 impact. The Stage 1 and 2 assets were analysed based on scenario analysis to arrive at the potential COVID-19 impact. Scenarios analysis was done basis impact on sales/future demand and asset valuation.

Further, impact analysis has been done considering the developer pedigree, project completion stage, promoter's vested interest, affordability factor, sales velocity, location advantage and repayment track record parameters. With this impact analysis, the cases which are having low and medium impact are classified under Stage 1 whereas the cases having high impact are classified under Stage 2 accounts.

Cash flow analysis was done to arrive at final allowance for each account in construction realty finance, which are classified as Stage 3.

The underlying forecasts and assumptions applied in the determination of ECL provision are subject to uncertainties which are often outside of the Company's control and accordingly, actual results may differ from these estimates.

**Potential impact of second wave of COVID-19 pandemic on credit risk management practices and actions of mitigation**

The Company is taking following additional measures to ensure the ongoing effectiveness of risk management, maintaining a strong, diversified and resilient portfolio and ensuring that areas of growth are controlled and sustainable.

- Engagement of customer through dedicated relationship manager and collection team for regularisation of standard accounts
- Policy intervention by way of identifying positive and negative sectors and geographies for future funding need of the customers
- Realigning the product suite by way of differentiated product mix offering to different segments of borrowers
- Diversification of geographical concentration risk by way of varied maximum ticket size based on target geography
- Enhanced field monitoring for partly disbursed retail home loans in under construction projects

- For developer loans, stringent escrow management, field monitoring and engagement with promoters

## Quantitative disclosures on credit risk

The following sections pertain to quantitative disclosures on maximum exposure for the Company.

### Maximum credit risk exposure

The following table sets forth, for the periods indicated, the carrying amount of financial assets.

₹ in million

| Category | At March 31, 2021 | At March 31, 2020 |
|---|---|---|
| Balances with banks | 7,436.4 | 221.0 |
| Deposits with banks | 460.5 | 708.5 |
| Derivative financial instruments | 681.4 | 1,663.8 |
| Trade receivables (net of allowances) | 25.8 | 49.9 |
| Advances (net of allowances)[1] | 137,578.2 | 1,40,923.5 |
| Other assets | 1,463.7 | 742.7 |
| **Total** | **147,646.0** | **144,309.4** |

1. Advances generally have a significant level of collateralisation depending on the nature of the product. Mortgage loans are secured against residential/commercial property as collateral and loan against securities are secured against securities. Lending to construction finance customers is also secured. Collateral provides a secondary source of repayment for funds advanced in the event that a customer cannot meet their contractual repayment obligations.

### Reconciliation of gross carrying amount of loans and advances

The following tables set forth, for the periods indicated, movement in gross carrying amount of loans and advances.

₹ in million

| Particulars | Year ended March 31, 2021 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| **Balance at April 1, 2020** | **132,855.5** | **4,148.7** | **8,460.7** | **145,464.9** |
| Loans and advances originated[1] | 37,902.9 | 192.2 | - | **38,095.1** |
| Loans and advances purchased | - | - | - | **-** |
| Assets derecognised (on repayment and assignments, excluding write-offs)[2] | (39,679.2) | (195.8) | (320.4) | **(40,195.4)** |
| Changes due to fair value changes on loans classified under "Hold & sell" business model | 1,096.7 | - | - | **1,096.7** |
| Transfer to Stage 1 | 5,070.6 | (4,940.8) | (129.8) | **-** |
| Transfer to Stage 2 | (15,834.2) | 15,863.9 | (29.7) | **-** |
| Transfer to Stage 3 | (195.4) | (4,441.2) | 4,636.6 | **-** |
| Amount written off | - | - | (3,231.7) | **(3,231.7)** |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Year ended March 31, 2021 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| **Balance at March 31, 2021** | **121,216.9** | **10,627.0** | **9,385.7** | **141,229.6** |

1. Includes interest capitalised on loans under moratorium.
2. Includes asset derecognized amounting to ₹ 15,744.0 million, including direct assignment of retail mortgage loans.

In accordance with the regulatory packages announced by the Reserve Bank of India on March 27, 2020, April 17, 2020 and May23, 2020, the Company, as per its Board approved policy, has extended the option of payment moratorium for all amounts falling due between March 1, 2020 and August 31, 2020 to eligible borrowers. In line with the regulatory packages, the asset classification remained standstill during the moratorium period in respect of such accounts. The aggregate outstanding (at March 31, 2020) to borrowers to whom moratorium was extended and which were overdue but standard (stage 1 and 2) at February 29, 2020 amounted to ₹ 7,299.0 million. The Company holds loan loss allowances against these borrowers amounting to ₹ 584.8 million at March 31, 2021 (at March 31, 2020: ₹ 478.1 million).

₹ in million

| Particulars | Year ended March 31, 2020 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| **Balance at April 1, 2019** | **126,698.6** | **2,641.1** | **7,438.6** | **136,778.3** |
| Loans and advances originated | 64,349.8 | - | - | **64,349.8** |
| Loans and advances purchased | 63.3 | - | - | **63.3** |
| Assets derecognised (on repayment and assignments, excluding write-offs)[1,2] | (54,537.3) | (565.4) | (173.4) | **(55,276.1)** |
| Changes due to fair value changes on loans classified under "Hold & sell" business model | - | - | - | **-** |
| Transfer to Stage 1 | 2,155.0 | (1,840.7) | (314.3) | **-** |
| Transfer to Stage 2 | (5,471.1) | 5,952.9 | (481.8) | **-** |
| Transfer to Stage 3 | (402.8) | (2,039.2) | 2,442.0 | **-** |
| Amounts written-off | - | - | (450.4) | **(450.4)** |
| **Balance at March 31, 2020** | **132,855.5** | **4,148.7** | **8,460.7** | **145,464.9** |

1. Includes direct assignment of retail mortgage loans amounting of ₹ 24,108.8 million.
2. Includes ₹ 1,205.9 million as part of sale of consumer finance business on slump sale basis.

## NOTES FORMING PART OF THE ACCOUNTS

### Reconciliation of allowances for loans and advances

The following tables set forth, for the periods indicated, movement in impairment allowance for loans and advances.

₹ in million

| Particulars | Measured at an amount equal to 12-month credit losses | Measured at an amount equal to life time expected credit losses on non-credit impaired financial instruments | Measured at an amount equal to life time expected credit losses on credit impaired financial instruments | On financial assets that are purchased or originated credit impaired | Total |
|---|---|---|---|---|---|
| **Impairment allowance at April 1, 2020** | **411.9** | **368.4** | **3,761.1** | - | **4,541.4** |
| New assets originated[1] | 81.0 | 18.1 | - | - | **99.1** |
| Transfer to 12-month credit losses | 524.0 | (486.1) | (37.9) | - | **-** |
| Transfer to life-time credit losses –not credit impaired | (525.5) | 529.9 | (4.4) | - | **-** |
| Transfer to life-time credit losses impaired – credit impaired | (5.0) | (565.5) | 570.5 | - | **-** |
| Reversal on write-off | - | - | (2,671.3) | - | **(2,671.3)** |
| Reversal on recovery | (67.0) | (46.7) | (542.6) | - | **(656.3)** |
| Changes in provision on account of migration between stages and in same stage due to change in buckets | (64.1) | 1,229.6 | 1,173.0 | - | **2,338.5** |
| **Impairment allowance at March 31, 2021** | **355.3** | **1,047.7** | **2,248.4** | **-** | **3,651.4** |

1. Includes ECL on interest capitalised on loans under moratorium.

The increase in ECL was driven by an increase in the gross amount of the portfolio, movements between stages as a result of increase in credit risk and change in probability of default and loss given default due to estimated impact of COVID-19 pandemic. The extent to which second wave of COVID-19 pandemic will impact current estimates of ECL is uncertain at this point of time. The Company has conducted a qualitative assessment and has considered a higher probability of default to factor in the potential impact of COVID-19 on impairment allowances.

## NOTES FORMING PART OF THE ACCOUNTS

₹ in million

| Particulars | Measured at an amount equal to 12-month credit losses | Measured at an amount equal to life time expected credit losses on non-credit impaired financial instruments | Measured at an amount equal to life time expected credit losses on credit impaired financial instruments | On financial assets that are purchased or originated credit impaired | Total |
|---|---|---|---|---|---|
| **Impairment allowance at April 1, 2019** | **273.7** | **190.5** | **2,983.4** | - | **3,447.6** |
| New assets originated | 128.9 | - | - | - | **128.9** |
| Transfer to 12-month credit losses | 195.6 | (120.1) | (75.5) | - | **-** |
| Transfer to life-time credit losses –not credit impaired | (44.3) | 117.0 | (72.7) | - | **-** |
| Transfer to life-time credit losses impaired – credit impaired | (5.2) | (148.7) | 153.9 | - | **-** |
| Reversal on write-off | - | - | (451.5) | - | **(451.5)** |
| Reversal on recovery | (26.1) | (27.3) | (50.9) | - | **(104.3)** |
| Changes in provision on account of migration between stages and in same stage due to change in buckets | (110.7) | 357.0 | 1,274.4 | - | **1,520.7** |
| **Impairment allowance at March 31, 2020** | **411.9** | **368.4** | **3,761.1** | **-** | **4,541.4** |

The following table sets forth, for the periods indicated, the closing balance of impairment allowance on loans and advances.

₹ in million

| Particulars | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Impairment allowances measured at an amount equal to 12-month credit losses | 355.3 | 411.9 |
| Impairment allowances measured at an amount equal to life time expected credit losses on non-credit impaired financial instruments | 1,047.7 | 368.4 |
| Impairment allowances measured at an amount equal to life time expected credit losses on credit impaired financial instruments | 2,248.4 | 3,761.1 |
| **Total** | **3,651.4** | **4,541.4** |

## NOTES FORMING PART OF THE ACCOUNTS

The following tables set forth, for the periods indicated, comparison between provisions required as per Income Recognition, Asset Classification and Provisioning norms as per RBI and impairment allowances made under Ind AS 109.

₹ in million

| At March 31, 2021 | Stage | Gross Carrying amount as per Ind As | Loss Allowances (Provisions) as required under Ind AS 109 | Net Carrying amount | Provisions required as per RBI | Difference between Ind As 109 Provisions and IRACP Norms |
|---|---|---|---|---|---|---|
| **A. Performing Assets** | | | | | | |
| Standard | Stage 1[1] | 1,21,262.5 | 400.9 | 120,861.6 | 408.2 | (7.3) |
| | Stage 2 | 10,627.0 | 1,047.7 | 9,579.3 | 516.3 | 531.4 |
| **Sub-Total** | | **131,889.5** | **1,448.6** | **130,440.9** | **924.5** | **524.1** |
| **B. Non Performing Assets (NPA)** | | | | | | |
| **a)Sub-standard** | **Stage 3** | **4,723.5** | **687.8** | **4,035.7** | **674.5** | **13.3** |
| | | | | | | |
| **b)Doubtful** | | | | | | |
| Doubtful - upto 1 year | Stage 3 | 1,315.7 | 421. 7 | 894.0 | 298.3 | 123.4 |
| Doubtful - 1-3 years | Stage 3 | 2,909.9 | 890.0 | 2,019.9 | 657.5 | 232.5 |
| Doubtful - More than 3 years | Stage 3 | 436.6 | 248.9 | 187.7 | 431.4 | (182.5) |
| **Sub-total for Doubtful** | | **4,662.2** | **1,560.6** | **3,101.6** | **1,387.2** | **173.4** |
| **c) Loss** | **Stage 3** | **-** | **-** | **-** | **-** | **-** |
| **Sub-total for NPAs(B)** | | **9,385.7** | **2,248.4** | **7,137.3** | **2,061.7** | **186.7** |
| **C.** Other items such as guarantees, loan commitments etc. which are in the scope of Ind AS 109 but not covered under current NHB Norms | Stage 1[2] | 6,372.7 | 20.0 | 6,352.7 | - | 20.0 |
| | Stage 2 | - | - | - | - | - |
| | Stage 3 | - | - | - | - | - |
| **Sub-total (C)** | | **6,372.7** | **20.0** | **6,352.7** | **-** | **20.0** |
| **Total** | **Stage 1** | **127,635.2** | **420.9** | **127,214.3** | **408.2** | **12.7** |
| | **Stage 2** | **10,627.0** | **1,047.7** | **9,579.3** | **516.3** | **531.4** |
| | **Stage 3** | **9,385.7** | **2,248.4** | **7,137.3** | **2,061.7** | **186.7** |

## NOTES FORMING PART OF THE ACCOUNTS

| At March 31, 2021 | Stage | Gross Carrying amount as per Ind As | Loss Allowances (Provisions) as required under Ind AS 109 | Net Carrying amount | Provisions required as per RBI | Difference between Ind As 109 Provisions and IRACP Norms |
|---|---|---|---|---|---|---|
| | **Total** | **147,647.9** | **3,717.0** | **143,930.9** | **2,986.2** | **730.8** |

1. EAD includes fair value gain on FVOCI pool and unamortised EIR income/expense. ECL includes ECL on FVOCI pool.
2. Represents loan commitment

### Impairment on financial instruments by category

The following tables sets forth, for the periods indicated, closing balances of impairment allowances by category of financial instruments.

₹ in million

| Particulars | At March 31, 2021 | | |
|---|---|---|---|
| | On financial instruments measured at amortised cost | On financial instruments measured as fair value through other comprehensive income | Total |
| Loan and advances[1] | 3,651.4 | - | 3,651.4 |
| Trade receivables | 27.9 | - | 27.9 |
| **Total** | **3,679.3** | **-** | **3,679.3** |

1. Excluding allowance for loan commitment of ₹ 20.0 million.

₹ in million

| Particulars | At March 31, 2020 | | |
|---|---|---|---|
| | On financial instruments measured at amortised cost | On financial instruments measured as fair value through other comprehensive income | Total |
| Loan and advances[1] | 4,541.4 | - | 4,541.4 |
| Trade receivables | 24.8 | - | 24.8 |
| **Total** | **4,566.2** | **-** | **4,566.2** |

1. Excluding allowance for loan commitment of ₹ 12.0 million.

## NOTES FORMING PART OF THE ACCOUNTS

### Ageing analysis of loans and advances

The following tables set forth, for the periods indicated, the ageing analysis of gross carrying amount of loans and advances.

₹ in million

| Particulars | At March 31, 2021 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| Not due | 121,161.5 | 10,388.8 | 1,023.7 | 132,574.0 |
| Overdue up to 30 days | 55.4 | 3.6 | - | 59.0 |
| Overdue 31 – 60 days | - | 70.4 | - | 70.4 |
| Overdue 61 – 90 days | - | 95.6 | - | 95.6 |
| Overdue More than 90 days[1] | - | 68.6 | 8,362.0 | 8,430.6 |
| **Total** | **121,216.9** | **10,627.0** | **9,385.7** | **141,229.6** |

1. Includes installments which are not due.

₹ in million

| Particulars | At March 31, 2020 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| Not due | 1,32,801.4 | 4,002.0 | 31.6 | 1,36,835.0 |
| Overdue up to 30 days | 54.1 | 6.0 | - | 60.1 |
| Overdue 31 – 60 days | - | 51.7 | 2.5 | 54.2 |
| Overdue 61 – 90 days | - | 89.0 | - | 89.0 |
| Overdue More than 90 days[1] | - | - | 8,426.6 | 8,426.6 |
| **Total** | **1,32,855.5** | **4,148.7** | **8,460.7** | **1,45,464.9** |

1. Includes installments which are not due.

The contractual amount outstanding on loans that have been written off, but were still subject to enforcement activity was ₹ 2,800.8 million at March 31, 2021 (March 31, 2020: ₹ 5.8 million).

### Concentration of credit risk

Credit risk is monitored in accordance with the guidelines stipulated by the RBI. None of the borrower has exceeded the Single Borrower Limit and Group Borrower Limit as set by the regulator during the year ended March 31, 2021.

The following table sets forth, for the periods indicated, the product wise concentration of loans and advances.

₹ in million

| Particulars | At March 31, 2021 | At March 31, 2020 |
|---|---|---|
| Mortgage loans | 137,757.1 | 1,38,736.0 |
| Real estate loans | 3,406.6 | 6,558.9 |
| Loan against securities/deposits | 17.6 | 151.6 |
| Gold loan | 48.3 | 18.4 |
| **Grand Total** | **141,229.6** | **1,45,464.9** |

## NOTES FORMING PART OF THE ACCOUNTS

### Loans under RBI resolution framework

The following table set forth, for the periods indicated, details with respect to loans where resolution plan has been implemented as per RBI circular on "Resolution Framework for COVID-19 – related stress" dated August 6, 2020.

₹ in million, except number of accounts

| Type of borrower | (A) Number of accounts where resolution plan has been implemented | (B) Exposure to accounts mentioned at (A) before implementation of the plan | (C) Of (B), aggregate amount of debt that was converted into other securities | (D) Additional funding sanctioned, if any, including between invocation of the plan and implementation | (E) Increase in provision on account of the implementation of the resolution plan |
|---|---|---|---|---|---|
| Personal loans | 1,246 | 3,299.2 | - | - | 300.8 |
| Corporate persons | - | - | - | - | - |
| *Of which, MSMEs* | - | - | - | - | - |
| Others | 1 | 10.5 | - | - | 1.0 |
| **Total** | **1,247** | **3,309.7** | **-** | **-** | **301.8** |

Further, the Company has also invoked restructuring on 266 loans amounting to ₹ 2,490.2 million, where implementation is in process. The implementation on these loans will be done till June 30, 2021, as permitted by RBI guidelines.

### Liquidity Risk

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company has Asset Liability Management Committee (ALCO) which reviews the Asset Liability profile and interest rates on regular basis. The Company has Board approved ALM Policy, which prescribes broad overview on liquidity risk. The tools used by the Company in liquidity risk management include gap analysis (ALM statements) and liquidity ratios such as high value customer deposits to total funding resources. For measuring and managing net funding requirements, the Company has adopted use of a maturity ladder and calculation of cumulative surplus or deficit of funds at selected maturity dates.

The Statement of Structural Liquidity is prepared by placing all cash inflows and outflows in the maturity ladder according to the expected timing of cash flows. The Company monitors absolute and/or cumulative mismatches across all time buckets by establishing internal prudential limits consistent with regulatory requirements.

## NOTES FORMING PART OF THE ACCOUNTS

### Liquidity Contingency Plan

The statement of structural liquidity is used as a standard tool for measuring and managing net funding requirements and the assessment of a surplus or shortfall of funds in various maturity buckets in the future. The Company has certain resources (enumerated as below) at its disposal for meeting the shortfall in liquidity if the outflows of cash occur significantly earlier than indicated in the ALM statements, or are for significantly different amounts from those indicated in the ALM statements.

a. Balances in schemes of mutual funds
b. Line of credit (overdraft limit) from banks
c. Other liquid investments (in excess of statutory requirements, if any)

In addition to above, the Company has other avenues such as issuance of commercial paper, bonds/Non-Convertible Debentures (NCD), term loans or borrowings from banks and institutions including undrawn term loans and fixed deposits through which additional liquidity can be generated.

### Potential impact of second wave of COVID-19 pandemic and actions of mitigation

The company had taken the following steps in managing the liquidity risk during year ended March 31, 2021 considering COVID situation:

- Increased the liquidity threshold under the Liquidity Contingency Plan (LCP)
- Prepared a plan for dues upto next 180 days and accordingly calibrated the funds requirement with assumption that new collections and borrowings will be disrupted severely
- Assessment of structural liquidity after factoring the moratorium effect and expected change in prepayment behavior of the borrower to address liquidity issues arises, if any

The company has observed no negative impact on liquidity during last year. The Company continues to keep ample liquidity and monitoring liquidity positions as part of Liquidity Contingency Plan.

### Maturity analysis for financial liabilities

The tables below set forth, for the periods indicated, the cash flows under financial liabilities as per their residual contractual maturities at the balance sheet date.

₹ in million

| March 31, 2021 | Up to one month | Over 1 month to 3 months | Over 3 months to 1 year | Over 1 year to 5 years | Over 5 year | Total |
|---|---|---|---|---|---|---|
| Trade payables | 1,541.9 | - | - | - | - | **1,541.9** |
| Debt securities (including estimated interest) | 2,147.6 | 3,219.9 | 4,834.0 | 24,561.2 | 205.3 | **34,968.0** |
| Borrowings (including | 107.0 | 2,825.0 | 6,371.5 | 47,508.6 | 8,847.0 | **65,659.1** |

## NOTES FORMING PART OF THE ACCOUNTS

| March 31, 2021 | Up to one month | Over 1 month to 3 months | Over 3 months to 1 year | Over 1 year to 5 years | Over 5 year | Total |
|---|---|---|---|---|---|---|
| estimated interest) | | | | | | |
| Deposits (including estimated interest) | 529.1 | 2,883.4 | 19,003.8 | 11,965.6 | 812.6 | **35,194.5** |
| Subordinate liabilities (including estimated interest) | - | 76.6 | 224.7 | 1,205.1 | 6,151.3 | **7,657.7** |
| Loan commitments | 296.8 | 880.6 | 1,116.8 | 1,428.6 | - | **3,722.8** |
| Derivative financial liabilities | - | 8.7 | 25.7 | 1,400.4 | - | **1,434.8** |
| Other financial liabilities[1] | 5,152.8 | 17.8 | 81.9 | 228.5 | - | **5,481.0** |

1. Excluding interest accrued.

₹ in million

| March 31, 2020 | Up to one month | Over 1 month to 3 months | Over 3 months to 1 year | Over 1 year to 5 years | Over 5 year | Total |
|---|---|---|---|---|---|---|
| Trade payables | 918.3 | - | - | - | - | **918.3** |
| Debt securities (including estimated interest) | 86.6 | 2,956.1 | 5,226.6 | 20,058.6 | - | **28,327.9** |
| Borrowings (including estimated interest) | 377.2 | 3,462.9 | 14,358.1 | 73,094.5 | 4,387.0 | **95,679.7** |
| Deposits (including estimated interest) | 406.5 | 1,746.9 | 12,153.9 | 29,587.1 | 1,023.7 | **44,918.1** |
| Subordinate liabilities (including estimated interest) | - | - | - | - | - | **-** |
| Loan commitments | 536.2 | 977.2 | 1,097.0 | 1,236.6 | - | **3,847.0** |

| March 31, 2020 | Up to one month | Over 1 month to 3 months | Over 3 months to 1 year | Over 1 year to 5 years | Over 5 year | Total |
|---|---|---|---|---|---|---|
| Derivative financial liabilities | - | - | - | 1,842.2 | - | **1,842.2** |
| Other financial liabilities[1] | 2,991.9 | 14.1 | 66.1 | 336.6 | 33.2 | **3,441.9** |

1. Excluding interest accrued.

For non-derivative financial liabilities, amounts represent undiscounted cash flows.

**Market risk**

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and equity price risk.

a. Currency risk (or foreign exchange risk) arises on financial instruments that are denominated in a foreign currency, that is, in a currency other than the functional currency in which they are measured. The Company has exposure to foreign exchange risk by virtue of External Commercial Borrowings (ECBs). The Company entered into derivative transactions to hedge the risk towards adverse movement in foreign exchange and interest rate. The Company had taken derivative positions which is a principal only swap, interest rate swap and forwards of upto maturity for all cash flows arising out of the interest rate swaps to mitigate these risks on the ECBs. There have been no changes in the contractual terms of the hedged item and hedging instrument pursuant to the COVID-19 outbreak. Refer note no. 50 for details for hedges.

   The Company does not have any foreign currency exposure except external commercial borrowings denominated in USD.

b. Interest rate risk is the risk that changes in market interest rates might adversely affect the Company's financial condition. It is the risk of potential variability in earnings and capital value resulting from changes in market interest rates. A company generally faces interest rate risk when one side of the balance sheet largely has rate sensitive items and the other side has rate insensitive items. Interest rate risk arises on interest-bearing financial instruments recognised in the balance sheet (e.g. debt instruments acquired or issued) and on some financial instruments not recognised in the balance sheet (e.g. loan commitments). The Company uses various tools including gap analysis, Earnings at Risk (EaR) and duration of equity (DoE) for interest risk management.

   The following table sets forth, for the periods indicated, the break-up of borrowings into variable rate and fixed rate.

| Particulars | At March 31, 2021 | At March 31, 2020 |
|---|---|---|
| Variable rate borrowings | 25.65% | 44.80% |

| | | |
|---|---|---|
| Fixed rate borrowings | 74.35% | 55.20% |
| **Total borrowings** | **100.00%** | **100.00%** |

At March 31, 2021, the Company has Earnings (Profit) at Risk (EaR) impact of ₹ 74.1 million (March 31, 2020: ₹ 24.2 million) due to interest rate sensitivity of 100 basis point adverse change in borrowing rates and 50 basis point adverse change in lending rates as per approved Asset Liability Management Policy of the Company.

c. Equity price risk is the risk that the fair value of equities decreases as the result of changes in their prices. The Company does not trade into equities. The unquoted investments are valued in accordance with Ind AS 113 'Fair Value Measurements'. The Company does not have any significant amount of investments in equities.

**Operational Risk**

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

Operational risk management in the Company follows three lines of defense approach:

1. First line of defense is business line management –They are responsible for identifying and managing operational risks inherent in the products and processes. They are also responsible for assessing and enhancing controls thereby promoting strong risk culture.

2. Second line of defense is risk management group –They are responsible for independent review of processes and functions and implementation of the operational risk management function in the Company. Key responsibilities include risk identification, risk assessment, risk measurement, risk monitoring, and risk reporting.

3. Third line of defense is internal audit department –They provide independent assurance that the first and second lines are operating in line with policies, regulations and internal standards defined for management of operational risk in the Company.

Operational risk and related areas are governed by the Board approved policies.

**Potential impact of second wave of COVID-19 pandemic and actions of mitigation**

COVID-19 has impacting businesses globally by disrupting supply chains, travel, operations and financial markets. To ensure continuity of critical activities, the Company has adopted work from home policy during the lockdown period.

The Company adapted to the changed environment in a very short period of time. It also addressed the potential risks which posed themselves due to offsite working typically on internal processes and system vulnerabilities. The Company also ensured seamless accessibility of critical systems through Virtual Private Network thereby minimizing the risk of security/data breaches and cyberattacks. This enabled the Company to provide work experience very close to the way employees work from office with adequate controls in place.

To safeguard its infrastructure and employees' health and safety, the Company continued tracking of all closed branch/offices premises and also ensured employee engagements.

The Company, as described above, has adequately managed its operations during first phase of Covid-19 and is poised to adequately manage its operations during the second wave of COVID-19.

**46. Fair value measurements**

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments. The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised are disclosed in note 3.

**a) Valuation framework**

Fair value is the price that would be received to sell an assets or paid to transfer a liability in an orderly transaction in the principal market at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using a valuation technique.

The Company uses valuation models for computing the valuation of instruments wherever a traded price is not readily available for such instruments.

**Fair value hierarchy**

The Company measures fair values using the following value hierarchy that reflects the significance of the inputs used in making the measurements.

**Level 1**

Valuation is based upon unadjusted quoted prices of identical instruments traded in active markets. The instruments that have been valued based upon such quoted prices include mutual funds.

**Level 2**

Valuation is based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, prices quoted by market participants and prices derived from valuation models which use significant inputs that are observable in active markets. The instruments that have been valued based upon such valuation include derivatives.

**Level 3**

Valuation is based on valuation techniques or models which use data based on unobservable market input or assumptions. Financial instruments are considered Level 3 when their values are determined using pricing models, discounted cash flow methodologies or similar techniques

and at least one significant model assumption or input is unobservable or when determination of the fair value requires significant management judgment or estimation.

**Valuation models**

**Level 1**

Prices quoted in active markets – The fair value of instruments that are quoted in active markets are determined using the quoted prices where they represent prices at which regularly and recently occurring transactions take place.

**Level 2**

Valuation techniques with observable inputs - The Company uses valuation techniques to establish the fair value of instruments where prices, quoted in active markets, are not available. Valuation techniques used for financial instruments include modeling techniques, the use of indicative quotes for proxy instruments, quotes from recent and less regular transactions and broker quotes.

Derivatives are valued using mark-to-market receivable/payable indicated by the counterparties. The valuation derived based on counterparties quote are also independently validated.

**Level 3**

Valuation techniques with significant unobservable inputs - This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following table sets forth, carrying value and fair value of financial instruments by categories at March 31, 2021.

₹ in million

| Particulars | Fair value through P&L | Derivative instruments in hedging relationship | Derivative instruments not in hedging relationship | Fair value through other comprehensive income | Amortised cost | Total carrying value | Total fair value |
|---|---|---|---|---|---|---|---|
| **Assets** | | | | | | | |
| Cash and cash equivalents | - | - | - | - | 7,436.4 | 7,436.4 | 7,436.4 |
| Bank deposits | - | - | - | - | 460.5 | 460.5 | 460.5 |
| Derivative financial instruments | - | 681.4 | - | - | - | 681.4 | 681.4 |
| Trade receivables | - | - | - | - | 25.8 | 25.8 | 25.8 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Fair value through P&L | Derivative instruments in hedging relationship | Derivative instruments not in hedging relationship | Fair value through other comprehensive income | Amortised cost | Total carrying value | Total fair value |
|---|---|---|---|---|---|---|---|
| Loans | - | - | - | 14,442.0 | 123,136.2 | 137,578.2 | 137,578.2 |
| Investments | 1,460.0 | - | - | - | 2,921.9 | 4,381.9 | 4,408.4 |
| Other financial assets | - | - | - | - | 1,463.7 | 1,463.7 | 1,463.7 |
| **Total** | **1,460.0** | **681.4** | **-** | **14,442.0** | **135,444.5** | **152,027.9** | **152,054.4** |
| **Liabilities** | | | | | | | |
| Derivative financial instruments | - | 1,434.8 | - | - | - | 1,434.8 | 1,434.8 |
| Trade and other payables | - | - | - | - | 1,541.9 | 1,541.9 | 1,541.9 |
| Borrowings (including Debt securities and Deposits) | - | - | - | - | 126,658.3 | 126,658.3 | 128,919.2 |
| Other financial liabilities | - | - | - | - | 7,271.2 | 7,271.2 | 7,271.2 |
| **Total** | **-** | **1,434.8** | **-** | **-** | **135,471.4** | **136,906.2** | **139167.1** |

At March 31, 2021, financial assets carried at fair value through P&L was ₹ 1,460.0 million, financial assets carried at fair value through OCI was ₹ 14,442.0 million and financial assets carried at amortised cost was ₹ 135,444.5 million. The significant portion of financial assets carried at fair value through P&L are mainly investments in liquid debt securities (classified as Level 1) and accordingly, any material volatility is not expected.

Loans and advances carried at amortised cost or at fair value through OCI, which are valued considering allowances for losses using Expected Credit Loss (ECL) method. In addition to the historical pattern of credit loss, the Company considered the likelihood of increased credit risk and consequential default considering emerging situations due to COVID-19. Based the assessment as given in note 45 on ECL, the allowance for loans of ₹ 3,651.4 million at March 31, 2021 is considered adequate.

Significant amount of financial assets, other than loans and advances which are carried at amortised cost are in the form of cash and cash equivalents, bank deposits, government securities where in the Company does not expect any increase in credit risk.

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, carrying value and fair value of financial instruments by categories at March 31, 2020.

₹ in million

| Particulars | Fair value through P&L | Derivative instruments in hedging relationship | Derivative instruments not in hedging relationship | Amortised cost | Total carrying value | Total fair value |
|---|---|---|---|---|---|---|
| **Assets** | | | | | | |
| Cash and cash equivalents | - | - | - | 221.0 | 221.0 | 221.0 |
| Bank deposits | - | - | - | 708.5 | 708.5 | 708.5 |
| Derivative financial instruments | - | 1,663.8 | - | - | 1,663.8 | 1,663.8 |
| Trade receivables | - | - | - | 49.9 | 49.9 | 49.9 |
| Loans | - | - | - | 140,923.5 | 140,923.5 | 140,923.5 |
| Investments | 3,727.3 | - | - | 2,216.3 | 5,943.6 | 5,982.3 |
| Other financial assets | - | - | - | 742.7 | 742.7 | 742.7 |
| **Total** | **3,727.3** | **1,663.8** | **-** | **144,861.9** | **150,253.0** | **150,291.7** |
| **Liabilities** | | | | | | |
| Derivative financial instruments | - | 1,842.2 | - | - | 1,842.2 | 1,842.2 |
| Trade and other payables | - | - | - | 918.3 | 918.3 | 918.3 |
| Borrowings (including Debt securities and Deposits) | - | - | - | 128,656.5 | 128,656.5 | 131,263.3 |
| Other financial liabilities | - | - | - | 5,474.8 | 5,474.8 | 5,474.8 |
| **Total** | **-** | **1,842.2** | **-** | **135,049.6** | **136,891.8** | **139,498.6** |

## NOTES FORMING PART OF THE ACCOUNTS

The following tables set forth, for the periods indicated, an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1, 2 and 3.

₹ in million

| At March 31, 2021 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Investments | | | | |
| Mutual funds | 997.6 | - | - | 997.6 |
| Equity Shares | - | - | 446.3 | 446.3 |
| Units of venture capital funds | - | - | 16.1 | 16.1 |
| Loans classified under "Hold & sell" business model | - | - | 14,442.0 | 14,442.0 |
| Derivative financial assets | - | 681.4 | - | 681.4 |
| **Total** | **997.6** | **681.4** | **14,904.4** | **16,583.4** |
| **Financial liabilities** | | | | |
| Derivative financial liabilities | - | 1,434.8 | - | 1,434.8 |
| **Total** | **-** | **1,434.8** | **-** | **1,434.8** |

₹ in million

| At March 31, 2020 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Investments | | | | |
| Mutual funds | 3,314.7 | - | - | 3,314.7 |
| Equity Shares | - | - | 386.0 | 386.0 |
| Units of venture capital funds | - | - | 26.6 | 26.6 |
| Loans classified under "Hold & sell" business model | - | - | - | - |
| Derivative financial assets | - | 1,663.8 | - | 1,663.8 |
| **Total** | **3,314.7** | **1,663.8** | **412.6** | **5,391.1** |
| **Financial liabilities** | | | | |
| Derivative financial liabilities | - | 1,842.2 | - | 1,842.2 |
| **Total** | **-** | **1,842.2** | **-** | **1,842.2** |

**b) Financial instruments not measured at fair value measurement**

**Estimated fair value of financial instruments**

Fair value estimates are generally subjective in nature and are made at a specific point in time based on the characteristics of the financial instruments and relevant market information. Quoted market prices are used, wherever available. In other cases, fair values are based on estimates using present value or other valuation techniques. These techniques involve uncertainties and are significantly affected by the assumptions used and judgments made regarding risk characteristics of various financial instruments, discount rates, estimates of future cash flows and other factors. Changes in assumptions could significantly affect these estimates and the resulting fair values. Derived fair value estimates cannot necessarily be substantiated by comparison to independent markets and may not be realised in an immediate sale of the instruments.

The short-term financial assets (cash and cash equivalents, other bank balances, receivables and other assets) and liabilities (Trade payables and other liabilities) are stated at amortised cost, which is approximately equal to their fair value.

The details of methods and assumptions used by the Company in estimating the fair values of financial instruments is given below.

**i. Loans and advances**

Substantially all loans reprice frequently, with interest rates reflecting current market pricing, hence carrying value of loan approximates fair value. The advances are classified as level 3 instruments in view of absence of any significant market observable data for valuation of these instruments.

**ii. Investments**

The Company has investments in government securities which are carried at amortised cost. The fair value of these investments are computed based on prices published by Fixed Income Money Market and Derivatives Association (FIMMDA)/Financial Benchmark India Private Limited (FIBIL).

**iii. Debt securities and other borrowings (including fixed deposits)**

The fair value of the Company's debt is estimated by discounting future contractual cash flows using appropriate interest rates and credit spreads. The carrying value short-term borrowings approximates fair value. The borrowings in the form of bonds and debentures (including MLDs and sub-debts) are classified as level 2 instruments. All other borrowings are classified as level 3 instruments.

## NOTES FORMING PART OF THE ACCOUNTS

The following tables set forth, for the period indicated provides an analysis of fair value of financial instruments that are not measured at fair value on recurring basis, grouped into Level 1, 2 and 3 categories.

₹ in million

| At March 31, 2021 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Loans | - | - | 123,136.2 | 123,136.2 |
| Investments | 2,948.4 | - | - | 2,948.4 |
| **Total** | **2,948.4** | **-** | **123,136.2** | **126,084.6** |
| **Financial liabilities** | | | | |
| Borrowings | - | 34,266.1 | 94,653.1 | 128,919.2 |
| **Total** | **-** | **34,266.1** | **94,653.1** | **128,919.2** |

₹ in million

| At March 31, 2020 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Loans | - | - | 140,923.5 | 140,923.5 |
| Investments | 2,255.0 | - | - | 2,255.0 |
| **Total** | **2,255.0** | **-** | **140,923.5** | **143,178.5** |
| **Financial liabilities** | | | | |
| Borrowings | - | 23,245.8 | 108,017.5 | 131,263.3 |
| **Total** | **-** | **23,245.8** | **108,017.5** | **131,263.3** |

### c) Reclassification of financial assets

During financial year ended March 31, 2021 and March 31, 2020, the Company has not reclassified any of financial assets from one category to another category.

### d) Movement in level 3 financial instruments measured at fair value

The following tables set forth, for the periods indicated, the reconciliation of the opening and closing amounts of level 3 financial assets measured at fair value.

₹ in million

| Description | Equity instruments | Units of Venture capital fund | Loans Measured at fair value | Total |
|---|---|---|---|---|
| **Opening balance at April 1, 2020** | **386.0** | **26.6** | **-** | **412.6** |
| Total gains or losses included in statement of profit and loss | 45.2 | (10.5) | - | 34.7 |
| Total gains or losses included in other comprehensive income (OCI) | - | - | 1,096.7 | 1,096.7 |

## NOTES FORMING PART OF THE ACCOUNTS

| Description | Equity instruments | Units of Venture capital fund | Loans Measured at fair value | Total |
|---|---|---|---|---|
| Purchases | 15.0 | - | - | 15.0 |
| Sales (including realised gains/(losses) | - | - | - | - |
| **Closing balance at March 31, 2021** | **446.2** | **16.1** | **1,096.7** | **1,559.0** |
| Total amount of gains or (losses) included in statement of profit and loss on account attributable to change in unrealised gains or (losses) relating to assets still held at reporting date | 45.2 | (10.5) | - | 34.7 |

₹ in million

| Description | Equity instruments | Units of Venture capital fund | Loans Measured at fair value | Total |
|---|---|---|---|---|
| **Opening balance at April 1, 2019** | **352.3** | **16.7** | **-** | **369.0** |
| Total gains or losses included in statement of profit and loss | 33.7 | 12.4 | - | 46.1 |
| Total gains or losses included in other comprehensive income (OCI) | - | - | - | - |
| Purchases | - | - | - | - |
| Sales (including realised gains/(losses) | - | (2.5) | - | (2.5) |
| **Closing balance at March 31, 2020** | **386.0** | **26.6** | **-** | **412.6** |
| Total amount of gains or (losses) included in statement of profit and loss on account attributable to change in unrealised gains or (losses) relating to assets still held at reporting date | 33.7 | 17.0 | - | 50.7 |

**NOTES FORMING PART OF THE ACCOUNTS**

**e) Unobservable inputs used in measuring fair value of financial instruments categorised as level 3**

The following tables set forth, for the periods indicated, information about significant unobservable inputs used in measuring financial instruments categorised as level 3 in the fair value hierarchy.

₹ in million

| Type of financial instruments | Fair value at March 31, 2021 | Significant unobservable input | Fair value measurement sensitivity to unobservable inputs |
|---|---|---|---|
| Unlisted equity | 446.3 | Fair value as determined by the Independent valuer | A significant increase/decrease in the price would result in a higher/lower fair value |
| Venture funds | 16.1 | Net Assets Value (NAV) provided by the Venture Capital Fund (VCF) | A significant increase/decrease in the NAV would result in a higher/lower fair value |
| Loans classified under "Hold & sell" business model | 14,442.0 | Pre-payment rate<br>Discount rate | A significant increase/decrease in the pre-payment and/or discount rate would result in a lower/higher fair value |
| **Total** | **14,904.4** | | |

Investment in equity shares are valued by Independent valuer using investee company's net worth. Based on the assessment of current financial conditions and business prospects of investee company, valuation was appropriately discounted to reflect the risks and uncertain market conditions. Any changes in the scenario could be a key risk to valuation.

₹ in million

| Type of financial instruments | Fair value at March 31, 2020 | Significant unobservable input | Fair value measurement sensitivity to unobservable inputs |
|---|---|---|---|
| Unlisted equity | 386.0 | Independent valuation | A significant increase/decrease in the price would result in a higher/lower fair value |
| Venture funds | 26.6 | Net Assets Value (NAV) provided by the Venture Capital Fund (VCF) | A significant increase/decrease in the NAV would result in a higher/lower fair value |
| **Total** | **412.6** | | |

## NOTES FORMING PART OF THE ACCOUNTS

### The effect of unobservable inputs on fair value measurement

Although the Company believes that its estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value.

The total outstanding carrying amount of unlisted equity and units in venture capital funds at March 31, 2021 was ₹ 462.4 million (at March 31, 2020: 412.6 million). The most significant input impacting the fair value of the unlisted equity shares and units in venture capital fund are prices or values provided by external valuer/fund and recent market transactions. A 10% change in price would result in an impact of ₹ 46.2 million (at March 31, 2020: ₹ 41.3 million).

The total outstanding carrying amount of loans under FVOCI category at March 31, 2021 was ₹ 14,442.0 million (at March 31, 2020: Nil). The most significant input impacting the fair value of the loans under FVOCI category is pre-payment rate and discount rate used by the Company. A 10% change in pre-payment rate and discount rate would result in an impact of ₹ 91.5 million and ₹ 247.2 million respectively.

### 47. Employee benefits

### Defined benefit plans

### Gratuity

The Company has a defined benefit gratuity plan (funded). The Company's defined benefit gratuity plan requires contributions to be made to a separately administered fund. The fund has the form of a trust and it is governed by the Board of Trustees. The Board of Trustees is responsible for the administration of the plan assets.

The gratuity benefit is provided through annual contributions to a fund administered and managed by ICICI Prudential Life Insurance Company Limited (ICICI Prudential). Under this scheme, the settlement obligation remains with the Company.

Gratuity is a defined benefit plan and the Company is exposed to the following risks:

a) Interest rate risk: A fall in the discount rate which is linked to the Government Securities rate, will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
b) Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.
c) Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at reporting date on government bonds. If the return on plan asset is below this rate, it will create a plan deficit.
d) Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, the funded status of the plans and the amounts recognised in the financial statements.

₹ in million

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| **Change in benefit obligations** | | |
| Opening obligations | 90.0 | 70.6 |
| Service cost | 15.8 | 11.1 |
| Interest cost | 4.8 | 4.8 |
| **Remeasurements gains/(losses)** | | |
| -Actuarial gain/(loss) from changes in demographic assumptions | - | - |
| -Actuarial gain/(loss) from changes in financial assumptions | (0.3) | 9.0 |
| -Actuarial gain/(loss) from changes in experience adjustments | (3.2) | 1.9 |
| Past service cost | - | - |
| Transfer in/(out) of liability | 2.9 | (1.9) |
| Benefits paid | (5.7) | (5.5) |
| **Benefit obligations at the end of the year** | **104.3** | **90.0** |
| | | |
| **Change in plan assets** | | |
| Fair value of plan assets at beginning of the year | 78.9 | 68.9 |
| Interest on plan assets | 4.4 | 4.6 |
| Actual return on plan assets less interest on plan assets | (0.4) | (0.5) |
| Actuarial gain/(loss) from changes in demographic assumptions | - | - |
| Actuarial gain/(loss) from changes in financial assumptions | - | - |
| Employer contributions | 24.5 | 13.3 |
| Transfer in/(out) of assets | 2.9 | (1.9) |
| Benefits paid | (5.7) | (5.5) |
| **Plan assets at the end of the year** | **104.6** | **78.9** |
| | | |
| **Expected employer's contribution next year** | 10.0 | 10.0 |
| | | |
| Fair value of plan assets at the end of the year | 104.6 | 78.9 |
| Present value of the defined benefit obligations at the year | 104.3 | 90.0 |
| Unrecognised prior service cost | - | - |
| Amount not recognised as an Asset | - | - |
| **Asset/(liability)** | **0.3** | **(11.1)** |

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, the components of the income and expenses recognised in other comprehensive income.

₹ in million

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| **Opening balance of actuarial (gains)/losses recognised in other comprehensive income** | **9.6** | **(1.8)** |
| Remeasurements loss/(gains) | - | - |
| **Actuarial loss or gain arising from:** | | |
| Demographic assumptions | - | - |
| Financial assumptions | (0.3) | 9.0 |
| Experience adjustment | (3.2) | 1.9 |
| Return on plan assets excluding interest income | 0.4 | 0.5 |
| Effects of movements in exchange rates | - | - |
| **Closing balance of actuarial (gains)/losses recognised in other comprehensive income** | **6.5** | **9.6** |

The following table sets forth, for the periods indicated, the components of the net gratuity cost recognised in statement of profit and loss.

₹ in million

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| Service cost | 15.8 | 11.1 |
| Interest cost/(income) | 0.4 | 0.1 |
| Amortisation of prior service cost | - | - |
| **Net gratuity cost** | **16.2** | **11.2** |

Gratuity cost is included in the line item 'Employee benefits expenses' in the statement of profit and loss.

The discount rate used to discount gratuity obligations has been determined with reference to the prevailing market yields on government of India bonds, for the estimated term of obligations, at the end of the reporting period.

The following tables set forth, for the periods indicated, assumptions used to determine benefit obligations.

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| Discount rate | 5.70% | 5.65% |
| Rate of increase in compensation levels | 7.00% | 7.00% |

Assumptions regarding future mortality has been based on published statistics and mortality tables. The current longevities underlying the value of the defined benefit obligation at the reporting date were as follows:

| Age (years) | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| 21-24 | 41% | 41% |
| 25-29 | 36% | 36% |
| 30-34 | 30% | 30% |
| 35-44 | 20% | 20% |
| 45 and above | 9% | 9% |

**Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amount shown below.

₹ in million

| Age (years) | At March 31, 2021 | At March 31, 2020 |
|---|---|---|
| Discount rate (0.5% movement) | | |
| On increase | (3.1) | (2.7) |
| On decrease | 3.3 | 2.9 |
| Future salary growth (0.5% movement) | | |
| On increase | 3.3 | 2.8 |
| On decrease | (3.1) | (2.7) |

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the methods and assumptions used in preparing the sensitivity analysis.

**Plan assets**

The following table sets forth, for the periods indicated, the asset allocation for gratuity by asset category based on fair values.

₹ in million

| Asset category | At March 31, 2021 | | At March 31, 2020 | |
|---|---|---|---|---|
| | Amount | As percentage of total | Amount | As percentage of total |
| Insurer managed funds | 104.2 | 99.6% | 78.6 | 99.6% |
| Others | 0.4 | 0.4% | 0.3 | 0.4% |

## NOTES FORMING PART OF THE ACCOUNTS

### Maturity analysis of the benefit payments from the fund

The following table sets forth, for the periods indicated, maturity analysis of the benefit payments from the fund.

₹ in million

| Future year from the date of reporting | March 31, 2021 | March 31, 2020 |
|---|---|---|
| 1st year | 14.2 | 11.3 |
| 2nd year | 10.6 | 12.0 |
| 3rd year | 11.0 | 9.0 |
| 4th year | 10.0 | 8.7 |
| 5th year | 15.0 | 7.6 |
| 6th year | 18.3 | 12.4 |
| 7th year | 5.9 | 15.7 |
| 8th year | 6.8 | 4.5 |
| 9th year | 7.0 | 4.1 |
| 10th year and above | 56.8 | 47.9 |

Weighted average duration of defined benefit obligation is 6.2 years (March 31, 2020: 6.2 years).

### Provident fund

Employees of the Company are entitled to receive benefits under the provident fund. These contributions are made to a fund set up by the Company and administered by a Board of Trustees. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. The Company has contributed ₹ 55.6 million (March 31, 2020: ₹ 52.0 million) to the employees' provident fund for the year ended March 31, 2021, which includes compulsory contribution made towards employee pension scheme under Employees Provident Fund and Miscellaneous Provisions Act, 1952. This cost is included in the line item 'Employee benefits expenses' in the statement of profit and loss.

The following table sets forth, for the periods indicated, the funded status of the plans and the amounts recognised in the financial statements.

₹ in million

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| **Change in benefit obligations** | | |
| Opening obligations | 407.6 | 275.6 |
| Service cost | 33.1 | 29.4 |
| Interest cost | 27.5 | 21.3 |
| Remeasurements gains/(losses) | 13.8 | 6.1 |
| Employee's contribution | 64.3 | 62.4 |
| Transfer in/(out) of liability | 63.4 | 46.3 |
| Benefits paid | (39.3) | (33.5) |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| **Benefit obligations at the end of the year** | **570.4** | **407.6** |
| | | |
| **Change in plan assets** | | |
| Fair value of plan assets at beginning of the year | 393.5 | 275.6 |
| Expected return on plan assets | 26.6 | 26.1 |
| Actuarial gain/(loss) | 28.9 | (12.8) |
| Employer contributions | 33.1 | 29.4 |
| Employee contributions | 64.2 | 62.4 |
| Transfer in/(out) of assets | 63.4 | 46.3 |
| Benefits paid | (39.3) | (33.5) |
| **Plan assets at the end of the year** | **570.4** | **393.5** |
| **Expected employer's contribution next year** | **35.4** | **31.5** |

The following table sets forth, for the periods indicated, the asset allocation for provident fund by asset category based on fair values.

₹ in million

| Asset category | At March 31, 2021 | | At March 31, 2020 | |
|---|---|---|---|---|
| | Amount | As percentage of total | Amount | As percentage of total |
| Government of India securities | 292.6 | 51.3% | 221.1 | 56.2% |
| Corporate bonds | 174.4 | 30.6% | 115.3 | 29.3% |
| Exchange traded funds | 77.8 | 13.6% | 32.2 | 8.2% |
| Others | 25.6 | 4.5% | 24.9 | 6.3% |
| **Total** | **570.4** | **100%** | **393.5** | **100%** |

The following table sets forth, for the periods indicated, assumptions used to determine benefit obligations.

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| Discount rate | 5.70% | 5.65% |
| Expected rate of return on assets | 7.58% | 6.31% |
| Discount rate for the remaining term to maturity of investment | 6.55% | 6.50% |
| Average historic yield on investment | 8.43% | 7.16% |
| Guaranteed rate of return | 8.50% | 8.50% |
| Average expected future period (in years) | 4.34 | 4.08 |

## NOTES FORMING PART OF THE ACCOUNTS

### Compensated absence

The following table sets forth, for the periods indicated, details for compensated absence.

₹ in million

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| Cost | 21.1 | 14.5 |
| **Assumptions** | | |
| Discount rate | 5.70% | 5.65% |
| Salary escalation rate | 7.00% | 7.00% |

Cost for the year is included in the line item 'Employee benefits expenses' in the statement of profit and loss.

### Defined contribution plans

The following table sets forth, for the periods indicated, contribution made by the Company towards defined contribution plans.

₹ in million

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| Employer's Contribution to Employee state insurance scheme[1,2] | 2.6 | 2.5 |
| Employer's Contribution to National Pension Scheme[3] | 3.0 | 2.7 |
| Employer's Contribution to Superannuation Scheme[3] | 0.3 | - |
| **Total** | **5.9** | **5.2** |

1. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.
2. For employees eligible as per Employee Employees' State Insurance Act, 1948.
3. For employees who have opted for the scheme.

Cost for the year is included in the line item 'Employee benefits expenses' in the statement of profit and loss.

### 48. Share based payments

In terms of an Employee Stock Option Scheme (ESOS), of the Parent Bank, share options are granted to eligible employees and Directors of the Bank and its subsidiaries. As per the ESOS, as amended from time to time, the maximum number of options granted to any eligible employees/Directors in a financial year shall not exceed 0.05% of the Parent Bank's issued equity shares at the time of the grant of the options and the aggregate of all such options granted to any eligible employees/Directors shall not exceed 10% of the aggregate number of the Parent Bank's issued equity shares on the date(s) of the grant of the options in line with SEBI Regulations.

## NOTES FORMING PART OF THE ACCOUNTS

Options granted prior to March 2014 vested in a graded manner over a four-year period, with 20%, 20%, 30% and 30% of the grants vesting in each year, commencing from the end of 12 months from the date of grant. Options granted after March 2014, vest in a graded manner over a three-year period with 30%, 30%, and 40% of the grants vesting in each year, commencing from the end of 12 months from the date of grant. In April 2016, the Parent Bank modified the exercise period from 10 years from the date of grant or five years from the date of vesting, whichever is later, to 10 years from the date of vesting of options. In June 2017, the exercise period was further modified by the Parent Bank to not exceed 10 years from the date of vesting of options as may be determined by the Board Governance, Remuneration & Nomination Committee of the Parent Bank to be applicable for future grants. In May 2018, exercise period was further modified by the Parent Bank to not exceed 5 years from the date of vesting of options as may be determined by the Board Governance, Remuneration & Nomination Committee of the Parent Bank to be applicable for future grants.

During the year ended March 31, 2021, ₹ 32.7 million was charged to the profit and loss account in respect of equity-settled share-based payment transactions (year ended March 31, 2020: ₹ 39.7 million).

The following table sets forth, for the period indicated, movement in share options during the year.

| Particulars | At March 31, 2021 | | At March 31, 2020 | |
|---|---|---|---|---|
| Outstanding at the beginning of the year | 2,844,951 | 255.59 | 2,926,210 | 242.91 |
| Add: Granted during the year[1] | 197,570 | 335.40 | 142,015 | 438.80 |
| Less: Exercised during the year | 389,417 | 203.50 | 218,094 | 205.97 |
| Less: Expired/lapsed during the year | 2,360 | 282.85 | 5,180 | 282.85 |
| Outstanding at the end of the year | 2,650,744 | 269.17 | 2,844,951 | 255.59 |

1. Including changes in outstanding stock options on account of group company transfers.

The following table sets forth, for the period indicated, the key assumptions used to estimate the fair value of options granted.

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|
| Risk-free interest rate | 4.96% to 5.74% | 7.15% to 7.62% |
| Expected life | 3.45 to 5.45 years | 3.46 to 5.46 years |
| Expected volatility | 35.19% to 35.90% | 30.78% to 31.17% |
| Expected dividend yield | 0.30% | 0.37% |

The weighted average fair value of options granted by the Parent Bank during the year ended March 31, 2021 was ₹ 125.43 (year ended March 31, 2020: ₹ 149.51).

Risk free interest rates over the expected term of the option are based on the government securities yield in effect at the time of the grant. The expected term of an option is estimated based on the vesting term as well as expected exercise behavior of the employees who receive the option of the Parent Bank. Expected exercise behavior is estimated based on the historical stock option exercise pattern of the Parent Bank. Expected volatility during the estimated expected term of the option is based on historical volatility determined based on observed market

prices of the Parent Bank's publicly traded equity shares. Expected dividends during the estimated expected term of the option are based on recent dividend activity of the Parent Bank.

## 49. Related party disclosure

The Company has transactions with its related parties comprising Holding Company, fellow subsidiaries, post-employment benefit plans and key management personnel (KMP) and close members of their family. The transactions between the Company and its related parties were in the ordinary course of business and based on the principles of arm's length.

The following table sets forth, names of related parties and their relationship as per Ind AS 24 'Related party disclosures'.

| S No. | Name of the related party | Nature of relationship |
|---|---|---|
| 1 | ICICI Bank Limited | Holding Company |
| 2 | ICICI Securities Limited | Fellow Subsidiary |
| 3 | ICICI Securities Primary Dealership Limited | Fellow Subsidiary |
| 4 | ICICI Prudential Life Insurance Company Limited | Fellow Subsidiary |
| 5 | ICICI Lombard General Insurance Company Limited | Fellow Subsidiary |
| 6 | ICICI Securities Inc. | Fellow Subsidiary |
| 7 | ICICI Securities Holdings Inc. | Fellow Subsidiary |
| 8 | ICICI Venture Funds Management Company Limited | Fellow Subsidiary |
| 9 | ICICI Trusteeship Services Limited | Fellow Subsidiary |
| 10 | ICICI Investment Management Company Limited | Fellow Subsidiary |
| 11 | ICICI International Limited | Fellow Subsidiary |
| 12 | ICICI Bank UK PLC | Fellow Subsidiary |
| 13 | ICICI Bank Canada | Fellow Subsidiary |
| 14 | ICICI Prudential Asset Management Company Limited | Fellow Subsidiary |
| 15 | ICICI Prudential Trust Limited | Fellow Subsidiary |
| 16 | ICICI Prudential Pension Funds Management Company Limited | Fellow Subsidiary |
| 17 | I-Process Services (India) Private Limited | Associate of Holding Company |
| 18 | India Infradebt Limited | Associate of Holding Company |
| 19 | NIIT Institute of Finance, Banking and Insurance Training Limited | Associate of Holding Company |
| 20 | ICICI Merchant Services Private Limited | Associate of Holding Company |
| 21 | India Advantage Fund-III | Associate of Holding Company |
| 22 | India Advantage Fund-IV | Associate of Holding Company |
| 23 | Arteria Technologies Private Limited | Associate of Holding Company |
| 24 | ICICI Foundation for Inclusive Growth | Other related entity of Holding Company |
| 25 | Sandeep Bakhshi<br>(Relatives - Shivam Bakshi, Esha Bakshi and Minal Bakshi) | Key Managerial Personnel of Holding Company |
| 26 | Anup Bagchi | Key Managerial Personnel |

## NOTES FORMING PART OF THE ACCOUNTS

| S No. | Name of the related party | Nature of relationship |
|---|---|---|
| 27 | Anirudh Kamani, Managing Director and CEO (Relative – Nilima Goel) | Key Managerial Personnel |
| 28 | Sankaran Santhanakrishnan | Key Managerial Personnel |
| 29 | Vinod Kumar Dhall | Key Managerial Personnel |
| 30 | G. Gopalakrishna | Key Managerial Personnel |
| 31 | N. R. Narayanan | Key Managerial Personnel |
| 32 | Anita Pai[1] | Key Managerial Personnel |
| 33 | Supritha Shetty[2] | Key Managerial Personnel |
| 34 | Dileep Choksi[3] | Key Managerial Personnel |
| 35 | S. Santhanakrishnan[3] | Key Managerial Personnel |
| 36 | ICICI HFC Employees Provident Fund | Post-Employment benefit plan |
| 37 | ICICI HFC Employees Group Gratuity Assurance Scheme | Post-Employment benefit plan |
| 38 | ICICI HFC Employees Superannuation Schemes | Post-Employment benefit plan |

1. Ceased to be related party effective from August 22, 2019.
2. Included as related party effective August 22, 2019.
3. Ceased to be related party effective from March 31, 2019.

The following table sets forth, for the periods indicated, details of outstanding balance with related parties.

₹ in million

| Particulars | Name of the related party | Nature of relationship | At March 31, 2021 | At March 31, 2020 |
|---|---|---|---|---|
| **Assets** | | | | |
| Bank balances (including fixed deposits and interest accrued thereon) | ICICI Bank Limited | Holding company | 6,417.2 | 128.9 |
| Fee receivable | ICICI Lombard General Insurance Company Limited | Fellow subsidiary | 2.5 | 31.0 |
| | ICICI Prudential Life Insurance Company Limited | Fellow subsidiary | 14.6 | 4.8 |
| Loan receivable from KMP (staff loan and home loan) and their relatives | Anirudh Kamani | Key Managerial Personnel | 27.7 | 29.8 |
| Other receivables | ICICI Bank Limited | Holding company | 66.6 | 52.8 |
| | I Process service (I) Private Limited | Associate of holding company | 0.1 | - |
| **Liabilities** | | | | |
| Equity share capital | ICICI Bank Limited | Holding company | 10,987.5 | 10,987.5 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Name of the related party | Nature of relationship | At March 31, 2021 | At March 31, 2020 |
|---|---|---|---|---|
| Loans | ICICI Bank Limited | Holding company | 2,400.0 | 5,000.0 |
| Bank/Book overdraft in current accounts | ICICI Bank Limited | Holding company | 2,093.3 | 1,095.7 |
| Amount collected from borrowers pending to be transferred (for portfolio sold) | ICICI Bank Limited | Holding company | 812.6 | 448.9 |
| Mark to Market payable on derivative | ICICI Bank Limited | Holding company | 434.5 | 90.1 |
| Fee payable | ICICI Bank Limited | Holding company | 8.1 | 9.5 |
| | ICICI Securities Limited | Fellow subsidiary | 0.6 | - |
| Bonds | ICICI Lombard General Insurance Company Limited | Fellow subsidiary | 2,100.0 | 2,100.0 |
| | Anup Bagchi | Key Managerial Personnel | 10.2 | 10.2 |
| Interest payable on bonds | ICICI Lombard General Insurance Company Limited | Fellow subsidiary | 51.5 | 52.4 |
| | Anup Bagchi | Key Managerial Personnel | 0.8 | 0.5 |
| Fixed deposits accepted (FDs) | Anirudh Kamani | Key Managerial Personnel | 4.6 | 1.1 |
| | Nilima Goel | Relative of Key Managerial Personnel | 1.1 | 1.0 |
| | Shivam Bakhshi | Relatives of Key Managerial Personnel of holding Company | 3.2 | 3.2 |
| | Esha Bakhshi | | 2.6 | 1.6 |
| | Minal Bakhshi | | 2.2 | 0.7 |
| Interest payable on FDs | Anirudh Kamani | Key Managerial Personnel | 0.3 | * |
| | Nilima Goel | Relative of Key Managerial Personnel | 0.1 | * |
| Other payables (Including on account of expenses | ICICI Bank Limited | Holding company | 27.0 | 96.9 |
| | ICICI Securities Limited | Fellow subsidiary | 1.2 | 2.5 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Name of the related party | Nature of relationship | At March 31, 2021 | At March 31, 2020 |
|---|---|---|---|---|
| | ICICI Prudential Life Insurance Company Limited | Fellow subsidiary | - | 3.0 |
| | I Process service (I) Private Limited | Associate of holding company | - | 0.4 |
| | ICICI Investment Management Company Limited | Fellow subsidiary | 0.4 | - |
| **Others** | | | | |
| Swap (notional principal) | ICICI Bank Limited | Holding company | 23,154.8 | 24,329.5 |
| Letter of comfort (utilised) | ICICI Bank Limited | Holding company | 22,215.5 | - |
| Guarantee | ICICI Bank Limited | Holding company | 2.5 | 2.5 |

*Insignificant amount.

1. The receivables/payables above are expected to be realised/settled in cash/cash equivalents during the regular course of business.
2. No impairment losses or allowances have been recorded during the period against balance outstanding with related party.

The following table sets forth, for the periods indicated, details of transactions with related parties.

₹ in million

| Particulars | Name of the related Party | Nature of relationship | For the year ended March 31, 2021 | For the year ended March 31,2020 |
|---|---|---|---|---|
| **Income** | | | | |
| Rent Income | ICICI Bank Limited | Holding company | 37.4 | 47.2 |
| | Anup Bagchi | Key Managerial Personnel | 0.2 | - |
| Expense recovery | ICICI Bank Limited | Holding company | 12.0 | 14.7 |
| | I Process service (I) Pvt. Ltd. | Associate of holding company | * | - |
| Servicing fee | ICICI Bank Limited | Holding company | 14.4 | 1.3 |
| Interest income on fixed deposits | ICICI Bank Limited | Holding company | 0.2 | 0.2 |
| Interest income on loans | Anirudh Kamani | Key Managerial Personnel | 1.0 | 1.1 |
| Referral fees | ICICI Lombard General Insurance Company Limited | Fellow subsidiary | 32.1 | 77.1 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Name of the related Party | Nature of relationship | For the year ended March 31, 2021 | For the year ended March 31,2020 |
|---|---|---|---|---|
| | ICICI Prudential Life Insurance Company Limited | Fellow subsidiary | 44.7 | 19.6 |
| Transfer for leave balance | ICICI Prudential Assets Management Company Limited | Fellow subsidiary | - | * |
| Mark to Market gain on derivative | ICICI Bank Limited | Holding company | - | * |
| **Expenses** | | | | |
| Servicing fee | ICICI Bank Limited | Holding company | 2.3 | 3.1 |
| Collection cost (shared expenses) | ICICI Bank Limited | Holding company | 30.4 | 231.1 |
| IT infrastructure cost (shared expenses) | ICICI Bank Limited | Holding company | 32.8 | 24.5 |
| Interest and other finance expenses (including hedging cost) | ICICI Bank Limited | Holding company | 1,143.3 | 1,079.0 |
| Interest expenses on bonds | ICICI Lombard General Insurance Company Limited | Fellow Subsidiary | 163.1 | 52.4 |
| | Anup Bagchi | Key Managerial Personnel | 0.8 | 0.5 |
| Royalty fees | ICICI Bank Limited | Holding company | * | - |
| Share based payments to employees | ICICI Bank Limited | Holding company | 12.1 | - |
| Sourcing Cost (Loans and Fixed Deposits) | ICICI Bank Limited | Holding company | 24.5 | 55.4 |
| | ICICI Securities Limited | Fellow subsidiary | 8.8 | 21.1 |
| | ICICI Investment Management Company Limited | Fellow subsidiary | 10.5 | - |
| Fee expenses –Property Service | ICICI Bank Limited | Holding company | 15.7 | 16.3 |
| | ICICI Securities Limited | Fellow subsidiary | 0.6 | - |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Name of the related Party | Nature of relationship | For the year ended March 31, 2021 | For the year ended March 31,2020 |
|---|---|---|---|---|
| Donation given towards corporate social responsibility | ICICI Foundation for Inclusive Growth | Associate of holding company | 2.5 | 29.5 |
| Arranger fee paid | ICICI Bank Limited | Holding company | 15.0 | 5.5 |
| | ICICI Securities Primary Dealership Limited | Fellow subsidiary | 1.1 | 0.3 |
| | ICICI Securities Limited | Fellow subsidiary | 0.9 | 0.4 |
| Rent expenses | ICICI Bank Limited | Holding company | - | 4.3 |
| | ICICI Lombard General Insurance Company Limited | Fellow subsidiary | - | 2.0 |
| | ICICI Prudential Life Insurance Company Limited | Fellow subsidiary | 0.4 | 0.4 |
| Insurance premium | ICICI Lombard General Insurance Company Limited | Fellow subsidiary | 43.3 | 41.2 |
| | ICICI Prudential Life Insurance Company Limited | Fellow subsidiary | 3.6 | 3.2 |
| Remuneration[1] | Anirudh Kamani | Key Managerial Personnel | 97.3 | 74.6 |
| Interest expenses on deposits | Anirudh Kamani | Key Managerial Personnel | 0.3 | * |
| | Nilima Goel | Relative of Key Managerial Personnel | 0.1 | - |
| | Shivam Bakhshi | Relatives of Key Managerial Personnel of holding company | 0.3 | 0.2 |
| | Esha Bakhshi | | 0.2 | 0.1 |
| | Minal Bakhshi | | 0.1 | 0.1 |
| Sitting fees/Commission | Dileep C Choksi | Key Managerial Personnel | - | 0.8 |
| | S Santhanakrishnan | | - | 0.8 |
| | Sankaran Santhanakrishnan | | 1.6 | 1.6 |
| | G Gopala Krishna | | 1.7 | 0.8 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Name of the related Party | Nature of relationship | For the year ended March 31, 2021 | For the year ended March 31,2020 |
|---|---|---|---|---|
| | Vinod Kumar Dhall | | 1.5 | 0.6 |
| Contribution to Provident Fund (including employee contribution) | ICICI HFC Employees Provident Fund | Post-Employment benefit plan | 101.9 | 92.0 |
| Contribution to Gratuity fund | ICICI HFC Employees Group Gratuity Assurance Scheme | Post-Employment benefit plan | 24.5 | 13.3 |
| Contribution to Superannuation Fund | ICICI HFC Employees Superannuation Schemes | Post-Employment benefit plan | 0.3 | - |
| Miscellaneous (IPA charges, LAS sourcing cost, operation cost, common corporate expenses and man power services.) | ICICI Bank Limited | Holding company | 37.5 | 74.9 |
| | I Process service (I) Private Limited | Associate of holding company | - | 42.9 |
| | ICICI Securities Limited | Fellow subsidiary | - | 0.5 |
| **Others** | | | | |
| Dividend on equity shares | ICICI Bank Limited | Holding company | - | 44.1 |
| Recovery of principal amounts of loans from Key Managerial Personnel | Anirudh Kamani | Key Managerial Personnel | 2.0 | 1.0 |
| Investment in bonds | ICICI Securities Primary Dealership Limited | Fellow subsidiary | 973.4 | 3,200.0 |
| | ICICI Securities Limited | Fellow subsidiary | 49.0 | - |
| | Anup Bagchi | Key Managerial Personnel | - | 10.3 |
| Fixed deposits accepted (FDs) | Anirudh Kamani | Key Managerial Personnel | 3.5 | 1.1 |
| | Nilima Goel | Relative of Key Managerial Personnel | 0.1 | 1.0 |
| Purchase of fixed assets | ICICI Bank Limited | Holding company | 0.5 | - |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Name of the related Party | Nature of relationship | For the year ended March 31, 2021 | For the year ended March 31,2020 |
|---|---|---|---|---|
| | ICICI Securities Limited | Fellow subsidiary | 0.4 | - |
| Bank loan repaid during the period | ICICI Bank Limited | Holding company | 2,600.0 | - |
| Sale of retail mortgage loans (Direct assignment) | ICICI Bank Limited | Holding company | 8,071.2 | 21,455.9 |
| Sale of consumer durable loans | ICICI Bank Limited | Holding company | - | 1,190.2 |
| Derivative deals undertaken | ICICI Bank Limited | Holding company | - | 1,809.4 |

*Insignificant amount.

1. Excludes ₹ 11.8 million payable to the Parent Bank for the cost of options granted for purchase of the Parent Bank's equity shares

The Company received ₹ 145.6 million during the year ended March 31, 2021 (year ended March 31, 2020: ₹ 15.0 million) from ICICI Bank towards excess interest spread received from borrowers, which have been assigned by the Company to Bank on direct assignment basis.

### Compensation to Key Managerial Personnel

The following table sets forth, for the periods indicated, the details of compensation paid by the Company to the Key Managerial Personnel.

₹ in million

| Particulars | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Short-term employee benefits (including salaries) | 95.3 | 72.6 |
| Post-employment benefits | 2.0 | 2.0 |
| Other long-term benefits | - | - |
| **Total[1]** | **97.3[1]** | **74.6** |

1. Excludes ₹ 11.8 million payable to the Parent Bank for the cost of options granted for purchase of the Parent Bank's equity shares.

Expenses towards gratuity and leave encashment provisions are determined actuarially on overall basis at the Company level at the end of each year and accordingly, have not been considered in the above information.

**50.** Managerial Remuneration for the year ended March 31, 2021 was higher by ₹ 78.9 million (including incentive and perquisite value of stock option granted by Parent Bank) as compared to limits prescribed under section 197 read with Schedule V to the Companies Act, 2013. The Company is in the process of obtaining shareholder's approval by passing a special resolution in the ensuing general meetings.

## NOTES FORMING PART OF THE ACCOUNTS

### 51. Derivative instruments and hedging activities

The Company enters into derivatives transactions for risk management purposes. The primary risk managed using derivatives instruments are foreign currency risk and interest rate risk. The risk management policy lays down the broad guidelines and approach to ensure that various risks are understood, measured and monitored and relevant policies and procedures are established to address these risks. Moreover, the investment policy lays down a broad framework for management of investment function, instrument and entity wise investment limits and their stop loss limits. The investment policy also lays down the types of derivative transactions to hedge different types of risks embedded in a single asset/liability. The policy also lays down the total exposure limit, counterparty credit exposure limit, and trigger limits along with the reporting authority.

For hedge transactions, the Company identifies the hedged item (asset or liability) at the inception of the hedge itself. The effectiveness is assessed at the time of inception of the hedge and periodically thereafter. Derivatives held for risk management purposes meet the hedge accounting requirements. Hedge derivative transactions are accounted for pursuant to the principles of hedge accounting.

**Derivative qualifying for hedge accounting**

The Company has borrowed aggregate to USD 275.0 million in form of ECBs and in order to fully hedge the same, the Company has taken derivative positions in the form of a 5 year Principal-Only Swap (POS), 5 year USD Interest Rate Swap (IRS) and Currency Forwards for all its coupon cash flows. These swaps hedge any adverse movement in the USD-INR rates on its principal and interest obligations and also against any adverse movement in the LIBOR on its interest rate obligations.

There is an economic relation between the hedged item and hedging instruments as the terms of derivatives match with that of External Commercial Borrowings (notional amount, interest payment dates, principal repayment dates etc.). There have been no changes in the contractual terms of the hedged item and hedging instrument from the COVID-19 outbreak.

As per the Investment Policy, the Company monitors the derivative exposure limits based on calculations as per Original Exposure Method (OEM) and Current Exposure Method (CEM). The Credit Conversion Factors (CCF) are applied as per the regulatory guidelines.

The following table sets forth, for the periods indicated, the carrying values of derivatives financial instruments recorded as assets or liabilities together with their notional amounts.

₹ in million

| Particulars | Assets | | Liabilities | |
|---|---|---|---|---|
| | Notional Amounts | Fair value | Notional Amounts | Fair value |
| **At March 31, 2021** | | | | |
| Forward contracts | - | - | 2,196.5 (USD 30.0 million) | 100.3 |
| Currency swaps | 20,120.4 (USD 275.0 million) | 681.4 | - | - |

**NOTES FORMING PART OF THE ACCOUNTS**

| Particulars | Assets | | Liabilities | |
|---|---|---|---|---|
| | Notional Amounts | Fair value | Notional Amounts | Fair value |
| Interest rate swaps | - | - | 20,120.4 (USD 275.0 million) | 1,334.5 |
| **Total derivatives** | **20,124.4 (USD 275.0 million)** | **681.4** | **22,316.9 (USD 305.0 million)** | **1,434.8** |
| **At March 31, 2020** | | | | |
| Forward contracts | 3,142.7 (USD 41.7 million) | 104.9 | - | - |
| Currency swaps | 20,722.9 (USD 275.0 million) | 1,558.9 | - | - |
| Interest rate swaps | - | - | 20,722.9 (USD 275.0 million) | 1,842.2 |
| **Total derivatives** | **23,865.6 (USD 316.7 million)** | **1,663.8** | **20,722.9 (USD 275.0 million)** | **1,842.2** |

The following table sets forth, for the periods indicated, the details of the hedged items.

₹ in million

| Particulars | Carrying amount | Accumulated amount of fair value adjustment | Balance in cash flow hedge reserve (gross of deferred tax) |
|---|---|---|---|
| **Cash flow hedging** | | | |
| **At March 31, 2021** | | | |
| External Commercial Borrowings | 20,120.2(USD 275.0 Million) | 459.9 | 1,002.9 |
| | | | |
| **At March 31, 2020** | | | |
| External Commercial Borrowings | 20,722.7(USD 275.0 Million) | 1,062.3 | 1,135.3 |

Hedging instruments are disclosed in line item derivative financial instruments (under financial assets/liabilities).

**52. Events after reporting date**

There have been no significant events after the reporting date that require disclosure in these financial statements.

**53. Details of CSR Expenditure**

The gross amount required to be spent by the Company on Corporate Social Responsibility (CSR) related activities during the year ended March 31, 2021 was ₹ 13.5 million (March 31, 2020 : ₹ 30.8 million).

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, the details of amount spent on CSR by the Company.

₹ in million

| | | Year ended March 31, 2021 | | | Year ended March 31, 2020 | | |
|---|---|---|---|---|---|---|---|
| | | In Cash | Yet to be paid in cash | Total | In Cash | Yet to be paid in cash | Total |
| a) | Amount spent during the year | - | - | - | - | - | - |
| | Construction/acquisition of any asset | - | - | - | - | - | - |
| | Other than above | 13.5 | - | 13.5 | 30.8 | - | 30.8 |

The Company has partnered with ICICI Foundation for Inclusive Growth to support the cause of elementary education, primary health, sustainable livelihood and skill development and Contributed ₹ 2.5 million for the year ended March 31, 2021 (year ended March 31, 2020: ₹ 29.5 million)

The Company contributed ₹ 10.0 millions for the year ended March 31, 2021 (year ended March 31, 2020: Nil) towards PM CARES fund and contributed ₹ 1.0 Million for the year ended March 31, 2021 (year ended March 31, 2020: ₹ 1.3 million) to Pangea Econetassets Pvt Ltd. for tree plantation activity during current financial year.

### 54. Principal Business Criteria

The following table sets forth, for the periods indicated, fulfilment of the principal business criteria as applicable for housing finance companies (HFCs).

| Position as at | Percentage of total assets[1] towards housing finance | Percentage of total assets[1] towards housing finance for Individuals |
|---|---|---|
| At March 31, 2021 | 56.57% | 55.62% |
| At March 31, 2020 | 55.57% | 54.23% |

1 – Total Assets netted off by Intangible Assets

The Company, being an existing registered HFC is required to fulfil the principal business criteria by March 31, 2024, and has submitted its board approved plan including the roadmap to fulfil the principal business criteria to the Reserve Bank of India.

### 55. Securitisation of financial assets

The Company has not sponsored any SPVs during the current year, and there is no outstanding amount of securitised assets as a result of any such sponsorships.

## NOTES FORMING PART OF THE ACCOUNTS

### Details of financial assets sold to Securitisation/ Reconstruction Company for Asset Reconstruction

The Company has not sold any financial assets to securitisation/reconstruction company for asset reconstruction during the current financial year.

### Off balance sheet SPVs sponsored

The Company has not sponsored any SPVs – Domestic or Overseas as at the end of current financial year.

### 56. Details of assignment transactions undertaken

a. During the year, the Company had not purchased performing mortgage loans from other housing finance company(ies).

b. During the year, the Company assigned/sold performing mortgage loans to banks and a HFC amounting to ₹ 15,744.0 million. The following table sets forth, for the period indicated, the details of loans assigned to banks and a HFC.

₹ in million

| Particulars | Year ended March 31, 2021 |
|---|---|
| (i) No. of accounts | 7,245 |
| (ii) Aggregate value of accounts assigned/sold | 15,744.0 |
| (iii) Aggregate consideration | 15,744.0 |
| (iv) Additional consideration realised in respect of accounts transferred in earlier years | - |
| (v) Aggregate gain/(loss) over net book value | - |

1. The Company recognised gain of ₹ 780.9 million on derecognition of financial assets.
2. Includes loans assigned to Parent Bank amounting to  8,071.2 million (No. of accounts – 3,617) where the Company has recognised gain of ₹ 412.8 million on derecognition.

### 57. Details of Non-performing financial assets purchased

The Company has not purchased non-performing financial assets from other Housing Finance Companies in the current financial year.

### 58. Details of Non-performing financial assets sold

The Company has not sold non-performing financial assets to asset reconstruction companies/banks in the current financial year.

## NOTES FORMING PART OF THE ACCOUNTS

### 59. Exposure to real estate sector

The following table sets forth, for the periods indicated, the position of exposure to real estate sector.

₹ in million

| Particulars | At March 31, 2021 |
|---|---|
| **(a) Direct exposure** | |
| (i) Residential mortgages | |
| Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. (Individual Housing Loans up to ₹ 15.0 million – March 2021 - ₹ 26,261.1 million, March 2020 - ₹ 17,602.8 million) | 133,361.3 |
| **(ii) Commercial real estate** | |
| Lending secured by mortgages on commercial real estates (office buildings, retail space multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development & construction etc). Exposure shall also include non-fund based (NFB) limits. | 7,801.1 |
| **(iii) Investments in mortgage backed securities (MBS) & other securitised exposures** | - |
| (a) Residential | - |
| (b) Commercial real estate | - |
| **(b) Indirect exposure** | |
| Fund based & non-fund based exposures on National Housing Bank (NHB) & Housing Finance Companies (HFCs) | - |
| **Total Exposure to Real Estate Sector** | 141,162.4 |

### 60. Exposure to Capital Market

The following table sets forth, for the periods indicated, the position of exposure to capital market.

₹ in million

| Particulars | At March 31, 2021 |
|---|---|
| (i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt; | 528.9 |
| (ii) Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), Convertible bonds, convertible debentures, and units of equity-oriented mutual funds; | - |
| (iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity-oriented mutual funds are taken as primary security; | - |
| (iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity-oriented mutual funds i.e. where the primary security other than shares/convertible bonds/convertible | - |

| Particulars | At March 31, 2021 |
|---|---|
| debentures/units of equity-oriented mutual funds' does not fully cover the advances; | |
| (v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers; | - |
| (vi) Loans sanctioned to corporates against the security of shares/bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources; | - |
| (vii) Bridge loans to companies against expected equity flows/issues; | - |
| (viii) All exposures to Venture Capital Funds/Alternate Investment Funds (both registered and unregistered) | 16.1 |
| **Total Exposure to Capital Market** | **545.0** |

**61. Exposure to group companies engaged in real estate business**

The Company does not have any group company engaged in real estate business as at the end of the current financial year and at the end of the preceding financial year and hence no exposure.

**62. Concentration of Public Deposits, Advances, Exposures and NPAs**

**(a) Concentration of loans and advances**

₹ in million

| Particulars | At March 31, 2021 |
|---|---|
| Total loans and advances to twenty largest borrowers | 4,465.7 |
| Percentage of loans and advances to twenty largest borrowers to total advances of the HFC | 3.2% |

**(b) Concentration of all exposure (including off-balance sheet exposure)**

₹ in million

| Particulars | At March 31, 2021 |
|---|---|
| Total exposure to twenty largest borrowers/customers | 5,552.9 |
| Percentage of exposures to twenty largest borrowers/ customers to total exposure of the HFC on borrowers/customers | 3.78% |

**(c) Concentration of NPAs**

₹ in million

| Particulars | At March 31, 2021 |
|---|---|
| Total exposure to top ten NPA accounts | 2,525.1 |

## NOTES FORMING PART OF THE ACCOUNTS

### (d) Concentration of public deposits

₹ in million

| Particulars | At March 31, 2021 |
|---|---|
| Total deposits of twenty largest depositors | 5,621.0 |
| Percentage of deposits of twenty largest depositors to total deposits of the deposit taking HFC | 26.5% |

### 63. Sector-wise NPAs

₹ in million

| Sector (percentage of NPAs to total Advances in that sector) | At March 31, 2021 |
|---|---|
| **A. Housing Loans:** | |
| 1. Individuals | 3.8% |
| 2. Builders/Project Loans | 67.4% |
| 3. Corporates | - |
| 4. Others (specify) | - |
| | |
| **B. Non-Housing Loans:** | |
| 1. Individuals | 7.8% |
| 2. Builders/Project Loans | 57.0% |
| 3. Corporates | 5.9% |
| 4. Others (specify) | - |

### 64. Overseas Assets

The Company does not hold any overseas assets as at the end of current financial year.

**65.** There is no financing of the parent bank's products during the current financial year.

**66.** The Company has not exceeded the prudential exposure limits (Single Borrower Limit and/or Group Borrower Limit) as defined in the Master Directions issued by RBI for HFCs.

### 67. Fraud

As required by NHB through its guideline dated February 5, 2019, and RBI through its Master Directions dated September 29, 2016 on reporting and monitoring of frauds, the Company has reported frauds amounting to ₹ 60.3 million during year ended March 31, 2021 (March 31, 2020: ₹ 87.0 million).

## NOTES FORMING PART OF THE ACCOUNTS

**68.** The Company is registered with the following other financial sector regulators:
(a) Insurance Regulatory & Development Authority of India

### 69. Customers Complaints

The following table sets forth, for the periods indicated, movement in customer complaints.

| Particulars | At March 31, 2021 | At March 31, 2020 |
|---|---|---|
| (a) No. of complaints pending at the beginning of the year | - | 1 |
| (b) No. of complaints received during the year | 940 | 589 |
| (c) No. of complaints redressed during the year | 940 | 590 |
| (d) No. of complaints pending at the end of the year | - | - |

The Company has Customer Grievance Redressal Mechanism (CGRM) for convenience of customers to register their complaints and for it to monitor and redress them.

**70.** During current and previous financial years, there were no penalties imposed by NHB/RBI and any other regulators.

### 71. Consolidated Financial Statements (CFS)

The Company does not have any subsidiary - domestic as well as overseas, and accordingly is not required to prepare consolidated financial statements as per Ind AS 110- "Consolidated Financial Statements".

### 72. Net Profit or Loss for the period, prior period items and changes in accounting policies

During the year ended March 31, 2021, the Company has carried out reconciliation of TDS receivable accounted in books of accounts vis-à-vis Form 26AS from FY2013 till FY2020. Accordingly, the Company has recognised net gain of ₹ 32.9 million under the head "Other income" pertaining to earlier periods.

## NOTES FORMING PART OF THE ACCOUNTS

### 73. Asset Liability Management

The following table sets forth, maturity pattern of certain types of items of Assets and Liabilities at March 31, 2021.

₹ in million

| Maturity Bucket | Liabilities | | | | Assets | | |
|---|---|---|---|---|---|---|---|
| | Borrowings from banks[1] | Market borrowing | Fixed deposits | Foreign currency liabilities[2] | Advances | Investments | Foreign currency assets |
| 1 Day to 7 Days | - | - | 59.3 | - | 1,363.9 | 1,252.2 | - |
| 8 Days to 14 Days | 14.7 | - | 85.6 | - | 87.7 | 5.7 | - |
| 15 Days upto 30/31 days | 2,379.5 | 1,550.0 | 384.2 | - | 48.5 | 22.0 | - |
| Over 1 month upto 2 months | 301.0 | 2,100.0 | 1,886.2 | - | 456.9 | 441.4 | - |
| Over 2 months upto 3 months | 359.3 | 759.2 | 997.2 | - | 527.3 | 7.0 | - |
| Over 3 months upto 6 months | 1,370.7 | 1,255.3 | 5,713.9 | - | 1,691.0 | 7.5 | - |
| Over 6 months upto 1 Year | 3,438.2 | 2,094.9 | 6,251.7 | - | 3,022.0 | - | - |
| Over 1 year upto 3 years | 36,052.1 | 10,601.1 | 12,087.2 | 20,120.2 | 16,271.4 | 271.0 | - |
| Over 3 years upto 5 years | 7,259.3 | 10,343.7 | 5,480.0 | - | 14,626.6 | - | - |
| Over 5 years | 7,372.6 | 4,348.6 | 2,112.8 | - | 99,482.9 | 2,375.1 | - |
| **Total** | **58,547.4** | **33,052.8** | **35058.1** | **20,120.2** | **137,578.2** | **4,381.9** | **-** |

1. Including foreign currency liabilities.
2. These are fully hedged through derivative instruments.
3. Includes government securities amounting to ₹ 251.2 million which forms part of excess statutory liquidity securities.

## NOTES FORMING PART OF THE ACCOUNTS

### 74. Diagrammatic representation of group

Note : The above Group Structure does not exhibit the investments in associate companies which are not consolidated in the financial statements of Holding Company and are held as temporary investments with a view to dispose in near future.

## NOTES FORMING PART OF THE ACCOUNTS

**75.** The previous year figures have been reclassified/regrouped/restated to conform to current year's classification.

As per our report of even date attached

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

For and on behalf of the Board of Directors
**ICICI Home Finance Company Limited**

Sd/-
**Vaibhav Shah**
Partner
Membership No.:117377

Sd/-
**Anup Bagchi**
Chairman
DIN-00105962

Sd/-
**Anirudh Kamani**
Managing Director & CEO
DIN-07678378

Place: Mumbai
Dated: April 22, 2021

Sd/-
**Vikrant Gandhi**
Chief Financial Officer

Sd/-
**Priyanka Shetty**
Company Secretary

ICICI Home Finance

**ICICI HOME FINANCE COMPANY LIMITED** **Annexure - 1**

**Schedule to the Balance Sheet of the Housing Finance Company as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021**

₹ in million

| Particulars | | | | |
|---|---|---|---|---|
| **Liabilities side** | | | **Amount outstanding** | **Amount overdue** |
| **1** | **Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:** | | **128,860.8** | **186.5** |
| | (a) | Debentures : Secured | 30,124.4 | - |
| | | : Unsecured | 4,732.9 | - |
| | | (other than falling within the meaning of public deposits*) | | |
| | (b) | Deferred credits | - | - |
| | (c) | Term loans | 56,405.4 | - |
| | (d) | Inter-corporate loans and borrowing | 15,393.8 | 4.6 |
| | (e) | Commercial paper | - | - |
| | (f) | Public deposits* | 22,204.3 | 181.9 |
| | (g) | Other loans (specify nature) | - | - |
| | *Please see Note 1 below | | | |
| **2** | **Break-up of (1)(f) above (outstanding public deposits inclusive of interest accrued thereon but not paid):** | | **22,204.3** | **-** |
| | (a) | In the form of Unsecured debentures | - | - |
| | (b) | In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security | - | - |
| | (c) | Other public deposits | 22.204.3 | - |
| | * Please see Note 1 below | | | |
| **Assets side** | | | **Amount outstanding** | |
| **3** | **Break-up of loans and advances including bills receivables [other than those included in (4) below]:** | | **137,578.2** | |
| | (a) | Secured | 137,578.2 | |
| | (b) | Unsecured | - | |
| **4** | **Break up of leased assets and stock on hire and other assets counting towards asset financing activities** | | **-** | |
| | (i) | Lease assets including lease rentals under sundry debtors | | |
| | | (a) Financial lease | - | |
| | | (b) Operating lease | - | |

| | | | | |
|---|---|---|---|---|
| | (ii) | Stock on hire including hire charges under sundry debtors | | |
| | | (a) | Assets on hire | - |
| | | (b) | Repossessed assets | - |
| | (iii) | Other loans counting towards asset financing activities | | |
| | | (a) | Loans where assets have been repossessed | - |
| | | (b) | Loans other than (a) above | - |
| **5** | **Break-up of investments** | | | |
| | **Current investments** | | | **1,484.5** |
| | **1.** | **Quoted** | | **1.058.8** |
| | | (i) | Shares | |
| | | | (a) Equity | - |
| | | | (b) Preference | - |
| | | (ii) | Debentures and bonds | - |
| | | (iii) | Units of mutual funds | 997.6 |
| | | (iv) | Government securities | 61.2 |
| | | (v) | Others (please specify) | - |
| | **2.** | **Unquoted** | | **425.7** |
| | | (i) | Shares | |
| | | | (a) Equity | 425.7 |
| | | | (b) Preference | - |
| | | (ii) | Debentures and bonds | - |
| | | (iii) | Units of mutual funds | - |
| | | (iv) | Government securities | - |
| | | (v) | Others (please specify) | - |
| | **Long term investments** | | | **2,897.4** |
| | **1.** | **Quoted** | | **2,860.7** |
| | | (i) | Shares | |
| | | | (a) Equity | - |
| | | | (b) Preference | - |
| | | (ii) | Debentures and Bonds | - |
| | | (iii) | Units of mutual funds | - |
| | | (iv) | Government Securities | 2,860.7 |
| | | (v) | Others (please specify) | - |
| | **2.** | **Unquoted** | | **36.7** |
| | | (i) | Shares | |
| | | | (a) Equity | 20.6 |
| | | | (b) Preference | - |
| | | (ii) | Debentures and Bonds | - |

| | | | | |
|---|---|---|---|---|
| | | (iii) | Units of mutual funds | - |
| | | (iv) | Government Securities | - |
| | | (v) | Others (Units in venture capital fund) | 16.1 |

**6 Borrower group-wise classification of assets financed as in (3) and (4) above:**
(Please see Note 2 below)

| | Category | | | Amount net of provisions | | |
|---|---|---|---|---|---|---|
| | | | | Secured | Unsecured | Total |
| | 1. | Related parties ** | | | | |
| | | (a) | Subsidiaries | - | - | - |
| | | (b) | Companies in the same group | - | - | - |
| | | (c) | Other related parties | - | - | - |
| | 2. | Other than related parties | | 137,578.2 | - | 137,578.2 |
| | **Total** | | | **137,578.2** | **-** | **137,578.2** |

**7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :**
(Please see Note 3 below)

| | Category | | | Market value / break up or fair value or NAV | Book value (net of provisions) |
|---|---|---|---|---|---|
| | 1. | Related parties ** | | | |
| | | (a) | Subsidiaries | - | - |
| | | (b) | Companies in the same group | - | - |
| | | (c) | Other related parties | - | - |
| | 2. | Other than related parties | | 4,408.4 | 4,381.9 |
| | **Total** | | | **4,408.4** | **4,381.9** |

** As per notified Accounting Standard (Please see Note 3)

**8 Other information**

| | Particulars | | | Amount |
|---|---|---|---|---|
| | (i) | Gross non-performing assets | | |
| | | (a) | Related parties | - |
| | | (b) | Other than related parties | 9,385.8 |
| | (ii) | Net non-performing assets | | |
| | | (a) | Related parties | - |
| | | (b) | Other than related parties | 7,137.4 |
| | (iii) | Assets acquired in satisfaction of debt | | - |

**Notes :**

| | |
|---|---|
| 1 | As defined in Paragraph 4.1.30 of these Directions. |
| 2 | Provisioning norms shall be applicable as prescribed in these Directions. |
| 3 | All notified Accounting Standards are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above. |

ICICI HOME FINANCE COMPANY LIMITED
CIN: U65922MH1999PLC120106

## CONTACT US

**Registered Office:** ICICI Bank Towers, Bandra-Kurla Complex, Mumbai - 400051

**Corporate Office:** ICICI HFC Tower, Andheri Kurla Road, J.B. Nagar, Andheri (E), Mumbai - 400059

(+91-22) 40093231

secretarial@icicihfc.com

**www.icicihfc.com**

ICICI Home Finance

# Leadership through partnership

## ANNUAL REPORT 2021-22

ICICI HOME FINANCE COMPANY LIMITED

# CONTENT


01 Corporate Information

02 Directors' Report

03 Management Discussion and Analysis

04 Auditor's Report

05 Balance Sheet

06 Statement of Profit and Loss

07 Cash Flow Statement

08 Statement of Changes in Equity

09 Notes forming part of the Accounts

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**Anup Bagchi**
Chairman,
Non-Executive Director

**S Santhanakrishnan**
Independent Director

**G Gopalakrishna**
Independent Director

**Vinod Kumar Dhall**
Independent Director

**Supritha Shetty**
Non-Executive Director

**Sanjay Singhvi**
Non-Executive Director

**Anirudh Kamani**
Managing Director & CEO

## KEY MANAGERIAL PERSONNEL

**Chief Financial Officer**
Vikrant Gandhi

**Company Secretary**
Priyanka Shetty

## SENIOR MANAGEMENT PERSONNEL

**Chief Operating Officer**
Sathishkumar A R

**Chief Distribution Officer**
Pawan Bhansali

**Chief Human Resources Officer**
Ashish Kakkar

**Chief Risk Officer**
Yogesh Rawat

## STATUTORY AUDITORS

Mukund M. Chitale & Co.
Singhi & Co.
Chartered Accountants

## SECRETARIAL AUDITOR

Makarand M. Joshi & Co.,
Company Secretaries

## REGISTERED OFFICE

ICICI Bank Towers, Bandra-Kurla Complex,
Mumbai - 400051.

## CORPORATE OFFICE

ICICI HFC Tower, Andheri Kurla Road,
J.B. Nagar, Andheri (E), Mumbai - 400059
Email: secretarial@icicihfc.com
Website: www.icicihfc.com
Tel.: (+91-22) 40093231

## REGISTRAR & TRANSFER AGENTS

Datamatics Business Solutions Limited
3I Infotech Limited

## DEBENTURE TRUSTEE

Axis Trustee Services Limited

## SECURITY TRUSTEE

SBICAP Trustee Company Limited

# Directors' Report

**To the members,**

Your Company is a Housing Finance Company registered with the National Housing Bank (NHB) and regulated by the Reserve Bank of India (RBI). Your Company is engaged in the primary business of providing a range of home loans and home improvement loans, office premises loans, home equity loans, loan against property to customers and construction finance to developers.

On behalf of the Board of Directors (Board), it is our pleasure to present the 23rd Annual Report along with the Audited Financial Statement of Accounts for the year ended March 31, 2022 (fiscal 2022).

## FINANCIAL HIGHLIGHTS

The financial performance for fiscal 2022 is summarised in the following table:

(₹ in million)

| | Fiscal 2021 | Fiscal 2022 | % of change |
|---|---|---|---|
| Net interest income | 5,209.5 | 6,520.4 | 25.2% |
| Other income | 70.6 | 11.5 | (83.7)% |
| Operating expenses | 2,562.5 | 2,968.5 | 15.8% |
| Impairment on financial instruments/ write-off (Including fair value changes) | 2,694.6 | 1,755.3 | (34.9)% |
| Profit before tax | 326.4 | 2,122.3 | 550.2% |
| Profit after tax | 216.7 | 1,641.7 | 657.6% |
| Total comprehensive income | 1,173.0 | 3,171.24 | 170.3% |

Net interest income was higher by ₹ 1,310.9 million, primarily on account of lower cost of funds and higher income from sell-down. Operating expenditure was higher by ₹ 406.0 million on account of higher cost in the Financial Year ended March 31, 2022 due to opening up of the economy and higher business post pandemic.

## APPROPRIATIONS

The profit after tax for financial year ended March 31, 2022 is ₹1,641.7 million and the disposable profit at March 31, 2022 is as follows:

(₹ in million)

| | Fiscal 2021 | Fiscal 2022 |
|---|---|---|
| To Special Reserve (created and maintained in terms of Section 29 C of National Housing Bank Act, 1987) | 43.5 | 328.5 |
| Dividend paid during the year | | |
| - Equity Shares (including dividend distribution tax) | - | - |
| Leaving balance to be carried forward to the next year | 1,587.0 | 2,900.2 |

## DIVIDEND

Your Directors have recommended a final dividend of ₹ 0.15 per equity share (1.5%) for fiscal 2022 (fiscal 2021: Nil). The final dividend is subject to the approval of the Members at the ensuing Annual General Meeting. Your Company has a Dividend Payout Policy as a matter of good corporate governance for bringing transparency in the matter of declaration of dividend and to protect the interest of investors. The payment of final dividend is in line with the Dividend Payout Policy of the Company and in compliance with Section 123 of the Companies Act, 2013.

## OPERATIONAL REVIEW

The Company, to expand its footprint with focus on affordable housing finance business, opened 11 branches, 3 micro branches and 18 sales offices while closing 5 branches, with a final tally of 170 branches/offices at March 31, 2022. The employee strength stood at 2,252 compared to 1,964 last year, including employees on contract. The Company increased its channel partner network during fiscal 2022 with specific focus on enhancing synergy with ICICI Bank through its branch and CPC network.

The business of the Company, primarily retail mortgages was impacted by lockdown in first quarter of fiscal 2022 due to the second wave of the COVID-19 pandemic. However, demand picked up in later part of the fiscal with the subsiding effect of the pandemic and rapid pace of vaccination. Disbursements increased by 44% YoY to ₹51,278.8 million in Financial Year ended March 31, 2022, primarily on account of lower base. During fiscal 2022, the Company assigned loans amounting to ₹12,238.1 million compared to ₹15,744.0 million last fiscal. The

total assets under management (AUM) of the Company grew by 5.3% year-on-year to ₹178.65 billion at March 31, 2022.

The revised IRAC norms issued by RBI resulted in higher NPA additions during the year, however, the Gross NPA ratio at March 31, 2022 was lower at 5.8% compared to 6.6% at March 31, 2021 on account of higher recoveries/upgrades during the fiscal. The Company's digital capabilities enabled it to perform various activities like customer on- boarding and pre/post disbursement and collections processes (Video KYC, Video PD, online fee collection, online disbursements, NACH mandate for EMI collection etc.) with the help of system driven workflows.

## MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company from the end of fiscal 2022 and the date of the report.

## CHANGE OF NATURE OF BUSINESS

There has been no change in the nature of the business of the Company during the fiscal 2022.

## SIGNIFICANT AND MATERIAL ORDERS

There were no significant and material orders passed by the regulators or courts or tribunals impacting the Company's going concern status and future operations. During fiscal 2022, National Housing Bank imposed a penalty of ₹30,000/- on the Company for Non-Compliance under Para 28 'provisioning requirement' of The Housing Finance Companies (NHB) Directions, 2010. The Company paid the penalty within stipulated timeline.

## PARTICULARS OF LOANS, GUARANTEE OR INVESTMENT

Pursuant to Section 186(11) of the Companies Act, 2013 (the Act), the provisions of Section 186 of the Act, except sub-section (1), do not apply to a loan made, guarantee given, security provided or investment made by a housing finance company in the ordinary course of business.

## DIRECTORS

The Board of the Company as at March 31, 2022, comprises of seven Directors consisting of three Non-Executive Independent Directors, the Managing Director & CEO, two Non-executive Directors and one Additional Director (nominees of ICICI Bank, the Parent).

**The Directors of the Company are:**

| Sr. No. | Name of the Director | Designation | DIN |
|---|---|---|---|
| 1 | Anup Bagchi | Non-executive Chairman | 00105962 |
| 2 | S. Santhanakrishnan | Non-executive Independent Director | 00032049 |
| 3 | Vinod Kumar Dhall | Non-executive Independent Director | 02591373 |
| 4 | G. Gopalakrishna | Non-executive Independent Director | 06407040 |
| 5 | Sanjay Singhvi | Additional Director (Non-executive) | 09317585 |
| 6 | Supritha Shetty | Non-Executive Director | 02101473 |
| 7 | Anirudh Kamani | Managing Director & CEO | 07678378 |

## DECLARATION OF INDEPENDENCE

The Independent Directors have confirmed that they satisfy the criteria prescribed for Independent Directors as stipulated in the provisions of Section 149(6) of the Act and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations), which have been relied upon by the Company and were placed at the Board Meeting held on April 19, 2022. None of the Directors have any pecuniary relationship or transactions with the Company. None of the Directors of the Company are related to each other. They have confirmed that they are not disqualified from being appointed as Directors in terms of Section 164 of the Act and are not debarred from holding the office of Director by virtue of any SEBI order or any other such authority.

In the opinion of the Board, the Independent Directors fulfil the necessary criteria for independence as stipulated under the statutes.

The Board has formed the opinion that the Independent Directors have requisite expertise and experience required by the Company based on their skills, knowledge and competencies.

## RETIREMENT BY ROTATION

Pursuant to the provisions of Section 152 of the Act, Supritha Shetty, Non-executive Director, retires by

rotation at the forthcoming Annual General Meeting (AGM) and being eligible, offers herself for reappointment.

## APPOINTMENT AND CESSATION OF DIRECTORS

Pursuant to the powers conferred under the Articles of Association of the Company, ICICI Bank Ltd. had nominated Sanjay Singhvi and withdrawn the nomination of N.R. Narayanan as a Director of the Company, on his superannuation.

Accordingly, pursuant to Section 161 and other applicable provisions of Act and rules made thereunder, the Board on recommendation of the Board Governance, Nomination and Remuneration Committee, appointed Sanjay Singhvi as an Additional Non-executive Director with effect from September 13, 2021. Sanjay Singhvi will hold office of an Additional Director up to the ensuing AGM and is eligible to offer himself for appointment as a director of the Company.

The Company had received notice as required under Section 160 of the Act, from a member, signifying his intention to propose the candidature of Sanjay Singhvi for his appointment as a Director on the Board at the ensuing AGM of the Company.

Further, the Board, noted the withdrawal of nomination of N. R. Narayanan (DIN: 07877022), as a Non-executive Director, effective from September 1, 2021. Apart from above cessation, rest of the Directors of the Company at March 31, 2022, have continued to be on its Board.

## KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Section 203 of the Act, Anirudh Kamani (Managing Director & Chief Executive Officer), Vikrant Gandhi (Chief Financial Officer) and Priyanka Shetty (Company Secretary) are Key Managerial Personnel of the Company. During the fiscal 2022, there was no change in the Key Managerial Personnel of the Company.

## STATUTORY AUDITORS

RBI on April 27, 2021 issued guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) for Banks and NBFCs (including HFCs) (RBI Guidelines). As per the requirement of the said guidelines, the Company can appoint Statutory Auditors for a continuous period of maximum three years, subject to the firms satisfying the eligibility norms on a continuous basis. Additionally, the said guidelines also require NBFCs/HFCs with asset size of ₹ 15,000 crore and above at March 31, 2021 to appoint joint auditors for audit of their accounts. The said guidelines were applicable for the first time to NBFCs (including HFCs) and hence, NBFCs/HFCs were given flexibility to adopt these guidelines from second half of fiscal 2022, in order to ensure that there is no disruption. Accordingly, to comply with the said guidelines, the Company had continued with the appointment of B S R & Co. LLP for audit of the quarter ended June 30, 2021 and they vacated their office on conclusion of the Extra Ordinary General Meeting (EGM) held on July 30, 2021.

Further, as per the aforesaid RBI guidelines and pursuant to Section 139 of the Act and Companies (Audit and Auditors) Rules 2014 and as recommended by the Audit Committee and the Board, the shareholders of the Company at its EGM held on July 30, 2021 appointed M/s Singhi & Co. (Firm Registration no. 302049E) and M/s Mukund M. Chitale & Co., (Firm Registration No. 106655W), as Joint Statutory auditors with effect from July 30, 2021 till the conclusion of 23rd AGM to be held for the fiscal 2022.

The auditors have indicated their willingness to continue as Joint Statutory auditors of the Company and provided the certificate that they meet the eligibility criteria as required under the Act.

Accordingly, on recommendation of the Audit Committee, the Board of the Company proposed the re-appointment of M/s Singhi & Co. (Firm Registration no. 302049E) and M/s Mukund M. Chitale & Co., (Firm Registration No. 106655W), as Joint Statutory auditors of the Company to hold office from the conclusion of the 23rd AGM till the conclusion of 25th AGM of the Company.

Further, the report of the Statutory Auditors along with notes to schedules is enclosed to this report. The Auditors' Report to the members does not contain any qualification. The Notes to Accounts referred to in the Auditors' Report are self-explanatory and do not call for further comments.

## SECRETARIAL AUDITORS

In terms of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Makarand M. Joshi &

Co., a firm of Practicing Company Secretaries were appointed as the Secretarial Auditors of the Company. The secretarial auditors have submitted their report for fiscal 2022 and the report does not contain any qualification. The report of the Secretarial Auditors is enclosed as Annexure 1 to this report.

The Annual Secretarial Compliance Report for fiscal 2022 is available on the website of the Company at www.icicihfc.com and on the website of BSE Limited at www.bseindia.com.

## COMPLIANCE WITH SECRETARIAL STANDARDS

In terms of provisions of Section 118 of the Act, the Company is in compliance with Secretarial Standards on Meetings of the Board and Secretarial Standards on General Meeting issued by the Institute of Company Secretaries of India.

## CEO/CFO CERTIFICATION

In terms of the SEBI LODR Regulations, the certification by the Managing Director & CEO and Chief Financial Officer on the financial statements and internal controls relating to financial reporting has been obtained.

## SUCCESION PLANNING

In compliance with the Regulation 17 of SEBI LODR regulations and on recommendation of the Board Governance Nomination and Remuneration Committee, Board at its meeting held on January 19, 2022, had put in place a Succession planning policy for ascertaining the need for filling positions at the Board, senior management and other critical positions. It also involves identification of next generation for the above roles, assessment of their potential and developing them as potential successors for key leadership roles in the organization."

## PERSONNEL

The Company had 2,252 (including on contract) employees at March 31, 2022.

The Company, during the lockdown imposed due to the COVID-19 pandemic, the Company enabled Work From Home (WFH) facility for all employees to safeguard employees' health and safety and ensured continuous employee engagements and awareness for tracking their health and safety. The Company also provided assistance and support in case any employee or his/her family members tested positive for COVID-19 in the form of extended insurance coverage, hotel and home quarantine facility and medical assistance. The Company has borne the cost of vaccination of all its employees (including contract employees) and their dependent family members.

The disclosure as required in terms of sub-section 12 of Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for fiscal 2022 is given in **Annexure 2**.

The statement containing details of employees as required in terms of Section 197 of the Act read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure 2A** and forms part of this report. In terms of Section 136(1) of the Act, the annual report and the financial statements are being sent to the Members excluding **Annexure 2A.** The said Annexure is available for inspection at the Corporate Office of the Company. Any Member interested in obtaining a copy of the Annexure may write to the Company Secretary of the Company.

## INTERNAL CONTROL AND ITS ADEQUACY

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

These systems provide reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, prevention and detection of frauds, accuracy and completeness of accounting records and ensuring compliance with Company's policies.

## REGULATORY & STATUTORY COMPLIANCES

In August 2019, the Central Government conferred the

powers for regulation of HFCs to RBI from NHB. NHB continues to carry out the function of supervision of HFCs. On February 17, 2021, RBI issued Master Direction - NBFC - HFC (Reserve Bank) Directions, 2021 (RBI HFC Directions). These directions came into force with immediate effect.

During fiscal 2022, the RBI/NHB had issued various circulars, notifications, directions and guidelines to Housing Finance Companies, the updates of which were duly placed before the Board at regular intervals. The Company had put in place adequate systems and processes in place to ensure compliance with RBI HFC Directions and other applicable directions/guidelines issued by RBI/NHB from time to time.

Your Company is also in compliance with the provisions of SEBI LODR Regulations to the extent applicable to the Company and subsequent amendments thereof and other applicable statutory requirements.

Your Company is registered as buyer with the Receivables Exchange of India Limited Trade Receivables Discounting System (TReDS) for facilitating the financing of trade receivables of MSMEs from corporate and other buyers, including Government Departments and Public Sector Undertakings (PSUs), through multiple financiers.

Your Company has registered itself on BSE bond platform to avail the facility of EBP Platform to issue debt securities/non-convertible debentures on a private placement basis.

Your Company has put in place policy and processes to ensure adherence to the requirement of Fair Practices Code, Know Your Customers (KYC) and Anti Money Laundering (AML) norms as per the regulatory guidelines.

Your Company is registered with Legal Entity Identifier (LEI) India Limited (wholly owned subsidiary of Clearing Corporation of India Limited) and has obtained the LEI code 335800GH1L1U8HKSRG05. The same has a validity period of one year upto April 8, 2023.

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

The provisions of Section 134 (3) (m) of the Act relating to conservation of energy and technology absorption do not apply to the Company. The Company uses information technology extensively in its operations.

During fiscal 2022, the Company has not earned/received any foreign exchange (fiscal 2021: Nil) and the total foreign exchange used was USD 104.33 million (fiscal 2021: USD 4.9 million).

## RELATED PARTY TRANSACTIONS

The transactions between the Company and its related parties, during fiscal 2022, were in the ordinary course of business and based on the principles of arm's length. The Company has a Board approved policy on related party transactions, which has been disclosed on the website of the Company at https://www.icicihfc.com/policies. The details of material related party transactions at an aggregate level for fiscal 2022 are given in **Annexure 3.**

## ARM'S LENGTH PRINCIPLES

The transactions between the Company and its group companies are to be undertaken on an arm's length basis. The following broad principles shall be adhered to at the time of undertaking such transactions:

a) All transactions shall have the substantive characteristics of a transaction between independent parties
b) The transactions shall be entered into in a need based manner and shall be based on principle of impartiality
c) The pricing for specific transactions shall be at market related rates and would be benchmarked against comparable quotes for similar transactions in the market between independent parties
d) The transactions shall comply with all statutory/regulatory guidelines, internal policy norms and procedures (including appropriate documentation) applicable to such transactions, if engaged with independent parties with similar background.

## ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return at March 31, 2022 is available on the Company's website on https://www.icicihfc.com/investors.

## RISK MANAGEMENT FRAMEWORK

The Company is exposed to various kinds of risks like credit risk, market risk, liquidity risk and operational

risk arising out of business operations, which includes mortgage lending, construction finance, gold loan, liability management etc. In order to mitigate these risks, a risk management policy has been placed under the supervision of the Risk Management Committee (RMC) of the Company and the same has been approved by the Board of the Company. The Company has laid down appropriate systems to facilitate reporting pertaining to key risks to the Board, Board committees and the senior management.

The Company has a robust credit risk management framework implemented through various policies, manuals and guidelines. The Company has implemented a pre and post disbursement credit risk control system ensuring effective risk analysis and measurement, periodic monitoring and reporting based on various parameters and adherence to amendments in policy changes. The delegation structure for approval of credit limits is approved by the Board. All credit proposals other than retail loans and certain other specified products are rated as per the limit prescribed under the policy by the risk management team prior to consideration at the appropriate delegated authority.

The Company had observed repayment stress from borrowers in first quarter of fiscal 2022, during the second wave of COVID-19 pandemic. The self-employed/MSME segment customers, which contributes 63% of the total book were under continuous stress. Around 7% customers have opted for restructuring of accounts as per the RBI Regulations.

The Company had taken following mitigation steps to contain the credit risk caused due to ensuing macro events:

- Engagement with customers through dedicated relationship managers and collection teams for regularization of standard accounts
- Re-aligning the product suite by way of differentiated product mix offering to different segments of borrowers
- Policy intervention by way of identifying vulnerable sectors and geographies for future funding needs of the customers
- Diversification of geographical concentration risk by way of varied cap on customer loan exposure based on target geography
- For developer loans, stringent escrow management, field monitoring and engagement with promoters

The Company is taking the following additional measures to ensure a diversified and resilient portfolio and ensuring that areas of growth are sustainable and within the defined risk appetite:

- Micro segment policies for enabling effective sourcing
- Branch level portfolio monitoring and intervention
- Early warning monitoring like early mortality and non-starters reporting
- Calibration of large ticket size loans, LAP portfolio & Real Estate funding

The Company is susceptible to market-related risks such as liquidity risk, interest rate risk and funding risk. Liquidity risk arises when there is an asset-liability mismatch caused by the difference in the maturity profile of assets and liabilities. The risk may arise when the Company may not able to generate sufficient cash flow at reasonable cost to meet expected and/or unexpected claims. The Company is exposed to liquidity risk in view of the fact that the assets generated by the Company are in a tenor band of seven to eight years against liability tenor of three to five years.

The Company actively monitors the liquidity position. Moreover, various triggers are identified and monitored (as per liquidity contingency plan) regularly to ensure that the Company can meet all the requirements of borrowers and lenders while being able to consider investment opportunities as they arise. Further, the Company monitors the Liquidity Coverage Ratio (LCR) as prescribed by the RBI Regulations. Liquidity risk is monitored and reported to the senior management of the Company and the Asset Liability Management Committee (ALCO) on an ongoing basis. The Company seeks diverse sources of finances to facilitate flexibility in meeting funding requirements. The Company's operations are principally funded by borrowings from capital markets, NHB refinance, fixed deposits, banks and financial institutions.

The Company had observed no negative impact on liquidity during the last fiscal. The Company continues to maintain ample liquidity and monitor liquidity positions as a part of the Liquidity Contingency Plan. The Company has maintained LCR well above the regulatory prescribed minimum limit of 50%.

Market risk of the investments of the Company is governed by the Investment Policy and Risk Management Policy. The Investment Policy has established limits for various risk metrics, which helps

to mitigate the market risk. It describes investment functions, incorporating various limits approved for investment, in line with RBI Regulations.

Additionally, the Risk Management team also analyses the results of various stress-testing scenarios from the perspective of ensuring the Company's capital adequacy under any unfavorable/unforeseen market circumstances and ensuring timely actions, wherever required, towards avoidance of situations that could threaten the financial stability of the Company.

The Operational Risk Management function identifies and monitors the operational risks in various products as well as processes of the Company. It ensures that major risks are covered or mitigated in order to avoid or minimize operational risk loss.

The Company continues to follow rules issued by the government, local authorities related to COVID-19 and accordingly, plans its activities for its offices across India. COVID-19 protocols like arranging proper sanitization facilities, masks, temperature checking for employees coming to office are still continued even after relaxation from government authorities.

The operations of the Company are periodically subject to Internal Audit/Concurrent Audit, as per the annual risk based audit plan duly approved by the Audit Committee, to ensure that the business operations of the Company are being undertaken as per the Board approved policies and risk management framework.

Over the last few years, the manifold increase in dependence on technology to run critical businesses has also led to the manifestation of newer risks and threats pertaining to the area of cyber security. In order to effectively manage cyber security and at the same time to ensure compliance with regulatory guideline, the Company has developed a comprehensive Cyber Security Policy. The Policy lays down a comprehensive set of measures and practices that would ensure protection of the Company's cyberspace against cyber-attacks, threats and vulnerabilities.

The IT Risk (including cyber security risk) is managed by the Information Technology Strategy Committee (ITSC) of the Company. The core IT systems of the Company is presently hosted at ICICI Bank datacenter and the Group follows Information Security Risk Management framework for risk assessment of these IT systems. The Company ensures awareness of cyber security among all employees by periodic trainings and guidance issued through periodic mailers.

In WFH environment, the Company had ensured system accessibility through Virtual Private Network (VPN) connectivity and dual authentication for employees reducing the risk of security breaches. Further, it is ensured that antivirus is updated while connecting with the internet. Timely phishing drills are conducted to check the awareness of employees.

## NUMBER OF MEETINGS OF BOARD

During fiscal 2022, 4 (Four) Board meetings were held. For details of the meetings of the Board, please refer to the Corporate Governance section.

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

The Company has complied with the provisions related to constitution of Internal Complaint Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Pursuant to the SEBI LODR Regulations, the details pertaining to complaints for the fiscal 2022 is given below.

a. number of complaints received/filed during the fiscal: 1
b. number of complaints disposed off during the fiscal: 1
c. number of complaints pending at end of the fiscal: 0

All complaints received during fiscal 2022 have been closed within the applicable turnaround time (90 days).

## DEPOSITS AS PER COMPANIES ACT, 2013

Provisions and schedules pertaining to deposits under the Companies Act, 2013 are exempted.

## DETAILS OF FRAUD REPORTING TO NHB & AS PER PROVISIONS OF SECTION 134 (3) (CA), READ WITH SECTION 143 (12) OF THE ACT

There were no material fraud cases detected and required to be reported during fiscal 2022, as per the provisions of section 134 (3) (ca), read with section 143 (12) of the Act to the regulatory authorities. However, with respect to frauds of value involved for ₹ 1 lakh & above and frauds committed by unscrupulous borrowers, detected, during fiscal 2022, the Company has duly reported 13 (Thirteen) fraud cases of borrowers (including 16 loan accounts) as per the Master Direction – Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016, as amended from time to time and other applicable circular(s)guidelines, as may be issued.

## TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of the Act, the Company filed the necessary form and uploaded the details of unpaid and unclaimed amounts lying with the Company, as on the date of closure of financial year (i.e. March 31, 2022) with the Ministry of Corporate Affairs.

The matured deposits with the Company, which were unclaimed for more than seven years from the date of maturity of ₹ 6.4 million for fiscal 2022 were transferred to IEPF as required by the Act.

## MAINTENANCE OF COST RECORD

The Company is not required to maintain cost records in terms of Section 148(1) of the Act.

## SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANY

The Company does not have any subsidiary, associate and joint venture company within the meaning of Section 2(87) and 2(6) of the Act and no new subsidiary, associate and joint venture company was formed during fiscal 2022.

## MANAGEMENT DISCUSSION AND ANALYSIS

Management's Discussion and Analysis Report for the year under review, forms a part of this Annual Report.

## CORPORATE GOVERNANCE

### Philosophy of Corporate Governance

The Company's corporate governance philosophy encompasses comprehensive compliance with regulatory and legal requirements, which aims at a high level of business ethics, effective supervision, and enhancement of value for all stakeholders. The Company promotes a culture of accountability, transparency and ethical conduct across the Company.

### Vigil mechanism

The Company has put in place a Whistleblower Policy through which it has set-up a mechanism that enables employees to report about potentially illegal and/or unacceptable practices. It seeks to enable employees to report such practices without fear of victimisation and reprisal. The Whistleblower Policy aims to administer good governance practices in the Company and to ensure that serious concerns are properly raised and addressed.

The purpose of the Whistleblower Policy is to enable a person who observes an unethical practice (whether or not a violation of law) to approach the Head-Internal Audit without necessarily informing his supervisors. The Whistleblower Policy governs reporting and investigation of allegations of suspected improper activities. During fiscal 2022, no personnel had been denied access to the Audit Committee.

Employees of the Company are encouraged to use guidance provided in the Whistleblower Policy for reporting all alleged or suspected improper activities. In all instances, the Company retains the right to determine when circumstances warrant an investigation and in conformity with the Whistleblower Policy and applicable laws and regulations, the appropriate investigative process is employed. Strict confidentiality is maintained with regard to the identity of the complainant both during and post investigation, barring disclosure of identity if required under applicable law.

### Board evaluation

The Company has adopted a framework for annual evaluation of the Board, Individual Directors and Board Level Committees as per the provisions of the Act. Your Company is following the most effective way to ensure that Board Members understand their duties and adopt good governance practices. Your Company has defined a manner of evaluation as per the provisions of the Act and SEBI LODR Regulations. In terms of the framework adopted by the Company, the Independent Directors evaluate performances of the Board as a whole and Non-Independent Directors of the Company. The Board members evaluate the performances of the Independent Directors and the Board Governance, Nomination and Remuneration Committee evaluates performance of the Non-Independent Directors', the Board as a whole and the

Board level committees on the basis of the questionnaires submitted by all the Directors. A separate meeting of Independent Directors without the attendance of Non-Independent Directors and the management team was held during the fiscal as per the provisions of Schedule IV of the Act. In the opinion of Board, Independent Directors fulfill the conditions specified in the Act and SEBI LODR Regulations and are independent of the management.

### Policy/Criteria for Appointment of Directors

The Board at its meeting held on March 31, 2015, adopted criteria for appointment of Directors' (amended from time to time) including a matter on Board Diversity. The Board while appointing a Director considers the areas of expertise as required to be possessed by a Director under the Act and the due diligence checks to confirm the fit and proper status. The fundamental core attributes which may be considered for the position of an Executive Director would be proven leadership capability, ability to successfully manage diverse stakeholder relationships and ability to devise and drive the business strategy of the Company with focus on productivity and risk management.

The Company while appointing senior management candidates considers proven skills, performance track record, relevant competencies, maturity and experience in handling core functions relevant to the role.

The Whole-time Directors should have sufficient expertise and tenure to enable them to deliver on the Company's long-term business strategy.

During fiscal 2022, none of the Independent Directors resigned before the expiry of their tenure. N. R. Narayanan, Non-executive Director of the Company resigned from the Company effective from September 1, 2021, on withdrawal of his nomination by ICICI Bank on his superannuation.

Remuneration for the Independent Directors includes fees for attending each meeting of Committee/Board or for any other purpose whatsoever as may be approved by the Board from time to time are within the limits as provided under the Act.

Additionally, the Independent Directors of the Company are paid a profit related commission of ₹ 7,50,000 each per annum effective fiscal 2016. The payment would be subject to the provisions of the Act and availability of net profits at the end of each fiscal.

The Independent Directors would be entitled to reimbursement of expenses for attending Board/Committee meetings, official visits and participation in various forums on behalf of the Company and any other expenses as may be approved by the Board.

### Details of Remuneration for the fiscal 2022:

#### a. Non-executive directors

(₹ in million)

| Sr. No. | Name of the Director | Commission[4] | Sitting fees[4] |
|---|---|---|---|
| 1 | Anup Bagchi, Chairman[1] | - | - |
| 2 | Santhanakrishnan S[4] | 0.75 | 0.81 |
| 3 | Vinod Kumar Dhall[4] | 0.75 | 0.69 |
| 4 | Gopalakrishna G[4] | 0.75 | 0.77 |
| 5 | Supritha Shetty[1] | - | - |
| 6 | Sanjay Singhvi[1,3] | - | - |
| 7 | N R Narayanan[1,2] | - | - |

1 Nominated by ICICI Bank Limited, the Holding Company and hence are not paid any sitting fees or commission.
2 Ceased to be a director effective September 1, 2021.
3 Appointed as an additional director effective September 13, 2021.
4 Excluding GST

#### b. Managing Director and CEO

(₹ in million)

| Name of the Director | Particulars | Amount |
|---|---|---|
| Anirudh Kamani | Basic Salary | 9.76 |
| | Performance bonus paid in fiscal 2022 | 3.68 |
| | Allowances and perquisites[1] | 18.65 |
| | Contribution to provident fund | 1.17 |
| | Contribution to superannuation Fund | - |
| | Contribution to gratuity fund | 0.81 |
| | Stock Options (Number) | |
| | Fiscal 2021 | 1,13,900 |

1 Allowances and perquisites excludes previous year's stock options exercised in fiscal 2022 ESOP.

The criteria for appointment of Directors and the Compensation Policy of the Company is available on the website of the Company at https://www.icicihfc.com/policies.

### Familiarisation Programs

Independent Directors are familiarised with their roles, rights and responsibilities in the Company as well as with the nature of the industry and the business model of the Company through induction programs at the time of their appointment as Directors and through presentations on economy & industry overview, key regulatory developments, strategy and performance

which are made to the Directors from time to time. The details of the familiarisation programs have been hosted on the website of the Company at www.icicihfc.com.

### Skills/expertise/competence of the Board

As per Section C of the Schedule V of the SEBI LODR Regulations, the details of the core skills/expertise/competence possessed by the existing directors of the Company is detailed as given below.

| Name of Director | Areas of expertise |
|---|---|
| Anup Bagchi | Business Strategy, Retail Banking, Retail Broking, Information Technology, Rural and Inclusive Banking, Corporate Banking and Investment Banking, Treasury control and services, Financial Services, Business Management, Capital Markets. |
| Anirudh Kamani | Agriculture and rural economy, Banking, Business Management, Risk management, Finance, Business Strategy, Rural Development, Marketing, Sales, Treasury Control and Services. |
| Supritha Shetty | Banking, Risk Management, General Management. |
| Sanjay Singhvi | Banking, Risk Management, Finance, Business Strategy, General Management, Accountancy. |
| G. Gopalakrishna | Regulatory Compliances, Risk Management, Corporate Governance, Corporate Social Responsibility and Stakeholder Management, Banking, Law and Governance. |
| S. Sanathanakrishnan | Agriculture and rural economy, Banking, Business management, Risk management, Finance, Corporate law, Business Strategy, Accountancy, Law and Governance, Law, Taxation |
| Vinod Kumar Dhall | Corporate Affairs, Competition and Corporate Law, Finance & Banking, Economic Regulation, Business Strategy, Business Management, Insurance, Investment Banking. |

### Compliance Certificate on conditions of Corporate Governance by a Practicing Company Secretary

Your Company has annexed to this Report as Annexure - 4, a certificate obtained from Makarand M. Joshi & Co., Practicing Company Secretary, regarding compliance of conditions of Corporate Governance as stipulated in the Schedule V of SEBI LODR Regulations.

### Details of Board meetings

During fiscal 2022, four (4) Board Meetings were held on April 22, 2021, July 16, 2021, October 20, 2021 and January 19, 2022. The intervening gap between the Board Meetings was within the period prescribed under the Act. The names of the Directors, their attendance at Board Meetings during the fiscal 2022, attendance at the last AGM and details of other directorships and board committee memberships held by them at March 31, 2022 are set out in the following table:

| Name of Directors | Category | No. of Board Meeting held and attended during the fiscal 2022 | | No. of Directorships | | No. of Committee positions held in other Companies | | Attendance at the last AGM held on 04-06-2021 Yes / No | Directorship in other listed entity (Category of Directorship) |
|---|---|---|---|---|---|---|---|---|---|
| | | Held | Attended | Of other Indian public limited Companies | Of other Indian Companies | Chairman | Member | | |
| Anup Bagchi (DIN: 00105962) | Non-executive Chairman | 4 | 4 | 5 | - | 0 | 1 | Yes | 1. ICICI Bank Limited (ED)<br>2. ICICI Prudential Life Insurance Company Limited (NED)<br>3. ICICI Securities Limited (NED) |
| S. Santhanakrishnan (DIN: 00032049) | Non-executive – Independent Director | 4 | 4 | - | 2 | - | - | Yes | - |
| Vinod Kumar Dhall (DIN: 02591373) | Non-executive – Independent Director | 4 | 4 | 3 | - | 1 | 2 | No | 1. Schneider Electric Infrastructure Limited (Chairman, NE – ID)<br>2.ICICI Securities Limited (Chairman, NE – ID)<br>3. Advani Hotels and Resorts (India) Limited (NE – ID) |
| G. Gopalakrishna (DIN: 06407040) | Non-executive – Independent Director | 4 | 4 | 3 | 2 | 1 | 3 | Yes | 1. Yaari Digital Integrated Services Limited (NE – ID) |
| Sanjay Singhvi[1] (DIN: 09317585) | Non-executive Director | 4 | 2 | - | - | - | - | No | - |
| Supritha Shetty (DIN: 02101473) | Non-executive Director | 4 | 3 | 1 | - | - | - | Yes | - |
| Anirudh Kamani (DIN: 07678378) | Managing Director and CEO | 4 | 4 | - | - | - | - | Yes | - |
| N. R. Narayanan[2] (DIN: 07877022) | Non-executive Director | 4 | 2 | - | - | - | - | Yes | - |

1 Appointed as an additional Director effective from September 13, 2021.
2 Ceased to be a director effective September 1, 2021.
ED – Executive Director, NED – Non Executive Director, NE – ID – Non-Executive - Independent Director

## Committees of the Board

The details of composition of the Board Level Committees and its meetings held are given below.

### a.Audit Committee

The Audit Committee provides direction to the audit function and monitors the quality of internal and statutory audit. The responsibilities of the Audit Committee includes the following:

- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company
- Review and monitor the auditor's independence and performance, and effectiveness of audit process
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors
- Review and examination of the annual financial statements and the auditors' report thereon before submission to the Board for approval, with particular reference to:
  - o matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
  - o changes, if any, in accounting policies and practices and reasons for the same;
  - o major accounting entries involving estimates based on the exercise of judgment by management;
  - o significant adjustments made in the financial statements arising out of audit findings;
  - o compliance with listing and other legal requirements relating to financial statements;
  - o disclosure of any related party transactions;
  - o modified opinion(s) in the draft audit report

- Review with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and other related matters, and making appropriate recommendations to the board to take up steps in this matter.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval
- Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible and inter-alia focusing primarily on compliance with prevailing accounting standards
- Approval or any subsequent modification of transactions of the company with related parties
- Discussion with statutory auditors, before the audit commences, the nature and scope of audit as well as have post-audit discussion to ascertain any area of concern
- Evaluation of internal financial controls and risk management systems
- Reviewing with the management, performance of statutory auditors and internal auditors, adequacy of internal control systems
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
- Discussion with internal auditors of any significant findings and follow up there on
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board
- Scrutiny of inter-corporate loans and investments
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate
- Valuation of undertakings or assets of the company, wherever it is necessary
- Review the functioning of the Whistle Blower Mechanism of the Company
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding Rupees One hundred crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and to undertake all such other matters and to do all such acts, deeds and things as may be required under the applicable laws, rules and regulations
- To mandatorily review the following:
  - o management discussion and analysis of financial condition and results of operations;
  - o management letters / letters of internal control weaknesses issued by the statutory auditors;
  - o internal audit reports relating to internal control weaknesses;
  - o appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee
  - o statement of deviations in quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) and annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(1) of SEBI LODR Regulations

During fiscal 2022, four (4) meetings of the Committee were held on April 21, 2021, July 16, 2021, October 19, 2021 and January 18, 2022.

| Sr. No. | Names of Members | Chairman/ members | Number of meetings attended/held |
|---|---|---|---|
| 1 | S. Santhanakrishnan | Chairman | 4/4 |
| 2 | Vinod Kumar Dhall[1] | Member | 2/4 |
| 3 | Supritha Shetty | Member | 3/4 |
| 4 | G. Gopalakrishna[2] | Member | 1/4 |

1 Appointed as a member effective from September 17, 2021.
2 Ceased to be a member effective from September 17, 2021.

**b.Risk Management Committee**

The terms of reference of the Risk Management Committee includes the following:

- To formulate a detailed risk management policy which shall include:

- o A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, Environmental, Social and Governance (ESG) related risks), information, cyber security risks or any other risk as may be determined by the Committee;
- o Measures for risk mitigation including systems and processes for internal control of identified risks;
- o Business continuity plan

- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity
- To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken
- The appointment, removal and terms of remuneration of the Chief Risk Officer
- To have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary
- Review key risk indicators covering areas such as credit risk, interest rate risk, liquidity risk, foreign exchange risk, operational and outsourcing risks and the limits framework, including stress test limits for various risks
- Monitoring of regulatory and reputation risk
- Review the Internal Capital Adequacy Assessment Process (ICAAP)
- Review of risks associated with Information Technology (IT)
- Review of the Enterprise Risk Management (ERM) framework and Risk Appetite Framework (RAF)
- Review the Materiality and Risk assessment of outsourced activities
- Review the Annual Compliance Certificate for outsourcing activities
- To undertake all such other matters and to do all such acts, deeds and things as may be required under the applicable laws, rules and regulations

During fiscal 2022, four meetings of the Committee were held on April 20, 2021, July 14, 2021, October 18, 2021 and January 17, 2022.

| Sr. No. | Names of Members | Chairman/ members | Number of meetings attended/held |
|---|---|---|---|
| 1 | S. Santhanakrishnan | Chairman | 4/4 |
| 2 | G. Gopalakrishna | Member | 4/4 |
| 3 | Supritha Shetty[1] | Member | 1/4 |
| 4 | Sanjay Singhvi[2] | Member | 2/4 |

1. Ceased to be a member effective September 17, 2021.
2. Appointed as a member effective September 17, 2021.

**c.Board Governance, Nomination & Remuneration Committee**

The constitution of Nomination and Remuneration Committee was done in compliance with the requirements of provisions of Section 178 of the Act read with Regulation 19 of SEBI LODR Regulations. The terms of reference of the Committee includes the following:

- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees
- Evaluate the balance of skills, knowledge and experience on the board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director
- For the purpose of identifying suitable candidates as an Independent Director, the Committee may:
  - o use the services of external agencies, if required
  - o consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - o consider the time commitments of the candidates
- Formulate criteria for evaluation of performance of Independent Directors and the Board
- To decide, whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors
- Devise a policy on diversity of Board
- Recommend to the Board, all remuneration, in whatever form, payable to senior management
- Review the Fit & Proper status of the proposed/existing directors
- To undertake all such other matters and to do all such acts, deeds and things as may be required under the applicable laws, rules and regulations

During the fiscal 2022, two meetings of the Committee were held on April 22, 2021 and January 18, 2022.

| Sr. No. | Names of Members | Chairman/ members | Number of meetings attended/held |
|---|---|---|---|
| 1 | Vinod Kumar Dhall | Chairman | 2/2 |
| 2 | G. Gopalakrishna | Member | 2/2 |
| 3 | Anup Bagchi | Member | 2/2 |

**d.Corporate Social Responsibility Committee**

As per section 135 of the Act, the Company had duly constituted a Corporate Social Responsibility (CSR) Committee. The functions of the Committee includes the following:

- Review of Corporate Social Responsibility (CSR) initiatives undertaken by the ICICI Foundation for Inclusive Growth (IFIG).
- Formulation and recommendation to the Board, a CSR Policy, indicating the activities to be undertaken by the Company and recommendation of the amount of expenditure to be incurred on such activities specified in the Schedule VII of the Act
- Reviewing and recommending the annual CSR plan to the Board, making recommendations to the Board with respect to the CSR initiatives, policies and practices of the ICICI Group, monitoring the CSR activities, implementation and compliance with the CSR Policy and reviewing and implementing, if required, any other matter related to CSR initiatives as recommended/suggested by RBI or any other statutory Authority

During the fiscal 2022, two meetings of the Committee were held on April 21, 2021 and October 19, 2021.

| Sr. No. | Names of Members | Chairman/ members | Number of meetings attended/held |
|---|---|---|---|
| 1 | Supritha Shetty | Chairperson | 1/2 |
| 2 | S. Santhanakrishnan | Member | 2/2 |
| 3 | Vinod Kumar Dhall | Member | 2/2 |
| 4 | G. Gopalakrishna | Member | 2/2 |

The Company has partnered with IFIG, which focuses on the areas of sustainable livelihood through skill development and identified social & environmental projects, etc. The initiatives of IFIG can be viewed on the link www.icicifoundation.org. During fiscal 2022, the Company has incurred CSR Expenditure amounting to ₹1.8 million which was utilised for carrying out the skill development activities and ₹7.3 million was utilised for providing two cardiac ambulances to the hospitals through IFIG. Further, ₹1.1 million was used for tree plantation through Pangea EcoNet Assets Private Limited. The Company has a CSR policy approved by the Board and the CSR budget and activities are overseen by the CSR Committee.

Detailed report on CSR activities/initiatives is enclosed as **Annexure 5.**

**e. Stakeholders Relationship Committee**

As per section 178 of the Act, read with Regulation 20 of SEBI LODR Regulations, the Company had duly constituted a Stakeholders Relationship Committee to consider and resolve the grievances of security holders of the Company. The terms of reference of the Committee are as follows:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc
- Review of measures taken for effective exercise of voting rights by shareholders
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company

During fiscal 2022, the number of meetings of the Committee held were nil and no complaints were received or were pending at March 31, 2022.

Priyanka Shetty is the Company Secretary and the Compliance Officer of the Company.

| Sr. No. | Names of Members | Chairman/ members |
|---|---|---|
| 1 | Sanjay Singhvi[1] | Chairman |
| 2 | S. Santhanakrishnan | Member |
| 3 | Anirudh Kamani | Member |
| 4 | N. R. Narayanan[2] | Member |

1. Appointed as member/Chairman effective September 17, 2021
2. Ceased to be a member effective from September 1, 2021

**f.Management Committee**

The Management Committee was duly constituted by the Board. The terms of reference of the Committee are as follows:

- All credit / investment proposals of the Company with its subsidiaries / companies which use 'ICICI' as a part of their name
- Any proposal exceeding the individual and / or group borrower prudential exposure ceilings if prescribed by the National Housing Bank (NHB). However, such proposals for additional exposure, over and above the prudential exposure ceilings, shall be considered within the guidelines prescribed by NHB from time to time. Prior to obtaining approval of Management Committee for such higher exposures, a pre-approval of the proposed limits to the borrower / borrower group shall be required from the Board.
- All proposals exceeding the exposure limits of COD/ COE would be placed before the MC for approval
- Any credit / investment proposal relating to a borrower, rated A or below, which is in default in payment of simple interest and / or principal or has any other outstanding financial irregularity to the Company for a period in excess of 60 days
- To approve sell down of loan assets through direct assignment/securitization to related party upto a limit of ₹ 5,000.0 million

During fiscal 2022, two meetings of the Committee were held on August 11, 2021 and January 27, 2022.

| Sr. No. | Names of Members | Chairman/ members | Number of meetings attended/held |
|---|---|---|---|
| 1 | Anup Bagchi | Chairman | 2/2 |
| 2 | S. Santhanakrishnan | Member | 2/2 |
| 3 | G. Gopalakrishna | Member | 2/2 |
| 4 | Supritha Shetty | Member | 2/2 |
| 5 | Sanjay Singhvi[1] | Member | 1/2 |
| 6 | Anirudh Kamani | Member | 2/2 |
| 7 | Vinod Kumar Dhall | Member | 2/2 |
| 8 | N. R. Narayanan[2] | Member | 0/2 |

1. Appointed as the member effective from September 17, 2021.
2. Ceased to be a member effective from September 1, 2021.

**g.Information Technology (IT) Strategy Committee**

Pursuant to the circular issued by NHB on IT Framework for Housing Finance Companies (HFCs), the Company had duly constituted an Information Technology (IT) Strategy Committee, the terms of reference of which are as follows:

- Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place
- Ascertaining that management has implemented processes and practices that ensure that IT delivers value to the business
- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable
- Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high level direction for sourcing and use of IT resources
- Ensuring proper balance of IT investments for sustaining Company's growth and becoming aware about exposure towards IT risks and controls
- To recommend to the Board various policies pertaining to IT framework, which include Information Security (IS) Policy, cyber security policy, Information Technology (IT) policy, Cyber Crisis Management Plan (CCMP), Change Management Policy for implementation of IT projects, Business Continuity Planning (BCP) detailing various aspects related to each such policy as well as risk management policy considering the risk associated with existing and planned IT operations and the risk tolerance
- To recommend the Board IT services outsourcing policy and to do the following in respect of outsourced operations:
  - o Instituting an appropriate governance mechanism for outsourced processes, comprising of risk based policies and procedures, to effectively identify, measure, monitor and control risks associated with outsourcing in an end to end manner;
  - o Defining approval authorities for outsourcing depending on nature of risks and materiality of outsourcing;
  - o Developing sound and responsive outsourcing risk management policies and procedures commensurate with the nature, scope and complexity of outsourcing arrangements;
  - o Undertaking a periodic review of outsourcing strategies and all existing material outsourcing arrangement;
  - o Evaluating the risks and materiality of all prospective outsourcing based on the framework developed by the Board;
  - o Periodically reviewing the effectiveness of policies and procedures;
  - o Communicating significant risks in outsourcing to

the Board on a periodic basis;

- Ensuring an independent review and audit in accordance with approved policies and procedures;
- Ensuring that contingent plans have been developed and tested adequately;
- Ensure that Company's business continuity preparedness is not adversely compromised on account of outsourcing, adopt sound business continuity management practices as issued by NHB and seek proactive assurance that that the outsourced service provider maintains readiness and preparedness for business continuity on an ongoing basis;
- To monitor/ review comprehensive risk assessment of IT systems;
- To discuss the reports of the information system audit and to propose appropriate action to be taken for compliance of the same.

During fiscal 2022, two meetings of the Committee were held on July 14, 2021 and December 20, 2021.

| Sr. No. | Names of Members | Chairman/ members | Number of meetings attended/held |
|---|---|---|---|
| 1 | G. Gopalakrishna | Chairman | 2/2 |
| 2 | S. Santhanakrishnan | Member | 2/2 |
| 3 | Supritha Shetty | Member | 2/2 |
| 4 | Anirudh Kamani | Member | 2/2 |

### h. Asset Liability Management Committee

The Company had duly constituted an Asset Liability Management Committee inter-alia, to review the ALM profile, set and monitor the market risk limits including limits on liquidity, interest rate and exchange rate positions for the structural balance sheet and the trading book, decide the business strategy on asset and liability side, oversee the implementation of the Asset Liability Management (ALM) system and review its functioning periodically, consider and approve any other matter related to liquidity and market risk management.

During fiscal 2022, 12 meetings of the Committee were held on April 09, 2021; April 20, 2021; July 9, 2021; July 15, 2021; August 19, 2021; October 8, 2021; October 18, 2021; December 10, 2021; January 10, 2022; January 17, 2022, March 2, 2022 and March 21, 2022.

| Sr. No. | Names of Members | Chairman/ members | Number of meetings attended/held |
|---|---|---|---|
| 1 | Anup Bagchi | Member | 1/12 |
| 2 | N. R. Narayanan[1] | Member | 3/12 |
| 3 | Supritha Shetty | Member | 6/12 |
| 4 | Anirudh Kamani | Member | 8/12 |
| 5 | Sanjay Singhvi[2] | Member | 7/12 |

1. Ceased to be a member effective from September 1, 2021.
2. Appointed as the member effective from September 17, 2021.

### I. Committee of Directors

The Company had duly constituted the Committee of Directors inter-alia to approve various matters namely the sanction proposals, Information Memorandum for issuance of debentures.

During fiscal 2022, 18 meetings of the Committee were held on April 20, 2021; May 12, 2021; May 27, 2021; June 21, 2021; June 23, 2021; July 15, 2021; August 9, 2021; August 30, 2021, September 8, 2021; September 21, 2021; October 18, 2021; November 16, 2021; December 27, 2021; December 28, 2021; January 17, 2022; January 31, 2022, February 07, 2022 and March 23, 2022.

| Sr. No. | Names of Members | Chairman/ members | Number of meetings attended/held |
|---|---|---|---|
| 1 | Anup Bagchi | Chairman | 1/18 |
| 2 | N. R. Narayanan[1] | Member | 4/18 |
| 3 | Supritha Shetty | Member | 16/18 |
| 4 | Anirudh Kamani | Member | 17/18 |
| 5 | Sanjay Singhvi[2] | Member | 9/18 |

1. Ceased to be a member effective from September 17, 2021.
2. Appointed as the member effective from September 17, 2021.

### j.Other Committees

In addition to the above, the Board, has from time to time constituted various committees, namely the Committee of Executives, Product and Process Approval Committee, Customer Services and Grievances Redressal Committee, IT Steering Committee. These committees are responsible for specific operational areas like approval of credit proposals, approval of products and processes, ensuring IT investments represent a balance of risks and benefits, approval for issuance/allotment of Non-Convertible Debentures, opening/closing of various accounts maintained with other counterparts, etc.

## Details of General Body meetings

**a.Details of last three Annual General meetings of the Company are given below:**

| General Body Meeting | Day, Date | Time | Venue |
|---|---|---|---|
| Twentieth Annual General Meeting (fiscal 2019) | Monday, June 3, 2019 | 2.30 PM | ICICI Bank Tower, Bandra-Kurla Complex (BKC), Bandra (East), Mumbai – 400051 |
| Twenty-First Annual General Meeting (fiscal 2020) | Friday, June 5, 2020 | 11.00 AM | Meeting held through video conferencing/other audio visual means |
| Twenty-Second Annual General Meeting (fiscal 2021) | Friday, June 4, 2021 | 03.00 PM | Meeting held through video conferencing/other audio visual means |

**b.Special Resolutions passed in the Annual General Meetings held in the previous three years are given below.**

| General Body Meeting | Day, Date | Special Resolution |
|---|---|---|
| Annual General Meeting | Monday, June 3, 2019 | • Re-appointment of S. Santhanakrishnan (DIN: 00032049) as an Independent Director<br>• Issue of Non-Convertible Debentures (NCDs) through Private Placement |
| Annual General Meeting | Friday, June 5, 2020 | • Issue of NCDs through Private Placement<br>• Creation of charge/security on the assets upto an amount of ₹ 180.0 billion to secure its Borrowings<br>• Remuneration to Managing Director & Chief Executive Officer for the year ended March 31, 2020<br>• Sale/Assignment/Securitisation of loan receivables upto ₹ 40.0 billion during a financial year |
| Annual General Meeting | Friday, June 4, 2021 | • Issue of Non-Convertible Debentures under Private Placement<br>• Waiver of recovery of excess Managerial remuneration paid to Managing Director & Chief Executive Officer for the year ended March 31, 2021<br>• Amendment in Articles of Association of the Company |

**c.Whether special resolutions were put through postal ballot last year, details of voting pattern:**

During fiscal 2022, no resolution was passed through Postal Ballot.

**d.Whether any special resolution is proposed to be conducted through postal ballot:**

No Special Resolution is proposed to be passed through Postal Ballot as on the date of this Report.

## Means of Communication

We have established robust procedures to disseminate relevant information in a planned manner to our Shareholders, Bondholders, analysts, employees and the society at large. The details of the means of communication with Shareholders/ Bondholders /analysts are given below:

### 1.Publication of Quarterly Results

Quarterly, Half-yearly and Annual Financial Results of the Company are sent to the Stock Exchanges where the securities of the Company are listed i.e. BSE Limited and published in the leading English newspaper viz., Financial Express simultaneously, they are also put on the Company's website and can be accessed at www.icicihfc.com.

### 2.Website

The Company's website, www.icicihfc.com contains a separate dedicated section 'Investor Relations' where Shareholders' information is available.

### 3.Annual report

The Annual Report containing, inter alia, Audited Financial Statements, Board's Report, Auditors' Report and other important information is circulated to the members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report. The Company's Annual Report is also available in a downloadable form on the Company's website i.e. www.icicihfc.com.

### 4. Stock Exchange

The Company makes timely disclosures of necessary information to the BSE Limited in terms of the SEBI LODR Regulations and other rules and regulations issued by the SEBI.

## General Shareholder Information

### (i) Company Registration Details

The Company is registered in the State of Maharashtra. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is U65922MH1999PLC120106.

### (ii) Annual General Meeting

Date : June 3, 2022
Day : Friday
Time : 3.30 p.m.
Place : ICICI HFC Tower, Andheri Kurla Road, J.B. Nagar, Andheri (E), Mumbai-400 059.

### (iii) Financial Calendar

Financial Year: April 01 to March 31

### (iv) Dividend Payment Date

Dividend will be paid/dispatched on or after June 3, 2022.

### (v) Listing on Stock Exchanges

Your Company has issued privately placed non-convertible debentures, which are listed on BSE Limited located at Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001.

You Company has paid the Annual Listing Fees to BSE Limited where its bonds are listed.

### (vi) Registrars & Transfer Agent

Registrars and Share Transfer Agents (RTA) of the Company are as given below. Investor services related queries requests/grievances may be directed to Mr. Sunny Abraham (Bonds) at the address as under:

**Datamatics Business Solutions limited**
Plot no. B-5, part B Crosslane, MIDC,
Andheri (east), Mumbai – 400093.
Tel: 022-66712196

**3I Infotech Limited**
International Infotech Park, Tower # 5,
3rd Floor, Vashi Railway Station Complex,
Vashi Navi Mumbai 400 703,
Maharashtra, India
Tel. No.: +91-22-7123 8000

### (vii) Distribution of Shareholding at March 31, 2022

| Range - Shares | No. of Share Holders | | No. of Shares | |
|---|---|---|---|---|
| | Number | % of Total | Shares | % of Total |
| Upto 1,000 | 6 | 85.71 | 1,100 | 0.00 |
| 1,001 – 5,000 | - | - | - | - |
| 5,001 – 10,000 | - | - | - | - |
| 10,001 – 50,000 | - | - | - | - |
| 50,001 & above | 1 | 14.29 | 1,098,748,900 | 100 |
| **Total** | **7** | **100** | **1,098,750,000** | **100** |

### (viii) Category of Shareholders at March 31, 2022

| Category | No. of Shares held | % of Shareholding |
|---|---|---|
| Promoters & Promoter's group | 1,098,750,000 | 100 |
| Financial Institution & Banks | - | - |
| Foreign Portfolio Investors | - | - |
| Mutual Funds | - | - |
| Bodies Corporate | - | - |
| NRI | - | - |
| Individual | - | - |
| HUF | - | - |
| Trusts | - | - |
| Clearing Member | - | - |
| NBFCs registered with RBI | - | - |
| Employee Benefit Trust | - | - |
| **Total** | **1,098,750,000** | **100** |

### (xiii) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity

Your Company does not have any outstanding GDRs/ADRs/Warrants/Convertible Instruments at March 31, 2022.

### (xiv) Dematerialisation of Shares and Liquidity

Your Company is a Wholly Owned Subsidiary of ICICI Bank Limited and the Equity Shares are held by ICICI Bank Limited and its nominees in dematerialised form.

### (xv) Commodity price risk or foreign exchange risk and hedging activities

The Company has no commodity exposure; hence, the impact of commodity price risk is Nil. Further, the Company does not deal with any foreign currencies for trading purpose. The Company enters into derivatives transactions for risk management

purposes. The primary risk managed using derivatives instruments are foreign currency risk and interest rate risk. The Company deals in derivatives for hedging floating rate borrowings denominated in foreign currency.

During fiscal 2022, the Company continues to manage the foreign exchange risk by holding the hedges on the outstanding principal on its foreign currency borrowings. The foreign currency and interest rate risk on the outstanding borrowings have been fully hedged through a combination of principal only swap, interest rate swap and forwards for all cash flows arising out of the interest rate swaps till maturity.

**(xvi) Plant Locations:** Nil

**(xvii) Address for Correspondence**

Priyanka Shetty
Company Secretary
ICICI Home Finance Company Limited ICICI HFC tower, Andheri Kurla Road, J.B. Nagar, Andheri (e), Mumbai - 400059
Email: secretarial@icicihfc.com
Website: www.icicihfc.com
Tel.: (+91-22) 40093231

**(xviii) Credit Ratings at March 31, 2022**

| Credit Rating Agency | Instruments | Ratings | Revisions if any | Revision Rational |
|---|---|---|---|---|
| CRISIL | Fixed Deposits | FAAA/Stable outlook | None | NA |
| | Senior Bonds | CRISIL AAA/Stable outlook | | |
| | Subordinated Bonds | CRISIL AAA/Stable outlook | | |
| | Market Linked Debentures | CRISIL PP - MLD AAAr/ Stable outlook | | |
| ICRA | Fixed Deposits | MAAA/Stable outlook | | |
| | Senior Bonds | ICRA AAA/Stable outlook | | |
| | Subordinated Bonds | ICRA AAA/Stable outlook | | |
| | Commercial Papers | ICRA A1+ | | |
| | Long term Bank facilities | ICRA AAA/Stable outlook | | |
| CARE | Fixed Deposits | CARE AAA(FD)/Stable outlook | | |
| | Senior Bonds | CARE AAA/Stable outlook | | |
| | Subordinated Bonds | CARE AAA/Stable outlook | | |
| | Commercial Papers | CARE A1+ | | |
| | Market Linked Debentures | CARE PP - MLD AAA/ Stable outlook | | |

The Company has a standalone issuer credit rating of ICRA AAA/ Stable outlook by ICRA.

During fiscal 2022, there were no revisions in the credit ratings obtained by the Company.

**(xix) Market Price Data – High, low during each month in last financial year** – Not Applicable

**(xx) Performance in comparison to broad-based indices such as BSE Sensex, CRISIL Index** – Not Applicable

**(xxi) In case of, any of the Securities of the Company are suspended from trading** – Not Applicable

**(xxii) Share Transfer System**

Your Company is a Wholly Owned Subsidiary of ICICI Bank Limited.

## OTHER DISCLOSURES

1. There are no materially significant transactions with related parties i.e., directors, management, Holding Company conflicting with the interests of your Company.

2. **Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange(s) or SEBI or any statutory authority on any matter related to capital markets, during the last three years:** Nil.

3. **Details of Compliance with the Mandatory requirements and adoption of Non-Mandatory Requirements**

   Mandatory requirements as mentioned under Regulation 34 of SEBI LODR Regulations are not applicable to the Company. However, the Company has adopted the following non-mandatory requirements of Regulation 27 of the SEBI LODR Regulations:

   a. The Chairman of the Company is a Non-

Executive Director

b. Internal Auditors of the Company make direct presentations of their reports to the Audit Committee

c. The auditors' reports on statutory financial statements of the Company are made with an unmodified opinion

d. The quarterly, half-yearly and annual financial results of the Company are published in the newspapers and are also hosted on the Company's website i.e. www.icicihfc.com. The same are also available on the website of BSE limited i.e. www.bseindia.com.

4. SEBI Listing Regulations were amended through notification dated September 07, 2021, providing for the applicability of Regulations 16 to 27, relating to corporate governance on high value debt listed entities on comply or explain basis until March 31, 2023 and on a mandatory basis thereafter. The Company being high value debt listed entity is in the process of ensuring compliance with the new requirements to the extent applicable to the Company. The Company will ensure implementation within regulatory prescribed timeline(s).

5. **Remuneration to Statutory Auditors**

As required under Part C of the Schedule V of the SEBI LODR Regulations, the total fees paid by the Company, to the statutory auditor are as under:

(₹ in million)

| Type of Services | Amount |
|---|---|
| Statutory Audit Fees | 4.3 |
| Tax Audit Fees | 0.5 |
| Certification and other fees[1] | 5.6 |
| Total | 10.4 |

1. Including reimbursement of expenses and tax credit not available to the Company.

6. **Disclosure by listed entity of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount**

No such loans and advances are given by the Company

7. **Where the Board had not accepted any recommendation of any committee of the Board, which is mandatorily required, in the relevant financial year**

All the recommendations made by the committees of the Board during the relevant financial year were accepted by the Board.

8. **Web-link where policy for determining "material" subsidiaries is disclosed**

The Company has no subsidiaries.

9. **Web-link where policy on dealing with the Related Party Transaction is disclosed**

The policy on dealing with the Related Party Transaction is hosted on the website of the Company i.e. www.icicihfc.com.

10. **Details of Utilisation of funds raised through preferential allotment or qualifies institutional placement as specified under Regulation 32(7A)** – Nil

11. **Certificate from a Company Secretary in Practice that none of the Board members of the Company have been debarred or disqualified from being appointed or continuing as directors of Companies by the SEBI/Ministry of Corporate Affairs or any** – Certificate from a Practicing Company Secretary has been provided under Annexure 6.

## DISCLOSURES AS PER THE NON-BANKING FINANCIAL COMPANY- HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021 (AS AMENDED FROM TIME TO TIME)

### A. PUBLIC DEPOSITS

As required by the aforesaid Directions, the details of public deposits unclaimed and unpaid at March 31, 2022, are given below:

- The total number of accounts of public deposits which have not been claimed by the depositors or not paid by the Company after the date on which the deposit became due for repayment: 929
- The total amounts due (including interest) under such accounts remaining unclaimed or unpaid beyond the dates referred to in clause (i) as aforesaid: ₹ 77.2 million.

The total amount of interest due on such unclaimed or unpaid deposits amounted to ₹ 9.3 million at March 31, 2022.

The Company has sent reminders to the depositors and requested them to claim the same. There are no overdue deposits other than unclaimed deposits.

The Company raised deposits worth ₹ 11,918.2 million during fiscal 2022. The Company's Fixed Deposits programme has received the highest credit ratings of 'MAAA' by ICRA, 'CARE AAA (FD)' by CARE and FAAA by CRISIL.

### B.DEBENTURES

i. The total number of non-convertible debentures which have not been claimed by the investors or not paid by the Company after the date on which the non- convertible debentures became due for redemption: Nil

ii. The total amount in respect of such debentures remaining unclaimed or unpaid beyond the date of such debentures become due for redemption: Nil

## DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

There is no application made or pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

## DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The Company has not availed one-time settlement for any of its loan from Banks or Financial Institutions.

## DETAILS OF DEBENTURE TRUSTEES

As per SEBI circular no. CIR/IMD/DF/18/2013 dated October 29, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of Debenture Trustees are as under:

| | |
|---|---|
| **Name** | Axis Trustee Services Limited |
| **Address** | Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400025. |
| **Contact details** | Tel. No.: 022-62300451<br>Email: debenturetrustee@axistrustee.in |

## DISCLOSURE OF LARGE CORPORATE ENTITY

Pursuant to SEBI circular SEBI/HO/DDHS/CIR/2018 dated November 26, 2018, the Company has been identified as Large Corporate Entity as per the applicability criteria.

As per the requirement of said circular, the Company after being identified as a Large Corporate entity had to raise 25% of its incremental borrowings during fiscal 2022 through issuance of debt securities. The Company was able to meet the criteria of minimum 25% (it raised 44% during the year) of its incremental borrowings through issuance of NCDs, which are in the nature of debt securities.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Act confirm that:

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) They had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the fiscal 2022 and of the profit and loss of the Company for that period;

(c) They had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) They had prepared the annual accounts on a going concern basis;

(e) They had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(f) They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## ACKNOWLEDGEMENTS

The Directors thank the National Housing Bank, the Reserve Bank of India, the Securities and Exchange Board of India, other statutory authorities, BSE Limited, vendors, channel partners and the bankers and lenders of the Company for their continued support.

The Directors express their gratitude for the support and guidance received from the Company's shareholder, ICICI Bank Limited and other ICICI Group companies and also express their warm appreciation to all the employees of the Company for their commendable teamwork, professionalism and contribution during the year. The Directors extend their sincere thanks to the customers of the Company for their continued support.

**Compliance with the Group Code of Business Conduct and Ethics**

I confirm that all Directors and members of the senior management have affirmed compliance with Group Code of Business Conduct and Ethics for fiscal 2022.

For and on behalf of the Board
**ICICI Home Finance Company Limited**

Sd/-
**Anup Bagchi**
**Chairman**
**DIN: 00105962**

Place: Mumbai
Date: April 19, 2022

Sd/-
**Anirudh Kamani**
**Managing Director & CEO**

Place: Mumbai
Date: April 19, 2022

# Annexure 1

## MAKARAND M. JOSHI & CO.

Company Secretaries

Ecstasy, 803-804, 8th Floor, City of Joy, JSD Road, Mulund (W),
Mumbai- 400080 (T) 022-21678100

**FORM NO. MR.3**

**SECRETARIAL AUDIT REPORT**

For The Financial Year Ended 31st March, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
ICICI Home Finance Company Limited,
ICICI Bank Towers
Bandra-Kurla Complex,
Mumbai -400051
Maharashtra, India

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

**Auditor's Responsibility:**

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of audit including internal, financial and operating controls, there is an unavoidable risk that some material misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

**Unmodified Opinion:**

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2022 according to the provisions of:

(i) The Companies Act, 2013 **(the Act)**, and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings; **(Foreign Direct Investment and Overseas Direct Investment Not Applicable to the Company during the Audit Period)**

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

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable to the Company during the Audit Period)**

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

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**

d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**

e. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable to the Company during the Audit Period);**

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.
(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015, to the extent applicable to the company. ("Listing Regulations");

**Further, the Company being High Value Debt Listed Entity, it is complying with the provisions of Listing Regulations on Comply and Explain basis and is in the process of full compliance.**

**We further report that,** having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the following law applicable specifically to the Company:

(i) Non-Banking Financial Company-Housing Finance Company (Reserve Bank) Directions, 2021.

(ii) IRDA (Registration of Corporate Agents) Regulations, 2015 issued by the Insurance Regulatory Development Authority.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc mentioned above.

The Company has paid remuneration to its Managing Director in excess of the limits specified in Section 197 of the Act for the Financial Year 2021-2022 as the Company have inadequate profits in terms of Section 198 of the Act. As per explanations provided to us, the Company is in the process of complying with the prescribed statutory requirements to regularize such excess payments, including seeking approval of shareholders, as necessary.

We further report that

Company is in the process of reconstitution of the Board Composition as per the recent amendments to listing regulations. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report **that** during the audit period the Company:

a. Allotted 1,850 nos. of Rated, Listed, Secured, Redeemable Senior Non-Convertible Debentures (NCDs) amounting to ₹1.85 billion on a private placement basis;

b. Allotted 1,500 nos. of Rated, Listed, Secured, Redeemable Senior Bonds in the nature of Non-Convertible Debentures (NCDs) amounting to ₹1.50 billion on a private placement basis;

c. Allotted 1,460 number of Rated, Listed, Secured, Redeemable Senior Non- Convertible Debentures (NCDs) amounting to ₹1.48 billion (consideration value) on a private placement basis;

d. Allotted 950 number of Rated, Listed, Secured, Redeemable Senior Non-Convertible Debentures (NCDs) amounting to ₹0.97 billion (consideration value) on a private placement basis;

e. Allotted 2,620 nos. of Rated, Listed, Secured, Redeemable Senior Bonds in the nature of Non-Convertible Debentures (NCDs) amounting to ₹2.62 billion on a private placement basis;

f. Allotted 6,850 number of Rated, Listed, Secured, Redeemable Senior Non-Convertible Debentures (NCDs) amounting to ₹6.85 billion on a private placement basis;

g. Allotted 4,250 number of Rated, Listed, Secured, Redeemable Senior Non-Convertible Debentures (NCDs) amounting to ₹4.25 billion on a private placement basis.

**For Makarand M. Joshi & Co.**
**Practicing Company Secretaries**

Sd/-
**Kumudini Bhalerao**
**Partner**
FCS No. 6667
CP No. 6690
UDIN:F006667D000157455
Peer Review No: 640/2019

Place: Mumbai
Date: April 19, 2022

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

# Annexure A

To
The Members,
ICICI Home Finance Company Limited
ICICI Bank Towers
Bandra-Kurla Complex,
Mumbai -400051
Maharashtra, India

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Whereever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Makarand M. Joshi & Co.**
**Practicing Company Secretaries**

Sd/-
**KumudiniBhalerao**
**Partner**
FCS No. 6667
CP No. 6690
UDIN:F006667D000157455
Peer Review No: 640/2019
Place: Mumbai
Date: April 19, 2022

# Annexure 2

**Disclosures in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

**(i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the fiscal:**

| | |
|---|---|
| Anirudh Kamani, MD & CEO | 75:1 |
| S. Santhana krishnan, Independent Director[1] | 2:1 |
| Vinod Kumar Dhall[1] | 2:1 |
| G. Gopalakrishna[1] | 2:1 |

[1]. Includes Commission paid during fiscal 2022 and sitting fees has been excluded for calculation of remuneration.

**(ii) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the fiscal 2022**

During the fiscal, the increase in remuneration of MD & CEO, CFO and Company Secretary stood at 6%, 10.4% and 6% respectively.

**(iii) The percentage increase in the median remuneration of employees in the fiscal**

The median remuneration of employees in the fiscal has increased by 6%.

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

The number of permanent employees on rolls of the Company is 2,074 at March 31, 2022.

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

The average percentile (percentage) increase made in the salaries of total employees other than the key managerial personnel in fiscal 2022 is around 6% v/s 6% increase in the remuneration of the key managerial personnel in fiscal 2022.

**(vi) Key parameters for any variable components of remuneration availed by the Directors**

On the Company's Key Performance Indicators achievement.

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

Yes. However, due to inadequate profits for fiscal 2021 the remuneration paid to the Company's Managing Director & CEO exceeds the limit of 5% and overall limit as specified under Section 197 of the Companies Act, 2013. The Company is seeking approval of its Members, by way of a special resolution for authorising the payment of remuneration exceeding the said limits at the ensuing AGM.

# Annexure 3

**Related party transactions**

The details of material related party transactions at arm's length principles for the year ended March 31, 2022 on an aggregate basis are given below.

₹ in million

| Sr. no. | Nature of Contracts/ Transactions | Name of the Related Party | Nature of Relationship | Duration of Contracts | Salient terms of Contracts/ Transactions | Amount |
|---|---|---|---|---|---|---|
| 1 | Sell down of retail mortgage loans by way | ICICI Bank Ltd. | Holding Company | - | At market price | 6,766.5 |
| 2 | Letter of undertaking | ICICI Bank Ltd. | Holding Company | Various maturities | - | 16,226.7 |
| 3 | Term Loan repaid | ICICI Bank Ltd. | Holding Company | Various maturities | At market price | 2,400.0 |
| 4 | Bank/Book overdraft in current accounts | ICICI Bank Ltd. | Holding Company | Various maturities | At market price | 5,549.4 |
| 5 | Term Loan availed | ICICI Bank Ltd. | Holding Company | Various maturities | At market price | 4,500.0 |
| 6 | Bond Issuance | ICICI Bank Ltd. | Holding Company | Various maturities | At market price | 2,700.0 |

Sd/-
**Anirudh Kamani**
Managing Director & CEO
DIN: 07678378

# Annexure – 4


## MAKARAND M. JOSHI & CO.

Company Secretaries

Ecstasy, 803-804, 8th Floor, City of Joy, JSD Road, Mulund (W),
Mumbai- 400080 (T) 022-21678100


### CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To
The Members,
ICICI Home Finance Company Limited,
ICICI Bank Towers
Bandra-Kurla Complex,
Mumbai -400051
Maharashtra, India.

We have examined the compliance of conditions of Corporate Governance by **ICICI Home Finance Company Limited** ("the Company") for the year ended on March 31, 2022, as stipulated in Regulations 17 to 27 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("listing regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and representations made by the management, we certify that the company, being a High Value Debt Listed Entity has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and Para C, D and E of Schedule V of Listing Regulations on Comply and Explain basis and is in the process of full compliance.

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

**For Makarand M. Joshi & Co.**
**Practicing Company Secretaries**

Sd/-

**Kumudini Bhalerao**
**Partner**
FCS No. 6667
CP No. 6690
UDIN:F006667D000157686
Peer Review No: 640/2019

Place: Mumbai
Date: April 19, 2022

# Annexure 5

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES/ INITIATIVES**

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs**

   Corporate Social Responsibility (CSR) has been a long-standing commitment at your Company. The Company's contribution to social sector development includes several pioneering interventions and was implemented through the involvement of stakeholders within the Company and through the broader community. As per the CSR Policy, CSR activities are being undertaken by the Company directly or through ICICI Foundation or through any other entity.

   The CSR Policy of the Company sets the framework guiding the Company's CSR activities. It outlines the governance structure, operating framework, monitoring mechanism and CSR activities that would be undertaken. The CSR committee is the governing body that articulates the scope of CSR activities and ensures compliance with the CSR policy. The Company's CSR activities are largely focused in the areas of education, health, skill development and financial inclusion and other activities as the Company may choose to select in fulfilling its CSR objectives. The CSR policy was approved by the Committee in October 2014 (as amended from time to time), and put up on the Company's website https://www.icicihfc.com/policies

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

   The Company's CSR Committee comprises three Independent Directors and a Non-Executive Director and is chaired by the Non-Executive Director. The composition of the Committee is set out below.

| Sr. No. | Name | Chairman/ members | Number of CSR Committee meeting held during the year | Number of meeting attended during the year |
|---|---|---|---|---|
| 1 | Supritha Shetty | Chairperson | 2 | 1 |
| 2 | G. Gopalakrishna | Member | 2 | 2 |
| 3 | Vinod Kumar Dhall | Member | 2 | 2 |
| 4 | S. Santhanakrishnan | Member | 2 | 2 |

   The functions of the Committee include review of CSR initiatives undertaken by the Company, formulation and recommendation of CSR policy indicating the activities to be undertaken and recommendation of the annual CSR plan and amount of the expenditure to be incurred on such activities to the Board, monitoring the CSR activities, implementation of and compliance with the CSR Policy and reviewing and implementing, if required, any other matter related to CSR initiatives as recommended/suggested by the Board.

3. The web-link where composition of the CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: https://www.icicihfc.com/policies

4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Nil

6. Average net profit of the Company as per Section 135 (5) of the Companies Act, 2013 was ₹ **387.0 million.**

7. a. Two per cent of the average net profit of the Company as per Section 135(5) of the Companies Act, 2013 for fiscal 2022 is ₹ 7.7 million.
   b. Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
   c. Amount required to be set off for the financial year: Nil
   d. Total CSR obligation for the financial year (7a+7b-7c) was ₹ 7.7 million.

8. a. CSR amount spent or unspent during fiscal 2022:

₹ in million

| | Amount Unspent | | | | |
|---|---|---|---|---|---|
| Total amounts for the Fiscal 2022 | Total amount transferred to Unspent CSR Account as per section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| 10.2 | Nil | NA | NA | Nil | NA |

b. Details of CSR amount spent against ongoing projects for the financial year: The skill training programme of ICICI Foundation is a long-term project. However, the targets and outlay, including the training plan, courses offered, new centres to be opened and number of students to be trained, are planned on an annual basis. Accordingly, the programme is considered as an other than ongoing project in the annual report for fiscal 2022.

c. Details of CSR amount spent against other than ongoing projects for the financial year

| (1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | |
|---|---|---|---|---|---|---|---|---|---|
| Sl No | Name of the project | Item from the list of activities in schedule VII to the Act | Local area (Yes/ No) | Location of the project | | Amount spent for the Project (in ₹ million) | Mode of impleme ntation - Direct (Yes/No) | Mode of implementation - through implementing agency | |
| | | | | State | District | | | Name | CSR Registrat ion No. |
| 1 | Sustainable livelihood through skill development by the ICICI Academy for Skills and Rural Livelihood initiative along with social and environment al projects | Item no (ii): promoting education, employment enhancing vocation skills and livelihood enhancemen t projects Item no: (iv) ensuring environment al sustainability , ecological balance, | No | Maharashtra | Mumbai Pune Nagpur Aurangabad Osmanabad | 1.8 | No | ICICI Foundati on for Inclusive Growth | CSR000 01979 |
| | | | | Rajasthan | Jaipur | | | | |
| | | | | Bihar | Patna | | | | |
| | | | | Chhattisgarh | Durg | | | | |
| | | | | Madhya Pradesh | Indore | | | | |
| | | | | Punjab | Mohali | | | | |
| | | | | Telangana | Hyderabad | | | | |
| | | | | Tamil Nadu | Chennai Trichy | | | | |
| | | | | Karnataka | Bangalore Mysore | | | | |
| | | | | Assam | Guwahati | | | | |

| (1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | |
|---|---|---|---|---|---|---|---|---|---|
| Sl No | Name of the project | Item from the list of activities in schedule VII to the Act | Local area (Yes/ No) | Location of the project | | Amount spent for the Project (in ₹ million) | Mode of implementation - Direct (Yes/No) | Mode of implementation - through implementing agency | |
| | | | | State | District | | | Name | CSR Registration No. |
| | | protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water. | | Uttar Pradesh | Lucknow Gorakhpur | | | | |
| | | | | Delhi | Delhi | | | | |
| | | | | Odisha | Bhubaneshwar | | | | |
| | | | | Andhra Pradesh | Vijaywada | | | | |
| | | | | Kerala | Kochi | | | | |
| | | | | Gujarat | Vadodara | | | | |
| | | | | West Bengal | Kolkata | | | | |
| | | | | Haryana | Karnal | | | | |
| | | | | Uttarakhand | Dehradun | | | | |
| | | | | Jammu | Jammu | | | | |
| | | | | Jharkhand | Ranchi | | | | |
| 2. | Sponsoring two cardiac ambulances to the hospitals | Item no. (i) Promoting health care including preventive health care | No | Delhi | Delhi | 7.3 | No | ICICI Foundation for Inclusive Growth | CSR00001979 |
| 3. | Tree plantation | Item no: (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, | No | South 24 Parganas | West Bengal | 1.1 | Yes | NA | NA |
| | | agroforestry, conservation of natural resources and maintaining quality of soil, air and water. | | | | | | | |
| | **TOTAL** | | | | | **10.2** | | | |

d. Amount spent in Administrative Overheads: Nil
e. Amount spent on Impact Assessment, if applicable: Nil
f. Total amount spent for the fiscal 2022: ₹10.2 million
g. Excess amount for set off, if any:

| Sl No. | Particulars | Amount (in ₹ million) |
|---|---|---|
| (i) | Two percent of average net profit of the company as per section 135(5) for Fiscal 2022 | 7.7 |
| (ii) | Total amount spent for the Financial Year | 10.2 |
| (iii) | Excess amount spent for the financial year [(ii) - (i)] | 2.5 |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | Nil |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | 2.5 |

**9.** (a) Details of Unspent CSR amount for the preceding three financial years: Nil
(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding fiscal(s): Nil

**10.** In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details) as detailed below.

| Sr. No. | Details of Capital Assets created or acquired (including complete address and location of the capital asset.) | Date of creation or acquisition of the capital asset(s): | Amount of CSR spent for creation or acquisition of capital asset: | Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. |
|---|---|---|---|---|
| 1 | **Ambulance -** The Voluntary Health Services, Rajiv Gandhi Salai, Taramani, Chennai - 600113, Tamil Nadu | March 22, 2022 | 3.6 milliom | The Voluntary Health Services, Rajiv Gandhi Salai, Taramani, Chennai - 600113, Tamil Nadu |
| 2 | **Ambulance -** Fortis Escorts Escorts Heart Institue and Research Centre Ltd, Okhla Road, New Delhi- 110025 | March 31, 2022 | 3.7 million | Fortis Escorts Escorts Heart Institue and Research Centre Ltd, Okhla Road, New Delhi- 110025 |

**11.** Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable.

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

Sd/-
**Anirudh Kamani**
Managing Director & CEO
DIN: 07678378

Sd/-
**Supritha Shetty**
CSR Committee Chairperson
DIN: 02101473

# Annexure 6

## MAKARAND M. JOSHI & CO.

Company Secretaries

Ecstasy, 803-804, 8th Floor, City of Joy, JSD Road, Mulund (W),
Mumbai- 400080 (T) 022-21678100

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of SEBI (Listing Obligations and Disclosure Requirements)Regulations,2015)

To,
The Members
ICICI Home Finance Company Limited

We have examined the relevant disclosures provided by the Directors (as enlisted in Table A) of ICICI Home Finance Company Limited having CIN: U65922MH1999PLC120106 and Registered office at ICICI Bank Towers, Bandra-Kurla Complex, Mumbai MH 400051 (hereinafter referred to as 'the Company') for the purpose of issuing this Certificate, in accordance with Regulation 53 read with Schedule V Para C clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and documents available on the website of the Ministry of Corporate Affairs and Stock Exchanges as on 31st March, 2022, and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and based on the disclosures of the Directors, we hereby certify that none of the Directors on the Board of the Company (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as Directors of the companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

**Table A**

| Sr. No. | Name of the Directors | Director Identification Number | Date of appointment in Company |
|---|---|---|---|
| 1. | Santhanakrishnan Sankaran | 00032049 | 16/10/2014 |
| 2. | Anup Bagchi | 00105962 | 23/02/2017 |
| 3. | Supritha Shirish Shetty | 02101473 | 22/08/2019 |
| 4. | Vinod Kumar Dhall | 02591373 | 18/01/2019 |
| 5. | Gopalakrishna Gurrappa | 06407040 | 18/01/2019 |
| 6. | Anirudh Kamani | 07678378 | 01/11/2017 |
| 7. | Sanjay Shantilal Singhvi | 09317585 | 13/09/2021 |

**For Makarand M. Joshi & Co.**
**Practicing Company Secretaries**
Sd/-
**KumudiniBhalerao**
**Partner**
FCS No. 6667
UDIN:F006667D000162845
CP No. 6690

Place: Mumbai
Date: April 19, 2022

# Management Discussion and Analysis

## OVERALL BUSINESS ENVIRONMENT

### Global economy overview

As the world enters third year of the COVID-19 pandemic, economic developments have been both encouraging and concerning. Output in many countries rebounded to pre-COVID levels, many countries reached substantial vaccination rates, international trade picked up and high commodity prices benefitted many developed countries. However, for many developing countries, progress towards recovery was hampered by formidable challenges posed by COVID-19. As per IMF, global growth is expected to moderate from 5.9 percent in 2021 to 4.4 percent in 2022, the downgrades have mainly come from US and China.

Inflation continued to rise driven by several factors, including increase in oil prices. Supply disruptions continued in fiscal 2022 hindering global manufacturing. Supply disruptions were further escalated by rising geopolitical tensions. The full impact of the Russia-Ukraine war on the economy, primarily due to high commodities' prices and lower global trade will pan out in fiscal 2023. The high inflation is resulting in an increase in interest rates by central banks around the world, thus reversing the interest rate cycle in fiscal 2023.

### Indian economy overview

Economic activity rebounded post the abatement of the third wave of COVID-19 in February 2022 and the lifting of the state-wise restrictions. Economic revival is further supported by robust exports and consumer demand with a strong base effect. As per ICRA, the Indian economy is expected to grow by 8.5% in fiscal 2022 and and 7.2% in fiscal 2023 on account of surging commodities' prices induced primarily by protracted geo-political conflict.

The macroeconomic policy is well-balanced. RBI is expected to take policy actions in response to increase in inflation. The government is also committed to invest more in social and physical infrastructure, although well-targeted, direct fiscal support to vulnerable households and firms may also be increased. Reducing over-burdening regulation in product and labour markets, accelerating the sale of public companies in non-strategic sectors, following the successful sale of Air India, and restructuring state-owned banks would boost investment and job creation.

### Housing and Real Estate

The country's real estate market was severely affected by the COVID-19 pandemic. Residential real estate sector got worst hit, as strict lockdown measures across the country impacted housing sales, as home registrations were suspended and home loan disbursements were low on account of looming uncertain environment.

Post the second COVID-19 wave in quarter ended June 30, 2021, there was an increase in confidence levels of the consumers due to enhanced pace of vaccinations in adults. Thereby, the performance of the residential real estate sector has been resilient, on the back of all-time-low rate of interest on home loans, pent-up demand, incentives by certain state governments, hybrid working model, and swift rebound in performance of the IT/ITES, infrastructure, healthcare and multiple export-oriented sectors.

The current shortage of housing in urban areas is estimated to be ~10 million units. An additional 25 million units of affordable housing shall be required by 2030 to meet the growth in the country's urban population. Post the outbreak of the COVID-19 pandemic, adoption of remote working culture and increase in student living and co-living would lead to higher demand for affordable housing units in Tier 2 and Tier 3 cities. Affordable housing is an important goal the entire real estate industry is collectively

working to accomplish the government's intent of 'Housing for All'.

With a pickup in sales of housing units, the unsold inventory has reduced to lowest levels since fiscal 2016, leading to an improvement in years to sell. The residential real estate sector is witnessing consolidation with limited players holding majority of the market share. Further, with improved traction in market, the large developers have actively started land acquisitions and entering into joint development agreements for new launches and paving the way for calibrated growth in future for the real estate sector.

NITI Aayog expects that the Indian real estate sector will reach a market size of $1 trillion by calendar year 2030 and will account for 13 per cent of India's GDP by fiscal 2025. Real estate industry, the third-largest sector is expected to continue its upward trajectory in calendar year 2022. Retail, hospitality, and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

**Housing Credit in India**

The housing credit market in India has soared over the years to ₹23 trillion in fiscal 2021, clocking a CAGR of ~18% over the years from fiscal 2014 to fiscal 2021. The contribution of housing credit to the country's GDP was 11.4% in fiscal 2021.

**Housing Credit composition**

(₹trillion)

As per ICRA, the overall housing portfolio of banks/HFCs stood at ₹24 lakh crore at September 30, 2021, of which HFCs contributed around 33%.

The second wave of the pandemic impacted disbursements of the HFC industry, and the industry's on-book portfolio remained flat at end of first quarter of fiscal 2022 vis-à-vis fourth quarter of fiscal 2021. However, there was a sharp recovery post first quarter of fiscal 2022 and the disbursements continued to grow steadily in balance part of the fiscal.

It is expected that the on-book portfolio of HFCs would grow by 8-10% in fiscal 2022 and 9-11% in fiscal 2023. The on-book portfolio of HFCs stood at ₹11.9 lakh crore at December 31, 2021, of which housing loans contributed ~66%. The on-book portfolio of HFCs is expected to close at ₹12.1 lakh crore at March 31, 2022.

For maintaining healthy growth, there shall be competitive pressure to explore new models or business segments. Further, access to adequate funding would be critical as demand is expected to be strong in the near to medium term. HFCs ability to maintain adequate liquidity and control the asset quality would be the key differentiator.

Within the HFC industry, affordable housing finance companies (AHFCs) have been growing at a faster pace, partly aided by the lower base and support from the Government's thrust on 'Housing for All'. Business origination and customer service are operationally intensive processes for AHFCs, which were impacted by the second wave. However, long-term growth outlook for AHFCs remains favourable, given the large underserved market, favourable demographic profile, housing shortage and Government support in the form of tax sops and subsidies.

**HFCs Asset Quality (%)**

The collection efficiency for the industry has returned to pre-COVID levels. Further, the GNPA for the

industry has increased from 2.9% at March 31, 2021 to expected range of 3.6% to 3.8% at March 31, 2022 primarily due to implementation of revised IRAC norms issued by RBI. Performance of restructured/ delinquent book shall remain critical for asset quality in the upcoming fiscal.

## Key regulatory developments

As the second wave of COVID pandemic hit at the beginning of fiscal 2022, the government along with RBI announced scheme of measures with the purpose to inject liquidity and ease the burden of priority sectors.

1) Decision to conduct special long term repo operations (SLTRO) of ₹ 10,000 crore to small finance banks, for fresh lending to the borrowers upto ₹ 10 lakh.
2) Term liquidity facility of ₹ 50,000 crore to ease credit access to emergency health service providers.
3) Resolution framework 2.0 introduced with the purpose to alleviate COVID induced stress upon individuals and SME borrowers having aggregate exposure up to ₹ 50 crore and who did not avail the option of restructuring during resolution framework 1.0 in fiscal 2020.
4) Refund/waiver of interest on interest charged to the borrowers during moratorium period from March 1, 2020 to August 31, 2020, earlier restricted to loans upto ₹ 2 crore, in conformity with the Hon. Supreme Court judgement.
5) The key rates were kept unchanged by RBI ensuring all time low home loan rates for borrowers and to generate demand.
6) Extension of Emergency Credit Line Guarantee Scheme (ECLGS) up to March 2023.
7) Availability of National Automated Clearing House (NACH) throughout the week compared to only bank working days earlier.

Further, post change of regulatory directions for HFCs in February 2021, the regulator with a view to enhance governance among HFCs proposed the following changes

1) Revised norms for upgrading NPA accounts, whereby borrower accounts classified as NPA, shall be upgraded only if entire arrears of principal and interest are received.
2) Guidelines for appointment of statutory auditors of NBFCs/HFCs, thereby mandating joint auditors for entities with asset size > ₹ 15,000 crore.
3) Prompt Corrective Action framework for NBFCs effective from October 1, 2022. Three level risk thresholds based on key indicators like CRAR, Tier I CRAR and Net NPA ratio.
4) Scale Based Regulations framework for NBFCs effective from October 1, 2022. Level based regulatory structure for NBFCs based on size, activity and riskiness. HFCs were categorised in Middle Layer.
5) Master Directions on transfer of loan exposures providing relaxation in minimum holding period and minimum retention requirement.
6) SEBI amended its Listing Obligations and Disclosure Requirements (LODR) for debt listed entities, enhancing corporate governance requirements. It proposed a new format for submission of financial results along with disclosure of additional financial ratios. Further, it requires to formulate a board approved policy on materiality and dealing of related party transactions.

# BUSINESS OVERVIEW

## Distribution and other initiatives

Fiscal 2022 was a mixed bag for the Company. While the Company's business, primarily retail mortgages, was impacted by lockdown in first quarter of fiscal 2022 due to the second wave of the COVID-19 pandemic, the portfolio grew beyond the pre-COVID numbers in the last quarter of the fiscal 2022. The business picked up from second quarter of fiscal 2022 with the subsiding effect of the pandemic and rapid vaccination in adults. The Company continues to maintain its focus on affordable housing and with normalcy being restored post COVID third wave, the Company also resurrected business under LAP segment, which was decelerated during the pandemic.

During this fiscal, disbursements under affordable segment accounted for ~45% of the total mortgage disbursements. Business origination under affordable segment being an operationally intensive task, which requires presence in deeper geographies blend well for the Company with it having built its pan-India presence over the last 3 years. The Company is expanding its footprint with focus on affordable housing finance business, and during fiscal 2022 opened11 branches, 3 micro branches and 18 sales offices and closed 5 branches, with a final tally of 170 branches/offices at March 31, 2022. The employee strength stood at 2,252 compared to 1,964 last year, including employees on contract.

The Company increased its channel partner network during fiscal 2022 and has specifically focused on enhancing synergy with ICICI Bank through its branch and CPC network. The Company launched a new digital platform for sourcing fixed deposits during this fiscal.

## Loan portfolio

Housing finance has been the primary focus for the Company and the Company during this fiscal has met the principal business criteria for housing finance of 60% as set by RBI for HFCs. Disbursements under HL segment constituted 76% of the total disbursements in fiscal 2021, which increased to 78% in the fiscal 2022 Loan book under HL segment stood at 72% of the total loan book at March 31, 2022. Of the total loan book, loan book with respect to affordable segment stood at 26%.

**AUM (₹ billion)**

Direct assignment of loans has been an important source of funding for the Company, which in turn helps in augmenting profits and maintaining leverage for the Company. During this fiscal, the Company assigned loans amounting to ₹ 12,238.1 million and booked net gain on derecognition of such loans of ₹ 929.2 million as per Ind AS 109.

## Asset quality and composition

Under Ind AS, asset classification is done based on expected credit loss model instead of the earlier incurred loss model under Indian GAAP. Accordingly, provisions are based on the Company's historical loss experience and future expected credit loss in addition to other parameters.

## Retail mortgage loans portfolio

Asset quality of retail mortgage portfolio has been critical for the Company during fiscal 2022 and has been an area wherein it has put accelerated efforts to keep the NPA position in control. Asset quality of retail mortgage portfolio was under constant pressure, primarily owing to the after effects of the COVID-19 pandemic and the removal of the relaxations given to borrowers. In addition, the revised IRAC norms issued by RBI for NBFCs/HFCs added to the elevation of the GNPA position, whereby the Company has classified retail mortgage loans amounting to ₹ 1,162.5 million as NPA during this fiscal.

**Retail mortgage (₹ in million)**

*PCR(%) incl. tech. write-off:*
*Mar'2020 – 38.6%, Mar'2021 – 31.2%, Mar'2022 – 34.7%*

## Real estate loans portfolio

Gross NPA with respect to corporate portfolio stood at ₹ 1,622.7 million at March 31, 2022 with a provision coverage ratio at 35.7%. The Company wrote-off loans aggregating ₹ 524.8 million during this fiscal, which in the Company's assessment were not recoverable. The provision coverage ratio (incl. technical write-off) stood at 74.5% at March 31, 2022.

## Risk management

The Company has a well-established Enterprise Risk Management framework (covering market, credit, liquidity and operational risks). This framework governs policies, procedures and systems to monitor, review and report key risks. The Company continues to follow NHB guidelines for High/Medium/Low categorisation of its customers and further applies pre-defined risk weights based on proprietary credit scoring model to take appropriate credit sanction decisions.

The Company had taken following steps to contain the credit risk caused due to ensuing macro events:

- Engagement with customers through dedicated relationship managers and collection teams for regularization of standard accounts
- Re-aligning the product suite by way of differentiated product mix offering to different segments of borrowers
- Policy intervention by way of identifying vulnerable sectors and geographies for future funding needs of the customers
- Diversification of geographical concentration risk by way of varied cap on customer loan exposure based on target geography
- For developer loans, stringent escrow management, field monitoring and engagement with promoters

The Company is taking the following additional measures to ensure diversified and resilient portfolio and ensuring that areas of growth are sustainable and within the defined risk appetite:

- Micro segment policies for enabling effective sourcing
- Branch level portfolio monitoring and intervention
- Early warning monitoring like early mortality and non-starters reporting
- Calibration of large ticket size loans, LAP portfolio & Real Estate funding

The Company has observed no negative impact on liquidity during the last year. The Company continues to maintain ample liquidity and monitor liquidity positions as a part of the Liquidity Contingency Plan. The Company maintained LCR well above the regulatory prescribed minimum limit of 50%.

The Company ensures awareness of cyber security among all employees by periodic trainings and guidance issued through periodic mailers. In WFH environment, the Company has ensured system accessibility through Virtual Private Network (VPN) connectivity and to mitigate the associated risks has enabled dual authentication.

## Technology and digitization

The Company has put in place its IT strategy and governing policies to focus on new applications/systems on-boarding (through development/procurement) in a seamless manner to address growing focus on technology enabled processes and customer experience enhancement. The Company will continue to leverage its parent ICICI Bank's technology infrastructure, core business applications for its functions and processes. The company has robust IT security and Cyber security policy.

The Company with the help of ICICI Bank (service provider for IT backbone used by the Company) enabled fully secure WFH via VPN (Virtual Private Network) for its employees allowing them to work at full capacity. Additionally, the Company's digital capabilities enabled it to perform various activities like customer onboarding and pre/post disbursement and collections processes (Mobile onboarding, Video PD, online fee collection, disbursements, NACH mandate for EMI collection etc.) with the help of system driven workflows. The Company continues to invest and aims at building cutting edge technology and features. The new systems developed support micro services architecture and enabled API integration with aggregators of services.

## Borrowing profile

The borrowing/resource profile of the Company is well diversified and therefore is one of the key strength. It has borrowings through NCDs/Bonds, Commercial Papers (CPs), refinance from NHB, Rupee term loans (RTLs), External Commercial Borrowings (ECB) and Fixed Deposits (FDs). The Company also has a diverse investor profile who have lent money through capital market instruments. The Company has also been augmenting funds through sell down of loan exposures of retail mortgage loans.

### Liability Mix at March 31, 2022

### Fixed deposit maturity profile
### ₹ in billion

### Investor Mix at March 31, 2022

The aggregate amount of FD stands at a healthy 24% of the total borrowings at March 31, 2022, of which 75% comprises of medium tenor public fixed deposits (retail).

To take advantage of benign interest rates, the Company during the year has taken various steps to reduce its cost on incremental and outstanding borrowings. In fiscal 2022, the Company raised funds amounting ₹ 17.73 billion and ₹ 1.75 billion through fixed and floating rate NCDs/bonds having medium to long tenor and ₹ 13.00 billion through floating rate medium tenor RTLs linked to external benchmarks like Repo/Treasury Bills. Additionally, the Company raised ₹ 12.24 billion through transfer of loan exposures of retail mortgage loan book. Further, during the fiscal, the Company prepaid domestic term loans amounting to ₹ 13.44 billion, which includes high cost RTLs and ECB facility amounting to ₹ 7.61 billion (USD 100.0 million). As a result, the Company was able to bring down its cost of funds from 7.8% in fiscal 2021 to 7.2% in fiscal 2022. These efforts also helped the Company in further diversifying its borrowing mix and maintain the average duration of its liability book at 32 months.

### Fixed Deposit Book at March 31, 2022

### Cost of funds (%)

### Average duration (in months)

## Asset Liability Management (ALM)

The Company's policy norms of restricting reliance on short-term instruments and ongoing efforts to increase the duration of its liabilities had placed its ALM in a comfortable position. Further, the policy of carrying adequate liquidity and liquidity buffers insulated the Company from any liquidity shocks.

The Company uses behavioral analysis of prepayments and other assumptions in accordance with the guidelines issued by the regulator.

### Cumulative flows ₹ in billion

### Floating vs Fixed

The interest rate repricing risk on the floating rate asset book is well supported by a healthy mix of floating and fixed rate borrowing.

## Credit rating

The Company has been accorded the highest rating by leading credit rating agencies. The Company has a standalone issuer credit rating of AAA/Stable by ICRA. Various borrowing programmes of the Company have also been accorded with the highest credit rating from different rating agencies.

| Instrument | CRISIL | ICRA | CARE |
|---|---|---|---|
| Fixed Deposits | FAAA/Stable outlook | MAAA/Stable outlook | AAA(FD)/Stable outlook |
| Senior Bonds Non-Convertible Debentures | CRISIL AAA/Stable outlook | ICRA AAA/Stable outlook | CARE AAA/Stable outlook |
| Subordinate Bonds | CRISIL AAA/Stable outlook | ICRA AAA/Stable outlook | CARE AAA/Stable outlook |
| Market Linked Debentures | CRISIL PP-MLD AAAr/ Stable outlook | - | CARE PP-MLD AAA/Stable outlook |
| Commercial Paper | - | ICRA A1+ | CARE A1+ |
| Long Term Bank Facilities | - | ICRA AAA/Stable outlook | - |

## Strategy

The Company continues to have affordable housing finance at the core of it's strategy considering the huge potential for upward growth and earnings. The affordable housing finance book increased to ₹ 38.11 billion at March 31, 2022 from ₹ 21.55 billion at March 31, 2021. The NIM of the Company increased to 4.0% in fiscal 2022 from 3.0% in fiscal 2021 on the back of reduced cost of funds. The net interest margin will be further enhanced as we grow the affordable housing finance book.

The Company with its goal of further tapping the affordable housing finance segment shall continue to explore opportunities in deeper geographies and ensure calibrated branch expansion under the Hub & Spoke model. The Company shall leverage the capacity built over the years with focus on engagement with preferred partners, increasing direct sourcing and synergy with ICICI Bank. The Company will leverage its franchise to grow its portfolio to the maximum to ensure growth and optimization of capital.

Asset quality shall continue to be a critical focus area for the Company and the Company shall make synchronized use of all mediums (digital, physical and

legal) to reduce delinquencies. The Company shall endeavor to make use of contactless channels for the purpose of collecting from low risk delinquent customers.

The Company intends to leverage its liability franchise to bring cost competitiveness in its business and increase the average duration of its liabilities.

## Financial highlights

With situation improving post the second wave of the pandemic, the Company has opened new branches at the end of the fiscal year. Also with improved business, the operating profit has improved in fiscal 2022. The performance highlights for fiscal 2022 are given below.

- Net interest income increased from ₹ 5.21 billion in fiscal 2021 to ₹ 6.52 billion in fiscal 2022, primarily due to lower cost of funds and higher income from sell down
- Yield improved from 10.1% in fiscal 2021 to 10.4% in fiscal 2022
- Fee income primarily includes income from third party referrals, loan related login and other charges. Fee income remained flat at ₹ 0.31 billion in fiscal 2022 compared to ₹0.30 billion in fiscal 2021.
- Other income primarily includes rental income from property. Other income decreased from ₹ 0.04 billion in fiscal 2021 to ₹ 0.01 billion in fiscal 2022
- Operating expenses primarily include employee benefits expenses and other administrative expenses. Employee benefit expenses increased from ₹ 1.60 billion in fiscal 2021 to ₹ 1.72 billion in fiscal 2022. Other administrative expenses include rent, rates and taxes, repairs and maintenance, direct marketing and sourcing business expenses, collection expenses and depreciation on assets. Other operating expenses increased from ₹ 0.96 billion in fiscal 2021 to ₹ 1.25 billion in fiscal 2022. This is mainly due to the improving business volumes and opening up of the economy post pandemic.
- Provisions and write-offs decreased from ₹ 2.69 billion in fiscal 2021 to ₹ 1.75 billion in fiscal 2022.
- The Company appropriated ₹ 0.33 billion from retained earnings to Special Reserve in fiscal 2022 in accordance with Section 29C of the National Housing Bank Act, 1987. Transfer to Special Reserve amounted to ₹ 0.04 billion in fiscal 2021.
- Total AUM increased from ₹ 169.73 billion at March 31, 2021 to ₹ 178.65 billion at March 31, 2022. Loan book increased from ₹ 137.58 billion at March 31, 2021 to ₹ 144.99 billion at March 31, 2022.
- GNPA decreased from ₹ 9.39 billion at March 31, 2021 to ₹ 8.60 billion at March 31, 2022. NNPA also decreased from ₹ 7.14 billion at March 31, 2021 to ₹ 6.24 billion at March 31, 2022. The gross and net NPA ratios for fiscal 2022 were 5.8% and 4.3% respectively. The gross and net NPA ratios for fiscal 2022 without considering the impact of revised IRAC norms would have been 5.0% and 3.6% respectively.
- Investments (including assets held for sale) increased from ₹ 4.38 billion at March 31, 2021 to ₹ 6.43 billion at March 31, 2022.
- Total borrowings remained flat from ₹ 126.66 billion at March 31, 2021 to ₹ 126.13 billion at March 31, 2022.
- The capital adequacy ratio increased from 20.94% at March 31, 2021 to 21.90% at March 31, 2022. The Tier-1 capital adequacy ratio was 16.95% at March 31, 2022 compared to 15.92% at March 31, 2021.

## KEY FINANCIAL INDICATORS OF LAST 4 YEARS

The following table sets forth, for the periods indicated, the key financial ratios.

| Particulars | Fiscal 2019 | Fiscal 2020 | Fiscal 2021 | Fiscal 2022 |
|---|---|---|---|---|
| Return on average equity (%)1 | 2.7 | * | 1.3 | 9.0 |
| Return on average assets (%)2 | 0.4 | * | 0.1 | 1.1 |
| Earnings per share (Basic & Diluted) (₹) | 0.4 | 0.0 | 0.2 | 1.5 |
| Net interest margin (%) | 3.1 | 2.5 | 3.0 | 4.0 |
| Debt Equity Ratio | 7.0 | 7.7 | 7.1 | 6.0 |
| Gross NPA (%) | 5.6 | 5.9 | 6.6 | 5.8 |
| Net NPA (%) | 3.4 | 3.3 | 5.2 | 4.3 |
| Capital Adequacy Ratio (%) | 18.0 | 14.8 | 20.9 | 21.9 |
| Fee/Income (%) | 5.2 | 6.2 | 5.4 | 4.6 |
| Cost/Income (%)3 | 52.7 | 56.2 | 45.9 | 43.4 |

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

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## INDEPENDENT AUDITORS' REPORT

To
The Members of ICICI Home Finance Company Limited

### Report on the Audit of Ind AS Financial Statements

1. **Opinion**

   We have audited the accompanying Ind AS Financial Statements of ICICI Home Finance Company Limited (hereinafter referred as "the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

   In our opinion and to the best of our information and according to the explanations given to us, the accompanying Ind AS financial statements gives a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit [including other comprehensive income], its cash flows and the statement of changes in equity for the year ended on that date.

2. **Basis for Opinion**

   We conducted our audit of the Ind AS Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on Ind AS the Financial Statements.

3. **Other Matter**

   The comparative financial statements of the Company as stated in the Ind AS Financial Statements for the year ended March 31, 2021, were audited by the predecessor auditor who expressed an unmodified opinion on those Ind AS financial statement on April 22, 2021. Accordingly, we, do not express any opinion, as the case may be, on the figures reported in the Ind AS Financial Statements for the year ended March 31, 2021.

   Our opinion is not modified in respect of this matter.

4. **Key Audit Matter**

   Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS Financial Statements of the current year. These matters

were addressed in the context of our audit of the Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Sr. No. | Key audit matters | How our audit addressed the key audit matter |
|---|---|---|
| 1. | **Expected Credit Loss (ECL) on Loans and Advances**<br>As at March 31, 2022, the carrying value of loan assets measured at amortized cost, aggregated Rs. 1,07,434.4 million (net of allowance of ECL Rs. 3,756.2 million).<br>The estimation of ECL on financial instruments involves significant judgement and estimates. As part of our risk assessment, we determined that the allowance for ECL on loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements.<br>The elements of estimating ECL which involved increased level of audit focus are the following:<br><br>a) Data inputs - The application of ECL model requires several data inputs.<br><br>b) Model estimations – Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Company's modelling approach.<br><br>c) Qualitative and quantitative factors used in staging the loan assets measured at amortized cost.<br><br>d) Economic scenarios – Ind AS 109 requires the Company to measure ECLs on an unbiased forward- | **Our Audit Approach:**<br>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:<br>a) Testing the design and effectiveness of internal controls over the following:<br>➢ key controls over the completeness and accuracy of the key inputs, data and assumptions into the Ind AS 109 impairment models.<br>➢ key controls over the application of the staging criteria consistent with the definitions applied in accordance with the policy approved by the Board of Directors including the appropriateness of the qualitative factors.<br>➢ management's controls over authorisation and calculation of post model adjustments and management overlays to the output of the ECL model.<br>b) Also, for a sample of ECL allowance on loan assets tested:<br>➢ Sample testing over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data, reasonableness of economic forecasts, weights, and model assumptions applied.<br>➢ we evaluated reasonableness of LGD estimates by comparing actual recoveries post the loan asset becoming credit impaired with estimates of LGD; and<br>➢ we tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company.<br>➢ we have relied on the PD's and LGD provided by the Holding Company for CREF portfolio. |

| Sr. No. | Key audit matters | How our audit addressed the key audit matter |
|---|---|---|
| | looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them especially when considering the current uncertain economic environment arising from ongoing COVID-19 pandemic.<br><br>e) Adjustments to model driven ECL results to address emerging trends.<br><br>Refer Note 3.7 and 46 of the Ind AS Financial Statements. | c) We also evaluated the adequacy of the adjustment after stressing the inputs used in determining the output as per the ECL Model and ensured that the adjustment was in conformity with the amount approved by the Audit Committee.<br><br>d) Testing management's controls on compliance with disclosures to confirm the compliance with the provisions of relevant provisions of Ind AS 109 and the RBI.<br><br>e) Evaluating the appropriateness of the Company's Ind AS 109 impairment methodologies and reasonableness of assumptions used, including management overlays.<br><br>f) For models which were changed or updated during the year, evaluating whether the changes were appropriate by assessing the updated model methodology.<br><br>g) The reasonableness of the Company's considerations of the impact of the current ongoing economic environment due to COVID-19 on the ECL determination.<br><br>h) Read and assessed the disclosures included in the Ind AS financial statements in respect of expected credit losses with the requirements of Ind AS 107 Financial Instruments: Disclosure ("Ind AS 107") and Ind AS 109. |
| 2. | **Assessment of business model for classification and measurement of financial assets**<br><br>Ind AS 109, Financial Instruments, contains three principal measurement categories for financial assets i.e.:<br><br>- Amortised Cost; | **Our Audit Approach:**<br><br>We have followed the following audit procedures:<br><br>a) Assessing the design, implementation and operating effectiveness of key internal controls over management's intent at the origination, to hold or to sell |

| Sr. No. | Key audit matters | How our audit addressed the key audit matter |
|---|---|---|
| | - Fair Value through Other Comprehensive Income (FVOCI); and<br>- Fair Value through Profit and Loss (FVTPL).<br><br>We identified business model assessment as a key audit matter because of the management judgement involved in determining the intent (to hold or to sell) at the time of origination for holding financial assets which could lead to different classification and measurement outcomes of the financial assets and its significance to the financial statements of the Company<br><br>Refer Note 3.3 and 43 of the Ind AS Financial Statements. | a financial asset, and the approval mechanism for such stated intent and classification of such financial assets.<br><br>b) For financial assets classified at amortised cost, we tested controls over the classification of such assets and subsequent measurement of assets at amortised cost. Further, we tested key internal controls over monitoring of such financial assets to check whether there have been any subsequent sales of financial assets classified at amortised cost.<br><br>c) Test of details over of classification and measurement of financial assets in accordance with management's intent.<br><br>d) We selected a sample of financial assets entered during the year to test whether their classification as at the balance sheet date is in accordance with management's intent.<br><br>e) For a selection of loans held at FVOCI, tested management's calculation of fair valuation at Balance Sheet date. |
| 3. | **Information Technology (IT) Systems and Controls**<br>The Company's key financial accounting and reporting processes are highly dependent on the automated controls over the Company's information systems, such that there exists a risk that gaps in the IT general control environment could result in a misstatement of the financial accounting and reporting records. Accordingly, we have considered user access management, segregation of duties and controls over system change over key financial accounting and reporting systems, as a key audit matter. | **Our Audit Approach:**<br><br>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:<br><br>**General IT controls design, observation and operation:**<br>➢ Tested key controls operating over the information technology in relation to financial accounting and reporting systems, including system access and system change management, program development and computer operations.<br><br>**User access controls operation:**<br>➢ Obtained management's evaluation of the access rights granted to applications relevant to financial |

| Sr. No. | Key audit matters | How our audit addressed the key audit matter |
|---|---|---|
| | | accounting and reporting systems and tested resolution of a sample of expectations.<br>➢ Further, we assessed the operating effectiveness of controls over granting, removal and appropriateness of access rights.<br><br>**Application controls:**<br>➢ We tested the design and operating effectiveness of automated controls critical to financial accounting and reporting.<br>➢ For any identified deficiencies, tested the design and operating effectiveness of compensating controls and, where necessary, extended the scope of our substantive audit procedure.<br>➢ Considered the reports issued by the professional consultants with respect to Information Systems (IS) Audit and IT Infrastructure of the Company and of the Parent Company. |

5. **Information other than the Ind AS financial statements and Auditor's report thereon**
The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Directors Report, Corporate Governance Report and Management Discussion and Analysis, but does not include the Ind AS Financial Statements and our auditor's report thereon. These reports are expected to be made available to us after the date of our auditor's report.

Our opinion on the Ind AS Financial Statements does not cover the other information and we will not express any form of assurance thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

6. **Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statements**

   The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

   In preparing the Ind AS financial statements, Company's Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

   The Board of Directors are also responsible for overseeing the Company's financial reporting process

7. **Auditors' Responsibilities for the Audit of the Ind AS Financial Statements**

   Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

   As part of an audit in accordance with Standards on auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

   i. Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

   ii. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the

Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

v. Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of the misstatement in the statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the statement may be influenced. We consider quantitative materiality and qualitative factors in; (i) planning the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effects of any identified misstatements in the statement.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**8. Report on Other Legal and Regulatory Requirements**

i. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

ii. As required by section 143 (3) of the Act, based on our audit we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

d. In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. On the basis of written representations received from the directors as on March 31, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company with reference to these Financial Statements and the operating effectiveness of such controls, we request you to refer to our separate Report in “Annexure B” to this report.

g. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, refer note 51 to the Ind AS Financial Statements, according to which the managerial remuneration paid to the Managing Director of the Company is in excess of the limits prescribed under section 197 read with Schedule V of the Companies Act, 2013. As per the provisions of the Companies Act, 2013, the excess remuneration is subject to approval of the shareholders, which the Company proposes to obtain at the forthcoming Annual General Meeting.

h. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on the financial position in its Ind AS financial statements – Refer Note 40 to the Ind AS financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 52 to the Ind AS financial statements;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

iv. (a) The Management has represented that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other

sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer footnote 3 in Note 10 to Ind AS financial statements);

(b) The Management has represented that no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer footnote 3 in Note 18 to Ind AS financial statements); and

(c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

**For Singhi & Co.**
**Chartered Accountants**
Firm Registration No.: 302049E

Sd/-
Shweta Singhal
Partner
Membership No. 414420
UDIN: 22414420AHKDJQ6313
Place: Mumbai
Date: April 19, 2022

**For Mukund M. Chitale & Co.**
**Chartered Accountants**
Firm registration No. 106655W

Sd/-
Abhay V. Kamat
Partner
Membership No. 039585
UDIN: 22039585AHKHMU3541
Place: Mumbai
Date: April 19, 2022

**Annexure A to the Independent Auditors' Report of even date on the Ind AS financial statements of ICICI Home Finance Company Limited**

**Referred to in paragraph [8(i)] under Report on Other Legal and Regulatory Requirements of our report of even date**

According to the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. and relevant details of Right-of-use Assets.

B) The Company has maintained proper records showing full particulars including quantitative details and situation of Intangible Assets.

b) As per information and explanations given to us the Property, Plant and Equipment and Right-of-Use Assets have been physically verified by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable having regard to the size of the operations of the Company and on the basis of explanations received no material discrepancies were noticed during the verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in Property, Plant and Equipment are held in the name of the Company

d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or Intangible Assets during the year.

e) According to the information and explanations given to us, no proceedings have been initiated or is pending against the Company during the year for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) a) The Company primarily engaged in lending business. Accordingly, it does not hold any inventories. Thus paragraph 3(ii)(a) of the Order is not applicable to the Company.

b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Basis the information and explanation provided to us and basis our audit procedures undertaken, we have not come across any difference between the information submitted in the quarterly returns / statements filed by the company with such banks or financial institutions when compared with the books of account and other relevant information provided by the Company.

(iii) a) The Company is primarily engaged in lending activities and hence reporting under paragraph 3(iii)(a) of the Order is not applicable to the Company.

b) Considering that the Company is a Non – Banking Finance Company, the investments made, security given and the terms and conditions of the grant of all loans and advances in the nature of loans are not prima facie prejudicial to the Company's interest. According to information and explanations provided to us, the Company has not provided any guarantees during the year.

c) In respect of the loans given and advances in the nature of loans, the Company has stipulated the schedule of repayment of principal and payment of interest. However, given the nature of business of the Company being a Non – Banking Finance Company, there are some cases during the year and as at March 31, 2022 wherein the amounts were overdue vis-à-vis stipulated terms.

d) In respect of loans granted and advances in the nature of loans provided by the Company by the Company, there is no overdue amount for more than ninety days as at the Balance Sheet date except for the following cases as on March 31, 2022:

**(Rs. In Million)**

| Number of Cases | Principal Amount Overdue | Interest Amount Overdue | Total Amount Dues |
|---|---|---|---|
| 2755 | 2,404.6 | 400.2 | 2,804.8 |

Further, basis discussions with the management we understand that the reasonable steps have been taken by the Company for recovery of the principal and interest.

e) The Company is engaged primarily in lending activities and hence reporting under paragraph 3(iii)(e) of the Order is not applicable to the Company.

f) Basis the information and explanations provided to us, we did not come across loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Thus, reporting under paragraph 3(iii)(f) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of sections 185 and 186 of the Companies Act 2013 are applicable, and hence not commented upon.

(v) The Company is a registered deposit taking housing finance company and accordingly basis the directives issued by Reserve Bank of India, the provision of sections 73 to 76 or any other relevant provisions of the Act and Rules framed thereunder are not applicable to the Company. Further, we are informed by management of the Company that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any other court.

(vi) The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under paragraph 3(vi) of the Order is not applicable to the Company.

(vii) In respect of Statutory dues:

a) The Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, goods and service tax, cess and other material statutory dues applicable to it to the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, wealth tax, duty of customs, duty of excise and value added tax.

There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and services tax, cess and other material statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us and on the basis of our examination of the records, there are no dues of provident fund, employees' state insurance and goods and services tax that have not been deposited on account of any dispute except, in case of following dues of income tax have not been deposited by the Company on account of disputes:

| Name of the statute | Nature of the dues | Amount (Rs. In million) | Amount provided for in books (Rs. In Million) | Period to which the amount relates | Forum where dispute is pending |
|---|---|---|---|---|---|
| The Income Tax Act, 1961 | Income Tax | 165.0 | 105.1 | F.Y. 2004-05 | Assessing Officer, Mumbai |
| | Income Tax | 434.3 | 406.8 | F.Y. 2007-08 | Commissioner of Appeal (Income-tax) |
| | Income Tax | 523.7 | 510.0 | F.Y. 2008-09 | Income Tax Appellate Tribunal, Mumbai |
| | Income Tax | 1,014.8 | 900.0 | F.Y. 2010-11 | Commissioner of Appeal (Income-tax) |
| | Income Tax | 1,240.4 | 1,040.0 | F.Y. 2011-12 | Commissioner of Appeal (Income-tax) |
| | **Total** | **3,378.2** | **2,961.9** | | |

(viii) According to the information and explanations given to us, there are no transactions which have not been recorded in the books of account but have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender.

b) Basis the information and explanation provided to us, the Company has not been declared a willful defaulter by any bank or financial institution or other lender.

c) According to the information and explanations given to us and to the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application of proceeds.

d) On an overall examination of the financial statements of the Company, funds raised on short-term basis do not seem to have used during the year for long-term purposes.

e) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under paragraph 3(ix)(e) of the Order is not applicable to the Company.

f) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under paragraph 3(ix)(f) of the Order is not applicable to the Company.

(x) a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under paragraph 3 (x)(a) of the Order is not applicable to the Company.

b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under paragraph 3 (x)(b) of the Order is not applicable to the Company.

(xi) a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Ind AS financial statements and according to the information and explanations given by the management, there have been 16 nos. instances of fraud on the Company by its customers as disclosed in Note 65 to the Ind AS financial statements, which have been duly reported to the Reserve Bank of India. We did not come across any instances of fraud by the Company.

b) According to the information and explanations given to us and to the best of our knowledge, no report under sub-section (12) of section 143 of the Act has been filed in Form ADT- 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

c) We have taken into consideration the whistle blower complaints received by the Company during the year and provided to us, when performing our audit.

(xii) The Company is not a nidhi company and hence reporting under paragraph 3 (xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the Ind AS financial statements, as required by the applicable accounting standards.

(xiv) a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have taken into consideration, the internal audit reports for the period under audit issued to the Company till the date while determining the nature, timing and extent of audit procedures.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them as referred to in section 192 of the Act. Thus, paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) a) According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India (RBI) Act, 1934. Thus, paragraph 3(xvi)(a) of the Order is not applicable to the Company.

b) The Company is a registered Housing Finance Company (HFC) and holds a valid Certificate of Registration (CoR) from National Housing Bank and hence reporting under paragraph 3(xvi)(b) of the Order is not applicable to the Company.

c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence reporting under paragraph 3 (xvi)(c) of the Order is not applicable.

d) According to the information and explanations given to us, there is no CIC in the Group.

(xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been a resignation of the Statutory Auditors during the year by virtue of RBI Circular no. RBI/2021-22/25 Ref. No. DoS. CO. ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021, relating to Guidelines for appointment of Statutory Auditors and no issue, objection or concern was raised by the erstwhile auditor.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Ind AS financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the

date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

(xx)

(a) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount on account of ongoing projects or other than ongoing projects for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act.

(b) According to the information and explanations given to us, no amount is remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, which is required to be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act.

(xxi) According to the information and explanations given to us and based on our examination of the records of the Company, there are no subsidiaries / associates / joint ventures of the Company and hence the paragraph 3(xxi) of the Order is not applicable to the Company.

**For Singhi & Co.**
Chartered Accountants
Firm Registration No. 302049E

Sd/-
**Shweta Singhal**
Partner
Membership No. 414420
UDIN: 22414420AHKDJQ6313
Place: Mumbai
Date: April 19, 2022

**For Mukund M. Chitale & Co.**
Chartered Accountants
Firm Registration No. 106655W

Sd/-
**Abhay V. Kamat**
Partner
Membership No. 039585
UDIN: 22039585AHKHMU3541
Place: Mumbai
Date: April 19, 2022

**Annexure B to the Independent Auditors' Report of even date on the Ind AS financial statements of ICICI Home Finance Company Limited**

**Referred to in paragraph [8(ii)(f)] under Report on Other Legal and Regulatory Requirements of our report of even date**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

**Opinion**

1. We have audited the internal financial controls over financial reporting with reference to the Ind AS Financial Statements of ICICI Home Finance Company Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

   In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022 based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India.

**Management's Responsibility for Internal Financial Controls**

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India" (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note

require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

4. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

5. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For Singhi & Co.**
Chartered Accountants
Firm Registration No. 302049E

Sd/-
**Shweta Singhal**
Partner
Membership No. 414420
UDIN: 22414420AHKDJQ6313
Place: Mumbai
Date: April 19, 2022

**For Mukund M. Chitale & Co.**
Chartered Accountants
Firm Registration No. 106655W

Sd/-
**Abhay V. Kamat**
Partner
Membership No. 039585
UDIN: 22039585AHKHMU3541
Place: Mumbai
Date: April 19, 2022

₹ in million

**Balance sheet at March 31, 2022**

| | Particulars | Note No. | At March 31, 2022 | At March 31, 2021 |
|---|---|---|---|---|
| I | **ASSETS** | | | |
| | **Financial assets** | | | |
| | Cash and cash equivalents | 6 | 2,693.6 | 7,436.4 |
| | Bank balance other than above | 7 | 2.5 | 460.5 |
| | Derivative financial instruments | 8 | 595.7 | 681.4 |
| | Receivables | 9 | | |
| | (i) Trade receivables | | 12.5 | 25.8 |
| | (ii) Other receivables | | - | - |
| | Loans | 10 | 144,985.0 | 137,578.2 |
| | Investments | 11 | 6,004.1 | 3,956.2 |
| | Other financial assets | 12 | 2,244.2 | 1,463.7 |
| | Assets held for sale | 44 | 425.7 | 425.7 |
| | | | **156,963.3** | **152,027.9** |
| | **Non-financial assets** | | | |
| | Current tax assets (net) | 42 | 956.5 | 918.1 |
| | Deferred tax assets (net) | 42 | 15.8 | 546.1 |
| | Property, plant and equipment | 13 | 1,180.2 | 1,329.3 |
| | Capital work-in-progress | 13 | 6.9 | 8.5 |
| | Intangible assets | 14 | 77.4 | 59.1 |
| | Intangible assets under development | 14 | 37.9 | 44.3 |
| | Other non-financial assets | 15 | 166.8 | 168.2 |
| | | | **2,441.5** | **3,073.6** |
| | | | **159,404.8** | **155,101.5** |
| II | **LIABILITIES AND EQUITY** | | | |
| | **LIABILITIES** | | | |
| | **Financial liabilities** | | | |
| | Derivative financial instruments | 8 | 200.5 | 1,434.8 |
| | Payables | | | |
| | Trade Payables | | | |
| | (i) Micro, small and medium enterprises | 16 | 42.1 | 13.8 |
| | (ii) Other payables | 16 | 1,582.9 | 1,528.1 |
| | Debt securities | 17 | 43,524.7 | 28,854.2 |
| | Borrowings (Other than debt securities) | 18 | 47,539.1 | 58,547.4 |
| | Deposits | 19 | 30,868.2 | 35,058.1 |
| | Subordinate liabilities | 20 | 4,197.9 | 4,198.6 |
| | Other financial liabilities | 21 | 10,147.9 | 7,271.2 |
| | | | **138,103.3** | **136,906.2** |
| | **Non-financial liabilities** | | | |
| | Current tax liabilities (net) | - | - | - |
| | Provisions | 22 | 94.7 | 156.8 |
| | Other non-financial liabilities | 23 | 155.8 | 167.1 |
| | | | **250.5** | **323.9** |
| | **EQUITY** | | | |
| | Equity Share Capital | 4 | 10,987.5 | 10,987.5 |
| | Other equity | 5 | 10,063.5 | 6,883.9 |
| | | | **21,051.0** | **17,871.4** |
| | | | **159,404.8** | **155,101.5** |

**The accompanying notes are an integral part of the financial statements**

As per our report of even date attached

**For M/s Singhi & Co.**
Chartered Accountants
Firm registration no.: 302049E

Sd/-
**Shweta Singhal**
Partner
Membership No.:414420

**For M/s Mukund M. Chitale & Co.**
Chartered Accountants
Firm registration no.: 106655W

Sd/-
**A. V. Kamat**
Partner
Membership No.:039585

For and on behalf of the Board of Directors
**ICICI Home Finance Company Limited**

Sd/-
**Anup Bagchi**
Chairman
DIN-00105962

Sd/-
**Anirudh Kamani**
Managing Director & CEO
DIN-07678378

Sd/-
**Vikrant Gandhi**
Chief Financial Officer

Sd/-
**Priyanka Shetty**
Company Secretary

Place: Mumbai
Date : April 19, 2022

ICICI Home Finance

# ICICI HOME FINANCE COMPANY LIMITED

₹ in million

**Statement of profit and loss for the year ended March 31, 2022**

| Particulars | Note No. | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|---|
| **Revenue from operations** | | | |
| Interest income | 24 | 14,512.2 | 14,635.4 |
| Dividend income | | - | 0.3 |
| Fees and commission income | 25 | 314.2 | 303.4 |
| Net gain on fair value changes | 26 | - | 35.9 |
| Net gain on derecognition of financial instruments under | | 929.2 | 780.9 |
| *-amortised cost category* | | *704.2* | *780.9* |
| *-under fair value through other comprehensive income* | | *225.0* | - |
| Other revenue from operations | 27 | 150.5 | 308.9 |
| **Total revenue from operations** | | 15,906.1 | 16,064.8 |
| Other income | 28 | 11.5 | 70.6 |
| **Total income** | | **15,917.6** | **16,135.4** |
| **Expenses** | | | |
| Finance costs | 29 | 8,789.4 | 10,551.9 |
| Fees and commission expense | 30 | 38.6 | 30.5 |
| Net loss on fair value changes | 26 | 1.1 | - |
| Impairment on financial instruments | 31 | 1,755.3 | 2,694.6 |
| Employee benefit expenses | 32 | 1,718.4 | 1,597.8 |
| Depreciation and amortisation expenses | - | 249.9 | 251.3 |
| Establishment & other expenses | 33 | 1,242.6 | 682.9 |
| **Total expenses** | | **13,795.3** | **15,809.0** |
| **Profit/(Loss) before exceptional items and tax** | | **2,122.3** | **326.4** |
| **Exceptional items** | | - | - |
| **Profit/(Loss) before tax** | | **2,122.3** | **326.4** |
| Tax expense | 42 | | |
| Current tax | | 464.7 | - |
| Deferred tax | | 15.9 | 109.7 |
| **Profit/(Loss) for the year** | | **1,641.7** | **216.7** |
| **Other comprehensive income** | | | |
| **Items that will not be reclassified to profit or loss** | | | |
| Re-measurement of net defined benefit plan | | 12.3 | 3.1 |
| Income tax impact | | (3.1) | (0.8) |
| **Items that will be reclassified to profit or loss** | | | |
| **Derivatives designated as cash flow hedge** | | | |
| Fair value change on derivatives designated as cash flow hedge | | 756.0 | 132.5 |
| Income tax impact | | (190.3) | (33.3) |
| **Financial instruments through other comprehensive income** | | | |
| Fair value changes on loans classified under "Hold & Sell" business model | | 1,275.7 | 1,142.3 |
| Income tax impact | | (321.1) | (287.5) |
| **Total other comprehensive income** | | **1,529.5** | **956.3** |
| **Total comprehensive income** | | **3,171.2** | **1,173.0** |
| Earnings per equity share | 37 | | |
| (1) Basic(₹) | | 1.49 | 0.20 |
| (2) Diluted (₹) | | 1.49 | 0.20 |

**The accompanying notes are an integral part of the financial statements**

As per our report of even date attached

**For M/s Singhi & Co.**
Chartered Accountants
Firm registration no.: 302049E
Sd/-
**Shweta Singhal**
Partner
Membership No.:414420

**For M/s Mukund M. Chitale & Co.**
Chartered Accountants
Firm registration no.: 106655W
Sd/-
**A. V. Kamat**
Partner
Membership No.:039585

For and on behalf of the Board of Directors
**ICICI Home Finance Company Limited**

Sd/-
**Anup Bagchi**
Chairman
DIN-00105962

Sd/-
**Anirudh Kamani**
Managing Director & CEO
DIN-07678378

Sd/-
**Vikrant Gandhi**
Chief Financial Officer

Sd/-
**Priyanka Shetty**
Company Secretary

Place: Mumbai
Date : April 19, 2022

ICICI Home Finance

ICICI Home Finance Company Limited

| Cash flow statement for the year ended March 31, 2022 | | ₹ in million |
|---|---|---|
| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
| **A Cash flow from operating activities** | | |
| Profit before taxation and exceptional items | 2,122.3 | 326.4 |
| Adjustments for: Interest Income on loans | (14,281.2) | (14,410.2) |
| Depreciation/amortisation | 249.9 | 251.3 |
| Loss on sale or write off of fixed assets | 7.5 | 8.8 |
| Fair value change in investment | 1.1 | (35.9) |
| Interest expense on borrowings | 8,789.4 | 10,551.9 |
| Impairment on financial instruments | 1,755.3 | 2,694.5 |
| Share based payment to employees | 33.0 | 32.7 |
| Fair value changes in gratuity | 12.3 | 3.1 |
| Net (gain)/loss on derecognition of financial instruments | (929.2) | (780.9) |
| Dividend Income | - | (0.3) |
| Interest income on investments | (215.6) | (189.2) |
| Profit on sale of mutual fund units | (150.5) | (308.9) |
| | **(2,605.7)** | **(1,856.7)** |
| Interest income received | 14,267.2 | 14,076.2 |
| Interest expenses on borrowings paid | (9,027.0) | (10,629.4) |
| **Operating profit before working capital changes** | **2,634.5** | **1,590.1** |
| Adjustments for increase or decrease in : | | |
| (Increase) / Decrease in Trade receivables | (14.4) | (14.5) |
| (Increase) / Decrease in Other financial assets | 148.8 | 52.4 |
| (Increase) / Decrease in Other non-financial assets | 9.3 | (16.8) |
| (Decrease) / Increase in Trade payables | 83.1 | 623.7 |
| (Decrease) / Increase in Other financial liabilities | 3,169.6 | 2,262.1 |
| (Decrease) / Increase in Other non-financial liabilities | (11.3) | 94.9 |
| (Decrease) / Increase in Provisions | (62.1) | 107.1 |
| (Increase)/Decrease in bank balances other than cash and cash equivalent | 458.0 | 248.0 |
| Loans given (net movement) | (7,844.7) | 2,165.6 |
| **Cash generated from Operations** | **(1,429.2)** | **7,112.6** |
| Income taxes paid (net) | (503.0) | (257.4) |
| **Net cash (used in) / generated from operating activities - A** | **(1,932.2)** | **6,855.2** |
| **B Cash Flow from investing activities** | | |
| Net (Purchase)/sale of fixed assets | (103.4) | (62.2) |
| Net (Purchase)/sale of mutual funds | (1,703.5) | 2,318.4 |
| (Purchase) of investments (other than mutual funds) | (345.7) | (913.2) |
| Sale of investments (other than mutual funds) | - | 200.0 |
| Interest received on investments | 215.6 | 189.2 |
| Dividend income | - | 0.3 |
| Profit on sale of mutual funds | 150.5 | 308.9 |
| **Net cash (used in) / generated from investing activities - B** | | |

ICICI Home Finance

ICICI Home Finance Company Limited

| Cash flow statement for the year ended March 31, 2022 | | ₹ in million |
|---|---|---|
| **Particulars** | **Year ended March 31, 2022** | **Year ended March 31, 2021** |
| **C Cash flow from financing activities** | | |
| Proceeds from borrowings | 72,744.5 | 57,251.9 |
| Repayment of borrowings | (73,677.6) | (58,817.7) |
| Repayment of lease liability (including interest payments) | (91.0) | (115.4) |
| Dividend and dividend distribution tax paid | - | - |
| **Net cash generated from / (used in) financing activities - C** | **(1,024.1)** | **(1,681.2)** |
| **Net increase/(decrease) in cash and cash equivalents (A+B+C)** | **(4,742.8)** | **7,215.4** |
| **Cash and cash equivalents at beginning of the year** | **7,436.4** | **221.0** |
| **Cash and Cash equivalents at end of the year** | **2,693.6** | **7,436.4** |
| **Notes :** | | |
| 1 Cash and cash equivalents consists of : | | |
| (i) Balances in current accounts | 854.1 | 7,436.4 |
| (ii) Other cash and cash equivalents | 1,839.5 | - |
| **Total** | **2,693.6** | **7,436.4** |

2 The above cash flow statement has been prepared under the 'Indirect Method' as set out in Ind AS 7 on "Statement of Cash Flows".

3 Net movement in Borrowings (including Debt Securities), Deposits and Subordinated Liabilities amounting to ₹ 528.5 million (Previous period ₹ 1,998.1 million) includes fresh issuance, repayments, effect of changes in foreign exchange rates, interest accrual and unamortised borrowing cost.

4 There was no financing activities that affect the capital and asset structure of the Company without the use of cash and cash equivalents.

As per our report of even date attached

**For M/s Singhi & Co.**
Chartered Accountants
Firm registration no.: 302049E
Sd/-
**Shweta Singhal**
Partner
Membership No.:414420

**For M/s Mukund M. Chitale & Co.**
Chartered Accountants
Firm registration no.: 106655W
Sd/-
**A. V. Kamat**
Partner
Membership No.:039585

For and on behalf of the Board of Directors
**ICICI Home Finance Company Limited**

Sd/-
**Anup Bagchi**
Chairman
DIN-00105962

Sd/-
**Anirudh Kamani**
Managing Director & CEO
DIN-07678378

Sd/-
**Vikrant Gandhi**
Chief Financial Officer

Sd/-
**Priyanka Shetty**
Company Secretary

Place: Mumbai
Date : April 19, 2022

ICICI Home Finance

**ICICI HOME FINANCE COMPANY LIMITED**

**Statement of changes in equity for the year ended March 31, 2022**

## A. Equity share capital

₹ in million

| | |
|---|---|
| Balance at April 1, 2020 | 10,987.5 |
| Changes in equity share capital during the period | - |
| **Balance at March 31, 2021** | **10,987.5** |
| Changes in equity share capital during the period | - |
| **Balance at March 31, 2022** | **10,987.5** |

## B. Other equity

₹ in million

| | Reserves and surplus | | | Other comprehensive income | | | | |
|---|---|---|---|---|---|---|---|---|
| **Particulars** | **Statutory reserve** | **General reserve** | **Retained earnings** | **Capital contribution** | **Actuarial gain/ (losses)** | **Cash flow hedge reserve** | **Loans through OCI** | **Total** |
| **Balance at April 1, 2020** | **4,765.9** | **249.3** | **1,413.8** | **118.0** | **(7.2)** | **(849.5)** | **-** | **5,690.3** |
| Profit for the year | - | - | 216.7 | - | - | - | - | 216.7 |
| Dividend (including dividend distribution tax) | - | - | - | - | - | - | - | - |
| Transfer to retained earnings | - | - | - | - | - | - | - | - |
| Share based payments to employees | - | - | - | 20.6 | - | - | - | 20.6 |
| Cash flow hedge reserve | - | - | - | - | - | 99.2 | - | 99.2 |
| Actuarial gains/ (losses) | - | - | - | - | 2.3 | - | - | 2.3 |
| Fair value changes on loans classified under "Hold & Sell" business model | - | - | - | - | - | - | 854.8 | 854.8 |
| Transfer to/from reserves | 43.5 | | (43.5) | - | - | - | - | - |
| **Balance at March 31, 2021** | **4809.4** | **249.3** | **1,587.0** | **138.6** | **(4.9)** | **(750.3)** | **854.8** | **6,883.9** |

ICICI Home Finance

**ICICI HOME FINANCE COMPANY LIMITED**

₹ in million

| Particulars | Reserves and surplus | | | Capital contribution | Other comprehensive income | | | Total |
|---|---|---|---|---|---|---|---|---|
| | Statutory reserve | General reserve | Retained earnings | | Actuarial gain/ (losses) | Cash flow hedge reserve | Loans through OCI | |
| **Balance at March 31, 2021** | **4,809.4** | **249.3** | **1,587.0** | **138.6** | **(4.9)** | **(750.3)** | **854.8** | **6,883.9** |
| Profit for the year | - | - | 1,641.7 | - | - | - | - | 1,641.7 |
| Dividend (including dividend distribution tax) | - | - | - | - | - | - | - | - |
| Transfer to retained earnings | - | - | - | - | - | - | - | - |
| Share based payments to employees | - | - | - | 8.4 | - | - | - | 8.4 |
| Cash flow hedge reserve | - | - | - | - | - | 286.2 | - | 286.2 |
| Actuarial gains/ (losses) | - | - | - | - | 9.2 | - | - | 9.2 |
| Others | - | - | - | - | - | - | - | - |
| Fair value changes on loans classified under "Hold & Sell" business model | - | - | - | - | - | - | 1,123.0 | 1,123.0 |
| Gain/(loss) reclassified to Profit & loss (net-off tax) | - | - | - | - | - | 279.5 | (168.4) | 111.1 |
| Transfer to/from reserves | 328.5 | - | (328.5) | - | - | - | - | - |
| **Balance at March 31, 2022** | **5,137.9** | **249.3** | **2,900.2** | **147.0** | **4.3** | **(184.6)** | **1,809.4** | **10.063.5** |

As per our report of even date attached

**For M/s Singhi & Co.**
Chartered Accountants
Firm registration no.: 302049E
Sd/-
**Shweta Singhal**
Partner
Membership No.:414420

**For M/s Mukund M. Chitale & Co.**
Chartered Accountants
Firm registration no.: 106655W
Sd/-
**A. V. Kamat**
Partner
Membership No.:039585

For and on behalf of the Board of Directors
**ICICI Home Finance Company Limited**

Sd/-
**Anup Bagchi**
Chairman
DIN-00105962

Sd/-
**Anirudh Kamani**
Managing Director & CEO
DIN-07678378

Sd/-
**Vikrant Gandhi**
Chief Financial Officer

Sd/-
**Priyanka Shetty**
Company Secretary

Place: Mumbai
Date : April 19, 2022

## NOTES FORMING PART OF THE ACCOUNTS

### 1. Corporate information

ICICI Home Finance Company Limited (the Company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 2013 (erstwhile Companies Act, 1956). The Company is a deposit taking Housing Finance Company registered with the National Housing Bank (NHB) and is governed by the provisions of the Master Direction - Non-Banking Financial Company - Housing Finance Companies (Reserve Bank) Directions, 2021 issued by the Reserve Bank of India (RBI) (Master Directions). The Company is wholly-owned subsidiary of ICICI Bank Limited. The Company's registered office is at ICICI Bank Towers, Bandra-Kurla Complex, Bandra, Mumbai, India. The principal place of business of the Company is at ICICI HFC Tower, J B Nagar, Andheri Kurla Road, Andheri, Mumbai. The Company is engaged in providing loans for the purpose of acquiring, constructing, erecting, improving, developing any house, flats or buildings or any form of real estate or any part or portion thereof. The Company also provides loans for specified purposes against the security of immovable property and loan against gold. The Company is also engaged in providing advisory, consultancy and broking for residential and commercial properties.

The financial statements were approved for issue by the Board of Directors on April 19, 2022.

### 2. Statement of Compliance, Basis of preparation and presentation of Financial Statements

#### 2.1 Statement of compliance

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 (the Act) and relevant amendment rules issued thereafter and guidance given by RBI through its Master direction; on the historical cost basis except for certain financial instruments and plan assets of defined benefit plans that are measured at fair values at the end of each reporting period as explained in the significant accounting policies below. The financial statements have been prepared on a going concern basis.

#### 2.2 Functional and presentation currency

The financial statements are presented in Indian Rupees (₹), which is the functional and the presentation currency of the Company. Except as otherwise indicated, financial information presented in Indian Rupees has been rounded to the nearest million with one decimal.

#### 2.3 Presentation and disclosure of financial statements

The Company prepares its financial statements in the format prescribed in the Division III of Schedule III of the Act applicable for preparation and presentation of the financial statements and disclosures required as per annexure III and IV of the Master direction issued by RBI. Schedule to the Balance Sheet of the Housing Finance Company as required under Annexure III of the Master direction issued by RBI is appended as Annexure – 1. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows'. The Company presents its Balance Sheet in the order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in note no. 34. Accounting policies have been consistently

applied except where a newly-issued Ind AS is initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use.

**Offsetting financial instruments**

Financial asset and financial liabilities are generally reported gross in the balance sheet. They are offset and reported net when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

## 3. Significant Accounting policies

### 3.1 Use of estimates and judgement

The preparation of financial statements in conformity with Ind AS requires that the management make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities and disclosures of contingent assets and liabilities as of the date of the financial statements and the income and expense for the year. The actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Accounting policies of the Company require critical accounting estimates that involve complex and subjective judgments and the use of assumptions, some of which may be for matters that are inherently uncertain and susceptible to change. Such critical accounting estimates could change from period to period and may have a material impact on the Company's financial condition, changes in financial condition or results of operations. Critical accounting estimates could also involve estimates where management could have reasonably used another estimate in the current accounting period. The critical policies that involves critical accounting estimates includes fair value measurement of financial instruments, business model assessment for classification and measurement of financial assets, recognition of gain on derecognition of financial assets, impairment of financial assets, recognition of interest income/expenses using Effective Interest Rate (EIR) method, measurement of assets and obligations of defined benefit employee plans, measurement of provisions, contingencies and deferred tax. Management believes that the estimates used in the preparation of the Company's financial statements are prudent and reasonable.

The Company has considered the possible effects that may result from any new wave of pandemic relating to COVID-19 on carrying amount of its assets. For details, please refer disclosures on Expected Credit Losses (ECL) and fair valuation. The impact of such new wave of COVID-19 on the Company's financial statements may differ from that estimated at the date of approval of these financial statements.

### 3.2 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

## NOTES FORMING PART OF THE ACCOUNTS

### a. Recognition of interest income and interest expenditure

Interest income and expense for all interest bearing financial instruments subsequently measured at amortised cost or fair value through other comprehensive income (FVOCI) are recognised as 'interest income' and 'interest expense', respectively in the Statement of profit and loss on an accrual basis using the EIR method.

The EIR method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The EIR is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability on initial recognition. When calculating the EIR, the Company estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The EIR calculation includes all fees paid or received, transaction costs and all other premiums or discounts. Where the estimates of cash flows have been revised, the carrying amount of the financial asset or liability is adjusted to reflect the actual and revised cash flows, discounted at the instruments original EIR. The adjustment is recognised as interest income or expense in the period in which the revision is made.

Interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets. For credit-impaired financial assets, interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses). Interest expense is calculated by applying the EIR to the gross carrying amount of financial liabilities.

Interest on Government Securities and bank deposits are recognised on a time proportionate basis.

Further, the Company based on the directions/instructions given by the Government of India and RBI, credits/refunds the interest on interest to the eligible borrowers.

### b. Income from Direct assignment

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of Excess Interest Spread (EIS). The future EIS basis the expected cash flows on the execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the statement of profit and loss.

### c. Dividend income

Dividend is accounted on an accrual basis

- when the right to receive the dividend is established,
- it is probable that the economic benefits associated with the dividend will flow to the Company; and
- the amount of dividend can be reliably measured.

**d. Fee and commission income**

Fee and commission income other than those that are integral part of EIR are recognised when the Company satisfies the performance obligation over time and as the related services are performed.

Property services fees are recognised to the extent of invoice raised on the customer, when right to receive payment is established.

**e. Rental income**

Income from operating leases are recognised in the statement of profit and loss as per the contractual rentals unless another systematic basis is more representative of the time pattern in which benefits derived from the leased assets.

**f. Other Income**

Other Income represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

**3.3 Financial assets**

**Recognition and Initial measurement**

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity. Few examples of financial assets are loan receivables, investment in equity and debt instruments, trade receivables and cash and cash equivalents.

Financial assets, other than loans, are initially recognised on the trade date, i.e. the date on which the Company becomes the party to the contractual provisions of the instrument. Loans are recognised when the fund transfer is initiated or disbursement cheque is issued.

At initial recognition, the Company measures a financial asset at its fair value including transaction costs (other than those measured at FVTPL) that are directly attributable to the acquisition or issue of the financial asset.

**Classification of financial assets**

Except where financial assets that are irrevocably designated at initial recognition as fair value through profit or loss (FVTPL), the Company classifies and measures all its financial assets based on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the assets either at:

**(A) Amortised cost**

The Company classifies the financial assets at amortised cost if the contractual cash flows represents solely payments of principal and interest on the principal amount outstanding and as per the Company's business model management is intending to hold these financial assets in order to collect contractual cash flows.

The business model of the Company for assets subsequently measured at amortised cost category is to hold and collect contractual cash flows. However, considering the asset-liability maturity gap, liquidity plans and funding needs, it may enter into transactions to sell these portfolios to banks/other lending institutions.

**(B) Fair value through other comprehensive income (FVOCI)**

The Company classifies the financial assets as FVOCI if the contractual cash flows represents solely payments of principal and interest on the principal amount outstanding and the Company's business model is achieved by both collecting contractual cash flow and selling the financial assets.

On derecognition of the financial assets measured at fair value through Other Comprehensive Income, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the Statement of Profit and Loss.

**(C) Fair value through profit or loss (FVTPL)**

Financial assets are classified as FVTPL unless they are classified as FVOCI or at amortised cost.

**Equity instruments**

The Company measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity investments as equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 - Financial Instruments : Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis. The Company follows trade date method of accounting for purchase and sale of investments. Profit or loss on sale of investments is determined on First in First out (FIFO) basis.

**Subsequent measurement of financial assets**

**(A) Financial assets at amortised cost**

These financial assets are subsequently measured at amortised cost on EIR method. The amortised cost is reduced by impairment losses. Interest income, impairment losses and gains and losses on derecognition are recognised in statement of profit and loss.

**(B) Financial assets at FVOCI**

Financial assets included within the FVOCI category are measured subsequently at each reporting date at fair value. Interest income and impairment loss are recognised in the statement of profit and loss. Fair value movements on subsequent measurement are recognised in the OCI.

**(C) Financial assets at FVTPL**

Financial assets included within the FVTPL category are measured subsequently at each reporting date at fair value. Net gain or loss, including interest and other income are recognised in the Statement of Profit and Loss.

**Reclassification of financial assets**

The Company changes classification of its financial assets only on account of changes in its business model for managing those financial assets. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the changes in the business model that results in reclassification. Also refer note no. 43, for changes in business model.

**3.4 Financial liabilities and equity instruments**

The Company classifies these instruments as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

**Equity**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the face value and proceeds received in excess of the face value are recognised as securities premium.

**Financial liabilities**

The Company's borrowings include bonds, commercial paper, fixed deposits, borrowings from banks, etc. Fixed deposits, debt securities issued, subordinated liabilities and other borrowings are initially measured at fair value less directly attributable transaction costs and subsequently measured at their amortised cost using the EIR method.

**3.5 Determination of fair value**

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid/ask prices and using valuation techniques/methods for other instruments. Valuation techniques/methods include discounted cash flow method and other unobservable inputs.

**3.6 Modification and derecognition of financial assets and liabilities**

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date.

The Company renegotiates loans to customers in financial difficulty, including loans where relief measures on account of COVID-19 pandemic has been given, to maximise collection and minimise

the risk of default. Relief is generally given in the form of extension of loan tenure, moratorium on payment of equated monthly instalments (EMIs) for a certain period with/without step-up EMI subsequently. On modification, the financial assets are assessed for de-recognition principals and financial assets are de-recognised when, and only when: (a) the contractual rights to the cash flows from the financial asset expires, or (b) it transfers the financial asset and the transfer qualifies for derecognition as per the principle's laid down under Ind AS 109 - Financial Instruments.

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset, the Company recalculate the gross carrying amount of the financial asset and difference, if any, in the gross carrying amount of the financial asset is recognised as modification gain or loss in statement of profit and loss.

Financial assets are de-recognised when the contractual rights to the cash flows from the financial assets have expired or where the Company has transferred substantially all the risks and rewards of ownership. If substantially all the risks and rewards have been neither retained nor transferred and the Company retains control, the assets continues to be recognised to the extent of the Company's continuing involvement.

Any loans transferred to asset reconstruction companies, against the consideration of security receipts issued by the asset reconstruction companies, do not meet the derecognition criteria and therefore are not de-recognised till such time as the asset reconstruction companies redeem the security receipts. Further, any loans transferred to asset reconstruction companies against upfront consideration are derecognised and corresponding gain/(loss) on such transfer is recognised at the time of transfer/sale.

The Company transfers loans through direct assignment transactions. The transferred loans are de-recognised and gains/losses are accounted for, only if the Company transfers substantially all risks and rewards specified in the underlying assigned loan contracts. In accordance with the Ind AS 109 - Financial Instruments, on de-recognition of a financial asset for assigned transactions, the difference between the carrying amount and the consideration received are recognised in the Statement of profit and loss and present value of future cash flows accruing in the form of differential interest (excess interest spread) over the expected life of the assigned loans is recognised at the date of derecognition as receivable with a corresponding credit to profit and loss account.

The Company continues to perform servicing of the assigned loans and receives servicing fee from the assignee. If the fee to be received is not expected to compensate the Company adequately for performing the servicing activities, a servicing liability for the servicing obligation is recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing activities, a servicing asset is recognised. Corresponding amount is recognised in the Statement of profit and loss.

Financial liabilities are derecognised when they are extinguished, that is when the obligation is discharged, cancelled or expired.

## NOTES FORMING PART OF THE ACCOUNTS

### 3.7 Impairment of financial assets

The Company recognises loss allowances using the ECL model under Ind AS 109 for the financial assets and loan commitments which are not fair valued through profit or loss. ECL for loans and advances are measured at an amount equal to the 12-month ECL (ECL allowance on default events on the financial instruments that are possible within 12 months after the reporting date), unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL (ECL that results from all possible default events over the life of the financial instrument). Equity instruments are measured at fair value and not subject to impairment loss. ECL allowance (or reversal) recognised during the year is recognised as expenses/(income) in the Statement of profit and loss.

Financial assets are normally written-off, either partially or in full, when there is no reasonable expectation of further recovery.

For detailed information on categories of loans into stages as defined under Ind AS 109 - Financial Instruments, significant increase in credit risk, default and methodology of calculating ECL using Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD), refer note no. 46.

### 3.8 Property, plant and equipment

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment losses. The cost includes expenditures that are directly attributable to the acquisition and installation of the asset, net of tax/duty credits availed, if any. PPE is recognised when it is probable that future economic benefits associated with the item is expected to flow to the Company and the cost of the item can be measured reliably.

Capital work-in-progress includes assets not ready for the intended use on the date of Balance Sheet.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain/loss on disposal of an item of PPE is determined by comparing the proceeds from disposal with carrying amount of the item of the PPE and is recognised in the Statement of profit and loss. The costs of the day-to-day servicing of PPE are recognised in statement of profit and loss as and when they are incurred.

### 3.9 Intangible assets

Purchased software are measured at cost less accumulated amortisation and accumulated impairment losses. The cost includes expenditures that are directly attributable to the acquisition and installation of the software, net of tax/duty credits availed, if any. Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as 'Intangible assets under development'.

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use of the asset. The gain/loss on disposal of an item of intangible assets is determined by comparing the proceeds from disposal with carrying amount of the item of the intangible assets and is recognised in the Statement of profit and loss.

### 3.10 Depreciation and amortisation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is provided on straight-line basis over the estimated useful lives of the assets, which are equal to or higher than the rates prescribed under schedule II of the Companies Act, 2013. Higher rates of depreciation are used to reflect the actual usage of the assets or based on internal assessment by the management.

The following table sets forth, useful life of property, plant and equipment.

| **Particulars** | **Useful life (No. of years)** |
|---|---|
| Office Buildings on freehold land | 60 |
| Right of use asset (ROU) | Period of lease |
| Improvements to leasehold property | Period of lease |
| Furniture and fixtures* | 5 to 10 |
| Office Equipment* | 3 to 5 |
| Electrical installations and equipment | 10 |
| Motor vehicles* | 5 |
| Servers and network equipment* | 4 to 6 |
| Computers | 3 |
| Software* | 4 |

* Based on actual usage/internal assessment

Items individually costing upto ₹ 5,000 are depreciated fully over the period of 12 months from the date of purchase.

Depreciation and amortisation methods, useful lives and residual values are reassessed at each reporting date and effect of changes are recognised prospectively. Advances paid towards acquisition of property, plant and equipment are disclosed as capital advances.

### 3.11 Impairment of non-financial assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. If any such indication exists the recoverable amount of an asset is estimated to determine the extent of impairment. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss. An impairment loss is reversed in the Statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount.

## NOTES FORMING PART OF THE ACCOUNTS

### 3.12 Taxation

Tax expense comprises of current and deferred tax.

**Current tax**

Income tax expense is recognised in the Statement of profit and loss, except to the extent that it relates to items recognised directly in equity/OCI in which case it is recognised in equity/OCI. Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

**Deferred Tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose and the amounts for tax purposes.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised, for all deductible temporary differences, to the extent it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. 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. Deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

### 3.13 Employee benefits plans

**Gratuity**

The Company pays gratuity, a defined benefit plan, to employees who retire or resign after a minimum prescribed period of continuous service. The Company makes contribution to a trust which administers the funds through insurance companies.

The Company recognises gratuity liability based on actuarial valuation as determined by the actuary appointed by the Company. Actuarial valuation of gratuity liability is determined based on certain assumptions regarding rate of interest, salary growth, mortality and staff attrition as per the projected unit credit method. The actuarial gains or losses arising during the year are recognised in OCI and are not reclassified in to profit and loss account in subsequent periods.

Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become

vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of planned assets.

**Provident fund**

The Company is statutorily required to maintain a provident fund, a defined benefit plan, as a part of retirement benefits to its employees. Each employee contributes a certain percentage of his or her basic salary and the Company contributes an equal amount for eligible employees. Out of the contribution made by the Company, amount as required by The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 is contributed to Employees' Pension Scheme administered by the Regional Provident Fund Commissioner. The balance contributions are made to a fund administered by trustees. The contributions are recognised as expense in the year in which they are incurred. The funds are invested according to the rules prescribed by the Government of India. Actuarial valuation for the interest rate guarantee on the provident fund balances is determined by an actuary appointed by the Company. Any shortfall in amount is contributed by the Company to the trust and charged to its statement of profit and loss.

**Accumulated leave**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service.

The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes.

The Company provides for leave encashment benefits, which is a defined benefit obligation, based on actuarial valuation conducted by an independent actuary.

**Long-term incentive plan**

The Company pays long term incentives to certain employees on fulfilment of prescribed criteria/ conditions. The Company's liability towards long term incentive is determined actuarially based on certain assumptions regarding rate of interest, staff attrition and mortality as per the projected unit credit method. Expenses towards long term incentive and actuarial gains or losses arising during the year are recognised in the Statement of profit and loss.

**Superannuation Fund and National Pension Scheme**

The Company contributes 15% of basic salary for certain employees to superannuation funds, defined contribution plan, managed and administered by insurance companies. Further, the Company contributes 10.0% of the basic salary for certain employees to National Pension Scheme (NPS), a defined contribution plan, which is managed and administered by pension management companies. The Company also gives an option to its employees allowing them to receive the amount in lieu of such contributions along with their monthly salary during their employment.

**NOTES FORMING PART OF THE ACCOUNTS**

The amount so contributed/paid by the Company to the Superannuation fund and NPS or to employees during the period are recognised in the Statement of profit and loss.

**3.14 Share-based payments**

The Parent Bank (ICICI Bank Limited) issues stock options to certain employees of the Company. These transactions are recognised as equity-settled share based payment transactions. The stock compensation expense is determined based on grant date fair value of options and the Parent Bank's estimate of options that will eventually vest and is recognised on a straight line basis over the vesting period in the statement of profit and loss. For options granted till FY2020, corresponding impact is given to equity as contribution from the Parent Bank as the cost was not charged by the Parent Bank. For options granted from FY2021, the Company pays the cost charged by the Parent Bank.

**3.15 Leases**

The Company has various lease arrangement for many assets including properties. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the commencement of the lease, the Company recognises a Right-of-Use (ROU) asset and a corresponding lease liability for all lease arrangements, except for leases with a term of twelve months or less (short-term leases) and low value leases. For low-value and short-term leases, lease rentals are recognised in the Statement of profit and loss on accrual basis. The ROU asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for any prepaid lease plus any initial direct costs paid at or before the commencement date and subsequently at cost less accumulated amortisation and accumulated impairment losses, if any. The lease liability is measured at amortised cost at the present value of the future lease payment, discounted using the Company's incremental borrowing rate. The lease liability is subsequently increased by interest cost on the lease liability and decreased by the lease payment made.

ROU assets are depreciated from the commencement date on a straight-line basis over the lease period. ROU assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of profit and loss.

**3.16 Provisions, contingent liabilities and contingent assets**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined based on management estimate of cash outflow to settle the obligation at the Balance Sheet date, supplemented by experience of similar transactions. These are reviewed at each reporting date and adjusted to reflect the current management estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or nonoccurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises

in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised. However, where an inflow of economic benefit is probable, the same is being disclosed.

Provisions, contingent liabilities and contingent assets are reviewed at each reporting date.

### 3.17 Commitments

Commitments are future liabilities, classified and disclosed as follows:

a) Undrawn loan commitments;
b) Estimated amount of contracts remaining to be executed on capital account and not provided for;
c) Uncalled liability on investments partly paid;
d) Other commitments, if any, to the extent they are considered material and relevant in the opinion of management.

### 3.18 Non-Current Assets held for sale

Non-current assets are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

### 3.19 Earnings per share

The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

### 3.20 Statement of cash flows

Statement of cash flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is prepared using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing activities.

## NOTES FORMING PART OF THE ACCOUNTS

### 3.21 Foreign currencies

Transactions in currencies other than the Company's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported at the rates prevailing at the year-end. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

### 3.22 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with bank. Cash equivalents are short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

### 3.23 Accounting for derivative financial instruments

The Company enters into derivative contracts such as interest rate swaps, foreign exchange contracts and currency swaps, to manage its exposure to interest rate risk and foreign exchange rate risk. The Company recognises and measures such derivative instruments at fair value. Except for those derivatives which are designated as effective cash flow hedge, the gains and losses are recognised in the statement of profit and loss.

The Company has designated certain derivatives as cash flow hedges of interest bearing liabilities. At the inception of a hedge transaction, the Company formally documents the hedge 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 assessing effectiveness and measuring ineffectiveness of the hedge. In addition, the Company assesses both at the inception of the hedge and on an ongoing basis, whether the derivative used in the hedging transaction is effective in offsetting changes in fair value of the hedged item, and whether the derivative is expected to continue to be highly effective. The Company assesses the effectiveness of the hedge instrument at inception and continually on a quarterly basis. The effective portion of change in fair value of the designated hedging instrument is recognised in the OCI. The ineffective portion of designated hedges are recognised immediately in the statement of profit and loss. A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

### 3.24 Dividend pay-out

The Company recognises a liability towards equity shareholders of the Company when the dividend is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, an interim dividend is authorised when it is approved by the Board of Directors and final dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

## NOTES FORMING PART OF THE ACCOUNTS

### 4. Equity share capital

The following table sets forth, for the periods indicated, details of share capital.

₹ in million

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| **Authorised shares** | | |
| 2,385,000,000 Equity shares of ₹ 10 each (March 2021: 2,385,000,000) | 23,850.0 | 23,850.0 |
| 15,000,000 Preference shares of ₹ 10 each (March 2021: 15,000,000) | 150.0 | 150.0 |
| **Total authorised shares** | **24,000.0** | **24,000.0** |
| **Issued, subscribed and paid-up Equity share capital** | | |
| 1,098,750,000 Equity shares of ₹ 10 each fully paid-up (March 2021 - 1,098,750,000) | 10,987.5 | 10,987.5 |
| **Total Issued, subscribed and paid-up Equity share capital** | **10,987.5** | **10,987.5** |

The following table sets forth, for the periods indicated, reconciliation of the equity shares.

| Particulars | At March 31, 2022 | | At March 31, 2021 | |
|---|---|---|---|---|
| | No. | ₹ in million | No. | ₹ in million |
| At the beginning of the year | 1,098,750,000 | 10,987.5 | 1,098,750,000 | 10,987.5 |
| Issued during the year | - | - | - | - |
| Outstanding at the end of the year | 1,098,750,000 | 10,987.5 | 1,098,750,000 | 10,987.5 |

The following table sets forth, shares held by the promoters at March 31, 2022.

| | Promoter name | No. of Shares | % of total shares | % change during the year |
|---|---|---|---|---|
| 1 | ICICI Bank Limited | 1,098,748,900 | 100% | Nil |
| 2 | ICICI Securities Limited | 600 | * | Nil |
| 3 | ICICI Venture Funds Management Company Limited | 100 | * | Nil |
| 4 | ICICI Investment Management Company Limited | 100 | * | Nil |
| 5 | ICICI Trusteeship Services Limited | 100 | * | Nil |
| 6 | ICICI Lombard General Insurance Company Limited | 100 | * | Nil |
| 7 | ICICI Securities Primary Dealership Limited | 100 | * | Nil |
| **Total** | | **1,098,750,000** | **100%** | |

*Insignificant percentage of total shares

## NOTES FORMING PART OF THE ACCOUNTS

a. All equity shares are held by the holding company (ICICI Bank Limited) and its nominees at March 31, 2022 and at March 31, 2021.
b. The Company has not reserved any shares for issues under options and contracts/ commitments for the sale.
c. The Company has not allotted any shares pursuant to contracts without payment being received in cash or as bonus shares nor it has bought back any shares during the preceding five financial years.
d. The Company has not:
   i. Issued any securities convertible into equity/preference shares.
   ii. Issued any shares where calls are unpaid.
   iii. Forfeited any shares.
e. Terms/rights attached to equity shares
   The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by Shareholders at the Annual General Meeting.
f. Company's objectives, policies and process for managing Capital – Refer note no. 36
g. For dividend related details, refer note no. 41.

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

### 5. Other Equity

The following table sets forth, for the periods indicated, details of other equity.

### A. Summary of Other Equity balance

₹ in million

| | Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|---|
| (i) | General reserve | 249.3 | 249.3 |
| (ii) | Statutory reserve (As per Section 29C of National Housing Bank Act,1987) and Special reserve | 5,137.9 | 4,809.4 |
| (iii) | Retained earnings | 2,900.2 | 1,587.0 |
| (iv) | Capital contribution (Share based compensation to employees) | 147.0 | 138.6 |
| (v) | Items of Other Comprehensive Income | | |
| | - Re-measurements of net defined benefit plan | 4.3 | (4.9) |
| | - Fair value change on derivatives designated as cash flow hedges | (184.6) | (750.3) |
| | - Fair value changes on loans classified under "Hold & Sell" business model | 1,809.4 | 854.8 |
| | **Total Other Equity** | **10,063.5** | **6,883.9** |

## NOTES FORMING PART OF THE ACCOUNTS

### B. Nature and purpose of reserves

#### a. General Reserve

The Company created a General Reserve in earlier years pursuant to the provisions of the Companies Act, 1956, wherein certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per Companies Act, 2013, the requirement to transfer profits to General Reserve is not mandatory. General reserve is a free reserve available to the Company for distribution.

#### b. Statutory Reserve and Special Reserve

The Company has created a reserve fund as required by section 29C of National Housing Bank Act, 1987, wherein a sum not less than twenty percent of its profit every year, as disclosed in the statement of profit and loss and before any dividend is declared, is transferred. For this purpose, any Special Reserve created by the Company under Section 36(1) (viii) of the Income Tax Act, 1961 is considered an eligible transfer. Statutory Reserve can be utilised only for the purposes as may be specified by the NHB from time to time and every such utilisation is required to be reported to the NHB within twenty-one days from the date of such utilisation.

The following table sets forth, for the periods indicated, reconciliation of the statutory reserve.

₹ in million

| Particulars | | At March 31, 2022 | At March 31, 2021 |
|---|---|---|---|
| **Balance at the beginning of the year** | | | |
| a) | Statutory Reserve u/s 29C of National Housing Bank, Act 1987 | 1,727.9 | 1,684.4 |
| b) | Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve under section 29C of the NHB Act, 1987 | 3,081.5 | 3,081.5 |
| | **Total** | **4,809.4** | **4,765.9** |
| **Addition/Appropriation/Withdrawal during the year** | | | |
| Add: | a) Amount transferred u/s 29C of the NHB Act, 1987 | 94.5 | 43.5 |
| | b) Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve u/s 29C of the NHB Act, 1987 | 234.0 | - |
| Less: | a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987 | - | - |
| | b) Amount Withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987 | - | - |
| **Balance at the end of the year** | | | |

**NOTES FORMING PART OF THE ACCOUNTS**

| Particulars | | At March 31, 2022 | At March 31, 2021 |
|---|---|---|---|
| a) | Statutory Reserve u/s 29C of the National Housing Bank Act, 1987 | 1,822.4 | 1,727.9 |
| b) | Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve under section 29C of the NHB Act, 1987 | 3,315.5 | 3,081.5 |
| | **Total** | **5,137.9** | **4,809.4** |

**Draw down from reserves**

There has been no draw down from reserves during the year ended March 31, 2022 (March 2021 - Nil).

**c. Capital contribution (Share based compensation to employees)**

The Parent Bank (ICICI Bank Limited) has issued stock options to certain employees of the Company. These transactions are recognised as equity-settled share based payment transactions. The stock compensation expense is determined based on fair value of options and the Parent Bank's estimate of options that will eventually vest and is recognised over the vesting period in the statement of profit and loss with corresponding increase in equity as contribution from the Parent Bank on options granted till March 31, 2020. However, from April 1, 2020 the Company is paying the cost of options granted to its employees by the Parent Bank.

**d. Other Comprehensive Income (OCI)**

Re-measurements of net defined benefit plan - It represents the cumulative actuarial gains/(losses) on defined employee benefit plans.

Cash flow hedge - It represents the cumulative gains/(losses) arising on fair valuation of the derivative instruments designated as cash flow hedges through OCI at reporting date.

Fair value changes on loans classified under "Hold & sell" business model - It represents cumulative gains/(losses) arising on fair valuation of mortgage loans set aside under the hold and sell business model at reporting date.

**6. Cash and Cash Equivalents**

The following table sets forth, for the periods indicated, details of cash and cash equivalents.

₹ in million

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| Cash on hand | - | - |

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| Balances with banks[1] (in current accounts) | 854.1 | 7,436.4 |
| Other cash & cash equivalents | 1,839.5 | - |
| **Total** | **2,693.6** | **7,436.4** |

1. There was no earmarked balance at March 31, 2022 (March 31, 2021: Nil).

## 7. Bank balances other than cash and cash equivalents

The following table sets forth, for the periods indicated, bank balances other than cash and cash equivalents.

₹ in million

| Particulars | At March 31, 2022 | At March 31, 2021[1] |
|---|---|---|
| Balances with banks to the extent held as margin money or security against borrowings, guarantees, other commitments (in deposit accounts with original maturity more than 3 months) | 2.5 | 460.5 |
| **Total** | **2.5** | **460.5** |

1. Includes fixed deposits of ₹ 458.0 million placed with scheduled banks to comply with requirements of Companies (Share capital and Debentures) Amendment Rules, 2019.

## 8. Derivative financial instruments

The Company enters into derivatives transactions for risk management purposes. The primary risk managed using derivatives instruments are foreign currency risk and interest rate risk. The Company deals in derivatives for hedging floating rate borrowings denominated in foreign currency. Refer note no. 52 for detailed information on derivatives transaction undertaken by the Company.

The following tables set forth, for the periods indicated, notional amounts and fair values of the derivative deals entered into by the Company.

₹ in million

| Particulars | At March 31, 2022 | | | |
|---|---|---|---|---|
| | Notional amounts[1] | Fair value - assets | Notional amounts[1] | Fair value – liabilities |
| **Part I** | | | | |
| **(i) Currency derivatives** | | | | |
| - Forwards | - | - | 900.2 | 66.0 |
| - Currency swaps | 13,286.8 | 595.7 | - | - |
| **Sub-total (i)** | **13,286.8** | **595.7** | **900.2** | **66.0** |
| **(ii) Interest rate derivatives** | | | | |
| Interest rate swaps | - | - | 13,286.8 | 134.5 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | At March 31, 2022 | | | |
|---|---|---|---|---|
| | Notional amounts[1] | Fair value - assets | Notional amounts[1] | Fair value – liabilities |
| Forward rate agreements | - | - | - | - |
| **Sub-total (ii)** | **-** | **-** | **13,286.8** | **134.5** |
| **Total derivative financial instruments (i) + (ii)** | **13,286.8** | **595.7** | **14,187.0** | **200.5** |
| | | | | |
| **Part II** | | | | |
| Included in above (Part I) are derivatives held for hedging and risk management purposes as follows: | | | | |
| **(i) Cash flow hedging** | | | | |
| - Currency derivatives | 13,286.8 | 595.7 | 900.2 | 66.0 |
| - Interest rate derivatives | - | - | 13,286.8 | 134.5 |
| **Sub-total (i)** | **13,286.8** | **595.7** | **14,187.0** | **200.5** |
| | | | | |
| **Total derivative financial instruments** | **13,286.8** | **595.7** | **14,187.0** | **200.5** |

1. Notional amounts are converted using foreign exchange rates prevailing at reporting date.

₹ in million

| Particulars | At March 31, 2021 | | | |
|---|---|---|---|---|
| | Notional amounts[1] | Fair value – assets | Notional amounts[1] | Fair value – liabilities |
| **Part I** | | | | |
| **(i) Currency derivatives** | | | | |
| - Forwards | - | - | 2,196.5 | 100.3 |
| - Currency swaps | 20,120.4 | 681.4 | - | - |
| **Sub-total (i)** | **20,120.4** | **681.4** | **2,196.5** | **100.3** |
| **(ii) Interest rate derivatives** | | | | |
| - Interest rate swaps | - | - | 20,120.4 | 1,334.5 |
| - Forward rate agreements | - | - | - | - |
| **Sub-total (ii)** | **-** | **-** | **20,120.4** | **1,334.5** |
| **Total derivative financial instruments (i) + (ii)** | **20,120.4** | **681.4** | **22,316.9** | **1,434.8** |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | At March 31, 2021 | | | |
|---|---|---|---|---|
| | Notional amounts[1] | Fair value – assets | Notional amounts[1] | Fair value – liabilities |
| **Part II** | | | | |
| Included in above (Part I) are derivatives held for hedging and risk management purposes as follows: | | | | |
| **(i) Cash flow hedging** | | | | |
| - Currency derivatives | 20,120.4 | 681.4 | 2,196.5 | 100.3 |
| - Interest rate derivatives | - | - | 20,120.4 | 1,334.5 |
| **Sub-total (i)** | **20,120.4** | **681.4** | **22,316.9** | **1,434.8** |
| | | | | |
| **Total derivative financial instruments** | **20,120.4** | **681.4** | **22,316.9** | **1,434.8** |

1. Notional amounts are converted using foreign exchange rates prevailing at reporting date.

### Interest Rate Swaps (IRS)

The following tables set forth, for the periods indicated, the details of risk exposure in interest rate swaps.

₹ in million

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| (i) The notional principal of swap agreements | 13,286.8 | 20,120.4 |
| (ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements | - | - |
| (iii) Collateral required by the HFC upon entering into swaps | - | - |
| (iv) Concentration of credit risk arising from the swap | - | - |
| (v) The fair value (MTM) of the swap book | (134.5) | (1,334.5) |

₹ in million

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| (i) Derivatives (notional principal amount) | 13,286.8 | 20,120.4 |
| (ii) Marked to market positions | (134.5) | (1,334.5) |
| (iii) Assets (+) | - | - |
| (iv) Liability (-) | (134.5) | (1,334.5) |
| (v) Credit exposure | - | - |
| (vi) Unhedged exposures | - | - |

**Forward Rate Agreement (FRA)**

The Company does not have any forward rate agreement in the current year (March 31, 2021: Nil).

**Exchange Traded Interest Rate Derivative**

The Company does not have any exchange traded interest rate derivatives in the current year (March 31, 2021: Nil).

**Currency and forward derivatives**

The following tables set forth, for the periods indicated, the details of currency and forward derivatives.

₹ in million

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| The notional principal of currency swap/forward | 14,187.0 | 22,316.9 |
| Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements | 595.7 | 681.4 |
| Collateral required by the Company upon entering into swaps | - | - |
| Concentration of credit risk arising from the swap[1] | 100% | 100% |
| The fair value of (MTM) the swap book | 529.7 | 581.1 |

1. Entire exposure is towards banks.

₹ in million

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| Derivatives (notional principal amount) | 14,187.0 | 22,316.9 |
| Marked to market positions | 529.7 | 581.1 |
| Assets (+) | 595.7 | 681.4 |
| Liability (-) | (66.0) | (100.3) |
| Credit exposure | - | - |
| Unhedged exposures | - | - |

**9. Receivables**

The following tables set forth, details of trade receivables at March 31, 2022.

₹ in million

| Particulars | Gross value | Expected credit loss | Net value |
|---|---|---|---|
| **Trade receivables** | | | |
| Receivables considered good – secured | - | - | - |
| Receivables considered good – unsecured[1] | 12.5 | - | 12.5 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Gross value | Expected credit loss | Net value |
|---|---|---|---|
| Receivables which have significant increase in credit risk | 30.3 | 30.3 | - |
| Receivables - credit impaired | - | - | - |
| **Total** | **42.8** | **30.3** | **12.5** |

| | | | |
|---|---|---|---|
| Included in above: | | | |
| - Debts due by directors or other officers of the Company | - | - | - |
| - Debts due by firms/LLPs/private companies in which any director is partner or a director or a member | - | - | - |
| | **-** | **-** | **-** |

1. Includes ₹ 3.5 million from related parties.

₹ in million

| Particulars | Unbilled (A) | Outstanding for following periods from due date of payment | | | | | | | Total (A)+ (B) |
|---|---|---|---|---|---|---|---|---|---|
| | | Less than 3 months | 3-6 months | 6 months -1 year | 1-2 year | 2-3 years | More than 3 years | Total (B) | |
| (i) Undisputed Trade receivables — considered good | 12.5 | - | - | - | - | - | - | - | 12.5 |
| (ii) Undisputed Trade Receivables — which have significant increase in credit risk | - | - | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables — credit impaired | - | - | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables— considered good | - | - | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables | - | - | - | - | - | - | - | - | - |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Unbilled (A) | Outstanding for following periods from due date of payment | | | | | | | Total (A)+ (B) |
|---|---|---|---|---|---|---|---|---|---|
| | | Less than 3 months | 3-6 months | 6 months -1 year | 1-2 year | 2-3 years | More than 3 years | Total (B) | |
| — which have significant increase in credit risk | | | | | | | | | |
| (vi) Disputed Trade Receivables — credit impaired | - | - | - | - | - | - | - | - | - |

The following tables set forth, details of trade receivables at March 31, 2021.

₹ in million

| Particulars | Gross value | Expected credit loss | Net value |
|---|---|---|---|
| **Trade receivables** | | | |
| Receivables considered good – secured | - | - | - |
| Receivables considered good – unsecured[1] | 25.8 | - | 25.8 |
| Receivables which have significant increase in credit risk | 27.9 | 27.9 | - |
| Receivables - credit impaired | - | - | - |
| **Total** | **53.7** | **27.9** | **25.8** |
| | | | |
| Included in above: | | | |
| - Debts due by directors or other officers of the Company | - | - | - |
| - Debts due by firms/LLPs/private companies in which any director is partner or a director or a member | - | - | - |
| | **-** | **-** | **-** |

1. Includes ₹ 6.7 million from related parties.

## NOTES FORMING PART OF THE ACCOUNTS

₹ in million

| Particulars | Unbilled (A) | Outstanding for following periods from due date of payment | | | | | | | Total (A)+ (B) |
|---|---|---|---|---|---|---|---|---|---|
| | | Less than 3 months | 3-6 months | 6 months -1 year | 1-2 year | 2-3 years | More than 3 years | Total (B) | |
| (i) Undisputed Trade receivables — considered good | 7.8 | 18.0 | - | - | - | - | - | 18.0 | 25.8 |
| (ii) Undisputed Trade Receivables — which have significant increase in credit risk | - | - | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables — credit impaired | - | - | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables— considered good | - | - | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables — which have significant increase in credit risk | - | - | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables — credit impaired | - | - | - | - | - | - | - | - | - |

## NOTES FORMING PART OF THE ACCOUNTS

### 10. Loans

The following table sets forth, for the periods indicated, details of loans.

₹ in million

| Particulars | | At March 31, 2022 | | | At March 31, 2021 | | |
|---|---|---|---|---|---|---|---|
| | | Amortised cost | Fair value through OCI[1] | Total | Amortised cost | Fair value through OCI[1] | Total |
| **(A)** | | | | | | | |
| (i) | Loans repayable on demand | - | - | - | - | - | - |
| (ii) | Term loans | 111,190.6 | 37,550.6 | 148,741.2 | 126,787.6 | 14,442.0 | 141,229.6 |
| (iii) | Others | - | - | - | - | - | - |
| | **Total loans – Gross (A)** | **111,190.6** | **37,550.6** | **148,741.2** | **126,787.6** | **14,442.0** | **141,229.6** |
| | Less: Impairment loss allowance | (3,756.2) | - | (3,756.2) | (3,651.4) | - | (3,651.4) |
| | **Total loans – Net (A)** | **107,434.4** | **37,550.6** | **144,985.0** | **123,136.2** | **14,442.0** | **137,578.2** |
| | | | | | | | |
| **(B)** | **Secured/ Unsecured** | | | | | | |
| (i) | Secured by tangible assets | 110,712.2 | 37,550.6 | 148,262.8 | 126,450.6 | 14,442.0 | 140,892.6 |
| (ii) | Secured by intangible assets | - | - | - | - | - | - |
| (iii) | Covered by bank/ government guarantees | 478.4 | - | 478.4 | 337.0 | | 337.0 |
| (iv) | Unsecured | - | - | - | - | - | - |
| | **Total loans – Gross (B)** | **111,190.6** | **37,550.6** | **148,741.2** | **126,787.6** | **14,442.0** | **141,229.6** |
| | Less: Impairment loss allowance | (3,756.2) | - | (3,756.2) | (3,651.4) | - | (3,651.4) |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | | At March 31, 2022 | | | At March 31, 2021 | | |
|---|---|---|---|---|---|---|---|
| | | Amortised cost | Fair value through OCI[1] | Total | Amortised cost | Fair value through OCI[1] | Total |
| | **Total loans – Net (B)** | **107,434.4** | **37,550.6** | **144,985.0** | **123,136.2** | **14,442.0** | **137,578.2** |
| | | | | | | | |
| **(C)** | **Loans in India** | | | | | | |
| **(i)** | Public sector | - | - | - | - | - | - |
| | Other than Public sector | 111,190.6 | 37,550.6 | 148,741.2 | 126,787.6 | 14,442.0 | 141,229.6 |
| | **Total loans – Gross (C)** | **111,190.6** | **37,550.6** | **148,741.2** | **126,787.6** | **14,442.0** | **141,229.6** |
| | Less: Impairment loss allowance | (3,756.2) | - | (3,756.2) | (3,651.4) | - | (3,651.4) |
| | **Total loans – Net (C)** | **107,434.4** | **37,550.6** | **144,985.0** | **123,136.2** | **14,442.0** | **137,578.2** |
| **(ii)** | **Loans outside India** | - | - | - | - | - | - |
| | **Total loans – Net (C) (i) and (ii)** | **107,434.4** | **37,550.6** | **144,985.0** | **123,136.2** | **14,442.0** | **137,578.2** |

1. Net of impairment allowance amounting to ₹ 152.9 million at March 31, 2022 (March 31, 2021: ₹ 45.6 million).
2. The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
3. The Company is engaged in a retail lending business. The Company has not entered into any transaction or arrangement with any person(s) or entity(ies) including foreign entities (intermediaries) which would result in onward lending to or on behalf of the lender.

### Loans against gold

Outstanding loans granted against collateral of gold jewellery was 0.14% of total assets at March 31, 2022 (March 31, 2021: 0.03%).

## NOTES FORMING PART OF THE ACCOUNTS

### Break up of loans & advances and provision thereon

The following tables set forth, for the periods indicated, the break-up of loans in housing and non-housing.

₹ in million

| Particulars | At March 31, 2022 | | |
|---|---|---|---|
| | Housing | Non-Housing | Total |
| **Standard assets** | | | |
| Total Outstanding | 102,392.0 | 37,752.2 | 140,144.2 |
| Provision | 605.5 | 789.7 | 1,395.2 |
| **Non-performing assets (NPAs)** | | | |
| **Sub- Standard** | | | |
| Total Outstanding | 2,291.3 | 1,634.5 | 3,925.8 |
| Provision | 330.9 | 241.8 | 572.7 |
| **Doubtful- 1** | | | |
| Total Outstanding | 1,002.7 | 1,013.5 | 2,016.2 |
| Provision | 332.8 | 335.5 | 668.3 |
| **Doubtful- 2** | | | |
| Total Outstanding | 1,268.2 | 653.8 | 1,922.0 |
| Provision | 777.3 | 342.7 | 1,120.0 |
| **Doubtful- 3** | | | |
| Total Outstanding | 224.0 | 509.0 | 733.0 |
| Provision | - | - | - |
| **Loss** | | | |
| Total Outstanding | - | - | - |
| Provision | - | - | - |
| **Total** | | | |
| Total Outstanding | 107,178.2 | 41,563.0 | 148,741.2 |
| Provision | 2,046.5 | 1,709.7 | 3,756.2 |

1. Standard assets represent loans classified as Stage-1 and Stage-2, NPAs represent loans classified as Stage-3, Total outstanding represent Exposure at default and Provisions represent Expected credit loss in the above table.

₹ in million

| Particulars | At March 31, 2021 | | |
|---|---|---|---|
| | Housing | Non-Housing | Total |
| **Standard assets** | | | |
| Total Outstanding | 85,642.8 | 46,201.1 | 131,843.9 |
| Provision | 628.7 | 774.3 | 1,403.0 |
| **Non-performing assets (NPAs)** | | | |
| **Sub- Standard** | | | |
| Total Outstanding | 2,438.1 | 2,285.3 | 4,723.4 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | At March 31, 2021 | | |
|---|---|---|---|
| | Housing | Non-Housing | Total |
| Provision | 362.3 | 325.6 | 687.9 |
| **Doubtful- 1** | | | |
| Total Outstanding | 578.1 | 737.6 | 1,315.7 |
| Provision | 190.0 | 231.6 | 421.6 |
| **Doubtful- 2** | | | |
| Total Outstanding | 1,475.8 | 1,434.2 | 2,910.0 |
| Provision | 681.5 | 208.5 | 890.0 |
| **Doubtful- 3** | | | |
| Total Outstanding | 252.9 | 183.7 | 436.6 |
| Provision | 110.3 | 138.6 | 248.9 |
| **Loss** | | | |
| Total Outstanding | - | - | - |
| Provision | - | - | - |
| **Total** | | | |
| Total Outstanding | 90,387.7 | 50,841.9 | 141,229.6 |
| Provision | 1,972.8 | 1,678.6 | 3,651.4 |

1. Standard assets represent loans classified as Stage-1 and Stage-2, NPAs represent loans classified as Stage-3, Total outstanding represent Exposure at default and Provisions represent Expected credit loss in the above table.

### Movement of Non-performing assets (NPAs)

The following table sets forth, for the period indicated, movement in stage 3 loans (NPAs) & movement in ECL (provisions).

₹ in million

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| **(I) Net NPAs to Net Advances (%)** | 4.30% | 5.19% |
| **(II) Movement of NPAs (Gross)** | | |
| a) Opening balance | 9,385.7 | 8,460.7 |
| b) Additions during the year | 8,611.6 | 4,636.5 |
| c) Reductions during the year | 9,400.3 | 3,711.5 |
| d) Closing balance | **8,597.0** | **9,385.7** |
| **(III) Movement of NPAs (Net)** | | |
| a) Opening balance | 7,137.3 | 4,699.6 |
| b) Additions during the year | 5,271.8 | 2,893.0 |
| c) Reductions during the year | 6,173.1 | 455.3 |
| d) Closing balance | **6,236.0** | **7,137.3** |
| **(IV) Movement of provision for NPAs (excluding provisions on standard assets)** | | |
| a) Opening balance | 2,248.4 | 3,761.1 |

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| b) Provisions made during the year | 3,339.8 | 1,743.5 |
| c) Write off/ write back of excess provisions | 3,227.2 | 3,256.2 |
| d) Closing balance | **2,361.0** | **2,248.4** |

1. Standard assets represent loans classified as Stage-1 and Stage-2, NPAs represent loans classified as Stage-3 and Provision for NPAs represent Expected credit loss in the above table.

## 11. Investments

The following tables set forth, for the periods indicated, details of investments.

₹ in million

| Particulars | At March 31, 2022 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Amortised cost | At fair value | | | | Others | Total |
| | | Through other comprehensive income | Through profit or loss | Designated at fair value through profit or loss | Sub Total | | |
| **(A) Investments in India** | | | | | | | |
| Mutual funds | - | - | 2,701.5 | - | 2,701.5 | - | 2,701.5 |
| Government securities[1] | 3,268.9 | - | - | - | - | - | 3,268.9 |
| Equity instruments | - | - | 33.7 | - | 33.7 | - | 33.7 |
| **Total Gross** | **3,268.9** | **-** | **2,735.2** | **-** | **2,735.2** | **-** | **6,004.1** |
| Impairment loss allowance | - | - | - | - | - | - | - |
| **Total Net** | **3,268.9** | **-** | **2,735.2** | **-** | **2,735.2** | **-** | **6,004.1** |
| **(B) Investments outside India** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Total Investments (A+B)** | **3,268.9** | **-** | **2,735.2** | **-** | **2,735.2** | **-** | **6,004.1** |

1. Based on the assessment, no impairment loss has been recognised on government securities.

## NOTES FORMING PART OF THE ACCOUNTS

₹ in million

| Particulars | At March 31, 2021 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Amortised cost | At fair value | | | | Others | Total |
| | | Through other comprehensive income | Through profit or loss | Designated at fair value through profit or loss | Sub Total | | |
| **(A) Investments in India** | | | | | | | |
| Mutual funds | - | - | 997.6 | - | 997.6 | - | 997.6 |
| Government securities[1] | 2,921.9 | - | - | - | - | - | 2,921.9 |
| Equity instruments | - | - | 36.7 | - | 36.7 | - | 36.7 |
| **Total Gross** | **2,921.9** | **-** | **1,034.3** | **-** | **1,034.3** | **-** | **3,956.2** |
| Impairment loss allowance | - | - | - | - | - | - | - |
| **Total Net** | **2,921.9** | **-** | **1,034.3** | **-** | **1,034.3** | **-** | **3,956.2** |
| **(B) Investments outside India** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Total Investments (A+B)** | **2,921.9** | **-** | **1,034.3** | **-** | **1,034.3** | **-** | **3,956.2** |

1. Based on the assessment, no impairment loss has been recognised on government securities.

The following table sets forth, for the periods indicated, the details of investments and the movement in fair value changes (provision towards depreciation) on investments of the Company.

₹ in million

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| Value of investments | | |
| (i) Gross value of investments | 6,004.1 | 3,956.2 |
| (a) In India (includes investment in mutual funds of ₹ 2,701.5 million (March 31, 2021: ₹ 997.6)) | 6,004.1 | 3,956.2 |
| (b) Outside India | - | - |
| (ii) Provision for Depreciation | - | - |
| (a) In India | - | - |
| (b) Outside India | - | - |
| (iii) Net value of Investments | 6,004.1 | 3,956.2 |
| (a) In India | 6,004.1 | 3,956.2 |
| (b) Outside India | - | - |
| | | |

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| Movement of provisions held towards depreciation on investments | | |
| (i) Opening balance | - | - |
| (ii) Add: Provisions made during the year | - | - |
| (iii) Less: Write-off/Written-back of excess provisions during the year | - | - |
| (iv) Closing balance | - | - |

## 12. Other financial assets

The following table sets forth, for the periods indicated, details of other financial assets.

₹ in million

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| **At amortised cost** | | |
| Security deposits | 47.6 | 54.2 |
| Advances recoverable | 60.0 | 42.1 |
| Interest only strip receivable | 1,635.5 | 1,245.3 |
| Mutual fund redemption receivable | 500.3 | - |
| Other financial assets[1] | 0.8 | 122.1 |
| **Total** | **2,244.2** | **1,463.7** |

1. Other financial assets for March 31, 2021 included receivables of ₹118.6 million on account of ex-gratia (interest on interest) credits/refunds to the eligible borrowers. Further, the Company has received the said amount in FY2022.

## NOTES FORMING PART OF THE ACCOUNTS

### 13. Property, plant and equipment

The following table sets forth, for the periods indicated, details of property, plant and equipment.

₹ in million

| Particulars | Gross block | | | | Depreciations/amortisation | | | | Net block | |
|---|---|---|---|---|---|---|---|---|---|---|
| | At April 1, 2021 | Additions | Disposals/adjustments | At March 31, 2022 | At April 1, 2021 | For the period | Adjustments/deductions | At March 31, 2022 | At April 1, 2021 | At March 31, 2022 |
| Free hold land[1,3] | 0.4 | - | - | 0.4 | - | - | - | - | 0.4 | 0.4 |
| | (0.4) | - | - | (0.4) | - | - | - | - | (0.4) | (0.4) |
| Building[1,3] | 778.1 | 0.3 | - | 778.4 | 45.1 | 14.8 | - | 59.9 | 733.0 | 718.5 |
| | (778.1) | - | - | (778.1) | (29.8) | (15.3) | - | (45.1) | (748.3) | (733.0) |
| ROU | 537.0 | 25.6 | 2.3 | 560.3 | 233.3 | 98.0 | - | 331.3 | 303.7 | 229.0 |
| | (547.0) | (53.3) | (63.3) | (537.0) | (122.6) | (110.7) | - | (233.3) | (424.4) | (303.7) |
| Improvements to leasehold property | 181.2 | 7.5 | 7.4 | 181.3 | 77.2 | 38.4 | 3.9 | 111.7 | 104.0 | 69.6 |
| | (182.8) | (6.1) | (7.7) | (181.2) | (40.8) | (39.4) | (3.0) | (77.2) | (142.0) | (104.0) |
| Computers | 63.4 | 21.9 | 0.7 | 84.6 | 43.2 | 20.6 | 0.6 | 63.2 | 20.2 | 21.4 |
| | (59.9) | (5.2) | (1.7) | (63.4) | (24.2) | (20.6) | (1.6) | (43.2) | (35.7) | (20.2) |
| Office Equipments | 123.7 | 4.9 | 2.1 | 126.5 | 57.4 | 23.4 | 0.9 | 79.9 | 66.3 | 46.6 |
| | (120.3) | (4.4) | (1.0) | (123.7) | (36.6) | (24.3) | (3.5) | (57.4) | (83.7) | (66.3) |
| Furniture & fixtures | 95.6 | 10.7 | 4.7 | 101.6 | 42.8 | 9.5 | 2.1 | 50.2 | 52.8 | 51.4 |
| | (94.6) | (2.2) | (1.2) | (95.6) | (33.6) | (9.7) | (0.5) | (42.8) | (61.0) | (52.8) |
| Electric Installation & Equipments | 43.3 | 4.5 | 1.4 | 46.4 | 10.0 | 4.5 | 0.4 | 14.1 | 33.3 | 32.3 |
| | (39.1) | (4.2) | - | (43.3) | (4.5) | (2.7) | 2.8 | (10.0) | (34.6) | (33.3) |
| Server & Network | 25.8 | 2.5 | 0.1 | 28.2 | 11.2 | 6.0 | - | 17.2 | 14.6 | 11.0 |
| | (25.3) | (0.8) | (0.3) | (25.8) | (5.6) | (5.7) | (0.1) | (11.2) | (19.7) | (14.6) |
| Vehicles | 3.8 | - | - | 3.8 | 2.8 | 1.0 | - | 3.8 | 1.0 | - |
| | (3.8) | - | - | (3.8) | (1.8) | (1.0) | - | (2.8) | (2.0) | (1.0) |
| **Total** | **1,852.3** | **77.9** | **18.7** | **1,911.5** | **523.0** | **216.2** | **7.9** | **731.3** | **1,329.3** | **1,180.2** |
| Previous year | (1,851.3) | (76.2) | (75.2) | (1,852.3) | (299.5) | (229.4) | (5.9) | (523.0) | (1,551.8) | (1,329.3) |

1. There is no charge on building (March 2021: Nil) and Free Hold land (March 31, 2021: Nil).
2. Amounts in brackets pertain to previous financial year.
3. Title deeds of all the immovable properties are held in the name of the Company.
4. The Company does not hold any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

## NOTES FORMING PART OF THE ACCOUNTS

### Capital work-in-progress (CWIP) ageing

### At March 31, 2022

₹ in million

| CWIP | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 6.9 | - | - | - | 6.9 |
| Projects temporarily suspended | - | - | - | - | - |
| **Total** | **6.9** | **-** | **-** | **-** | **6.9** |

### At March 31, 2021

₹ in million

| CWIP | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 8.5 | - | - | - | 8.5 |
| Projects temporarily suspended | - | - | - | - | - |
| **Total** | **8.5** | **-** | **-** | **-** | **8.5** |

### 14. Intangible assets

The following table sets forth, for the periods indicated, details of intangible assets.

₹ in million

| Particulars | Gross block | | | | Depreciations/amortization | | | | Net block | |
|---|---|---|---|---|---|---|---|---|---|---|
| | At April 1, 2021 | Additions | Disposals/ adjustments | At March 31, 2022 | At April 1, 2021 | For the period | Adjustments /deductions | At March 31, 2022 | At April 1, 2021 | At March 31, 2022 |
| Computer software | 97.3 | 52.0 | - | 149.3 | 38.2 | 33.7 | - | 71.9 | 59.1 | 77.4 |
| | (63.9) | (39.5) | (6.1) | (97.3) | (19.5) | (21.9) | (3.2) | (38.2) | (44.4) | (59.1) |
| **Total** | **97.3** | **52.0** | **-** | **149.3** | **38.2** | **33.7** | **-** | **71.9** | **59.1** | **77.4** |
| Previous year | (63.9) | (39.5) | (6.1) | (97.3) | (19.5) | (21.9) | (3.2) | (38.2) | (44.4) | (59.1) |

The following tables set forth, for the periods indicated, ageing of intangible assets under development.

₹ in million

| Intangible assets under development at March 31, 2022 | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 24.7 | 5.1 | 6.4 | 1.7 | 37.9 |

| Intangible assets under development at March 31, 2022 | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects temporarily suspended | - | - | - | - | - |
| **Total** | **24.7** | **5.1** | **6.4** | **1.7** | **37.9** |

₹ in million

| Intangible assets under development at March 31, 2021 | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 29.0 | 15.3 | - | - | 44.3 |
| Projects temporarily suspended | - | - | - | - | - |
| **Total** | **29.0** | **15.3** | **-** | **-** | **44.3** |

## 15. Other non-financial assets

The following table sets forth, for the periods indicated, details of other non-financial assets.

₹ in million

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| Input tax credit – Goods and Service Tax | 123.0 | 113.3 |
| Pre-paid expenses | 31.9 | 54.5 |
| Other non-financial assets (Unsecured, considered good)[1] | 11.9 | 0.4 |
| **Total** | **166.8** | **168.2** |

1. Includes asset amounting to ₹ 9.4 million (At March 31, 2021: ₹ 0.3 million) recognised towards gratuity as per actuarial valuation (for detail refer note no. 48).

## 16. Payables

The following tables set forth, for the periods indicated, details of payable.

₹ in million

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| **(I) Trade payables** | | |
| Total outstanding dues of micro, small and medium enterprises (refer note a below) | 42.1 | 13.8 |
| Total outstanding dues of creditors other than micro, small and medium enterprises | 1,582.9 | 1,528.1 |
| **(II) Other payables** | | |
| Total outstanding dues of micro, small and medium enterprises (refer note a below) | - | - |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| Total outstanding dues of creditors other than micro, small and medium enterprises | - | - |
| **Total** | **1,625.0** | **1,541.9** |

₹ in million

| Particulars | Unbilled dues (A) | Outstanding for following periods from due date of payment | | | | | Total (A)+(B) |
|---|---|---|---|---|---|---|---|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total (B) | |
| (i) MSME | 42.1 | - | - | - | - | - | 42.1 |
| (ii) Others | 378.6 | 1,199.7 | 3.2 | 0.8 | 0.6 | 1,204.3 | 1,582.9 |
| (iii) Disputed dues - MSME | - | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - | - |
| **Total** | **420.7** | **1,199.7** | **3.2** | **0.8** | **0.6** | **1,204.3** | **1,625.0** |

₹ in million

| Particulars | Unbilled dues (A) | Outstanding for following periods from due date of payment | | | | | Total (A)+(B) |
|---|---|---|---|---|---|---|---|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total (B) | |
| (i) MSME | 13.8 | - | - | - | - | - | 13.8 |
| (ii) Others | 339.3 | 1,186.6 | 0.9 | 0.3 | 1.0 | 1,188.8 | 1,528.1 |
| (iii) Disputed dues - MSME | - | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - | - |
| **Total** | **353.1** | **1,186.6** | **0.9** | **0.3** | **1.0** | **1,188.8** | **1,541.9** |

## NOTES FORMING PART OF THE ACCOUNTS

### a. Details of dues to micro and small enterprises as per Micro, Small and Medium Enterprises Development Act, 2006

The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified based on information available with the Company. The following table sets forth, for the periods indicated, the amount of principal and interest outstanding.

₹ in million

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| The principal amount and the interest due thereon (Interest - March 31, 2022: Nil, March 31, 2021: Nil) remaining unpaid to any supplier as at the end of each accounting year | 42.1 | 13.8 |
| The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year | - | - |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006. | - | - |
| The amount of interest accrued and remaining unpaid at the end of each accounting year; | - | - |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006 | - | - |

### 17. Debt securities

The following tables set forth, for the periods indicated, details of debt-securities issued.

₹ in million

| Particulars | At March 31, 2022 | | | |
|---|---|---|---|---|
| | At amortised cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total |
| **(A) Debt securities in India** | | | | |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | At March 31, 2022 | | | |
|---|---|---|---|---|
| | At amortised cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total |
| Non-convertible debentures | | | | |
| - Secured[1] | 40,619.9 | - | - | 40,619.9 |
| - Unsecured | - | - | - | - |
| Zero coupon bonds | - | - | - | - |
| Commercial papers | 2,966.2 | - | - | 2,966.2 |
| **Total – Gross** | **43,586.1** | **-** | **-** | **43,586.1** |
| Less – Unamortised borrowing cost | (61.4) | - | - | (61.4) |
| **Total – Net** | **43,524.7** | **-** | **-** | **43,524.7** |
| **(B) Debt securities outside India** | **-** | **-** | **-** | **-** |
| **Total (A+B)** | **43,524.7** | **-** | **-** | **43,524.7** |

1. The Non-convertible debentures (NCDs)/Bonds, other than Market linked debentures (MLDs) are issued with fixed/floating coupon rate and redeemable at par. NCDs/Bonds in the nature of MLDs are issued with coupon rate linked to performance of underlying/reference index. Entire NCDs book at March 31, 2022 are secured by way of first ranking pari passu floating charge over the eligible receivables to the extent of security cover of one time of the obligations.

₹ in million

| Particulars | At March 31, 2021 | | | |
|---|---|---|---|---|
| | At amortised cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total |
| **(A) Debt securities in India** | | | | |
| Non-convertible debentures | | | | |
| - Secured[1] | 28,903.4 | - | - | 28,903.4 |
| - Unsecured | - | - | - | - |
| Zero coupon bonds | - | - | - | - |
| Commercial papers | - | - | - | - |
| **Total – Gross** | **28,903.4** | **-** | **-** | **28,903.4** |
| Less – Unamortised borrowing cost | (49.2) | - | - | (49.2) |
| **Total – Net** | **28,854.2** | **-** | **-** | **28,854.2** |
| **(B) Debt Securities outside India** | **-** | **-** | **-** | **-** |
| **Total (A+B)** | **28,854.2** | **-** | **-** | **28,854.2** |

## NOTES FORMING PART OF THE ACCOUNTS

1. The Non-convertible debentures (NCDs)/Bonds, other than Market linked debentures (MLDs) are issued with fixed coupon rate and redeemable at par. NCDs/Bonds in the nature of MLDs are issued with coupon rate linked to performance of underlying/reference index. Entire NCDs book at March 31, 2021 is secured by way of first ranking pari passu floating charge over the eligible receivables to the extent of security cover of one time of the obligations. These NCDs at March 31, 2020 were unsecured and were converted to secured on August 13, 2020.

₹ in million

| Description | Date of Allotment | Date of Redemption | Rate of Interest | At March 31, 2022 | At March 31, 2021 |
|---|---|---|---|---|---|
| **NCDs, other than MLDs** | | | | | |
| 120 NCDs of ₹ 1,000,000 each | August 12, 2021 | August 12, 2031 | 7.25% | 120.0 | - |
| 1,438 NCDs of ₹ 1,015,552 each | November 2, 2021 | August 12, 2031 | 7.25% | 1,460.0 | - |
| 835 NCDs of ₹ 1,018,213 each | December 3, 2021 | August 12, 2031 | 7.25% | 850.0 | - |
| 200 NCDs of ₹ 500,000 each | November 20, 2020 | November 20, 2030 | 7.07% | 100.0 | 100.0 |
| 100 NCDs of ₹ 500,000 each | May 26, 2020 | May 24, 2030 | 8.00% | 50.0 | 50.0 |
| 5,350 NCDs of ₹ 1,000,000 each | December 23, 2021 | December 23, 2026 | 6.55% | 5,350.0 | - |
| 100 NCDs of ₹ 1,000,000 each | September 28, 2021 | September 28, 2026 | 6.27% | 100.0 | - |
| 100 NCDs of ₹ 1,001,632 each | December 3, 2021 | September 28, 2026 | 6.27% | 100.0 | - |
| 1,500 NCDs of ₹ 1,000,000 each | December 23, 2021 | June 23, 2025 | 6.12% | 1,500.0 | - |
| 3,000 NCDs of ₹ 500,000 each | November 20, 2020 | May 20, 2025 | 6.18% | 1,500.0 | 1,500.0 |
| 2,400 NCDs of ₹ 500,000 each | April 28, 2020 | April 28, 2025 | 7.60% | 1,200.0 | 1,200.0 |
| 2,400 NCDs of ₹ 500,000 each | December 5, 2019 | December 5, 2024 | 8.00% | 1,200.0 | 1,200.0 |
| 7,000 NCDs of ₹ 500,000 each | January 30, 2020 | December 5, 2024 | 8.00% | 3,500.0 | 3,500.0 |
| 2,000 NCDs of ₹ 500,000 each | October 19, 2020 | October 18, 2024 | 6.18% | 1,000.0 | 1000.0 |
| 1,750 NCDs of ₹ 1,000,000 each | September 28, 2021 | September 27, 2024 | 4.85% | 1,750.0 | - |
| 1,500 NCDs of ₹ 1,000,000 each | July 20, 2021 | July 19, 2024 | 5.89% | 1,500.0 | - |
| 4,000 NCDs of ₹ 500,000 each | May 26, 2020 | July 5, 2024 | 7.45% | 2,000.0 | 2,000.0 |
| 4,250 NCDs of ₹ 1,000,000 each | March 3, 2022 | March 1, 2024 | 5.85% | 4,250.0 | - |
| 2,500 NCDs of ₹ 1,000,000 each | August 12, 2021 | August 11, 2023 | 5.10% | 2,500.0 | - |
| 2,000 NCDs of ₹ 500,000 each | April 28, 2020 | April 28, 2023 | 7.40% | 1,000.0 | 1,000.0 |
| 5,500 NCDs of ₹ 500,000 each | December 5, 2019 | December 5, 2022 | 7.70% | 2,750.0 | 2,750.0 |
| 6,000 NCDs of ₹ 500,000 each | February 12, 2020 | December 5, 2022 | 7.70% | 3,000.0 | 3,000.0 |
| 5,500 NCDs of ₹ 500,000 each | May 19, 2020 | September 19, 2022 | 7.20% | 2,750.0 | 2,750.0 |
| 3,100 NCDs of ₹ 500,000 each | December 24, 2018 | December 24, 2021 | 9.10% | - | 1,550.0 |
| 4,200 NCDs of ₹ 500,000 each | March 20, 2018 | May 27, 2021 | 8.22% | - | 2,100.0 |
| 3,100 NCDs of ₹ 500,000 each | March 20, 2018 | April 30, 2021 | 8.22% | - | 1,550.0 |
| **Total (A)** | | | | **39,530.0** | **25,250.0** |
| | | | | | |
| **NCDs in the nature of MLDs** | | | | | |
| 2,200 MLDs of ₹ 500,000 each | August 26, 2020 | August 26, 2022 | 5.15% | 1,100.0 | 1,100.0 |

## NOTES FORMING PART OF THE ACCOUNTS

| Description | Date of Allotment | Date of Redemption | Rate of Interest | At March 31, 2022 | At March 31, 2021 |
|---|---|---|---|---|---|
| 540 MLDs of ₹ 500,000 each | September 6, 2019 | January 6, 2022 | 7.70% | - | 270.0 |
| 230 MLDs of ₹ 500,000 each | October 23, 2019 | January 6, 2022 | 7.60% | - | 115.0 |
| 316 MLDs of ₹ 500,000 each | November 29, 2019 | January 6, 2022 | 7.40% | - | 158.0 |
| 2,390 MLDs of ₹ 500,000 each | August 6, 2019 | August 6, 2021 | 8.00% | - | 1,195.0 |
| 120 MLDs of ₹ 500,000 each | October 23, 2019 | August 6, 2021 | 7.40% | - | 60.0 |
| 500 MLDs of ₹ 500,000 each | June 26, 2019 | June 25, 2021 | 8.10% | - | 250.0 |
| 100 MLDs of ₹ 500,000 each | July 26, 2019 | June 25, 2021 | 8.00% | - | 50.0 |
| 916 MLDs of ₹ 500,000 each | August 20, 2019 | June 25, 2021 | 7.70% | - | 458.0 |
| **Total (B)** | | | | **1,100.0** | **3,656.0** |
| **Total (A+B)** | | | | **40,630.0** | **28,906.0** |
| Add/(Less) – Unamortised Premium/(Discount) | | | | (10.1) | (2.6) |
| **Total** | | | | **40,619.9** | **28,903.4** |

The following tables set forth, for the periods indicated, details of commercial papers.

### At March 31, 2022 (Interest rate – 4.00% to 4.67%)

₹ in million

| Maturities | 0-1 month | 1-2 months | 2-3 months | 3-6 months | 6-12 months | Total |
|---|---|---|---|---|---|---|
| Face value | 1,500.0 | - | - | 1,500.0 | - | 3,000.0 |
| Carrying value | 1,496.4 | - | - | 1,469.8 | - | 2,966.2 |

### At March 31, 2021 (Interest rate – NA)

₹ in million

| Maturities | 0-1 month | 1-2 months | 2-3 months | 3-6 months | 6-12 months | Total |
|---|---|---|---|---|---|---|
| Face value | - | - | - | - | - | - |
| Carrying value | - | - | - | - | - | - |

The following table sets forth, ratings assigned by credit rating agencies at March 31, 2022.

| Instrument | CRISIL | ICRA | CARE |
|---|---|---|---|
| Fixed deposits | FAAA/Stable | MAAA/Stable | CARE AAA(FD)/Stable |
| Senior bonds/non-convertible debentures | CRISIL AAA/Stable | ICRA AAA/Stable | CARE AAA/Stable |
| Subordinate bonds | CRISIL AAA/Stable | ICRA AAA/Stable | CARE AAA/Stable |
| Market linked debentures | CRISIL PP-MLD AAAr/Stable | - | CARE PP-MLD AAA/Stable |
| Commercial paper | - | ICRA A1+ | CARE A1+ |
| Long term bank facilities | - | ICRA AAA/Stable | - |

## NOTES FORMING PART OF THE ACCOUNTS

1. In addition to the debt instrument wise specific credit ratings, the Company has been assigned the Issuer Rating of 'ICRA AAA' by ICRA.
2. There has been no migration of rating during the year ended March 31, 2022.

The following table sets forth, ratings assigned by credit rating agencies at March 31, 2021.

| Instrument | CRISIL | ICRA | CARE |
|---|---|---|---|
| Fixed deposits | FAAA/Stable | MAAA/Stable | CARE AAA(FD)/Stable |
| Senior bonds/non-convertible debentures | CRISIL AAA/Stable | ICRA AAA/Stable | CARE AAA/Stable |
| Subordinate bonds | CRISIL AAA/Stable | ICRA AAA/Stable | CARE AAA/Stable |
| Market linked debentures | CRISIL PP-MLD AAAr/Stable | - | CARE PP-MLD AAA/Stable |
| Commercial paper | - | ICRA A1+ | CARE A1+ |
| Long term bank facilities | - | ICRA AAA/Stable | - |

1. In addition to the debt instrument wise specific credit ratings, the Company has been assigned the Issuer Rating of 'ICRA AAA' by ICRA.
2. There was no migration of rating during the year ended March 31, 2021.

### 18. Borrowings (other than debt securities)

The following tables set forth, for the periods indicated, details of borrowings (other than debt securities)

₹ in million

| Particulars | At March 31, 2022 | | | |
|---|---|---|---|---|
| | At amortised cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total |
| **(A) Secured/Unsecured** | | | | |
| Secured borrowings | | | | |
| (a) Term loans (Including re-finance) | | | | |
| (i) from banks[1] | 13,846.2 | - | - | 13,846.2 |
| (ii) External commercial borrowings[1] | 13,286.7 | - | - | 13,286.7 |
| (iii) from National Housing Bank[2] | 16,009.4 | - | - | 16,009.4 |
| (b) Deferred payment liabilities | - | - | - | - |
| (c) Loans from related parties[1] | 4,500.0 | - | - | 4,500.0 |
| (d) Finance lease obligations | - | - | - | - |
| (e) Liability component of compound financial instruments | - | - | - | - |
| (f) Loans repayable on demand | | | | |
| (i) from banks | - | - | - | - |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | At March 31, 2022 | | | |
|---|---|---|---|---|
| | At amortised cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total |
| (ii) from related parties | - | - | - | - |
| | | | | |
| Unsecured borrowings | - | - | - | - |
| **Total (A) – Gross** | **47,642.3** | **-** | **-** | **47,642.3** |
| Less – Unamortised borrowing cost | (103.2) | - | - | (103.2) |
| **Total (A) – Net** | **47,539.1** | **-** | **-** | **47,539.1** |
| | | | | |
| **(B) In India/Outside India** | | | | |
| Borrowings in India | 34,355.6 | - | - | 34,355.6 |
| Borrowings outside India | 13,286.7 | - | - | 13,286.7 |
| **Total (B) – Gross** | **47,642.3** | **-** | **-** | **47,642.3** |
| Less – Unamortised borrowing cost | (103.2) | - | - | (103.2) |
| **Total (B) – Net** | **47,539.1** | **-** | **-** | **47,539.1** |

1. Secured by way of first ranking pari passu floating charge over the eligible receivables to the extent of security cover of one time of the obligations.
2. Secured by way of first exclusive charge over the identified receivables on borrowings amounting to ₹ 11,113.6 million and by way of negative lien on identified receivables on borrowings amounting to ₹ 4,895.8 million.
3. At March 31, 2022, there are no borrowings guaranteed by directors and others.
4. There has not been any default in repayment of borrowings and interest during financial year ended March 31, 2022.

in million

| Particulars | At March 31, 2021 | | | |
|---|---|---|---|---|
| | At amortised cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total |
| **(A) Secured/Unsecured** | | | | |
| Secured borrowings | | | | |
| (a) Term loans (Including re-finance) | | | | |
| (i) from banks[1] | 14,038.4 | - | - | 14,038.4 |
| (ii) External commercial borrowings[1] | 20,120.2 | - | - | 20,120.2 |
| (iii) from National Housing Bank[2] | 22,215.5 | - | - | 22,215.5 |
| (b) Deferred payment liabilities | - | - | - | - |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | At March 31, 2021 | | | |
|---|---|---|---|---|
| | At amortised cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total |
| (c) Loans from related parties[1] | 2,400.0 | - | - | 2,400.0 |
| (d) Finance lease obligations | - | - | - | - |
| (e) Liability component of compound financial instruments | - | - | - | - |
| (f) Loans repayable on demand | | | | |
| (i) from banks | - | - | - | - |
| (ii) from related parties | - | - | - | - |
| | | | | |
| Unsecured borrowings | - | - | - | - |
| **Total (A) – Gross** | **58,774.1** | **-** | **-** | **58,774.1** |
| Less – Unamortised borrowing cost | (226.7) | - | - | (226.7) |
| **Total (A) – Net** | **58,547.4** | **-** | **-** | **58,547.4** |
| | | | | |
| **(B) In India/Outside India** | | | | |
| Borrowings in India | 38,653.9 | - | - | 38,653.9 |
| Borrowings outside India | 20,120.2 | - | - | 20,120.2 |
| **Total (B) – Gross** | **58,774.1** | **-** | **-** | **58,774.1** |
| Less – Unamortised borrowing cost | (226.7) | - | - | (226.7) |
| **Total (B) – Net** | **58,547.4** | **-** | **-** | **58,547.4** |

1. Secured by way of first ranking pari passu floating charge over the eligible receivables to the extent of security cover of one time of the obligations.
2. Secured by way of first exclusive charge over the identified receivables on borrowings amounting to ₹ 15,366.8 million and by way of negative lien on identified receivables on borrowings amounting to ₹ 6,848.7 million.
3. At March 31, 2021, there are no borrowings guaranteed by directors and others.

a. There has not been any default in repayment of borrowings and interest during financial year ended March 31, 2021, except for below one-off delay by oversight, which was cleared immediately.

₹ in million

| Name of the lender | Period | Amount |
|---|---|---|
| Federal Bank Limited | 2 days | 36.3 |
| Federal Bank Limited | 1 day | 25.0 |

## NOTES FORMING PART OF THE ACCOUNTS

The following tables set forth, the interest rates and maturity pattern of term loans at March 31, 2022.

### a. Term loans from banks

₹ in million

| Maturities | 0-1 year | 1-3 years | 3-5 years | 5 years and above | Total |
|---|---|---|---|---|---|
| <6.50% | 3,765.8 | 6,003.0 | 1,139.6 | - | 10,908.4 |
| 6.50% to 7.99% | 732.3 | 975.8 | 1,229.7 | - | 2,937.8 |
| **Total** | **4,498.1** | **6,978.8** | **2,369.3** | **-** | **13,846.2** |

### b. External commercial borrowings

₹ in million

| Maturities | 0-1 year | 1-3 years | 3-5 years | 5 years and above | Total |
|---|---|---|---|---|---|
| 8.00% to 9.50% | 13,286.7 | - | - | - | 13,286.7 |
| **Total** | **13,286.7** | **-** | **-** | **-** | **13,286.7** |

### c. Term loans from National Housing Bank

₹ in million

| Maturities | 0-1 year | 1-3 years | 3-5 years | 5 years and above | Total |
|---|---|---|---|---|---|
| < 6.50% | 1,873.8 | 4,991.3 | 4,191.7 | 3,248.1 | 14,304.9 |
| 6.50% to 7.99% | 153.9 | 410.4 | 410.4 | 729.8 | 1,704.5 |
| **Total** | **2,027.7** | **5,401.7** | **4,602.1** | **3,977.9** | **16,009.4** |

### d. Term loans from related parties

₹ in million

| Maturities | 0-1 year | 1-3 years | 3-5 years | 5 years and above | Total |
|---|---|---|---|---|---|
| < 6.50% | 505.1 | 1,836.7 | 1,408.2 | - | 3,750.0 |
| 6.50% to 7.99% | 107.1 | 367.4 | 275.5 | - | 750.0 |
| **Total** | **612.2** | **2,204.1** | **1,683.7** | **-** | **4,500.0** |

The following tables set forth, the interest rates and contractual maturity pattern of term loans at March 31, 2021.

### a. Term loans from banks

₹ in million

| Maturities | 0-1 year | 1-3 years | 3-5 years | 5 years and above | Total |
|---|---|---|---|---|---|
| < 6.50% | 983.4 | 1,733.3 | - | - | 2,716.7 |
| 6.50% to 7.99% | 2,487.4 | 6,638.7 | 2,195.6 | - | 11,321.7 |

**NOTES FORMING PART OF THE ACCOUNTS**

| Maturities | 0-1 year | 1-3 years | 3-5 years | 5 years and above | Total |
|---|---|---|---|---|---|
| **Total** | **3,470.8** | **8,372.0** | **2,195.6** | **-** | **14,038.4** |

**b. External commercial borrowings**

₹ in million

| Maturities | 0-1 year | 1-3 years | 3-5 years | 5 years and above | Total |
|---|---|---|---|---|---|
| 8.00% to 9.50% | - | 20,120.2 | - | - | 20,120.2 |
| **Total** | **-** | **20,120.2** | **-** | **-** | **20,120.2** |

**c. Term loans from National Housing Bank**

₹ in million

| Maturities | 0-1 year | 1-3 years | 3-5 years | 5 years and above | Total |
|---|---|---|---|---|---|
| < 6.50% | 3,559.1 | 4,264.3 | 3,963.4 | 5,649.5 | 17,436.3 |
| 6.50% to 7.99% | 428.8 | 1,111.3 | 1,111.3 | 2,127.8 | 4,779.2 |
| **Total** | **3,987.9** | **5,375.6** | **5,074.7** | **7,777.3** | **22,215.5** |

**d. Term loans from related parties**

₹ in million

| Maturities | 0-1 year | 1-3 years | 3-5 years | 5 years and above | Total |
|---|---|---|---|---|---|
| 6.50% to 7.99% | - | 2,400.0 | - | - | 2,400.0 |
| **Total** | **-** | **2,400.0** | **-** | **-** | **2,400.0** |

**Notes:**

1. The Company has utilised the borrowings from banks and financial institutions for the purpose for which it was availed.
2. Borrowings from banks or financial institutions are secured by way of first ranking pari passu floating charge over the eligible receivables. Further, the Company has filed Statement of Asset Cover with Security Trustee and banks reconciling with books of accounts.
3. The Company has not entered into any transaction or arrangement with any person(s) or entity(ies) including foreign entities (intermediaries) which would result in onward lending to or on behalf of the lender.

## NOTES FORMING PART OF THE ACCOUNTS

### 19. Deposits

The following tables set forth, for the periods indicated, details of deposits.

₹ in million

| Particulars | At March 31, 2022 | | | |
|---|---|---|---|---|
| | At amortised cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total |
| (i) Public deposits[1] | 22,516.8 | - | - | 22,516.8 |
| (ii) From banks | 1,141.9 | - | - | 1,141.9 |
| (iii) From others | 7,345.9 | - | - | 7,345.9 |
| **Total – Gross** | **31,004.6** | **-** | **-** | **31,004.6** |
| Less – Unamortised borrowing cost | (136.4) | - | - | (136.4) |
| **Total – Net** | **30,868.2** | **-** | **-** | **30,868.2** |

1. Public deposits as defined in paragraph 3 (xiii) of Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016, are secured by floating charge and lien in favour of the Trustees for Depositors on the Statutory Liquid Assets maintained in terms of sub-sections (1) and (2) of Section 29B of the National Housing Bank Act, 1987.

₹ in million

| Particulars | At March 31, 2021 | | | |
|---|---|---|---|---|
| | At amortised cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total |
| (i) Public deposits[1] | 21,527.0 | - | - | 21,527.0 |
| (ii) From banks | 1,085.6 | - | - | 1,085.6 |
| (iii) From others | 12,581.9 | - | - | 12,581.9 |
| **Total – Gross** | **35,194.5** | **-** | **-** | **35,194.5** |
| Less – Unamortised borrowing cost | (136.4) | - | - | (136.4) |
| **Total** | **35,058.1** | **-** | **-** | **35,058.1** |

1. Public deposits as defined in paragraph 3 (xiii) of Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016, are secured by floating charge and lien in favour of the Trustees for Depositors on the Statutory Liquid Assets maintained in terms of sub-sections (1) and (2) of Section 29B of the National Housing Bank Act, 1987.

## NOTES FORMING PART OF THE ACCOUNTS

### 20. Subordinate liabilities

The following tables set forth, for the periods indicated, details of sub-ordinated liabilities.

₹ in million

| Particulars | At March 31, 2022 | | | |
|---|---|---|---|---|
| | At amortised cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total |
| **Subordinate liabilities in India** | | | | |
| Non-convertible debentures | 4,197.9 | - | - | 4,197.9 |
| | **4,197.9** | **-** | **-** | **4,197.9** |
| Less – Unamortised borrowing cost | - | - | - | - |
| **Total – in India** | 4,197.9 | - | - | 4,197.9 |
| **Subordinate liabilities outside India** | - | - | - | - |
| **Total - Subordinate liabilities** | **4,197.9** | **-** | **-** | **4,197.9** |

₹ in million

| Particulars | At March 31, 2021 | | | |
|---|---|---|---|---|
| | At amortised cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total |
| **Subordinate liabilities in India** | | | | |
| Non-convertible debentures | 4,198.6 | - | - | 4,198.6 |
| | **4,198.6** | **-** | **-** | **4,198.6** |
| Less – Unamortised borrowing cost | - | - | - | - |
| **Total – in India** | 4,198.6 | - | - | 4,198.6 |
| **Subordinate liabilities outside India** | - | - | - | - |
| **Total - Subordinate liabilities** | **4,198.6** | **-** | **-** | **4,198.6** |

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, details of subordinate liabilities.

₹ in million

| Description | Date of Allotment | Date of Redemption | Rate of Interest | At March 31, 2022 | At March 31, 2021 |
|---|---|---|---|---|---|
| 800 NCDs of ₹ 500,000 each | February 23, 2021 | December 10, 2035 | 7.65% | 400.0 | 400.0 |
| 400 NCDs of ₹ 500,000 each | December 10, 2020 | December 10, 2035 | 7.65% | 200.0 | 200.0 |
| 500 NCDs of ₹ 500,000 each | January 11, 2021 | December 10, 2035 | 7.65% | 250.0 | 250.0 |
| 354 NCDs of ₹ 500,000 each | February 23, 2021 | August 23, 2033 | 7.50% | 177.0 | 177.0 |
| 500 NCDs of ₹ 500,000 each | February 23, 2021 | February 21, 2031 | 7.40% | 250.0 | 250.0 |
| 1,280 NCDs of ₹ 500,000 each | November 10, 2020 | November 8, 2030 | 7.50% | 640.0 | 640.0 |
| 2,140 NCDs of ₹ 500,000 each | December 10, 2020 | November 8, 2030 | 7.50% | 1,070.0 | 1,070.0 |
| 500 NCDs of ₹ 500,000 each | January 11, 2021 | November 8, 2030 | 7.50% | 250.0 | 250.0 |
| 1,000 NCDs of ₹ 500,000 each | June 10, 2020 | June 10, 2030 | 8.02% | 500.0 | 500.0 |
| 910 NCDs of ₹ 500,000 each | June 26, 2020 | June 10, 2030 | 8.02% | 455.0 | 455.0 |
| | | | | **4,192.0** | **4,192.0** |
| Add/(Less) – Unamortised premium/(Discount) | | | | 5.9 | 6.6 |
| **Total** | | | | **4,197.9** | **4,198.6** |

## 21. Other financial liabilities (at amortised cost)

The following table sets forth, for the periods indicated, details of other financial liabilities (at amortised cost).

₹ in million

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| Interest accrued | 1,437.1 | 1,790.3 |
| Unpaid matured deposits and interest accrued thereon | 78.8 | 186.5 |
| Lease liability | 271.9 | 337.1 |
| Others[1] | 8,360.1 | 4,957.3 |
| **Total** | **10,147.9** | **7,271.2** |

1. Includes book overdraft, unappropriated credits pertaining to loans and fixed deposits, accruals for expenses etc.

## 22. Provisions

The following table sets forth, for the periods indicated, details of provisions.

₹ in million

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| (a) Provision for employee benefits | | |

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| Leave encashment | 30.8 | 33.6 |
| | | |
| (b) Other provisions | | |
| Provision for others[1] | 63.9 | 123.2 |
| **Total** | **94.7** | **156.8** |

1. March 31, 2021 includes provision made towards estimated interest relief (interest on interest) to eligible borrowers. For details refer note no. 24

## 23. Other non-financial liabilities

The following table sets forth, for the periods indicated, details of other non-financial liabilities.

₹ in million

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| Undisputed statutory dues | 155.8 | 167.1 |
| **Total** | **155.8** | **167.1** |

## 24. Interest income

The following table sets forth, for the periods indicated, details of interest income.

₹ in million

| Particulars | Year ended March 31, 2022 | | | | Year ended March 31, 2021 | | | |
|---|---|---|---|---|---|---|---|---|
| | On financial assets measured at fair value through OCI | On financial assets measured at amortised cost | On financial assets classified at fair value through profit or loss | Total | On financial assets measured at fair value through OCI | On financial assets measured at amortised cost | On financial assets classified at fair value through profit or loss | Total |
| Interest on loans | 2,360.0 | 11,921.2 | - | 14,281.2 | 325.0 | 14,085.2 | - | 14,410.2 |
| Interest income from investments | - | 215.6 | - | 215.6 | - | 189.2 | - | 189.2 |
| Interest on deposits with banks | - | 9.2 | - | 9.2 | - | 36.0 | - | 36.0 |
| Other interest income | - | 6.2 | - | 6.2 | - | - | - | - |
| **Total** | **2,360.0** | **12,152.2** | **-** | **14,512.2** | **325.0** | **14,310.4** | **-** | **14,635.4** |

## NOTES FORMING PART OF THE ACCOUNTS

In accordance with RBI notification dated April 7, 2021, the Company was required to refund/adjust 'interest on interest' to borrowers. Accordingly, at March 31, 2021 the Company had created a liability towards estimated interest relief and reduced the same from the interest income.

### 25. Fees and commission income

The following table sets forth, for the periods indicated, details of fees and commission income.

₹ in million

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Property service fees | 36.8 | 68.2 |
| Processing fee[1] | 103.5 | 89.3 |
| Referral fees – General insurance | 13.6 | 32.1 |
| Referral fees – Life insurance | 57.8 | 44.7 |
| Other fee income | 102.5 | 69.1 |
| **Total** | **314.2** | **303.4** |

1. Represents log-in/processing fee on expired/cancelled cases.

### 26. Net gain/(loss) on fair value changes*

The following table sets forth, for the periods indicated, details of net gain/(loss) on fair value changes.

₹ in million

| Particulars | | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|---|
| (A) | Net gain/(loss) on financial instruments at fair value through profit or loss | | |
| | - Investments | (1.1) | 35.9 |
| | - Derivatives | - | - |
| | - Others | - | - |
| | | | |
| (ii) | On financial instruments designated at fair value through profit or loss | - | - |
| | **Total** | **(1.1)** | **35.9** |
| (B) | Others | - | - |
| | **Total** | **-** | **-** |
| **(C)** | **Total net gain/(loss) on fair value changes** | **(1.1)** | **35.9** |
| | | | |
| | Fair value changes | | |
| | - realized | - | - |
| | - unrealized | (1.1) | 35.9 |
| **(D)** | **Total net gain/(loss) on fair value changes** | **(1.1)** | **35.9** |

* Fair value changes in this schedule are other than those arising on account of accrued interest income/expense.

## NOTES FORMING PART OF THE ACCOUNTS

### 27. Other revenue from operations

The following table sets forth, for the periods indicated, details of other revenue from operation.

₹ in million

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Profit on sale of mutual fund units | 150.5 | 308.9 |
| **Total** | **150.5** | **308.9** |

### 28. Other income

The following table sets forth, for the periods indicated, details of other income.

₹ in million

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Rent income | 11.1 | 37.6 |
| Others (including interest on income tax refund)[1] | 0.4 | 33.0 |
| **Total** | **11.5** | **70.6** |

1. Year ended March 31, 2021 includes ₹ 32.9 million pertaining to earlier period. For details, refer note no. 71.

### 29. Finance Cost

The following table sets forth, for the periods indicated, details of finance cost.

₹ in million

| Particulars | Year ended March 31, 2022 | | Year ended March 31, 2021 | |
|---|---|---|---|---|
| | On financial liabilities measured at fair value through profit or loss | On financial liabilities measured at amortised cost | On financial liabilities measured at fair value through profit or loss | On financial liabilities measured at amortised cost |
| Interest on deposits | - | 2,323.2 | - | 2,621.7 |
| Interest on borrowings | - | 3,817.8 | - | 5,484.3 |
| Interest on debt securities | - | 2,308.2 | - | 2,319.5 |
| Interest on subordinate liabilities | - | 320.9 | - | 121.5 |
| Interest on lease liabilities | - | 19.3 | - | 4.9 |
| **Total** | **-** | **8,789.4** | **-** | **10,551.9** |

## NOTES FORMING PART OF THE ACCOUNTS

### 30. Fees and commission expenses

The following table sets forth, for the periods indicated, details of fees and commission expenses.

₹ in million

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Property services fee expense, brokerage and commission | 14.7 | 11.0 |
| Legal and technical fee | 23.9 | 19.5 |
| **Total** | **38.6** | **30.5** |

### 31. Impairment on financial instruments

The following table sets forth, for the periods indicated, details of impairment and write-offs of financial instruments.

₹ in million

| Particulars | Year ended March 31, 2022 | | Year ended March 31, 2021 | |
|---|---|---|---|---|
| | On financial instruments measured at fair value through OCI | On financial instruments measured at amortised cost | On financial instruments measured at fair value through OCI | On financial liabilities measured at amortised cost |
| Loans | - | 1,727.6 | - | 2,655.9 |
| Investments | - | - | - | - |
| Others | - | 27.7 | - | 38.7 |
| **Total** | **-** | **1,755.3** | **-** | **2,694.6** |

### Provisions and contingencies

The following table sets forth, for the periods indicated, the break-up of provisions and contingencies included in profit and loss account.

₹ in million

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Provision for depreciation on Investment | - | - |
| Provision/write-offs towards non-performing assets | 1,628.1 | 1,987.7 |
| Provision for standard assets | 99.5 | 668.2 |
| *- HL to individuals* | *38.2* | *246.1* |
| *- HL to others* | *-* | *(1.5)* |
| *- Teaser Loans* | *-* | *-* |
| *- Commercial Real Estate-Residential Housing Loans* | *13.1* | *(3.0)* |

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| *- Commercial Real Estate- Other Loans* | *(0.1)* | *(91.6)* |
| *- Other Loans* | *48.3* | *518.2* |
| Other provisions and contingencies write offs | 27.7 | 38.7 |
| **Total** | **1,755.3** | **2,694.6** |
| Provision made towards Income Tax, including deferred tax credit | 480.6 | 109.7 |

Note 1: Standard assets represent loans classified as Stage-1 and Stage-2, NPAs represent loans classified as Stage-3 and Provisions on loans represent Expected credit loss in the above table.

## 32. Employee benefits expenses

The following table sets forth, for the periods indicated, details of employee benefits expenses.

₹ in million

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Salaries and wages | 1,472.6 | 1,417.5 |
| Contribution to provident and other funds | 76.4 | 80.2 |
| Share based payment to employees | 33.0 | 32.7 |
| Staff welfare expenses | 136.4 | 67.4 |
| **Total** | **1,718.4** | **1,597.8** |

## 33. Establishment & other expenses

The following table sets forth, for the periods indicated, details of other expenses.

₹ in million

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Rent, rates and energy cost | 28.5 | 39.0 |
| Repairs and maintenance | 88.7 | 68.5 |
| Communication costs | 64.8 | 29.7 |
| Printing and stationery | 28.1 | 17.3 |
| Advertisement and publicity | 49.6 | 44.9 |
| Director's fees, allowances and expenses | 7.4 | 4.8 |
| Auditor's fees and expenses (refer note below) | 10.4 | 10.5 |
| Legal and professional charges | 234.5 | 174.2 |
| Collection expenses | 205.9 | 97.4 |
| Insurance | 4.4 | 4.3 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Travelling and conveyance | 96.4 | 54.8 |
| Office expenses | 82.3 | 73.5 |
| Corporate Social Responsibility expenditure[1] | 10.2 | 13.5 |
| Computer consumables | 19.5 | 14.1 |
| Unwinding cost on derivatives | 281.0 | - |
| Miscellaneous expenses | 30.9 | 36.4 |
| **Total** | **1,242.6** | **682.9** |

1. Refer note 80 for details.

### Remuneration to auditors

₹ in million

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Statutory audit fees | 4.3 | 5.4 |
| Tax audit fees | 0.5 | 0.5 |
| Certification and other fees[1] | 5.6 | 4.6 |
| **Total** | **10.4** | **10.5** |

1. Including reimbursement of expenses and tax credit not available to the Company.

## NOTES FORMING PART OF THE ACCOUNTS

### 34. Current and non-current assets and liabilities

The following tables set forth, for the periods indicated, the assets and liabilities to be recovered or settled within and after twelve months.

₹ in million

| Particulars | At March 31, 2022 | | |
|---|---|---|---|
| | Amounts expected to be recovered or settled | | Total |
| | Within twelve months | After twelve months | |
| **ASSETS** | | | |
| **Financial assets** | | | |
| Cash and cash equivalents | 2,693.6 | - | 2,693.6 |
| Bank balance other than above | - | 2.5 | 2.5 |
| Derivative financial instruments | 595.7 | - | 595.7 |
| Receivables | | | |
| (i) Trade receivables | 12.5 | - | 12.5 |
| (ii) Other receivables | - | - | - |
| Loans | 7,328.7 | 137,656.3 | 144,985.0 |
| Investments | 3,005.3 | 2,998.8 | 6,004.1 |
| Other financial assets | 1,228.9 | 1,015.3 | 2,244.2 |
| Assets held for sale | 425.7 | - | 425.7 |
| | **15,290.4** | **141,672.9** | **156,963.3** |
| **Non-financial assets** | | | |
| Current tax assets (net) | - | 956.5 | 956.5 |
| Deferred tax assets | - | 15.8 | 15.8 |
| Property, plant and equipment | - | 1,180.2 | 1,180.2 |
| Capital work-in-progress | 6.9 | - | 6.9 |
| Intangible assets | - | 77.4 | 77.4 |
| Intangible assets under development | 37.9 | - | 37.9 |
| Other non-financial assets | 152.2 | 14.6 | 166.8 |
| | **197.0** | **2,244.5** | **2,441.5** |
| **Total** | **15,487.4** | **143,917.4** | **159,404.8** |
| | | | |
| **LIABILITIES AND EQUITY** | | | |
| **LIABILITIES** | | | |
| **Financial liabilities** | | | |
| Derivative financial instruments | 200.5 | - | 200.5 |
| Payables | | | |
| (i) Micro and Small Enterprises | 42.1 | - | 42.1 |
| (ii) Other payables | 1,582.9 | - | 1,582.9 |
| Debt securities | 12,551.2 | 30,973.5 | 43,524.7 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | At March 31, 2022 | | |
|---|---|---|---|
| | Amounts expected to be recovered or settled | | Total |
| | Within twelve months | After twelve months | |
| Borrowings (Other than debt securities) | 18,978.8 | 28,560.3 | 47,539.1 |
| Deposits | 10,905.2 | 19,963.0 | 30,868.2 |
| Subordinate liabilities | - | 4,197.9 | 4,197.9 |
| Other financial liabilities | 9,996.1 | 151.8 | 10,147.9 |
| | **54,256.8** | **83,846.5** | **138,103.3** |
| **Non-financial liabilities** | | | |
| Current tax liabilities (net) | - | - | - |
| Provisions | 71.1 | 23.6 | 94.7 |
| Other non-financial liabilities | 155.8 | - | 155.8 |
| | **226.9** | **23.6** | **250.5** |
| **EQUITY** | | | |
| Equity Share Capital | - | 10,987.5 | 10,987.5 |
| Other equity | - | 10,063.5 | 10,063.5 |
| | **-** | **21,051.0** | **21,051.0** |
| **Total** | **54,483.7** | **104,921.1** | **159,404.8** |

₹ in million

| Particulars | At March 31, 2021 | | |
|---|---|---|---|
| | Amounts expected to be recovered or settled | | Total |
| | Within twelve months | After twelve months | |
| **ASSETS** | | | |
| **Financial assets** | | | |
| Cash and cash equivalents | 7,436.4 | - | 7,436.4 |
| Bank balance other than above | 458.0 | 2.5 | 460.5 |
| Derivative financial instruments | - | 681.4 | 681.4 |
| Receivables | | | |
| (i) Trade receivables | 25.8 | - | 25.8 |
| (ii) Other receivables | - | - | - |
| Loans | 7,065.3 | 130,512.9 | 137,578.2 |
| Investments | 1,058.8 | 2,897.4 | 3,956.2 |
| Other financial assets | 722.3 | 741.4 | 1,463.7 |
| Assets held for sale | 425.7 | - | 425.7 |
| | **17,192.3** | **134,835.6** | **152,027.9** |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | At March 31, 2021 | | |
|---|---|---|---|
| | Amounts expected to be recovered or settled | | Total |
| | Within twelve months | After twelve months | |
| **Non-financial assets** | | | |
| Current tax assets (net) | - | 918.1 | 918.1 |
| Deferred tax assets | - | 546.1 | 546.1 |
| Property, plant and equipment | - | 1,329.3 | 1,329.3 |
| Capital work-in-progress | 8.5 | - | 8.5 |
| Intangible assets | - | 59.1 | 59.1 |
| Intangible assets under development | 31.5 | 12.8 | 44.3 |
| Other non-financial assets | 136.6 | 31.6 | 168.2 |
| | **176.6** | **2,897.0** | **3,073.6** |
| **Total** | **17,368.9** | **137,732.6** | **155,101.5** |
| | | | |
| **LIABILITIES AND EQUITY** | | | |
| **LIABILITIES** | | | |
| **Financial liabilities** | | | |
| Derivative financial instruments | 34.4 | 1,400.4 | 1,434.8 |
| Payables | | | |
| (i) Micro and Small Enterprises | 13.8 | - | 13.8 |
| (ii) Other payables | 1,528.1 | - | 1,528.1 |
| Debt securities | 7,745.3 | 21,108.9 | 28,854.2 |
| Borrowings (Other than debt securities) | 7,369.7 | 51,177.7 | 58,547.4 |
| Deposits | 15,304.9 | 19,753.2 | 35,058.1 |
| Subordinate liabilities | - | 4,198.6 | 4,198.6 |
| Other financial liabilities | 7,009.3 | 261.9 | 7,271.2 |
| | **39,005.5** | **97,900.7** | **136,906.2** |
| **Non-financial liabilities** | | | |
| Current tax liabilities (net) | - | - | - |
| Provisions | 131.3 | 25.5 | 156.8 |
| Other non-financial liabilities | 167.1 | - | 167.1 |
| | **298.4** | **25.5** | **323.9** |
| **EQUITY** | | | |
| Equity Share Capital | - | 10,987.5 | 10,987.5 |
| Other equity | - | 6,883.9 | 6,883.9 |
| | **-** | **17,871.4** | **17,871.4** |
| **Total** | **39,303.9** | **115,797.6** | **155,101.5** |

## NOTES FORMING PART OF THE ACCOUNTS

### 35. Standards issued but not yet effective

Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Rules, 2022. The effective date for adoption of these amendments is annual period beginning on or after April 1, 2022. The amendments are as below.

#### (i) Ind AS 16 – Property, plant and equipment

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

#### (ii) Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of Property, plant and equipment used in fulfilling the contract). Although effective date for adoption for this amendment is April 1, 2022, early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material on the its financial statements.

#### (iii) Ind AS 103 - Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities, in the 'Conceptual Framework for Financial Reporting' under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India, at the acquisition date. These changes do not significantly change the existing requirements of Ind AS 103. The amendment does not have impact on the Company's financial statements.

#### (iv) Ind AS 109 - Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity should include when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The amendment removes the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact on its financial statements.

## NOTES FORMING PART OF THE ACCOUNTS

### 36. Capital Management

**Objective**

The Company actively manages its capital to meet regulatory norms as prescribed by RBI and current and future business needs considering the risks in its businesses, expectation of rating agencies, shareholders and investors and the available options of raising capital. No changes have been made to the objectives, policies and processes from the previous financial year.

The capital management framework of the Company is administered by the Finance team under the supervision of the Board and the Assets Liability Management Committee.

The Company has complied in full, with externally imposed capital requirement over the reporting period.

**Monitoring and reporting**

The Board of Directors maintains an active oversight over the Company's capital adequacy levels. On half yearly basis an analysis of the capital adequacy position and the risk-weighted assets is reported to the Board.

**Capital to Risk Assets Ratio (CRAR)**

The following table sets forth, for the periods indicated, computation of capital adequacy ratio.

₹ in million, except ratio (%)

| Ratio | Numerator | Denominator | At March 31, 2022 | At March 31, 2021 | % Variance | Reason for variance (if above 25%) |
|---|---|---|---|---|---|---|
| CRAR | 20,646.1 | 94,258.7 | 21.90% | 20.94% | 0.96% | NA |
| Tier I CRAR | 15,980.2 | 94,258.7 | 16.95% | 15.92% | 1.03% | NA |
| Tier II CRAR | 4,665.9 | 94,258.7 | 4.95% | 5.02% | (0.07%) | NA |
| Liquidity Coverage Ratio | 5,283.0 | 3,781.0 | 139.73% | 128.71% | 11.02% | NA |

1. The Company has reckoned the property value at the time of loan origination for the purpose of computation of Loan to value ratio (LTV) and accordingly assigned applicable risk weights.

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, amount raised through subordinated debt as Tier II and perpetual debt instruments.

₹ in million

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| Amount of subordinated debt raised as Tier II capital | - | 4,192.0 |
| Amount raised by issue of Perpetual debt instruments | - | - |

The following table sets forth, for the periods indicated, computation of the debt to equity ratio.

₹ in million, except ratio

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| Debt | 126,129.9 | 126,658.3 |
| Equity | 21,051.0 | 17,871.4 |
| Debt to equity ratio | 6.0 | 7.1 |

### 37. Earnings per share

The following table sets forth, for the periods indicated, computation of the earnings per share.

₹ in million, except per share data

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| **Earnings** | | |
| Net Profit attributable shareholders (before dilution) | 1,641.7 | 216.7 |
| Dilution impact (if any) | - | - |
| Net Profit attributable shareholders (after dilution) | 1,641.7 | 216.7 |
| **Common stock** | | |
| Weighted average number of equity shares (basic) | 1,098,750,000 | 1,098,750,000 |
| Dilutive impact | - | - |
| Weighted average number of equity shares (diluted) | 1,098,750,000 | 1,098,750,000 |
| | | |
| **Basic earnings per share (₹)** | **1.49** | **0.20** |
| **Diluted earnings per share (₹)** | **1.49** | **0.20** |

There are no instruments outstanding that could potentially dilute basic earnings per share in the future, but were not included in the calculation of diluted earnings per share because they are anti-dilutive for the period(s) presented.

There were no transactions that have occurred after the reporting date that would have changed significantly the number of ordinary shares outstanding or potential ordinary shares outstanding at the reporting date.

## NOTES FORMING PART OF THE ACCOUNTS

### 38. Operating segment

The Company is engaged in lending business. The Company provides mortgages loans (home loans and loans against properties) and real estate loans. The Company is also engaged in mortgage business related other services such as property search services. All other activities of the Company revolve around the main business. The Board reviews the Company's performance as a single business. The Company's operation is within India only. There being only one segment, disclosure for operating segment is not applicable.

Further, no clients individually accounted for more than 10% of the revenue in financial year ended March 31, 2022 and March 31, 2021.

### 39. Leases

Presentation/disclosure related to leases in financial statements are given below.

1. The Company has presented lease liability as a separate line item in schedule on 'Other Financial Liabilities'. The Company presents Right of Use (ROU) assets (pertaining to its branch/office premises) as part of 'Properties, Plant and Equipment'.
2. The Company has presented interest expenses on lease liability separately from depreciation charge for the ROU assets. Interest expenses on lease liability is a component of finance cost.
3. In cash flow statement, the Company has classified
   a) Principal portion of lease payment as financing activities,
   b) Interest on lease liability as financing activities,
   c) Lease payment for short-term assets or low-value assets as operating activities.

The following table sets forth, for the periods indicated, movement in carrying value of right of use assets (for branch premises).

₹ in million

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Opening balance | 311.9 | 429.1 |
| Addition[1] | 25.2 | 52.8 |
| Deletion | (1.8) | (62.1) |
| Depreciation to date | (95.6) | (107.9) |
| Closing balance | 239.7 | 311.9 |

1. Includes impact on account of lease-modifications.

The following tables set forth, for the periods indicated, details pertaining to lease liabilities.

#### a) Movement in carrying value (present value) of lease liability

₹ in million

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Opening balance | 337.1 | 457.0 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Addition[1] | 23.1 | 39.8 |
| Deletion | (2.1) | (63.0) |
| Finance cost accrued during the period | 19.3 | 18.7 |
| Payments made | (105.5) | (115.4) |
| Closing balance | 271.9 | 337.1 |

1. Includes impact on account of lease-modifications.

### b) Break-up of lease liability in to current and non-current

₹ in million

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Current lease liabilities | 120.0 | 108.7 |
| Non-current lease liabilities | 151.9 | 228.4 |
| **Total** | **271.9** | **337.1** |

### c) Contractual maturities of lease liabilities on an undiscounted basis

₹ in million

| Particulars | Up to one month | Over 1 month to 3 months | Over 3 months to 1 year | Over 1 year to 5 years | Over 5 year | Total |
|---|---|---|---|---|---|---|
| At March 31, 2022 | 9.7 | 19.9 | 90.4 | 173.4 | 14.1 | **307.5** |
| At March 31, 2021 | 8.9 | 17.8 | 81.9 | 256.5 | 30.2 | **395.3** |

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Further for the year ended March 31, 2022, the Company

- Recorded expense of ₹ 20.0 million for short-term leases and for leases related to low-value leases (March 31, 2021: ₹ 14.7 million).
- Did not have any variable lease payments (March 31, 2021: Nil).
- Had not sub-leased right of use assets (March 31, 2021: Nil).
- Had total cash out flow for leases amounting to ₹ 105.5 million (March 31, 2021: ₹ 115.4 million).
- Does not have any significant restrictions or covenants imposed by leases (March 31, 2021: Nil).
- Has committed undiscounted value of the leases not yet commenced of ₹ 10.0 million (March 31, 2021: ₹ 5.8 million)

## NOTES FORMING PART OF THE ACCOUNTS

### 40. Provisions, commitments and contingencies

The following table sets forth, for the periods indicated, the break-up of provisions and contingencies included in statement of profit and loss.

₹ in million

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Impairment on financial instruments | 1,727.6 | 2,655.9 |
| Others | 27.7 | 38.7 |
| **Total** | **1,755.3** | **2,694.6** |

The Company has assessed its obligations arising in the normal course of business, including pending litigations, proceedings pending with tax authorities and other contracts including derivative and long term contracts. In accordance with the provisions of Ind AS 37 on 'Provisions, Contingent Liabilities and Contingent Assets', the Company recognises a provision for material foreseeable losses when it has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure to this effect is made as contingent liabilities in the financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

**Litigation**

A number of litigations and claims against the Company and its directors are pending in various forums. The claims on the Company mainly arise in connection with civil cases involving allegations of service deficiencies, property or labor disputes, fraudulent transactions, economic offences and other cases filed in the normal course of business. The Company is also subject to counter-claims arising in connection with its enforcement of contracts and loans. A provision is created where an unfavorable outcome is deemed probable and in respect of which a reliable estimate can be made. In view of inherent unpredictability of litigation and cases where claims sought are substantially high, actual cost of resolving litigations may be substantially different than the provision held. The total amount of provision held is ₹ 4.3 million at March 31, 2022 (March 31, 2021: ₹ 5.2 million).

Based upon a review of open matters with its legal counsels including loss contingency on account of such litigation and claims, and classification of such contingency as 'probable', 'possible' or 'remote' and with due provisioning for the relevant litigation and claims, the management believes that the outcome of such matters will not have a material adverse effect on the Company's financial position, results of operations or cash flows.

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, movement in provision for legal cases.

₹ in million

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Opening provision | 5.2 | 7.3 |
| Provision made during the year | 0.5 | 3.7 |
| Utilisation | - | (0.8) |
| Provision reversed during the year | (1.4) | (5.0) |
| Closing provision | 4.3 | 5.2 |

Claims filed against the Company not acknowledged as debt amounted to ₹ 13.9 million at March 31, 2022 (March 31, 2021: ₹ 12.8 million).

### Loan commitments

The Company has outstanding undrawn commitments to provide loans to customers. These loan commitments aggregated ₹ 7,777.1 million at March 31, 2022 (March 31, 2021: ₹ 6,372.7 million). Further, the commitments have fixed expiration dates and are contingent upon the borrower's ability to maintain specific credit standards.

### Capital commitments

The Company is obligated under various capital contracts. Capital contracts are work/purchase orders of a capital nature, which have been committed. Estimated amounts of contracts remaining to be executed on property, plant and equipment aggregated to ₹ 39.5 million (net of advances - ₹ 32.6 million) at March 31, 2022 (March 31, 2021: Gross – ₹ 19.1 million, net of advances – ₹ 10.6 million).

Estimated amounts of contracts remaining to be executed on intangible assets aggregated to ₹ 64.8 million (net of advances - ₹ 26.9 million) at March 31, 2022 (March 31, 2021: Gross – ₹ 76.0 million, net of advances – ₹ 31.7 million).

### Commitment towards investments

The Company does not have any commitments towards uncalled amount on investments at March 31, 2022 (March 31, 2021: Nil).

### Tax contingencies

Various tax related legal proceedings are pending against the Company at various levels of appeal either with the tax authorities or in the courts. Where after considering all available information in the opinion of management a liability requires accrual, the Company accrues such liability.

Where such proceedings are sufficiently advanced to enable management to assess that a liability exists and are subject to reasonable estimation, management records its best

estimate of such liability. Where a reasonable range of potential outcomes is estimated, management records its best estimate, or in the absence of a basis for selecting a specific estimate within a range, management records a liability no less than the lower end of the estimated range. The contested tax demands are adjusted by the tax authorities against refunds due to the Company on favorable resolution of earlier year's appeals/completion of assessments or paid. The payment/adjustment does not prejudice the outcome of the appeals filed by the Company. The advance tax payments are recorded as advance tax payments.

At March 31, 2022, the Company has assessed its contingent tax liability at an aggregate amount of ₹ 416.3 million pertaining to income tax demands by the Government of India's tax authorities for past years (March 31, 2021: ₹ 416.3 million). Based on consultation with counsel and favorable decisions in the Company's own or other cases, the management believes that the tax authorities are not likely to be able to substantiate their tax assessments and accordingly, has not provided for these tax demands at March 31, 2022. Disputed tax issues that are classified as remote are not disclosed as contingent liabilities by the Company. The key disputed liabilities are detailed below:

a. Income tax deduction for special reserve available to financial institutions
b. Disallowance of expenses incurred for earning tax exempt income

Based on judicial precedents in the Company's and other cases and upon consultation with tax counsels, the management believes that it is more likely than not that the Company's tax position will be sustained. Accordingly, no provision has been made in the accounts.

## 41. Proposed dividend on equity shares

The Board of Directors at its meeting held on April 19, 2022, has recommended dividend of ₹ 0.15 per equity share for the year ended March 31, 2022 (year ended March 31, 2021: Nil), as per the dividend payout policy of the Company. Further, the Company didn't pay any dividend during year ended March 31, 2022 (year ended March 31, 2021: Nil).

## 42. Income taxes

The following table sets forth, for the periods indicated, major components of income tax expense/ (benefit).

₹ in million

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| **Current tax expense/(benefit)** | | |
| Tax expense/(benefit) for current year | 464.7 | - |
| **Total current tax expense/(benefit)** | **464.7** | **-** |
| | | |
| **Deferred tax expense/(benefit)** | | |
| Origination and reversal of temporary difference | 15.9 | 109.7 |
| Change in tax rates | - | - |
| **Total deferred tax expense/(benefit)** | **15.9** | **109.7** |
| **Total income tax expense/(benefit)** | **480.6** | **109.7** |

## NOTES FORMING PART OF THE ACCOUNTS

The tax expense and tax assets have been computed as per applicable tax laws and generally accepted tax computation policies and procedures. Further, there is no uncertain tax treatment.

The following table sets forth, for the periods indicated, income taxes charged or credited directly to statement of other comprehensive income.

₹ in million

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| **Items that will not be reclassified to the profit or loss** | | |
| Defined benefit plan actuarial gains/(losses) | 3.1 | 0.8 |
| Change in tax rates | - | - |
| **Items that will be reclassified to the profit or loss** | | |
| Impact due to cash flow hedge reserve | 190.3 | 33.3 |
| Change in tax rates | - | - |
| Impact due to fair value changes on loans classified under ''Hold & Sell" business model | 321.1 | 287.5 |
| Change in tax rates | - | - |
| **Income tax charged/(credited) to other comprehensive income** | **514.5** | **321.6** |

**Reconciliation of tax rates**

The following table sets forth, for the periods indicated, reconciliation of the income taxes at statutory income tax rate to income tax expense/ (benefit) as reported.

₹ in million

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Profit/(loss) before income taxes | 2,122.3 | 326.4 |
| **Total** | **2,122.3** | **326.4** |
| Enacted statutory tax rate | 25.168% | 25.168% |
| Income tax expense/(benefit) at the statutory tax rate | 534.1 | 82.1 |
| **Increases/(reductions) in taxes on account of:** | | |
| Income tax deduction for Special Reserve available to financial institutions | (58.9) | - |
| Exempt income | - | - |
| Income charged at rates other than statutory tax rate | - | - |
| Changes in the statutory tax rate | - | - |
| Deferred tax not recognized | - | - |
| Expenses disallowed for tax purposes | 5.4 | 27.6 |
| **Income tax expense/(benefit) reported** | **480.6** | **109.7** |
| Current Tax | 464.7 | - |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Deferred Tax Asset | 15.9 | 109.7 |
| **Total Tax** | **480.6** | **109.7** |

The effective income tax rate for year ended March 31, 2022 was 22.6% (March 31, 2021: 33.6%).

### Current tax assets (net)

The following table sets forth, for the periods indicated, components of the current tax assets.

₹ in million

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Advance tax (net of provisions) | 956.5 | 918.1 |
| **Total** | **956.5** | **918.1** |

### Components of deferred tax balances

The tax effects of temporary differences are reflected through a deferred tax asset/liability, which is included in the balance sheet of the Company.

The following table sets forth, for the periods indicated, components of the deferred tax balances.

₹ in million

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| **Deferred tax assets:** | | |
| Allowance for loan losses | 979.3 | 943.8 |
| Unutilised tax losses carried forward[1] | - | 107.7 |
| Cash flow hedge reserve | 62.1 | 252.4 |
| Others | 107.0 | 93.1 |
| Deferred loan origination expenses (net) and borrowing cost (EIR method of accounting) and interest on stage 3 loans | 6.0 | - |
| **Total deferred tax asset** | **1,154.4** | **1,397.0** |
| | | |
| **Deferred tax liabilities:** | | |
| Depreciation on property, plant and equipment | 96.7 | 108.8 |
| Deferred loan origination expenses (net) and borrowing cost (EIR method of accounting) and interest on stage 3 loans | - | 115.5 |
| Fair value changes in investments and derivatives | 21.7 | 25.7 |
| Unrealised gains chargeable to tax on realisation basis | 411.6 | 313.4 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| Fair value changes on financial assets (loans) | 608.6 | 287.5 |
| **Total deferred tax liability** | **1,138.6** | **850.9** |
| | | |
| **Net deferred tax asset/(liability)** | **15.8** | **546.1** |

1. During FY2021, unutilised tax loss arised due to claim of bad debts written off under section 36(1)(vii) of the Income Tax Act, 1961. The same was eligible for set off against future taxable profits.

In assessing the realisability of deferred tax assets, management has considered whether it is probable that some portion or all of the deferred tax assets will not be realised. The ultimate realisation of the deferred tax asset is dependent on the generation of future taxable income during the periods in which the temporary differences become deductible. Management has considered the scheduled reversal of deferred tax liabilities, the projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable incomes over the periods in which the deferred tax assets are deductible, management believes that it is probable that sufficient taxable profits will be available against which the Company will realise the benefits of those deductible differences.

The following tables set forth, for the periods indicated, movement in temporary differences during the year.

₹ in million

| Particulars | Balance at April 1, 2021 | Recognised in profit and loss account | Recognised in other comprehensive income | Balance at March 31, 2022 |
|---|---|---|---|---|
| Allowance for loan losses | 943.8 | 35.5 | - | 979.3 |
| Deferred loan origination expenses (net) and borrowing cost (EIR method of accounting) and interest on stage 3 loans | (115.5) | 121.5 | - | 6.0 |
| Depreciation on Property, plant and equipment | (108.8) | 12.1 | - | (96.7) |
| Fair value changes in investments and derivatives | (25.7) | 4.0 | - | (21.7) |
| Cash flow hedge reserve | 252.4 | - | (190.3) | 62.1 |
| Unrealised gains chargeable to tax on realisation basis | (313.4) | (98.2) | - | (411.6) |
| Others | 93.1 | 17.0 | (3.1) | 107.0 |
| Unutilised tax losses carried forward | 107.7 | (107.7) | - | - |
| Fair value changes on financial assets (loans) | (287.5) | - | (321.1) | (608.6) |
| **Total** | **546.1** | **(15.9)** | **(514.5)** | **15.8** |

₹ in million

| Particulars | Balance at April 1, 2020 | Recognised in profit and loss account | Recognised in other comprehensive income | Balance at March 31, 2021 |
|---|---|---|---|---|
| Allowance for loan losses | 1,136.6 | (192.8) | - | 943.8 |
| Deferred loan origination expenses (net) and borrowing cost (EIR method of accounting) and interest on stage 3 loans | (265.6) | 150.1 | - | (115.5) |
| Depreciation on Property, plant and equipment | (102.0) | (6.8) | - | (108.8) |
| Fair value changes in investments and derivatives | (17.3) | (8.4) | - | (25.7) |
| Cash flow hedge reserve | 285.8 | - | (33.4) | 252.4 |
| Unrealised gains chargeable to tax on realisation basis | (157.7) | (155.7) | - | (313.4) |
| Others | 97.7 | (3.8) | (0.8) | 93.1 |
| Unused tax losses carried forward | - | 107.7 | - | 107.7 |
| Fair value changes on financial assets (loans) | - | - | (287.5) | (287.5) |
| **Total** | **977.5** | **(109.7)** | **(321.7)** | **546.1** |

## 43. Changes in Business Model and derecognition of financial assets

The National Housing Bank (NHB) in order to improve the financials, capital and liquidity structure of HFCs, had issued the following changes in its guidelines:

a) Increased the regulatory requirements capital adequacy ratio (CAR) from existing requirement of 12% to 15% in a phased manner by March 2022.
b) Mandated HFCs to cap their total borrowings (including public deposits) in a phased manner to not more than 12 times of their Net Owned Funds (NOF) at March 31, 2022 (March 31, 2021: 13 times of NOF).
c) Capped the borrowings by way of public deposit to 3 times NOF.

The Company in order to meet its objective of maintaining leverage at desired level and well within the regulatory requirements and also to ensure that its capacity of originating new loans is not impacted due to these requirements, considered selling of certain portion of its retail mortgage through direct assignment route from financial year 2019-2020. The Company, w.e.f. October 1, 2020, as per its Board approved policy, classifies part of its newly originated loans in to 'Hold' and 'Hold and sell' categories. Further, considering the Asset Liability Maturity, liquidity plans and funding needs, the Company sells a part of a portfolio, which has been originally classified as amortised cost.

Accordingly, during the year ended March 31, 2022, the Company has sold 90% of a portion of its retail mortgage loans through direct assignments, measured at amortised cost & FVOCI, to maintain reasonable leverage. As per regulatory requirement, the Company continues to hold balance 10% of those loans as Minimum Retention Requirement (MRR).

## NOTES FORMING PART OF THE ACCOUNTS

The Company transferred substantially all the risks and rewards relating to assets to the buyer and accordingly, sold portion of loans was derecognised.
The following table below sets forth, for the periods indicated, the summary of carrying amounts of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition.

₹ in million

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Carrying amount of derecognised financial assets | 9,173.3 | 15,744.0 |
| Gain on derecognition of financial assets[1,2] | 704.2 | 780.9 |

1. Since the Company transferred the above financial asset in a transfer that qualified for derecognition in its entirety therefore the whole of the interest spread at its present value (discounted over the expected life of the asset) is recognised on the date of derecognition as interest-only strip receivable with a corresponding credit to the statement of profit and loss.
2. Including upfront amortisation of income on loan origination of ₹ 5.0 million (March 31, 2021: Net-off upfront amortisation of cost on loan origination of ₹ 16.8 million).

### 44. Assets held for sale

During March 31, 2021 the Company has classified its holding in the Asset Reconstruction Company India Limited (ARCIL) amounting to ₹ 425.7 million (7,340,000 nos. of Equity Shares) representing 2.26% of the equity capital of ARCIL as assets held for sale, as management intends to sell off the investment in near future. The carrying amount of the asset at March 31, 2022 is equal to fair value. Hence, no impairment is required.

### 45. Offsetting financial assets and financial liabilities

Certain financial assets and financial liabilities are subject to offsetting where there is currently a legally enforceable right to set-off recognised amounts and the Company intends to either settle on a net basis or to realise the asset and settle the liability, simultaneously. Certain derivative financial instruments are subject to master netting agreements, whereby in the case of insolvency, derivative financial assets and derivative financial liabilities will be settled on a net basis.

The following tables set forth, for the periods indicated, the information on the impact of off-setting on the balance sheet and other related information.

### At March 31, 2022

₹ in million

| Particulars | Effect of offsetting on balance sheet | | | Amounts not set-off on the balance sheet | | | |
|---|---|---|---|---|---|---|---|
| | Gross amounts | Gross amounts set off on the balance sheet | Net amounts presented on the balance sheet (A) | Impact of Master Netting Agreements (B) | Cash collateral (C) | collateral (D) | Net amount (A-B-C-D) |
| **Financial assets** | | | | | | | |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Effect of offsetting on balance sheet | | | Amounts not set-off on the balance sheet | | | |
|---|---|---|---|---|---|---|---|
| | Gross amounts | Gross amounts set off on the balance sheet | Net amounts presented on the balance sheet (A) | Impact of Master Netting Agreements (B) | Cash collateral (C) | collateral (D) | Net amount (A-B-C-D) |
| Other financial assets | - | - | - | - | - | - | - |
| **Financial liabilities** | | | | | | | |
| Other financial liabilities | - | - | - | - | - | - | - |

**At March 31, 2021**

₹ in million

| Particulars | Effect of offsetting on balance sheet | | | Amounts not set-off on the balance sheet | | | |
|---|---|---|---|---|---|---|---|
| | Gross amounts | Gross amounts set off on the balance sheet | Net amounts presented on the balance sheet (A) | Impact of Master Netting Agreements (B) | Cash collateral (C) | collateral (D) | Net amount (A-B-C-D) |
| **Financial assets** | | | | | | | |
| Other financial assets | - | - | - | - | - | - | - |
| **Financial liabilities** | | | | | | | |
| Other financial liabilities | - | - | - | - | - | - | - |

### 46. Financial risk management

### Introduction and overview

The Company is exposed primarily to credit, market and liquidity risk from financial instruments. The Company is also subject to operational risks.

This section presents information about the Company's exposure to the above risks, its objectives, policies and processes for managing the risk and methods used to measure the risk.

## NOTES FORMING PART OF THE ACCOUNTS

### Risk management framework

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

1. The Board of Directors has oversight on all the risks assumed by the Company. Specific Committees of the Board have been constituted to facilitate focused oversight of various risks. The Board reviews the risk management policies, Risk Management Committee reviews the compliance with risk management guidelines stipulated by the RBI. It reviews key risk indicators covering areas such as credit risk, interest rate risk, liquidity risk and operational risks. Audit Committee provides direction to and also monitors the quality of the internal audit function.

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 have been constituted across the Company to facilitate independent evaluation, monitoring and reporting of various risks. These control groups function independently of the business groups/sub-groups.

The risk management framework forms the basis of developing consistent risk principles.

Material risks are identified, measured, monitored and reported to the Board of Directors and Board level committees.

### Credit risk

The Company is exposed to credit risk in its lending operations. Credit risk is the risk of loss that may occur from the failure of any counterparty to abide by the terms and conditions of any financial contract with the Company, principally the failure to make required payments as per the terms and conditions of the contracts.

### Objectives

The Company manages its risk with the broad objectives of mitigating the risk arising from losses on account of the default, maintaining a healthy credit portfolio, complying with regulatory norms as specified by RBI and maximising return to the stakeholders.

### Policies and processes

All credit risk related aspects are governed by the Board approved Credit and Recovery Policy (CRP). CRP outlines the type of products that can be offered, customer categories, target customer profile, credit approval process and limits. The delegation structure for approval of credit limits is approved by the Board of Directors. All credit proposals relating to construction realty finance and other funding to corporates are rated by risk management team prior to approval by the appropriate forum.

## NOTES FORMING PART OF THE ACCOUNTS

### Credit approval authorisation structure

Every new credit facility and every extension or material change of an existing credit facility (such as its tenor, collateral structure or major covenants) to any counterparty requires credit approval at the appropriate authority level. The Company assigns credit approval authorities to individuals according to their qualifications, experience and training, and these are reviewed periodically. The authorisation is based on the level of risk and the quantum of exposure, to ensure that the transactions with higher exposure and level of risk are put up to correspondingly higher forum/committee for approval.

In respect of retail loans, all exposures are approved under operating notes or programs approved by the Committee of Directors (COD). This involves a cluster-based approach for a particular product or for homogeneous group of individuals/business entities that comply with certain laid down parameter-based norms. The norms vary across product segments/customer profile, but typically include factors such as the borrower's income, the loan-to-value ratio and demographic parameters. The individual credit proposals are evaluated and approved by executives on the basis of the product policies.

### Collateral management

The Company defines collateral as the assets or rights provided to the Company by the borrower or a third party in order to secure a credit facility. The main types of collaterals are registered/equitable mortgage of property, pledge of fixed deposits/gold ornaments, assignment of receivables, liquidity support collateral [e.g. DSRA (Debt Service Reserve Account)]. The Company would have the rights of secured creditor in respect of the assets offered as security for the obligations of the borrower/obligor.

The Company ensures that the underlying documentation for the collateral provides the Company appropriate rights over the collateral or other forms of credit enhancement including the right to liquidate retain or take legal possession of it in a timely manner in the event of default by the counterparty. The Company follows the due procedure as laid down under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) to take possession of assets given as collateral. The assets so repossessed are sold on behalf of the customers so as to settle the receivables. Any surplus funds are returned to the customers/obligors. Accordingly, the collaterals are not recorded on the Balance Sheet and not treated as non–current assets held for sale.

The collateral is valued at the time of sanctioning the credit facility and loan-to-value (LTV) norms are applied as specified in the credit policies. For loan accounts classified as Stage 3, collaterals are valued on annual basis.

## NOTES FORMING PART OF THE ACCOUNTS

### Quantitative information of Collateral – Credit impaired assets

The following table sets forth, for the periods indicated, quantitative information of collaterals of credit impaired assets.

₹ in million

| Loan to value (LTV) range | Gross value of loan | |
|---|---|---|
| | At March 31, 2022 | At March 31, 2021 |
| Less than 50% | 3,472.4 | 4,291.3 |
| 51 to 70% | 2,830.2 | 2,594.7 |
| 71 to 90% | 2,154.8 | 2,300.6 |
| 91 to 100% | 123.7 | 193.1 |
| More than 100% | 15.9 | 6.0 |
| **Total** | **8,597.0** | **9,385.7** |

### Impairment assessment

Loans and advances are classified into Stage 1, Stage 2 and Stage 3. For classifying loans into Stage 1 and assessing significant increase in credit risk and impairment in case of retail loans, accounts are identified based on number of days the account is overdue. Overdue flagging is done for day end overdues based on day end process in the system.

The Company determines credit loss allowances in accordance with Ind AS 109 as follows:

Stage 1 – Borrowers having delinquencies less than or equal to 30 days overdue and not classified as Stage 2 or 3.

Stage 2 –

a. Borrowers having delinquencies greater than 30 days overdue; or
b. where the contractual terms of the loans are renegotiated/modified as per the RBI circular on resolution framework for Covid-19 related stress dated August 6, 2020 and May 5, 2021 and are not classified as Stage 3.

Stage 3 (Default) –

a. Borrowers with overdue for a period equal to or greater than 90 days; or
b. Borrowers with overdue for a period equal to or greater than 90 days on or after November 12, 2021 and have not regularised the entire overdue amount; or
c. Where the contractual terms of the loans are renegotiated/modified, other than those where contractual terms of the loans are renegotiated/modified as per the RBI circular on resolution framework for Covid-19 related stress dated August 6, 2020 and May 5, 2021; or
d. Borrowers identified as Credit Impaired
e. Overdue accounts based on future cash flows being negative
f. Cases where fraud has been identified

However, where moratorium is granted to borrower in accordance with extant guidance of regulator, assets classification/staging is also in accordance with the guidance.

Further, the expected credit loss calculation for Stage 3 distinguishes between transactions in homogeneous and non-homogenous portfolios.

**Significant increase in credit risk**

The Company continuously monitors all assets subject to ECLs. In order to determine whether a borrower accounts is subject to 12-month ECL or life time ECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition. The Company considers an exposure in retail loans to have significantly increase in credit risk if a borrower becomes 30 days overdue on its contractual payments or where the contractual terms of loans with respect to EMI payments and/or tenure of the loans are renegotiated/modified, as per RBI circular on resolution framework for COVID-19 related stress. In addition to days past due criteria, the Company also considers an exposure in Real estate loans to have significant increase in credit risk on moving a customer to watch list.

**Basis of inputs, assumptions and the estimation techniques**

The Company calculates ECL for each financial asset individually. Similarly, the determination of the need to transfer between stages is made on an individual asset basis. The Company uses three main components to measure ECL. These are Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). Risk Management Committee approves the underlying estimates, assumptions and methodology for computing allowances.

The estimation techniques for the input factors for retail portfolio of the Company are described in more detail below.

**Probability of default (PD)**

One year PD - For the purpose of PD estimation, the portfolio is segmented based on months-on-books and days past due (DPD) status. For estimating the PD, historical data at quarterly time points have been used. The one-year PD is generated by taking a simple average of the defaults rates of the most recent 20 quarters of the corresponding pool.

Life time PD – 13-year default rate is considered for lifetime PD estimation since it has been observed that the cumulative PD curve tends to flatten out by 12$^{th}$ year. For cohorts where observation window is less than 13 years, a chain ladder approach has been used to project defaults rates over 13 years. The lifetime PD curves have been generated by taking a simple average of the cumulative PD curves of the most recent 20 quarters of the corresponding pool.

Since a Stage 3 transaction is defaulted, the probability of default is equal to 100%.

With the outbreak of COVID-19 in March 2020, country wide lockdown was imposed which impacted the Indian economy. The economic activity which started improving post November 2021, improved considerably in the last quarter of FY2022 leading to loan originations as well as collection efficiencies reaching at pre COVID levels.

**NOTES FORMING PART OF THE ACCOUNTS**

The second wave of COVID-19 pandemic in April – May 2021 led to localised/regional lockdowns by various state governments. The second wave had an impact on credit growth, collection efficiency and basis the RBI guideline on relief to borrower in stress on account of COVID dated May 5, 2021 OTR 2.0 was provided to borrowers.
In January 2022, the third wave of Covid-19 resulted a rise in infections, but with considerable less severity and hospitalization. While there were some partial disruptions at certain locations, it did not result in any material impact on business.

Quarter 4 of FY2022 showed signs of economic growth with macro and micro economic indicators showing signs of expansion in economic activity at the same time, the escalation of the geopolitical situation and the accompanying surge in commodity prices, tightening of global financial conditions, and significantly weaker external demand pose downside risks to the economic growth.

In case of retails loans, the Company calculates ECL on a collective basis. The portfolio is segmented based on nature of products, months-on-books and DPD status and employment status. The company in order to account for future uncertainty with respect to any new COVID wave has analysed the elevation in defaults during the COVID period on salaried and self-employed borrowers of the company post March 2020 to arrive at the final PD. The observed stress has been factored in and is considered in the final PD applied.

**Loss Given Default (LGD)**

LGD is defined as the likely loss intensity in case of a counterparty default. It provides an estimation of the exposure that cannot be recovered in a default event and therefore captures the severity of a loss. For estimation of LGD, portfolio is segmented based on the default status. The LGD for the non-default segment has been considered for all Stage 1 and 2 assets. The time horizon ensures that the projected recoveries used for LGD estimation are based on the defaults that have seen at least three years of recovery. The LGD estimation for the non-default segment at each of the financial year end has been based on the observed recoveries for the accounts moving in to default over the next one year. For cohorts where less than 6 years of observed recoveries are available, the recoveries are projected using chain ladder projection method. The recoveries are discounted to the default period using the cost of funds for the respective periods.

**Exposure at Default (EAD)**

The EAD is defined as the expected amount of the credit exposure to a counterparty at the time of its default. For cases involving undrawn amount, a percentage share of undrawn amount is added to the outstanding amount in order to appropriately reflect the expected outstanding amount in case of a counterparty default. The calibrations of such parameters are based on regulatory guidelines and product type specifics.

**Real Estate Loans**

For real estate loans the Company carried out the individual borrower wise assessment to quantify the COVID-19 impact. The Stage 1 and 2 assets were analysed based on scenario analysis to arrive at the potential COVID-19 impact. Scenarios analysis was done basis impact on sales/future demand and asset valuation.

Further, impact analysis has been done considering the developer pedigree, project completion stage, promoter's vested interest, affordability factor, sales velocity, location advantage and repayment track record parameters and based on the same loans were being identified for having low, medium and high impact. Accordingly, wherever loans are classified as high impact, ECL as considered for stage-2 loans is applied and wherever loans are classified as medium impact, twice of ECL considered for stage-1 is applied.

Cash flow analysis was done to arrive at final allowance for each account in construction realty finance, which are classified as Stage 3.

The underlying forecasts and assumptions applied in the determination of ECL provision are subject to uncertainties which are often outside of the Company's control and accordingly, actual results may differ from these estimates.

## Quantitative disclosures on credit risk

### Maximum credit risk exposure

The following table sets forth, for the periods indicated, the carrying amount of financial assets.

₹ in million

| Category | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| Balances with banks | 2,693.6 | 7,436.4 |
| Deposits with banks | 2.5 | 460.5 |
| Derivative financial instruments | 595.7 | 681.4 |
| Trade receivables (net of allowances) | 12.5 | 25.8 |
| Advances (net of allowances)[1] | 144,985.0 | 137,578.2 |
| Other assets | 2,244.2 | 1,463.7 |
| **Total** | **150,533.5** | **147,646.0** |

1. Advances generally have a significant level of collateralisation depending on the nature of the product. Mortgage loans are secured against residential/commercial property as collateral and gold loan are secured against gold. Lending to construction finance customers is also secured. Collateral provides a secondary source of repayment for funds advanced in the event that a customer cannot meet their contractual repayment obligations.

### Reconciliation of gross carrying amount of loans and advances

The following tables set forth, for the periods indicated, movement in gross carrying amount of loans and advances.

₹ in million

| Particulars | Year ended March 31, 2022 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| **Balance at April 1, 2021** | **121,216.9** | **10,627.0** | **9,385.7** | **141,229.6** |
| Loans and advances originated | 51,382.7 | - | - | **51,382.7** |
| Loans and advances purchased | - | - | - | **-** |
| Interest capitalisation | - | 251.1 | 1.3 | **252.4** |
| Assets derecognised (on repayment and assignments, excluding write-offs)[1] | (42,027.9) | (404.8) | (1,158.9) | **(43,591.6)** |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Year ended March 31, 2022 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| Changes due to fair value changes on loans classified under "Hold & sell" business model | 1,168.4 | - | - | **1,168.4** |
| Transfer to Stage 1 | 9,272.4 | (5,138.4) | (4,134.0) | **-** |
| Transfer to Stage 2 | (10,860.8) | 13,267.9 | (2,407.1) | **-** |
| Transfer to Stage 3 | (1,035.9) | (7,574.4) | 8,610.3 | **-** |
| Amount written off | - | - | (1,700.3) | **(1,700.3)** |
| **Balance at March 31, 2022** | **129,115.8** | **11,028.4** | **8,597.0** | **148,741.2** |

1. Includes assets derecognised pursuant to direct assignment transactions undertaken during the year. For details, refer note no. 55.

The Company, based on clarifications issued by the Reserve Bank of India on prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances dated November 12, 2021 to be read with circular dated March 13, 2020 on "Implementation of Ind-AS by NBFCs", classifies all non-performing assets as per the definition used for regulatory purposes as Stage-3. Accordingly, Stage-3 amount at March 31, 2022 includes loans amounting to ₹ 1,162.5 million that have been classified as Stage-3 due to the aforesaid guidelines.

₹ in million

| Particulars | Year ended March 31, 2021 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| **Balance at April 1, 2020** | **132,855.5** | **4,148.7** | **8,460.7** | **145,464.9** |
| Loans and advances originated[1] | 35,658.6 | - | - | **35,658.6** |
| Loans and advances purchased | - | - | - | **-** |
| Interest capitalisation | 2,244.3 | 192.2 | - | **2,436.5** |
| Assets derecognised (on repayment and assignments, excluding write-offs)[1] | (39,679.2) | (195.8) | (320.4) | **(40,195.4)** |
| Changes due to fair value changes on loans classified under "Hold & sell" business model | 1,096.7 | - | - | **1,096.7** |
| Transfer to Stage 1 | 5,070.6 | (4,940.8) | (129.8) | **-** |
| Transfer to Stage 2 | (15,834.2) | 15,863.8 | (29.6) | **-** |
| Transfer to Stage 3 | (195.4) | (4,441.1) | 4,636.5 | **-** |
| Amount written off | - | - | (3,231.7) | **(3,231.7)** |
| **Balance at March 31, 2021** | **121,216.9** | **10,627.0** | **9,385.7** | **141,229.6** |

1. Includes assets derecognised pursuant to direct assignment transactions undertaken during the year. For details refer note no. 55.

In accordance with the regulatory packages announced by the Reserve Bank of India on March 27, 2020, April 17, 2020 and May 23, 2020, the Company, as per its Board approved policy, had extended the option of payment moratorium for all amounts falling due between March 1, 2020 and August 31, 2020 to eligible borrowers. In line with the regulatory

packages, the asset classification remained standstill during the moratorium period in respect of such accounts. The aggregate outstanding to borrowers to whom moratorium was extended and which were overdue but standard (stage 1 and 2) at February 29, 2020 amounted to ₹ 5,575.4 million at March 31, 2022 (at March 31, 2021: ₹ 6,829.7 million). The Company held loan loss allowances against these borrowers amounting to ₹ 702.5 million at March 31, 2022 (at March 31, 2021: ₹ 584.8 million).

**Reconciliation of allowances for loans and advances**

The following tables set forth, for the periods indicated, movement in impairment allowance for loans and advances.

₹ in million

| Particulars | Measured at an amount equal to 12-month credit losses | Measured at an amount equal to life time expected credit losses on non-credit impaired financial instruments | Measured at an amount equal to life time expected credit losses on credit impaired financial instruments | On financial assets that are purchased or originated credit impaired | Total |
|---|---|---|---|---|---|
| **Impairment allowance at April 1, 2021** | **355.3** | **1,047.7** | **2,248.4** | **-** | **3,651.4** |
| New assets originated[1] | 103.8 | 25.1 | 0.2 | - | **129.1** |
| Transfer to 12-month credit losses | 1,138.6 | (445.7) | (692.9) | - | **-** |
| Transfer to life-time credit losses –not credit impaired | (184.9) | 537.4 | (352.5) | - | **-** |
| Transfer to life-time credit losses impaired – credit impaired | (29.6) | (739.8) | 769.4 | - | **-** |
| Reversal on write-off | - | - | (1,642.3) | - | **(1,642.3)** |
| Change in ECL on loans measured at FVOCI | (107.3) | - | - | - | **(107.3)** |
| Reversal on recovery | (41.1) | (78.1) | (539.5) | - | **(658.7)** |
| Changes in provision on account of migration between stages and in same stage due to change in buckets | (1,017.1) | 830.9 | 2,570.2 | - | **2,384.0** |
| **Impairment allowance at March 31, 2022** | **217.7** | **1,177.5** | **2,361.0** | **-** | **3,756.2** |

1. Includes ECL on interest capitalised on loans under moratorium.

## NOTES FORMING PART OF THE ACCOUNTS

The increase in ECL was driven by an increase in the gross amount of the portfolio, movements between stages as a result of increase in credit risk and change in probability of default and loss given default due to estimated impact of COVID-19 pandemic. The company in order to account for future uncertainty with respect to any new COVID wave has analysed the elevation in defaults during the COVID period on salaried and self-employed borrowers of the company post March 2020 to arrive at the final PD. The observed stress has been factored in and is considered in the final PD applied.

₹ in million

| Particulars | Measured at an amount equal to 12-month credit losses | Measured at an amount equal to life time expected credit losses on non-credit impaired financial instruments | Measured at an amount equal to life time expected credit losses on credit impaired financial instruments | On financial assets that are purchased or originated credit impaired | Total |
|---|---|---|---|---|---|
| **Impairment allowance at April 1, 2020** | **411.9** | **368.4** | **3,761.1** | - | **4,541.4** |
| New assets originated[1] | 81.0 | 18.1 | - | - | **99.1** |
| Transfer to 12-month credit losses | 524.0 | (486.1) | (37.9) | - | **-** |
| Transfer to life-time credit losses –not credit impaired | (525.5) | 529.9 | (4.4) | - | **-** |
| Transfer to life-time credit losses impaired – credit impaired | (5.0) | (565.5) | 570.5 | - | **-** |
| Reversal on write-off | - | - | (2,671.3) | - | **(2,671.3)** |
| Change in ECL on loans measured at FVOCI | (45.6) | - | - | - | **(45.6)** |
| Reversal on recovery | (21.4) | (46.7) | (542.6) | - | **(610.7)** |
| Changes in provision on account of migration between stages and in same stage due to change in buckets | (64.1) | 1,229.6 | 1,173.0 | - | **2,338.5** |
| **Impairment allowance at March 31, 2021** | **355.3** | **1,047.7** | **2,248.4** | **-** | **3,651.4** |

1. Includes ECL on interest capitalised on loans under moratorium.

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, the closing balance of impairment allowance on loans and advances.

₹ in million

| Particulars | March 31, 2022 | March 31, 2021 |
|---|---|---|
| Impairment allowances measured at an amount equal to 12-month credit losses | 217.7 | 355.3 |
| Impairment allowances measured at an amount equal to life time expected credit losses on non-credit impaired financial instruments | 1,177.5 | 1,047.7 |
| Impairment allowances measured at an amount equal to life time expected credit losses on credit impaired financial instruments | 2,361.0 | 2,248.4 |
| **Total** | **3,756.2** | **3,651.4** |

The following tables set forth, for the periods indicated, comparison between provisions required as per Income Recognition, Asset Classification and Provisioning norms as per RBI and impairment allowances made under Ind AS 109.

### At March 31, 2022

₹ in million

| Particulars | Stage | Gross Carrying amount as per Ind AS | Loss Allowances (Provisions) as required under Ind AS 109 | Net Carrying amount | Provisions required as per RBI | Difference between Ind As 109 Provisions and IRACP Norms |
|---|---|---|---|---|---|---|
| **A. Performing Assets** | | | | | | |
| Standard | Stage 1[1] | 129,268.7 | 370.5 | 128,898.2 | 419.1 | (48.6) |
| | Stage 2 | 11,028.4 | 1,177.5 | 9,850.9 | 970.4 | 207.1 |
| **Sub-Total (A)** | | **140,297.1** | **1,548.0** | **138,749.1** | **1,389.5** | **158.5** |
| **B. Non Performing Assets (NPA)** | | | | | | |
| **a)Sub-standard** | **Stage 3** | **3,925.7** | **572.7** | **3,353.0** | **572.7** | **-** |
| | | | | | | |
| **b)Doubtful** | | | | | | |
| Doubtful - upto 1 year | Stage 3 | 2,016.2 | 668.3 | 1,347.9 | 484.1 | 184.2 |
| Doubtful - 1-3 years | Stage 3 | 2,431.1 | 1,120.0 | 1,311.1 | 1,246.8 | (126.8) |
| Doubtful - More than 3 years | Stage 3 | 224.0 | - | 224.0 | 224.0 | (224.0) |
| **Sub-total for Doubtful** | | **4,671.3** | **1,788.3** | **2,883.0** | **1,954.9** | **(166.6)** |
| **c) Loss** | **Stage 3** | - | - | - | - | - |
| **Sub-total for NPAs (B)** | | **8,597.0** | **2,361.0** | **6,236.0** | **2,527.6** | **(166.6)** |
| **C.** Other items such as guarantees, loan commitments etc. which are in the scope of Ind | Stage 1[2] | 7,777.1 | 35.0 | 7,742.1 | - | 35.0 |
| | Stage 2 | - | - | - | - | - |
| | Stage 3 | **-** | **-** | **-** | **-** | **-** |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Stage | Gross Carrying amount as per Ind AS | Loss Allowances (Provisions) as required under Ind AS 109 | Net Carrying amount | Provisions required as per RBI | Difference between Ind As 109 Provisions and IRACP Norms |
|---|---|---|---|---|---|---|
| AS 109 but not covered under current NHB Norms | | | | | | |
| **Sub-total (C)** | | **7,777.1** | **35.0** | **7,742.1** | **-** | **35.0** |
| **Total** | **Stage 1** | **137,045.8** | **405.5** | **136,640.3** | **419.1** | **(13.6)** |
| | **Stage 2** | **11,028.4** | **1,177.5** | **9,850.9** | **970.4** | **207.1** |
| | **Stage 3** | **8,597.0** | **2,361.0** | **6,236.0** | **2,527.6** | **(166.6)** |
| | **Total** | **156,671.2** | **3,944.0** | **152,727.2** | **3,917.1** | **26.9** |

1. EAD includes fair value gain on FVOCI pool and unamortised EIR income/expense. ECL includes ECL on FVOCI pool.
2. Represents loan commitment

### At March 31, 2021

₹ in million

| At March 31, 2021 | Stage | Gross Carrying amount as per Ind As | Loss Allowances (Provisions) as required under Ind AS 109 | Net Carrying amount | Provisions required as per RBI | Difference between Ind As 109 Provisions and IRACP Norms |
|---|---|---|---|---|---|---|
| **A. Performing Assets** | | | | | | |
| Standard | Stage 1[1] | 1,21,262.5 | 400.9 | 120,861.6 | 408.2 | (7.3) |
| | Stage 2 | 10,627.0 | 1,047.7 | 9,579.3 | 516.3 | 531.4 |
| **Sub-Total (A)** | | **131,889.5** | **1,448.6** | **130,440.9** | **924.5** | **524.1** |
| **B. Non Performing Assets (NPA)** | | | | | | |
| **a)Sub-standard** | **Stage 3** | **4,723.5** | **687.8** | **4,035.7** | **674.5** | **13.3** |
| | | | | | | |
| **b)Doubtful** | | | | | | |
| Doubtful - upto 1 year | Stage 3 | 1,315.7 | 421. 7 | 894.0 | 298.3 | 123.4 |
| Doubtful - 1-3 years | Stage 3 | 2,909.9 | 890.0 | 2,019.9 | 657.5 | 232.5 |
| Doubtful - More than 3 years | Stage 3 | 436.6 | 248.9 | 187.7 | 431.4 | (182.5) |
| **Sub-total for Doubtful** | | **4,662.2** | **1,560.6** | **3,101.6** | **1,387.2** | **173.4** |
| **c) Loss** | **Stage 3** | **-** | **-** | **-** | **-** | **-** |
| **Sub-total for NPAs (B)** | | **9,385.7** | **2,248.4** | **7,137.3** | **2,061.7** | **186.7** |
| **C.** Other items such as guarantees, loan commitments etc. which are in the scope of Ind AS 109 but not covered under current NHB Norms | Stage 1[2] | 6,372.7 | 20.0 | 6,352.7 | - | 20.0 |
| | Stage 2 | - | - | - | - | - |
| | Stage 3 | - | - | - | - | - |
| **Sub-total (C)** | | **6,372.7** | **20.0** | **6,352.7** | **-** | **20.0** |

| At March 31, 2021 | Stage | Gross Carrying amount as per Ind As | Loss Allowances (Provisions) as required under Ind AS 109 | Net Carrying amount | Provisions required as per RBI | Difference between Ind As 109 Provisions and IRACP Norms |
|---|---|---|---|---|---|---|
| **Total** | **Stage 1** | **127,635.2** | **420.9** | **127,214.3** | **408.2** | **12.7** |
| | **Stage 2** | **10,627.0** | **1,047.7** | **9,579.3** | **516.3** | **531.4** |
| | **Stage 3** | **9,385.7** | **2,248.4** | **7,137.3** | **2,061.7** | **186.7** |
| | **Total** | **147,647.9** | **3,717.0** | **143,930.9** | **2,986.2** | **730.8** |

1. EAD includes fair value gain on FVOCI pool and unamortised EIR income/expense. ECL includes ECL on FVOCI pool.
2. Represents loan commitment.

### Impairment on financial instruments by category

The following tables set forth, for the periods indicated, closing balances of impairment allowances by category of financial instruments.

₹ in million

| Particulars | At March 31, 2022 | | |
|---|---|---|---|
| | On financial instruments measured at amortised cost | On financial instruments measured as fair value through other comprehensive income | Total |
| Loan and advances[1] | 3,756.2 | - | 3,756.2 |
| Trade receivables | 30.3 | - | 30.3 |
| **Total** | **3,786.5** | **-** | **3,786.5** |

1. Excluding allowance for loan commitment of ₹ 35.0 million.

₹ in million

| Particulars | At March 31, 2021 | | |
|---|---|---|---|
| | On financial instruments measured at amortised cost | On financial instruments measured as fair value through other comprehensive income | Total |
| Loan and advances[1] | 3,651.4 | - | 3,651.4 |
| Trade receivables | 27.9 | - | 27.9 |
| **Total** | **3,679.3** | **-** | **3,679.3** |

1. Excluding allowance for loan commitment of ₹ 20.0 million.

## NOTES FORMING PART OF THE ACCOUNTS

### Ageing analysis of loans and advances

The following tables set forth, for the periods indicated, the ageing analysis of gross carrying amount of loans and advances.

₹ in million

| Particulars | At March 31, 2022 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| Not due | 129,073.9 | 10,917.6 | - | 139,991.5 |
| Overdue up to 30 days | 41.9 | 15.0 | - | 56.9 |
| Overdue 31 – 60 days | - | 73.9 | - | 73.9 |
| Overdue 61 – 90 days | - | 21.9 | - | 21.9 |
| Overdue More than 90 days[1] | - | - | 8,597.0 | 8,597.0 |
| **Total** | **129,115.8** | **11,028.4** | **8,597.0** | **148,741.2** |

1. Includes installments which are not due.

₹ in million

| Particulars | At March 31, 2021 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| Not due | 121,161.5 | 10,388.7 | - | 131,550.2 |
| Overdue up to 30 days | 55.4 | 3.6 | - | 59.0 |
| Overdue 31 – 60 days | - | 70.4 | - | 70.4 |
| Overdue 61 – 90 days | - | 95.6 | - | 95.6 |
| Overdue More than 90 days[1] | - | 68.7 | 9,385.7 | 9,454.4 |
| **Total** | **121,216.9** | **10,627.0** | **9,385.7** | **141,229.6** |

1. Includes instalments which are not due.

The contractual amount outstanding on loans that have been written off, but are still subject to enforcement activity amounts to ₹ 2,281.1 million at March 31, 2022 (March 31, 2021: ₹ 2,800.8 million).

### Concentration of credit risk

Credit risk is monitored in accordance with the guidelines stipulated by the RBI. None of the borrower has exceeded the Single Borrower Limit and Group Borrower Limit as set by the regulator during the year ended March 31, 2022.

The following table sets forth, for the periods indicated, the product wise concentration of loans and advances.

₹ in million

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| Mortgage loans | 145,922.5 | 137,757.1 |
| Real estate loans | 2,540.2 | 3,406.6 |
| Loan against securities/deposits | 52.4 | 17.6 |
| Gold loan | 226.1 | 48.3 |
| **Grand Total** | **148,741.2** | **141,229.6** |

## NOTES FORMING PART OF THE ACCOUNTS

### Loans under RBI resolution framework

The following table sets forth, for the periods indicated, details with respect to loans where resolution plan has been implemented as per RBI circulars on 'Resolution Framework for COVID-19 – related stress' dated August 6, 2020 and May 5, 2021.

₹ in million

| Type of borrower | Exposure to accounts classified as standard consequent to implementation of resolution plan – Position as at the end of the Sept 30, 2021 (A)[1] | Of (A), aggregate debt that slipped into NPA during the half-year | Of (A), amount written off during the half-year[2] | Of (A) amount paid by the borrowers during the half-year | Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at March 31, 2022 |
|---|---|---|---|---|---|
| Personal loans | 5,323.4 | 711.1 | 3.2 | 227.7 | 4,495.6 |
| Corporate persons | 1,399.7 | 70.3 | - | 12.2 | 1,378.7 |
| *Of which, MSMEs* | *681.6* | *70.3* | - | *9.4* | *630.8* |
| Others | 1,851.5 | 6.1 | - | 88.3 | 1,850.3 |
| **Total** | **8,574.6** | **787.5** | **3.2** | **328.2** | **7,724.6** |

1. Includes restructuring done in respect of requests received as of September 30, 2021 processed subsequently
2. Represents debt that slipped into NPA and was subsequently written off during the half-year ended March 31, 2022.

### Liquidity Risk Management

In line with RBI guidelines and ICICI Group's overall business framework, the Board of the Company had approved a comprehensive ALM policy that defines composition of Asset Liability Management Committee (ALCO) and the ALM framework for liquidity and interest rate risk management. ALCO reviews the Asset Liability profile and interest rates on regular basis.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company proactively manages liquidity risk as part of its ALM function. The ALCO of the Company monitors liquidity risk through various tools like statements of short term dynamic liquidity, structural liquidity, liquidity stock ratios, Liquidity Coverage Ratio (LCR) amongst others.

For measuring and managing net funding requirements, the Company has adopted use of a maturity ladder and calculation of cumulative surplus or deficit of funds at selected maturity dates. The Statement of Structural Liquidity is prepared by placing all cash inflows and outflows in the maturity ladder according to the expected timing of cash flows. The Company

monitors absolute and/or cumulative mismatches across all time buckets by establishing internal prudential limits consistent with regulatory requirements. Further, the Statement of Structural Liquidity is used as a standard tool for measuring and managing net funding requirements and the assessment of a surplus or shortfall of funds in various maturity buckets in the future. The Company has certain resources (enumerated as below) at its disposal for meeting the shortfall in liquidity if the outflows of cash occur significantly earlier than indicated in the ALM statements or are for significantly different amounts from those indicated in the ALM statements.

a. Balances in tri-party repo, schemes of mutual funds
b. Line of credit (overdraft limit) from banks
c. Other liquid investments (in excess of statutory requirements, if any)
d. Unavailed term loans/NCDs/Transfer of loan limits from various banks
e. Unutlised rating limits under various borrowing programmes.

**Liquidity Contingency Plan**

A Liquidity Contingency Plan (LCP) has been formulated to assist the ALCO in responding to situations arising out of liquidity crisis. The plan is an extension of dynamic liquidity statement and assists in:

- Liquidity planning for contingencies
- Identifying mitigants to liquidity stress arising out of contingencies
- Assessment of liquidity indicators and liquidity monitoring threshold
- Communication and action protocol
- Restoring normalcy in the event of any contingency

In order to ensure stability in liquidity management, the Company's ALM policy also defines monitoring of liquidity ratio of 'high value customer deposits to total funding resources' and deposits from single customer having value greater than or equal to ₹ 250.0 million to total deposits'. Further as per revised regulatory framework, the Company has adopted the below stock approach ratios in the ALM Policy.

a. Short-term liability to total assets
b. Short-term liability to long-term assets
c. Long-term assets to total assets

## NOTES FORMING PART OF THE ACCOUNTS

### Maturity analysis for financial liabilities

The following tables set forth, for the periods indicated, the cash flows under financial liabilities as per their residual contractual maturities at the balance sheet date.

### At March 31, 2022

₹ in million

| Particulars | Up to 1 month | Over 1 month to 3 months | Over 3 months to 1 year | Over 1 year to 5 years | Over 5 year | Total |
|---|---|---|---|---|---|---|
| Trade payables | 1,625.0 | - | - | - | - | **1,625.0** |
| Debt securities (including estimated interest) | 1,665.2 | 202.0 | 13,592.6 | 33,353.2 | 3,505.1 | **52,318.1** |
| Borrowings (including estimated interest) | 83.3 | 1,137.8 | 4,830.5 | 27,064.0 | 3,977.9 | **37,093.5** |
| Deposits (including estimated interest) | 615.9 | 1,728.2 | 8,618.7 | 17,745.1 | 2,296.7 | **31,004.6** |
| Subordinate liabilities (including estimated interest) | - | 76.6 | 243.8 | 1,281.6 | 5,830.9 | **7,432.9** |
| Committed credit lines | - | 5,581.7 | 16,599.3 | 1,872.7 | 7,196.3 | **31,250.0** |
| Derivative financial liabilities | - | 200.5 | - | - | - | **200.5** |
| Other financial liabilities[1] | 8,376.6 | 19.9 | 156.7 | 151.9 | 5.7 | **8,710.8** |

1. Excluding interest accrued.

### At March 31, 2021

₹ in million

| Particulars | Up to 1 month | Over 1 month to 3 months | Over 3 months to 1 year | Over 1 year to 5 years | Over 5 year | Total |
|---|---|---|---|---|---|---|
| Trade payables | 1,541.9 | - | - | - | - | **1,541.9** |
| Debt securities (including estimated interest) | 2,147.6 | 3,219.9 | 4,834.0 | 24,561.2 | 205.3 | **34,968.0** |

| Particulars | Up to 1 month | Over 1 month to 3 months | Over 3 months to 1 year | Over 1 year to 5 years | Over 5 year | Total |
|---|---|---|---|---|---|---|
| Borrowings (including estimated interest) | 107.0 | 2,825.0 | 6,371.5 | 47,508.6 | 8,847.0 | **65,659.1** |
| Deposits (including estimated interest) | 529.1 | 2,883.4 | 19,003.8 | 11,965.6 | 812.6 | **35,194.5** |
| Subordinate liabilities (including estimated interest) | - | 76.6 | 224.7 | 1,205.1 | 6,151.3 | **7,657.7** |
| Committed credit lines | 296.8 | 880.6 | 1,116.8 | 1,428.6 | - | **3,722.8** |
| Derivative financial liabilities | - | 8.7 | 25.7 | 1,400.4 | - | **1,434.8** |
| Other financial liabilities[1] | 5,152.8 | 17.8 | 81.9 | 228.4 | - | **5,480.9** |

1. Excluding interest accrued.

For non-derivative financial liabilities, amounts represent undiscounted cash flows.

**Market risk**

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and equity price risk.

a. Currency risk (or foreign exchange risk) arises on financial instruments that are denominated in a foreign currency, that is, in a currency other than the functional currency in which they are measured. The Company has exposure to foreign exchange risk by virtue of External Commercial Borrowings (ECBs). The Company entered into derivative transactions to hedge the risk towards adverse movement in foreign exchange and interest rate. The Company had taken derivative positions which is a principal only swap, interest rate swap and forwards of upto maturity for all cash flows arising out of the interest rate swaps to mitigate these risks on the ECBs. Refer note no. 52 for details for hedges.

   The Company does not have any foreign currency exposure except external commercial borrowings denominated in USD.

b. Interest rate risk is the risk that changes in market interest rates might adversely affect the Company's financial condition. It is the risk of potential variability in earnings and capital value resulting from changes in market interest rates. A company generally faces

interest rate risk when one side of the Balance Sheet largely has rate sensitive items and the other side has rate insensitive items. Interest rate risk arises on interest-bearing financial instruments recognised in the Balance Sheet (e.g. debt instruments acquired or issued) and on some financial instruments not recognised in the Balance Sheet (e.g. loan commitments). The Company uses various tools including gap analysis, Earnings at Risk (EaR) and duration of equity (DoE) for interest risk management.

The following table sets forth, for the periods indicated, the break-up of borrowings into variable rate and fixed rate.

| **Particulars** | **At March 31, 2022** | **At March 31, 2021** |
|---|---|---|
| Variable rate borrowings | 24.4% | 25.7% |
| Fixed rate borrowings | 75.6% | 74.3% |
| **Total borrowings** | **100.0%** | **100.0%** |

At March 31, 2022, the Company has Earnings (Profit) at Risk (EaR) impact of ₹ 275.8 million (March 31, 2021: ₹ 74.1 million) due to interest rate sensitivity of 100 basis point adverse change in borrowing rates and 50 basis point adverse change in lending rates as per approved Asset Liability Management Policy of the Company.

c. Equity price risk is the risk that the fair value of equities decreases as the result of changes in their prices. The Company does not trade into equities. The unquoted investments are valued in accordance with Ind AS 113 'Fair Value Measurements'. The Company does not have any significant amount of investments in equities.

**Operational Risk**

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

Operational risk management in the Company follows three lines of defense approach:

1. First line of defense is business line management –They are responsible for identifying and managing operational risks inherent in the products and processes. They are also responsible for assessing and enhancing controls thereby promoting strong risk culture.
2. Second line of defense is risk management group –They are responsible for independent review of processes and functions and implementation of the operational risk management function in the Company. Key responsibilities include risk identification, risk assessment, risk measurement, risk monitoring, and risk reporting.
3. Third line of defense is internal audit department –They provide independent assurance that the first and second lines are operating in line with policies, regulations and internal standards defined for management of operational risk in the Company. Operational risk and related areas are governed by the Board approved policies.

## NOTES FORMING PART OF THE ACCOUNTS

### 47. Fair value measurements

This section gives an overview of the significance of financial instruments for the Company and provides additional information on Balance Sheet items that contain financial instruments. The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised are disclosed in note no. 3.

#### a) Valuation framework

Fair value is the price that would be received to sell an assets or paid to transfer a liability in an orderly transaction in the principal market at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using a valuation technique.

The Company uses valuation models for computing the valuation of instruments wherever a traded price is not readily available for such instruments.

#### Fair value hierarchy

The Company measures fair values using the following value hierarchy that reflects the significance of the inputs used in making the measurements.

#### Level 1

Valuation is based upon unadjusted quoted prices of identical instruments traded in active markets. The instruments that have been valued based upon such quoted prices include mutual funds.

#### Level 2

Valuation is based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, prices quoted by market participants and prices derived from valuation models which use significant inputs that are observable in active markets. The instruments that have been valued based upon such valuation include derivatives

#### Level 3

Valuation is based on valuation techniques or models which use data based on unobservable market input or assumptions. Financial instruments are considered Level 3 when their values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable or when determination of the fair value requires significant management judgment or estimation.

## NOTES FORMING PART OF THE ACCOUNTS

### Valuation models

### Level 1

Prices quoted in active markets – The fair value of instruments that are quoted in active markets are determined using the quoted prices where they represent prices at which regularly and recently occurring transactions take place.

### Level 2

Valuation techniques with observable inputs - The Company uses valuation techniques to establish the fair value of instruments where prices, quoted in active markets, are not available. Valuation techniques used for financial instruments include modeling techniques, the use of indicative quotes for proxy instruments, quotes from recent and less regular transactions and broker quotes.

Derivatives are valued using mark-to-market receivable/payable indicated by the counterparties. The valuation derived based on counterparties quote are also independently validated.

### Level 3

Valuation techniques with significant unobservable inputs - This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following table sets forth, carrying value and fair value of financial instruments by categories at March 31, 2022.

₹ in million

| Particulars | Fair value through P&L | Derivative instruments in hedging relationship | Derivative instruments not in hedging relationship | Fair value through other comprehensive income | Amortised cost | Total carrying value | Total fair value |
|---|---|---|---|---|---|---|---|
| **Assets** | | | | | | | |
| Cash and cash equivalents | - | - | - | - | 2,693.6 | 2,693.6 | 2,693.6 |
| Bank deposits | - | - | - | - | 2.5 | 2.5 | 2.5 |
| Derivative financial instruments | - | 595.7 | - | - | - | 595.7 | 595.7 |
| Trade receivables | - | - | - | - | 12.5 | 12.5 | 12.5 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Fair value through P&L | Derivative instruments in hedging relationship | Derivative instruments not in hedging relationship | Fair value through other comprehensive income | Amortised cost | Total carrying value | Total fair value |
|---|---|---|---|---|---|---|---|
| Loans | - | - | - | 37,550.6 | 107,434.4 | 144,985.0 | 144,985.0 |
| Investments | 2,735.2 | - | - | - | 3,268.9 | 6,004.1 | 5,971.9 |
| Other financial assets | - | - | - | - | 2,244.2 | 2,244.2 | 2,244.2 |
| Assets held for sale | 425.7 | - | - | - | - | 425.7 | 425.7 |
| **Total** | **3,160.9** | **595.7** | **-** | **37,550.6** | **115,656.1** | **156,963.3** | **156,931.1** |
| **Liabilities** | | | | | | | |
| Derivative financial instruments | - | 200.5 | - | - | - | 200.5 | 200.5 |
| Trade and other payables | - | - | - | - | 1,625.0 | 1,625.0 | 1,625.0 |
| Borrowings (including Debt securities, Deposits and Subordinate Liabilities) | - | - | - | - | 126,129.9 | 126,129.9 | 125,218.2 |
| Other financial liabilities | - | - | - | - | 10,147.9 | 10,147.9 | 10,147.9 |
| **Total** | **-** | **200.5** | **-** | **-** | **137,902.8** | **138,103.3** | **137,191.6** |

At March 31, 2022, financial assets carried at fair value through P&L is ₹ 3,160.9 million, financial assets carried at fair value through OCI was ₹ 37,550.6 million and financial assets carried at amortised cost was ₹ 115,656.1 million. The significant portion of financial assets carried at fair value through P&L are mainly investments in liquid debt securities (classified as Level 1) and accordingly, any material volatility is not expected.
Loans and advances carried at amortised cost or at fair value through OCI, which are valued considering allowances for losses using Expected Credit Loss (ECL) method. Based the assessment as given in note no. 46 on ECL, the allowance for loans of ₹ 3,756.2 million at March 31, 2022 is considered adequate.

Significant amount of financial assets, other than loans and advances which are carried at amortised cost are in the form of cash and cash equivalents, bank deposits, government securities where in the Company does not expect any increase in credit risk.

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, carrying value and fair value of financial instruments by categories at March 31, 2021.

₹ in million

| Particulars | Fair value through P&L | Derivative instruments in hedging relationship | Derivative instruments not in hedging relationship | Fair value through other comprehensive income | Amortised cost | Total carrying value | Total fair value |
|---|---|---|---|---|---|---|---|
| **Assets** | | | | | | | |
| Cash and cash equivalents | - | - | - | - | 7,436.4 | 7,436.4 | 7,436.4 |
| Bank deposits | - | - | - | - | 460.5 | 460.5 | 460.5 |
| Derivative financial instruments | - | 681.4 | - | - | - | 681.4 | 681.4 |
| Trade receivables | - | - | - | - | 25.8 | 25.8 | 25.8 |
| Loans | - | - | - | 14,442.0 | 123,136.2 | 137,578.2 | 137,578.2 |
| Investments | 1,034.3 | - | - | - | 2,921.9 | 3,956.2 | 3,982.7 |
| Other financial assets | - | - | - | - | 1,463.7 | 1,463.7 | 1,463.7 |
| Assets held for sale | 425.7 | - | - | - | - | 425.7 | 425.7 |
| **Total** | **1,460.0** | **681.4** | **-** | **14,442.0** | **135,444.5** | **152,027.9** | **152,054.4** |
| **Liabilities** | | | | | | | |
| Derivative financial instruments | - | 1,434.8 | - | - | - | 1,434.8 | 1,434.8 |
| Trade and other payables | - | - | - | - | 1,541.9 | 1,541.9 | 1,541.9 |
| Borrowings (including Debt securities, Deposits and Subordinate Liabilities) | - | - | - | - | 126,658.3 | 126,658.3 | 128,919.2 |
| Other financial liabilities | - | - | - | - | 7,271.2 | 7,271.2 | 7,271.2 |
| **Total** | **-** | **1,434.8** | **-** | **-** | **135,471.4** | **136,906.2** | **139,167.1** |

## NOTES FORMING PART OF THE ACCOUNTS

The following tables set forth, for the periods indicated, an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1, 2 and 3.

₹ in million

| At March 31, 2022 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Investments | | | | |
| Mutual funds | 2,701.5 | - | - | 2,701.5 |
| Equity Shares | - | - | 17.5 | 17.5 |
| Units of venture capital funds | - | - | 16.2 | 16.2 |
| Loans classified under "Hold & sell" business model | - | - | 37,550.6 | 37,550.6 |
| Derivative financial assets | - | 595.7 | - | 595.7 |
| Assets held for sale | | | 425.7 | 425.7 |
| **Total** | **2,701.5** | **595.7** | **38,010.0** | **41,307.2** |
| **Financial liabilities** | | | | |
| Derivative financial liabilities | - | 200.5 | - | 200.5 |
| **Total** | **-** | **200.5** | **-** | **200.5** |

₹ in million

| At March 31, 2021 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Investments | | | | |
| Mutual funds | 997.6 | - | - | 997.6 |
| Equity Shares | - | - | 20.6 | 20.6 |
| Units of venture capital funds | - | - | 16.1 | 16.1 |
| Loans classified under "Hold & sell" business model | - | - | 14,442.0 | 14,442.0 |
| Derivative financial assets | - | 681.4 | - | 681.4 |
| Assets held for sale | - | - | 425.7 | 425.7 |
| **Total** | **997.6** | **681.4** | **14,904.4** | **16,583.4** |
| **Financial liabilities** | | | | |
| Derivative financial liabilities | - | 1,434.8 | - | 1,434.8 |
| **Total** | **-** | **1,434.8** | **-** | **1,434.8** |

**b) Financial instruments not measured at fair value measurement**

**Estimated fair value of financial instruments**

Fair value estimates are generally subjective in nature and are made at a specific point in time based on the characteristics of the financial instruments and relevant market information. Quoted market prices are used, wherever available. In other cases, fair values are based on estimates using present value or other valuation techniques. These techniques involve uncertainties and are significantly affected by the assumptions used and judgments made regarding risk characteristics of various financial instruments, discount rates, estimates of future cash flows and other factors. Changes in assumptions could significantly affect these estimates and the resulting fair values. Derived fair value estimates cannot necessarily be substantiated by comparison to independent markets and may not be realised in an immediate sale of the instruments.

The short-term financial assets (cash and cash equivalents, other bank balances, receivables and other assets) and liabilities (Trade payables and other liabilities) are stated at amortised cost, which is approximately equal to their fair value.

The details of methods and assumptions used by the Company in estimating the fair values of financial instruments is given below.

**i. Loans and advances**

Substantially all loans reprice frequently, with interest rates reflecting current market pricing, hence carrying value of loan approximates fair value. The advances are classified as level 3 instruments in view of absence of any significant market observable data for valuation of these instruments.

**ii. Investments**

The Company has investments in government securities which are carried at amortised cost. The fair value of these investments are computed based on prices published by Fixed Income Money Market and Derivatives Association (FIMMDA)/Financial Benchmark India Private Limited (FIBIL).

**iii. Debt securities and other borrowings (including fixed deposits)**

The fair value of the Company's debt is estimated by discounting future contractual cash flows using appropriate interest rates and credit spreads. The carrying value short-term borrowings approximates fair value. The borrowings in the form of bonds and debentures (including MLDs and sub-debts) are classified as level 2 instruments. All other borrowings are classified as level 3 instruments.

## NOTES FORMING PART OF THE ACCOUNTS

The following tables set forth, for the periods indicated an analysis of fair value of financial instruments that are not measured at fair value on recurring basis, grouped into Level 1, 2 and 3 categories.

₹ in million

| At March 31, 2022 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Loans | - | - | 107,434.4 | 107,434.4 |
| Investments | 3,236.7 | - | - | 3,236.7 |
| **Total** | **3,236.7** | **-** | **107,434.4** | **1,10,671.1** |
| **Financial liabilities** | | | | |
| Borrowings | - | 45,410.4 | 79,807.8 | 125,218.2 |
| **Total** | **-** | **45,410.4** | **79,807.8** | **125,218.2** |

₹ in million

| At March 31, 2021 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Loans | - | - | 123,136.2 | 123,136.2 |
| Investments | 2,948.4 | - | - | 2,948.4 |
| **Total** | **2,948.4** | **-** | **123,136.2** | **126,084.6** |
| **Financial liabilities** | | | | |
| Borrowings | - | 34,266.1 | 94,653.1 | 128,919.2 |
| **Total** | **-** | **34,266.1** | **94,653.1** | **128,919.2** |

### c) Reclassification of financial assets

During financial year ended March 31, 2022 and March 31, 2021, the Company has not reclassified any of financial assets from one category to another category.

### d) Movement in level 3 financial instruments measured at fair value

The following tables set forth, for the periods indicated, the reconciliation of the opening and closing amounts of level 3 financial assets measured at fair value.

₹ in million

| Description | Equity instruments[1] | Units of Venture capital fund | Loans Measured at fair value | Total |
|---|---|---|---|---|
| **Opening balance at April 1, 2021** | **446.3** | **16.1** | **14,442.0** | **14,904.4** |
| Total gains or losses included in statement of profit and loss | (3.1) | 0.1 | 225.0 | 222.0 |
| Expected Credit Loss (ECL) included in statement of profit and loss | - | - | (107.3) | (107.3) |

## NOTES FORMING PART OF THE ACCOUNTS

| Description | Equity instruments[1] | Units of Venture capital fund | Loans Measured at fair value | Total |
|---|---|---|---|---|
| Total gains or losses included in other comprehensive income (OCI) | - | - | 1,275.7 | 1,275.7 |
| Purchases/Originated | - | - | 24,780.0 | 24,780.0 |
| Sales (including realised gains/(losses) | - | - | (3,064.8) | (3,064.8) |
| **Closing balance at March 31, 2022** | **443.2** | **16.2** | **37,550.6** | **38,010.0** |
| Total amount of gains or (losses) included in statement of profit and loss on account attributable to change in unrealised gains or (losses) relating to assets still held at reporting date | (3.1) | 0.1 | - | (3.0) |

1. This includes assets held for sale

₹ in million

| Description | Equity instruments[1] | Units of Venture capital fund | Loans Measured at fair value | Total |
|---|---|---|---|---|
| **Opening balance at April 1, 2020** | **386.0** | **26.6** | **-** | **412.6** |
| Total gains or losses included in statement of profit and loss | 45.2 | (10.5) | - | 34.7 |
| Expected Credit Loss (ECL) included in statement of profit and loss | - | - | (45.6) | (45.6) |
| Total gains or losses included in other comprehensive income (OCI) | - | - | 1,142.3 | 1,142.3 |
| Purchases/Originated | 15.1 | - | 13,345.3 | 13,360.4 |
| Sales (including realised gains/(losses) | - | - | - | - |
| **Closing balance at March 31, 2021** | **446.3** | **16.1** | **14,442.0** | **14,904.4** |
| Total amount of gains or (losses) included in statement of profit and loss on account attributable to change in | 45.2 | (10.5) | - | 34.7 |

| Description | Equity instruments[1] | Units of Venture capital fund | Loans Measured at fair value | Total |
|---|---|---|---|---|
| unrealised gains or (losses) relating to assets still held at reporting date | | | | |

1. This includes assets held for sale.

**e) Unobservable inputs used in measuring fair value of financial instruments categorised as level 3**

The following tables set forth, for the periods indicated, information about significant unobservable inputs used in measuring financial instruments categorised as level 3 in the fair value hierarchy.

₹ in million

| Type of financial instruments | Fair value at March 31, 2022 | Significant unobservable input | Fair value measurement sensitivity to unobservable inputs |
|---|---|---|---|
| Unlisted equity[1] | 443.2 | Fair value as determined by the Independent valuer | A significant increase/decrease in the price would result in a higher/lower fair value |
| Venture funds | 16.2 | Net Assets Value (NAV) provided by the Venture Capital Fund (VCF) | A significant increase/decrease in the NAV would result in a higher/lower fair value |
| Loans classified under "Hold & sell" business model | 37,550.6 | Pre-payment rate<br>Discount rate | A significant increase/decrease in the pre-payment and/or discount rate would result in a lower/higher fair value |
| **Total** | **38,010.0** | | |

1. This includes assets held for sale

Investment in equity shares are valued by Independent valuer using investee company's net worth. Based on the assessment of current financial conditions and business prospects of investee company, valuation was appropriately discounted to reflect the risks and uncertain market conditions. Any changes in the scenario could be a key risk to valuation.

₹ in million

| Type of financial instruments | Fair value at March 31, 2021 | Significant unobservable input | Fair value measurement sensitivity to unobservable inputs |
|---|---|---|---|
| Unlisted equity[1] | 446.3 | Fair value as determined by the | A significant increase/decrease in the price would result in a higher/lower fair value |

| Type of financial instruments | Fair value at March 31, 2021 | Significant unobservable input | Fair value measurement sensitivity to unobservable inputs |
|---|---|---|---|
| | | Independent valuer | |
| Venture funds | 16.1 | Net Assets Value (NAV) provided by the Venture Capital Fund (VCF) | A significant increase/decrease in the NAV would result in a higher/lower fair value |
| Loans classified under "Hold & sell" business model | 14,442.0 | Pre-payment rate<br>Discount rate | A significant increase/decrease in the pre-payment and/or discount rate would result in a lower/higher fair value |
| **Total** | **14,904.4** | | |

1. This includes assets held for sale

**The effect of unobservable inputs on fair value measurement**

Although the Company believes that its estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value.

The total outstanding carrying amount of unlisted equity and units in venture capital funds at March 31, 2022 was ₹ 459.4 million (at March 31, 2021: ₹ 462.4 million). The most significant input impacting the fair value of the unlisted equity shares and units in venture capital fund are prices or values provided by external valuer/fund and recent market transactions. An upward or downward 10% change in price would result in an impact of ₹ 45.9 million (at March 31, 2021: ₹ 46.2 million).

The total outstanding carrying amount of loans under FVOCI category at March 31, 2022 was ₹ 37,550.6 million (at March 31, 2021: ₹ 14,442.0). The most significant input impacting the fair value of the loans under FVOCI category is pre-payment rate and discount rate used by the Company. An upward 10% change in pre-payment rate and discount rate would result in an impact of ₹ 196.6 million and ₹ 563.6 million respectively (at March 31, 2021: ₹ 91.5 million and ₹ 247.2 million respectively) and a downward 10% change would result in an impact of ₹ 235.7 million and ₹ 575.0 million respectively (at March 31, 2021: ₹ 110.8 million and ₹ 253.1 million respectively).

**48. Employee benefits**

**Defined benefit plans**

**Gratuity**

The Company has a defined benefit gratuity plan (funded). The Company's defined benefit gratuity plan requires contributions to be made to a separately administered fund. The fund

has the form of a trust and it is governed by the Board of Trustees. The Board of Trustees is responsible for the administration of the plan assets.

The gratuity benefit is provided through annual contributions to a fund administered and managed by ICICI Prudential Life Insurance Company Limited (ICICI Prudential). Under this scheme, the settlement obligation remains with the Company.

Gratuity is a defined benefit plan and the Company is exposed to the following risks:

a) Interest rate risk: A fall in the discount rate which is linked to the Government Securities rate, will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
b) Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.
c) Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at reporting date on government bonds. If the return on plan asset is below this rate, it will create a plan deficit.
d) Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

The following table sets forth, for the periods indicated, the funded status of the plans and the amounts recognised in the financial statements.

₹ in million

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| **Change in benefit obligations** | | |
| Opening obligations | 104.3 | 90.0 |
| Service cost | 17.7 | 15.8 |
| Interest cost | 5.5 | 4.8 |
| **Remeasurements gains/(losses)** | | |
| -Actuarial gain/(loss) from changes in demographic assumptions | - | - |
| -Actuarial gain/(loss) from changes in financial assumptions | (2.1) | (0.3) |
| -Actuarial gain/(loss) from changes in experience adjustments | (12.1) | (3.2) |
| Past service cost | - | - |
| Transfer in/(out) of liability | (5.3) | 2.9 |
| Benefits paid | (10.2) | (5.7) |
| **Benefit obligations at the end of the year** | **97.8** | **104.3** |
| | | |
| **Change in plan assets** | | |
| Fair value of plan assets at beginning of the year | 104.6 | 78.9 |
| Interest on plan assets | 5.8 | 4.4 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Actual return on plan assets less interest on plan assets | (1.9) | (0.4) |
| Actuarial gain/(loss) from changes in demographic assumptions | - | - |
| Actuarial gain/(loss) from changes in financial assumptions | - | - |
| Employer contributions | 14.1 | 24.5 |
| Transfer in/(out) of assets | (5.3) | 2.9 |
| Benefits paid | (10.1) | (5.7) |
| **Plan assets at the end of the year** | **107.2** | **104.6** |
| | | |
| **Expected employer's contribution next year** | 10.0 | 10.0 |
| | | |
| Fair value of plan assets at the end of the year | 107.2 | 104.6 |
| Present value of the defined benefit obligations at the year | 97.8 | 104.3 |
| Unrecognised prior service cost | - | - |
| Amount not recognised as an Asset | - | - |
| **Asset/(liability)** | **9.4** | **0.3** |

The following table sets forth, for the periods indicated, the components of the income and expenses recognised in other comprehensive income.

₹ in million

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| **Opening balance of actuarial (gains)/losses recognised in other comprehensive income** | **6.5** | **9.6** |
| Remeasurements loss/(gains) | - | - |
| **Actuarial loss or gain arising from:** | | |
| Demographic assumptions | - | - |
| Financial assumptions | (2.1) | (0.3) |
| Experience adjustment | (12.1) | (3.2) |
| Return on plan assets excluding interest income | 1.9 | 0.4 |
| Effects of movements in exchange rates | - | - |
| **Closing balance of actuarial (gains)/losses recognised in other comprehensive income** | **(5.8)** | **6.5** |

The following table sets forth, for the periods indicated, the components of the net gratuity cost recognised in statement of profit and loss.

₹ in million

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Service cost | 17.7 | 15.8 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Interest cost/(income) | (0.3) | 0.4 |
| Amortisation of prior service cost | - | - |
| **Net gratuity cost** | **17.4** | **16.2** |

Gratuity cost is included in the line item 'Employee benefits expenses' in the statement of profit and loss.

The discount rate used to discount gratuity obligations has been determined with reference to the prevailing market yields on government of India bonds, for the estimated term of obligations, at the end of the reporting period.

The following tables set forth, for the periods indicated, assumptions used to determine benefit obligations.

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Discount rate | 6.05% | 5.70% |
| Rate of increase in compensation levels | 7.00% | 7.00% |

Assumptions regarding future mortality has been based on published statistics and mortality tables. The current longevities underlying the value of the defined benefit obligation at the reporting date were as follows:

| Age (years) | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| 21-24 | 41% | 41% |
| 25-29 | 36% | 36% |
| 30-34 | 30% | 30% |
| 35-44 | 20% | 20% |
| 45 and above | 9% | 9% |

**Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amount shown below.

₹ in million

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| Discount rate (0.5% movement) | | |
| On increase | (2.9) | (3.1) |
| On decrease | 3.1 | 3.3 |
| Future salary growth (0.5% movement) | | |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| On increase | 3.1 | 3.3 |
| On decrease | (2.9) | (3.1) |

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the methods and assumptions used in preparing the sensitivity analysis.

### Plan assets

The following table sets forth, for the periods indicated, the asset allocation for gratuity by asset category based on fair values.

₹ in million

| Asset category | At March 31, 2022 | | At March 31, 2021 | |
|---|---|---|---|---|
| | Amount | As percentage of total | Amount | As percentage of total |
| Insurer managed funds | 106.8 | 99.6% | 104.2 | 99.6% |
| Others | 0.4 | 0.4% | 0.4 | 0.4% |

### Maturity analysis of the benefit payments from the fund

The following table sets forth, for the periods indicated, maturity analysis of the benefit payments from the fund.

₹ in million

| Future year from the date of reporting | March 31, 2022 | March 31, 2021 |
|---|---|---|
| 1st year | 12.4 | 14.2 |
| 2nd year | 11.4 | 10.6 |
| 3rd year | 10.4 | 11.0 |
| 4th year | 11.0 | 10.0 |
| 5th year | 20.8 | 15.0 |
| 6th year | 6.4 | 18.3 |
| 7th year | 6.6 | 5.9 |
| 8th year | 7.5 | 6.8 |
| 9th year | 9.3 | 7.0 |
| 10th year and above | 54.1 | 56.8 |

Weighted average duration of defined benefit obligation is 6.19 years (March 31, 2021: 6.2 years).

## NOTES FORMING PART OF THE ACCOUNTS

### Provident fund

Employees of the Company are entitled to receive benefits under the provident fund. These contributions are made to a fund set up by the Company and administered by a Board of Trustees. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. The Company has contributed ₹ 48.1 million (March 31, 2021: ₹ 55.6 million) to the employees' provident fund for the year ended March 31, 2022, which includes compulsory contribution made towards employee pension scheme under Employees Provident Fund and Miscellaneous Provisions Act, 1952. This cost is included in the line item 'Employee benefits expenses' in the statement of profit and loss.

The following table sets forth, for the periods indicated, the funded status of the plans and the amounts recognised in the financial statements.

₹ in million

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| **Change in benefit obligations** | | |
| Opening obligations | 570.4 | 407.6 |
| Service cost | 30.8 | 33.1 |
| Interest cost | 34.3 | 27.5 |
| Remeasurements gains/(losses) | (11.4) | 13.8 |
| Employee's contribution | 61.3 | 64.3 |
| Transfer in/(out) of liability | 21.9 | 63.4 |
| Benefits paid | (52.0) | (39.3) |
| **Benefit obligations at the end of the year** | **655.3** | **570.4** |
| | | |
| **Change in plan assets** | | |
| Fair value of plan assets at beginning of the year | 570.4 | 393.5 |
| Expected return on plan assets | 34.3 | 26.6 |
| Actuarial gain/(loss) | 22.5 | 28.9 |
| Employer contributions | 30.8 | 33.1 |
| Employee contributions | 61.3 | 64.2 |
| Transfer in/(out) of assets | 21.9 | 63.4 |
| Benefits paid | (52.0) | (39.3) |
| **Plan assets at the end of the year** | **689.2** | **570.4** |
| **Expected employer's contribution next year** | **33.0** | **35.4** |

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, the asset allocation for provident fund by asset category based on fair values.

₹ in million

| Asset category | At March 31, 2022 | | At March 31, 2021 | |
|---|---|---|---|---|
| | Amount | As percentage of total | Amount | As percentage of total |
| Government of India securities | 311.8 | 45.2% | 292.6 | 51.3% |
| Corporate bonds | 221.6 | 32.2% | 174.4 | 30.6% |
| Exchange traded funds | 102.0 | 14.8% | 77.8 | 13.6% |
| Others | 53.8 | 7.8% | 25.6 | 4.5% |
| **Total** | **689.2** | **100%** | **570.4** | **100%** |

The following table sets forth, for the periods indicated, assumptions used to determine benefit obligations.

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Discount rate | 6.05% | 5.70% |
| Expected rate of return on assets | 8.17% | 7.58% |
| Discount rate for the remaining term to maturity of investment | 6.75% | 6.55% |
| Average historic yield on investment | 8.87% | 8.43% |
| Guaranteed rate of return | 8.10% | 8.50% |
| Average expected future period (in years) | 4.16 | 4.34 |

### Compensated absence

The following table sets forth, for the periods indicated, details for compensated absence.

₹ in million

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Cost | 16.4 | 21.1 |
| **Assumptions** | | |
| Discount rate | 6.05% | 5.70% |
| Salary escalation rate | 7.00% | 7.00% |

Cost for the year is included in the line item 'Employee benefits expenses' in the statement of profit and loss.

**Defined contribution plans**

The following table sets forth, for the periods indicated, contribution made by the Company towards defined contribution plans.

₹ in million

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Employer's Contribution to Employee state insurance scheme[1,2] | 2.9 | 2.6 |
| Employer's Contribution to National Pension Scheme[3] | 4.3 | 3.0 |
| Employer's Contribution to Superannuation Scheme[3] | 1.1 | 0.3 |
| **Total** | **8.3** | **5.9** |

1. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.
2. For employees eligible as per Employee Employees' State Insurance Act, 1948.
3. For employees who have opted for the scheme.

Cost for the year is included in the line item 'Employee benefits expenses' in the statement of profit and loss.

## 49. Share based payments

In terms of an Employee Stock Option Scheme (ESOS), of the Parent Bank, share options are granted to eligible employees and Directors of the Bank and its subsidiaries. As per the ESOS, as amended from time to time, the maximum number of options granted to any eligible employees/Directors in a financial year shall not exceed 0.05% of the Parent Bank's issued equity shares at the time of the grant of the options and the aggregate of all such options granted to any eligible employees/Directors shall not exceed 10% of the aggregate number of the Parent Bank's issued equity shares on the date(s) of the grant of the options in line with SEBI Regulations.

Options granted prior to March 2014 vested in a graded manner over a four-year period, with 20%, 20%, 30% and 30% of the grants vesting in each year, commencing from the end of 12 months from the date of grant. Options granted after March 2014, vest in a graded manner over a three-year period with 30%, 30%, and 40% of the grants vesting in each year, commencing from the end of 12 months from the date of grant. In April 2016, the Parent Bank modified the exercise period from 10 years from the date of grant or five years from the date of vesting, whichever is later, to 10 years from the date of vesting of options. In June 2017, the exercise period was further modified by the Parent Bank to not exceed 10 years from the date of vesting of options as may be determined by the Board Governance, Remuneration & Nomination Committee of the Parent Bank to be applicable for future grants. In May 2018, exercise period was further modified by the Parent Bank to not exceed 5 years from the date of vesting of options as may be determined by the Board Governance, Remuneration & Nomination Committee of the Parent Bank to be applicable for future grants.

## NOTES FORMING PART OF THE ACCOUNTS

During the year ended March 31, 2022, ₹ 33.0 million was charged to the statement of profit and loss in respect of equity-settled share-based payment transactions (year ended March 31, 2021: ₹ 32.7 million).

The following table sets forth, for the period indicated, movement in share options during the year.

| Particulars | At March 31, 2022 | | At March 31, 2021 | |
|---|---|---|---|---|
| | No. of options | Price[2] | No. of options | Price[2] |
| Outstanding at the beginning of the year | 2,650,744 | 269.17 | 2,844,951 | 255.59 |
| Add: Granted during the year[1] | 365,700 | 445.67 | 197,570 | 335.40 |
| Less: Exercised during the year[1] | 921,789 | 252.46 | 389,417 | 203.50 |
| Less: Expired/lapsed during the year | - | - | 2,360 | 282.85 |
| Outstanding at the end of the year | 2,094,655 | 311.59 | 2,650,744 | 269.17 |

1. Including changes in outstanding stock options on account of group company transfers.
2. Indicates weighted average price.

The following table sets forth, for the periods indicated, the key assumptions used to estimate the fair value of options granted.

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Risk-free interest rate | 5.34% to 6.31% | 4.96% to 5.74% |
| Expected life | 3.55 to 5.55 years | 3.45 to 5.45 years |
| Expected volatility | 36.49% to 39.41% | 35.19% to 35.90% |
| Expected dividend yield | 0.18% | 0.30% |

The weighted average fair value of options granted by the parent Bank during the year ended March 31, 2022 was ₹ 227.57 (year ended March 31, 2021: ₹ 125.43).

Risk free interest rates over the expected term of the option are based on the government securities yield in effect at the time of the grant. The expected term of an option is estimated based on the vesting term as well as expected exercise behavior of the employees who receive the option of the Parent Bank. Expected exercise behavior is estimated based on the historical stock option exercise pattern of the Parent Bank. Expected volatility during the estimated expected term of the option is based on historical volatility determined based on observed market prices of the Parent Bank's publicly traded equity shares. Expected dividends during the estimated expected term of the option are based on recent dividend activity of the Parent Bank.

## NOTES FORMING PART OF THE ACCOUNTS

### 50. Related party disclosure

The Company has transactions with its related parties comprising Holding Company, fellow subsidiaries, post-employment benefit plans and key management personnel (KMP) and close members of their family. The transactions between the Company and its related parties were in the ordinary course of business and based on the principles of arm's length.

The following table sets forth, names of related parties and their relationship as per Ind AS 24 'Related party disclosures'.

| S No. | Name of the related party | Nature of relationship |
|---|---|---|
| 1 | ICICI Bank Limited | Holding Company |
| 2 | ICICI Securities Limited | Fellow Subsidiary |
| 3 | ICICI Securities Primary Dealership Limited | Fellow Subsidiary |
| 4 | ICICI Prudential Life Insurance Company Limited | Fellow Subsidiary |
| 5 | ICICI Securities Inc. | Fellow Subsidiary |
| 6 | ICICI Securities Holdings Inc. | Fellow Subsidiary |
| 7 | ICICI Venture Funds Management Company Limited | Fellow Subsidiary |
| 8 | ICICI Trusteeship Services Limited | Fellow Subsidiary |
| 9 | ICICI Investment Management Company Limited | Fellow Subsidiary |
| 10 | ICICI International Limited | Fellow Subsidiary |
| 11 | ICICI Bank UK PLC | Fellow Subsidiary |
| 12 | ICICI Bank Canada | Fellow Subsidiary |
| 13 | ICICI Prudential Asset Management Company Limited | Fellow Subsidiary |
| 14 | ICICI Prudential Trust Limited | Fellow Subsidiary |
| 15 | ICICI Prudential Pension Funds Management Company Limited | Fellow Subsidiary |
| 16 | ICICI Lombard General Insurance Company Limited[1] | Associate of Holding Company |
| 17 | I-Process Services (India) Private Limited | Associate of Holding Company |
| 18 | India Infradebt Limited | Associate of Holding Company |
| 19 | NIIT Institute of Finance, Banking and Insurance Training Limited | Associate of Holding Company |
| 20 | ICICI Merchant Services Private Limited | Associate of Holding Company |
| 21 | India Advantage Fund-III | Associate of Holding Company |
| 22 | India Advantage Fund-IV | Associate of Holding Company |
| 23 | Arteria Technologies Private Limited | Associate of Holding Company |
| 24 | ICICI Foundation for Inclusive Growth | Other related entity of Holding Company |
| 25 | Sandeep Bakhshi<br>(Relatives - Shivam Bakshi, Esha Bakshi and Minal Bakshi) | Key Managerial Personnel of Holding Company |
| 26 | Anup Bagchi | Key Managerial Personnel |

## NOTES FORMING PART OF THE ACCOUNTS

| S No. | Name of the related party | Nature of relationship |
|---|---|---|
| 27 | Anirudh Kamani, Managing Director and CEO (Relative – Nilima Goel) | Key Managerial Personnel |
| 28 | Sankaran Santhanakrishnan | Key Managerial Personnel |
| 29 | Vinod Kumar Dhall | Key Managerial Personnel |
| 30 | G. Gopalakrishna | Key Managerial Personnel |
| 31 | Supritha Shetty | Key Managerial Personnel |
| 32 | N.R.Narayanan[2] | Key Managerial Personnel |
| 33 | Sanjay Singhvi[3] | Key Managerial Personnel |
| 34 | ICICI HFC Employees Provident Fund | Post-Employment benefit plan |
| 35 | ICICI HFC Employees Group Gratuity Assurance Scheme | Post-Employment benefit plan |
| 36 | ICICI HFC Employees Superannuation Schemes | Post-Employment benefit plan |
| 37 | ICICI Strategic Investments Fund | Associate of Holding Company |

1. Associate of Holding Company effective from September 8, 2021.
2. Ceased to be related party effective from September 1, 2021.
3. Included as related party effective from September 13, 2021.

The following table sets forth, for the periods indicated, details of outstanding balance with related parties.

₹ in million

| Particulars | Name of the related party | Nature of relationship | At March 31, 2022 | At March 31, 2021 |
|---|---|---|---|---|
| **Assets** | | | | |
| Bank Balance (Including interest outstanding on Fixed Deposit) | ICICI Bank Limited | Holding company | 255.9 | 6,417.2 |
| Fee Receivable | ICICI Lombard General Insurance Company Limited | Associate of Holding Company | 7.6 | 2.5 |
| | ICICI Prudential Life Insurance Company Limited | Fellow subsidiary | 8.5 | 14.6 |
| Loan Receivable | Anirudh Kamani, Managing Director and CEO | Key Managerial Personnel | 58.1 | 27.7 |
| MTM Receivable | ICICI Bank Limited | Holding company | 242.7 | - |
| Other Receivable | ICICI Bank Limited | Holding company | 55.5 | 66.6 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Name of the related party | Nature of relationship | At March 31, 2022 | At March 31, 2021 |
|---|---|---|---|---|
| | I-Process Services (India) Private Limited | Associate of Holding Company | * | 0.1 |
| **Liabilities** | | | | |
| Equity Share Capital | ICICI Bank Limited | Holding company | 10,987.5 | 10,987.5 |
| Loans | ICICI Bank Limited | Holding company | 4,500.0 | 2,400.0 |
| Bank/book overdrafts in current accounts | ICICI Bank Limited | Holding company | 5,549.4 | 2,093.3 |
| Amount collected from borrowers pending to be transferred (for portfolio sold) | ICICI Bank Limited | Holding company | 776.4 | 812.6 |
| Security deposit payable | ICICI Bank Limited | Holding company | 5.8 | - |
| MTM payable | ICICI Bank Limited | Holding company | - | 434.5 |
| Fee Payable | ICICI Bank Limited | Holding company | 0.7 | 8.1 |
| | ICICI Securities Limited | Fellow subsidiary | - | 0.6 |
| Bonds | ICICI Lombard General Insurance Company Limited | Associate of Holding Company | 2,100.0 | 2,100.0 |
| | ICICI Securities Limited | Fellow subsidiary | 5.0 | - |
| | ICICI Bank Limited | Holding company | 1,500.0 | - |
| | Anup Bagchi | Key Managerial Personnel | - | 10.2 |
| Interest payable on bonds | ICICI Lombard General Insurance Company Limited | Associate of Holding Company | 52.4 | 51.5 |
| | ICICI Securities Limited | Fellow subsidiary | 0.3 | - |
| | ICICI Bank Limited | Holding company | 36.9 | - |
| | Anup Bagchi | Key Managerial Personnel | - | 0.8 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Name of the related party | Nature of relationship | At March 31, 2022 | At March 31, 2021 |
|---|---|---|---|---|
| Fixed deposits accepted (FDs) | Anirudh Kamani, Managing Director and CEO | Key Managerial Personnel | 4.6 | 4.6 |
| | Nilima Goel | Relative of Key Managerial Personnel | 1.4 | 1.1 |
| | Shivam Bakshi | Relative of Key Managerial Personnel of Holding Company | 3.2 | 3.2 |
| | Esha Bakshi | Relative of Key Managerial Personnel of Holding Company | 2.6 | 2.6 |
| | Minal Bakshi | Relative of Key Managerial Personnel of Holding Company | 2.2 | 2.2 |
| Interest payable on FD | Anirudh Kamani, Managing Director and CEO | Key Managerial Personnel | 0.8 | 0.3 |
| | Nilima Goel | Relative of Key Managerial Personnel | 0.2 | 0.1 |
| Other payables (Including on account of expenses) | ICICI Bank Limited | Holding company | 66.1 | 27.0 |
| | ICICI Securities Limited | Fellow subsidiary | 3.8 | 1.2 |
| | ICICI Investment Management Company Limited | Fellow subsidiary | - | 0.4 |
| Directors commission payable | Sankaran Santhanakrishnan | Key Managerial Personnel | 0.8 | - |
| | Vinod Kumar Dhall | Key Managerial Personnel | 0.8 | - |
| | G. Gopalakrishna | Key Managerial Personnel | 0.8 | - |
| **Others** | | | | |
| SWAP (notional principal) | ICICI Bank Limited | Holding company | 15,702.4 | 23,154.8 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Name of the related party | Nature of relationship | At March 31, 2022 | At March 31, 2021 |
|---|---|---|---|---|
| Letter of undertaking (utilised) | ICICI Bank Limited | Holding company | 16,226.7 | 22,215.5 |
| Guarantee | ICICI Bank Limited | Holding company | 2.5 | 2.5 |
| Government Securities held in CLGS account | ICICI Bank Limited | Holding company | 3,149.8 | 2,799.8 |

*Insignificant amount.

1. The receivables/payables above are expected to be realised/settled in cash/cash equivalents during the regular course of business.
2. No impairment losses or allowances have been recorded during the period against balance outstanding with related party.

The following table sets forth, for the periods indicated, details of transactions with related parties.

₹ in million

| Particulars | Name of the related party | Nature of relationship | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|---|---|
| **Income** | | | | |
| Rent Received | ICICI Bank Limited | Holding company | 11.1 | 37.4 |
| | Anup Bagchi | Key Managerial Personnel | - | 0.2 |
| Expense Recovery | ICICI Bank Limited | Holding company | 0.7 | 12.0 |
| | I-Process Services (India) Private Limited | Associate of Holding Company | - | * |
| Servicing fees | ICICI Bank Limited | Holding company | 21.1 | 14.4 |
| Interest on Fixed Deposit | ICICI Bank Limited | Holding company | 0.2 | 0.2 |
| Interest income on loans | Anirudh Kamani, Managing Director and CEO | Key Managerial Personnel | 1.3 | 1.0 |
| Referral fee | ICICI Lombard General Insurance Company Limited | Associate of Holding Company | 13.5 | 32.1 |
| | ICICI Prudential Life Insurance Company Limited | Fellow subsidiary | 57.8 | 44.7 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Name of the related party | Nature of relationship | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|---|---|
| **Expense** | | | | |
| Servicing Fees | ICICI Bank Limited | Holding company | 1.7 | 2.3 |
| Collection Cost (shared expenses) | ICICI Bank Limited | Holding company | 10.5 | 30.4 |
| IT infrastructure cost (shared expenses) | ICICI Bank Limited | Holding company | 52.4 | 32.8 |
| Interest & other finance expenses (including hedging cost) | ICICI Bank Limited | Holding company | 991.8 | 1,143.3 |
| Interest expenses on bonds | ICICI Lombard General Insurance Company Limited | Associate of Holding Company | 163.5 | 163.1 |
| | ICICI Securities Limited | Fellow subsidiary | 7.3 | - |
| | ICICI Bank Limited | Holding company | 39.2 | - |
| | ICICI Securities Primary Dealership Limited | Fellow subsidiary | 3.6 | - |
| | Anup Bagchi | Key Managerial Personnel | - | 0.8 |
| Royalty fees | ICICI Bank Limited | Holding company | 2.3 | * |
| Share based payment to employees | ICICI Bank Limited | Holding company | 24.6 | 12.1 |
| Sourcing cost (Loans & FDs) | ICICI Bank Limited | Holding company | 41.1 | 24.5 |
| | ICICI Securities Limited | Fellow subsidiary | 5.2 | 8.8 |
| | ICICI Investment Management Company Limited | Fellow subsidiary | 3.1 | 10.5 |
| Fee expenses - property service | ICICI Bank Limited | Holding company | 10.2 | 15.7 |
| | ICICI Securities Limited | Fellow subsidiary | 2.2 | 0.6 |
| Arranger fee | ICICI Bank Limited | Holding company | 2.0 | 15.0 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Name of the related party | Nature of relationship | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|---|---|
| | ICICI Securities Limited | Fellow subsidiary | 0.5 | 0.9 |
| | ICICI Securities Primary Dealership Limited | Fellow subsidiary | 1.6 | 1.1 |
| Rent expenses | ICICI Lombard General Insurance Company Limited | Associate of Holding Company | 0.2 | - |
| | ICICI Prudential Life Insurance Company Limited | Fellow subsidiary | 0.1 | 0.4 |
| Insurance premium | ICICI Lombard General Insurance Company Limited | Associate of Holding Company | 81.3 | 43.3 |
| | ICICI Prudential Life Insurance Company Limited | Fellow subsidiary | 15.2 | 3.6 |
| Remuneration[1] | Anirudh Kamani, Managing Director and CEO | Key Managerial Personnel | 177.2 | 97.3 |
| Interest expenses on deposits | Anirudh Kamani, Managing Director and CEO | Key Managerial Personnel | 0.4 | 0.3 |
| | Nilima Goel | Relative of Key Managerial Personnel | 0.1 | 0.1 |
| | Shivam Bakshi | Relative of Key Managerial Personnel of Holding Company | 0.3 | 0.3 |
| | Esha Bakshi | Relative of Key Managerial Personnel of Holding Company | 0.2 | 0.2 |
| | Minal Bakshi | Relative of Key Managerial Personnel of Holding Company | 0.2 | 0.1 |
| Sitting fees/Commission | Sankaran Santhanakrishnan | Key Managerial Personnel | 2.5 | 1.6 |

**NOTES FORMING PART OF THE ACCOUNTS**

| Particulars | Name of the related party | Nature of relationship | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|---|---|
| | G. Gopalakrishna | Key Managerial Personnel | 2.5 | 1.7 |
| | Vinod Kumar Dhall | Key Managerial Personnel | 2.4 | 1.5 |
| Employer's contribution to Provident Fund | ICICI HFC Employees Provident Fund | Post-Employment benefit plan | 21.0 | 31.6 |
| Payment towards Employees Group Gratuity Assurance Scheme | ICICI HFC Employees Group Gratuity Scheme | Post-Employment benefit plan | 15.4 | 13.4 |
| Contribution to Superannuation Fund | ICICI HFC Employees Group Superannuation Schemes | Post-Employment benefit plan | 1.1 | 0.3 |
| Miscellaneous (IPA charges, LAS sourcing cost, operation cost, common corporate expenses and man power services) | ICICI Bank Limited | Holding company | 27.7 | 37.5 |
| | ICICI Lombard General Insurance Company Limited | Associate of Holding Company | 0.5 | - |
| | ICICI Prudential Asset Management Company Limited | Fellow subsidiary | 0.3 | - |
| | ICICI Prudential Life Insurance Company Limited | Fellow subsidiary | 0.1 | - |
| | I-Process Services (India) Private Limited | Associate of Holding Company | 0.1 | - |
| Unwinding cost for derivatives | ICICI Bank Limited | Holding company | 107.0 | - |
| Contribution for CSR activities | ICICI Foundation for Inclusive Growth | Other related entity of Holding Company | 9.1 | 2.5 |
| **Others** | | | | |
| Recovery of principal amounts of loans from KMP | Anirudh Kamani, Managing Director and CEO | Key Managerial Personnel | 3.2 | 2.0 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Name of the related party | Nature of relationship | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|---|---|
| Investment in bonds | ICICI Securities Primary Dealership Limited | Fellow subsidiary | 1,450.0 | 973.4 |
| | ICICI Securities Limited | Fellow subsidiary | 329.0 | 49.0 |
| | ICICI Bank Limited | Holding company | 2,700.0 | - |
| Redemption/Maturity of bonds | ICICI Securities Limited | Fellow subsidiary | 229.3 | - |
| Redemption/Maturity of bonds | Anup Bagchi | Key Managerial Personnel | 10.2 | - |
| Fixed deposits accepted (FDs) | Anirudh Kamani, Managing Director and CEO | Key Managerial Personnel | - | 3.5 |
| Fixed deposits accepted (FDs) | Nilima Goel | Relative of Key Managerial Personnel | 0.3 | 0.1 |
| Sale of retail mortgage loans (Direct assignment) | ICICI Bank Limited | Holding company | 6,766.5 | 8,071.2 |
| Bank loan repaid | ICICI Bank Limited | Holding company | 2,400.0 | 2,600.0 |
| Bank loan taken during the period | ICICI Bank Limited | Holding company | 4,500.0 | - |
| Employees' contribution to Provident fund | ICICI HFC Employees Provident Fund | Post-Employment benefit plan | 67.1 | 70.3 |
| Assets Purchased | ICICI Bank Limited | Holding company | - | 0.5 |
| | ICICI Securities Limited | Fellow subsidiary | - | 0.4 |

*Insignificant amount.

1. Includes perquisite value of ESOPs issued by the Parent Bank.

The Company received ₹ 353.8 million during the year ended March 31, 2022 (March 31, 2021: ₹ 145.6 million) from ICICI Bank towards excess interest spread recovered from borrowers for loans, which have been assigned by the Company to Bank on direct assignment basis.

## NOTES FORMING PART OF THE ACCOUNTS

### Compensation to Key Managerial Personnel

The following table sets forth, for the periods indicated, the details of compensation paid by the Company to the Key Managerial Personnel.

₹ in million

| Particulars | March 31, 2022 | March 31, 2021 |
|---|---|---|
| Short-term employee benefits (including salaries) | 175.1 | 95.3 |
| Post-employment benefits | 2.1 | 2.0 |
| Other long-term benefits | - | - |
| **Total[1,2]** | **177.2** | **97.3** |

1. Excludes ₹ 22.5 million payable to the Parent Bank for the cost of options granted for purchase of the Parent Bank's equity shares (March 31, 2021: ₹ 11.8 million)
2. Includes perquisite value of ESOPs issued by the Parent Bank.

Expenses towards gratuity and leave encashment provisions are determined actuarially on overall basis at the Company level at the end of each year and accordingly, have not been considered in the above information.

### 51. Managerial Remuneration

Managerial remuneration for the year ended March 31, 2022 was higher by ₹ 66.3 million (including perquisite value of stock option) as compared to limits prescribed under section 197 read with Schedule V to the Companies Act, 2013. The Company is in the process of obtaining shareholder's approval by passing a special resolution in the ensuing general meetings.

### 52. Derivative instruments and hedging activities

The Company enters into derivative transactions for risk management purposes. The primary risk managed using derivative instruments are foreign currency risk and interest rate risk. The risk management policy lays down the broad guidelines and approach to ensure that various risks are understood, measured and monitored and relevant policies and procedures are established to address these risks. Moreover, the investment policy lays down a broad framework for management of investment function, instrument and entity wise investment limits and their stop loss limits. The investment policy also lays down the types of derivative transactions to hedge different types of risks embedded in a single asset/liability. The policy also lays down the total exposure limit, counterparty credit exposure limit, and trigger limits along with the reporting authority.

For hedge transactions, the Company identifies the hedged item (asset or liability) at the inception of the hedge itself. The effectiveness is assessed at the time of inception of the hedge and periodically thereafter. Derivatives held for risk management purposes meet the hedge accounting requirements. Hedge derivative transactions are accounted for pursuant to the principles of hedge accounting.

## NOTES FORMING PART OF THE ACCOUNTS

### Derivative qualifying for hedge accounting

The Company has aggregate outstanding of USD 175.0 million in form of ECBs and in order to fully hedge the same, the Company has taken derivative positions in the form of a 5 year Principal-Only Swap (POS), 5 year USD Interest Rate Swap (IRS) and Currency Forwards for all its coupon cash flows. These swaps hedge any adverse movement in the USD-INR rates on its principal and interest obligations and also against any adverse movement in the LIBOR on its interest rate obligations.

There is an economic relation between the hedged item and hedging instruments as the terms of derivatives match with that of External Commercial Borrowings (notional amount, interest payment dates, principal repayment dates etc.). There have been no changes in the contractual terms of the hedged item and hedging instrument from the COVID-19 pandemic. As per the Investment Policy, the Company monitors the derivative exposure limits based on calculations as per Original Exposure Method (OEM) and Current Exposure Method (CEM). The Credit Conversion Factors (CCF) are applied as per the regulatory guidelines.

The following table sets forth, for the periods indicated, the carrying values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.

₹ in million

| Particulars | Assets | | Liabilities | |
|---|---|---|---|---|
| | Notional Amount | Fair value | Notional Amount | Fair value |
| **At March 31, 2022** | | | | |
| Forward contracts | - | - | 900.2 (USD 11.9 million) | 66.0 |
| Currency swaps | 13,286.8 (USD 175.0 million) | 595.7 | - | - |
| Interest rate swaps | - | - | 13,286.8 (USD 175.0 million) | 134.5 |
| **Total derivatives** | **13,286.8 (USD 175.0 million)** | **595.7** | **14,187.0 (USD 186.9 million)** | **200.5** |
| **At March 31, 2021** | | | | |
| Forward contracts | - | - | 2,196.5 (USD 30.0 million) | 100.3 |
| Currency swaps | 20,120.4 (USD 275.0 million) | 681.4 | - | - |
| Interest rate swaps | - | - | 20,120.4 (USD 275.0 million) | 1,334.5 |
| **Total derivatives** | **20,120.4 (USD 275.0 million)** | **681.4** | **22,316.9 (USD 305.0 million)** | **1,434.8** |

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, the details of the hedged items.

₹ in million

| Particulars | Carrying amount | Accumulated amount of fair value adjustment | Balance in cash flow hedge reserve (gross of deferred tax) |
|---|---|---|---|
| **Cash flow hedging** | | | |
| **At March 31, 2022** | | | |
| External Commercial Borrowings | 13,286.7 (USD 175.0 Million) | 768.3 | 246.9 |
| | | | |
| **At March 31, 2021** | | | |
| External Commercial Borrowings | 20,120.2(USD 275.0 Million) | 459.9 | 1,002.9 |

Hedging instruments are disclosed in line item derivative financial instruments (under financial assets/liabilities).

### 53. Principal Business Criteria

The following table sets forth, for the periods indicated, fulfilment of the principal business criteria as applicable for housing finance companies (HFCs).

| Position as at | Percentage of total assets[1] towards housing finance | | Percentage of total assets[1] towards housing finance for Individuals | |
|---|---|---|---|---|
| | Required | Actual | Required | Actual |
| At March 31, 2022 | >=50% | 65.13% | >=40% | 64.24% |
| At March 31, 2021 | - | 56.57% | - | 55.62% |

1. Total Assets netted off by Intangible Assets.

The Company, being an existing registered HFC is required to fulfil the principal business criteria by March 31, 2024, and had submitted its Board approved plan, including the roadmap to fulfil the principal business criteria to the Reserve Bank of India.

### 54. Securitisation of financial assets

The Company has not sponsored any SPVs during the current year, and there is no outstanding amount of securitised assets as a result of any such sponsorships.

**Details of financial assets sold to Securitisation/ Reconstruction Company for Asset Reconstruction**

The Company has not sold any financial assets to securitisation/reconstruction company for asset reconstruction during the current financial year.

## NOTES FORMING PART OF THE ACCOUNTS

### Off balance sheet SPVs sponsored

The Company has not sponsored any SPVs – Domestic or Overseas as at the end of current financial year.

### 55. Details of assignment transactions undertaken

a. During the year, the Company had not purchased performing mortgage loans from other housing finance company(ies).

b. The following table sets forth, for the periods indicated, details of loans transferred through Direct Assignment.

₹ in million, except number of accounts and months

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Number of loans | 9,041 | 7,245 |
| Aggregate amount | 12,238.1 | 15,744.0 |
| Sale consideration[2] | 12,238.1 | 15,744.0 |
| Number of transactions | 7 | 6 |
| Weighted average maturity (remaining) | 151 | 163 |
| Weighted average holding period (after origination) | 23 | 23 |
| Retention of beneficial economic interest (average) | 10% | 10% |
| Coverage of tangible security coverage | 100% | 100% |
| Rating wise distribution of rated loans | NA | NA |
| Number of instances (transactions) where transferor has agreed to replace the transferred loans | Nil | Nil |
| Number of transferred loans replaced | Nil | Nil |
| Additional consideration realised in respect of accounts transferred in earlier years | - | - |
| Aggregate gain/(loss) over net book value | - | - |

Notes:

1. The Company recognised gain of ₹ 929.2 million on derecognition of financial assets (March 31, 2021: ₹ 780.9 million).
2. Includes loans assigned to Parent Bank amounting to ₹ 6,766.5 million (March 31, 2021: ₹ 8,071.2) (No. of accounts – 5,236, March 31, 2021: 3,617) where the Company recognised gain of ₹ 518.7 million on derecognition (March 31, 2021: ₹ 412.8 million).

c. The following table sets forth, for the periods indicated, details of stressed loans transferred to ARCs.

₹ in million, except number of accounts and months

| Particulars | Year ended March 31, 2022 | | | Year ended March 31, 2021 | | |
|---|---|---|---|---|---|---|
| | To ARCs | To permitted transferees | To other transferees | To ARCs | To permitted transferees | To other transferees |
| No. of accounts | 557 | - | - | - | - | - |
| Aggregate principal outstanding | 935.9 | - | - | - | - | - |

| Particulars | Year ended March 31, 2022 | | | Year ended March 31, 2021 | | |
|---|---|---|---|---|---|---|
| | To ARCs | To permitted transferees | To other transferees | To ARCs | To permitted transferees | To other transferees |
| of loans transferred | | | | | | |
| Weighted average residual tenor of the loans transferred | 137 | - | - | - | - | - |
| Net book value of loans transferred (at the time of transfer) | 385.7 | - | - | - | - | - |
| Aggregate Consideration | 374.4 | - | - | - | - | - |
| Additional consideration realized in respect of accounts transferred in earlier years | - | - | - | - | - | - |

**56. Details of Non-performing financial assets purchased**

The Company has not purchased non-performing financial assets from other Housing Finance Companies in the current financial year.

**57. Exposure to real estate sector**

The following table sets forth, for the periods indicated, the position of exposure to real estate sector.

₹ in million

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| **(a) Direct exposure** | | |
| **(i) Residential mortgages** | | |
| Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. (Individual Housing Loans up to ₹ 1.5 million – March 2022 - ₹ 34,538.6 million, March 2021 - ₹ 26,261.1 million) | 139,581.9 | 133,361.3 |
| **(ii) Commercial real estate** | | |
| Lending secured by mortgages on commercial real estates (office buildings, retail space multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land | 8,880.8 | 7,801.1 |

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| acquisition, development & construction etc). Exposure shall also include non-fund based (NFB) limits. | | |
| **(iii) Investments in mortgage backed securities (MBS) & other securitised exposures** | - | - |
| (a) Residential | - | - |
| (b) Commercial real estate | - | - |
| **(b) Indirect exposure** | | |
| Fund based & non-fund based exposures on National Housing Bank (NHB) & Housing Finance Companies (HFCs) | - | - |
| **Total Exposure to Real Estate Sector** | **148,462.7** | **141,162.4** |

**58. Exposure to Capital Market**

The following table sets forth, for the periods indicated, the position of exposure to capital market.

₹ in million

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| (i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt; | 528.9 | 528.9 |
| (ii) Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), Convertible bonds, convertible debentures, and units of equity-oriented mutual funds; | - | - |
| (iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity-oriented mutual funds are taken as primary security; | - | - |
| (iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity-oriented mutual funds i.e. where the primary security other than shares/convertible bonds/convertible debentures/units of equity-oriented mutual funds' does not fully cover the advances; | - | - |
| (v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers; | - | - |
| (vi) Loans sanctioned to corporates against the security of shares/bonds/debentures or other securities or on | - | - |

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources; | | |
| (vii) Bridge loans to companies against expected equity flows/issues; | - | - |
| (viii) All exposures to Venture Capital Funds/Alternate Investment Funds (both registered and unregistered) | 16.2 | 16.1 |
| **Total Exposure to Capital Market** | **545.1** | **545.0** |

**59. Exposure to group companies engaged in real estate business**

The Company does not have any group company engaged in real estate business as at the end of the current financial year and at the end of the preceding financial year and hence no exposure.

**60. Concentration of Public Deposits, Borrowings, Advances, Exposures and NPAs**

**(a) Concentration of loans and advances**

₹ in million

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| Total loans and advances to twenty largest borrowers | 3,747.1 | 4,465.7 |
| Percentage of loans and advances to twenty largest borrowers to total advances of the HFC | 2.5% | 3.2% |

**(b) Concentration of all exposure (including off-balance sheet exposure)**

₹ in million

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| Total exposure to twenty largest borrowers/customers | 4,743.6 | 5,552.9 |
| Percentage of exposures to twenty largest borrowers/ customers to total exposure of the HFC on borrowers/customers | 3.0% | 3.8% |

**(c) Concentration of NPAs**

₹ in million

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| Total exposure to top ten NPA accounts | 1,973.2 | 2,525.1 |

## NOTES FORMING PART OF THE ACCOUNTS

### (d) Concentration of deposits

#### (i) Public deposits

₹ in million

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| Total deposits of twenty largest depositors | 6,773.2 | 5,621.0 |
| Percentage of deposits of twenty largest depositors to total deposits of the deposit taking HFC | 29.1% | 26.5% |

#### (ii) Total deposits

₹ in million

| Particulars | As on March 31, 2022 |
|---|---|
| Total Deposits of 20 largest depositors (₹ in million) | 8,506.3 |
| Percentage of deposits of twenty largest depositors to total deposits of deposit taking HFC | 27.6% |

### (e) Funding concentration based on significant counterparty (both deposits and borrowings)

₹ in million

| Sr. No. | Particulars | No. of Significant Counterparties | Amount | % of Total Deposits/ Borrowings | % of Total Liabilities |
|---|---|---|---|---|---|
| 1 | Borrowings | 17 | 73,417.3 | 58.21% | 53.06% |
| 2 | Deposits | 14 | 6,908.5 | 22.38% | 4.99% |

### (f) Top 10 borrowings

₹ in million

| Particulars | As on March 31, 2022 |
|---|---|
| Total of Top 10 borrowings[1] | 61,684.0 |
| Percentage of Top 10 borrowings to total borrowings | 48.9% |

1. Excluding borrowings in form of deposits

### (g) Funding concentration based on significant instrument/product

₹ in million

| Sr. No. | Name of the Instrument/Product | Amount | % of Total Liabilities |
|---|---|---|---|
| 1 | Deposits | 30,868.2 | 22.3% |
| 2 | Secured Non-Convertible Debentures | 40,558.5 | 29.3% |
| 3 | External Commercial Borrowings[1] | 13,192.0 | 9.5% |
| 4 | Refinance facility from National Housing Bank | 16,009.4 | 11.6% |

| Sr. No. | Name of the Instrument/Product | Amount | % of Total Liabilities |
|---|---|---|---|
| 5 | Term Loans from banks | 13,837.7 | 10.0% |
| 6 | Commercial Papers | 2,966.2 | 2.2% |
| 7 | Sub-ordinate debt | 4,197.9 | 3.0% |
| 8 | Loans from Parent Bank (incl. Term Loans & Demand Loans | 4,500.0 | 3.3% |
| | | | |
| **Total Borrowings** | | **126,129.9** | **91.2%** |
| | | | |
| **Total Liabilities** | | **138,353.8** | **100%** |

1. External Commercial Borrowings were availed in USD Currency

**(h) Stock Ratio**

| Sr. No. | Particulars | As on March 31, 2022 |
|---|---|---|
| 1. | Commercial Papers as % of Total Public Funds | 2.4% |
| 2. | Commercial Papers as % of Total Liabilities | 2.1% |
| 3. | Commercial Papers as % of Total Assets | 1.9% |
| 4. | Non-Convertible Debentures (original maturity < 1 year) as % of Total Public Funds | Nil |
| 5. | Non-Convertible Debentures (original maturity < 1 year) as % of Total Liabilities | Nil |
| 6. | Non-Convertible Debentures (original maturity < 1 year) as % of Total Assets | Nil |
| 7. | Other Short Term Liabilities[1] as % of Total Public Funds | 40.1% |
| 8. | Other Short Term Liabilities[1] as % of Total Liabilities | 36.5% |
| 9. | Other Short Term Liabilities[1] as % of Total Assets | 31.7% |

1. Short term liabilities represent amount payable within 12 months from the reporting date excluding for commercial papers.

**61. Sector-wise NPAs**

₹ in million

| Sector (percentage of NPAs to total Advances in that sector) | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| **A. Housing Loans:** | | |
| 1. Individuals | 3.5% | 3.8% |
| 2. Builders/Project Loans | 55.4% | 67.4% |
| 3. Corporates | - | - |
| 4. Others (specify) | - | - |
| | | |
| **B. Non-Housing Loans:** | | |
| 1. Individuals | 8.5% | 7.8% |
| 2. Builders/Project Loans | 46.3% | 57.0% |

**NOTES FORMING PART OF THE ACCOUNTS**

| Sector (percentage of NPAs to total Advances in that sector) | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| 3. Corporates | 6.5% | 5.9% |
| 4. Others (specify) | - | - |

**62. Overseas Assets**

The Company does not hold any overseas assets as at the end of current financial year.

**63.** There is no financing of the parent bank's products during the current financial year.

**64.** The Company has not exceeded the prudential exposure limits (Single Borrower Limit and/or Group Borrower Limit) as defined in the Master Directions issued by RBI for HFCs.

**65. Frauds reporting**

As required by RBI Master Directions – Monitoring of frauds in NBFCs (Reserve Bank) Directions, 2016, the Company has reported frauds amounting to ₹ 41.8 million during year ended March 31, 2022 (March 31, 2021: ₹ 60.3 million).

**66.** The Company is registered with the following other financial sector regulators:
(a) Insurance Regulatory & Development Authority of India

**67. Details of Gold Loan Auctions**

The following table sets forth, for the periods indicated, details of auctions conducted during the year.

₹ in million

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| No. of loan accounts | 19 | - |
| Outstanding amount | 2.0 | - |
| Value fetched on loan accounts | 2.2 | - |

**68. Customer Complaints**

The following table sets forth, for the periods indicated, movement in customer complaints.

| Particulars | At March 31, 2022 | At March 31, 2021 |
|---|---|---|
| (a) No. of complaints pending at the beginning of the year | - | - |
| (b) No. of complaints received during the year | 568 | 940 |
| (c) No. of complaints redressed during the year | 568 | 940 |
| (d) No. of complaints pending at the end of the year | - | - |

## NOTES FORMING PART OF THE ACCOUNTS

The Company has Customer Grievance Redressal Mechanism (CGRM) for convenience of customers to register their complaints and for it to monitor and redress them.

### 69. Penalties

NHB, through its letter dated August 13, 2021, imposed a penalty of ₹ 30,000/- on the Company for non-compliance under Para 28 of the HFC (NHB) Directions, 2010. The Company paid the penalty amount within stipulated timeline and the same was disclosed on the website of the Company.

### 70. Consolidated Financial Statements (CFS)

The Company does not have any subsidiary - domestic as well as overseas, and accordingly is not required to prepare consolidated financial statements as per Ind AS 110- "Consolidated Financial Statements".

### 71. Net Profit or Loss for the period, prior period items and changes in accounting policies

During the year ended March 31, 2022, there were no prior period items. However, during year ended March 31, 2021, the Company had carried out reconciliation of TDS receivable accounted in books of accounts vis-à-vis Form 26AS from FY2013 till FY2021. Accordingly, the Company had recognised net gain of ₹ 32.9 million under the head "Other income" pertaining to earlier periods.

### 72. Asset Liability Management

The following table sets forth, maturity pattern of certain types of items of Assets and Liabilities at March 31, 2022.

₹ in million

| Maturity Bucket | Liabilities | | | | Assets | | |
|---|---|---|---|---|---|---|---|
| | Borrowings from banks[1] | Market borrowing | Fixed deposits | Foreign currency liabilities[2] | Advances | Investments[3,4] | Foreign currency assets |
| 1 Day to 7 Days | - | - | 125.0 | - | 1,442.5 | 2,751.9 | - |
| 8 Days to 14 Days | - | - | 126.3 | - | 124.0 | 7.6 | - |
| 15 Days upto 30/31 days | - | 1,496.4 | 364.6 | - | 6.5 | 22.0 | - |
| Over 1 month upto 2 months | 190.0 | - | 672.2 | - | 455.1 | 168.4 | - |
| Over 2 months upto 3 months | 13,950.8 | - | 1,056.0 | 13,192.0 | 484.6 | 7.0 | - |
| Over 3 months upto 6 months | 1,206.0 | 5,319.8 | 3,785.6 | - | 1,515.1 | 583.2 | - |
| Over 6 months upto 1 Year | 2,854.6 | 5,750.5 | 4,833.1 | - | 3,300.9 | - | - |
| Over 1 year upto 3 years | 14,584.6 | 18,694.8 | 11,840.6 | - | 14,067.5 | 118.0 | - |
| Over 3 years upto 5 years | 10,775.3 | 9,749.1 | 5,904.5 | - | 17,521.6 | 206.0 | - |
| Over 5 years | 3,977.8 | 6,712.0 | 2,160.3 | - | 106,067.2 | 2,565.8 | - |
| **Total** | **47,539.1** | **47,722.6** | **30,868.2** | **13,192.0** | **144,985.0** | **6,429.9** | **-** |

1. Including foreign currency liabilities.
2. These are fully hedged through derivative instruments.

3. Includes government securities amounting to ₹ 50.4 million which forms part of excess statutory liquidity securities.
4. Includes asset held for sale.

The following table sets forth, maturity pattern of certain types of items of Assets and Liabilities at March 31, 2021.

₹ in million

| Maturity Bucket | Liabilities | | | | Assets | | |
|---|---|---|---|---|---|---|---|
| | Borrowings from banks[1] | Market borrowing | Fixed deposits | Foreign currency liabilities[2] | Advances | Investments[3,4] | Foreign currency assets |
| 1 Day to 7 Days | - | - | 59.3 | - | 1,363.9 | 1,252.2 | - |
| 8 Days to 14 Days | 14.7 | - | 85.6 | - | 87.7 | 5.7 | - |
| 15 Days upto 30/31 days | 2,379.5 | 1,550.0 | 384.2 | - | 48.5 | 22.0 | - |
| Over 1 month upto 2 months | 301.0 | 2,100.0 | 1,886.2 | - | 456.9 | 441.4 | - |
| Over 2 months upto 3 months | 359.3 | 759.2 | 997.2 | - | 527.3 | 7.0 | - |
| Over 3 months upto 6 months | 1,370.7 | 1,255.3 | 5,713.9 | - | 1,691.0 | 7.5 | - |
| Over 6 months upto 1 Year | 3,438.2 | 2,094.9 | 6,251.7 | - | 3,022.0 | - | - |
| Over 1 year upto 3 years | 36,052.1 | 10,601.1 | 12,087.2 | 19,904.6 | 16,271.4 | 271.0 | - |
| Over 3 years upto 5 years | 7,259.3 | 10,343.7 | 5,480.0 | - | 14,626.6 | - | - |
| Over 5 years | 7,372.6 | 4,348.6 | 2,112.8 | - | 99,482.9 | 2,375.1 | - |
| **Total** | **58,547.4** | **33,052.8** | **35,058.1** | **19,904.6** | **137,578.2** | **4,381.9** | **-** |

1. Including foreign currency liabilities.
2. These are fully hedged through derivative instruments.
3. Includes government securities amounting to ₹ 251.2 million, which forms part of excess statutory liquidity securities.
4. Includes asset held for sale.

## 73. Liquidity Coverage Ratio (LCR)

The following table sets forth, for the periods indicated the computation of liquidity coverage ratio.

₹ in million

| Particulars | | December 31, 2021 | | March 31, 2022 | |
|---|---|---|---|---|---|
| | | Total unweighted value (average) | Total weighted value (average) | Total unweighted value (average) | Total weighted value (average) |
| **High quality liquid assets** | | | | | |
| 1 | Total high quality assets | 4,017.3 | 4,017.3 | 4,342.1 | 4,342.1 |
| **Cash Outflows** | | | | | |
| 2 | Deposits (for deposit taking companies) | 1,390.6 | 1,599.2 | 769.3 | 884.8 |
| 3 | Unsecured wholesale funding | 4,457.1 | 5,125.6 | 2,123.4 | 2,441.9 |

**NOTES FORMING PART OF THE ACCOUNTS**

| Particulars | | December 31, 2021 | | March 31, 2022 | |
|---|---|---|---|---|---|
| | | Total unweighted value (average) | Total weighted value (average) | Total unweighted value (average) | Total weighted value (average) |
| 4 | Secured wholesale funding | - | - | - | - |
| 5 | Additional requirements, of which | - | - | - | - |
| (i) | Outflows related to derivative exposures and other collateral requirements | - | - | - | - |
| (ii) | Outflows related to loss of funding on debt products | - | - | - | - |
| (iii) | Credit and liquidity facilities | 486.6 | 559.5 | 557.8 | 641.4 |
| 6 | Other contractual funding obligations | 7,314.2 | 8,411.3 | 8,633.6 | 9,928.7 |
| 7 | Other contingent funding obligations | - | - | - | - |
| 8 | Total Cash Outflows | 13,648.4 | 15,695.6 | 12,084.1 | 13,896.7 |
| **Cash Inflows** | | | | | |
| 9 | Secured lending | - | - | - | - |
| 10 | Inflows from fully performing exposures | 1,611.3 | 1,208.5 | 552.7 | 414.5 |
| 11 | Other cash inflows | 18,011.2 | 13,508.4 | 31,100.1 | 23,325.1 |
| 12 | Total Cash Inflows | 19,622.5 | 14,716.9 | 31,652.8 | 23,739.6 |
| | | **Total Adjusted Value** | | **Total Adjusted Value** | |
| 13 | Total High Quality Liquid Assets (HQLA) | 4,017.3 | | 4,342.1 | |
| 14 | Total Net Cash Outflows | 3,923.9 | | 3,474.2 | |
| 15 | Liquidity Coverage Ratio (%) | 102.38% | | 124.98% | |

RBI issued Master direction for HFCs on February 17, 2021 in which the regulator has prescribed LCR guidelines. The minimum regulatory prescribed LCR requirement (phase wise) will be applicable as per the following timeline, which shall be maintained on an ongoing basis to monitor and control liquidity risk. The LCR requirement was applicable from December 1, 2021 with the minimum HQLAs to be held being 50% of the LCR, progressively reaching a level upto 60%, 70%, 85% and 100% by December 1, 2022, December 1, 2023, December 1, 2024, December 1, 2025 respectively.

LCR aims to maintain adequate liquidity for upcoming 30 days under severe stress scenario in which 30 days' cash flows are stressed by assigning a predefined stress percentage. LCR is to be maintained by holding investments in High Quality Liquid Asset (HQLA) i.e. Cash

(cash on hand and demand deposits), Government securities, Tri-Party Repo (TREPs) and other marketable securities with haircuts (the investments in liquid MFs in not permitted to be considered for HQLA). LCR is represented as (Stock of High Quality Liquid Assets (HQLA)/ (Total net cash outflows over the next 30 calendar days).

The average LCR is computed at as simple averages of daily observations component wise over the previous quarter (i.e. average of daily observations component wise for January 2022, February 2022 and March 2022). The Company has implemented the LCR framework and has maintained LCR well above the regulatory threshold. The average LCR for the quarter ended March 31, 2022 was 124.98% which is above the regulatory requirement of 50%.

**74. Details of Crypto currency or Virtual currency**

The Company has not traded or invested in crypto currency or virtual currency during the year.

**75. Undisclosed Income**

For the year ended March 31, 2022 there are no instances of transactions not recorded in the books of account, which have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

**76. Willful Defaulter**

The Company has not been declared willful defaulter by any bank or financial institution or other lender.

**77. Relationship with Struck off Companies**

The Company has not undertaken any transactions with companies struck off under section 248 of Companies Act, 2013 or section 560 of the Companies Act, 1956.

**78. Registration of charges or satisfaction with Registrar of Companies (ROC)**

There is no charge form filed beyond the statutory period.

**79. Compliance with number of layers of companies**

Not applicable, since the Company does not have any subsidiary.

**80. Details of CSR Expenditure**

The gross amount required to be spent by the Company on Corporate Social Responsibility (CSR) related activities during the year ended March 31, 2022 was ₹ 7.7 million (March 31, 2021 : ₹ 13.5 million).

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, the details of amount spent on CSR by the Company for the year ended March 31, 2022.

₹ in million

| Amount required to be spent by the company during the year | Amount of expenditure incurred | Shortfall at the end of the year | Total of previous years shortfall | Reason for shortfall | Nature of CSR activities | Details of related party transactions | Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately |
|---|---|---|---|---|---|---|---|
| 7.7 | 10.2 | - | - | - | Vocational skill development, healthcare purposes and tree plantation | ICICI Foundation | - |

The Company has partnered with ICICI Foundation for promoting sustainable livelihood through vocational skill development projects through the ICICI academy for skills and rural initiative and also partnered with ICICI Foundation for healthcare purposes. The Company contributed ₹ 9.1 million for the year ended March 31, 2022 and ₹ 1.1 million towards tree plantation activity.

For the year ended March 31, 2021 the Company contributed ₹ 10.0 million towards PM CARES fund, ₹ 2.5 million to ICICI Foundation and ₹ 1.0 million towards tree plantation activity.

### 81. Events after reporting date

There have been no significant events after the reporting date that require disclosure in these financial statements.

## NOTES FORMING PART OF THE ACCOUNTS

### 82. Diagrammatic representation of group

Note : The above Group Structure does not exhibit the investments in associate companies which are not consolidated in the financial statements of Holding Company and are held as temporary investments with a view to dispose in near future.

## NOTES FORMING PART OF THE ACCOUNTS

**83.** The previous year figures have been reclassified/regrouped/restated to conform to current year's classification.

As per our report of even date attached

**For M/s Singhi & Co.**
Chartered Accountants
Firm's Registration No: 302049E

Sd/-

**Shweta Singhal**
Partner
Membership No.:414420

**For Mukund M. Chitale & Co.**
Chartered Accountants
Firm's Registration No: 106655W

Sd/-

**A.V. Kamat**
Partner
Membership No.:039585

For and on behalf of the Board of Directors
**ICICI Home Finance Company Limited**

Sd/-

**Anup Bagchi**
Chairman
DIN-00105962

Sd/-

**Anirudh Kamani**
Managing Director
& CEO
DIN-07678378

**Place**: Mumbai
**Dated**: April 19, 2022

Sd/-
**Vikrant Gandhi**
Chief Financial Officer

Sd/-
**Priyanka Shetty**
Company Secretary

ICICI HOME FINANCE COMPANY LIMITED

**Annexure - 1**

**Schedule to the Balance Sheet of the Housing Finance Company as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021**

₹ in million

| Particulars | | | Amount outstanding | Amount overdue |
|---|---|---|---|---|
| **Liabilities side** | | | | |
| **(1)** | **Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:** | | **127,868.0** | **78.8** |
| | (a) | Debentures : Secured | 41,903.3 | - |
| | | : Unsecured | 4,337.0 | - |
| | | (other than falling within the meaning of public deposits*) | | |
| | (b) | Deferred credits | - | - |
| | (c) | Term loans | 47,654.5 | - |
| | (d) | Inter-corporate loans and borrowing | 7,807.5 | 1.9 |
| | (e) | Commercial paper | 2,966.2 | - |
| | (f) | Public deposits* | 23,199.5 | 76.9 |
| | (g) | Other loans (specify nature) | - | - |
| | *Please see Note 1 below | | | |
| **(2)** | **Break-up of (1)(f) above (outstanding public deposits inclusive of interest accrued thereon but not paid):** | | **23,199.5** | **-** |
| | (a) | In the form of Unsecured debentures | - | - |
| | (b) | In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security | - | - |
| | (c) | Other public deposits | 23,199.5 | - |
| | * Please see Note 1 below | | | |

₹ in million

| Assets side | | | Amount outstanding |
|---|---|---|---|
| **(3)** | **Break-up of loans and advances including bills receivables [other than those included in (4) below]:** | | **144,985.0** |
| | (a) | Secured | 144,985.0 |
| | (b) | Unsecured | - |
| **(4)** | **Break up of leased assets and stock on hire and other assets counting towards asset financing activities** | | **-** |
| | (i) | Lease assets including lease rentals under sundry debtors | |
| | | (a) Financial lease | - |

| Assets side | | | | Amount outstanding |
|---|---|---|---|---|
| | | (b) | Operating lease | - |
| | (ii) | Stock on hire including hire charges under sundry debtors | | |
| | | (a) | Assets on hire | - |
| | | (b) | Repossessed assets | - |
| | (iii) | Other loans counting towards asset financing activities | | |
| | | (a) | Loans where assets have been repossessed | - |
| | | (b) | Loans other than (a) above | - |
| **(5)** | **Break-up of investments** | | | |
| | **Current investments** | | | **3,425.0** |
| | **1.** | **Quoted** | | **2,999.3** |
| | | (i) | Shares | |
| | | | (a) Equity | - |
| | | | (b) Preference | - |
| | | (ii) | Debentures and Bonds | - |
| | | (iii) | Units of mutual funds | 2,701.5 |
| | | (iv) | Government Securities | 297.8 |
| | | (v) | Others (please specify) | - |
| | **2.** | **Unquoted** | | **425.7** |
| | | (i) | Shares | |
| | | | (a) Equity* | 425.7 |
| | | | (b) Preference | - |
| | | (ii) | Debentures and bonds | - |
| | | (iii) | Units of mutual funds | - |
| | | (iv) | Government securities | - |
| | | (v) | Others (please specify) | - |
| | *Assets held for sale | | | |
| | **Long Term investments** | | | **3,004.8** |
| | **1.** | **Quoted** | | **2,971.0** |
| | | (i) | Shares | |
| | | | (a) Equity | - |
| | | | (b) Preference | - |
| | | (ii) | Debentures and bonds | - |
| | | (iii) | Units of mutual funds | - |
| | | (iv) | Government securities | 2,971.0 |
| | | (v) | Others (please specify) | - |
| | **2.** | **Unquoted** | | **33.8** |
| | | (i) | Shares | |

| Assets side | | | | Amount outstanding |
|---|---|---|---|---|
| | | | (a) Equity | 17.6 |
| | | | (b) Preference | - |
| | | (ii) | Debentures and bonds | - |
| | | (iii) | Units of mutual funds | - |
| | | (iv) | Government securities | - |
| | | (v) | Others (*Units in venture capital fund*) | 16.2 |

| (6) | **Borrower group-wise classification of assets financed as in (3) and (4) above:** (Please see Note 2 below) | | | | |
|---|---|---|---|---|---|
| | **Category** | | **Amount net of provisions** | | |
| | | | **Secured** | **Unsecured** | **Total** |
| | 1. | Related Parties ** | | | |
| | | (a) Subsidiaries | - | - | - |
| | | (b) Companies in the same group | - | - | - |
| | | (c) Other related parties | - | - | - |
| | 2. | Other than related parties | 144,985.0 | - | 144,985.0 |
| | **Total** | | **144,985.0** | **-** | **144,985.0** |

| (7) | **Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):** (Please see Note 3 below) | | | |
|---|---|---|---|---|
| | **Category** | | **Market Value / Break up or fair value or NAV** | **Book Value (net of Provisions)** |
| | 1. | Related Parties ** | | |
| | | (a) Subsidiaries | - | - |
| | | (b) Companies in the same group | - | - |
| | | (c) Other related parties | - | - |
| | 2. | Other than related parties* | 6,397.6 | 6,429.8 |
| | **Total** | | **6,397.6** | **6,429.8** |
| | *Amount includes Assets held for sale | | | |
| | ** As per notified Accounting Standard (Please see Note 3) | | | |

| (8) | **Other information** | | | |
|---|---|---|---|---|
| | **Particulars** | | | **Amount** |
| | (i) | Gross non-performing assets | | |
| | | (a) | Related parties | - |
| | | (b) | Other than related parties | 8,597.0 |
| | (ii) | Net non-performing assets | | |
| | | (a) | Related parties | - |

| | Particulars | | | Amount |
|---|---|---|---|---|
| | | (b) | Other than related parties | 6,236.0 |
| | (iii) | Assets acquired in satisfaction of debt | | - |

**Notes :**

| | |
|---|---|
| 1. | As defined in Paragraph 4.1.30 of these Directions. |
| 2. | Provisioning norms shall be applicable as prescribed in these Directions. |
| 3. | All notified Accounting Standards are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above. |

ICICI Home Finance

**ICICI HOME FINANCE COMPANY LIMITED**
**CIN: U65922MH1999PLC120106**

**Registered Office:** ICICI Bank Towers,
Bandra-Kurla Complex, Mumbai - 400051

**Corporate Office:** ICICI HFC Tower,
Andheri Kurla Road, J.B. Nagar, Andheri (E), Mumbai - 400059

(+91-22) 40093231 secretarial@icicihfc.com

**www.icicihfc.com**

ICICI Home Finance

# ANNUAL REPORT 2022-23

## SHAPING DREAMS, DRIVING GROWTH

- WIDE RANGE OF PRODUCTS
- DIVERSE PARTNER NETWORK
- GROWING PRESENCE
- TECH-ENABLED GROWTH

ICICI HOME FINANCE COMPANY LIMITED

ICICI Home Finance

# CONTENT


01 Corporate Information ..... 01

02 Directors' Report ..... 02

03 Management Discussion and Analysis ..... 57

04 Reinforcing our Social Responsibility ..... 70

05 Auditors' Report ..... 73

06 Balance Sheet ..... 92

07 Statement of Profit and Loss ..... 93

08 Statement of Changes in Equity ..... 94

09 Cash Flow Statement ..... 96

10 Notes forming part of the Accounts ..... 98

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**Vinod Kumar Dhall**
Chairman,
Independent Director

**S Santhanakrishnan**
Independent Director

**G Gopalakrishna**
Independent Director

**Rakesh Jha**
Non-Executive Director

**Sanjay Singhvi**
Non-Executive Director

**Zeenat Hamirani**
Non-Executive Director

**Anirudh Kamani**
Managing Director & CEO

## KEY MANAGERIAL PERSONNEL

**Chief Financial Officer**
Vikrant Gandhi

**Company Secretary**
Priyanka Shetty

## SENIOR MANAGEMENT

**Chief Human Resources Officer**
Ashish Kakkar

**Chief Operating Officer**
Sathishkumar A R

**Chief Distribution Officer**
Pawan Bhansali

**Chief Compliance Officer**
Aditi Joshi

**Chief Risk Officer**
Rohit Parikh

## STATUTORY AUDITORS

Mukund M. Chitale & Co.,
Chartered Accountants

Singhi & Co.,
Chartered Accountants

## REGISTERED OFFICE

ICICI Bank Towers, Bandra-Kurla Complex,
Mumbai - 400051.

## CORPORATE OFFICE

ICICI HFC Tower, Andheri Kurla Road,
J.B. Nagar, Andheri (E), Mumbai - 400059
Email: secretarial@icicihfc.com
Website: www.icicihfc.com
Tel.: (+91-22) 40093231

## REGISTRAR & TRANSFER AGENTS

Datamatics Business Solutions Limited
3i Infotech Limited

## DEBENTURE TRUSTEE

Axis Trustee Services Limited

## SECURITY TRUSTEE

SBICAP Trustee Company Limited
IDBI Trusteeship Services Limited

## SECRETARIAL AUDITOR

Makarand M. Joshi & Co.,
Company Secretaries

# DIRECTORS' REPORT

**To the members,**

Your Company is a Housing Finance Company registered with the National Housing Bank (NHB) and regulated by the Reserve Bank of India (RBI).

On behalf of the Board of Directors (Board), it is our pleasure to present the 24th Annual Report along with the Audited Financial Statement of Accounts for the year ended March 31, 2023 (fiscal 2023).

## STATE OF AFFAIRS OF THE COMPANY

Your Company is engaged in the primary business of providing a range of home loans and home improvement loans, office premises loans, home equity loans, loan against property and gold loans and construction finance to developers.

## FINANCIAL HIGHLIGHTS

The financial performance for fiscal 2023 is summarised in the following table:

(₹ in million)

| Particulars | Fiscal 2022 | Fiscal 2023 | % of change |
|---|---|---|---|
| Net interest income | 6,520.4 | 9,295.9 | 42.6% |
| Other income | 11.5 | 14.1 | 22.6% |
| Operating expenses | 2,968.5 | 4,062.6 | 36.9% |
| Impairment on financial instruments / write-off (Including fair value changes) | 1,755.3 | 1,775.0 | 1.1% |
| Profit before tax | 2,122.3 | 3,868.2 | 82.3% |
| Profit after tax | 1,641.7 | 3,018.2 | 83.8% |
| **Total comprehensive income** | **3,171.2** | **4,679.5** | **47.5%** |

Net interest income was higher by ₹2,775.5 million, primarily on account of higher interest income attributable to growth in loan book and increase in prime lending rate. Operating expenditure was higher by ₹1,094.1 million on account of higher cost in the financial year ended March 31, 2023 due to increase in business operations and expansion of infrastructure facilities in current fiscal.

## APPROPRIATIONS

The profit after tax for fiscal 2023 was ₹3,018.2 million after provision for impairment on financial instruments/write-off of ₹1,775.0 million, provision for taxes of ₹850.0 million and all expenses. The accumulated profit was ₹5,149.7 million, taking in to account the balance of ₹2,900.2 million brought forward from the previous fiscal year and after appropriating the disposable profit as follows:

(₹ in million)

| | Fiscal 2022 | Fiscal 2023 |
|---|---|---|
| To Special Reserve (created and maintained in terms of Section 29 C of National Housing Bank Act, 1987) | 328.5 | 604.0 |
| Dividend paid during the year | | |
| - Equity Shares | - | 164.7 |
| Leaving balance to be carried forward to the next year | 2,900.2 | 5,149.7 |

## SHARE CAPITAL

The Authorised share capital of the Company at the beginning of the year was ₹ 2,400,00,00,000/- (₹24,000.0 million) divided into 238,50,00,000 equity shares having a face value of ₹ 10/- per equity share and 1,50,00,000 preference shares having a face value of ₹ 10/- per preference share. The paid up share capital of the Company at the

beginning of the year was ₹1,098,75,00,000/- (₹10,987.5 million) divided into 1,098,750,000 equity shares having a face value of ₹ 10/- per equity share.

## CHANGES DURING THE YEAR

During the financial year under review, the Company in its meeting of Committee of Directors convened on July 28, 2022 allotted 104,777,870 equity shares having a face value of ₹10/- per equity share at a premium of ₹13.86/- per equity share aggregating to a total consideration of ₹2,49,99,99,978/- on rights basis to its exiting shareholders.

At the end of the Financial Year, the paid up share capital of the Company is ₹ 1,203,52,78,700 /- (₹12,035.3 million) divided into 1,20,35,27,870 equity shares having a face value of ₹10/- per equity share.

## SWEAT EQUITY SHARES

During the financial year under review, the Company has not issued any sweat equity shares to its employees and therefore, the requirement of making disclosure under Rule 8(13) of Companies (Share Capital and Debenture) Rules, 2014 is not applicable to the Company.

## EMPLOYEE STOCK OPTION PLAN (ESOP)

The Company does not have a designated ESOP Plan for its employees and therefore, the requirement of making disclosure under Rule 12(9) of Companies (Share Capital and Debenture) Rules, 2014 is not applicable to the Company.

## DIVIDEND

Your Directors have recommended a final dividend of ₹0.25 per equity share (2.5% for fiscal 2023) (fiscal 2022: ₹0.15 per equity share at 1.5%). The final dividend is subject to the approval of the Members at the ensuing Annual General Meeting. Your Company has a Dividend Payout Policy as a matter of good corporate governance for bringing transparency in the matter of declaration of dividend and to protect the interest of investors. The payment of final dividend is in line with the Dividend Payout Policy of the Company and in compliance with Section 123 of the Companies Act, 2013.

## OPERATIONAL REVIEW

The Company expanded its footprint with focus on affordable housing finance business in deeper geographies and achieved a milestone of 200 branches/offices at March 31, 2023 as compared to 170 branches at March 31, 2022. The employee strength, including employees on contract, stood at 3,107 at March 31, 2023 compared to 2,252 at March 31, 2022. The Company increased its channel partner network during fiscal 2023, specifically focused on enhancing synergy with ICICI Bank through its branches and Central Processing Centres (CPC) network and gaining more business through in-house direct sourcing.

As the disbursements of mortgage loans picked up with the receding impact of the pandemic, disbursements of the Company increased by ~74% y-o-y to ₹ 89.20 billion in fiscal 2023 as compared to ₹51.28 billion in fiscal 2022. During fiscal 2023, the Company assigned loans amounting to ₹24.03 billion compared to ₹12.24 billion last fiscal. Accordingly, total Assets Under Management (AUM) grew by 23% to ₹220.44 billion at March 31, 2023.

The Company focused on improving its asset quality in fiscal 2023 by putting comprehensive efforts on collection through various means including legal enforcements. It also sold certain stressed assets with difficult collection assessment to Asset Reconstruction Companies (ARCs). These steps along with technical write-off of stressed assets in deeper buckets helped improve the asset quality to 3.1% at March 31, 2023 as compared to 5.8% at March 31, 2022.

The Company during this fiscal initiated paperless onboarding through usage of e-Sign process to facilitate its customers. The same is part of the Company's enabled design framework alongside e-NACH facility and dedicated online portal for customer onboarding and handling post sanction processes.

## MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company from the end of fiscal 2023 and the date of the report.

## CHANGE OF NATURE OF BUSINESS

There has been no change in the nature of the business of the Company during the fiscal 2023.

## SIGNIFICANT AND MATERIAL ORDERS

There were no significant and material orders passed by the regulators or courts or tribunals impacting the Company's going concern status and future operations.

## PARTICULARS OF LOANS, GUARANTEE OR INVESTMENT

Pursuant to Section 186(11) of the Companies Act, 2013 (the Act), the provisions of Section 186 of the Act, except sub-section (1), do not apply to a loan made, guarantee given, security provided or investment made by a housing finance company in the ordinary course of business.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of the Company as at March 31, 2023, comprises of seven Directors consisting of three Non-Executive Independent Directors, the Managing Director & CEO and three Non-Executive Directors (nominees of ICICI Bank, the Parent). The Directors of the Company are:

| Sr. No. | Name of the Director | Designation | DIN |
|---|---|---|---|
| 1 | Vinod Kumar Dhall[1] | Non-Executive Independent Director (Chairman) | 02591373 |
| 2 | S. Santhanakrishnan | Non-Executive Independent Director | 00032049 |
| 3 | G. Gopalakrishna | Non-Executive Independent Director | 06407040 |
| 4 | Rakesh Jha | Non-Executive Director | 00042075 |
| 5 | Sanjay Singhvi | Non-Executive Director | 09317585 |
| 6 | Zeenat Hamirani | Non-Executive Director | 09851630 |
| 7 | Anirudh Kamani | Managing Director & CEO | 07678378 |

1. Appointed as the Chairman of the Company with effect from April 19, 2022.

**Changes in the Directorship during the financial year:**

| Sr. No. | Name of the Director | DIN | Appointment/ Resignation | Date of Appointment/ Resignation | Designation |
|---|---|---|---|---|---|
| 1 | Anup Bagchi | 00105962 | Resignation | September 17, 2022 | Non-Executive Director |
| 2 | Rakesh Jha | 00042075 | Appointment | October 13, 2022 | Non-Executive Director |
| 3 | Supritha Shetty | 02101473 | Resignation | January 5, 2023 | Non-Executive Director |
| 4 | Zeenat Hamirani | 09851630 | Appointment | January 5, 2023 | Non-Executive Director |

## DECLARATION OF INDEPENDENCE

The Independent Directors have confirmed that they satisfy the criteria prescribed for Independent Directors as stipulated in the provisions of Section 149(6) of the Act and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations), which have been relied upon by the Company and were placed at the Board Meeting held on April 17, 2023. The names of all the Independent Directors of the Company have been included in the Independent Directors databank maintained by Indian Institute of Corporate Affairs (IICA). None of the Directors have any pecuniary relationship or transactions with the Company. None of the Directors of the Company are related to each other. They have confirmed that they are not disqualified from being appointed as Directors in terms of Section 164 of the Act and are not debarred from holding the office of Director by virtue of any SEBI order or any other such authority.

In the opinion of the Board, the Independent Directors fulfil the necessary criteria for independence as stipulated under the statutes.

The Board has formed the opinion that the Independent Directors have requisite expertise and experience required by the Company based on their skills, knowledge and competencies.

## RETIREMENT BY ROTATION

Pursuant to the provisions of Section 152 of the Act, Sanjay Singhvi (Director) retires by rotation at the forthcoming Annual General Meeting (AGM) and being eligible, offers himself for re-appointment.

## APPOINTMENT AND CESSATION OF DIRECTORS

During the fiscal, pursuant to Section 161 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, Rakesh Jha was appointed as an Additional Non-Executive Director, nominated by ICICI bank with effect from October 13, 2022 by the Board of Directors. Further, on December 2, 2022, his appointment was regularized as a Non-Executive Director by obtaining approval at the Extra-Ordinary General Meeting. Also, Zeenat Hamirani was appointed as an Additional Non-Executive Director,nominated by ICICI bank on the Board of the Company on January 5, 2023. Further, on March 17, 2023, her appointment was regularized as a Non-Executive Director by obtaining approval at the Extra-Ordinary General Meeting.

During the fiscal, Anup Bagchi and Supritha Shetty resigned as the Non-Executive directors of the Company with effect from September 17, 2022 and January 05, 2023 respectively.

Apart from above changes, rest of the Directors of the Company at March 31, 2023, have continued to be on its Board.

## KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Section 203 of the Act, Anirudh Kamani (Managing Director & Chief Executive Officer), Vikrant Gandhi (Chief Financial Officer) and Priyanka Shetty (Company Secretary) are Key Managerial Personnel of the Company. During the fiscal 2023, there was no change in the Key Managerial Personnel.

## STATUTORY AUDITORS

RBI on April 27, 2021 issued guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) for Banks and NBFCs (including HFCs) (RBI Guidelines). As per the requirement of the said guidelines, the Company can appoint Statutory Auditors for a continuous period of maximum three years, subject to the firms satisfying the eligibility norms on a continuous basis. Additionally, the said guidelines also require NBFCs/HFCs with asset size of ₹15,000 crore and above at March 31, 2021 to appoint joint auditors for audit of their accounts. The said guidelines were applicable for the first time to NBFCs (including HFCs) and

hence, NBFCs/HFCs were given flexibility to adopt these guidelines from the second half of the fiscal 2022, in order to ensure that there is no disruption.

Further, as per the aforesaid RBI guidelines and pursuant to Section 139 of the Act and Companies (Audit and Auditors) Rules, 2014 and as recommended by the Audit Committee and the Board, the shareholders of the Company at its EGM held on July 30, 2021, appointed M/s. Singhi & Co. (Firm Registration no. 302049E) and M/s. Mukund M. Chitale & Co., (Firm Registration No. 106655W), Chartered Accountants, as Joint Statutory auditors with effect from July 30, 2021 till the conclusion of 23rd AGM, to be held for the fiscal 2022. The auditors meet the eligibility criteria as required under the Act.

Accordingly, on recommendation of the Audit Committee, the Board of the Company proposed the re-appointment of M/s Singhi & Co. (Firm Registration no. 302049E) and M/s Mukund M. Chitale & Co., (Firm Registration No. 106655W), Chartered Accountants, as Joint Statutory auditors of the Company to hold office from the conclusion of the 23rd AGM till the conclusion of 25th AGM of the Company.

Further, the report of the Statutory Auditors along with notes to schedules is enclosed to this report. The Auditors' Report to the members does not contain any qualification. The Notes to Accounts referred to in the Auditors' Report are self-explanatory and do not call for further comments.

## SECRETARIAL AUDITORS

In terms of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Makarand M. Joshi & Co., a firm of Practicing Company Secretaries were appointed as the Secretarial Auditors of the Company. The secretarial auditors have submitted their report for fiscal 2023 and the report does not contain any qualification. The report of the Secretarial Auditors is enclosed as **Annexure 1** to this report.

The Annual Secretarial Compliance Report for fiscal 2023 is available on the website of the Company at www.icicihfc.com and on the website of BSE Limited at www.bseindia.com.

## INTERNAL AUDITORS

In terms of Section 138 of the Act read with Companies (Accounts) Rules, 2014, the Company has a dedicated team of professionals headed by the Head-Internal Auditor to conduct the internal audit of the functions and activities of the Company.

## COMPLIANCE WITH SECRETARIAL STANDARDS

In terms of provisions of Section 118 of the Act, the Company is in compliance with Secretarial Standards on Meetings of the Board and Secretarial Standards on General Meeting, issued by the Institute of Company Secretaries of India.

## CEO/CFO CERTIFICATION

In terms of the SEBI Listing Obligations and Disclosures Requirements (LODR) Regulations, the certification by the Managing Director & CEO and Chief Financial Officer on the financial statements and internal controls relating to financial reporting has been obtained.

## SUCCESSION PLANNING

In compliance with the Regulation 17 of SEBI LODR regulations and on recommendation of the Board Governance Nomination and Remuneration Committee, the Board had put in place a Succession planning policy for ascertaining the need for filling positions in the Board, senior management and other critical positions. It also involves identification of next generation for the aforesaid roles, assessment of their potential and developing them as potential successors for key leadership roles in the organization.

## PERSONNEL

The Company had 3,107 (including on contract) employees at March 31, 2023.

The disclosure as required in terms of sub-section 12 of Section 197 of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for fiscal 2023 is given in **Annexure 2**.

The statement containing details of employees as required in terms of Section 197 of the Act, read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure 2A** and forms part of this report. In terms of Section 136(1) of the Act, the annual report and the financial statements are being sent to the Members, excluding **Annexure 2A**. The said Annexure is available for inspection at the Corporate Office of the Company. Any Member interested in obtaining a copy of the Annexure may write to the Company Secretary of the Company.

## INTERNAL CONTROL AND ITS ADEQUACY

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

These systems provide reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, prevention and detection of frauds, accuracy and completeness of accounting records and ensuring compliance with the Company's policies.

## REGULATORY & STATUTORY COMPLIANCES

In August 2019, the Central government conferred the powers for regulation of HFCs to RBI from NHB. NHB continues to carry out the function of supervision of HFCs. On February 17, 2021, RBI issued Master Direction - NBFC - HFC (Reserve Bank) Directions, 2021 (RBI HFC Directions). These directions came into force with immediate effect.

During fiscal 2023, the RBI/NHB had issued various circulars, notifications, directions and guidelines to HFCs, the updates of which were duly placed before the Board at regular intervals. The Company had put in place adequate systems and processes in place to ensure compliance with RBI HFC Directions and other applicable directions/guidelines issued by RBI/NHB from time to time.

Your Company is also in compliance with the provisions of SEBI LODR Regulations to the extent applicable to it and subsequent amendments thereof and other applicable statutory requirements.

Your Company is registered as buyer with the Receivables Exchange of India Limited Trade Receivables Discounting System (TReDS) for facilitating the financing of trade receivables of MSMEs from corporate and other buyers, including Government Departments and Public Sector Undertakings (PSUs), through multiple financiers.

Your Company has registered itself on BSE bond platform to avail the facility of EBP Platform to issue debt securities/non-convertible debentures on a private placement basis.

Your Company has put in place policy and processes to ensure adherence to the requirement of Fair Practices Code, Know Your

Customers (KYC) and Anti Money Laundering (AML) norms as per the regulatory guidelines.

Your Company is registered with Legal Entity Identifier (LEI) India Limited (wholly owned subsidiary of Clearing Corporation of India Limited) and has obtained the LEI code 335800GH1L1U8HKSRG05. The same has a validity period of one year upto April 8, 2024.

## VIGIL MECHANISM

The Company has put in place a Whistle Blower policy through which it has set-up a mechanism that enables employees or stakeholder to report about potentially illegal and/or unacceptable practices. It seeks to enable employees to report such practices without fear of victimisation and reprisal. The Whistle Blower policy aims to administer good governance practices in the Company and to ensure that serious concerns are properly raised and addressed. The Whistle Blower policy is available on the website of the Company at https://www.icicihfc.com/policies.

The purpose of the Whistle Blower policy is to enable a person who observes an unethical practice (whether or not a violation of law) to approach the Head-Internal Audit without necessarily informing his supervisors. The Whistle Blower policy governs reporting and investigation of allegations of suspected improper activities. During fiscal 2023, no personnel had been denied access to the Audit Committee. Employees of the Company are encouraged to use guidance provided in the Whistle Blower policy for reporting all alleged or suspected improper activities. In all instances, the Company retains the right to determine when circumstances warrant an investigation and in conformity with the Whistle Blower policy and applicable laws and regulations, the appropriate investigative process is employed. Strict confidentiality is maintained with regard to the identity of the complainant both during and post investigation, barring disclosure of identity, if required, under applicable law.

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

The provisions of Section 134(3)(m) of the Companies Act, 2013 relating to conservation of energy and technology absorption do not apply to the Company. The Company uses information technology extensively in its operations.

During fiscal 2023, the Company has not earned/ received any foreign exchange (fiscal 2022: Nil) and the total foreign exchange used was USD 177.02 million (fiscal 2022: USD 104.3 million).

## RELATED PARTY TRANSACTIONS

The transactions between the Company and its related parties, during fiscal 2023, were in the ordinary course of business and based on the principles of arm's length. The Company has a Board approved policy on related party transactions, which has been disclosed on the website of the Company at https://www.icicihfc.com/policies. The details of related party transactions under Section 188(1) of the Act required to be disclosed under **Form AOC-2** pursuant to Section 134 (3) of the Act and material related party transactions at an aggregate level for fiscal 2023 are given in **Annexure 3** and related party transactions policy is enclosed in **Annexure 3A**.

## ARM'S LENGTH PRINCIPLES

The transactions between the Company and its group companies are to be undertaken on an arm's length basis. The following broad principles shall be adhered to at the time of undertaking such transactions:

a) All transactions shall have the substantive characteristics of a transaction between independent parties.

b) The transactions shall be entered into in a need based manner and shall be based on principle of impartiality.

c) The pricing for specific transactions shall be at market related rates and would be benchmarked against comparable quotes for similar transactions in the market between independent parties.

d) The transactions shall comply with all statutory/regulatory guidelines, internal policy norms and procedures (including appropriate documentation) applicable to such transactions, if engaged with independent parties with similar background.

## ANNUAL RETURN

Pursuant to Section 92(3), read with Section 134(3)(a) of the Act, the Annual Return as at March 31, 2023 is available on the Company's website on https://www.icicihfc.com/investors.

## RISK MANAGEMENT FRAMEWORK

The Company is exposed to various kinds of risks like credit risk, market risk, liquidity risk and operational risk arising out of business operations, which includes mortgage lending, construction finance, gold loan liability management etc. In order to mitigate these risks, a risk management policy is in place, under the supervision of the Risk Management Committee (RMC) of the Company and the same has been approved by the Board of the Company. The Company has laid down appropriate systems to facilitate reporting pertaining to key risks to the Board of Directors, Board level committees and the senior management. The Company has adopted the Enterprise Risk Management (ERM) approach to monitor entity level risks in a holistic way and evaluate the same at organization level. The broad strategic approach is to identify and assess core perceived risks and put in place robust strategies and mitigation plans to counter the core perceived risks faced by an organization. As a part of the ERM, the Company has formulated a Risk Appetite Statement. The Risk Appetite Statement provides a comprehensive summary of Risk Appetite parameters guiding the operations of the Company. Its main purpose is to facilitate concise presentation and informed periodic review of the amount of risk the Company is prepared to take in its key activities.

The Company has a robust credit risk management framework implemented through various policies, manuals and guidelines. The Company has implemented a pre and post disbursement credit risk control system ensuring effective risk analysis and measurement, periodic monitoring and reporting based on various parameters and adherence to amendments in policy changes. The delegation structure for approval of credit limits is approved by the Board of Directors. All credit proposals other than retail loans and certain other specified products are rated as per the limit prescribed under the policy by the risk management team prior to consideration at the appropriate delegated authority.

The Company reviews its portfolio through Early warning mechanism covering Non starter / Early mortality reports, portfolio dashboard, product / segment reporting etc. The Company ensures following steps for managing its portfolio:

- Realigning the product suite by way of differentiated product mix offering to different segments of borrowers.
- For developer loans, stringent escrow management, field monitoring and engagement with promoters.

The Company is taking the following additional measures to ensure the effectiveness of risk management, maintaining a strong, diversified and resilient portfolio and ensuring that areas of growth are well controlled and sustainable:

- Micro segment policies for enabling effective sourcing
- Branch level portfolio monitoring and intervention

- Early warning monitoring like early mortality and non-starters reporting
- Calibration of LAP portfolio & Real Estate funding

The Company is susceptible to market-related risks such as liquidity risk, interest rate risk and funding risk. Liquidity risk arises when there is an asset-liability mismatch caused by the difference in the maturity profile of assets and liabilities. The risk may arise when the Company may not able to generate sufficient cash flow at reasonable cost to meet expected and/or unexpected claims. The Company is exposed to liquidity risk in view of the fact that the assets generated by the Company are in a tenor band of seven to eight years against liability tenor of three to five years.

The Company actively monitors the liquidity position. Moreover, various triggers are identified and monitored (as per liquidity contingency plan) regularly to ensure that the Company can meet all the requirements of borrowers and lenders while being able to consider investment opportunities as they arise. Liquidity risk is monitored and reported to the senior management of the Company and the Asset Liability Management Committee (ALCO) on an ongoing basis. The Company seeks diverse sources of finances to facilitate flexibility in meeting funding requirements. The Company's operations are principally funded by borrowings from capital markets, banks, fixed deposits, NHB refinance and financial institutions.

The Company has observed no negative impact on liquidity during the last year. The Company continues to maintain ample liquidity and monitor liquidity positions as a part of the Liquidity Contingency Plan.

Market risk of the investments of the Company is governed by the Investment Policy and Risk Management Policy. The Investment Policy has established limits for various risk metrics, which helps to control the market risk. It describes investment functions, incorporating various limits approved for investment, in line with regulations of the Reserve Bank of India.

Additionally, the Risk Management group also analyses the results of various stress testing scenarios from the perspective of ensuring the Company's capital adequacy under any unfavorable/unforeseen market circumstances and ensuring timely actions, wherever required, towards avoidance of situation that could threaten the financial stability of the Company.

The Operational Risk Management function identifies and monitors the operational risks in various products as well as processes of the Company. It ensures that major risks are covered or mitigated in order to avoid or minimize operational risk loss.

The operations of the Company are periodically subject to Internal Audit/Concurrent Audit, as per the annual risk based audit plan duly approved by the Audit Committee, to ensure that the business operations of the Company are being undertaken as per the Board approved policies and risk management framework.

Over the last few years, the manifold increase in dependence on technology to run critical businesses has also led to the manifestation of newer risks and threats pertaining to the area of cyber security. In order to effectively manage cyber security and at the same time to ensure compliance with regulatory guideline, the Company has developed a comprehensive Cyber Security Policy. The Policy lays down a comprehensive set of measures and practices that would ensure protection of the Company's cyberspace against cyber-attacks, threats and vulnerabilities. The IT Risk (including cyber security risk) is managed by the Information Technology Strategy Committee (ITSC) of the Company. The core IT systems of the Company is presently hosted at ICICI Bank's data center and the Group follows Information

Security Risk Management framework for risk assessment of these IT systems. The Company ensures awareness of cyber security among all employees by periodic trainings and guidance issued through periodic mailers.

In work from home environment, the Company has ensured system accessibility through Virtual Private Network (VPN) connectivity and dual authentication for employees reducing the risk of security breaches. Further auto-updation of antivirus is also ensured while connecting with the internet. Timely phishing drills are also conducted to check the awareness of employees.

## PERFORMANCE EVALUATION OF THE BOARD, COMMITTEES AND DIRECTORS

The Company has in place an evaluation framework for evaluation of the Board, Directors and Chairman. The Company has defined a manner of evaluation as per the provisions of the Act and SEBI LODR Regulations. The Board also carries out an evaluation of the working of the Audit Committee, Board Governance Nomination & Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee, Information Technology Strategy Committee. The evaluation of the Committees is based on the assessment of the compliance with the terms of reference of the Committees. The evaluations for the Directors and the Board were done through circulation of questionnaires for evaluation of the performance of the Board, the Committees of the Board and the individual members of the Board, which assessed the performance of the Board on selected parameters related to roles, responsibilities and obligations of the Board and functioning of the Committees including assessing the quality, quantity and timeliness of flow of information between the Company management and the Board that was necessary for the Board to effectively and reasonably perform their duties. The evaluation criteria for the Directors (including Independent Directors) was based on their participation, contribution and offering guidance to and understanding of the areas that were relevant to them in their capacity as members of the Board. A separate meeting of Independent Directors without the attendance of Non-Independent Directors and the management team was held during the fiscal as per the provisions of Schedule IV of the Act. In the opinion of Board, Independent Directors fulfill the conditions specified in the Act and SEBI LODR Regulations and are independent of the management.

## NUMBER OF MEETINGS OF BOARD

During fiscal 2023, 5 (Five) Board meetings were held. For details of the meetings of the Board, please refer to the Corporate Governance section.

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

The Company has complied with the provisions related to constitution of Internal Complaint Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Pursuant to the SEBI LODR Regulations, the details pertaining to complaints for the fiscal 2023 is given below.

a. Number of complaints received/filed during the fiscal: 3

b. Number of complaints disposed off during the fiscal: 3

c. Number of complaints pending at end of the fiscal: 0

All complaints received during fiscal 2023 have been closed within the applicable turnaround time (90 days).

## DEPOSITS AS PER COMPANIES ACT, 2013

Provisions and schedules pertaining to deposits under the Companies Act, 2013 are exempted.

## DETAILS OF FRAUD REPORTING TO NHB AS PER RBI MASTER DIRECTION

The Company has duly reported 15 (fifteen) fraud cases of borrowers (including 21 loan accounts) detected during FY 2023 as per the Master Direction – Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016, as amended from time to time and other applicable circular(s)guidelines, as may be issued, with respect to frauds involving value of ₹ 1 lakh and above and frauds committed by unscrupulous borrowers, detected, during fiscal 2023.

## DETAILS OF FRAUD REPORTING AS PER PROVISIONS OF SECTION 134(3)(CA), READ WITH SECTION 143(12) OF THE ACT

There were no material fraud cases detected and required to be reported during fiscal 2023, as per the provisions of section 134(3) read with section 143(12) of the Act to the regulatory authorities.

## TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of the Act, the Company filed the necessary form and uploaded the details of unpaid and unclaimed amounts lying with the Company, as on the date of closure of financial year (i.e. March 31, 2023) with the Ministry of Corporate Affairs.

During fiscal 2023, the aggregate matured deposits (including interest accrued) with the Company, which were unclaimed for more than seven years from the date of maturity of ₹ 5.0 million were transferred to IEPF as required by the Act.

## MAINTENANCE OF COST RECORD

The Company is not required to maintain cost records in terms of Section 148(1) of the Act.

## SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANY

The Company does not have any subsidiary, associate and joint venture company within the meaning of Section 2(87) and 2(6) of the Act and no new subsidiary, associate and joint venture company was formed during fiscal 2023.

## MANAGEMENT DISCUSSION AND ANALYSIS

Management's Discussion and Analysis Report for the year under review, forms a part of this Annual Report.

## CORPORATE GOVERNANCE

### Philosophy of Corporate Governance

The Company's corporate governance philosophy encompasses comprehensive compliance with regulatory and legal requirements, which aims at a high level of business ethics, effective supervision, and enhancement of value for all stakeholders. The Company promotes a culture of accountability, transparency and ethical conduct across the Company.

**Composition and category of directors, attendance of each director at the meeting of the board of directors and the last annual general meeting, number of other board of directors or committees in which a directors is a member or chairperson and number of meetings of the board of directors held and dates on which held**

₹ in million

| Name of Directors | Director Since | DIN | Category | No. of Board Meeting held and attended during the year | | No. of Directorship | | No. of Committee positions held in other Companies (including this Company)* | | Remuneration | | | Attendance at the last AGM held on June 3, 2022 Yes / No | Directorship in other listed entity (Category of Directorship) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Held | Attended | Of other Indian public limited Companies | Of other Indian Companies | Chairman | Member | Salary and other compensation | Sitting fees ## | Commission | | |
| Anup Bagchi[1] | 23/02/2017 | 00105962 | Non-Executive Director | 2 | 2 | 2 | - | - | 1 | - | - | - | Yes | ICICI Bank Limited- Wholetime Director[6]<br><br>ICICI Prudential Life Insurance Company Limited- Wholetime Director |
| Rakesh Jha[2] | 13/10/2022 | 00042075 | Non-Executive Director | 3 | 3 | 4 | - | - | 1 | - | - | - | - | ICICI Bank Limited- Whole time Director<br><br>ICICI Securities Limited, ICICI Lombard General Insurance Company Limited- Non-executive Director |
| S. Santhana krishnan | 16/10/2014 | 00032049 | Non-Executive – Independent Director | 5 | 5 | - | 4 | 1 | 2 | - | 0.75 | 1.12 | Yes | - |
| Vinod Kumar Dhall[3] | 18/01/2019 | 02591373 | Chairman Non-Executive Independent Director | 5 | 5 | 2 | - | - | 1 | - | 0.75 | 1.07 | Yes | ICICI Securities Limited, Advani Hotels and Resorts (India) Limited- Non Executive Director |
| G. Gopalakri shna | 18/01/2019 | 06407040 | Non-Executive – Independent Director | 5 | 5 | 3 | 2 | - | 4 | - | 0.75 | 1.06 | Yes | - |

| Name of Directors | Director Since | DIN | Category | No. of Board Meeting held and attended during the year | | No. of Directorship | | No. of Committee positions held in other Companies (including this Company)* | | Remuneration | | | Attendance at the last AGM held on June 3, 2022 Yes / No | Directorship in other listed entity (Category of Directorship) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Held | Attended | Of other Indian public limited Companies | Of other Indian Companies | Chairman | Member | Salary and other compensation | Sitting fees ## | Commission | | |
| Sanjay Singhvi | 13/09/2021 | 09317585 | Non – Executive Director | 5 | 5 | - | | 1 | 2 | - | - | - | Yes | - |
| Supritha Shetty[4] | 22/08/2019 | 02101473 | Non – Executive Director | 3 | 3 | 1 | | 1 | 1 | - | - | - | Yes | - |
| Zeenat Hamirani[5] | 05/01/2023 | 09851630 | Non – Executive Director | 2 | 2 | - | | Nil | Nil | - | - | - | - | - |
| Anirudh Kamani | 01/11/2017 | 07678378 | Managing Director and CEO | 5 | 5 | - | | - | 1 | 41.3# | - | - | Yes | - |

* Membership/Chairmanship of only Audit Committee and Stakeholders Relationship Committee has been considered

\# Refer Table b under the head 'Remuneration of Directors' for the elements of salary

## Excluding GST

1. Ceased to be a director with effect from September 17, 2022.
2. Appointed as an Additional Director of the Company with effect from October 13, 2022 by the Board of Directors and his appointment was regularized from Additional Director to a Director (Non-Executive Non-Independent) at the EGM of the Company held on December 2, 2022.
3. Appointed as the Chairman of the Company with effect from April 19, 2022.
4. Ceased to be director with effect from January 5, 2023.
5. Appointed as an Additional Director on the Board of the Company with effect from January 5, 2023 and her appointment was regularized from Additional Director to a Director (Non-Executive Non-Independent) at the EGM of the Company held on March 17, 2023.
6. Anup Bagchi (DIN: 00105962), had tendered his resignation from the Board of the ICICI Bank Limited with effect from close of business hours on April 30, 2023

Note : No of Shares held in and convertible instruments held by the Directors in the Company: Nil

**Details of change in composition of the Board during Fiscal 2023:**

| Sr. No | Name of Director | Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent) | Nature of change (Resignation, Appointment) | Effective date |
|---|---|---|---|---|
| 1 | Anup Bagchi | Non-Executive Non-Independent Director | Resignation | September 17, 2022 |
| 2 | Rakesh Jha | Non-Executive Non-Independent Director | Appointment | October 13, 2022 |
| 3 | Supritha Shetty | Non-Executive Non-Independent Director | Resignation | January 05, 2023 |
| 4 | Zeenat Hamirani | Non-Executive Non-Independent Director | Appointment | January 05, 2023 |

**Details of change in composition of the Board during Fiscal 2022:**

| Sr. No | Name of Director | Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent) | Nature of change (Resignation, Appointment) | Effective date |
|---|---|---|---|---|
| 1 | N. R. Narayanan | Non-Executive Non-Independent Director | Resignation | September 01, 2021 |
| 2 | Sanjay Singhvi | Non-Executive Non-Independent Director | Appointment | September 13, 2021 |

During the financial year, five (5) Board Meetings were held on April 19, 2022, July 19, 2022, October 17, 2022, January 16, 2023 and March 2, 2023. The attendance details of Board members are given below. The intervening gap between the Board Meetings was within the period prescribed under the Act.

**Disclosure of relationships between directors inter-se**

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

**Number of shares and convertible instruments held by non- executive directors;**

None of the Non-executive Directors hold any equity shares or convertible instruments of the Company.

**Familiarisation Programs**

Independent Directors are familiarised with their roles, rights and responsibilities in the Company as well as with the nature of the industry and the business model of the Company through induction programs at the time of their appointment as Directors and through presentations on economy and industry overview, key regulatory developments, strategy and performance, which are made to the directors from time to time. The details of the familiarisation programs have

been hosted on the website of the Company at https://www.icicihfc.com/policies.

**Skills/expertise/competence of the Board**

As required under Schedule V and other applicable provisions of SEBI Listing Regulations in the context of the Company's business activities, the Company has diversity of distinguished individuals on its Board of Directors with each of the Directors having the requisite core skills/expertise/competence as well as vast experience and knowledge in one or more of the various diversified functions and fields namely, corporate planning, capital markets, institutional & retail broking, private equity fund management, financial services, treasury, competition & corporate laws, business and finance laws, corporate affairs, commerce, economic regulations, technology, business strategies and management, institutional strengthening & business transformation, banking & finance, insurance, human resources development, retail & rural banking, etc. The Board has a right blend of dynamism, leadership and experience. The Independent Directors are members of the Board of Directors of various reputed companies including listed entities and they provide their treasured inputs and guidance at the Meetings of the Board which have been of immense help to the Company in pursuing strategic goals.

As per Section C of the Schedule V of the SEBI LODR Regulations, the details of the core skills/ expertise/competence possessed by the existing directors of the Company is detailed as given below:

| Name of Director | Areas of expertise |
|---|---|
| Anirudh Kamani | Agriculture and rural banking, Business Management, Risk management, Finance, Business Strategy, Marketing, Sales, Treasury Control and Services |
| Sanjay Singhvi | Banking, Risk Management, Finance, Business Strategy, General Management, Accountancy |
| G. Gopalakrishna | Regulatory Compliances, Risk Management, Corporate Governance, Information Technology, Corporate Social Responsibility, Stakeholder Management, Banking, Law and Governance |
| S. Santhanakrishnan | Agriculture and rural economy, Banking, Business management, Risk management, Finance, Corporate law, Business Strategy, Accountancy, Law and Governance, Law, Taxation |
| Vinod Kumar Dhall | Corporate Affairs, Competition and Corporate Law, Finance & Banking, Economic Regulation, Business Strategy, Business Management, Insurance, Investment Banking |
| Rakesh Jha | Banking, Finance, Business strategy, Asset Liability Management |
| Zeenat Hamirani | Underwriting across business segments, digital strategies and analytical skills |

In the opinion of Board, Independent directors fulfill the conditions specified in the Act and SEBI LODR Regulations and are independent of the management.

## COMMITTEES OF THE BOARD

The details of composition of the Board Level Committees and its meetings held are given below.

### A. AUDIT COMMITTEE

The Audit Committee provides direction to the audit function and monitors the quality of internal and statutory audit. The responsibilities of the Audit Committee includes the following:

- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company
- Review and monitor the auditor's independence and performance, and effectiveness of audit process
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors
- Review and examination of the annual financial statements and the auditors' report thereon before submission to the Board for approval, with particular reference to:
  - matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
  - changes, if any, in accounting policies and practices and reasons for the same;
  - major accounting entries involving estimates based on the exercise of judgment by management;
  - significant adjustments made in the financial statements arising out of audit findings;
  - compliance with listing and other legal requirements relating to financial statements;
  - disclosure of any related party transactions;
  - modified opinion(s) in the draft audit report
- Review with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and other related matters, and making appropriate recommendations to the board to take up steps in this matter.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval
- Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible and inter-alia focusing primarily on compliance with prevailing accounting standards
- Approval or any subsequent modification of transactions of the Company with related parties
- Discussion with statutory auditors, before the audit commences, the nature and scope of audit as well as have post-audit discussion to ascertain any area of concern
- Evaluation of internal financial controls and risk management systems
- Reviewing with the management, performance of statutory auditors and internal auditors, adequacy of internal control systems
- Reviewing the adequacy of internal audit function, if any, including the structure of

the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit

- Discussion with internal auditors of any significant findings and follow up there on
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board
- Scrutiny of inter-corporate loans and investments
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate
- Valuation of undertakings or assets of the Company, wherever it is necessary
- Review the functioning of the Whistle Blower Mechanism
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding Rupees One hundred crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders
- Carrying out any other function as may be required and to undertake all such other matters and to do all such acts, deeds and things as may be required under the applicable laws, rules and regulations
- To mandatorily review the following:
  - management discussion and analysis of financial condition and results of operations;
  - management letters / letters of internal control weaknesses issued by the statutory auditors;
  - internal audit reports relating to internal control weaknesses;
  - appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee;
  - statement of deviations in quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) and annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(1) of SEBI LODR Regulations.

During fiscal 2023, four (4) meetings of the Committee were held on April 19, 2022, July 19, 2022, October 17, 2022 and January 16, 2023.

| Sr. No. | Names of Members | Chairman/ Members | Member of Committee since | Number of meetings attended/held |
|---|---|---|---|---|
| 1 | S. Santhanakrishnan | Chairman | March 20, 2019 | 4/4 |
| 2 | Vinod Kumar Dhall[1] | Member | September 17, 2021 | 3/3 |
| 3 | G. Gopalakrishna[2] | Member | October 17, 2022 | 1/1 |
| 4 | Supritha Shetty[3] | Member | December 11, 2019 | 3/3 |
| 5 | Sanjay Singhvi[4] | Member | January 06, 2023 | 1/1 |

1. Ceased to be a member effective from October 17, 2022.
2. Appointed as a member effective from October 17, 2022.
3. Ceased to be a member effective from January 5, 2023.
4. Appointed as a member effective from January 6, 2023.

## B. BOARD GOVERNANCE, NOMINATION & REMUNERATION COMMITTEE

The constitution of Board Governance, Nomination and Remuneration Committee was done in compliance with the requirements of provisions of Section 178 of the Act read with Regulation 19 of SEBI LODR Regulations. The terms of reference of the Committee includes the following:

- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- Evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director.
- For the purpose of identifying suitable candidates as an Independent Director, the Committee may:
  - use the services of external agencies, if required
  - consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - consider the time commitments of the candidates
- Formulate criteria for evaluation of performance of Independent Directors and the Board.
- To decide, whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- Devise a policy on diversity of Board.
- Recommend to the Board, all remuneration, in whatever form, payable to senior management.
- Review the Fit & Proper status of the proposed/ existing directors.
- To undertake all such other matters and to do all such acts, deeds and things as may be required under the applicable laws, rules and regulations.

During fiscal 2023, three (3) meetings of the Committee were held on April 19, 2022, July 18, 2022 and October 17, 2022.

| Sr. No. | Names of Members | Chairman/ Members | Member of Committee since | Number of meetings attended/held |
|---|---|---|---|---|
| 1 | G. Gopalakrishna | Chairman | March 20, 2019 | 3/3 |
| 2 | Vinod Kumar Dhall | Member | March 20, 2019 | 3/3 |
| 3 | Anup Bagchi[1] | Member | April 18, 2017 | 2/2 |
| 4 | Sanjay Singhvi[2] | Member | October 10, 2022 | 1/1 |
| 5 | Rakesh Jha[3] | Member | October 17, 2022 | - |

1. Ceased to be a member effective from September 17, 2022.
2. Appointed as a member effective from October 10, 2022 and ceased to be a member effective October 17, 2022.
3. Appointed as a member effective from October 17, 2022.

## C. STAKEHOLDERS RELATIONSHIP COMMITTEE

As per section 178 of the Act, read with Regulation 20 of SEBI LODR Regulations, the Company had duly constituted a Stakeholders Relationship Committee to consider and resolve the grievances of security holders of the Company. The terms of reference of the Committee are as follows:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings, etc.
- Review of measures taken for effective exercise of voting rights by shareholders
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company

During fiscal 2023, one (1) meeting of the Committee was held on January 16, 2023 and there were no complaints or pending grievances from the institutional lenders & bond holders of the Company.

Priyanka Shetty is the Company Secretary and the Compliance Officer of the Company.

| Sr. No. | Names of Members | Chairman/ Members | Member of Committee since | Number of meetings attended/held |
|---|---|---|---|---|
| 1 | Sanjay Singhvi | Chairman | September 17, 2021 | 1/1 |
| 2 | S. Santhanakrishnan | Member | January 23, 2015 | 1/1 |
| 3 | Anirudh Kamani | Member | November 1, 2017 | 1/1 |

## D. RISK MANAGEMENT COMMITTEE

The terms of reference of the Risk Management Committee includes the following:

- To formulate a detailed risk management policy which shall include:
  - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, Environmental, Social and Governance (ESG) related risks), information, cyber security risks or any other risk as may be determined by the Committee;
  - Measures for risk mitigation including systems and processes for internal control of identified risks;
  - Business continuity plan
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems
- To periodically review the risk management policy, including by considering the changing industry dynamics and evolving complexity
- To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken
- The appointment, removal and terms of remuneration of the Chief Risk Officer
- To have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary
- Review key risk indicators covering areas such as credit risk, interest rate risk, liquidity risk, foreign exchange risk, operational and outsourcing risks and the limits framework, including stress test limits for various risks
- Monitoring of regulatory and reputation risk
- Review the Internal Capital Adequacy Assessment Process (ICAAP)
- Review of risks associated with Information Technology (IT)
- Review of the Enterprise Risk Management (ERM) framework and Risk Appetite Framework (RAF)
- Review the Materiality and Risk assessment of outsourced activities
- Review the Annual Compliance Certificate for outsourcing activities
- To undertake all such other matters and to do all such acts, deeds and things as may be required under the applicable laws, rules and regulations

During fiscal 2023, four (4) meetings of the Committee were held on April 18, 2022, July 18, 2022, October 14, 2022 and January 12, 2023.

| Sr. No. | Names of Members | Chairman/ Members | Member of Committee since | Number of meetings attended/held |
|---|---|---|---|---|
| 1 | Vinod Kumar Dhall[1] | Chairman | October 17, 2022 | 1/1 |
| 2 | S. Santhanakrishnan | Member | May 2, 2020 | 4/4 |
| 3 | G. Gopalakrishna[2] | Member | May 2, 2020 | 3/3 |
| 4 | Zeenat Hamirani[3] | Member | January 6, 2023 | 1/1 |
| 5 | Sanjay Singhvi[4] | Member | September 17, 2021 | 3/3 |

1. Appointed as a member effective from October 17, 2022.
2. Ceased to be a member effective from October 17, 2022.
3. Appointed as a member effective from January 6, 2023.
4. Ceased to be a member effective from January 6, 2023.

## E. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

As per section 135 of the Act, the Company had duly constituted a Corporate Social Responsibility (CSR) Committee. The functions of the Committee includes the following:

- Review of Corporate Social Responsibility (CSR) initiatives.
- Formulation and recommendation to the Board, a CSR Policy, indicating the activities to be undertaken by the Company and recommendation of the amount of expenditure to be incurred on such activities specified in the Schedule VII of the Act
- Reviewing and recommending the annual CSR plan to the Board, making recommendations to the Board with respect to the CSR initiatives, policies and practices of the ICICI Group, monitoring the CSR activities, implementation and compliance with the CSR Policy and reviewing and implementing, if required, any other matter related to CSR initiatives as recommended/suggested by RBI or any other statutory Authority

During the fiscal 2023, two (2) meetings of the Committee were held on April 18, 2022 and July 19, 2022.

| Sr. No. | Names of Members | Chairman/ Members | Member of Committee since | Number of meetings attended/held |
|---|---|---|---|---|
| 1 | S. Santhanakrishnan | Chairman | October 21, 2016 | 2/2 |
| 2 | Supritha Shetty[1] | Member | October 18, 2019 | 2/2 |
| 3 | Vinod Kumar Dhall | Member | March 20, 2019 | 2/2 |
| 4 | G. Gopalakrishna | Member | March 20, 2019 | 2/2 |
| 5 | Zeenat Hamirani[2] | Member | January 6, 2023 | 0/0 |

1. Ceased to be a member effective from January 5, 2023.
2. Appointed as a member effective from January 6, 2023.

Detailed report on CSR activities/initiatives is enclosed as **Annexure 5**.

## F. MANAGEMENT COMMITTEE

The Management Committee (MC) was duly constituted by the Board. The terms of reference of the Committee are as follows:

Any proposal exceeding the individual and / or group borrower prudential exposure ceilings, if prescribed by the NHB. However, such proposals for additional exposure, over and above the prudential exposure ceilings, shall be considered within the guidelines prescribed by NHB from time to time. Prior to obtaining approval of the MC for such higher exposures, a pre-approval of the proposed limits to the borrower / borrower group shall be required from the Board.

All proposals exceeding the exposure limits of COD/ COE would be placed before the MC for approval

Any credit / investment proposal relating to a borrower, rated A or below, which is in default for payment of simple interest and / or principal or has any other outstanding financial irregularity to the Company for a period in excess of 60 days

To approve sell down of loan assets through direct assignment/securitization to related party upto a limit of ₹5,000.0 million

During fiscal 2023, eight (8) meetings of the Committee were held on April 12, 2022, June 21, 2022, September 27, 2022, November 28, 2022, December 28, 2022, February 22, 2023, February 24, 2023 and March 27, 2023.

| Sr. No. | Names of Members | Chairman/ Members | Member of Committee since | Number of Meetings attended/held |
|---|---|---|---|---|
| 1 | Vinod Kumar Dhall | Chairman | January 18, 2019 | 7/8 |
| 2 | S. Santhanakrishnan | Member | October 16, 2014 | 7/8 |
| 3 | G. Gopalakrishna | Member | March 20, 2019 | 7/8 |
| 4 | Anup Bagchi[1] | Member | February 23, 2017 | 1/2 |
| 5 | Sanjay Singhvi | Member | September 17, 2021 | 1/8 |
| 6 | Rakesh Jha[2] | Member | October 17, 2022 | 1/5 |
| 7 | Supritha Shetty[3] | Member | October 18, 2019 | 0/5 |
| 8 | Anirudh Kamani | Member | November 1, 2017 | 6/8 |
| 9 | Zeenat Hamirani[4] | Member | January 6, 2023 | 0/3 |

1. Ceased to be a member effective from September 17, 2022.
2. Appointed as a member effective from October 17, 2022.
3. Ceased to be a member effective from January 5, 2023.
4. Appointed as a member effective from January 6, 2023.

## G. INFORMATION TECHNOLOGY (IT) STRATEGY COMMITTEE

Pursuant to the circular issued by NHB on IT Framework for Housing Finance Companies (HFCs), the Company had duly constituted an Information Technology (IT) Strategy Committee, the terms of reference of which are as follows:

- Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place
- Ascertaining that management has implemented processes and practices that ensure that IT delivers value to the business

- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable

- Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high level direction for sourcing and use of IT resources

- Ensuring proper balance of IT investments for sustaining Company's growth and becoming aware about exposure towards IT risks and controls

- To recommend to the Board various policies pertaining to IT framework, which include Information Security (IS) Policy, cyber security policy, Information Technology (IT) policy, Cyber Crisis Management Plan (CCMP), Change Management Policy for implementation of IT projects, Business Continuity Planning (BCP) detailing various aspects related to each such policy as well as risk management policy considering the risk associated with existing and planned IT operations and the risk tolerance

- To recommend the Board IT services outsourcing policy and to do the following in respect of outsourced operations:

  - Instituting an appropriate governance mechanism for outsourced processes, comprising of risk based policies and procedures, to effectively identify, measure, monitor and control risks associated with outsourcing in an end to end manner;

  - Defining approval authorities for outsourcing depending on nature of risks and materiality of outsourcing;

  - Developing sound and responsive outsourcing risk management policies and procedures commensurate with the nature, scope and complexity of outsourcing arrangements;

  - Undertaking a periodic review of outsourcing strategies and all existing material outsourcing arrangement;

  - Evaluating the risks and materiality of all prospective outsourcing based on the framework developed by the Board;

  - Periodically reviewing the effectiveness of policies and procedures;

  - Communicating significant risks in outsourcing to the Board on a periodic basis;

  - Ensuring an independent review and audit in accordance with approved policies and procedures;

  - Ensuring that contingent plans have been developed and tested adequately;

  - Ensure that Company's business continuity preparedness is not adversely compromised on account of outsourcing, adopt sound business continuity management practices as issued by NHB and seek proactive assurance that that the outsourced service provider maintains readiness and preparedness for business continuity on an ongoing basis;

  - To monitor/ review comprehensive risk assessment of IT systems;

  - To discuss the reports of the information system audit and to propose appropriate action to be taken for compliance of the same.

During fiscal 2023, two (2) meetings of the Committee were held on June 27, 2022 and January 12, 2023.

| Sr. No. | Names of Members | Chairman / Members | Member of Committee since | Number of meetings attended/held |
|---|---|---|---|---|
| 1 | G. Gopalakrishna | Chairman | March 20, 2019 | 2/2 |
| 2 | S. Santhanakrishnan | Member | March 20, 2019 | 2/2 |
| 3 | Supritha Shetty[1] | Member | December 11, 2019 | 1/1 |
| 4 | Sanjay Singhvi[2] | Member | January 06, 2023 | 1/1 |
| 5 | Anirudh Kamani | Member | November 01, 2017 | 2/2 |

1. Ceased to be a member effective from January 5, 2023.
2. Appointed to be a member effective from January 6, 2023.

## H. ASSET LIABILITY MANAGEMENT COMMITTEE

The Company had duly constituted an Asset Liability Management Committee inter-alia, to review the ALM profile, set and monitor the market risk limits including limits on liquidity, interest rate and exchange rate positions for the structural balance sheet and the trading book, decide the business strategy on asset and liability side, oversee the implementation of the Asset Liability Management (ALM) system and review its functioning periodically, consider and approve any other matter related to liquidity and market risk management.

During fiscal 2023, 13 (thirteen) meetings of the Committee were held on April 08, 2022; April 18, 2022; May 26, 2022; June 21, 2022; July 08, 2022; July 18, 2022; August 12, 2022; October 10, 2022; October 14, 2022; December 30, 2022; January 09, 2023; January 13, 2023 and February 17, 2023.

| Sr. No. | Names of Members | Chairman/ Members | Member of Committee since | Number of meetings attended/held |
|---|---|---|---|---|
| 1 | Anup Bagchi[1] | Member | February 23, 2017 | 0/2 |
| 2 | Rakesh Jha[2] | Member | October 17, 2022 | 2/4 |
| 3 | Supritha Shetty[3] | Member | October 18, 2019 | 7/10 |
| 4 | Sanjay Singhvi | Member | September 17, 2021 | 10/13 |
| 5 | Zeenat Hamirani[4] | Member | January 6, 2023 | 3/3 |
| 6 | Anirudh Kamani | Member | November 1, 2017 | 9/13 |

1. Ceased to be a member effective from April 19, 2022
2. Appointed as a member effective from October 17, 2022.
3. Ceased to be a member effective from January 5, 2023.
4. Appointed as a member effective from January 6, 2023.

## I. COMMITTEE OF DIRECTORS

The Company had duly constituted the Committee of Directors inter-alia to approve various matters namely the sanction proposals, Information Memorandum for issuance of debentures.

During fiscal 2023, sixteen (16) meetings of the Committee were held on April 1, 2022; April 18, 2022; April 28, 2022; June 13, 2022; June 23, 2022; June 27, 2022; June 30, 2022; July 14, 2022; July 18, 2022; July 26, 2022; July 28, 2022; September 22, 2022; October 14, 2022; December 5, 2022; January 12, 2023; February 15, 2023.

| Sr. No. | Names of Members | Chairman/ Members | Member of Committee since | Number of meetings attended/ held |
|---|---|---|---|---|
| 1 | Supritha Shetty[1] | Member | October 18, 2019 | 11/14 |
| 2 | Sanjay Singhvi | Member | September 17, 2021 | 16/16 |
| 3 | Zeenat Hamirani[2] | Member | January 6, 2023 | 2/2 |
| 4 | Anirudh Kamani | Member | November 1, 2017 | 9/16 |

1. Ceased to be a member effective from January 05, 2023.
2. Appointed as the member effective from January 06, 2023.

## J. OTHER COMMITTEES

In addition to the above, the Board, has from time to time constituted various committees, namely the Committee of Executives, Product and Process Approval Committee, Customer Services and Grievances Redressal Committee, IT Steering Committee. These committees are responsible for specific operational areas like approval of credit proposals, approval of products and processes, ensuring IT investments represent a balance of risks and benefits, approval for issuance/allotment of Non-Convertible Debentures, opening/closing of various accounts maintained with other counterparts, etc.

**Remuneration of directors:**

a) all pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity: Not applicable

b) criteria of making payments to non-executive directors: Not Applicable

c) disclosures with respect to remuneration:

## DETAILS OF REMUNERATION FOR THE FISCAL 2023:

### A) NON-EXECUTIVE DIRECTORS

₹ (in million)

| Sr.No | Name of the Director | Commission[6] | Sitting Fees[6] |
|---|---|---|---|
| 1 | Vinod Kumar Dhall, Chairman[1] | 0.75 | 1.12 |
| 2 | Santhanakrishnan S | 0.75 | 1.07 |
| 3 | Gopalakrishna G | 0.75 | 1.06 |
| 4 | Anup Bagchi[2] | - | - |

| Sr.No | Name of the Director | Commission[6] | Sitting Fees[6] |
|---|---|---|---|
| 5 | Rakesh Jha[3] | - | - |
| 6 | Supritha Shetty[4] | - | - |
| 7 | Sanjay Singhvi | - | - |
| 8 | Zeenat Hamirani[5] | - | - |

1. Appointed as the Chairman of the Company with effect from April 19, 2022.
2. Ceased to be a director with effect from September 17, 2022.
3. Appointed as an Additional Non-Executive Director with effect from October 13, 2022.
4. Ceased to be a director effect from January 5, 2023.
5. Appointed as an Additional Non-Executive Director with effect from January 5, 2023.
6. Excluding GST

## B) MANAGING DIRECTOR AND CEO

₹ in million

| Name of the Director | Particulars | Amount |
|---|---|---|
| Anirudh Kamani | Basic Salary | 10.4 |
| | Performance bonus paid in fiscal 2023 | 4.90 |
| | Allowances and perquisites[1] | 23.6 |
| | Contribution to provident fund | 1.50 |
| | Contribution to superannuation Fund | - |
| | Contribution to gratuity fund | 0.90 |
| | Stock Options (Number) - fiscal 2022[2] | 89,300 |

1. Allowances and perquisites excludes previous year's stock options exercised in fiscal 2023 Employee Stock Options Plan (ESOP). Also excluded Insurance Premium paid for Group Helath Insurance (GHI), Group Term Life Insurance (GTL) & Group Personal Accident (GPA) in fiscal 2023
2. Stock Options (Number) are granted in April 2023 for Fiscal 2022.

Note: Service contracts, severance fees. – NA and Notice period is as per applicable policies of the Company.

The criteria for appointment of Directors and the Compensation Policy of the Company is available on the website of the Company at https://www.icicihfc.com/policies

The Board at its meeting held on March 31, 2015, adopted criteria for appointment of Directors' (amended from time to time) including a matter on Board Diversity. The Board while appointing a director considers the areas of expertise as required to be possessed by him/her under the Act and the due diligence checks to confirm the fit and proper status. The fundamental core attributes which may be considered for the position of an Executive Director would be proven leadership capability, ability to successfully manage diverse stakeholder relationships and ability to devise and drive the business strategy of the Company with focus on productivity and risk management.

The Company while appointing senior management candidates considers proven skills, performance track record, relevant competencies, maturity and experience in handling core functions relevant to the role.

The Whole-time Directors should have sufficient expertise and tenure to enable them to deliver on the Company's long-term business strategy.

During the Financial year, none of the Independent Directors resigned before the expiry of their tenure. Anup Bagchi, Non-Executive Director of the Company resigned from the Company effective from September 17, 2022. Rakesh Jha was appointed as Additional Director of the Company effective from October 13, 2022 and his appointment was regularized from Additional Director to a Director (Non-Executive Non-Independent) at the EGM of the Company held on December 2, 2022.

Further, Supritha Shetty, Non-Executive Director of the Company resigned from the Company effective from January 5, 2023. Zeenat Hamirani was appointed as an Additional Director on the Board of the Company effective from January 5, 2023 and her appointment was regularized from Additional Director to a Director (Non-Executive Non-Independent) at the EGM of the Company held on March 17, 2023.

Remuneration for the Independent Directors includes fees for attending each meeting of Committee/Board or for any other purpose whatsoever as may be approved by the Board from time to time are within the limits as provided under the Act.

Additionally, the Independent Directors of the Company are paid a profit related commission of ₹ 7,50,000 each per annum effective fiscal 2016. The payment would be subject to the provisions of the Act and availability of net profits at the end of each fiscal. The Independent Directors would be entitled to reimbursement of expenses for attending Board/Committee meetings, official visits and participation in various forums on behalf of the Company and any other expenses as may be approved by the Board.

## DETAILS OF GENERAL BODY MEETINGS

### A. DETAILS OF LAST THREE ANNUAL GENERAL MEETINGS OF THE COMPANY ARE GIVEN BELOW.

| General Body Meeting | Day, Date | Time | Venue |
|---|---|---|---|
| Twenty-First Annual General Meeting (fiscal 2020) | Friday, June 5, 2020 | 11.00 AM | Meeting held through video conferencing/other audio visual means |
| Twenty-Second Annual General Meeting (fiscal 2021) | Friday, June 4, 2021 | 03.00 PM | Meeting held through video conferencing/other audio visual means |
| Twenty-Third Annual Genral Meeting (fiscal 2022) | Friday, June 3, 2022 | 03.30 PM | Meeting held through video conferencing/other audio visual means |

### B. SPECIAL RESOLUTIONS PASSED IN THE ANNUAL GENERAL MEETINGS HELD IN THE PREVIOUS THREE YEARS ARE GIVEN BELOW.

| General Body Meeting | Day, Date | Special Resolution |
|---|---|---|
| Annual General Meeting | Friday, June 5, 2020 | • Issue of NCDs through Private Placement<br>• Creation of charge/security on the assets upto an amount of ₹ 180.0 billion to secure its Borrowings<br>• Remuneration to Managing Director & Chief Executive Officer for the year ended March 31, 2020<br>• Sale/Assignment/Securitisation of loan receivables upto ₹ 40.0 billion during a financial year |

| General Body Meeting | Day, Date | Special Resolution |
|---|---|---|
| Annual General Meeting | Friday, June 4, 2021 | • Issue of Non-Convertible Debentures under Private Placement<br>• Waiver of recovery of excess Managerial remuneration paid to Managing Director & Chief Executive Officer for the year ended March 31, 2021<br>• Amendment in Articles of Association of the Company |
| Annual General Meeting | Friday, June 3, 2022 | • Fixing overall Borrowing Limits under Section 180(1)(c) of the Companies Act, 2013<br>• Issue of Non-Convertible Debentures under Private Placement<br>• Waiver of recovery of excess Managerial remuneration paid to Managing Director & Chief Executive Officer for the year ended March 31, 2022<br>• Re-appointment of Anirudh Kamani (DIN : 07678378) as Managing Director & CEO of the Company<br>• Continuation of Vinod Kumar Dhall (DIN : 02591373) as an Independent Director of the Company |

### C. WHETHER SPECIAL RESOLUTIONS WERE PUT THROUGH POSTAL BALLOT LAST YEAR, DETAILS OF VOTING PATTERN:

During fiscal 2023, no resolution was passed through Postal Ballot.

### D. WHETHER ANY SPECIAL RESOLUTION IS PROPOSED TO BE CONDUCTED THROUGH POSTAL BALLOT:

No Special Resolution is proposed to be passed through Postal Ballot as on the date of this Report.

## MEANS OF COMMUNICATION

We have established robust procedures to disseminate relevant information in a planned manner to our Shareholders, Bondholders, analysts, employees and the society at large. The details of the means of communication with Shareholders/ Bondholders /analysts are given below:

### 1. PUBLICATION OF QUARTERLY RESULTS

Quarterly, Half-yearly and Annual Financial Results of the Company are sent to the Stock Exchanges where the securities of the Company are listed i.e. BSE Limited and published in The Financial Express, leading English newspaper having nationwide circulation. Simultaneously, they are also put on the Company's website and can be accessed at www.icicihfc.com.

### 2. WEBSITE

The Company's website, www.icicihfc.com contains a separate dedicated section 'Investors' and 'Investor Relations' where all the Shareholders' information is available.

### 3. ANNUAL REPORT

The Annual Report containing, inter alia, Audited Financial Statements, Board's Report, Auditors' Report and other important information is circulated to the members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report. The Company's Annual Report is also available in a downloadable form on the Company's website i.e. www.icicihfc.com.

## 4. STOCK EXCHANGE

The Company makes timely disclosures of necessary information to the BSE Limited in terms of the SEBI LODR Regulations and other rules and regulations issued by the SEBI.

## GENERAL SHAREHOLDER INFORMATION

### (I) COMPANY REGISTRATION DETAILS

The Company is registered in the State of Maharashtra. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is U65922MH1999PLC120106.

### (II) ANNUAL GENERAL MEETING

Date : May 30, 2023

Day : Tuesday

Time : 4.30 p.m.

Place : ICICI HFC Tower, Andheri Kurla Road, J.B. Nagar, Andheri (E), Mumbai - 400 059.

### (III) FINANCIAL CALENDAR

Financial Year: April 01 to March 31

### (IV) DIVIDEND PAYMENT DATE

Dividend will be paid/dispatched on or after May 30, 2023.

### (V) LISTING ON STOCK EXCHANGES

Your Company has issued privately placed non-convertible debentures, which are listed on BSE Limited located at Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001.

You Company has paid the Annual Listing Fees to BSE Limited where its bonds are listed for the year ending 2024.

### (VI) REGISTRARS & TRANSFER AGENT

Registrars and Share Transfer Agents (RTA) of the Company are as given below. Investor services related queries requests/grievances may be directed to Mr. Sunny Abraham (Bonds) at the address as under:

**Datamatics Business Solutions limited**
Plot no. B-5, part B Crosslane, MIDC,
Andheri (East), Mumbai – 400093.
Tel: 022-66712196

**3i Infotech Limited**
International Infotech Park, Tower # 5,
3rd Floor, Vashi Railway Station Complex,
Vashi, Navi Mumbai 400 703,
Maharashtra, India
Tel: +91-22-7123 8000

### (VII) DISTRIBUTION OF SHAREHOLDING AT MARCH 31, 2023

| Range - Shares | No. of Shareholders | | No. of Shares | |
|---|---|---|---|---|
| | Number | % of Total | Shares | % of Total |
| Upto 1,000 | 6 | 85.71 | 1,100 | * |
| 1,001 – 5,000 | - | - | - | - |
| 5,001 – 10,000 | - | - | - | - |
| 10,001 – 50,000 | - | - | - | - |
| 50,001 & above | 1 | 14.29 | 1,203,526,770 | 100 |
| **Total** | **7** | **100** | **1,203,527,870** | **100** |

*Insignificant percentage

## (VIII) CATEGORY OF SHAREHOLDERS AT MARCH 31, 2023

| Category | No. of Shares held | % of Shareholding |
|---|---|---|
| Promoters & Promoter's group | 1,203,527,870 | 100 |
| Financial Institution & Banks | - | - |
| Foreign Portfolio Investors | - | - |
| Mutual Funds | - | - |
| Bodies Corporate | - | - |
| NRI | - | - |
| Individual | - | - |
| HUF | - | - |
| Trusts | - | - |
| Clearing Member | - | - |
| NBFCs registered with RBI | - | - |
| Employee Benefit Trust | - | - |
| **Total** | **1,203,527,870** | **100** |

## (IX) OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

Your Company does not have any outstanding GDRs/ADRs/Warrants/ Convertible Instruments at March 31, 2023.

## (X) DEMATERIALISATION OF SHARES AND LIQUIDITY

Your Company is a Wholly Owned Subsidiary of ICICI Bank Limited and the Equity Shares are held by ICICI Bank Limited and its nominees in dematerialised form.

## (XI) COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The Company is not in the Commodity business; hence no direct commodity price risk affects the Company. However, the Company do have Gold loan lending business where suitable margins are maintained to eliminate the risk of fluctuation of gold prices. Further, Gold loan lending are done within 75% Loan to Value (LTV) limit as per regulatory guidelines.

The Company does not have any foreign currency exposure at March 31, 2023, hence no foreign exchange risk is applicable to the Company. Further, no derivatives have been taken for hedging purpose.

## (XVI) PLANT LOCATIONS: Not Applicable

## (XVII) ADDRESS FOR CORRESPONDENCE

Priyanka Shetty
Company Secretary
ICICI Home Finance Company Limited, ICICI HFC Tower, Andheri Kurla Road, J.B. Nagar, Andheri (E), Mumbai - 400059
Email: priyanka.shetty@icicihfc.com
Website: www.icicihfc.com
Tel.: (+91-22) 40093457

## (XVIII) CREDIT RATINGS AT MARCH 31, 2023

| Credit Rating Agency | Instruments | Ratings | Revision, if any | Revision Rational |
|---|---|---|---|---|
| CRISIL | Fixed Deposits | CRISIL AAA/Stable[1] | None | NA |
| | Senior Bonds / Non-Convertible Debentures | CRISIL AAA/Stable | | |
| | Subordinated Bonds | CRISIL AAA/Stable | | |
| | Market Linked Debentures | CRISIL PPMLD AAA/ Stable[2] | | |
| ICRA | Fixed Deposits | ICRA AAA/Stable[3] | | |
| | Senior Bonds / Non-Convertible Debentures | ICRA AAA/Stable | | |
| | Subordinated Bonds | ICRA AAA/Stable | | |
| | Commercial Papers | ICRA A1+ | | |
| | Long term Bank facilities | ICRA AAA/Stable | | |
| CARE | Fixed Deposits | CARE AAA/Stable[4] | | |
| | Senior Bonds / Non-Convertible Debentures | CARE AAA/Stable | | |
| | Subordinated Bonds | CARE AAA/Stable | | |
| | Commercial Papers | CARE A1+ | | |
| | Market Linked Debentures | CARE PPMLD AAA/ Stable | | |

1. As per CRISIL rating letter and credit bulletin dated June 20, 2022, CRISIL Ratings has migrated the rating to "CRISIL AAA/ Stable" from "FAAA/Stable". The migration represents only a recalibration of the rating from one scale to another and does not reflect any change in the credit risk profile of the fixed deposit programme. It is also neither an upgrade nor a downgrade of the FD rating programme.

2. As per CRISIL credit bulletin dated February 7, 2023 and rating letter dated February 8, 2023, CRISIL has removed the 'r' suffix used in the rating symbol of principal protected market-linked debentures. Removal of 'r' suffix does not reflect a rating change or a change in the CRISIL Ratings' credit opinion or in the credit risk profile of the Company. In other words, it is neither an upgrade nor a downgrade of the underlying credit risk profile of the issuer.

3. As per ICRA rating letter dated May 20, 2022 and rating rational dated May 27, 2022, ICRA Limited has revised its rating symbol for fixed deposit rating to "ICRA AAA/Stable" from "ICRA MAAA/Stable" due to migration of rating from medium term rating scale to long term rating scale.

4. As per CARE Rating letter dated June 21, 2022, CARE Ratings Limited has revised its rating symbol for fixed deposit rating to

"CARE AAA/Stable" from "CARE AAA(FD)/ Stable". It is clarified that the change in rating symbols will have no bearing on the existing rating assigned by CARE ratings Ltd. to the Fixed Deposit of the company and should not be construed in any manner, as a change in the rating.

5. The Company also has a standalone issuer credit rating of 'ICRA AAA/Stable' by ICRA.

**(XIX) MARKET PRICE DATA – HIGH, LOW DURING EACH MONTH IN LAST FINANCIAL YEAR –** Not Applicable

**(XX) PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES SUCH AS BSE SENSEX, CRISIL INDEX –** Not Applicable

**(XXI) IN CASE OF, ANY OF THE SECURITIES OF THE COMPANY ARE SUSPENDED FROM TRADING –** Not Applicable

**(XXII) SHARE TRANSFER SYSTEM**

Your Company is a Wholly Owned Subsidiary of ICICI Bank Limited.

**OTHER DISCLOSURES**

1. There are no materially significant transactions with related parties i.e., directors, management, Holding Company conflicting with the interests of your Company. The RPT Policy annexed to this report covers aspects relating to dealing with and entering into material related party transactions.

2. **Details of non-compliance by the Company with the requirements of RBI/ NHB and Companies Act, 2013 including compliances with accounting and secretarial standards, penalties, strictures imposed on the Company by the Stock Exchange(s) or SEBI or any statutory authority on any matter related to capital markets, during the last three years:** During fiscal 2022, National Housing Bank imposed a penalty of ₹30,000/- on the Company for Non-Compliance under Para 28 'provisioning requirement' of The Housing Finance Companies (NHB) Directions, 2010. The Company paid the penalty within stipulated timeline.

3. **Details of establishment of vigil mechanism / Whistle Blower policy, and affirmation that no personnel has been denied access to the audit committee;**

The Company has put in place a Whistle Blower policy through which it has set-up a mechanism that enables employees, secondee or stakeholder to report about potentially illegal and/or unacceptable practices. It seeks to enable employees to report such practices without fear of victimisation and reprisal. The Whistle Blower policy aims to administer good governance practices in the Company and to ensure that serious concerns are properly raised and addressed.

The purpose of the Whistle Blower policy is to enable a person who observes an unethical practice (whether or not a violation of law) to approach the Head-Internal Audit without necessarily informing his supervisors. Whistle Blower policy governs reporting and investigation of allegations of suspected improper activities. During fiscal 2023, no personnel had been denied access to the Audit Committee.

Employees of the Company are encouraged to use guidance provided in the Whistle Blower policy for reporting all alleged or suspected improper activities. In all instances, the Company retains the right to determine when circumstances warrant an investigation and in conformity with the Whistleblower Policy and applicable

laws and regulations, the appropriate investigative process is employed. Strict confidentiality is maintained with regard to the identity of the complainant both during and post investigation, barring disclosure of identity, if required, under applicable law

4. **Details of Compliance with the Mandatory requirements and adoption of Non-Mandatory Requirements**

   Mandatory requirements as mentioned under SEBI LODR Regulations to the extent applicable have been complied by the Company. However, the Company has adopted the following non-mandatory requirement of Regulation 27 of the SEBI LODR Regulations:

   a. The auditors' reports on statutory financial statements of the Company are with an unmodified opinion.

5. SEBI Listing Regulations were amended through notification dated September 07, 2021, providing for the applicability of Regulations 16 to 27, relating to corporate governance on high value debt listed entities on comply or explain basis as per the prescribed timeline and on a mandatory basis thereafter. The Company being high value debt listed entity has ensured compliance with the new requirements to the extent applicable to the Company.

6. **Web link where policy for determining 'material' subsidiaries is disclosed:** Not Applicable

7. **Remuneration to Statutory Auditors**

   As required under Part C of the Schedule V of the SEBI LODR Regulations, the total fee to the statutory auditor is as under:

₹ in million

| Type of Services | Amount |
|---|---|
| Statutory Audit fees | 5.7 |
| Tax Audit fees | 0.5 |
| Certification and other fees[1] | 2.4 |
| **Total** | **8.6** |

1. Including reimbursement of expenses and tax credit not available to the Company.

8. **Disclosure by listed entity of 'Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount**

   No such loans and advances are given by the Company

9. **Where the Board had not accepted any recommendation of any committee of the Board, which is mandatorily required, in the relevant financial year**

   All the recommendations made by the committees of the Board during the relevant financial year were accepted by the Board.

10. **Web-link where policy for determining "material" subsidiaries is disclosed**

    The Company has no subsidiaries.

11. **Web-link where policy on dealing with the Related Party Transaction is disclosed**

    The policy on dealing with the Related Party Transaction is hosted on the website of the Company i.e. **www.icicihfc.com.**

12. **Details of Utilisation of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32(7A)** – Nil

13. **Compliance Certificate on conditions of Corporate Governance by a Practicing Company Secretary**

    Your Company has annexed to this Report as **Annexure - 4**, a certificate obtained from Makarand M. Joshi & Co., Practicing Company Secretary, regarding compliance

of conditions of Corporate Governance as stipulated in the Schedule V of SEBI LODR Regulations.

14. **Certificate from a Company Secretary in Practice that none of the Board members of the Company have been debarred or disqualified from being appointed or continuing as directors of Companies by the SEBI/Ministry of Corporate Affairs or any –** Certificate from a Practicing Company Secretary has been provided under **Annexure 6.**

15. The Company has complied with discretionary requirements as specified in Part E of Schedule II to the extent applicable.

16. **Disclosures with respect to demat suspense account/ unclaimed suspense account:** Not Applicable

## DISCLOSURES AS PER THE NON-BANKING FINANCIAL COMPANY- HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021 (AS AMENDED FROM TIME TO TIME)

### A. PUBLIC DEPOSITS

As required by the aforesaid Directions, the details of public deposits unclaimed and unpaid at March 31, 2023, are given below:

- The total number of accounts of public deposits (including interest) which have not been claimed by the depositors or not paid by the Company after the date on which the deposit became due for repayment: 169
- The total amounts due (including interest) under such accounts remaining unclaimed or unpaid beyond the dates referred to in clause (i) as aforesaid: ₹ 8.8 million.

The total amount of interest due and included in such unclaimed or unpaid deposits amounted to ₹3.6 million at March 31, 2023.

The Company has sent reminders to the depositors and requested them to claim the same. There are no overdue deposits other than unclaimed deposits.

The Company raised public deposits worth ₹7,661.99 million during fiscal 2023. The Company's Fixed Deposits programme has received the highest credit ratings of 'MAAA' by ICRA, 'CARE AAA (FD)' by CARE and 'FAAA' by CRISIL with stable outlook.

### B. DEBENTURES

i. The total number of non-convertible debentures which have not been claimed by the investors or not paid by the Company after the date on which the non- convertible debentures became due for redemption: Nil

ii. The total amount in respect of such debentures remaining unclaimed or unpaid beyond the date of such debentures become due for redemption: Nil

**DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR**

There is no application made or pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

**DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

The Company has not availed one-time settlement for any of its loan from banks or financial institutions.

## DETAILS OF DEBENTURE TRUSTEES

As per SEBI circular no. CIR/IMD/DF/18/2013 dated October 29, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of Debenture Trustees are as under:

| | |
|---|---|
| **Name** | Axis Trustee Services Limited |
| **Address** | The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai – 400 028 |
| **Contact details** | Tel. No.: 022-62300451<br>Fax No.: 022-43253000<br>Email: debenturetrustee@axistrustee.in |

## DISCLOSURE OF LARGE CORPORATE ENTITY

Pursuant to SEBI circular SEBI/HO/DDHS/CIR/2018 dated November 26, 2018 and other applicable regulations as amended from time to time, the Company has been identified as Large Corporate Entity as per the applicability criteria.

As per the requirement of said circular, the Company after being identified as a Large Corporate entity had to raise 25% of its incremental borrowings during fiscal 2023 through issuance of debt securities. The Company was able to meet the criteria of minimum 25% (it raised 15.34 billion i.e.; 25.49% during the year) of its incremental borrowings through issuance of NCDs, which are in the nature of debt securities.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Act confirm that:

a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) They had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the fiscal 2022 and of the profit and loss of the Company for that period;

c) They had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) They had prepared the annual accounts on a going concern basis;

e) They had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## ACKNOWLEDGEMENTS

The Directors thank the National Housing Bank, the Reserve Bank of India, the Securities and Exchange Board of India, other statutory authorities, BSE Limited, vendors, channel partners and the bankers and lenders of the Company for their continued support.

The Directors express their gratitude for the support and guidance received from the Company's shareholder, ICICI Bank Limited and other ICICI Group companies and also express their warm appreciation to all the employees of the Company for their commendable teamwork, professionalism and contribution during the year. The Directors extend their sincere thanks to the customers of the Company for their continued support.

For and on behalf of the Board

**ICICI HOME FINANCE COMPANY LIMITED**

**Sd/-**
**Vinod Kumar Dhall**
**Chairman**
**DIN: 02591373**

Place: Mumbai
Date: April 17, 2023

## COMPLIANCE WITH THE GROUP CODE OF BUSINESS CONDUCT AND ETHICS

I confirm that all Directors and members of the senior management have affirmed compliance with Group Code of Business Conduct and Ethics for fiscal 2023.

**Sd/-**
**Anirudh Kamani**
**Managing Director & CEO**
**DIN: 07678378**

Place: Mumbai
Date: April 17, 2023

ANNEXURE 1


## MAKARAND M. JOSHI & CO.
COMPANY SECRETARIES

Ecstasy, 803-804, 8th Floor, City of Joy, JSD Road, Mulund (W), Mumbai- 400080 (T) 022-21678100


### FORM NO. MR.3

### SECRETARIAL AUDIT REPORT

For The Financial Year Ended March 31, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**To**
**The Members**
**ICICI Home Finance Company Limited**
**ICICI Bank Towers**
**Bandra-Kurla Complex,**
**Mumbai -400051**

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

### AUDITOR'S RESPONSIBILITY:

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of audit including internal, financial and operating controls, there is an unavoidable risk that some material misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 (hereinafter called the '**Audit Period**') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

(i) The Companies Act, 2013 (**the Act**), and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings; **(Foreign Direct Investment and Overseas Direct Investment Not Applicable to the Company during the Audit Period)**

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

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable to the Company during the Audit Period)**

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

c. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**

d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**

e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**

f. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable to the Company during the Audit Period);**

i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 to the extent applicable to the company. ("Listing Regulations");

**Further, the Company being High Value Debt Listed Entity, it is complying with the provisions of Listing Regulations on Comply and Explain basis.**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc mentioned above.

**We further report that,** having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following law applicable specifically to the Company:

(i) Non-Banking Financial Company-Housing Finance Company (Reserve Bank) Directions, 2021.

(ii) IRDA (Registration of Corporate Agents) Regulations, 2015 issued by the Insurance Regulatory Development Authority of India..

**WE FURTHER REPORT THAT**

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

**We further report that** during the audit period the Company has:

- Allotted Fully paid, Rated, Listed, Secured Redeemable Senior Bonds in the nature of Market Linked Non-Convertible Debentures on private placement basis amounting to ₹ 5,942.00 million;
- Allotted 104,777,870 Equity shares of ₹ 10 each (be-ing face value) at a price of ₹ 23.86 each (including premium of ₹ 13.86 each) aggregating to ₹ 2,49,99,99,978/- on Right Issue basis;
- Allotted Fully paid, Rated, Listed, Secured Redeemable Senior Non- Convertible Debentures (NCDs) issued at par and redeemed at premium on private placement basis amounting to ₹ 9,400.00 million;

**FOR MAKARAND M. JOSHI & CO.**

**Company Secretaries**

**Sd/-**

**Kumudini Bhalerao**

**Partner**

**FCS: 6667**

**CP: 6690**

**PR: 640/2019**

**UDIN: F006667E000116931**

**Date: April 17, 2023**

**Place: Mumbai**

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

**ANNEXURE A**

**To**
**The Members,**
**ICICI Home Finance Company Limited**
**ICICI Bank Towers**
**Bandra-Kurla Complex,**
**Mumbai - 400051**
**Maharashtra, India**

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

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

**FOR MAKARAND M. JOSHI & CO.**

**Company Secretaries**

**Sd/-**

**Kumudini Bhalerao**

**Partner**

**FCS: 6667**

**CP: 6690**

**PR: 640/2019**

**UDIN: F006667E000116931**

**Date: April 17, 2023**

**Place: Mumbai**

ANNEXURE 2

## DISCLOSURES IN TERMS OF SUB-SECTION 12 OF SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

**(i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the fiscal:**

| | |
|---|---|
| Anirudh Kamani, MD & CEO | 71:1 |
| S. Santhanakrishnan, Independent Director[1] | 2:1 |
| Vinod Kumar Dhall[1] | 2:1 |
| G. Gopalakrishna[1] | 2:1 |

1. Includes Commission paid during fiscal 2023 and sitting fees has been excluded for calculation of remuneration.

**(ii) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer (CFO), Company Secretary or Manager, if any, in the fiscal 2023**

During the fiscal, the increase in remuneration of MD & CEO, CFO and Company Secretary stood at 7%, 7% and 10.3% respectively.

**(iii) The percentage increase in the median remuneration of employees in the fiscal**

The median remuneration of employees in the fiscal has increased by 7%.

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

The number of permanent employees on rolls of the Company is 2,751 at March 31, 2023.

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

The average percentile (percentage) increase made in the salaries of total employees other than the key managerial personnel in fiscal 2023 is around 9.75% v/s 8.10% increase in the remuneration of the key managerial personnel in fiscal 2023.

**(vi) Key parameters for any variable components of remuneration availed by the Directors**

On the Company's Key Performance Indicators achievement.

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

Yes.

**ANNEXURE 3**

## FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

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

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

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

The details of material related party transactions at arm's length principles for the year ended March 31, 2023 on an aggregate basis are given below.

₹ in million

| Sr. no. | Nature of Contracts/ Transactions | Name of the Related Party | Nature of Relationship | Duration of Contracts | Salient terms of Contracts/ Transactions | Amount |
|---|---|---|---|---|---|---|
| 1. | Sell down of retail mortgage loans by way of Direct Assignment (DA) | ICICI Bank Limited | Holding Company | - | At market price | 19,290.7 |
| 2. | Letter of undertaking | ICICI Bank Limited | Holding Company | Various Maturities | - | 11,514.8 |
| 3. | Term Loans repaid | ICICI Bank Limited | Holding Company | Various Maturities | At market price | 4,541.7 |
| 4. | Bank/Book overdraft in current accounts | ICICI Bank Limited | Holding Company | Various Maturities | At market price | 7,918.8 |
| 5. | Redemption/ Maturity of bonds | ICICI Lombard General Insurance Company Limited | Associate of Holding Company | Various Maturities | At market price | 1,615.5 |

**Sd/-**

**Anirudh Kamani**

**Managing Director & CEO**

**DIN: 07678378**

ANNEXURE 3A

# RELATED PARTY TRANSACTIONS POLICY

## I. BACKGROUND

The section 177 and 188 of the Companies Act, 2013 (the Act), along with relevant Rules framed thereunder contain compliance and approval requirements regarding the related party transactions. Further, Regulation 23 of Securities and Exchanges Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (Regulation 23) also contain certain approval requirements regarding the related party transactions. Regulation 23 requires the listed companies to formulate a policy on dealing with related party transactions.

Accordingly, the Company has adopted the following policy with regard to related party transactions. Any changes in the provisions, clarifications, Frequently Asked Questions (FAQs) issued under the Act or SEBI Regulations, regarding related party transactions will be applicable to the Framework from the date the changes, clarifications or FAQs are effective. The Policy will be reviewed at least once in three years.

## II. DEFINITIONS

### ARM'S LENGTH BASIS

In terms of the Act, the expression 'arm's length transaction' means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.

A transaction with a related party will be considered to be on arm's length basis if the key terms, including pricing of the transaction, taken as a whole, are comparable with those of similar transactions if they would have been undertaken with unrelated parties.

It may be noted that this policy framework, including the definitions above, is meant solely for the purposes of compliance with related party transaction requirements under the Act and Regulation 23. The above terms may have different connotations for other purposes like disclosures in the financial statements, which are governed by applicable regulations, accounting standards, regulatory guidelines etc.

**Material related party transaction** as per Regulation 23 means a transaction with a related party if the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ₹10.00 billion or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

Transaction(s) involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed 5% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

**Material modification** as per Regulation 23 means, subsequent to entering into a contract or arrangement for a related party transaction, would mean change in overall pricing or rate under a contract by more than 20.0%. Provided further that the aggregate value of transactions under the contract during the previous financial year or current financial year till the date of modification was more than ₹500.0 million. Provided further, a contract or arrangement where same pricing or rates are offered uniformly to all customer's/service providers

will be exempt from the scope of material modification.

**Ordinary course of business** includes but not limited to a term for activities that are necessary, normal, and incidental to the business. These are common practices and customs of commercial transactions. The ordinary course of business covers the usual transactions, customs and practices related to the business.

The following factors are indicative of a transaction being in the ordinary course of business:

i. The transaction is normal or otherwise unremarkable for the business.

ii. The transaction is frequent/regular.

iii. The transaction is a source of income for the business.

iv. Transactions that are part of the standard industry practice, even though the Company may not have done it in the past.

These are not exhaustive criteria and the Company will have to assess each transaction considering its specific nature and circumstances.

**Related party** would include:

i. a director or his relative;

ii. a key managerial personnel (KMP) or his relative;

iii. a firm, in which a director, manager or his relative is a partner;

iv. a private company in which a director or manager or his relative is a member or director;

v. a public company in which a director or manager is a director and holds along with his relatives, more than two per cent of its paid-up share capital;

vi. any body corporate whose board of directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;

vii. any person on whose advice, directions or instructions a director or manager is accustomed to act:

Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity;

viii. any body corporate which is-

a. a holding, subsidiary or an associate company of such company; or

b. a subsidiary of a holding company to which it is also a subsidiary; or

c. an investing company or the venturer of the company;

The "investing company or the venturer of a company" means a body corporate whose investment in the company would result in the company becoming an associate company of the body corporate.

ix. a director other than an independent director or key managerial personnel of the holding company or his relative with reference to a company (as per Companies (Meetings of Board and its Powers) Rules, 2014;

x. any person or entity belonging to the promoter or promoter group of the listed entity.

xi. any person or any entity, holding equity shares of 20.0% or more (10.0% or more with effect from April 1, 2023) in the Company either directly or on a beneficial interest basis as provided under section 89 of the Act, at any time, during the immediate preceding financial year.

**Related party transaction** reference to the Company means a transaction involving a transfer of resources, services or obligations between:

- The Company or any of the subsidiaries of the Company on one hand and a related party of the Company or any of subsidiaries of the Company on the other hand; or
- The Company or any of the subsidiaries of the Company on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the Company or any of the subsidiaries of the Company, with effect from April 1, 2023;

regardless of whether a price is charged and a "transaction" with a related party shall be construed to include a single transaction or a group of transactions in a contract.

Provided that the following shall not be a related party transaction:

- the issue of specified securities on a preferential basis, subject to compliance of the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- the following corporate actions by the listed entity which are uniformly applicable/offered to all shareholders in proportion to their shareholding:

  Payment of dividend, subdivision or consolidation of securities, issuance of securities by way of a rights issue or a bonus issue and buy-back of securities;
- acceptance of fixed deposits at the terms uniformly applicable/offered to all shareholders/public.

Provided further the units issued by mutual funds, which are listed on a recognised stock exchange(s) will not be considered as related party transactions.

**Significant influence** means control of at least 20% of total voting power, or control of or participation in business decisions under an agreement.

**Turnover** has been defined as the aggregate value of the realisation of amount made from sale, supply or distribution of goods or on account of services rendered, or both, by the company during a financial year. Accordingly, for the Company, the 'turnover' is considered as the 'Total Income', i.e., total of interest income and other income.

## III. APPROVAL OF RELATED PARTY TRANSACTIONS

### A. AUDIT COMMITTEE

All related party transactions and subsequent material modification, where the Company is one of the party to the transaction should be pre-approved by the Audit Committee of the Company before entering into such transaction. The Audit Committee shall consider all relevant factors while deliberating the related party transactions for its approval. The Audit Committee may not approve a transaction but may make appropriate recommendations to the Board.

Only those members of the Committee, who are independent directors, shall approve related party transactions. A related party transaction, which is (i) not in the ordinary

course of business, or (ii) not at arm's length price, would require approval of the Board of Directors or of shareholders as discussed subsequently.

The Audit Committee may grant omnibus approval for related party transactions of the Company, which are repetitive in nature and subject to certain criteria/ conditions as required under Regulation 23 and Companies (Meetings of Board and its powers) Rules, 2014 and such other conditions as it may consider necessary in line with this policy and in the interest of the Company. Such omnibus approval shall be valid for one financial year.

A transaction, not covered in omnibus approval, amounting upto ₹10.0 million, entered by a director, KMP or any other officer of the Company, on whose directions or instructions the Board of Directors or director(s) are accustomed to act, would be voidable at the option of the Audit Committee, unless it has been ratified by the Audit Committee within three months from the date of the transaction.

Audit Committee shall review, on a quarterly basis, the details of related party transactions entered into by the Company pursuant to the omnibus approval. In connection with any review of a related party transaction, the Committee has authority to modify or waive any procedural requirements of this policy.

A related party transaction entered into by the Company, which is not under the omnibus approval or otherwise pre-approved by the Committee will be placed before the Committee for ratification.

## B. BOARD OF DIRECTORS

In case any related party transactions are referred by the Company to the Board for its approval due to the transaction being (i) not in the ordinary course of business, or (ii) not at an arm's length price, or (iii) a transaction not approved but recommended by the Audit Committee, the Board will consider such factors as, nature of the transaction, material terms, the manner of determining the pricing and the business rationale for entering into such transaction. On such consideration, the Board may approve the transaction or may require such modifications to transaction terms as it deems appropriate under the circumstances. Any member of the Board who has any interest in any related party transaction shall not vote to approve the related party transaction.

## C. SHAREHOLDERS

Material related party transaction or a subsequent material modification will require shareholders' approval through resolution and no related parties will vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

The following material related party transactions will be exempt from the obtaining the approval from the shareholders of the Company:

- The Company's transactions with its Parent Bank;
- Transaction between two wholly-owned subsidiaries of the Parent Bank.

If a related party transaction, entered by the Company, is not in the ordinary course of business, or not at arm's length price and exceeds certain thresholds prescribed under the Act, it shall require shareholders' approval by a resolution. In such a case, any member who is a related party having interest in the transaction for which resolution being proposed, shall not vote on such resolution passed for approving related party transaction. However, transaction between the Company and its Parent Bank will be exempt from shareholders' approval.

## D. AUDIT COMMITTEE OF THE PARENT BANK

As per the second proviso to Regulation 23(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a related party transaction to which the Company is a party but the Parent Bank is not a party, shall require prior approval of the Audit Committee of the Parent Bank, if the value of such transactions, whether entered into individually or taken together with previous transactions, during a financial year exceeds ten per cent of the annual standalone turnover, as per the last audited financial statements of the Company.

## IV. REPORTING OF RELATED PARTY TRANSACTIONS

The Company will disclose every contract or arrangement, which is approved by the Board/shareholders under this Policy, in its Board's report to the shareholders along with the justification for entering into such contract or arrangement.

The Company will include details of material related party transactions in the corporate governance reports to be submitted with the stock exchanges on a quarterly basis.

The Company will submit the details of related party transactions to the stock exchanges in the prescribed format and publish the same on the Company's website along with its standalone financial results for the half year.

The Company will disclose transactions with any person or entity belonging to the promoter/promoter group of the Company and having shareholding of 10% or more in the Company in the annual report.

ANNEXURE 4


# MAKARAND M. JOSHI & CO.
COMPANY SECRETARIES

Ecstasy, 803-804, 8th Floor, City of Joy, JSD Road, Mulund (W), Mumbai- 400080 (T) 022-21678100


## CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To
The Members
ICICI Home Finance Company Limited
ICICI Bank Towers, Bandra-Kurla Complex,
Mumbai -400051

We have examined the compliance of conditions of Corporate Governance by ICICI Home Finance Company Limited ("the Company") for the year ended on March 31, 2023, as stipulated in Regulations 17 to 27 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("listing regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and representations made by the management, we certify that the company, being a High Value Debt Listed Entity has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and Para C, D and E of Schedule V of Listing Regulations on Comply and Explain basis and is in the process of full compliance.

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

**FOR MAKARAND M. JOSHI & CO.**

**Company Secretaries**

**Sd/-**

**Kumudini Bhalerao**

**Partner**

**FCS: 6667**

**CP: 6690**

**PR: 640/2019**

**UDIN: F006667E000116931**

**Date: April 17, 2023**

**Place: Mumbai**

ANNEXURE 5

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES/ INITIATIVES

### 1. A BRIEF OUTLINE OF THE COMPANY'S CSR POLICY, INCLUDING OVERVIEW OF PROJECTS OR PROGRAMS PROPOSED TO BE UNDERTAKEN AND A REFERENCE TO THE WEB-LINK TO THE CSR POLICY AND PROJECTS OR PROGRAMS:

Corporate Social Responsibility (CSR) has been a long-standing commitment at your Company. The Company's contribution to social sector development includes several pioneering interventions and was implemented through the involvement of stakeholders within the Company and through the broader community. As per the CSR Policy, CSR activities are being undertaken by the Company directly or through ICICI Foundation or through any other entity.

The CSR Policy of the Company sets the framework guiding the Company's CSR activities. It outlines the governance structure, operating framework, monitoring mechanism and CSR activities that would be undertaken. The CSR committee is the governing body that articulates the scope of CSR activities and ensures compliance with the CSR policy. The Company's CSR activities are largely focused in the areas of education, health, skill development and financial inclusion and other activities as the Company may choose to select in fulfilling its CSR objectives. The CSR policy was approved by the Committee in October 2014 (and is amended from time to time). The CSR policy is hosted on the Company's website https://www.icicihfc.com/policies

### 2. THE COMPOSITION OF THE CSR COMMITTEE

The Company's CSR Committee comprises of three Independent Directors and a Non-Executive Director and is chaired by the Non-Executive Director. The composition of the Committee is set out below.

| Sr. no. | Name | Chairman/ members | Number of CSR Committee meeting held during the year | Number of meeting attended during the year |
|---|---|---|---|---|
| 1 | S. Santhanakrishnan | Chairman | 2 | 2 |
| 2 | Vinod Kumar Dhall | Member | 2 | 2 |
| 3 | G. Gopalakrishna | Member | 2 | 2 |
| 4 | Supritha Shetty[1] | Member | 2 | 2 |
| 5 | Zeenat Hamirani[2] | Member | 2 | - |

1. Ceased to be a member effective from January 5, 2023.
2. Appointed as a member effective from January 6, 2023.

The functions of the Committee include review of CSR initiatives undertaken by the Company, formulation and recommendation of CSR policy indicating the activities to be undertaken and recommendation of the annual CSR plan and amount of the expenditure to be incurred on such activities to the Board, monitoring the CSR activities, implementation of and compliance with the CSR Policy and reviewing and implementing, if required, any other matter related to CSR initiatives as recommended/suggested by the Board.

3. The web-link where composition of the CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: https://www.icicihfc.com/policies

4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: ₹ 2.5 million

6. Average net profit of the Company as per Section 135 (5) of the Companies Act, 2013 was ₹ 897.0 million.

7. a. Two per cent of the average net profit of the Company as per Section 135(5) of the Companies Act, 2013 for fiscal 2023 is ₹ 18.0 million.

   b. Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

   c. Amount required to be set off for the financial year: ₹ 2.5 million

   d. Total CSR obligation for the financial year (7a+7b-7c) was ₹ 15.5 million.

8. a. CSR amount spent or unspent during fiscal 2023:

₹ in million

| | Amount Unspent | | | | |
|---|---|---|---|---|---|
| Total amount s for the Fiscal 2023 | Total amount transferred to Unspent CSR Account as per section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of Transfer |
| 15.6 | Nil | NA | NA | Nil | NA |

   b. Details of CSR amount spent against ongoing projects for the financial year: NA

   c. Details of CSR amount spent against other than ongoing projects for the financial year

| (1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | |
|---|---|---|---|---|---|---|---|---|---|
| Sl No | Name of the project | Item from the list of activities in schedule VII to the Act | Local area (Yes/ No) | Location of the project | | Amount spent for the Project (in ₹ million) | Mode of implementation - Direct (Yes/No) | Mode of implementation - Through implementing agency | |
| | | | | State | District | | | Name | CSR Registration No. |
| 1. | Environmental/ Social Project – Rain water harvesting in rural government schools | Item no: (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water and ensure social well being. | No | Telangana | Nizamabad, Wanaparthy and Nagarkurnool | 7.1 | No | ICICI Foundation for Inclusive Growth | CSR00001979 |
| | | | | Maharashtra | Beed | | | | |
| 2. | Sponsoring an ambulance to the 'Be-Well' hospital | Item no. (i) Promoting health care including preventive health care | No | Tamil Nadu | Cuddlore | 3.0 | No | ICICI Foundation for Inclusive Growth | CSR00001979 |

| (1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | |
|---|---|---|---|---|---|---|---|---|---|
| Sl No | Name of the project | Item from the list of activities in schedule VII to the Act | Local area (Yes/ No) | Location of the project | | Amount spent for the Project (in ₹ million) | Mode of implementation - Direct (Yes/No) | Mode of implementation - Through implementing agency | |
| | | | | State | District | | | Name | CSR Registration No. |
| 3. | (a) Contribution to Incubators to support startups, Other areas – Automation of construction activities, Waste water recycling and Energy saving equipment | Item no: (ix)(a) and (ix)(b) Contribution to incubator, Contribution to Indian Institute of Technology (IITs) | Yes | Maharashtra | Mumbai | 3.0 | No | Society for Innovation and Entrepreneurship | CSR00015436 |
| | (b) Contribution to Indian Institute of Technology, Madras | Item no: (ix)(b) Contribution to Indian Institute of Technology (IITs) | No | Tamil Nadu | Chennai | 2.5 | No | IIT Madras | CSR00004320 |
| | **TOTAL** | | | | | **15.6** | | | |

d. Amount spent in Administrative Overheads: Not applicable

e. Amount spent on Impact Assessment, if applicable: Not applicable

f. Total amount spent for the fiscal 2023: ₹ 15.6 million

g. Excess amount for set off, if any:

₹ in million

| Sl No. | Particulars | Amount |
|---|---|---|
| (i) | Two percent of average net profit of the company as per section 135(5) for Fiscal 2023 | 18.0 |
| (ii) | Total amount spent for the Financial Year* | 18.1 |
| (iii) | Excess amount spent for the financial year [(ii) - (i)] | 0.1 |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | - |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | 0.1 |

* Includes ₹2.50 million of excess amount spent in the preceeding financial year

**9.** (a) Details of Unspent CSR amount for the preceding three financial years: Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding fiscal(s): Nil

**10.** In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details) as detailed below.

| Sr. No. | Details of Capital Assets created or acquired (including complete address and location of the capital asset.) | Date of creation or acquisition of the capital asset(s): | Amount of CSR spent for creation or acquisition of capital asset: | Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. |
|---|---|---|---|---|
| 1 | Ambulance -<br>Be Well Hospitals Private Limited<br>No.2 (Old Door No.5), Vijayaraghava Road,<br>(First Street), T.Nagar, Chennai-600017, Tamil Nadu | January 14, 2023 | 3.0 million | Be Well Hospitals Private Limited<br>No.2 (Old Door No.5), Vijayaraghava Road,<br>(First Street), T.Nagar, Chennai-600017, Tamil Nadu |

**11.** Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable.

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

Sd/-
**Anirudh Kamani**
**Managing Director & CEO**
**DIN: 07678378**

Sd/-
**S Santhanakrishnan**
**CSR Committee Chairman**
**DIN: 00032049**

ANNEXURE 6

# MMJB & ASSOCIATES LLP
## COMPANY SECRETARIES

803-804, Ecstasy, City of Joy, JSD Road, Mulund - West, Mumbai – 400080, (T) 21678100

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

**To,**

**The Members of ICICI Home Finance Company Limited.**

We have examined the relevant disclosures provided by the Directors to **ICICI Home Finance Company Limited** bearing **CIN: U65922MH1999PLC120106,** having registered office at **ICICI Bank Towers, Bandra-Kurla Complex, Mumbai, Maharashtra, 400051** (hereinafter referred to as 'the Company'), provided to us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information, based on (i) documents available on the website of the Ministry of Corporate Affairs as on April 17, 2023, and Stock Exchanges as on April 17, 2023 (ii) Verification of Directors Identification Number (DIN) status at the website of the Ministry of Corporate Affairs, and (iii) disclosures provided by the Directors (as enlisted in Table A) to the Company, we hereby certify that none of the Directors on the Board of the Company (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as directors of the companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority as on March 31, 2023.

**Table A**

| Sr. No. | Name of the Directors | DIN | Date of appointment |
|---|---|---|---|
| 1. | Mr. Santhanakrishnan Sankaran | 00032049 | October 16, 2014 |
| 2. | Mr. Rakesh Jha | 00042075 | October 13, 2022 |
| 3. | Mr. Vinod Kumar Dhall | 02591373 | January 18, 2019 |
| 4. | Mr. Gopalakrishna Gurrappa | 06407040 | January 18, 2019 |
| 5. | Mr. Anirudh Kamani | 07678378 | November 1, 2017 |
| 6. | Mr. Sanjay Shantilal Singhvi | 09317585 | September 13, 2021 |
| 7. | Ms. Zeenat Amin Hamirani | 09851630 | January 5, 2023 |

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our

verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

*General Disclaimer: Our Analysis for this certificate does not cover the verification of criteria pertaining to appointment as Independent director under Section 149 and criteria pertaining to appointment as Managing Director under Section 196 and Schedule V of the Companies Act, 2013*

**FOR MMJB & ASSOCIATES LLP**

**Company Secretaries**

**Sd/-**

**Saurabh Agarwal**

**FCS: 9290**

**CP: 20907**

**CP: 6690**

**PR: 904/2020**

**UDIN: F009290E000124251**

**Date: April 17, 2023**

**Place: Mumbai**

# MANAGEMENT DISCUSSION AND ANALYSIS

## OVERALL BUSINESS ENVIRONMENT

### GLOBAL ECONOMY OVERVIEW

The global economy was poised for a gradual recovery from the effects of the pandemic and it got into unexpected geopolitical conflict in Europe. The geopolitical tensions increased prices of essential commodities due to its impact on the supply chains of these commodities. As inflation rates accelerated, central banks across the globe responded with tightening of their monetary policies in fiscal 2023. Federal Reserve and European Central Bank raised their key lending rates by 475 bps and 350 bps respectively in fiscal 2023. The Reserve Bank of India (RBI) also raised its repo rates by 250 bps in fiscal 2023. This has led to higher rate of interest in the mortgage market, as large portion of the rate hike was passed on to the customers, posing challenges ahead on the ability of customers to repay the loans. Also, the recent and unexpected failure of regional banks in advanced economies poses a challenge as the uncertainties and vulnerabilities in the financial system are exposed.

On the other hand, there was improvement in supply chain issues due to lifting of curbs by all the major countries including China, which led to ease of pressure on prices that were elevated due to supply chain constraints. The combined impact of increase in rates and ease of supply chain bottlenecks led to the inflation coming under control in part from its highs in USA, UK and European Union. In India too, the inflation eased off from its highs.

Amidst this situation, reopening of trade and economic activity across nations presents a silver lining with the emerging markets and developing economies, primarily based in Asia taking the lead and driving most of the global growth, whereas, advanced global economies are expected to see an especially pronounced growth slowdown.

The rate hike and persistent inflation also led to a lowering of the global growth forecasts for 2022 and 2023 by the International Monetary Fund (IMF) in its update of the World Economic Outlook. As per IMF, global growth is projected to slow down from 3.4 percent in calendar 2022 to 2.8 percent in calendar 2023 and then rise to 3.0 percent in calendar 2024.

### INDIAN ECONOMY OVERVIEW

Strong economic growth in fiscal 2023 helped India overtake the United Kingdom to become the fifth-largest economy and has emerged to be fastest growing major economy in the World. Despite the multiple shocks of COVID-19, protracted geopolitical conflict in Europe, global inflationary pressures and policy rate hikes by central banks across the globe, Indian economy continues to remain robust and GDP is expected to grow by ~7.0 percent in fiscal 2023.

| Growth Projections | 2022 | 2023 |
|---|---|---|
| World | 3.4 | 2.8 |
| Advanced Economies | 2.4 | 1.1 |
| United States | 1.6 | 1.0 |
| Euro Area | 3.1 | 0.5 |
| United Kingdom | 3.6 | 0.3 |
| Japan | 1.7 | 1.6 |
| Emerging Market Economies | 3.7 | 3.7 |
| China | 3.2 | 4.4 |
| **India** | **6.8** | **6.0-6.8*** |

Source: Indian Economic Survey 2022-23, IMF

*Projection for India for fiscal 2024, while calendar year for other economies

As per Indian Economic Survey, the Indian GDP growth is expected to be 6.0 – 6.8 percent in fiscal 2024 on the back of higher capital expenditure, rebound of private consumption and well capitalised banking ecosystem.

As per World Economic Forum projections, growth in incomes will transform India from a bottom of the pyramid economy to a truly middle class led economy by 2030 with growth in consumer spending pattern. The expected expansion of the middle class segment and emergence of sizable high income segment represent a once in a lifetime opportunity.

*Source: WEF/Future of Consumption Report, EY, HH: Household*

The increase in incomes have led to improved affordability and has given a boost to the domestic private consumption in the country, which has been the driving force behind the favourable growth outlook post pandemic. The increase in private consumption in certain items like electronics and the need to be self-sufficient in items viz. defence equipment, semiconductor chips, etc. has led to the government promoting domestic manufacturing sector to replace high-cost imports by offering production linked incentives.

Further, investments shall be the biggest growth drivers for the Indian economy, primarily on account of government thrust as budgeted capital expenditure rose 2.7 times in the last seven years, from fiscal 2016 to fiscal 2023, reviving the Capex cycle. Capital expenditure being ~23% of budgeted total expenditure for fiscal 2024 being the highest in 24 years.

On the downside, other factors like tightening of the monetary policy by RBI, widening of the current account deficit (CAD), high oil prices, plateauing of exports and the geopolitical

situation in Europe pose risks to the growth of the Indian economy.

## REAL ESTATE SECTOR OVERVIEW

The demand in the housing market picked up during and post COVID periods and hence the housing inventory significantly declined with inventory overhang reducing from 42 months in fiscal 2022 to 33 months in third quarter of fiscal 2023.

The Indian real estate sector is mirroring the resilience shown by the Indian economy despite global headwinds. A number of factors are driving this resilient behavior including strong economic growth leading to rise in incomes and affordability, favourable demographics, low mortgage penetration in India compared to other global economies, rapid rise in urban population and government support through enhanced budget allocations and refinance.

*Source: IBEF*

The emergence of sizable high income segment and increase of the middle income segment in India over the years, shall improve the prospects for the housing sector as more and more population shall be able to afford and purchase homes in future. Accordingly, it is expected that the real estate sector will contribute a larger share of India's GDP in the coming years i.e. 13% of GDP by 2025 reaching a market size of US$ 1 trillion by 2030.

*Source: IBEF*

## HOUSING FINANCE SECTOR OVERVIEW

The housing credit primarily being financed by scheduled commercial banks and housing finance companies (HFCs) reached portfolio of ₹ 29.0 lakh crore at December 31, 2022, of which the combined market share of HFCs was 31%. The Indian credit sector witnessed upbeat growth wherein the housing credit segment grew by 14% in fiscal 2022 (as per ICRA) and the sector is poised to grow at ~15-16% CAGR during fiscal 2023 to fiscal 2028 (as per HSIE estimates). This growth momentum is expected to continue in fiscal 2023.

Source: European Mortgage Federation, Hofinet, NHB

The housing finance industry in the last fiscal witnessed strong upsides in the form of steady portfolio growth, improvement in asset quality and reduction in restructured portfolio, which shall provide the necessary impetus for consistent growth in the upcoming fiscal.

The overall loan portfolio of HFCs grew by 11% y-o-y in fiscal 2022 with housing loan portfolio growing by 15% y-o-y. The buoyancy in growth of HFCs portfolio is expected to persist in fiscal 2023 with projected growth of 12% as compared to previous year. Accordingly, the overall loan portfolio of HFCs is expected to reach ₹ 13.6 lakh crore at March 31, 2023 (as per ICRA estimates). Of which, the housing loan portfolio is projected to grow by 14% and reach ₹ 9.3 lakh crore at March 31, 2023.

The non-housing loan portfolio of HFCs saw a rebound in terms of growth as the effect of pandemic moderated and HFCs reviewed its risk appetite for certain businesses and initiated disbursements in high yielding non-housing loan segments, being construction finance and loan against property. The growth in non-housing loan portfolio is expected to continue with the changes in interest rate scenario and the industry moving to enhance its high yield generating asset base.

Historically, HFCs in the affordable housing finance segment had been growing at a higher pace, partly aided by the lower base and support from the Government's thrust on 'housing for all'. Although, the growth rate has moderated over the past few years largely due to the growing base effect, the growth remains higher than the overall growth of HFCs aided by robust demand and liquidity support from NHB. The overall portfolio of AHFCs reported a growth of 18% y-o-y in fiscal 2022 and has reached ~₹ 830 billion at December 31, 2022 and constitutes ~6% of the overall HFCs' loan portfolio. The long-term growth outlook for AHFCs remains favourable, given the large underserved market, favourable demographic profile, housing shortage and government support.

The housing finance industry entered fiscal 2023 with an escalated level of stressed assets on account of lingering effect of COVID, restructured loans and implementation of revised asset classification norms issued by RBI. However, with the overall improvement in economic scenario in fiscal 2023 and conscious collection efforts, the industry witnessed an improvement in asset quality and reduction of the restructured portfolio. The recovery actions initiated through SARFAESI route coupled with the increase in volume of sale of stressed portfolio to ARCs by HFCs, the gross NPAs of the housing finance

industry has seen sequential decline. As per ICRA estimates, the gross NPA of the industry at March 2023 is expected to be in the range of 2.7% to 3%. With the improvement in asset quality, there has been an improvement in provision cover maintained by the HFCs as they continue to carry management overlays over and above the expected credit losses created in view of pandemic related uncertainty.

The housing finance industry was marred by the systemic increase in policy rates by RBI, which resulted in compression of spreads for the industry putting pressure on net interest margins (NIMs). To reduce the impact of the rising rates on NIMs, the HFCs passed on either partial or full impact of the rise in repo rates to its consumers by increasing its prime lending rates (PLRs). The increase in interest costs suffered by HFCs was compensated through corresponding hike in interest rates on lending book and lower credit costs on account of improvement in asset quality, thus enabling HFCs profitability levels to remain stable in fiscal 2023.

## KEY REGULATORY DEVELOPMENTS

With inflation peaking across global economies, central banks were forced to hike policy rates to contain inflationary pressures in the last fiscal. RBI also raised the repo rate by 250 bps in aggregate during last fiscal at various points in time from 4% to 6.5%. In response to the repo rate hike, the interest cost for all entities went upward and HFCs were also compelled to increase its prime lending rates (PLR) either in part or full. The Company also passed on a portion of the repo rate hike to its customers by increasing its PLR by 125 bps during fiscal 2023.

The major regulatory developments as announced by various agencies during the last fiscal are as under:

1) Increased budget allocation of ₹ 79,500 crore in fiscal 2024 towards Pradhan Mantri Awas Yojana (PMAY) under the initiative of "Housing for All".

2) RBI announced a list of 16 NBFCs to be classified under Upper Layer as per scale-based regulations, of which 5 were HFCs. The Company continues to be classified under Middle Layer.

3) RBI notified that in case of transfer of stressed assets to ARCs, all stressed loans can be transferred (erstwhile only SMA-2 and NPA accounts were permitted).

4) RBI in its Master Directions for HFCs, deleted the provision restricting the issuance of coupon bearing NCDs at a premium or discount to face value.

5) RBI notified the guidelines on compensation of key management personnel and senior management of NBFCs.

6) IRDAI notified the guidelines on appointment or continuation of common directors as per Insurance Act, 1938.

## BUSINESS OVERVIEW

## DISTRIBUTION AND OTHER INITIATIVES

As the Company worked towards tapping its core strengths built over the last few years in fiscal 2023, it went to surpass a few milestones on the way with the branch strength growing to 200, highest annual disbursements of ₹89.20 billion, Assets Under Management of ₹ 220.44 billion and profits of ₹3.02 billion.

The Company disbursed loans amounting to ₹89.20 billion in fiscal 2023 as compared to ₹51.28 billion in fiscal 2022 registering growth of ~74% Y-o-Y, across range of products in near prime and affordable categories. During this fiscal, disbursements under affordable segment accounted for ~37% of the total mortgage disbursements. Further, as the Company revived its business under LAP segment in fiscal 2022, its disbursements under LAP segment for fiscal 2023 accounted for ~30% of the total mortgage disbursements. The Company disbursed loans to real estate developers amounting to ₹ 5.28 billion in fiscal 2023 compared to ₹1.77 billion in fiscal 2022 registering growth of ~200%.

The Company is expanding its footprint with focus on affordable housing finance business in deeper geographies, and during fiscal 2023 opened 43 new branches and closed 13 branches, and achieved milestone of 200 branches/offices spread across 22 states/UTs at March 31, 2023 as compared to 170 branches at March 31, 2022. The employee strength stood at 3,107 compared to 2,252 last year, including employees on contract.

The Company increased its channel partner network during fiscal 2023 with specific focus on enhancing synergy with ICICI Bank through its branch and CPC network. Further, the channel mix of the Company has improved in fiscal 2023 and the Company is working towards an ideal channel mix with more business coming from direct and ICICI Bank channels.

The Company in addition to its primary mortgage business, acts as corporate agent for its group insurance companies and offers their insurance products to the customers of the Company. The Company earned third party referral fees of ₹ 122.4 million in fiscal 2023 as compared to ₹ 71.4 million in fiscal 2022.

To facilitate its customers and enhance customer experience, the Company initiated paperless onboarding through usage of e-Sign process in fiscal 2023. The same is an addition to the Company's enabled design framework alongside e-NACH facility and dedicated online portal for customer onboarding and handling post sanction processes.

As the Reserve Bank of India hiked repo rate by 250 bps at different time intervals during fiscal 2023 and the borrowing costs for the Company went upward, the Company passed on portion of the rate hike to its customers by increasing its prime lending rate by 125 bps.

## LOAN PORTFOLIO

The loan book of the Company registered a growth of 21% and stood at ₹ 175.44_billion at March 31, 2023 compared to ₹ 144.99 billion at March 31. 2022. Disbursements under housing segment constituted 70% of the total mortgage disbursements in fiscal 2023 as compared to 81% in fiscal 2022, as the Company revived its business in high yielding non-housing segment

in fiscal 2023. Loan book under HL segment stood at 71% of the total loan book at March 31, 2023. Loan book with respect to affordable segment stood at 27% of the total AUM at March 31, 2023.

Direct assignment of loans has been an important source of funding for the Company, which aids in augmenting profits and maintaining leverage for the Company. During this fiscal, the Company assigned loans amounting to ₹ 24.03 billion and booked net gain on derecognition of such loans of ₹ 1.21 billion as per Ind AS 109 as compared to ₹ 12.24 billion worth of loans sold down in fiscal 2022 with net gain on derecognition of ₹ 0.93 billion.

## ASSET QUALITY AND COMPOSITION

Under Ind AS, asset classification is done based on expected credit loss model instead of the earlier incurred loss model under Indian GAAP. Accordingly, provisions are based on the Company's historical loss experience and future expected credit loss in addition to other parameters. The Company entered fiscal 2023 with an escalated Gross NPA of 5.8% of which Retail GNPA was 4.8% on account of implementation of revised IRAC norms issued by RBI in November 2021. The Company with its dedicated focus and combined effort in fiscal 2023, has been able to contain the Gross NPA at 3.1% of which Retail GNPA is 2.8%.

## RETAIL MORTGAGE LOANS PORTFOLIO

PCR (%) incl. tech. write-off:

Mar'2021 – 31.2%, Mar'2022 – 34.7%, Mar'2023 - 46.1%

Asset quality of retail mortgage portfolio has been critical for the Company during fiscal 2023 and has been an area wherein it has put accelerated efforts to improve its Gross NPA levels and provision coverage ratio. The restructured book of the Company classified as standard assets stood at ₹ 6.37 billion at March 31, 2023 as compared to ₹ 8.62 billion at March 31, 2022.

## REAL ESTATE LOANS PORTFOLIO

Gross NPA with respect to corporate portfolio stood at ₹ 0.82 billion at March 31, 2023 with a provision coverage ratio at 99% as compared to ₹ 1.62 billion at March 31, 2022 and provision coverage ratio of 35.7%. The Company wrote off loans aggregating to ₹ 0.75 billion during this fiscal, which in the Company's assessment were not recoverable. The provision coverage ratio (incl. technical write-off) stood at 99.8% at March 31, 2023.

## RISK MANAGEMENT

The Company has a well-established Enterprise Risk Management framework (covering market, credit, liquidity & operational risks). This framework governs policies, procedures and systems to monitor, review and report key risks. In order to mitigate these risks a risk

management policy has been placed under the supervision of the Risk Management Committee (RMC) of the Company and the same has been approved by the Board. The Company has laid down appropriate systems to facilitate reporting pertaining to key risks to the Board of Directors, Board committees and the senior management.

The Company is taking the following measures to ensure the effectiveness of risk management, maintaining a strong, diversified and resilient portfolio and ensuring that areas of growth are well controlled and sustainable:

- Micro segment policies for enabling effective sourcing
- Branch level portfolio monitoring and intervention
- Early warning monitoring like early mortality and non-starters reporting

The Company has a robust credit risk management framework implemented through various policies, manuals and guidelines. The Company has implemented pre and post disbursement controls ensuring effective risk analysis and measurement, periodic monitoring and reporting based on various parameters and adherence to amendments in policy changes. The delegation structure for approval of credit limits is approved by the Board of Directors. All credit proposals other than retail loans and certain other specified products are rated as per the limit prescribed under the policy by the risk management team prior to consideration at the appropriate delegated authority.

The Company is in housing finance business. It mainly uses non-financial collateral to mitigate the underlying credit risk in its regular lending operations. The Credit Recovery Policy and Valuation Policy of the Company provides the risk mitigation guidelines to be followed by it whereby the list of eligible credit risk mitigants and permissible stipulations and policy matters has been laid down.

The Company actively monitors the liquidity position. Moreover, various triggers are identified and monitored (as per liquidity contingency plan) regularly to ensure that the Company can meet all the requirements of borrowers and lenders while being able to consider investment opportunities as they arise. Liquidity risk is monitored and reported to the senior management of the Company and the Asset Liability Management Committee (ALCO) on an ongoing basis. The Company seeks diverse sources of finances to facilitate flexibility in meeting funding requirements. The Company's operations are principally funded by borrowings from capital markets, NHB refinance, fixed deposits, banks and financial institutions.

Market risk of the investments of the Company is governed by the Investment Policy and Risk Management Policy. The Investment Policy has established limits for various risk metrics, which helps to control the market risk. It describes investment functions, incorporating various limits approved for investment, in line with regulations of the RBI.

The Operational Risk Management function identifies and monitors the operational risks in various products as well as processes of the Company. It ensures that major risks are covered or mitigated in order to avoid or minimize operational risk loss.

The IT Risk (including cyber security risk) is managed by the Information Technology Strategy Committee (ITSC) of the Company. The core IT systems of the Company is presently hosted at ICICI Bank datacenter and the Group follows Information Security Risk Management framework for risk assessment of these IT systems. The Company ensures awareness of cyber security among all employees by periodic trainings and guidance issued through periodic mailers.

## TECHNOLOGY AND DIGITISATION

The Company continues to leverage its parent ICICI Bank's technology infrastructure for shared business applications and processes and the information and cyber security practice. The Company has also engaged with various technology vendors facilitating ease in credit underwriting and customer income assessment processes. The Company during this fiscal initiated paperless onboarding through usage of e-Sign process to facilitate its customers and enhance customer experience. The same is part of the Company's enabled design framework alongside e-NACH facility and dedicated online portal for customer onboarding and handling post sanction processes. It also put in place portal for sourcing fixed deposits online. Further, it developed a portal for channel partners to improve their experience, hence aiding in business growth.

The Company intends to launch new and integrated loan origination system in upcoming period which shall support credit decisions and help in reducing turnaround time from login to disbursement stage and thereby enhance customer experience. The Company also plans to provide enhanced IVR support in the near future. The Company currently makes use of prescriptive analytics to manage its collections from delinquent buckets and intends to scale up to predictive model in upcoming period to manage collections and reduce current bucket flows.

## BORROWING PROFILE

The borrowing/resource profile of the Company is well diversified with reasonably long tenor and therefore is one of the key strengths of the Company. Currently, it has borrowings through NCDs/Bonds, Commercial Papers (CPs), refinance from NHB, Rupee term loans (RTLs) and Fixed Deposits (FDs). More than 18 private and public sector banks/financial institutions have lent money to the Company in form of RTLs/NCDs and institutional investors with diversified profile have invested in its capital market instruments. The Company has also been augmenting funds through transfer of loan exposures of retail mortgage loans.

The aggregate mix of FD stands at a healthy 24% of the total borrowings at March 31, 2023, where majority share come from medium to longer tenor public deposits followed by deposits from corporates.

While interest rates have risen sharply during the year, the Company took various steps to reduce its impact on incremental and outstanding cost of borrowings. In fiscal 2023, the Company raised funds amounting to ₹ 15.34 billion through fixed rate medium tenor NCDs/bonds, ₹ 20.41 billion through fixed rate short to medium tenor fixed deposits and ₹ 31.25 billion through floating rate medium and long tenor RTLs upto 15 years linked to MCLRs/external benchmarks like Repo/ Treasury Bills. Additionally, the Company raised ₹ 24.03 billion through transfer of loan exposures of retail mortgage loan book. Further, during the fiscal the Company prepaid term loans amounting to ₹ 21.31 billion, which in addition to high-cost RTLs included high-cost ECB facility amounting to ₹ 13.70 billion (USD 175.0 million). As a result, the Company was able to bring down and further restrict the rise in cost of funds from 7.2% in fiscal 2022 to 6.9% in fiscal 2023, although the repo rate increased by 250 bps during the fiscal. These efforts including the strategy to borrow short to medium term fixed rate liabilities specifically in early part of the year and borrow long term floating rate liabilities, helped the Company in reducing the cost of funds, support ALM and maintain the average duration of its liability book at 32 months.

## ASSET LIABILITY MANAGEMENT (ALM)

The Company's policy norms of restricting reliance on short-term instruments and ongoing efforts to increase the duration of its liabilities had placed its ALM in a comfortable position. Further, the policy of carrying adequate liquidity and liquidity buffers insulated the Company from any liquidity shocks.

The Company uses behavioral analysis of prepayments and other assumptions in accordance with the guidelines issued by the regulator.

The strategy of the Company to borrow long tenor and fixed rate funds during the COVID and early post COVID period when the rates were benign, helped it to manage its cost and liability tenor. Given that the rates have increased in fiscal 2023, the Company strategically decided to borrow floating rate and long tenor loans and need based fixed rate and short to medium tenor borrowings. On these fixed rate borrowings, the Company carries the risk of repricing based on the interest rate scenario on the date of maturity of these borrowings.

## CREDIT RATING

The Company has been accorded the highest rating by leading credit rating agencies. The Company has a standalone issuer credit rating of AAA/Stable by ICRA. Various borrowing programs of the Company have also been accorded with the highest credit rating from different rating agencies.

| Instrument | CRISIL | ICRA | CARE |
|---|---|---|---|
| Fixed Deposits | CRISIL AAA/Stable | ICRA AAA/Stable | CARE AAA/Stable |
| Senior Bonds/ Non-Convertible Debentures | CRISIL AAA/Stable | ICRA AAA/Stable | CARE AAA/Stable |
| Subordinate Bonds | CRISIL AAA/Stable | ICRA AAA/Stable | CARE AAA/Stable |
| Market Linked Debentures | CRISIL PPMLD AAA/ Stable | - | CARE PPMLD AAA/ Stable |
| Commercial Paper | - | ICRA A1+ | CARE A1+ |
| Long Term Bank Facilities | - | ICRA AAA/Stable | - |

## STRATEGY

The Company is on its journey to build a strong base in affordable housing space on the back of strong parental advantage creating scope for enhanced synergy and huge unmet demand especially in deeper geographies. The Company's branch network reaching 200+ branches spread across India gives it the advantage to cater to pan-India customers and it intends to further expand its branch base going ahead. The Company intends to offer a diverse product suite and introduce newer products in the upcoming fiscal to cater to the mortgage requirements of each class and segment and strive to build a low-risk business segment.

The Company shall focus on increasing engagement with preferred partners, increasing direct sourcing and enhancing synergies with ICICI Bank. The Company plans to leverage its capacity built over the years to augment its loan portfolio to ensure growth and optimization of capital.

The Company with the objective of enhancing customer experience and reducing credit processing time, intends to launch technology enabled initiatives to smoothen loan origination and underwriting processes in the upcoming fiscal.

Asset quality shall continue to be a critical focus area for the Company and the Company shall make synchronized use of all mediums for driving quality through digital collections and delinquency reduction. The Company intends to focus on early buckets and restricting flow to deeper buckets, strengthening the legal enforcement and auction processes to ensure faster resolution of stressed assets.

The Company intends to leverage its liability franchise with the support of highest ratings from leading credit rating agencies shall strive to achieve a cost effective and efficient liability mix and increase the average duration of its liabilities.

## FINANCIAL HIGHLIGHTS

As the effect of COVID-19 pandemic subsided in fiscal 2022, economic activity revived in fiscal 2023 resulting in the company restarting its expansion of infrastructure facilities to continue its growth in business and profitability. Consequently, the business and operating profit has improved in fiscal 2023. The performance highlights for fiscal 2023 are given below.

- Net interest income increased from ₹ 6.52 billion in fiscal 2022 to ₹ 9.30 billion in fiscal 2023, primarily due to higher interest income and higher income from sell down.
- Yield improved from 10.4% in fiscal 2022 to 11.0% in fiscal 2023.
- Fee income primarily includes income from third party referrals, loan related login and other charges. Fee income improved from ₹ 0.31 billion in fiscal 2022 to ₹ 0.40 billion in fiscal 2023.
- Other income primarily includes rental income from property. Other income remained flat from ₹ 0.01 billion in fiscal 2022 to ₹ 0.01 billion in fiscal 2023.
- Operating expenses primarily include employee benefits expenses and other administrative expenses. Employee benefit expenses increased from ₹ 1.72 billion in fiscal 2022 to ₹ 2.19 billion in fiscal 2023. Other administrative expenses include rent, rates and taxes, repairs and maintenance, direct marketing and sourcing business expenses, collection expenses and depreciation on assets. Other operating expenses increased from ₹ 1.25 billion in fiscal 2022 to ₹ 1.87 billion in fiscal 2023 mainly due to increase in business and expansion of infrastructure facilities.
- Provisions and write-offs increased from ₹ 1.76 billion in fiscal 2022 to ₹ 1.78 billion in fiscal 2023.
- The Company appropriated ₹ 0.60 billion from retained earnings to Special Reserve in fiscal 2023 in accordance with Section 29C of the National Housing Bank Act, 1987. Transfer to Special Reserve amounted to ₹ 0.33 billion in fiscal 2022.
- Total AUM increased from ₹ 178.65 billion at March 31, 2022 to ₹ 220.44 billion at March 31, 2023. Loan book increased from ₹ 144.99 billion at March 31, 2022 to ₹ 175.44 billion at March 31, 2023.
- GNPA decreased from ₹ 8.60 billion at March 31, 2022 to ₹ 5.61 billion at March 31, 2023. NNPA also decreased from ₹ 6.24 billion at March 31, 2022 to ₹ 3.56 billion at March 31, 2023. The gross and net NPA ratios for fiscal 2023 were 3.1% (fiscal 2022 - 5.8%) and 2.0% (fiscal 2022 - 4.3%) respectively.
- Investments (including assets held for sale) decreased from ₹ 6.43 billion at March 31, 2022 to ₹ 4.99 billion at March 31, 2023.

- Total borrowings increased from ₹ 127.57 billion at March 31, 2022 to ₹ 148.62 billion at March 31, 2023.
- The capital adequacy ratio increased from 21.9% at March 31, 2022 to 23.5% at March 31, 2023. The Tier-1 capital adequacy ratio was 19.2% at March 31, 2023 compared to 17.0% at March 31, 2022.
- The return on average equity (net worth) improved from 9.0% in fiscal 2022 to 13.0% in fiscal 2023, primarily on account of increase in profits after tax from ₹ 1.64 billion in fiscal 2022 to ₹ 3.02 billion in fiscal 2023. The net worth of the Company increased from ₹ 21.05 billion at March 31, 2022 to ₹ 28.07 billion at March 31, 2023, primarily on account of infusion of equity share capital of ₹ 2.5 billion through issue of equity shares on rights basis and internal accruals of ₹ 3.02 billion for fiscal 2023.

## KEY FINANCIAL INDICATORS OF LAST 5 YEARS

The following table sets forth, for the periods indicated, the key financial ratios.

| Particulars | Fiscal 2019 | Fiscal 2020 | Fiscal 2021 | Fiscal 2022 | Fiscal 2023 |
|---|---|---|---|---|---|
| Return on average equity (%)[1] | 2.7 | * | 1.3 | 9.0 | 13.0 |
| Return on average assets (%)[2] | 0.4 | * | 0.1 | 1.1 | 1.7 |
| Earnings per share (Basic & Diluted) (₹) | 0.4 | 0.0 | 0.2 | 1.5 | 2.6 |
| Net interest margin (%) | 3.1 | 2.5 | 3.0 | 4.0 | 5.0 |
| Debt Equity Ratio | 7.0 | 7.7 | 7.1 | 6.0 | 5.3 |
| Gross NPA (%) | 5.6 | 5.9 | 6.6 | 5.8 | 3.1 |
| Net NPA (%) | 3.4 | 3.3 | 5.2 | 4.3 | 2.0 |
| Capital Adequacy Ratio (%) | 18.0 | 14.8 | 20.9 | 21.9 | 23.5 |
| Fee/Income (%) | 5.2 | 6.2 | 5.4 | 4.6 | 4.1 |
| Cost/Income (%)[3] | 52.7 | 56.2 | 45.9 | 43.4 | 41.9 |
| Net Profit Margin (%) | 3.8 | * | 1.3 | 10.3 | 15.5 |

*Insignificant amount.

1. Return on average equity is the ratio of the net profit after tax to monthly average equity share capital and reserves.
2. Return on average assets is the ratio of net profit after tax to monthly average assets.
3. Cost represents operating expense. Income represents net interest income and non-interest income.
4. The following ratios are not applicable to the Company:
   - Debtors Turnover
   - Inventory Turnover
   - Interest Coverage Ratio
   - Current Ratio
   - Operating Profit Margin

## REINFORCING OUR SOCIAL RESPONSIBILITY

The Company has undertaken CSR activities through ICICI foundation for Inclusive Growth (ICICI Foundation), Society for Innovation and Entrepreneurship (SINE) - IIT Bombay and IIT- Madras for the FY2023.

ICICI Foundation for Inclusive Growth ("ICICI Foundation") is the CSR arm of the ICICI Group and is registered with the Ministry of Corporate Affairs as an implementing agency. It was set up with certain objectives which include catalyzing and accelerating inclusive social and economic development through empowerment of the poor by integrated action in the diverse fields connected to the society in order to augment India's inclusive growth process. As a part of achieving such objectives, ICICI Foundation undertakes various skill development initiatives for sustainable livelihood as well as various initiatives for environment sustainability.

The Company has undertaken certain initiatives in the field of environment and healthcare through ICICI Foundation.

### CONTRIBUTION TOWARDS RAIN WATER HARVESTING IN RURAL GOVERNMENT SCHOOLS

The Company implemented an environmental project pertaining to Rain water harvesting in 38 rural government schools in Maharashtra and Telangana through ICICI Foundation.

Rainwater harvesting is the simple process or technology used to conserve rainwater by collecting, storing, conveying and purifying of rainwater that runs off from rooftops, parks, roads, open grounds, etc. for later use. 95% of the rainwater is lost through run-off into the sea, with hardly 5% of the available rainwater being put to use.

## CONTRIBUTION TOWARDS HEALTHCARE EQUIPMENTS

The Company delivered an Ambulance to Be Well Hospital, Chennai through ICICI Foundation.

## CONTRIBUTION FOR START-UP INCUBATION

The CSR Committee of the Company contributed towards incubation of start-ups which are into activities related to construction and housing. Accordingly, during the year the Company did CSR contribution to four start-ups in construction technology, waste management technology for societies and energy conservation technology for homes through SINE-IIT Bombay (three start-ups) and IIT Madras (one start-up).

1. A flexible technology that can print precast structures. This technology enables mobile customized construction requirements based on the need and is cost effective 3D Printing is a technology that has been gaining popularity across the world for the potential that it has to increase productivity in the Construction sector. The technology is versatile and can be used for various construction activities. It is much easier to transport and move a 3D Printer than it is to move a precast factory. Apart from printing directly at the construction site (On-Site 3D Printing), 3D Printing technology can also be used as an Off-Site production facility to produce modules which can be then assembled into a much larger structure on site.

The Company contributed for construction of affordable Multi-storey apartment Clusters in Tier 1/2 Cities using Off- Site 3D Printing to IIT Madras along with Tvasta Manufacturing Solutions Private Limited (Start-up Collaborator).

2. The technology of developing microbial cultures to treat waste, which can be used in existing waste treatment plants. Wastewater rejected from industries and housing societies is one of the pressing problems of society. The untreated wastewater results in foul smell, mosquito breeding environment and ultimately pollutes surface water bodies.

The Company contributed to Greyeast Technologies Pvt. Ltd. through SINE – IIT Bombay. The motto of Greyeast is to treat such waste at source and in situ using safe green biological methods.

3. The technology is for development and deployment robots for construction that can perform advanced construction tasks at faster speeds and lower costs and digitize execution data in real time. This leads to 10x Higher productivity, 3x lower costs, quality consistency and reduced reworks, safe and healthier work environment for workers, digitization of execution data.
The Company has contributed to Controbots Robotics Pvt. Ltd. through SINE – IIT Bombay.

4. The technology developed by the start-up involves development of machine learning algorithms for monitoring and guiding on energy conservation and improving the product offering to make it more user friendly.

The Company has contributed to SustLabs Reference Analytics Pvt. Ltd. through SINE – IIT Bombay.

# INDEPENDENT AUDITORS' REPORT

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To
The Members of ICICI Home Finance Company Limited

## REPORT ON THE AUDIT OF IND AS FINANCIAL STATEMENTS

### 1. OPINION

We have audited the accompanying Ind AS Financial Statements of ICICI Home Finance Company Limited (hereinafter referred as "the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the accompanying Ind AS financial statements gives a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit [including other comprehensive income], its cash flows and the statement of changes in equity for the year ended on that date.

### 2. BASIS FOR OPINION

We conducted our audit of the Ind AS Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditors Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Ind AS Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on Ind AS Financial Statements.

### 3. KEY AUDIT MATTER

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS Financial Statements of the current year. These matters were addressed in the context of our audit of the Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Sr. No. | Key Audit Matters | How our audit addressed the key audit matter |
|---|---|---|
| 1 | **Expected Credit Loss – Impairment of carrying value of loans and advances:**<br><br>Ind AS 109: Financial Instruments ("Ind AS 109") requires the Company to provide for impairment of its Loans and Advances ("Financial Instruments") using the Expected Credit Losses ("ECL") approach. ECL involves an estimation of probability-weighted loss on Financial Instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of the Company's loans and advances.<br><br>As at March 31, 2023, the carrying value of loan assets measured at amortized cost, aggregated ₹ 1,03,790.5 million (net of allowance of ECL ₹ 3,138.3 million) constituting 54.8% of the Company's total assets.<br><br>In the process, a significant degree of judgement has been applied by the management for:<br><br>a) Data inputs - The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to apply assumptions in the model.<br><br>b) Model estimations – Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD") and Exposures at Default ("EAD") considering impact of infrequent past events on future probability of default and forward -looking macro–economic factors. The PD and the | **Our Audit Approach:**<br><br>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:<br><br>a) Evaluating the Company's policy, as approved by the Board of Directors, for impairment of carrying value of loans and advances and assessing appropriateness of the Company's impairment methodologies as required under Ind AS 109.<br><br>b) Obtained an understanding of the ECL model adopted by the Company including the key inputs and assumptions including management overlays.<br><br>c) Testing the design and effectiveness of internal controls over the following:<br><br>• key controls over the completeness and accuracy of the key inputs, data and assumptions into the Ind AS 109 impairment models.<br><br>• key controls over the application of the staging criteria consistent with the definitions applied in accordance with the policy approved by the Board of Directors including the appropriateness of the qualitative factors.<br><br>• management's controls over authorisation and calculation of post model adjustments to the output of the ECL model.<br><br>d) Also, for a sample of ECL allowance on loan assets tested:<br><br>• Sample testing over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data, reasonableness of economic forecasts, weights, model assumptions applied, and make inquiries with management. |

| Sr. No. | Key Audit Matters | How our audit addressed the key audit matter |
|---|---|---|
| | LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Company's modelling approach.<br><br>c) Defining qualitative/ quantitative thresholds for 'significant increase in credit risk' ("SICR") and 'default' particularly for corporate portfolio, wherein Company's credit risk function also segregates loans with specific risk characteristics based on trigger events identified using sufficient and credible information available from internal sources supplemented by external data. Impairment allowance for these exposures is reviewed and accounted on a case- by -case basis.<br><br>d) Qualitative and quantitative factors used in staging the loan and estimation of behavioral life for the loan assets measured at amortized cost.<br><br>e) Adjustments to model driven ECL results to address emerging trends including management overlay.<br><br>Refer Note 3.8 and 46 of the Ind AS Financial Statements. | • We tested the operating effectiveness of the controls for staging of loans and advances based on their past-due status.<br><br>• we evaluated reasonableness of LGD estimates by comparing actual recoveries post the loan asset becoming credit impaired with estimates of LGD.<br><br>• tested a sample of performing (stage 1) loans to assess whether any SICR or loss indicators were present requiring them to be classified under stage 2 or 3.<br><br>• we tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company.<br><br>• we have relied on the PD's and LGD provided by the Holding Company for Corporate Real Estate Funding (CREF) portfolio.<br><br>e) We also evaluated the adequacy of the adjustment considering the inputs used in determining the output as per the ECL Model and ensured that the adjustment was in conformity with the amount approved by the Audit Committee.<br><br>f) Testing management's controls on compliance with disclosures to confirm the compliance with the provisions of relevant provisions of Ind AS 109 and the RBI.<br><br>g) Evaluating the appropriateness of the Company's Ind AS 109 impairment methodologies and reasonableness of assumptions used.<br><br>h) We also made management enquiries with respect to the overlay quantum. |

| Sr. No. | Key Audit Matters | How our audit addressed the key audit matter |
|---|---|---|
| | | i) For models which were changed and updated during the year, evaluating whether the changes were appropriate by assessing the updated model methodology.<br><br>j) Discussed with the management, the approach, interpretation, systems and controls implemented in relation to probability of default and stage-wise bifurcation of product-wise portfolios for timely ascertainment of stress and early warning signals.<br><br>k) Read and assessed the disclosures included in the Ind AS financial statements in respect of expected credit losses with the requirements of Ind AS 107 Financial Instruments: Disclosure ("Ind AS 107") and Ind AS 109. |
| 2 | **Assessment of business model for classification and measurement of financial assets**<br><br>Ind AS 109, Financial Instruments, contains three principal measurement categories for financial assets i.e.<br><br>- Amortised Cost;<br>- Fair Value through Other Comprehensive Income (FVOCI); and<br>- Fair Value through Profit and Loss (FVTPL). | **Our Audit Approach:**<br><br>We have followed the following audit procedures:<br><br>a) Assessing the design, implementation and operating effectiveness of key internal controls over management's intent at the origination, to hold or to sell a financial asset, and the approval mechanism for such stated intent and classification of such financial assets.<br><br>b) For financial assets classified at amortised cost, we tested controls over the classification of such assets and subsequent measurement of assets at amortised cost. Further, we tested key internal controls over monitoring of such financial assets to check whether there have been any subsequent sales of financial assets classified at amortised cost and the subsequent sale does not alter the hold category of the financial assets. |

| Sr. No. | Key Audit Matters | How our audit addressed the key audit matter |
|---|---|---|
| | We identified business model assessment as a key audit matter because of the management judgement involved in determining the intent (to hold or to sell) at the time of origination for holding financial assets which could lead to different classification and measurement outcomes of the financial assets and its significance to the financial statements of the Company<br><br>Refer Note 3.4 of the Ind AS Financial Statements. | c) Test of details of classification and measurement of financial assets in accordance with management's intent.<br><br>d) We selected a sample of financial assets entered during the year to test whether their classification as at the Balance Sheet date is in accordance with management's intent.<br><br>e) Tested whether the pool of loans held at FVOCI are as per the Board approved policy.<br><br>For a selection of loans held at FVOCI, tested management's calculation of fair valuation at Balance Sheet date. |
| 3 | **Information Technology (IT) Systems and Controls**<br><br>The Company's key financial accounting and reporting processes are highly dependent on the automated controls over the Company's information systems, such that there exists a risk that gaps in the IT general control environment could result in a misstatement of the financial accounting and reporting records. Accordingly, we have considered user access management, segregation of duties and controls over system change over key financial accounting and reporting systems, as a key audit matter. | **Our Audit Approach:**<br><br>We obtained an understanding of the Company's IT applications, databases and operating systems relevant to financial reporting and the control environment with the assistance of our IT specialists.<br><br>On the areas of the IT infrastructure, which majorly focused access security (including controls over privileged access), program change controls, database management and network operations.<br><br>In particular, our audit procedures included the following:<br><br>**General IT controls design, observation and operation:**<br><br>• Understood the changes made in the IT environment during the year and ascertained its effect on the financial statements controls and accounts. |

| Sr. No. | Key Audit Matters | How our audit addressed the key audit matter |
|---|---|---|
| | | • Tested key controls operating over the information technology in relation to financial accounting and reporting systems, including system access and system change management, program development and computer operations.<br><br>**User access controls operation:**<br><br>• Obtained management's evaluation of the access rights granted to applications relevant to financial accounting and reporting systems and tested resolution of a sample of expectations.<br><br>• Further, we assessed the operating effectiveness of controls over granting, removal and appropriateness of access rights.<br><br>**Application controls:**<br><br>• We tested the design and operating effectiveness of automated controls critical to financial accounting and reporting.<br><br>• For any identified deficiencies, tested the design and operating effectiveness of compensating controls and, where necessary, extended the scope of our substantive audit procedure.<br><br>• Our tests also included testing of the compensating controls or alternate procedures to assess whether there were any unaddressed IT risks that would materiality impact the Financial Statements.<br><br>• Considered the reports for certain applications on test check basis, as issued by the professional consultants with respect to VAPT testing done on such applications. |

## 4. INFORMATION OTHER THAN THE IND AS FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Directors Report (which includes Corporate Governance Report and Management Discussion and Analysis) but does not include the Ind AS Financial Statements and our auditors' report thereon. These reports are expected to be made available to us after the date of our auditor's report.

Our opinion on the Ind AS Financial Statements does not cover the other information and we will not express any form of assurance thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS Financial Statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

## 5. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, Company's Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process

## 6. AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE IND AS FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due

to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with Standards on auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

i. Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ii. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

v. Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of the misstatement in the statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the statement may be influenced. We consider quantitative materiality and qualitative factors in; (i) planning the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effects of any identified misstatements in the statement.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any

significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## 7. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

i. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

ii. As required by section 143 (3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

d. In our opinion, the aforesaid Ind AS Financial Statements comply with the Ind AS specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. On the basis of written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company with reference to these Financial Statements and the operating effectiveness of such controls, we request you to refer to our separate Report in "Annexure B" to this report.

g. In our opinion, the managerial remuneration for the year ended

March 31, 2023, has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act.

h. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on the financial position in its Ind AS financial statements – Refer Note 40 to the Ind AS financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 51 to the Ind AS financial statements;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

iv. (a) The Management has represented that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer footnote 3 in Note 8 to Ind AS financial statements);

(b) The Management has represented that no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer note 3 in Note 16 to Ind AS financial statements); and

(c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 relating to audit trail feature of the Company's accounting software is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under Clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 is not applicable for the current year.

**For Singhi & Co.**
Chartered Accountants
Firm Registration No.: 302049E

Sd/-
**Shweta Singhal**
Partner
Membership No. 414420
UDIN: 23414420BGVLGZ9647
Place: Mumbai
Date: April 17, 2023

**For Mukund M. Chitale & Co.**
Chartered Accountants
Firm registration No. 106655W

Sd/-
**Nisha Yadav**
Partner
Membership No. 135775
UDIN: 23135775BGXZZE3265
Place: Mumbai
Date: April 17, 2023

## Annexure A to the Independent Auditors' Report

**Referred to in paragraph [7(i)] under Report on Other Legal and Regulatory Requirements of our report of even date**

According to the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) In respect of the Company's Property, Plant and Equipment, Right of Use Assets and Intangible Assets:

a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right-of-use Assets.

B) The Company has maintained proper records showing full particulars including quantitative details and situation of Intangible Assets.

b) As per information and explanations given to us the Property, Plant and Equipment and Right-of-Use Assets have been physically verified by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable having regard to the size of the operations of the Company and on the basis of explanations received no material discrepancies were noticed during the verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in Property, Plant and Equipment are held in the name of the Company.

d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or Intangible Assets during the year.

e) According to the information and explanations given to us, no proceedings have been initiated or is pending against the Company during the year for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) a) The Company is primarily engaged in lending business. Accordingly, it does not hold any inventories. Thus paragraph 3(ii)(a) of the Order is not applicable to the Company.

b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Basis the information and explanation provided to us and basis our audit procedures undertaken, we have not come across any difference between the information submitted in the quarterly returns / statements filed by the company with such banks or financial institutions when compared with the books of account and other relevant information provided by the Company.

(iii) a) The Company is primarily engaged in lending activities and hence reporting under paragraph 3(iii)(a) of the Order is not applicable to the Company.

b) Considering that the Company is a Non – Banking Finance Company, the investments made, security given and the terms and conditions of all loans and advances granted in the nature of loans are not prima facie prejudicial to the Company's interest. According to information and explanations provided to us, the Company has not provided any guarantees during the year.

c) In respect of the loans given and advances in the nature of loans, the Company has stipulated the schedule of repayment of principal and payment of interest. However, given the nature of business of the Company being a Non – Banking Finance Company, there are some cases during the year and as at March 31, 2023 wherein the amounts were overdue vis-à-vis stipulated terms.

d) In respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount for more than ninety days as at the Balance Sheet date except for the following cases as on March 31, 2023:

(₹ In million)

| Number of Cases | Principal Amount Overdue | Interest Amount Overdue | Total Amount Dues |
|---|---|---|---|
| 2,236 | 5,042.1 | 247.8 | 5,289.9 |

Further, basis discussions with the management we understand that the reasonable steps have been taken by the Company for recovery of the principal and interest.

e) The Company is engaged primarily in lending activities and hence reporting under paragraph 3(iii)(e) of the Order is not applicable to the Company.

f) Basis the information and explanations provided to us, we did not come across loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Thus, reporting under paragraph 3(iii)(f) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of sections 185 and 186 of the Companies Act 2013 are applicable, and hence not commented upon.

(v) The Company is a registered deposit taking housing finance company and accordingly basis the directives issued by Reserve Bank of India, the provision of sections 73 to 76 or any other relevant provisions of the Act and Rules framed thereunder are not applicable to the Company. Further, we are informed by management of the Company that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any other court.

(vi) The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under paragraph 3(vi) of the Order is not applicable to the Company.

(vii) In respect of Statutory dues:

a) The Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, goods and service tax, cess and other material statutory dues applicable to it to the

appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, wealth tax, duty of customs, duty of excise and value added tax.

There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and services tax, cess and other material statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us and on the basis of our examination of the records, there are no dues of provident fund, employees' state insurance and goods and services tax that have not been deposited on account of any dispute except, in case of following dues of income tax have not been deposited by the Company on account of disputes:

| Name of the statute | Nature of the dues | Disputed Amount (₹ In million) | Period to which the amount relates | Forum where dispute is pending |
|---|---|---|---|---|
| The Income Tax Act, 1961 | Income Tax | 59.9 | F.Y. 2004-05 | Assessing Officer, Mumbai |
| | Income Tax | 27.4 | F.Y. 2007-08 | Commissioner of Appeal (Income-tax) |
| | Income Tax | 13.7 | F.Y. 2008-09 | Income Tax Appellate Tribunal, Mumbai |
| | Income Tax | 114.8 | F.Y. 2010-11 | Commissioner of Appeal (Income-tax) |
| | Income Tax | 200.4 | F.Y. 2011-12 | Commissioner of Appeal (Income-tax) |
| | Income Tax | 1.2 | F.Y. 2019-20 | National Faceless Assessment Centre |
| | **Total** | **417.4** | | |

(viii) According to the information and explanations given to us, there are no transactions which have not been recorded in the books of account but have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender.

b) Basis the information and explanation provided to us, the Company has not been declared a willful defaulter by any bank or financial institution or other lender.

c) According to the information and explanations given to us and to the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application of proceeds.

d) On an overall examination of the financial statements of the Company, funds raised on short-term basis do not seem to have used during the year for long-term purposes.

e) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under paragraph 3(ix)(e) of the Order is not applicable to the Company.

f) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under paragraph 3(ix)(f) of the Order is not applicable to the Company.

(x) a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under paragraph 3 (x)(a) of the Order is not applicable to the Company.

b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under paragraph 3 (x)(b) of the Order is not applicable to the Company.

(xi) a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Ind AS financial statements and according to the information and explanations given by the management, there have been 27 nos. instances of fraud on the Company by its customers amounting to ₹ 149.5 million as disclosed in Note 68 to the Ind AS financial statements, which have been duly reported/reporting of the same is in process to the National Housing Bank. We did not come across any instances of fraud by the Company.

b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) We have taken into consideration the whistle blower complaints received by the Company during the year and provided to us, while determining the

nature, timing and extent of our audit procedures.

(xii) The Company is not a Nidhi Company and hence reporting under paragraph 3 (xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the Ind AS financial statements, as required by the applicable accounting standards.

(xiv) a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have taken into consideration, the internal audit reports for the period under audit issued to the Company till the date while determining the nature, timing and extent of audit procedures.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them as referred to in section 192 of the Act. Thus, paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) a) According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India (RBI) Act, 1934. Thus, paragraph 3(xvi)(a) of the Order is not applicable to the Company.

b) The Company is a registered Housing Finance Company (HFC) and holds a valid Certificate of Registration (CoR) from National Housing Bank and hence reporting under paragraph 3(xvi)(b) of the Order is not applicable to the Company.

c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence reporting under paragraph 3 (xvi)(c) of the Order is not applicable.

d) According to the information and explanations given to us, there is no CIC in the Group.

(xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the Statutory Auditors of the Company during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, undrawn credit lines, other information accompanying the Ind AS financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing

at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount on account of ongoing projects or other than ongoing projects for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act as disclosed in Note 83 to the Ind AS Financial Statements.

(xxi) According to the information and explanations given to us and based on our examination of the records of the Company, there are no subsidiaries / associates / joint ventures of the Company and hence the paragraph 3(xxi) of the Order is not applicable to the Company.

**For Singhi & Co.**
Chartered Accountants
Firm Registration No.: 302049E

Sd/-
**Shweta Singhal**
Partner
Membership No. 414420
UDIN: 23414420BGVLGZ9647
Place: Mumbai
Date: April 17, 2023

**For Mukund M. Chitale & Co.**
Chartered Accountants
Firm registration No. 106655W

Sd/-
**Nisha Yadav**
Partner
Membership No. 135775
UDIN: 23135775BGXZZE3265
Place: Mumbai
Date: April 17, 2023

## Annexure B to the Independent Auditors' Report

**Referred to in paragraph [7(ii)(f)] under Report on Other Legal and Regulatory Requirements of our report of even date**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

### OPINION

1. We have audited the internal financial controls over financial reporting with reference to the Ind AS Financial Statements of ICICI Home Finance Company Limited ("the Company") as of March 31, 2023, in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

   In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023 based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India" (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### AUDITORS' RESPONSIBILITY

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

   Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting,

assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

## MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

4. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

   (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

   (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and

   (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

5. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For Singhi & Co.**
Chartered Accountants
Firm Registration No.: 302049E

Sd/-
**Shweta Singhal**
Partner
Membership No. 414420
UDIN: 23414420BGVLGZ9647
Place: Mumbai
Date: April 17, 2023

**For Mukund M. Chitale & Co.**
Chartered Accountants
Firm registration No. 106655W

Sd/-
**Nisha Yadav**
Partner
Membership No. 135775
UDIN: 23135775BGXZZE3265
Place: Mumbai
Date: April 17, 2023

## Balance sheet at March 31, 2023

₹ in million

| Particulars | Note No. | At March 31, 2023 | At March 31, 2022 |
|---|---|---|---|
| **I ASSETS** | | | |
| **FINANCIAL ASSETS** | | | |
| Cash and cash equivalents | 4 | 4,373.1 | 2,693.6 |
| Bank balance other than above | 5 | 2.5 | 2.5 |
| Derivative financial instruments | 6 | - | 595.7 |
| Receivables | | | |
| (i) Trade receivables | 7 | 20.7 | 12.5 |
| (ii) Other receivables | | - | - |
| Loans | 8 | 1,75,436.2 | 1,44,985.0 |
| Investments | 9 | 4,991.6 | 6,004.1 |
| Other financial assets | 10 | 2,081.6 | 2,244.2 |
| Assets held for sale | 44 | - | 425.7 |
| | | **1,86,905.7** | **1,56,963.3** |
| **NON-FINANCIAL ASSETS** | | | |
| Current tax assets (net) | 42 | 1,004.4 | 956.5 |
| Deferred tax assets (net) | 42 | - | 15.8 |
| Property, plant and equipment | 11 | 1,253.2 | 1,180.2 |
| Capital work-in-progress | 11 | 7.5 | 6.9 |
| Intangible assets | 12 | 93.1 | 77.4 |
| Intangible assets under development | 12 | 33.4 | 37.9 |
| Other non-financial assets | 13 | 151.4 | 165.0 |
| | | **2,543.0** | **2,439.7** |
| | | **1,89,448.7** | **1,59,403.0** |
| **II LIABILITIES AND EQUITY** | | | |
| **LIABILITIES** | | | |
| **FINANCIAL LIABILITIES** | | | |
| Derivative financial instruments | 6 | - | 200.5 |
| Payables | | | |
| Trade Payable | | | |
| (i) Micro and small enterprises | 14 | 89.3 | 42.1 |
| (ii) Other payables | 14 | 1,784.7 | 1,582.9 |
| Debt securities | 15 | 54,544.7 | 44,808.1 |
| Borrowings (Other than debt securities) | 16 | 53,237.4 | 47,551.3 |
| Deposits | 17 | 36,500.4 | 30,870.6 |
| Subordinate liabilities | 18 | 4,335.7 | 4,337.0 |
| Other financial liabilities | 19 | 10,068.8 | 8,710.8 |
| | | **1,60,561.0** | **1,38,103.3** |
| **NON-FINANCIAL LIABILITIES** | | | |
| Deferred tax liability (net) | 42 | 565.3 | - |
| Provisions | 20 | 65.0 | 94.7 |
| Other non-financial liabilities | 21 | 187.8 | 154.0 |
| | | **818.1** | **248.7** |
| **EQUITY** | | | |
| Equity share capital | 22 | 12,035.3 | 10,987.5 |
| Other equity | 23 | 16,034.3 | 10,063.5 |
| | | **28,069.6** | **21,051.0** |
| | | **1,89,448.7** | **1,59,403.0** |

**The accompanying notes are an integral part of the financial statements**

As per our report of even date attached

For **M/s Singhi & Co.**
Chartered Accountants
Firm registration no.: 302049E

Sd/-
**Shweta Singhal**
Partner
Membership No.: 414420

For **M/s Mukund M. Chitale & Co.**
Chartered Accountants
Firm registration no.: 106655W

Sd/-
**Nisha Yadav**
Partner
Membership No.:135775

Place: Mumbai
Date : April 17, 2023

For and on behalf of the Board of Directors
**ICICI Home Finance Company Limited**

Sd/-
**Vinod Kumar Dhall**
Chairman
DIN-02591373

Sd/-
**Anirudh Kamani**
Managing Director & CEO
DIN-07678378

Sd/-
**Vikrant Gandhi**
Chief Financial Officer

Sd/-
**Priyanka Shetty**
Company Secretary

## **Statement of profit and loss** for the year ended March 31, 2023

₹ in million

| Particulars | Note No. | Year ended March 31, 2023 (Audited) | Year ended March 31, 2022 (Audited) |
|---|---|---|---|
| **Revenue from operations** | | | |
| Interest income | 24 | 17,732.6 | 14,512.2 |
| Fees and commission Income | 25 | 395.8 | 314.2 |
| Net gain on fair value changes | 26 | 42.6 | - |
| Net gain on derecognition of financial instruments | | 1,214.3 | 929.2 |
| *- under amortised cost category* | | *430.0* | *704.2* |
| *- under fair value through other comprehensive income* | | *784.3* | *225.0* |
| Other revenue from operations | 27 | 108.1 | 150.5 |
| **Total revenue from operations** | | **19,493.4** | **15,906.1** |
| Other income | 28 | 14.1 | 11.5 |
| **Total income** | | **19,507.5** | **15,917.6** |
| **Expenses** | | | |
| Finance costs | 29 | 9,536.7 | 8,789.4 |
| Fees and commission expense | 30 | 65.8 | 38.6 |
| Net loss on fair value changes | 26 | - | 1.1 |
| Impairment on financial instruments/write-offs (including write-offs on stressed loans transferred to ARCs) | 31 | 1,775.0 | 1,755.3 |
| Employee benefit expenses | 32 | 2,193.6 | 1,718.4 |
| Depreciation and amortisation expense | - | 270.4 | 249.9 |
| Other expenses | 33 | 1,797.8 | 1,242.6 |
| **Total expenses** | | **15,639.3** | **13,795.3** |
| **Profit/(Loss) before exceptional items and tax** | | **3,868.2** | **2,122.3** |
| **Exceptional items** | | - | - |
| **Profit/(Loss) before tax** | | **3,868.2** | **2,122.3** |
| Tax expense | 42 | | |
| Current tax | | 827.6 | 464.7 |
| Deferred tax | | 22.4 | 15.9 |
| **Profit/(Loss) for the year** | | **3,018.2** | **1,641.7** |
| **Other comprehensive income** | | | |
| **Items that will not be reclassified to profit or loss** | | | |
| Re-measurement of net defined benefit plan | | 8.5 | 12.3 |
| Income tax impact | | (2.1) | (3.1) |
| **Items that will be reclassified to profit or loss** | | | |
| **Derivatives designated as cash flow hedge** | | | |
| Fair value change on derivatives designated as cash flow hedge | | 246.8 | 756.0 |
| Income tax impact | | (62.1) | (190.3) |
| **Financial instruments through other comprehensive income** | | | |
| Fair value changes on loans classified under "Hold & Sell" business model | | 1,964.6 | 1,275.7 |
| Income tax impact | | (494.4) | (321.1) |
| **Total other comprehensive income** | | **1,661.3** | **1,529.5** |
| **Total comprehensive income for the year** | | **4,679.5** | **3,171.2** |
| Earnings per equity share (Face value ₹ 10/- per share (previous year: ₹ 10/- per share) | 37 | | |
| (1) Basic (₹) | | 2.58 | 1.49 |
| (2) Diluted (₹) | | 2.58 | 1.49 |

**The accompanying notes are an integral part of the financial statements**

As per our report of even date attached

For **M/s Singhi & Co.**
Chartered Accountants
Firm registration no.: 302049E

Sd/-
**Shweta Singhal**
Partner
Membership No.: 414420

For **M/s Mukund M. Chitale & Co.**
Chartered Accountants
Firm registration no.: 106655W

Sd/-
**Nisha Yadav**
Partner
Membership No.:135775

Place: Mumbai
Date : April 17, 2023

For and on behalf of the Board of Directors
**ICICI Home Finance Company Limited**

Sd/-
**Vinod Kumar Dhall**
Chairman
DIN-02591373

Sd/-
**Anirudh Kamani**
Managing Director & CEO
DIN-07678378

Sd/-
**Vikrant Gandhi**
Chief Financial Officer

Sd/-
**Priyanka Shetty**
Company Secretary

# Statement of changes in equity for the year ended March 31, 2023

## A. EQUITY SHARE CAPITAL

₹ in million

| | |
|---|---|
| Balance at April 1, 2021 | 10,987.5 |
| Changes in equity share capital during the year | - |
| **Balance at March 31, 2022** | **10,987.5** |
| Changes in equity share capital during the year | 1,047.8 |
| **Balance at March 31, 2023** | **12,035.3** |

## B. OTHER EQUITY

₹ in million

| Particulars | Reserves and surplus | | | | Capital contribution | Other comprehensive income | | | Total |
|---|---|---|---|---|---|---|---|---|---|
| | Statutory reserve | General reserve | Securities Premium | Retained earnings | | Acturial gain/ (losses) | Cash flow hedge reserve | Loans through OCI | |
| **Balance at April 1, 2021** | **4,809.3** | **249.4** | **-** | **1,587.0** | **138.7** | **(4.9)** | **(750.4)** | **854.8** | **6,883.9** |
| Profit for the year | - | - | - | 1,641.7 | - | - | - | - | 1,641.7 |
| Dividend | - | - | - | - | - | - | - | - | - |
| Securities Premium received during the year | - | - | - | - | - | - | - | - | - |
| Transfer to retained earnings | - | - | - | - | - | - | - | - | - |
| Share based payments to employees | - | - | - | - | 8.4 | - | - | - | 8.4 |
| Cash flow hedge reserve | - | - | - | - | - | - | 286.2 | - | 286.2 |
| Actuarial gains/(losses) | - | - | - | - | - | 9.2 | - | - | 9.2 |
| Fair value changes on loans classified under "Hold & Sell" business model | - | - | - | - | - | - | - | 1,123.0 | 1,123.0 |
| Gain/(loss) reclassified to Profit & loss (net-off tax) | - | - | - | - | - | - | 279.5 | (168.4) | 111.1 |
| Transfer to / from reserve | 328.5 | - | - | (328.5) | - | - | - | - | - |
| **Balance at March 31, 2022** | **5,137.8** | **249.4** | **-** | **2,900.2** | **147.1** | **4.3** | **(184.7)** | **1,809.4** | **10,063.5** |

₹ in million

| Particulars | Reserves and surplus | | | | Capital contribution | Other comprehensive income | | | Total |
|---|---|---|---|---|---|---|---|---|---|
| | Statutory reserve | General reserve | Securities Premium | Retained earnings | | Acturial gain/ (losses) | Cash flow hedge reserve | Loans through OCI | |
| **Balance at April 1, 2022** | **5,137.8** | **249.4** | **-** | **2,900.2** | **147.1** | **4.3** | **(184.7)** | **1,809.4** | **10,063.5** |
| Profit for the year | - | - | - | 3,018.2 | - | - | - | - | 3,018.2 |
| Dividend | - | - | - | (164.7) | - | - | - | - | (164.7) |
| Securities Premium received during the year | - | - | 1,452.2 | - | - | - | - | - | 1,452.2 |
| Transfer to retained earnings | - | - | - | - | - | - | - | - | - |
| Share based payments to employees | - | - | - | - | 3.8 | - | - | - | 3.8 |
| Cash flow hedge reserve | - | - | - | - | - | - | 184.7 | - | 184.7 |
| Actuarial gains/(losses) | - | - | - | - | - | 6.4 | - | - | 6.4 |
| Others | - | - | - | - | - | - | - | | - |
| Fair value changes on loans classified under "Hold & Sell" business model | - | - | - | - | - | - | - | 2,057.2 | 2,057.2 |
| Gain/(loss) reclassified to Profit & loss (net-off tax) | - | - | - | - | - | - | - | (587.0) | (587.0) |
| Transfer to / from reserve | 604.0 | - | - | (604.0) | - | - | - | - | - |
| **Balance at March 31, 2023** | **5,741.8** | **249.4** | **1,452.2** | **5,149.7** | **150.9** | **10.7** | **-** | **3,279.6** | **16,034.3** |

As per our report of even date attached

For **M/s Singhi & Co.**
Chartered Accountants
Firm registration no.: 302049E

Sd/-
**Shweta Singhal**
Partner
Membership No.: 414420

For **M/s Mukund M. Chitale & Co.**
Chartered Accountants
Firm registration no.: 106655W

Sd/-
**Nisha Yadav**
Partner
Membership No.:135775

Place: Mumbai
Date : April 17, 2023

For and on behalf of the Board of Directors
**ICICI Home Finance Company Limited**

Sd/-
**Vinod Kumar Dhall**
Chairman
DIN-02591373

Sd/-
**Anirudh Kamani**
Managing Director & CEO
DIN-07678378

Sd/-
**Vikrant Gandhi**
Chief Financial Officer

Sd/-
**Priyanka Shetty**
Company Secretary

## **Cash flow statement** for the year ended March 31, 2023

₹ in million

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|---|---|
| **A. CASH FLOW FROM OPERATING ACTIVITIES** | | |
| **Profit before taxation and exceptional items** | 3,868.2 | 2,122.3 |
| Adjustments for: | | |
| Interest Income on loans | (17,273.9) | (14,281.2) |
| Depreciation/amortisation | 270.4 | 249.9 |
| Loss on sale or write off of fixed assets | 6.8 | 7.5 |
| Fair value change in investment | (42.6) | 1.1 |
| Interest expense on borrowings | 9,536.7 | 8,789.4 |
| Impairment on financial instruments | 1,775.0 | 1,755.3 |
| Share based payment to employees | 41.9 | 33.0 |
| Fair value changes in gratuity | 8.5 | 12.3 |
| Net (gain)/loss on derecognition of financial instruments | (1,214.3) | (929.2) |
| Interest income on investments | (228.9) | (215.6) |
| Profit on sale of mutual fund units | (108.1) | (150.5) |
| | **(3,360.3)** | **(2,605.7)** |
| Interest income received | 17,021.0 | 14,267.2 |
| Interest expenses on borrowings paid | (9,416.0) | (9,027.0) |
| **Operating profit before working capital changes** | **4,244.7** | **2,634.5** |
| *Adjustments for increase or decrease in :* | | |
| (Increase) / Decrease in Trade receivables | 16.4 | (14.4) |
| (Increase) / Decrease in Other financial assets | 1,376.9 | 148.8 |
| (Increase) / Decrease in Other non-financial assets | 13.8 | 9.3 |
| (Decrease) / Increase in Trade payables | 248.9 | 83.1 |
| (Decrease) / Increase in Other financial liabilities | 1,189.6 | 3,169.6 |
| (Decrease) / Increase in Other non financial liabilities | 33.9 | (11.3) |
| (Decrease) / Increase in Provisions | (29.7) | (62.1) |
| (Increase)/Decrease in bank balances other than cash and cash equivalent | - | 458.0 |
| Loans given (net movement) | (30,033.4) | (7,844.7) |
| **Cash generated from Operations** | **(22,938.9)** | **(1,429.2)** |
| Income taxes paid (net) | (875.5) | (503.0) |
| **Net cash (used in) / generated from operating activities - A** | **(23,814.4)** | **(1,932.2)** |
| **B. CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Net (Purchase)/sale of fixed assets | (267.3) | (103.4) |
| Net (Purchase)/sale of mutual funds | 1,090.4 | (1,703.5) |

₹ in million

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|---|---|
| (Purchase) of investments (other than mutual funds) | (550.0) | (345.7) |
| Sale of investments (other than mutual funds) | 500.0 | - |
| Sale of investments classified as assets held for sale | 425.7 | - |
| Interest received on investments | 243.7 | 215.6 |
| Profit on sale of mutual funds | 108.1 | 150.5 |
| **Net cash (used in) / generated from investing activities - B** | **1,550.6** | **(1,786.5)** |
| **C. CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| Proceeds from issue of share capital (including share premium) | 2,500.0 | - |
| Proceeds from borrowings | 1,01,653.6 | 72,744.5 |
| Repayment of borrowings | (79,937.0) | (73,677.6) |
| Repayment of lease liability (including interest payments) | (108.6) | (91.0) |
| Dividend Paid | (164.7) | - |
| **Net cash (used in) / generated from financing activities - C** | **23,943.3** | **(1,024.1)** |
| **Net increase/(decrease) in cash and cash equivalents (A+B+C)** | **1,679.5** | (4,742.8) |
| **Cash and cash equivalents at beginning of the year** | **2,693.6** | 7,436.4 |
| **Cash and Cash equivalents at end of the year** | **4,373.1** | **2,693.6** |

**Notes :**

**1 Cash and cash equivalents consists of :**

| | | |
|---|---|---|
| (i) Balances in current accounts | 1,374.3 | 854.1 |
| (ii) Other cash and cash equivalents (TREPs lending) | 2,998.8 | 1,839.5 |
| **Total** | **4,373.1** | **2,693.6** |

2 The above cash flow statement has been prepared under the 'Indirect Method' as set out in Ind AS 7 on "Statement of Cash Flows".

3 Net movement in Borrowings (including Debt Securities), Deposits and Subordinated Liabilities amounting to ₹ 21,051.2 million (Previous period ₹ 528.5 million) includes fresh issuance, repayments, effect of changes in foreign exchange rates, interest accrual and unamortised borrowing cost.

4 There was no financing activities that affect the capital and asset structure of the Company without the use of cash and cash equivalents.

As per our report of even date attached

For **M/s Singhi & Co.**
Chartered Accountants
Firm registration no.: 302049E

Sd/-
**Shweta Singhal**
Partner
Membership No.: 414420

For **M/s Mukund M. Chitale & Co.**
Chartered Accountants
Firm registration no.: 106655W

Sd/-
**Nisha Yadav**
Partner
Membership No.:135775

Place: Mumbai
Date : April 17, 2023

For and on behalf of the Board of Directors
**ICICI Home Finance Company Limited**

Sd/-
**Vinod Kumar Dhall**
Chairman
DIN-02591373

Sd/-
**Anirudh Kamani**
Managing Director & CEO
DIN-07678378

Sd/-
**Vikrant Gandhi**
Chief Financial Officer

Sd/-
**Priyanka Shetty**
Company Secretary

# NOTES FORMING PART OF THE ACCOUNTS

## 1. CORPORATE INFORMATION

ICICI Home Finance Company Limited (the Company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 2013 (erstwhile Companies Act, 1956). The Company is a deposit taking Housing Finance Company registered with the National Housing Bank (NHB) and is governed by the provisions of the Master Direction - Non-Banking Financial Company - Housing Finance Companies (Reserve Bank) Directions, 2021 issued by the Reserve Bank of India (RBI) (Master Directions). The Company is wholly-owned subsidiary of ICICI Bank Limited. The Company's registered office is at ICICI Bank Towers, Bandra-Kurla Complex, Bandra, Mumbai, India. The principal place of business of the Company is at ICICI HFC Tower, J B Nagar, Andheri Kurla Road, Andheri, Mumbai. The Company is engaged in providing loans for the purpose of acquiring, constructing, erecting, improving, developing any house, flats or buildings or any form of real estate or any part or portion thereof. The Company also provides loans for specified purposes against the security of immovable property and loan against gold. The redeemable and non-convertible debentures of the Company are listed on Bombay Stock Exchange (BSE).

The financial statements were approved for issue by the Board of Directors on April 17, 2023.

## 2. STATEMENT OF COMPLIANCE, BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

### 2.1 Statement of compliance

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 (the Act) and relevant amendment rules issued thereafter and guidance given by RBI through its Master direction and other relevant guidelines/ circulars.

### 2.2 Basis of Preparation

The financial statements have been prepared on the historical cost basis except for certain financial instruments and plan assets of defined benefit plans that are measured at fair values at the end of each reporting period as explained in the significant accounting policies below. The financial statements have been prepared on a going concern basis.

Accounting policies have been consistently applied except where a newly-issued Ind AS is initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use.

### 2.3 Functional and presentation currency

The financial statements are presented in Indian Rupees (₹), which is the functional and the presentation currency of the Company. Except as otherwise indicated, financial information presented in Indian Rupees has been rounded to the nearest million with one decimal.

### 2.4 Presentation and disclosure of financial statements

The Company prepares its Balance Sheet, Statement of profit and loss and Statement of changes in equity in the format prescribed in the Division III of Schedule III of the Act applicable for preparation and presentation of the financial statements. The Statement of Cash Flows has been prepared and

## NOTES FORMING PART OF THE ACCOUNTS

presented as per the requirements of Ind AS 7 'Statement of Cash Flows'. Notes forming part of Financial Statements are prepared as per Ind AS and as required by Annexure III and IV of the Master direction. The Company presents its Balance Sheet in the order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in note no. 34.

### Offsetting financial instruments

Financial asset and financial liabilities are generally reported gross in the Balance Sheet. They are offset and reported net when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

## 3. SIGNIFICANT ACCOUNTING POLICIES

### 3.1 Use of estimates and judgement

The preparation of financial statements in conformity with Ind AS requires that the management make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities and disclosures of contingent assets and liabilities as of the date of the financial statements and the income and expense for the year. The actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively, and, if material, their effects are disclosed in the notes to the financial statements.

Accounting policies of the Company require critical accounting estimates that involve complex and subjective judgments and the use of assumptions, some of which may be for matters that are inherently uncertain and susceptible to change. Such critical accounting estimates could change from period to period and may have a material impact on the Company's financial condition, changes in financial condition or results of operations. Critical accounting estimates could also involve estimates where management could have reasonably used another estimate in the current accounting period. The critical policies that involves critical accounting estimates includes fair value measurement of financial instruments, business model assessment for classification and measurement of financial assets, recognition of gain on derecognition of financial assets, impairment of financial instruments, recognition of interest income/ expenses using Effective Interest Rate (EIR) method, fair value of employee share options, determination of useful life of Property, Plant and Equipment, determination of useful life of Intangible assets, measurement of assets and obligations of defined benefit employee plans, measurement of provisions and contingencies and recognition of deferred tax. Management believes that the estimates used in the preparation of the Company's financial statements are prudent and reasonable.

### 3.2 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

**a. Interest income**

Interest income for all interest earning financial assets subsequently measured at amortised cost or fair value through other comprehensive income (FVOCI) are recognised as 'interest income' in the Statement of Profit and Loss on an accrual basis using the Effective Interest method (EIR).

The EIR method is a method of calculating the amortised cost of a financial asset and of allocating the interest income over the relevant period. The EIR is the rate that discounts estimated future cash payments or receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset on initial recognition. When calculating the EIR, the Company estimates cash flows considering all contractual terms of the financial asset but does not consider future credit losses. The EIR calculation includes all fees received, transaction costs and all other premiums or discounts. Where the estimates of cash flows have been revised, the carrying amount of the financial asset is adjusted to reflect the actual and revised cash flows, discounted at the assets original EIR. The adjustment is recognised as interest income in the period in which the revision is made.

Interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets. For credit-impaired financial assets, interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses).

Interest on Government Securities and bank deposits are recognised on a time proportionate basis.

**b. Income from Direct assignment**

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of Excess Interest Spread (EIS). The future EIS basis the expected cash flows on the execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the Statement of Profit and Loss.

**c. Dividend income**

Dividend income is accounted

- when the right to receive the dividend is established;
- it is probable that the economic benefits associated with the dividend will flow to the Company; and
- the amount of dividend can be reliably measured.

**d. Fee and commission income**

Fee and commission income other than those that are integral part of EIR are recognised when the Company satisfies the performance obligation over time and as the related services are performed.

Property services fees are recognised to the extent of invoice raised on the

## NOTES FORMING PART OF THE ACCOUNTS

customer, when right to receive payment is established.

**e. Rental income**

Income from operating leases are recognised in the Statement of Profit and Loss as per the contractual rentals unless another systematic basis is more representative of the time pattern in which benefits derived from the leased assets.

**f. Other Income**

Other Income represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

### 3.3 Borrowing costs

Borrowing costs include interest expense calculated using the EIR on respective financial liabilities subsequently measured at amortised cost, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings, to the extent they are regarded as an adjustment to interest costs.

### 3.4 Financial assets

#### Recognition and Initial measurement

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity. Few examples of financial assets are loan receivables, investment in equity and debt instruments and cash and cash equivalents.

Financial assets, other than loans, are initially recognised on the trade date, i.e. the date on which the Company becomes the party to the contractual provisions of the instrument. Loans are recognised when the fund transfer is initiated or disbursement cheque is issued.

At initial recognition, the Company measures a financial asset at its fair value including transaction costs (other than those measured at fair value through profit or loss (FVTPL)) that are directly attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

#### Classification of financial assets

Except where financial assets that are irrevocably designated at initial recognition as FVTPL, the Company classifies and measures all its financial assets based on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the assets either at amortised cost or at fair value through other comprehensive income:

**(A) Amortised cost**

The Company classifies the financial assets at amortised cost if the contractual cash flows represents solely payments of principal and interest (SPPI) on the principal amount outstanding and as per it's business model where the management is intending to hold these financial assets in order to collect contractual cash flows. However, considering the asset-liability maturity gap, liquidity plans and funding needs, it may enter into transactions to sell some of the financial assets classified at amortised cost to banks/other lending institutions without affecting the SPPI criteria of the remaining portfolio measured at amortised cost.

**(B) Fair value through other comprehensive income (FVOCI)**

The Company classifies the financial assets as FVOCI, if the contractual cash flows represents SPPI on the principal amount outstanding and it's business model is achieved by both collecting contractual cash flow and selling the financial assets.

On derecognition of the financial assets measured at FVOCI, cumulative gain or loss previously recognised in Other Comprehensive income (OCI) is reclassified from the equity to the Statement of Profit and Loss.

**(C) Fair value through profit or loss (FVTPL)**

Financial assets are classified as FVTPL unless they are classified at amortised cost or at FVOCI.

**Equity instruments**

The Company measures all equity investments at FVTPL, unless the management has elected to classify irrevocably some of its equity investments as equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 - Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis. The Company follows trade date method of accounting for purchase and sale of investments. Profit or loss on sale of investments is determined on First in First out (FIFO) basis.

**Subsequent measurement of financial assets**

**(A) Financial assets at amortised cost**

These financial assets are subsequently measured at amortised cost on EIR method. The amortised cost is reduced by impairment losses. Interest income, impairment losses and gains and losses on derecognition are recognised in Statement of Profit and Loss.

**(B) Financial assets at FVOCI**

Financial assets included within the FVOCI category are measured subsequently at each reporting date at fair value. Interest income and impairment loss are recognised in the Statement of Profit and Loss. Fair value movements on subsequent measurement are recognised in the OCI.

**(C) Financial assets at FVTPL**

Financial assets included within the FVTPL category are measured subsequently at each reporting date at fair value. Net gain or loss, including interest and other income are recognised in the Statement of Profit and Loss.

**Reclassification of financial assets**

The Company changes classification of its financial assets only on account of changes in its business model for managing those financial assets. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the changes in the business model that results in reclassification.

## NOTES FORMING PART OF THE ACCOUNTS

### 3.5 Financial liabilities and equity instruments

The Company classifies these instruments as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

#### Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the face value and proceeds received in excess of the face value are recognised as securities premium.

#### Financial liabilities

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified at FVTPL, if it is classified as held-for trading or it is designated at FVTPL on initial recognition. All financial liabilities, other than classified at FVTPL, are classified at amortised cost in which case they are initially measured at fair value, net of transaction costs and subsequently at amortised cost using effective interest rate.

### 3.6 Determination of fair value

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid/ask prices and using valuation techniques/methods for other instruments. Valuation techniques/methods include discounted cash flow method and other unobservable inputs.

### 3.7 Modification and derecognition of financial assets and liabilities

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date.

The Company renegotiates loans to customers in financial difficulty, including loans where relief measures on account of COVID-19 pandemic was given, to maximise collection and minimise the risk of default. Relief is generally given in the form of extension of loan tenure, moratorium on payment of equated monthly instalments (EMIs) for a certain period with/without step-up EMI subsequently. On modification, the financial assets are assessed for de-recognition principle and financial assets are de-recognised when, and only when: (a) the contractual rights to the cash flows from the financial asset expires, or (b) transfers the financial asset and the transfer qualifies for derecognition as per the principles laid down under Ind AS 109 - Financial Instruments.

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset, the Company recalculates the gross carrying amount of the financial asset and difference, if any, in the gross carrying amount of the financial asset is recognised as modification gain or loss in Statement of Profit and Loss.

Financial assets are de-recognised when the contractual rights to the cash flows from

the financial assets have expired or where the Company has transferred substantially all the risks and rewards of ownership. If substantially all the risks and rewards have been neither retained nor transferred and the Company retains control, the assets continues to be recognised to the extent of it's continuing involvement.

Any loans transferred to asset reconstruction companies, against the consideration of security receipts issued by the asset reconstruction companies, do not meet the derecognition criteria and therefore are not de-recognised till such time as the Asset Reconstruction Companies (ARCs) redeem the security receipts. Further, any loans transferred to ARCs against upfront consideration are derecognised and corresponding gain/(loss) on such transfer is recognised at the time of transfer/sale.

The Company transfers loans through direct assignment transactions. The transferred loans are de-recognised and gains/losses are accounted for, only if it transfers substantially all risks and rewards specified in the underlying assigned loan contracts. In accordance with the Ind AS 109 - Financial Instruments, on de-recognition of a financial asset for assigned transactions, present value of future cash flows accruing in the form of differential interest (excess interest spread) over the expected life of the assigned loans is recognised as receivable with a corresponding credit to Statement of Profit and Loss.

The Company continues to perform servicing of the assigned loans and receives servicing fee from the assignee. If the fee to be received is not expected to compensate the Company adequately for performing the servicing activities, a servicing liability for the servicing obligation is recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing activities, a servicing asset is recognised. Corresponding amount is recognised in the Statement of Profit and Loss.

Financial liabilities are derecognised when they are extinguished, that is when the obligation is discharged, cancelled or expired.

### 3.8 Impairment of financial assets

The Company recognises loss allowances using the Expected Credit Loss (ECL) model under Ind AS 109 for the financial assets and loan commitments which are not fair valued through profit or loss. ECL for loans and advances are measured at an amount equal to the 12-month ECL (ECL allowance on default events on the financial instruments that are possible within 12 months after the reporting date), unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL (ECL that results from all possible default events over the life of the financial instrument). Equity instruments are measured at fair value and not subject to impairment loss. ECL allowance (or reversal) recognised during the year is recognised as expenses/(income) in the Statement of Profit and Loss.

Financial assets are normally written-off, either partially or in full, when there is no reasonable expectation of further recovery. Further, subsequent recoveries from partially/fully written-off assets are credited to the Statement of Profit and Loss.

For detailed information on categories of loans into stages as defined under Ind AS 109 - Financial Instruments, significant increase in credit risk, default and methodology of

## NOTES FORMING PART OF THE ACCOUNTS

calculating ECL using Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD), refer note no. 46.

### 3.9 Property, plant and equipment

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment losses. The cost includes expenditures that are directly attributable to the acquisition and installation of the asset, net of tax/duty credits availed, if any. PPE is recognised when it is probable that future economic benefits associated with the item is expected to flow to the Company and the cost of the item can be measured reliably.

Capital work-in-progress includes assets not ready for the intended use on the date of Balance Sheet.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain/loss on disposal of an item of PPE is determined by comparing the proceeds from disposal with carrying amount of the item of the PPE and is recognised in the Statement of Profit and Loss. The costs of the day-to-day servicing of PPE are recognised in Statement of Profit and Loss as and when they are incurred.

### 3.10 Intangible assets

Purchased software are measured at cost less accumulated amortisation and accumulated impairment losses. The cost includes expenditures that are directly attributable to the acquisition and installation of the software, net of tax/duty credits availed, if any. Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as 'Intangible assets under development'.

An intangible asset is de-recognised on disposal, or when no future economic benefit is expected from use of the asset. The gain/loss on disposal of an item of intangible assets is determined by comparing the proceeds from disposal with carrying amount of the item of the intangible assets and is recognised in the Statement of Profit and Loss.

### 3.11 Depreciation and amortisation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is provided on straight-line basis over the estimated useful lives of the assets, which are equal to or higher than the rates prescribed under schedule II of the Companies Act, 2013. Higher rates of depreciation are used to reflect the actual usage of the assets or based on internal assessment by the management.

The following table sets forth, useful life of PPE.

| Particulars | Useful life (No. of years) |
|---|---|
| Office Buildings on freehold land | 60 |
| Right of use asset (ROU) | Period of lease |
| Improvements to leasehold property | Period of lease |
| Furniture and fixtures* | 5 to 10 |
| Office Equipment* | 3 to 5 |
| Electrical installations and equipment | 10 |
| Motor vehicles* | 5 |
| Servers and network equipment* | 4 to 6 |
| Computers | 3 |
| Software* | 4 |

* Based on actual usage/internal assessment

Items individually costing upto ₹ 5,000 are depreciated fully over the period of 12 months from the date of purchase.

Depreciation and amortisation methods, useful lives and residual values are reassessed at each reporting date and the effect of changes are recognised prospectively. Advances paid towards acquisition of PPE are disclosed as capital advances.

### 3.12 Impairment of non-financial assets

Intangible assets and PPE are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount of an asset is estimated to determine the extent of impairment. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount.

### 3.13 Taxation

Tax expense comprises of current and deferred tax.

#### Current tax

Income tax expense is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity/OCI in which case it is recognised in equity/OCI. Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

#### Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose and the amounts for tax purposes.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised, for all deductible temporary differences, to the extent it is probable

## NOTES FORMING PART OF THE ACCOUNTS

that future taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. 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. Deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

### 3.14 Employee benefits

#### a. Accumulated leave

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service.

The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes.

The Company provides for leave encashment benefits, which is a defined benefit obligation, based on actuarial valuation conducted by an independent actuary.

#### b. Long-term incentive plan

The Company pays long term incentives to certain employees on fulfilment of prescribed criteria/ conditions. The Company's liability towards long term incentive is determined actuarially based on certain assumptions regarding rate of interest, staff attrition and mortality as per the projected unit credit method. Expenses towards long term incentive and actuarial gains or losses arising during the year are recognised in the Statement of Profit and Loss.

#### c. Post-employment obligations

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

**Gratuity**

The Company pays gratuity, a defined benefit plan, to employees who retire or resign after a minimum prescribed period of continuous service. The Company makes

contribution to a trust which administers the funds through insurance companies.

The Company recognises gratuity liability based on actuarial valuation as determined by the actuary appointed by the Company. Actuarial valuation of gratuity liability is determined based on certain assumptions regarding rate of interest, salary growth, mortality and staff attrition as per the projected unit credit method. The actuarial gains or losses arising during the year are recognised in OCI and are not reclassified in to profit and loss account in subsequent periods.

Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of planned assets.

**Provident fund/Employee State Insurance Scheme**

The Company used to make specified monthly contributions towards Employee Provident Fund scheme to a separate trust administered by the Company. The monthly contributions were being recognised as expense in the year in which they were incurred. The Government notifies the minimum interest payable by the trust to the beneficiaries. As the Company had obligation to make good the shortfall, if any, between the return on investments of the trust and the notified interest rate, actuarial valuation for the interest rate guarantee on the provident fund balances was being determined by actuarial assessment or valuation. Any shortfall in the amount was contributed by the Company to the trust and charged to its Statement of Profit and Loss.

With effect from August 1, 2022, the administration of the Employees' Provident Fund was transferred to the Employees' Provident Fund Organisation (EPFO) and the monthly contributions are now directly paid to the EPFO. Further, as the Company pays all contributions to EPFO, the interest obligation will be borne by the EPFO and hence, the Company is not required to do actuarial measurement for the same.

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

**Superannuation Fund and National Pension Scheme**

The Company contributes 15% of basic salary for certain employees to superannuation funds, defined contribution plan, managed and administered by insurance companies. Further, the Company contributes 10% of the basic salary for certain employees to National Pension Scheme (NPS), a defined contribution plan, which is managed and administered by pension management companies. The Company also gives an option to its employees allowing them to receive the amount in lieu of such contributions along with their monthly salary during their employment.

The amount so contributed/paid by the Company to the Superannuation fund and NPS or to employees during the period are

## NOTES FORMING PART OF THE ACCOUNTS

recognised in the Statement of Profit and Loss.

### d. Share-based payments

The Parent Bank (ICICI Bank Limited) issues stock options to certain employees of the Company. These transactions are recognised as equity-settled share based payment transactions. The stock compensation expense is determined based on grant date fair value of options and the Parent Bank's estimate of options that will eventually vest and is recognised on a straight line basis over the vesting period in the Statement of Profit and Loss. For options granted till the year ended March 31, 2020, corresponding impact is given to equity as contribution from the Parent Bank as the cost was not charged by the Parent Bank. For options granted from the year ended March 31, 2021, the Company pays the cost charged by the Parent Bank.

### 3.15 Leases

The Company has various lease arrangement for certain assets including properties. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the commencement of the lease, the Company recognises a Right-of-Use (ROU) asset and a corresponding lease liability for all lease arrangements, except for leases with a term of twelve months or less (short-term leases) and low value leases. For low-value and short-term leases, lease rentals are recognised in the Statement of Profit and Loss on accrual basis. The ROU asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for any prepaid lease plus any initial direct costs paid at or before the commencement date and subsequently at cost less accumulated amortisation and accumulated impairment losses, if any. The lease liability is measured at amortised cost at the present value of the future lease payment, discounted using the Company's incremental borrowing rate. The lease liability is subsequently increased by interest cost on the lease liability and decreased by the lease payment made.

ROU assets are depreciated from the commencement date on a straight-line basis over the lease period. ROU assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

### 3.16 Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined based on management estimate of cash outflow to settle the obligation at the Balance Sheet date, supplemented by experience of similar transactions. These are reviewed at each reporting date and adjusted to reflect the current management estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or nonoccurrence of one or more uncertain future events beyond the control

of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised. However, where an inflow of economic benefit is probable, the same is being disclosed.

Provisions, contingent liabilities and contingent assets are reviewed at each reporting date.

### 3.17 Commitments

Commitments are future liabilities, classified and disclosed as follows:

a) Undrawn loan commitments;

b) Estimated amount of contracts remaining to be executed on capital account and not provided for;

c) Uncalled liability on investments partly paid;

d) Other commitments, if any, to the extent they are considered material and relevant in the opinion of management.

### 3.18 Assets held for sale

Assets are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Assets classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

### 3.19 Earnings per share

The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

### 3.20 Statement of Cash Flows

Statement of cash flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is prepared using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing activities.

### 3.21 Foreign currencies

Transactions in currencies other than the Company's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance

## NOTES FORMING PART OF THE ACCOUNTS

Sheet date, foreign currency monetary items are reported at the rates prevailing at the year-end. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

### 3.22 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with bank. Cash equivalents are short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

### 3.23 Accounting for derivative financial instruments

The Company enters into derivative contracts such as interest rate swaps, foreign exchange contracts and currency swaps, to manage its exposure to interest rate risk and foreign exchange rate risk. The Company recognises and measures such derivative instruments at fair value. Except for those derivatives which are designated as effective cash flow hedge, the gains and losses are recognised in the Statement of Profit and Loss.

The Company has designated certain derivatives as cash flow hedges of interest bearing liabilities. At the inception of a hedge transaction, the Company formally documents the hedge 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 assessing effectiveness and measuring ineffectiveness of the hedge. In addition, the Company assesses both at the inception of the hedge and on an ongoing basis, whether the derivative used in the hedging transaction is effective in offsetting changes in fair value of the hedged item, and whether the derivative is expected to continue to be highly effective. The Company assesses the effectiveness of the hedge instrument at inception and continually on a quarterly basis. The effective portion of change in fair value of the designated hedging instrument is recognised in the OCI. The ineffective portion of designated hedges are recognised immediately in the Statement of Profit and Loss. A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

### 3.24 Dividend pay-out

The Company recognises a liability towards the equity shareholders of the Company when the dividend is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, an interim dividend is authorised when it is approved by the Board of Directors and final dividend is authorised when it is approved by the Shareholders. A corresponding amount is recognised directly in equity.

## NOTES FORMING PART OF THE ACCOUNTS

### 4. Cash and Cash Equivalents

The following table sets forth, for the periods indicated, details of cash and cash equivalents.

₹ in million

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| Cash on hand | - | - |
| Balances with banks[1] (in current accounts) | 1,374.3 | 854.1 |
| Other cash & cash equivalents | 2,998.8 | 1,839.5 |
| **Total** | **4,373.1** | **2,693.6** |

1. There was no earmarked balance at March 31, 2023 (March 31, 2022: Nil).

### 5. Bank balances other than cash and cash equivalents

The following table sets forth, for the periods indicated, bank balances other than cash and cash equivalents.

₹ in million

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| Balances with banks to the extent held as margin money or security against borrowings, guarantees, other commitments (in deposit accounts with original maturity more than 3 months) | 2.5 | 2.5 |
| **Total** | **2.5** | **2.5** |

### 6. Derivative financial instruments

The Company enters into derivatives transactions for risk management purposes. The primary risk managed using derivatives instruments are foreign currency risk and interest rate risk. The Company deals in derivatives for hedging floating rate borrowings denominated in foreign currency. Refer note no. 51 for detailed information on derivatives transaction undertaken by the Company.

The following tables set forth, for the periods indicated, notional amounts and fair values of the derivative deals entered into by the Company.

₹ in million

| Particulars | At March 31, 2023 | | | |
|---|---|---|---|---|
| | Notional amounts | Fair value – assets | Notional amounts | Fair value – liabilities |
| **Part I** | | | | |
| **(i) Currency derivatives** | | | | |
| - Forwards | - | - | - | - |
| - Currency swaps | - | - | - | - |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | At March 31, 2023 | | | |
|---|---|---|---|---|
| | Notional amounts | Fair value – assets | Notional amounts | Fair value – liabilities |
| **Sub-total (i)** | **-** | **-** | **-** | **-** |
| **(ii) Interest rate derivatives** | | | | |
| Interest rate swaps | - | - | - | - |
| Forward rate agreements | - | - | - | - |
| **Sub-total (ii)** | - | - | - | - |
| **Total derivative financial instruments (i) + (ii)** | **-** | **-** | **-** | **-** |
| | | | | |
| **Part II** | | | | |
| Included in above (Part I) are derivatives held for hedging and risk management purposes as follows: | - | - | - | - |
| **(i) Cash flow hedging** | | | | |
| - Currency derivatives | - | - | - | - |
| - Interest rate derivatives | - | - | - | - |
| **Sub-total (i)** | **-** | **-** | **-** | **-** |
| | | | | |
| **Total derivative financial instruments** | **-** | **-** | **-** | **-** |

₹ in million

| Particulars | At March 31, 2022 | | | |
|---|---|---|---|---|
| | Notional amounts[1] | Fair value – assets | Notional amounts[1] | Fair value – liabilities |
| **Part I** | | | | |
| **(i) Currency derivatives** | | | | |
| - Forwards | - | - | 900.2 | 66.0 |
| - Currency swaps | 13,286.8 | 595.7 | - | - |
| **Sub-total (i)** | **13,286.8** | **595.7** | **900.2** | **66.0** |
| **(ii) Interest rate derivatives** | | | | |
| - Interest rate swaps | - | - | 13,286.8 | 134.5 |
| - Forward rate agreements | - | - | - | - |
| **Sub-total (ii)** | **-** | **-** | **13,286.8** | **134.5** |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | At March 31, 2022 | | | |
|---|---|---|---|---|
| | Notional amounts[1] | Fair value – assets | Notional amounts[1] | Fair value – liabilities |
| **Total derivative financial instruments (i) + (ii)** | **13,286.8** | **595.7** | **14,187.0** | **200.5** |
| **Part II** | | | | |
| Included in above (Part I) are derivatives held for hedging and risk management purposes as follows: | | | | |
| **(i) Cash flow hedging** | | | | |
| - Currency derivatives | 13,286.8 | 595.7 | 900.2 | 66.0 |
| - Interest rate derivatives | - | - | 13,286.8 | 134.5 |
| **Sub-total (i)** | **13,286.8** | **595.7** | **14,187.0** | **200.5** |
| | | | | |
| **Total derivative financial instruments** | **13,286.8** | **595.7** | **14,187.0** | **200.5** |

1. Notional amounts are converted using foreign exchange rates prevailing at reporting date.

### Interest Rate Swaps (IRS)

The following tables set forth, for the periods indicated, the details of risk exposure in interest rate swaps.

₹ in million

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| (i) The notional principal of swap agreements | - | 13,286.8 |
| (ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements | - | - |
| (iii) Collateral required by the HFC upon entering into swaps | - | - |
| (iv) Concentration of credit risk arising from the swap | - | - |
| (v) The fair value (MTM) of the swap book | - | (134.5) |

₹ in million

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| (i) Derivatives (notional principal amount) | - | 13,286.8 |
| (ii) Marked to market positions | - | (134.5) |
| (iii) Assets (+) | - | - |
| (iv) Liability (-) | - | (134.5) |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| (v) Credit exposure | - | - |
| (vi) Unhedged exposures | - | - |

### Forward Rate Agreement (FRA)

The Company does not have any forward rate agreement during the year ended March 31, 2023 (March 31, 2022: Nil).

### Exchange Traded Interest Rate Derivative

The Company does not have any exchange traded interest rate derivatives during the year ended March 31, 2023 (March 31, 2022: Nil).

### Currency and forward derivatives

The following tables set forth, for the periods indicated, the details of currency and forward derivatives.

₹ in million

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| The notional principal of currency swap/forward | - | 14,187.0 |
| Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements | - | 595.7 |
| Collateral required by the Company upon entering into swaps | - | - |
| Concentration of credit risk arising from the swap[1] | - | 100% |
| The fair value of (MTM) the swap book | - | 529.7 |

1. Entire exposure is towards banks.

₹ in million

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| Derivatives (notional principal amount) | - | 14,187.0 |
| Marked to market positions | - | 529.7 |
| Assets (+) | - | 595.7 |
| Liability (-) | - | (66.0) |
| Credit exposure | - | - |
| Unhedged exposures | - | - |

## NOTES FORMING PART OF THE ACCOUNTS

### 7. RECEIVABLES

The following tables set forth, details of trade receivables at March 31, 2023.

₹ in million

| Particulars | Gross value | Expected credit loss | Net value |
|---|---|---|---|
| **Trade receivables** | | | |
| Receivables considered good – secured | - | - | - |
| Receivables considered good – unsecured[1] | 20.7 | - | 20.7 |
| Receivables which have significant increase in credit risk | - | - | - |
| Receivables - credit impaired | - | - | - |
| **Total** | **20.7** | **-** | **20.7** |
| Included in above: | | | |
| - Debts due by directors or other officers of the Company | - | - | - |
| - Debts due by firms/LLPs/private companies in which any director is partner or a director or a member | - | - | - |

1. Represents receivable from related parties.

₹ in million

| Particulars | Unbilled (A) | Outstanding for following periods from due date of payment | | | | | | | Total (A)+ (B) |
|---|---|---|---|---|---|---|---|---|---|
| | | Less than 3 months | 3-6 months | 6 months -1 year | 1-2 year | 2-3 years | More than 3 years | Total (B) | |
| (i) Undisputed Trade receivables — considered good | 15.0 | 5.7 | - | - | - | - | - | 5.7 | **20.7** |
| (ii) Undisputed Trade Receivables — which have significant increase in credit risk | - | - | - | - | - | - | - | - | **-** |
| (iii) Undisputed Trade Receivables — credit impaired | - | - | - | - | - | - | - | - | **-** |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Unbilled (A) | Outstanding for following periods from due date of payment | | | | | | | Total (A)+ (B) |
|---|---|---|---|---|---|---|---|---|---|
| | | Less than 3 months | 3-6 months | 6 months -1 year | 1-2 year | 2-3 years | More than 3 years | Total (B) | |
| (iv) Disputed Trade Receivables— considered good | - | - | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables — which have significant increase in credit risk | - | - | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables — credit impaired | - | - | - | - | - | - | - | - | - |
| **Gross value** | **15.0** | **5.7** | **-** | **-** | **-** | **-** | **-** | **5.7** | **20.7** |
| Less: ECL | - | - | - | - | - | - | - | - | - |
| **Net Value** | **15.0** | **5.7** | **-** | **-** | **-** | **-** | **-** | **5.7** | **20.7** |

The following tables set forth, details of trade receivables at March 31, 2022.

₹ in million

| Particulars | Gross value | Expected credit loss | Net value |
|---|---|---|---|
| Trade receivables | | | |
| Receivables considered good – secured | - | - | - |
| Receivables considered good – unsecured[1] | 12.5 | - | **12.5** |
| Receivables which have significant increase in credit risk | 30.3 | 30.3 | - |
| Receivables - credit impaired | - | - | - |
| **Total** | **42.8** | **30.3** | **12.5** |
| | | | |
| Included in above: | | | |
| - Debts due by directors or other officers of the Company | - | - | - |
| - Debts due by firms/LLPs/private companies in which any director is partner or a director or a member | - | - | - |

1. Represents receivable from related parties.

## NOTES FORMING PART OF THE ACCOUNTS

₹ in million

| Particulars | Unbilled (A) | Outstanding for following periods from due date of payment | | | | | | | Total (A)+ (B) |
|---|---|---|---|---|---|---|---|---|---|
| | | Less than 3 months | 3-6 months | 6 months -1 year | 1-2 year | 2-3 years | More than 3 years | Total (B) | |
| (i) Undisputed Trade receivables — considered good | 12.5 | - | - | - | - | - | - | - | 12.5 |
| (ii) Undisputed Trade Receivables — which have significant increase in credit risk | - | 2.2 | 1.2 | 3.1 | 9.4 | 6.8 | 7.6 | 30.3 | 30.3 |
| (iii) Undisputed Trade Receivables — credit impaired | - | - | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables— considered good | - | - | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables — which have significant increase in credit risk | - | - | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables — credit impaired | - | - | - | - | - | - | - | - | - |
| **Gross value** | **12.5** | **2.2** | **1.2** | **3.1** | **9.4** | **6.8** | **7.6** | **30.3** | **42.8** |
| Less: ECL | - | (2.2) | (1.2) | (3.1) | (9.4) | (6.8) | (7.6) | (30.3) | (30.3) |
| **Net Value** | **12.5** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **12.5** |

## NOTES FORMING PART OF THE ACCOUNTS

### 8. LOANS

The following table sets forth, for the periods indicated, details of loans.

₹ in million

| Particulars | | At March 31, 2023 | | | At March 31, 2022 | | |
|---|---|---|---|---|---|---|---|
| | | Amortised cost | Fair value through OCI[1] | Total | Amortised cost | Fair value through OCI[1] | Total |
| (A) | | | | | | | |
| (i) | Loans repayable on demand | - | - | - | - | - | - |
| (ii) | Term loans | 106,928.8 | 71,645.7 | 178,574.5 | 111,190.6 | 37,550.6 | 148,741.2 |
| (iii) | Others | - | - | - | - | - | - |
| | **Total loans – Gross (A)** | **106,928.8** | **71,645.7** | **178,574.5** | **111,190.6** | **37,550.6** | **148,741.2** |
| | Less: Impairment loss allowance | (3,138.3) | - | (3,138.3) | (3,756.2) | - | (3,756.2) |
| | **Total loans – Net (A)** | **103,790.5** | **71,645.7** | **175,436.2** | **107,434.4** | **37,550.6** | **144,985.0** |
| | | | | | | | |
| (B) | **Secured/ Unsecured** | | | | | | |
| (i) | Secured by tangible assets | 106,629.2 | 71,645.7 | 178,274.9 | 110,712.2 | 37,550.6 | 148,262.8 |
| (ii) | Secured by intangible assets | - | - | - | - | - | - |
| (iii) | Covered by bank/ government guarantees | 299.6 | - | 299.6 | 478.4 | - | 478.4 |
| (iv) | Unsecured | - | - | - | - | - | - |
| | **Total loans – Gross (B)** | **106,928.8** | **71,645.7** | **178,574.5** | **111,190.6** | **37,550.6** | **148,741.2** |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | | At March 31, 2023 | | | At March 31, 2022 | | |
|---|---|---|---|---|---|---|---|
| | | Amortised cost | Fair value through OCI[1] | Total | Amortised cost | Fair value through OCI[1] | Total |
| | Less: Impairment loss allowance | (3,138.3) | - | (3,138.3) | (3,756.2) | - | (3,756.2) |
| | **Total loans – Net (B)** | **103,790.5** | **71,645.7** | **175,436.2** | **107,434.4** | **37,550.6** | **144,985.0** |
| | | | | | | | |
| (C) | **Loans in India** | | | | | | |
| (i) | Public sector | - | - | - | - | - | - |
| | Other than Public sector | 106,928.8 | 71,645.7 | 178,574.5 | 111,190.6 | 37,550.6 | 148,741.2 |
| | **Total loans – Gross (C)** | **106,928.8** | **71,645.7** | **178,574.5** | **111,190.6** | **37,550.6** | **148,741.2** |
| | Less: Impairment loss allowance | (3,138.3) | - | (3,138.3) | (3,756.2) | - | (3,756.2) |
| | **Total loans – Net (C)** | **103,790.5** | **71,645.7** | **175,436.2** | **107,434.4** | **37,550.6** | **144,985.0** |
| **(ii)** | **Loans outside India** | **-** | **-** | **-** | **-** | **-** | **-** |
| | **Total loans –Net (C) (i) and (ii)** | **103,790.5** | **71,645.7** | **175,436.2** | **107,434.4** | **37,550.6** | **144,985.0** |

1. Net of impairment allowance amounting to ₹ 326.5 million at March 31, 2023 (March 31, 2022: ₹ 152.9 million).
2. The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
3. The Company is engaged in a retail lending business. The Company has not entered into any transaction or arrangement with any person(s) or entity(ies) including foreign entities (intermediaries), which would result in onward lending to or on behalf of the lender.

## NOTES FORMING PART OF THE ACCOUNTS

### Loans against gold

Outstanding loans granted against collateral of gold jewellery was 0.17 % of total assets at March 31, 2023 (March 31, 2022: 0.14%).

### Break up of loans and advances and provision thereon

The following tables set forth, for the periods indicated, the break-up of loans in housing and non-housing.

₹ in million

| Particulars | At March 31, 2023 | | |
|---|---|---|---|
| | Housing | Non-Housing | Total |
| **Standard assets** | | | |
| Total Outstanding | 126,370.7 | 46,592.2 | 172,962.9 |
| Provision | 490.4 | 600.2 | 1,090.6 |
| **Non-performing assets (NPAs)** | | | |
| **Sub- Standard** | | | |
| Total Outstanding | 1,459.2 | 1,328.8 | 2,788.0 |
| Provision | 228.1 | 202.0 | 430.1 |
| **Doubtful- 1** | | | |
| Total Outstanding | 807.4 | 519.6 | 1,327.0 |
| Provision | 276.1 | 175.5 | 451.6 |
| **Doubtful- 2** | | | |
| Total Outstanding | 361.8 | 354.7 | 716.5 |
| Provision | 199.0 | 186.9 | 385.9 |
| **Doubtful- 3** | | | |
| Total Outstanding | 780.1 | - | 780.1 |
| Provision | 780.1 | - | 780.1 |
| **Loss** | | | |
| Total Outstanding | - | - | - |
| Provision | - | - | - |
| **Total** | | | |
| Total Outstanding | 129,779.2 | 48,795.3 | 178,574.5 |
| Provision | 1,973.7 | 1,164.6 | 3,138.3 |

1. Standard assets represent loans classified as Stage-1 and Stage-2, NPAs represent loans classified as Stage-3, Total outstanding represent Exposure at default and Provisions represent Expected credit loss in the above table.

## NOTES FORMING PART OF THE ACCOUNTS

₹ in million

| Particulars | At March 31, 2022 | | |
|---|---|---|---|
| | Housing | Non-Housing | Total |
| **Standard assets** | | | |
| Total Outstanding | 102,392.0 | 37,752.2 | 140,144.2 |
| Provision | 605.5 | 789.7 | 1,395.2 |
| **Non-performing assets (NPAs)** | | | |
| **Sub- Standard** | | | |
| Total Outstanding | 2,291.3 | 1,634.5 | 3,925.8 |
| Provision | 330.9 | 241.8 | 572.7 |
| **Doubtful- 1** | | | |
| Total Outstanding | 1,002.7 | 1,013.5 | 2,016.2 |
| Provision | 332.8 | 335.5 | 668.3 |
| **Doubtful- 2** | | | |
| Total Outstanding | 1,268.2 | 653.8 | 1,922.0 |
| Provision | 777.3 | 342.7 | 1,120.0 |
| **Doubtful- 3** | | | |
| Total Outstanding | 224.0 | 509.0 | 733.0 |
| Provision | - | - | - |
| **Loss** | | | |
| Total Outstanding | - | - | - |
| Provision | - | - | - |
| **Total** | | | |
| Total Outstanding | 107,178.2 | 41,563.0 | 148,741.2 |
| Provision | 2,046.5 | 1,709.7 | 3,756.2 |

1. Standard assets represent loans classified as Stage-1 and Stage-2, NPAs represent loans classified as Stage-3, Total outstanding represent Exposure at default and Provisions represent Expected credit loss in the above table.

## NOTES FORMING PART OF THE ACCOUNTS

### Movement of Non-performing assets (NPAs)

The following table sets forth, for the periods indicated, movement in stage 3 loans (NPAs) & movement in ECL (provisions).

₹ in million

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| (I) **Net NPAs to Net Advances (%)** | **2.03%** | **4.30%** |
| (II) **Movement of NPAs (Gross)** | | |
| a) Opening balance | 8,597.0 | 9,385.7 |
| b) Additions during the year | 5,689.0 | 8,611.6 |
| c) Reductions during the year | 8,674.4 | 9,400.3 |
| d) Closing balance | **5,611.6** | **8,597.0** |
| (III) **Movement of NPAs (Net)** | | |
| a) Opening balance | 6,236.0 | 7,137.3 |
| b) Additions during the year | 3,572.1 | 5,271.8 |
| c) Reductions during the year | 6,244.2 | 6,173.1 |
| d) Closing balance | **3,563.9** | **6,236.0** |
| (IV) **Movement of provision for NPAs (excluding provisions on standard assets)** | | |
| a) Opening balance | 2,361.0 | 2,248.4 |
| b) Provisions made during the year | 2,116.9 | 3,339.8 |
| c) Write off/ write back of excess provisions | 2,430.1 | 3,227.2 |
| d) Closing balance | **2,047.7** | **2,361.0** |

1. Standard assets represent loans classified as Stage-1 and Stage-2, NPAs represent loans classified as Stage-3 and Provision for NPAs represent Expected credit loss in the above table.

## NOTES FORMING PART OF THE ACCOUNTS

### 9. INVESTMENTS

The following tables set forth, for the periods indicated, details of investments.

₹ in million

| Particulars | At March 31, 2023 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Amortised cost | At fair value | | | | Others | Total |
| | | Through Other Comprehensive Income | Through Profit or Loss | Designated at Fair Value Through Profit or Loss | Sub Total | | |
| **(A) Investments in India** | | | | | | | |
| Mutual funds | - | - | 1,615.4 | - | 1,615.4 | - | 1,615.4 |
| Government securities[1] | 3,304.1 | - | - | - | - | - | 3,304.1 |
| Equity instruments | - | - | 72.1 | - | 72.1 | - | 72.1 |
| **Total Gross** | **3,304.1** | **-** | **1,687.5** | **-** | **1,687.5** | **-** | **4,991.6** |
| Impairment loss allowance | - | - | - | - | - | - | - |
| **Total Net** | **3,304.1** | **-** | **1,687.5** | **-** | **1,687.5** | **-** | **4,991.6** |
| **(B) Investments outside India** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Total Investments (A+B)** | **3,304.1** | **-** | **1,687.5** | **-** | **1,687.5** | **-** | **4,991.6** |

1. Based on the assessment, no impairment loss has been recognised on government securities.

₹ in million

| Particulars | At March 31, 2022 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Amortised cost | At fair value | | | | Others | Total |
| | | Through Other Comprehensive Income | Through Profit or Loss | Designated at Fair Value Through Profit or Loss | Sub Total | | |
| **(A) Investments in India** | | | | | | | |
| Mutual funds | - | - | 2,701.5 | - | 2,701.5 | - | 2,701.5 |
| Government securities[1] | 3,268.9 | - | - | - | - | - | 3,268.9 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | At March 31, 2022 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Amortised cost | At fair value | | | | Others | Total |
| | | Through Other Comprehensive Income | Through Profit or Loss | Designated at Fair Value Through Profit or Loss | Sub Total | | |
| Equity instruments | - | - | 33.7 | - | 33.7 | - | 33.7 |
| **Total Gross** | **3,268.9** | **-** | **2,735.2** | **-** | **2,735.2** | **-** | **6,004.1** |
| Impairment loss allowance | - | - | - | - | - | - | - |
| **Total Net** | **3,268.9** | **-** | **2,735.2** | **-** | **2,735.2** | **-** | **6,004.1** |
| **(B) Investments outside India** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Total Investments (A+B)** | **3,268.9** | **-** | **2,735.2** | **-** | **2,735.2** | **-** | **6,004.1** |

1. Based on the assessment, no impairment loss has been recognised on government securities.

The following table sets forth, for the periods indicated, the details of investments and the movement in fair value changes (provision towards depreciation) on investments of the Company.

₹ in million

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| Value of investments | | |
| (i) Gross value of investments | 4,991.6 | 6,004.1 |
| (a) In India | 4,991.6 | 6,004.1 |
| (b) Outside India | - | - |
| (ii) Provision for Depreciation | - | - |
| (a) In India | - | - |
| (b) Outside India | - | - |
| (iii) Net value of Investments | 4,991.6 | 6,004.1 |
| (a) In India | 4,991.6 | 6,004.1 |
| (b) Outside India | - | - |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| Movement of provisions held towards depreciation on investments | | |
| (i) Opening balance | - | - |
| (ii) Add: Provisions made during the year | - | - |
| (iii) Less: Write-off/Written-back of excess provisions during the year | - | - |
| (iv) Closing balance | - | - |

### 10. OTHER FINANCIAL ASSETS

The following table sets forth, for the periods indicated, details of other financial assets.

₹ in million

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| **At amortised cost** | | |
| Security deposits | 108.3 | 47.6 |
| Advances recoverable | 57.0 | 60.0 |
| Interest only strip receivable | 1,914.5 | 1,635.5 |
| Mutual fund redemption receivable | - | 500.3 |
| Other financial assets | 1.8 | 0.8 |
| **Total** | **2,081.6** | **2,244.2** |

## NOTES FORMING PART OF THE ACCOUNTS

### 11. PROPERTY, PLANT AND EQUIPMENT

The following table sets forth, for the periods indicated, details of property, plant and equipment.

₹ in million

| Particulars | Gross block | | | | Depreciations/amortisation | | | | Net block | |
|---|---|---|---|---|---|---|---|---|---|---|
| | At April 1, 2022 | Additions | Disposals/ adjustments | At March 31, 2023 | At April 1, 2022 | For the year | Adjustments/deductions | At March 31, 2023 | At April 1, 2022 | At March 31, 2023 |
| Free hold land[1,2] | 0.5 | - | - | 0.5 | - | - | - | - | 0.5 | 0.5 |
| | (0.5) | - | - | (0.5) | - | - | - | - | (0.5) | (0.5) |
| Building[1,2] | 778.4 | - | - | 778.4 | 74.9 | 14.7 | - | 89.6 | 703.5 | 688.8 |
| | (778.1) | (0.3) | - | (778.4) | (60.1) | (14.8) | - | (74.9) | (718.0) | (703.5) |
| ROU | 478.2 | 102.3 | 19.5 | 561.0 | 234.3 | 100.6 | 12.1 | 322.8 | 243.9 | 238.2 |
| | (475.0) | (25.7) | (22.5) | (478.2) | (151.9) | (97.9) | (15.5) | (234.3) | (323.1) | (243.9) |
| Improvements to leasehold property | 181.3 | 69.1 | 8.8 | 241.6 | 111.7 | 45.4 | 5.8 | 151.3 | 69.6 | 90.3 |
| | (181.2) | (7.5) | (7.4) | (181.3) | (77.2) | (38.4) | (3.9) | (111.7) | (104.0) | (69.6) |
| Computers | 84.6 | 55.4 | 4.3 | 135.7 | 63.2 | 17.2 | 4.1 | 76.3 | 21.4 | 59.4 |
| | (63.4) | (21.9) | (0.7) | (84.6) | (43.2) | (20.6) | (0.6) | (63.2) | (20.2) | (21.4) |
| Office Equipments | 126.5 | 38.5 | 3.4 | 161.6 | 79.9 | 26.7 | 2.4 | 104.2 | 46.6 | 57.4 |
| | (123.7) | (4.9) | (2.1) | (126.5) | (57.4) | (23.4) | (0.9) | (79.9) | (66.3) | (46.6) |
| Furniture & fixtures | 101.6 | 38.2 | 7.7 | 132.1 | 50.2 | 13.2 | 4.6 | 58.8 | 51.4 | 73.3 |
| | (95.6) | (10.7) | (4.7) | (101.6) | (42.8) | (9.5) | (2.1) | (50.2) | (52.8) | (51.4) |
| Electric Installation & Equipments | 46.4 | 5.0 | 0.7 | 50.7 | 14.1 | 4.8 | 0.2 | 18.7 | 32.3 | 32.0 |
| | (43.3) | (4.5) | (1.4) | (46.4) | (10.0) | (4.5) | (0.4) | (14.1) | (33.3) | (32.3) |
| Server & Network | 28.2 | 4.7 | 0.5 | 32.4 | 17.2 | 6.4 | 0.1 | 23.5 | 11.0 | 8.9 |
| | (25.8) | (2.5) | (0.1) | (28.2) | (11.2) | (6.0) | - | (17.2) | (14.6) | (11.0) |
| Vehicles | 3.8 | 5.0 | 3.8 | 5.0 | 3.8 | 0.6 | 3.8 | 0.6 | - | 4.4 |
| | (3.8) | - | - | (3.8) | (2.8) | (1.0) | - | (3.8) | (1.0) | - |
| **Total** | **1,829.5** | **318.2** | **48.7** | **2,099.0** | **649.3** | **229.7** | **33.1** | **845.8** | **1,180.2** | **1,253.2** |
| Previous year | (1,790.4) | (78.0) | (38.9) | (1,829.5) | (456.6) | (216.2) | (23.4) | (649.3) | (1,333.8) | (1,180.2) |

1. There is no charge on building (March 2022: Nil) and Free Hold land (March 31, 2022: Nil).
2. Title deeds of all the immovable properties are held in the name of the Company.
3. The Company does not hold any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
4. Amounts in brackets pertain to previous financial year.

## NOTES FORMING PART OF THE ACCOUNTS

### Capital work-in-progress (CWIP) ageing

The following tables set forth, for the periods indicating the details of CWIP and its ageing

**At March 31, 2023**

₹ in million

| CWIP | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 7.5 | - | - | - | 7.5 |
| Projects temporarily suspended | - | - | - | - | - |
| **Total** | **7.5** | **-** | **-** | **-** | **7.5** |

**At March 31, 2022**

₹ in million

| CWIP | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 6.9 | - | - | - | 6.9 |
| Projects temporarily suspended | - | - | - | - | - |
| **Total** | **6.9** | **-** | **-** | **-** | **6.9** |

### 12. INTANGIBLE ASSETS

The following table sets forth, for the periods indicated, details of intangible assets.

₹ in million

| Particulars | Gross block | | | | Depreciations/amortization | | | | Net block | |
|---|---|---|---|---|---|---|---|---|---|---|
| | At April 1, 2022 | Additions | Disposals/ adjustments | At March 31, 2023 | At April 1, 2022 | For the year | Adjustments / deductions | At March 31, 2023 | At April 1, 2022 | At March 31, 2023 |
| Computer software | 149.3 | 56.4 | - | 205.7 | 71.9 | 40.7 | - | 112.6 | 77.4 | 93.1 |
| | (97.3) | (52.0) | - | (149.3) | (38.2) | (33.7) | - | (71.9) | (59.1) | (77.4) |
| **Total** | **149.3** | **56.4** | **-** | **205.7** | **71.9** | **40.7** | **-** | **112.6** | **77.4** | **93.1** |
| Previous year | (97.3) | (52.0) | - | (149.3) | (38.2) | (33.7) | - | (71.9) | (59.1) | (77.4) |

## NOTES FORMING PART OF THE ACCOUNTS

### Intangible assets under development

The following tables set forth, for the periods indicated, ageing of intangible assets under development.

₹ in million

| At March 31, 2023 | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 23.0 | 9.3 | 1.1 | - | 33.4 |
| Projects temporarily suspended | - | - | - | - | - |
| **Total** | **23.0** | **9.3** | **1.1** | **-** | **33.4** |

₹ in million

| At March 31, 2022 | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 24.7 | 5.1 | 6.4 | 1.7 | 37.9 |
| Projects temporarily suspended | - | - | - | - | - |
| **Total** | **24.7** | **5.1** | **6.4** | **1.7** | **37.9** |

### 13. OTHER NON-FINANCIAL ASSETS

The following table sets forth, for the periods indicated, details of other non-financial assets.

₹ in million

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| Input tax credit – Goods and Service Tax | 116.1 | 121.2 |
| Pre-paid expenses | 18.7 | 17.3 |
| Other non-financial assets (Unsecured, considered good)[1] | 16.6 | 26.5 |
| **Total** | **151.4** | **165.0** |

1. Includes asset amounting to ₹ 0.6 million (At March 31, 2022: ₹ 9.4 million) recognised towards gratuity as per actuarial valuation (for detail refer note no. 48).

## NOTES FORMING PART OF THE ACCOUNTS

### 14. PAYABLES

The following tables set forth, for the periods indicated, details of payable.

₹ in million

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| **(I) Trade payables** | | |
| Total outstanding dues of micro, small and medium enterprises (refer note a below) | 89.3 | 42.1 |
| Total outstanding dues of creditors other than micro, small and medium enterprises | 1,784.7 | 1,582.9 |
| **(II) Other payables** | | |
| Total outstanding dues of micro, small and medium enterprises (refer note a below) | - | - |
| Total outstanding dues of creditors other than micro, small and medium enterprises | - | - |
| **Total** | **1,874.0** | **1,625.0** |

₹ in million

| Particulars | Unbilled dues (A) | Outstanding for following periods from due date of payment | | | | | Total (A)+(B) |
|---|---|---|---|---|---|---|---|
| | | At March 31, 2023 | | | | | |
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total (B) | |
| (i) MSME | 77.7 | 11.6 | - | - | - | 11.6 | **89.3** |
| (ii) Others | 473.3 | 1,309.5 | 1.0 | 0.1 | 0.8 | 1,311.4 | **1,784.7** |
| (iii) Disputed dues - MSME | - | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - | - |
| **Total** | **551.0** | **1,321.1** | **1.0** | **0.1** | **0.8** | **1,323.0** | **1,874.0** |

## NOTES FORMING PART OF THE ACCOUNTS

₹ in million

| Particulars | Unbilled dues (A) | Outstanding for following periods from due date of payment | | | | | Total (A)+(B) |
|---|---|---|---|---|---|---|---|
| | | At March 31, 2022 | | | | | |
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total (B) | |
| (i) MSME | 42.1 | - | - | - | - | - | **42.1** |
| (ii) Others | 378.6 | 1,199.7 | 3.2 | 0.8 | 0.6 | 1,204.3 | **1,582.9** |
| (iii) Disputed dues - MSME | - | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - | - |
| **Total** | **420.7** | **1,199.7** | **3.2** | **0.8** | **0.6** | **1,204.3** | **1,625.0** |

### a. Details of dues to micro and small enterprises as per Micro, Small and Medium Enterprises Development Act, 2006

The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified based on information available with the Company. The following table sets forth, for the periods indicated, the amount of principal and interest outstanding.

₹ in million

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| The principal amount and the interest due thereon (Interest - March 31, 2023: Nil, March 31, 2022: Nil) remaining unpaid to any supplier as at the end of each accounting year[1] | 89.3 | 42.1 |
| The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year | - | - |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006. | - | - |
| The amount of interest accrued and remaining unpaid at the end of each accounting year; | - | - |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006 | - | - |

1. Includes unbilled amount which is not due.

## NOTES FORMING PART OF THE ACCOUNTS

### 15. DEBT SECURITIES

The following tables set forth, for the periods indicated, details of debt-securities issued.

₹ in million

| Particulars | At March 31, 2023 | | | |
|---|---|---|---|---|
| | At amortised cost | At fair value through Profit or Loss | Designated at Fair Value Through Profit or Loss | Total |
| **(A) Debt securities in India** | | | | |
| Non-convertible debentures | | | | |
| – Secured | 47,713.3 | - | - | 47,713.3 |
| – Unsecured | - | - | - | - |
| Zero coupon bonds | - | - | - | - |
| Commercial papers | 6,886.6 | - | - | 6,886.6 |
| **Total – Gross** | **54,599.9** | **-** | **-** | **54,599.9** |
| Less – Unamortised borrowing cost | (55.2) | - | - | (55.2) |
| **Total – Net** | **54,544.7** | **-** | **-** | **54,544.7** |
| **(B) Debt securities outside India** | | | | |
| **Total (A+B)** | **54,544.7** | **-** | **-** | **54,544.7** |

1. The Non-convertible debentures (NCDs)/Bonds, other than Market linked debentures (MLDs) are issued with fixed/floating coupon rate and redeemable at par/premium. NCDs/Bonds in the nature of MLDs are issued with coupon rate linked to performance of underlying/reference index. Entire senior NCDs book at March 31, 2023 is secured by way of first ranking pari passu floating charge over the eligible receivables to the extent of security cover of one time of the obligations.

₹ in million

| Particulars | At March 31, 2022 | | | |
|---|---|---|---|---|
| | At amortised cost | At fair value through Profit or Loss | Designated at Fair Value Through Profit or Loss | Total |
| **(A) Debt securities in India** | | | | |
| Non-convertible debentures | | | | |
| – Secured[1] | 41,903.3 | - | - | 41,903.3 |
| – Unsecured | - | - | - | - |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | At March 31, 2022 | | | |
|---|---|---|---|---|
| | At amortised cost | At fair value through Profit or Loss | Designated at Fair Value Through Profit or Loss | Total |
| Zero coupon bonds | - | - | - | - |
| Commercial papers | 2,966.2 | - | - | 2,966.2 |
| **Total – Gross** | **44,869.5** | **-** | **-** | **44,869.5** |
| Less – Unamortised borrowing cost | (61.4) | - | - | (61.4) |
| **Total – Net** | **44,808.1** | **-** | **-** | **44,808.1** |
| **(B) Debt securities outside India** | | | | |
| **Total (A+B)** | **44,808.1** | **-** | **-** | **44,808.1** |

1. The Non-convertible debentures (NCDs)/Bonds, other than Market linked debentures (MLDs) are issued with fixed/floating coupon rate and redeemable at par. NCDs/Bonds in the nature of MLDs are issued with coupon rate linked to performance of underlying/reference index. Entire senior NCDs book at March 31, 2022 is secured by way of first ranking pari passu floating charge over the eligible receivables to the extent of security cover of one time of the obligations.

The following table sets forth, for the periods indicated, details of secured NCDs.

₹ in million

| Description | Date of Allotment | Date of Redemption | Rate of Interest | At March 31, 2023 | At March 31, 2022 |
|---|---|---|---|---|---|
| **Senior NCDs, other than MLDs** | | | | | |
| 120 NCDs of ₹ 1,000,000 each | August 12, 2021 | August 12, 2031 | 7.25% | 120.0 | 120.0 |
| 1,460 NCDs of ₹ 1,000,000 each | November 02, 2021 | August 12, 2031 | 7.25% | 1,460.0 | 1,460.0 |
| 850 NCDs of ₹ 1,000,000 each | December 03, 2021 | August 12, 2031 | 7.25% | 850.0 | 850.0 |
| 200 NCDs of ₹ 500,000 each | November 20, 2020 | November 20, 2030 | 7.07% | 100.0 | 100.0 |
| 100 NCDs of ₹ 500,000 each | May 26, 2020 | May 24, 2030 | 8.00% | 50.0 | 50.0 |
| 30,000 NCDs of ₹ 1,00,000 each | January 27, 2023 | January 27, 2028 | 7.88% | 3,000.0 | - |
| 5,350 NCDs of ₹ 1,000,000 each | December 23, 2021 | December 23, 2026 | 6.55% | 5,350.0 | 5,350.0 |
| 100 NCDs of ₹ 1,000,000 each | September 28, 2021 | September 28, 2026 | 6.27% | 100.0 | 100.0 |
| 100 NCDs of ₹ 1,000,000 each | December 03, 2021 | September 28, 2026 | 6.27% | 100.0 | 100.0 |
| 4,500 NCDs of ₹ 1,000,000 each | November 24, 2022 | November 24, 2025 | 7.95% | 4,500.0 | - |
| 1,500 NCDs of ₹ 1,000,000 each | December 23, 2021 | June 23, 2025 | 6.12% | 1,500.0 | 1,500.0 |

## NOTES FORMING PART OF THE ACCOUNTS

| Description | Date of Allotment | Date of Redemption | Rate of Interest | At March 31, 2023 | At March 31, 2022 |
|---|---|---|---|---|---|
| 3,000 NCDs of ₹ 500,000 each | November 20, 2020 | May 20, 2025 | 6.18% | 1,500.0 | 1,500.0 |
| 2,400 NCDs of ₹ 500,000 each | April 28, 2020 | April 28, 2025 | 7.60% | 1,200.0 | 1,200.0 |
| 2,400 NCDs of ₹ 500,000 each | December 05, 2019 | December 05, 2024 | 8.00% | 1,200.0 | 1,200.0 |
| 7,000 NCDs of ₹ 500,000 each | January 30, 2020 | December 05, 2024 | 8.00% | 3,500.0 | 3,500.0 |
| 2,000 NCDs of ₹ 500,000 each | October 19, 2020 | October 18, 2024 | 6.18% | 1,000.0 | 1,000.0 |
| 1,750 NCDs of ₹ 1,000,000 each | September 28, 2021 | September 27, 2024 | 7.65% | 1,750.0 | 1,750.0 |
| 1,250 NCDs of ₹ 1,000,000 each | September 05, 2022 | September 05, 2024 | 7.24% | 1,250.0 | - |
| 1,500 NCDs of ₹ 1,000,000 each | July 20, 2021 | July 19, 2024 | 5.89% | 1,500.0 | 1,500.0 |
| 4,000 NCDs of ₹ 500,000 each | May 26, 2020 | July 05, 2024 | 7.45% | 2,000.0 | 2,000.0 |
| 6,500 NCDs of ₹ 100,000 each | March 29, 2023 | June 28, 2024 | 8.00% | 650.0 | - |
| 4,250 NCDs of ₹ 1,000,000 each | March 03, 2022 | March 01, 2024 | 5.85% | 4,250.0 | 4,250.0 |
| 2,500 NCDs of ₹ 1,000,000 each | August 12, 2021 | August 11, 2023 | 5.10% | 2,500.0 | 2,500.0 |
| 2,000 NCDs of ₹ 500,000 each | April 28, 2020 | April 28, 2023 | 7.40% | 1,000.0 | 1,000.0 |
| 5,500 NCDs of ₹ 500,000 each | December 05, 2019 | December 05, 2022 | 7.70% | - | 2,750.0 |
| 6,000 NCDs of ₹ 500,000 each | February 12, 2020 | December 05, 2022 | 7.70% | - | 3,000.0 |
| 5,500 NCDs of ₹ 500,000 each | May 19, 2020 | September 19, 2022 | 7.20% | - | 2,750.0 |
| **Total (A)** | | | | **40,430.0** | **39,530.0** |
| **NCDs in the nature of MLDs** | | | | | |
| 400 MLDs of ₹ 1,000,000 each | November 14, 2022 | April 29, 2025 | 7.65% | 400.0 | - |
| 1,100 MLDs of ₹ 1,000,000 each | October 12, 2022 | April 11, 2025 | 7.56% | 1,100.0 | - |
| 570 MLDs of ₹ 1,000,000 each | September 26, 2022 | March 26, 2025 | 7.30% | 570.0 | - |
| 1,230 MLDs of ₹ 1,000,000 each | September 14, 2022 | July 15, 2024 | 7.10% | 1,230.0 | - |
| 843 MLDs of ₹ 1,000,000 each | August 24, 2022 | February 23, 2024 | 7.00% | 843.0 | - |
| 1,799 MLDs of ₹ 1,000,000 each | July 27, 2022 | January 25, 2024 | 6.76% | 1,799.0 | - |
| 2,200 MLDs of ₹ 500,000 each | August 26, 2020 | August 26, 2022 | 5.15% | - | 1,100.0 |
| **Total (B)** | | | | **5,942.0** | **1,100.0** |
| **Total (A+B)** | | | | **46,372.0** | **40,630.0** |
| Add/(less)- Interest accrued | | | | 1,349.3 | 1,283.4 |
| Add/(Less) – Unamortised Premium/(Discount) | | | | (8.0) | (10.1) |
| **Total** | | | | **47,713.3** | **41,903.3** |

## NOTES FORMING PART OF THE ACCOUNTS

The following tables set forth, for the periods indicated, details of commercial papers.

**At March 31, 2023 (Interest rate – 7.55% to 7.83%)**

₹ in million

| Maturities | 0-1 month | 1-2 months | 2-3 months | 3-6 months | 6-12 months | Total |
|---|---|---|---|---|---|---|
| Face value | - | - | 7,000.0 | - | - | 7,000.0 |
| Carrying value | - | - | 6,886.6 | - | - | 6,886.6 |

**At March 31, 2022 (Interest rate – 4.00% to 4.67%)**

₹ in million

| Maturities | 0-1 month | 1-2 months | 2-3 months | 3-6 months | 6-12 months | Total |
|---|---|---|---|---|---|---|
| Face value | 1,500.0 | - | - | 1,500.0 | - | 3,000.0 |
| Carrying value | 1,496.4 | - | - | 1,469.8 | - | 2,966.2 |

The following table sets forth, ratings assigned by credit rating agencies at March 31, 2023.

| Instrument | CRISIL | ICRA | CARE |
|---|---|---|---|
| Fixed deposits | CRISIL AAA/Stable | ICRA AAA/Stable | CARE AAA/Stable |
| Senior bonds/non- convertible debentures | CRISIL AAA/Stable | ICRA AAA/Stable | CARE AAA/Stable |
| Subordinate bonds | CRISIL AAA/Stable | ICRA AAA/Stable | CARE AAA/Stable |
| Market linked debentures | CRISIL PP-MLD AAA/ Stable | - | CARE PP-MLD AAA/ Stable |
| Commercial paper | - | ICRA A1+ | CARE A1+ |
| Long term bank facilities | - | ICRA AAA/Stable | - |

1. In addition to the debt instrument wise specific credit ratings, the Company has been assigned the issuer Rating of 'ICRA AAA' by ICRA

2. As per CRISIL rating letter and credit bulletin dated June 20, 2022, CRISIL Ratings has migrated the rating to "CRISIL AAA/Stable" from "FAAA/Stable". The migration represents only a recalibration of the rating from one scale to another and does not reflect any change in the credit risk profile of the fixed deposit programme. It is also neither an upgrade nor a downgrade of the FD rating programme.

3. As per CRISIL credit bulletin dated February 7, 2023 and rating letter dated February 8, 2023, CRISIL has removed the 'r' suffix used in the rating symbol of principal protected market-linked debentures. Removal of 'r' suffix does not reflect a rating change or a change in the CRISIL Ratings' credit opinion or in the credit risk profile of the Company. In other words, it is neither an upgrade nor a downgrade of the underlying credit risk profile of the issuer.

4. As per ICRA rating letter dated May 20, 2022 and rating rational dated May 27, 2022, ICRA Limited has revised its rating symbol for fixed deposit rating to "ICRA AAA/Stable" from "ICRA MAAA/Stable" due to migration of rating from medium term rating scale to long term rating scale

## NOTES FORMING PART OF THE ACCOUNTS

5. As per CARE Rating letter dated June 21, 2022, CARE Ratings Limited has revised its rating symbol for fixed deposit rating to "CARE AAA/Stable" from "CARE AAA(FD)/Stable". It is clarified that the change in rating symbols will have no bearing on the existing rating assigned by CARE ratings Ltd. to the Fixed Deposit of the Company and should not be construed in any manner, as a change in the rating.

The following table sets forth, ratings assigned by credit rating agencies at March 31, 2022.

| Instrument | CRISIL | ICRA | CARE |
|---|---|---|---|
| Fixed deposits | FAAA/Stable | MAAA/Stable | CARE AAA(FD)/Stable |
| Senior bonds/non- convertible debentures | CRISIL AAA/Stable | ICRA AAA/Stable | CARE AAA/Stable |
| Subordinate bonds | CRISIL AAA/Stable | ICRA AAA/Stable | CARE AAA/Stable |
| Market linked debentures | CRISIL PP-MLD AAAr/ Stable | - | CARE PP-MLD AAA/ Stable |
| Commercial paper | - | ICRA A1+ | CARE A1+ |
| Long term bank facilities | - | ICRA AAA/Stable | - |

1. In addition to the debt instrument wise specific credit ratings, the Company has been assigned the Issuer Rating of 'ICRA AAA' by ICRA.

2. There was no migration of rating during the year ended March 31, 2022.

### 16. BORROWINGS (OTHER THAN DEBT SECURITIES)

The following tables set forth, for the periods indicated, details of borrowings (other than debt securities)

₹ in million

| Particulars | At March 31, 2023 | | | |
|---|---|---|---|---|
| | At amortised cost | At Fair Value Through Profit or Loss | Designated at Fair Value Through Profit or Loss | Total |
| **(A) Secured/Unsecured** | | | | |
| Secured borrowings | | | | |
| (a) Term loans (Including re-finance) | | | | |
| (i) from banks[1] | 40,532.1 | - | - | 40,532.1 |
| (ii) External commercial borrowings | - | - | - | - |
| (iii) from National Housing Bank[2] | 11,514.8 | - | - | 11,514.8 |
| (b) Deferred payment liabilities | - | - | - | - |
| (c) Loans from related parties[1] | 1,208.6 | - | - | 1,208.6 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | At March 31, 2023 | | | |
|---|---|---|---|---|
| | At amortised cost | At Fair Value Through Profit or Loss | Designated at Fair Value Through Profit or Loss | Total |
| (d) Finance lease obligations | - | - | - | - |
| (e) Liability component of compound financial instruments | - | - | - | - |
| (f) Loans repayable on demand | | | | |
| (i) from banks | - | - | - | - |
| (ii) from related parties | - | - | - | - |
| | | | | |
| Unsecured borrowings | - | - | - | - |
| **Total (A) – Gross** | **53,255.5** | **-** | **-** | **53,255.5** |
| Less – Unamortised borrowing cost | (18.1) | - | - | (18.1) |
| **Total (A) – Net** | **53,237.4** | **-** | **-** | **53,237.4** |
| | | | | |
| **(B) In India/Outside India** | | | | |
| Borrowings in India | 53,255.5 | - | - | 53,255.5 |
| Borrowings outside India | - | - | - | - |
| **Total (B) – Gross** | **53,255.5** | **-** | **-** | **53,255.5** |
| Less – Unamortised borrowing cost | (18.1) | - | - | (18.1) |
| **Total (B) – Net** | **53,237.4** | **-** | **-** | **53,237.4** |

1. Secured by way of first ranking pari passu floating charge over the eligible receivables to the extent of security cover of one time of the obligations.

2. Secured by way of first exclusive charge over the identified receivables on borrowings amounting to ₹ 8,093.2 million and by way of negative lien on identified receivables on borrowings amounting to ₹ 3,421.6 million.

3. At March 31, 2023 there are no borrowings guaranteed by directors and others.

₹ in million

| Particulars | At March 31, 2022 | | | |
|---|---|---|---|---|
| | At amortised cost | At Fair Value Through Profit or Loss | Designated at Fair Value Through Profit or Loss | Total |
| **(A) Secured/Unsecured** | | | | |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | At March 31, 2022 | | | |
|---|---|---|---|---|
| | At amortised cost | At Fair Value Through Profit or Loss | Designated at Fair Value Through Profit or Loss | Total |
| Secured borrowings | | | | |
| (a) Term loans (Including re-finance) | | | | |
| (i) from banks[1] | 13,846.2 | - | - | 13,846.2 |
| (ii) External commercial borrowings[1] | 13,298.1 | - | - | 13,298.1 |
| (iii) from National Housing Bank[2] | 16,009.4 | - | - | 16,009.4 |
| (b) Deferred payment liabilities | - | - | - | - |
| (c) Loans from related parties[1] | 4,500.8 | - | - | 4,500.8 |
| (d) Finance lease obligations | - | - | - | - |
| (e) Liability component of compound financial instruments | - | - | - | - |
| (f) Loans repayable on demand | | | | |
| (i) from banks | - | - | - | - |
| (ii) from related parties | - | - | - | - |
| | | | | |
| Unsecured borrowings | - | - | - | - |
| **Total (A) – Gross** | **47,654.5** | **-** | **-** | **47,654.5** |
| Less – Unamortised borrowing cost | (103.2) | - | - | (103.2) |
| **Total (A) – Net** | **47,551.3** | **-** | **-** | **47,551.3** |
| | | | | |
| **(B) In India/Outside India** | | | | |
| Borrowings in India | 34,356.4 | - | - | 34,356.4 |
| Borrowings outside India | 13,298.1 | - | - | 13,298.1 |
| **Total (B) – Gross** | **47,654.5** | **-** | **-** | **47,654.5** |
| Less – Unamortised borrowing cost | (103.2) | - | - | (103.2) |
| **Total (B) – Net** | **47,551.3** | **-** | **-** | **47,551.3** |

1. Secured by way of first ranking pari passu floating charge over the eligible receivables to the extent of security cover of one time of the obligations.

## NOTES FORMING PART OF THE ACCOUNTS

2. Secured by way of first exclusive charge over the identified receivables on borrowings amounting to ₹ 11,113.6 million and by way of negative lien on identified receivables on borrowings amounting to ₹ 4,895.8 million.

3. At March 31, 2022 there are no borrowings guaranteed by directors and others.

There has not been any default in repayment of borrowings and interest during the year ended March 31, 2023, (no default during the year ended March 31, 2022).

The following tables set forth, the interest rates and maturity pattern of term loans at March 31, 2023.

**a. Term loans from banks**

₹ in million

| Maturities | 0-1 year | 1-3 years | 3-5 years | 5 years and above | Total |
|---|---|---|---|---|---|
| 6.50% - 7.99% | 1,271.6 | 3,048.5 | 2,810.9 | 2,220.1 | 9,351.1 |
| 8.00% - 9.50% | 4,327.2 | 14,462.9 | 7,707.5 | 4,683.4 | 31,181.0 |
| **Total** | **5,598.8** | **17,511.4** | **10,518.4** | **6,903.5** | **40,532.1** |

**b. Term loans from National Housing Bank**

₹ in million

| Maturities | 0-1 year | 1-3 years | 3-5 years | 5 years and above | Total |
|---|---|---|---|---|---|
| <6.50% | 1,031.2 | 2,445.8 | 1,178.2 | - | 4,655.2 |
| 6.50% - 7.99% | 996.6 | 2,645.2 | 2,410.0 | 807.8 | 6,859.6 |
| **Total** | **2,027.8** | **5,091.0** | **3,588.2** | **807.8** | **11,514.8** |

**c. Term loans from related parties**

₹ in million

| Maturities | 0-1 year | 1-3 years | 3-5 years | 5 years and above | Total |
|---|---|---|---|---|---|
| 6.50% - 7.99% | 83.6 | 166.7 | 166.7 | 791.6 | 1,208.6 |
| **Total** | **83.6** | **166.7** | **166.7** | **791.6** | **1,208.6** |

## NOTES FORMING PART OF THE ACCOUNTS

The following tables set forth, the interest rates and contractual maturity pattern of term loans at March 31, 2022.

**a. Term loans from banks**

₹ in million

| Maturities | 0-1 year | 1-3 years | 3-5 years | 5 years and above | Total |
|---|---|---|---|---|---|
| <6.50% | 3,765.8 | 6,003.0 | 1,139.6 | - | 10,908.4 |
| 6.50% to 7.99% | 732.3 | 975.8 | 1,229.7 | - | 2,937.8 |
| **Total** | **4,498.1** | **6,978.8** | **2,369.3** | **-** | **13,846.2** |

**b. External commercial borrowings**

₹ in million

| Maturities | 0-1 year | 1-3 years | 3-5 years | 5 years and above | Total |
|---|---|---|---|---|---|
| 8.00% to 9.50% | 13,298.1 | - | - | - | 13,298.1 |
| **Total** | **13,298.1** | **-** | **-** | **-** | **13,298.1** |

**c. Term loans from National Housing Bank**

₹ in million

| Maturities | 0-1 year | 1-3 years | 3-5 years | 5 years and above | Total |
|---|---|---|---|---|---|
| < 6.50% | 1,873.8 | 4,991.3 | 4,191.7 | 3,248.1 | 14,304.9 |
| 6.50% to 7.99% | 153.9 | 410.4 | 410.4 | 729.8 | 1,704.5 |
| **Total** | **2,027.7** | **5,401.7** | **4,602.1** | **3,977.9** | **16,009.4** |

**d. Term loans from related parties**

₹ in million

| Maturities | 0-1 year | 1-3 years | 3-5 years | 5 years and above | Total |
|---|---|---|---|---|---|
| < 6.50% | 505.8 | 1,836.7 | 1,408.2 | - | 3,750.7 |
| 6.50% to 7.99% | 107.3 | 367.3 | 275.5 | - | 750.1 |
| **Total** | **613.1** | **2,204.0** | **1,683.7** | **-** | **4,500.8** |

**Notes:**

1. The Company has utilised the borrowings from banks and financial institutions for the purpose for which it was availed.
2. Borrowings from banks or financial institutions are secured by way of first ranking pari passu floating charge over the eligible receivables. Further, the Company has filed Statement of Asset Cover with Security Trustee and banks matching with books of accounts.
3. The Company has not entered into any transaction or arrangement with any person(s) or entity(ies) including foreign entities (intermediaries) which would result in onward lending to or on behalf of the lender.

## NOTES FORMING PART OF THE ACCOUNTS

### 17. DEPOSITS

The following tables set forth, for the periods indicated, details of deposits.

₹ in million

| Particulars | At March 31, 2023 | | | |
|---|---|---|---|---|
| | At amortised cost | At Fair Value Through Profit or Loss | Designated at Fair value Through Profit or Loss | Total |
| (i) Public deposits[1] | 20,885.9 | - | - | 20,885.9 |
| (ii) From banks | 1,131.3 | - | - | 1,131.3 |
| (iii) From others | 14,608.6 | - | - | 14,608.7 |
| **Total – Gross** | **36,625.8** | **-** | **-** | **36,625.8** |
| Less – Unamortised borrowing cost | (125.4) | - | - | (125.4) |
| **Total – Net** | **36,500.4** | **-** | **-** | **36,500.4** |

1. Public deposits as defined in paragraph 3 (xiii) of Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016, are secured by floating charge and lien in favour of the Trustees for Depositors on the Statutory Liquid Assets maintained in terms of sub-sections (1) and (2) of Section 29B of the National Housing Bank Act, 1987.

₹ in million

| Particulars | At March 31, 2022 | | | |
|---|---|---|---|---|
| | At amortised cost | At Fair Value Through Profit or Loss | Designated at Fair value Through Profit or Loss | Total |
| (i) Public deposits[1] | 22,519.2 | - | - | 22,519.2 |
| (ii) From banks | 1,141.9 | - | - | 1,141.9 |
| (iii) From others | 7,345.9 | - | - | 7,345.9 |
| **Total – Gross** | **31,007.0** | **-** | **-** | **31,007.0** |
| Less – Unamortised borrowing cost | (136.4) | - | - | (136.4) |
| **Total** | **30,870.6** | **-** | **-** | **30,870.6** |

1. Public deposits as defined in paragraph 3 (xiii) of Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016, are secured by floating charge and lien in favour of the Trustees for Depositors on the Statutory Liquid Assets maintained in terms of sub-sections (1) and (2) of Section 29B of the National Housing Bank Act, 1987.

## NOTES FORMING PART OF THE ACCOUNTS

### 18. SUBORDINATE LIABILITIES

The following tables set forth, for the periods indicated, details of subordinate liabilities.

₹ in million

| Particulars | At March 31, 2023 | | | |
|---|---|---|---|---|
| | At amortised cost | At Fair Value Through Profit or Loss | Designated at Fair value Through Profit or Loss | Total |
| Subordinate liabilities in India | | | | |
| Non-convertible debentures | 4,335.7 | - | - | 4,335.7 |
| **Total** | **4,335.7** | **-** | **-** | **4,335.7** |
| Less – Unamortised borrowing cost | - | - | - | - |
| **Total – in India** | **4,335.7** | **-** | **-** | **4,335.7** |
| Subordinate liabilities outside India | - | - | - | - |
| **Total - Subordinate liabilities** | **4,335.7** | **-** | **-** | **4,335.7** |

₹ in million

| Particulars | At March 31, 2022 | | | |
|---|---|---|---|---|
| | At amortised cost | At Fair Value Through Profit or Loss | Designated at Fair value Through Profit or Loss | Total |
| Subordinate liabilities in India | | | | |
| Non-convertible debentures | 4,337.0 | - | - | 4,337.0 |
| **Total** | **4,337.0** | **-** | **-** | **4,337.0** |
| Less – Unamortised borrowing cost | - | - | - | - |
| **Total – in India** | **4,337.0** | **-** | **-** | **4,337.0** |
| Subordinate liabilities outside India | - | - | - | - |
| **Total - Subordinate liabilities** | **4,337.0** | **-** | **-** | **4,337.0** |

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, details of subordinate liabilities.

₹ in million

| Description | Date of Allotment | Date of Redemption | Rate of Interest | At March 31, 2023 | At March 31, 2022 |
|---|---|---|---|---|---|
| 800 NCDs of ₹ 500,000 each | February 23, 2021 | December 10, 2035 | 7.65% | 400.0 | 400.0 |
| 400 NCDs of ₹ 500,000 each | December 10, 2020 | December 10, 2035 | 7.65% | 200.0 | 200.0 |
| 500 NCDs of ₹ 500,000 each | January 11, 2021 | December 10, 2035 | 7.65% | 250.0 | 250.0 |
| 354 NCDs of ₹ 500,000 each | February 23, 2021 | August 23, 2033 | 7.50% | 177.0 | 177.0 |
| 500 NCDs of ₹ 500,000 each | February 23, 2021 | February 21, 2031 | 7.40% | 250.0 | 250.0 |
| 1,280 NCDs of ₹ 500,000 each | November 10, 2020 | November 08, 2030 | 7.50% | 640.0 | 640.0 |
| 2,140 NCDs of ₹ 500,000 each | December 10, 2020 | November 08, 2030 | 7.50% | 1070.0 | 1070.0 |
| 500 NCDs of ₹ 500,000 each | January 11, 2021 | November 08, 2030 | 7.50% | 250.0 | 250.0 |
| 1,000 NCDs of ₹ 500,000 each | June 10, 2020 | June 10, 2030 | 8.02% | 500.0 | 500.0 |
| 910 NCDs of ₹ 500,000 each | June 26, 2020 | June 10, 2030 | 8.02% | 455.0 | 455.0 |
| | | | | **4,192.0** | **4,192.0** |
| Add/(Less) – Interest Accrued | | | | 138.4 | 139.1 |
| Add/(Less) – Unamortised premium/(Discount) | | | | 5.3 | 5.9 |
| **Total** | | | | **4,335.7** | **4,337.0** |

### 19. OTHER FINANCIAL LIABILITIES (AT AMORTISED COST)

The following table sets forth, for the periods indicated, details of other financial liabilities (at amortised cost).

₹ in million

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| Unpaid matured deposits and interest accrued thereon | 8.8 | 78.8 |
| Lease liability | 260.4 | 271.9 |
| Others[1] | 9,799.6 | 8,360.1 |
| **Total** | **10,068.8** | **8,710.8** |

1. Includes book overdraft, unappropriated credits pertaining to loans and fixed deposits, accruals for expenses etc.

## NOTES FORMING PART OF THE ACCOUNTS

### 20. PROVISIONS

The following table sets forth, for the periods indicated, details of provisions.

₹ in million

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| (a) Provision for employee benefits | | |
| Leave encashment | 30.9 | 30.8 |
| (b) Other provisions | | |
| Provision for others | 34.1 | 63.9 |
| **Total** | **65.0** | **94.7** |

### 21. OTHER NON-FINANCIAL LIABILITIES

The following table sets forth, for the periods indicated, details of other non-financial liabilities.

₹ in million

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| Undisputed statutory dues | 187.8 | 154.0 |
| **Total** | **187.8** | **154.0** |

### 22. EQUITY SHARE CAPITAL

The following table sets forth, for the periods indicated, details of share capital.

₹ in million

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| **Authorised shares[1]** | | |
| 2,385,000,000 Equity shares of ₹ 10 each (March 2022: 2,385,000,000) | 23,850.0 | 23,850.0 |
| **Total authorised shares** | **23,850.0** | **23,850.0** |
| **Issued, subscribed and paid-up Equity share capital** | | |
| 1,203,527,870 Equity shares of ₹ 10 each fully paid-up (March 2022 - 1,098,750,000) | 12,035.3 | 10,987.5 |
| **Total Issued, subscribed and paid-up Equity share capital** | **12,035.3** | **10,987.5** |

1. Excluding 15,000,000 redeemable preference shares of ₹ 10 each (March 2022: 15,000,000)

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, reconciliation of the equity shares.

| Particulars | At March 31, 2023 | | At March 31, 2022 | |
|---|---|---|---|---|
| | No. | ₹ in million | No. | ₹ in million |
| At the beginning of the year | 1,098,750,000 | 10,987.5 | 1,098,750,000 | 10,987.5 |
| Issued during the year | 104,777,870 | 1,047.8 | - | - |
| Outstanding at the end of the year | 1,203,527,870 | 12,035.3 | 1,098,750,000 | 10,987.5 |

The following table sets forth, for the periods indicated shares held by the promoters.

| | Promoter name | At March 31, 2023 | | | At March 31, 2022 | | |
|---|---|---|---|---|---|---|---|
| | | No. of Shares | % of total shares | % change during the year | No. of Shares | % of total shares | % change during the year |
| 1 | ICICI Bank Limited | 1,203,526,770 | 100% | Nil | 1,098,748,900 | 100% | Nil |
| 2 | ICICI Securities Limited | 600 | * | Nil | 600 | * | Nil |
| 3 | ICICI Venture Funds Management Company Limited | 100 | * | Nil | 100 | * | Nil |
| 4 | ICICI Investment Management Company Limited | 100 | * | Nil | 100 | * | Nil |
| 5 | ICICI Trusteeship Services Limited | 100 | * | Nil | 100 | * | Nil |
| 6 | ICICI Lombard General Insurance Company Limited | 100 | * | Nil | 100 | * | Nil |
| 7 | ICICI Securities Primary Dealership Limited | 100 | * | Nil | 100 | * | Nil |
| **Total** | | **1,203,527,870** | **100%** | | **1,098,750,000** | **100%** | |

*Insignificant percentage

## NOTES FORMING PART OF THE ACCOUNTS

a. All equity shares are held by the holding company (ICICI Bank Limited) and its nominees at March 31, 2023 and at March 31, 2022.

b. The Company has not reserved any shares for issues under options and contracts/ commitments for the sale.

c The Company has not allotted any shares pursuant to contracts without payment being received in cash or as bonus shares nor it has bought back any shares during the preceding five financial years.

d. The Company has not:

   i. Issued any securities convertible into equity/preference shares.

   ii. Issued any shares where calls are unpaid.

   iii. Forfeited any shares.

e. Terms/rights attached to equity shares

   The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by Shareholders at the Annual General Meeting.

f. On July 4, 2022, the Company issued a letter of offer for issuance of equity shares on right basis to its existing shareholders. The equity shares having face value of ₹ 10 each were proposed to be issued at a premium of ₹ 13.86 per share in the proportion of 100,000 equity shares for every 1,048,647 equity shares aggregating to ₹ 2,500.0 million. Pursuant to the letter of offer, ICICI Bank Limited on July 28, 2022 applied for 104,777,870 equity shares of face value of ₹ 10 each at a premium of ₹ 13.86 per share aggregating to ₹ 2,500.0 million, which was duly approved by the Committee of Directors at its meeting held on July 28, 2022.

g. Company's objectives, policies and process for managing Capital – Refer note no. 36

h. For dividend related details, refer note no. 41.

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

## NOTES FORMING PART OF THE ACCOUNTS

### 23. OTHER EQUITY

#### A. Summary of Other Equity balance

The following table sets forth, for the periods indicated, details of other equity.

₹ in million

| | Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|---|
| (i) | General reserve | 249.4 | 249.4 |
| (ii) | Statutory reserve (As per Section 29C of National Housing Bank Act,1987) and Special reserve | 5,741.8 | 5,137.8 |
| (iii) | Securities Premium | 1,452.2 | - |
| (iv) | Retained earnings | 5,149.7 | 2,900.2 |
| (v) | Capital contribution (Share based compensation to employees) | 150.9 | 147.1 |
| (vi) | Items of Other Comprehensive Income | | |
| | - Re-measurements of net defined benefit plan | 10.7 | 4.3 |
| | - Fair value change on derivatives designated as cash flow hedges | - | (184.7) |
| | - Fair value changes on loans classified under "Hold & Sell" business model | 3,279.6 | 1,809.4 |
| | **Total Other Equity** | **16,034.3** | **10,063.5** |

#### B. Nature and purpose of reserves

##### a. General Reserve

The Company created a General Reserve in earlier years pursuant to the provisions of the Companies Act, 1956, wherein certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per Companies Act, 2013, the requirement to transfer profits to General Reserve is not mandatory. General reserve is a free reserve available to the Company for distribution.

##### b. Statutory Reserve and Special Reserve

The Company has created a reserve fund as required by section 29C of National Housing Bank Act, 1987, wherein a sum not less than twenty percent of its profit every year, as disclosed in the Statement of Profit and Loss and before any dividend is declared, is transferred. For this purpose, any Special Reserve created by the Company under Section 36(1) (viii) of the Income Tax Act, 1961 is considered an eligible transfer. Statutory Reserve can be utilised only for the purposes as may be specified by the NHB from time to time and every such utilisation is required to be reported to the NHB within twenty-one days from the date of such utilisation.

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, reconciliation of the statutory reserve.

₹ in million

| Particulars | | At March 31, 2023 | At March 31, 2022 |
|---|---|---|---|
| **Balance at the beginning of the year** | | | |
| a) | Statutory Reserve u/s 29C of National Housing Bank, Act 1987 | 1,822.2 | 1,727.7 |
| b) | Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve under section 29C of the NHB Act, 1987 | 3,315.6 | 3,081.6 |
| | **Total** | **5,137.8** | **4,809.3** |
| **Addition/Appropriation/Withdrawal during the year** | | | |
| Add: | a) Amount transferred u/s 29C of the NHB Act, 1987 | 144.0 | 94.5 |
| | b) Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve u/s 29C of the NHB Act, 1987 | 460.0 | 234.0 |
| Less: | a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987 | - | - |
| | b) Amount Withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987 | - | - |
| **Balance at the end of the year** | | | |
| a) | Statutory Reserve u/s 29C of the National Housing Bank Act, 1987 | 1,966.2 | 1,822.2 |
| b) | Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve under section 29C of the NHB Act, 1987 | 3,775.6 | 3,315.6 |
| | **Total** | **5,741.8** | **5,137.8** |

### Draw down from reserves

There has been no draw down from reserves during the year ended March 31, 2023 (March 2022 – no drawdown).

### c. Capital contribution (Share based compensation to employees)

The Parent Bank (ICICI Bank Limited) has issued stock options to certain employees of the Company. These transactions are recognised as equity-settled share based payment transactions. The stock compensation expense is determined based on fair value of options and the Parent Bank's estimate

## NOTES FORMING PART OF THE ACCOUNTS

of options that will eventually vest and is recognised over the vesting period in the Statement of Profit and Loss with corresponding increase in equity as contribution from the Parent Bank on options granted till March 31, 2020. However, from April 1, 2020 the Company is paying the cost of options granted to its employees by the Parent Bank.

### d. Other Comprehensive Income (OCI)

Re-measurements of net defined benefit plan - It represents the cumulative actuarial gains/(losses) on defined employee benefit plans.

Cash flow hedge - It represents the cumulative gains/(losses) arising on fair valuation of the derivative instruments designated as cash flow hedges through OCI at reporting date.

Fair value changes on loans classified under "Hold & sell" business model - It represents cumulative gains/(losses) arising on fair valuation of mortgage loans set aside under the hold and sell business model at reporting date.

## 24. INTEREST INCOME

The following table sets forth, for the periods indicated, details of interest income.

₹ in million

| Particulars | Year ended March 31, 2023 | | | | Year ended March 31, 2022 | | | |
|---|---|---|---|---|---|---|---|---|
| | On financial assets measured at Fair Value Through OCI | On financial assets measured at amortised cost | On financial assets classified at fair value through Profit or Loss | Total | On financial assets measured at fair value through OCI | On financial assets measured at amortised cost | On financial assets classified at fair value through Profit or Loss | Total |
| Interest on loans | 6,799.3 | 10,474.6 | - | 17,273.9 | 2,360.0 | 11,921.2 | - | 14,281.2 |
| Interest income from investments | - | 228.9 | - | 228.9 | - | 215.6 | - | 215.6 |
| Interest on deposits with banks | - | 2.9 | - | 2.9 | - | 9.2 | - | 9.2 |
| Interest on TREPS | - | 226.9 | - | 226.9 | - | 6.2 | - | 6.2 |
| **Total** | **6,799.3** | **10,933.3** | **-** | **17,732.6** | **2,360.0** | **12,152.2** | **-** | **14,512.2** |

## NOTES FORMING PART OF THE ACCOUNTS

### 25. FEES AND COMMISSION INCOME

The following table sets forth, for the periods indicated, details of fees and commission income.

₹ in million

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| Property service fees | 7.4 | 36.8 |
| Processing fee[1] | 143.2 | 103.5 |
| Referral fees – General insurance | 43.0 | 13.6 |
| Referral fees – Life insurance | 79.4 | 57.8 |
| Other fee income | 122.8 | 102.5 |
| **Total** | **395.8** | **314.2** |

1. Represents log-in/processing fee on expired/cancelled cases.

### 26. NET GAIN/(LOSS) ON FAIR VALUE CHANGES[1]

The following table sets forth, for the periods indicated, details of net gain/(loss) on fair value changes.

₹ in million

| Particulars | | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|---|
| (A) | Net gain/(loss) on financial instruments at fair value through profit or loss | | |
| (i) | On trading portfolio | | |
| | - Investments | 42.6 | (1.1) |
| | - Derivatives | - | - |
| | - Others | - | - |
| (ii) | On financial instruments designated at fair value through profit or loss | - | - |
| | **Total** | **42.6** | **(1.1)** |
| (B) | Others | - | - |
| | **Total** | **-** | **-** |
| (C) | **Total net gain/(loss) on fair value changes** | **42.6** | **(1.1)** |
| | | | |
| | Fair value changes | | |
| | - realized | - | - |
| | - unrealized | 42.6 | (1.1) |
| **(D)** | **Total net gain/(loss) on fair value changes** | **42.6** | **(1.1)** |

1. Fair value changes in this schedule are other than those arising on account of accrued interest income/expense.

## NOTES FORMING PART OF THE ACCOUNTS

### 27. OTHER REVENUE FROM OPERATIONS

The following table sets forth, for the periods indicated, details of other revenue from operation.

₹ in million

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| Profit on sale of mutual fund units | 108.1 | 150.5 |
| **Total** | **108.1** | **150.5** |

### 28. OTHER INCOME

The following table sets forth, for the periods indicated, details of other income.

₹ in million

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| Rent income | 11.7 | 11.1 |
| Others | 2.4 | 0.4 |
| **Total** | **14.1** | **11.5** |

### 29. FINANCE COST

The following table sets forth, for the periods indicated, details of finance cost.

₹ in million

| Particulars | Year ended March 31, 2023 | | Year ended March 31, 2022 | |
|---|---|---|---|---|
| | On financial liabilities measured at fair value through Profit or Loss | On financial liabilities measured at amortised cost | On financial liabilities measured at fair value through Profit or Loss | On financial liabilities measured at amortised cost |
| Interest on deposits | - | 2,416.7 | - | 2,323.2 |
| Interest on borrowings | - | 3,378.7 | - | 3,817.8 |
| Interest on debt securities | - | 3,402.3 | - | 2,308.2 |
| Interest on subordinate liabilities | - | 321.4 | - | 320.9 |
| Interest on lease liabilities | - | 17.6 | - | 19.3 |
| **Total** | **-** | **9,536.7** | **-** | **8,789.4** |

## NOTES FORMING PART OF THE ACCOUNTS

### 30. FEES AND COMMISSION EXPENSES

The following table sets forth, for the periods indicated, details of fees and commission expenses.

₹ in million

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| Property services fee expense, brokerage and commission | 5.4 | 14.7 |
| Legal and technical fees | 60.4 | 23.9 |
| **Total** | **65.8** | **38.6** |

### 31. IMPAIRMENT ON FINANCIAL INSTRUMENTS

The following table sets forth, for the periods indicated, details of impairment and write-offs of financial instruments.

₹ in million

| Particulars | Year ended March 31, 2023 | | Year ended March 31, 2022 | |
|---|---|---|---|---|
| | On financial instruments measured at fair value through OCI | On financial instruments measured at amortised cost | On financial instruments measured at fair value through OCI | On financial liabilities measured at amortised cost |
| Loans | - | 1,799.6 | - | 1,727.6 |
| Investments | - | - | - | - |
| Others | - | (24.6) | - | 27.7 |
| **Total** | **-** | **1,775.0** | **-** | **1,755.3** |

#### Provisions and contingencies

The following table sets forth, for the periods indicated, the break-up of provisions and contingencies included in Statement of Profit and Loss.

₹ in million

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| Provision for depreciation on Investment | - | - |
| Provision/write-offs towards non-performing assets | 1,930.7 | 1,628.1 |
| Provision for standard assets | (131.1) | 99.5 |
| *- HL to individuals* | *(3.4)* | *38.2* |
| *- HL to others* | - | - |
| *- Teaser Loans* | - | - |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| *- Commercial Real Estate-Residential Housing Loans* | *(1.6)* | *13.1* |
| *- Commercial Real Estate- Other Loans* | *9.0* | *(0.1)* |
| *- Other Loans* | *(135.1)* | *48.3* |
| Other provisions and contingencies write offs | (24.6) | 27.7 |
| **Total** | **1,775.0** | **1,755.3** |
| Provision made towards Income Tax, including deferred tax credit | 850.0 | 480.6 |

Note 1: Standard assets represent loans classified as Stage-1 and Stage-2, NPAs represent loans classified as Stage-3 and Provisions on loans represent ECL in the above table.

### 32. EMPLOYEE BENEFITS EXPENSES

The following table sets forth, for the periods indicated, details of employee benefits expenses.

₹ in million

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| Salaries and wages | 1,894.6 | 1,472.6 |
| Contribution to provident and other funds | 106.5 | 76.4 |
| Share based payment to employees | 41.9 | 33.0 |
| Staff welfare expenses | 150.6 | 136.4 |
| **Total** | **2,193.6** | **1,718.4** |

### 33. OTHER EXPENSES

The following table sets forth, for the periods indicated, details of other expenses.

₹ in million

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| Rent, rates and energy cost | 52.6 | 28.5 |
| Repairs and maintenance | 158.7 | 88.7 |
| Communication costs | 100.2 | 64.8 |
| Printing and stationery | 46.0 | 28.1 |
| Advertisement and publicity | 79.6 | 49.6 |
| Directors' fees, allowances and expenses | 6.0 | 7.4 |
| Auditors' fees and expenses (refer note below) | 8.6 | 10.4 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| Legal and professional charges | 480.0 | 234.5 |
| Collection expenses | 178.4 | 205.9 |
| Insurance | 5.4 | 4.4 |
| Travelling and conveyance | 183.0 | 96.4 |
| Office expenses | 114.0 | 82.3 |
| Corporate Social Responsibility expenditure[1] | 15.6 | 10.2 |
| Computer consumables | 25.2 | 19.5 |
| Unwinding cost on derivatives | 265.0 | 281.0 |
| Miscellaneous expenses | 79.5 | 30.9 |
| **Total** | **1,797.8** | **1,242.6** |

1. Refer note 83 for details.

### Remuneration to auditors

The following table sets forth, for the periods indicated, details of remuneration to auditors.

₹ in million

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| Statutory audit fees | 5.7 | 4.3 |
| Tax audit fees | 0.5 | 0.5 |
| Certification and other fees[1] | 2.4 | 5.6 |
| **Total** | **8.6** | **10.4** |

1. Including reimbursement of expenses and tax credit not available to the Company.

## NOTES FORMING PART OF THE ACCOUNTS

### 34. CURRENT AND NON-CURRENT ASSETS AND LIABILITIES

The following tables set forth, for the periods indicated, the assets and liabilities to be recovered or settled within and after twelve months.

₹ in million

| Particulars | At March 31, 2023 | | |
|---|---|---|---|
| | Amounts expected to be recovered or settled | | Total |
| | Within twelve months | After twelve months | |
| **ASSETS** | | | |
| **Financial assets** | | | |
| Cash and cash equivalents | 4,373.1 | - | 4,373.1 |
| Bank balance other than above | - | 2.5 | 2.5 |
| Derivative financial instruments | - | - | - |
| Receivables | | | |
| (i) Trade receivables | 20.7 | - | 20.7 |
| (ii) Other receivables | - | - | - |
| Loans | 7,639.7 | 167,796.5 | 175,436.2 |
| Investments | 1,716.1 | 3,275.5 | 4,991.6 |
| Other financial assets | 907.3 | 1,174.3 | 2,081.6 |
| Assets held for Sale | - | - | - |
| | **14,656.9** | **172,248.8** | **186,905.7** |
| **Non-financial assets** | | | |
| Current tax assets (net) | - | 1,004.4 | 1,004.4 |
| Deferred tax assets | - | - | - |
| Property, plant and equipment | - | 1,253.2 | 1,253.2 |
| Capital work-in-progress | 7.5 | - | 7.5 |
| Intangible assets | - | 93.1 | 93.1 |
| Intangible assets under development | 33.4 | - | 33.4 |
| Other non-financial assets | 139.6 | 11.8 | 151.4 |
| | **180.5** | **2,362.5** | **2,543.0** |
| **Total** | **14,837.4** | **174,611.3** | **189,448.7** |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | At March 31, 2023 | | |
|---|---|---|---|
| | Amounts expected to be recovered or settled | | Total |
| | Within twelve months | After twelve months | |
| **LIABILITIES AND EQUITY** | | | |
| **LIABILITIES** | | | |
| **Financial liabilities** | | | |
| Derivative financial instruments | - | - | - |
| Payables | | | |
| (i) Micro and Small Enterprises | 89.3 | - | 89.3 |
| (ii) Other payables | 1,784.7 | - | 1,784.7 |
| Debt securities | 18,444.7 | 36,100.0 | 54,544.7 |
| Borrowings (Other than debt securities) | 7,713.1 | 45,524.3 | 53,237.4 |
| Deposits | 12,857.4 | 23,643.0 | 36,500.4 |
| Subordinate liabilities | 138.4 | 4,197.3 | 4,335.7 |
| Other financial liabilities | 9,907.0 | 161.8 | 10,068.8 |
| | **50,934.6** | **109,626.4** | **160,561.0** |
| **Non-financial liabilities** | | | |
| Current tax liabilities (net) | - | - | - |
| Deferred tax liability | - | 565.3 | 565.3 |
| Provisions | 41.9 | 23.1 | 65.0 |
| Other non-financial liabilities | 187.8 | - | 187.8 |
| | **229.7** | **588.4** | **818.1** |
| **EQUITY** | | | |
| Equity Share Capital | - | 12,035.3 | 12,035.3 |
| Other equity | - | 16,034.3 | 16,034.3 |
| | **-** | **28,069.6** | **28,069.6** |
| **Total** | **51,164.3** | **138,284.4** | **189,448.7** |

## NOTES FORMING PART OF THE ACCOUNTS

₹ in million

| Particulars | At March 31, 2022 | | |
|---|---|---|---|
| | Amounts expected to be recovered or settled | | Total |
| | Within twelve months | After twelve months | |
| **ASSETS** | | | |
| **Financial assets** | | | |
| Cash and cash equivalents | 2,693.6 | - | 2,693.6 |
| Bank balance other than above | - | 2.5 | 2.5 |
| Derivative financial instruments | 595.7 | - | 595.7 |
| Receivables | | | |
| (i) Trade receivables | 12.5 | - | 12.5 |
| (ii) Other receivables | - | - | - |
| Loans | 7,328.7 | 137,656.3 | 144,985.0 |
| Investments | 3,004.9 | 2,999.2 | 6,004.1 |
| Other financial assets | 1,228.9 | 1,015.3 | 2,244.2 |
| Assets held for Sale | 425.7 | - | 425.7 |
| | **15,290.0** | **141,673.3** | **156,963.3** |
| **Non-financial assets** | | | |
| Current tax assets (net) | - | 956.5 | 956.5 |
| Deferred tax assets | - | 15.8 | 15.8 |
| Property, plant and equipment | - | 1,180.2 | 1,180.2 |
| Capital work-in-progress | 6.9 | - | 6.9 |
| Intangible assets | - | 77.4 | 77.4 |
| Intangible assets under development | 37.9 | - | 37.9 |
| Other non-financial assets | 151.8 | 13.2 | 165.0 |
| | **196.6** | **2,243.1** | **2,439.7** |
| **Total** | **15,486.6** | **143,916.4** | **159,403.0** |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | At March 31, 2022 | | |
|---|---|---|---|
| | Amounts expected to be recovered or settled | | Total |
| | Within twelve months | After twelve months | |
| **LIABILITIES AND EQUITY** | | | |
| **LIABILITIES** | | | |
| **Financial liabilities** | | | |
| Derivative financial instruments | 200.5 | - | 200.5 |
| Payables | | | |
| (i) Micro and Small Enterprises | 42.1 | - | 42.1 |
| (ii) Other payables | 1,582.9 | - | 1,582.9 |
| Debt securities | 13,834.6 | 30,973.5 | 44,808.1 |
| Borrowings (Other than debt securities) | 18,991.0 | 28,560.3 | 47,551.3 |
| Deposits | 10,907.6 | 19,963.0 | 30,870.6 |
| Subordinate liabilities | 139.1 | 4,197.9 | 4,337.0 |
| Other financial liabilities | 8,535.0 | 175.8 | 8,710.8 |
| | **54,232.8** | **83,870.5** | **138,103.3** |
| **Non-financial liabilities** | | | |
| Current tax liabilities (net) | - | - | - |
| Provisions | 71.1 | 23.6 | 94.7 |
| Other non-financial liabilities | 154.0 | - | 154.0 |
| | **225.1** | **23.6** | **248.7** |
| **EQUITY** | | | |
| Equity Share Capital | - | 10,987.5 | 10,987.5 |
| Other equity | - | 10,063.5 | 10,063.5 |
| | **-** | **21,051.0** | **21,051.0** |
| **Total** | **54,481.9** | **104,921.1** | **159,403.0** |

## NOTES FORMING PART OF THE ACCOUNTS

### 35. NEWLY ISSUED OR AMENDMENTS IN STANDARDS BUT NOT YET EFFECTIVE

#### a. Newly issued standards

There were no standards notified by the Ministry of Corporate Affairs (MCA) during the year ended March 31, 2023.

#### b. Amendments in prevailing standards but not effective

Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015. The effective date for adoption of these amendments is annual period beginning on or after April 1, 2023. The significant amendments are as below.

##### (i) Ind AS 1 - Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The Company has evaluated the amendment and the impact of the amendment is insignificant on its financial statements.

##### (ii) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The Company has evaluated the amendment and the impact of the amendment is insignificant on its financial statements.

##### (iii) Ind AS 12 - Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The Company has evaluated the amendment and the impact of the amendment is insignificant on its financial statements.

### 36. CAPITAL MANAGEMENT

#### Objective

The Company actively manages its capital to meet regulatory norms as prescribed by RBI and current and future business needs considering the risks in its businesses, expectation of rating agencies, shareholders and investors and the available options of raising capital. No changes have been made to the objectives, policies and processes from the previous financial year.

The capital management framework of the Company is administered by the Finance team under the supervision of the Board and the Assets Liability Management Committee.

The Company has complied in full, with externally imposed capital requirement over the reporting period.

## NOTES FORMING PART OF THE ACCOUNTS

### Monitoring and reporting

The Board of Directors maintains an active oversight over the Company's capital adequacy levels. On half yearly basis an analysis of the capital adequacy position and the risk-weighted assets is reported to the Board.

### Capital to Risk Assets Ratio (CRAR)

The following table sets forth, for the periods indicated, computation of capital adequacy ratio.

₹ in million, except ratio (%)

| Ratio | Numerator | Denominator | At March 31, 2023 | At March 31, 2022 | % Variance | Reason for variance (if above 25%) |
|---|---|---|---|---|---|---|
| CRAR | 25,950.7 | 110,561.9 | 23.47% | 21.90% | 1.57% | NA |
| Tier I CRAR | 21,227.0 | 110,561.9 | 19.20% | 16.95% | 2.25% | NA |
| Tier II CRAR | 4,723.7 | 110,561.9 | 4.27% | 4.95% | (0.68)% | NA |
| Liquidity Coverage Ratio | 6,735.1 | 3,680.5 | 183.00% | 139.73% | 43.27% | The ratio has increased due to increase in High Quality Liquid asset (HQLA) maintained by the Company. |

1. The Company has reckoned the property value at the time of loan origination for the purpose of computation of Loan to value ratio (LTV) and accordingly assigned applicable risk weights.

₹ in million, except ratio (%)

| Ratio | Numerator | Denominator | At March 31, 2022 | At March 31, 2021 | % Variance | Reason for variance (if above 25%) |
|---|---|---|---|---|---|---|
| CRAR | 20,646.1 | 94,258.7 | 21.90% | 20.94% | 0.96% | NA |
| Tier I CRAR | 15,980.2 | 94,258.7 | 16.95% | 15.92% | 1.03% | NA |
| Tier II CRAR | 4,665.9 | 94,258.7 | 4.95% | 5.02% | (0.07%) | NA |
| Liquidity Coverage Ratio | 5,283.0 | 3,781.0 | 139.73% | 128.71% | 11.02% | NA |

1. The Company has reckoned the property value at the time of loan origination for the purpose of computation of Loan to value ratio (LTV) and accordingly assigned applicable risk weights.

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, amount raised through subordinated debt as Tier II and perpetual debt instruments.

₹ in million

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| Amount of subordinated debt raised as Tier II capital | - | - |
| Amount raised by issue of Perpetual debt instruments | - | - |

The following table sets forth, for the periods indicated, computation of the debt to equity ratio.

₹ in million, except ratio

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| Debt | 148,618.2 | 127,567.0 |
| Equity | 28,069.6 | 21,051.0 |
| Debt to equity ratio | 5.3 | 6.1 |

### 37. EARNINGS PER SHARE

The following table sets forth, for the periods indicated, computation of the earnings per share.

₹ in million, except per share data

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| **Earnings** | | |
| Net Profit attributable shareholders (before dilution) | 3,018.2 | 1,641.7 |
| Dilution impact (if any) | - | - |
| Net Profit attributable shareholders (after dilution) | 3,018.2 | 1,641.7 |
| **Common stock** | | |
| Weighted average number of equity shares (basic)[1] | 1,169,654,476 | 1,098,750,000 |
| Dilutive impact | - | - |
| Weighted average number of equity shares (diluted)[1] | 1,169,654,476 | 1,098,750,000 |
| **Basic earnings per share (₹)** | **2.58** | **1.49** |
| **Diluted earnings per share (₹)** | **2.58** | **1.49** |

1. Face value ₹ 10/- per share (at March 31, 2022: Face value ₹ 10/- per share)

There are no instruments outstanding that could potentially dilute basic earnings per share in the future, but were not included in the calculation of diluted earnings per share because they are anti-dilutive for the year(s) presented.

There were no transactions that have occurred after the reporting date that would have changed significantly the number of ordinary shares outstanding or potential ordinary shares outstanding at the reporting date.

## 38. OPERATING SEGMENT

The Company is engaged in lending business. The Company provides mortgages loans (home loans and loans against properties) and real estate loans. The Company is also engaged in mortgage business related other services such as property search services. All other activities of the Company revolve around the main business. The Board reviews the Company's performance as a single business. The Company's operation is within India only. There being only one segment, disclosure for operating segment is not applicable.

Further, no clients individually accounted for more than 10% of the revenue in financial years ended March 31, 2023 and March 31, 2022.

## 39. LEASES

Presentation/disclosure related to leases in financial statements are given below.

1. The Company has presented lease liability as a separate line item in schedule on 'Other Financial Liabilities'. The Company presents Right of Use (ROU) assets (pertaining to its branch/office premises) as part of 'Properties, Plant and Equipment'.
2. The Company has presented interest expenses on lease liability separately from depreciation charge for the ROU assets. Interest expenses on lease liability is a component of finance cost.
3. In statement of cash flow, the Company has classified
   a) Principal portion of lease payment as financing activities,
   b) Interest on lease liability as financing activities,
   c) Lease payment for short-term assets or low-value assets as operating activities.

The following table sets forth, for the periods indicated, movement in carrying value of right of use assets (for branch premises).

₹ in million

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| Opening balance | 239.7 | 311.9 |
| Addition[1] | 100.0 | 25.2 |
| Deletion | (7.6) | (1.8) |
| Depreciation to date | (98.0) | (95.6) |
| Closing balance | **234.1** | **239.7** |

1. Includes impact on account of lease-modifications.

## NOTES FORMING PART OF THE ACCOUNTS

The following tables set forth, for the periods indicated, details pertaining to lease liabilities.

### a) Movement in carrying value (present value) of lease liability

₹ in million

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| Opening balance | 271.9 | 337.1 |
| Addition[1] | 100.0 | 23.1 |
| Deletion | (8.7) | (2.1) |
| Finance cost accrued during the year | 17.6 | 19.3 |
| Payments made | (120.4) | (105.5) |
| Closing balance | **260.4** | **271.9** |

1. Includes impact on account of lease-modifications.

### b) Break-up of lease liability in to current and non-current

₹ in million

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| Current lease liabilities | 122.7 | 120.0 |
| Non-current lease liabilities | 137.7 | 151.9 |
| **Total** | **260.4** | **271.9** |

### c) Contractual maturities of lease liabilities on an undiscounted basis

₹ in million

| Particulars | Up to one month | Over 1 month to 3 months | Over 3 months to 1 year | Over 1 year to 5 years | Over 5 years | Total |
|---|---|---|---|---|---|---|
| At March 31, 2023 | 11.5 | 22.8 | 88.4 | 174.6 | 2.0 | 299.3 |
| At March 31, 2022 | 9.7 | 19.9 | 90.4 | 173.4 | 14.1 | 307.5 |

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Further, for the year ended March 31, 2023, the Company

- Recorded expense of ₹ 24.6 million for short-term and low value leases (March 31, 2022: ₹ 20.0 million).

- Did not have any variable lease payments (March 31, 2022: Nil).
- Had not sub-leased right of use assets (March 31, 2022: Nil).
- Had total cash out flow for leases amounting to ₹ 120.4 million (March 31, 2022: ₹ 105.5 million).
- Does not have any significant restrictions or covenants imposed by leases (March 31, 2022: Nil).
- Has committed undiscounted value of the leases not yet commenced of ₹ 3.6 million (March 31, 2022: ₹ 10.0 million)

## 40. PROVISIONS, COMMITMENTS AND CONTINGENCIES

The following table sets forth, for the periods indicated, the break-up of provisions and contingencies included in Statement of Profit and Loss.

₹ in million

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| Impairment on financial instruments | 1,799.6 | 1,727.6 |
| Others | (24.6) | 27.7 |
| **Total** | **1,775.0** | **1,755.3** |

The Company has assessed its obligations arising in the normal course of business, including pending litigations, proceedings pending with tax authorities and other contracts including derivative and long term contracts. In accordance with the provisions of Ind AS 37 on 'Provisions, Contingent Liabilities and Contingent Assets', the Company recognises a provision for material foreseeable losses when it has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure to this effect is made as contingent liabilities in the financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

### Litigation

A number of litigations and claims against the Company and its directors are pending in various forums. The claims on the Company mainly arise in connection with civil cases involving allegations of service deficiencies, property or labor disputes, fraudulent transactions, economic offences and other cases filed in the normal course of business. The Company is also subject to counter-claims arising in connection with its enforcement of contracts and loans. A provision is created where an unfavorable outcome is deemed probable and in respect of which a reliable estimate can be made. In view of inherent unpredictability of litigation and cases where claims sought are substantially high, actual cost of resolving litigations may be substantially different than the provision held. The total amount of provision held was ₹ 8.7 million at March 31, 2023 (March 31, 2022: ₹ 4.3 million).

## NOTES FORMING PART OF THE ACCOUNTS

Based upon a review of open matters with its legal counsels including loss contingency on account of such litigation and claims, and classification of such contingency as 'probable', 'possible' or 'remote' and with due provisioning for the relevant litigation and claims, the management believes that the outcome of such matters will not have a material adverse effect on the Company's financial position, results of operations or cash flows.

The following table sets forth, for the periods indicated, movement in provision for legal cases.

₹ in million

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| Opening provision | 4.3 | 5.2 |
| Provision made during the year | 4.5 | 0.5 |
| Utilisation | * | - |
| Provision reversed during the year | (0.1) | (1.4) |
| **Closing provision** | **8.7** | **4.3** |

*insignificant amount

Claims filed against the Company not acknowledged as debt amounted to ₹ 34.0 million at March 31, 2023 (March 31, 2022: ₹ 13.9 million).

### Loan commitments

The Company has outstanding undrawn commitments to provide loans to customers. These loan commitments aggregated ₹ 10,603.1 million at March 31, 2023 (March 31, 2022: ₹ 7,777.1 million). Further, the commitments have fixed expiration dates and are contingent upon the borrower's ability to maintain specific credit standards.

### Capital commitments

The Company is obligated under various capital contracts. Capital contracts are work/purchase orders of a capital nature, which have been committed. Estimated amounts of contracts remaining to be executed on property, plant and equipment aggregated to ₹ 17.0 million (net of advances - ₹ 9.5 million) at March 31, 2023 (March 31, 2022: Gross - ₹ 39.5 million, net of advances - ₹ 32.6 million).

Estimated amounts of contracts remaining to be executed on intangible assets aggregated to ₹ 68.2 million (net of advances - ₹ 34.8 million) at March 31, 2023 (March 31, 2022: Gross - ₹ 64.8 million, net of advances - ₹ 26.9 million).

## NOTES FORMING PART OF THE ACCOUNTS

### Commitment towards investments

The Company does not have any commitments towards uncalled amount on investments at March 31, 2023 (March 31, 2022: Nil).

### Tax contingencies

Various tax related legal proceedings are pending against the Company at various levels of appeal either with the tax authorities or in the courts. Where after considering all available information in the opinion of the management a liability requires accrual, the Company accrues such liability.

Where such proceedings are sufficiently advanced to enable the management to assess that a liability exists and are subject to reasonable estimation, management records its best estimate of such liability. Where a reasonable range of potential outcomes is estimated, management records its best estimate, or in the absence of a basis for selecting a specific estimate within a range, management records a liability no less than the lower end of the estimated range. The contested tax demands are adjusted by the tax authorities against refunds due to the Company on favorable resolution of earlier year's appeals/completion of assessments or paid. The payment/adjustment does not prejudice the outcome of the appeals filed by the Company. The advance tax payments are recorded as advance tax payments.

At March 31, 2023, the Company has assessed its contingent tax liability at an aggregate amount of ₹ 417.4 million pertaining to income tax demands by the Government of India's tax authorities for past years (March 31, 2022: ₹ 416.3 million). Based on consultation with counsel and favorable decisions in the Company's own or other cases, the management believes that the tax authorities are not likely to be able to substantiate their tax assessments and accordingly, has not provided for these tax demands at March 31, 2023. Disputed tax issues that are classified as remote are not disclosed as contingent liabilities by the Company. The key disputed matters are detailed below:

a. Income tax deduction for special reserve available to financial institutions

b. Disallowance of expenses incurred for earning tax exempt income

Based on judicial precedents in the Company's and other cases and upon consultation with tax counsels, the management believes that it is more likely than not that the Company's tax position will be sustained. Accordingly, no provision has been made in the accounts.

### 41. PROPOSED DIVIDEND ON EQUITY SHARES

The Board of Directors at its meeting held on April 17, 2023, has recommended dividend of ₹ 0.25 per equity share for the year ended March 31, 2023 (year ended March 31, 2022: ₹ 0.15 per equity share). Further, the Company didn't declare any interim dividend during year ended March 31, 2023 (year ended March 31, 2022: Nil).

## NOTES FORMING PART OF THE ACCOUNTS

### 42. INCOME TAXES

The following table sets forth, for the periods indicated, major components of income tax expense/(benefit).

₹ in million

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| **Current tax expense/(benefit)** | | |
| Tax expense/(benefit) for current year | 827.6 | 464.7 |
| Changes in estimates related to prior years | - | - |
| **Total current tax expense/(benefit)** | **827.6** | **464.7** |
| **Deferred tax expense/(benefit)** | | |
| Origination and reversal of temporary difference | 22.4 | 15.9 |
| Change in tax rates | - | - |
| **Total deferred tax expense/(benefit)** | **22.4** | **15.9** |
| **Total income tax expense/(benefit)** | **850.0** | **480.6** |

The tax expense and tax assets have been computed as per applicable tax laws and generally accepted tax computation policies and procedures. Further, there is no uncertain tax treatment.

The following table sets forth, for the periods indicated, income taxes charged or credited directly to Statement of Other Comprehensive Income.

₹ in million

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| **Items that will not be reclassified to the profit or loss** | | |
| Defined benefit plan actuarial gains/(losses) | 2.1 | 3.1 |
| Change in tax rates | - | - |
| **Items that will be reclassified to the profit or loss** | | |
| Impact due to cash flow hedge reserve | 62.1 | 190.3 |
| Change in tax rates | - | - |
| Impact due to fair value changes on loans classified under ''Hold & Sell" business model | 494.4 | 321.1 |
| Change in tax rates | - | - |
| **Income tax charged/(credited) to OCI** | **558.6** | **514.5** |

## NOTES FORMING PART OF THE ACCOUNTS

### Reconciliation of tax rates

The following table sets forth, for the periods indicated, reconciliation of the income taxes at statutory income tax rate to income tax expense/ (benefit) as reported.

₹ in million

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| Profit/(loss) before income taxes | 3,868.2 | 2,122.3 |
| **Total** | **3,868.2** | **2,122.3** |
| Enacted statutory tax rate | 25.168% | 25.168% |
| Income tax expense/(benefit) at the statutory tax rate | 973.5 | 534.1 |
| **Increases/(reductions) in taxes on account of:** | | |
| Income tax deduction for Special Reserve available to financial institutions | (115.0) | (58.9) |
| Exempt income | - | - |
| Income charged at rates other than statutory tax rate | - | - |
| Changes in the statutory tax rate | - | - |
| Deferred tax not recognized | - | - |
| Expenses disallowed for tax purposes | (8.5) | 5.4 |
| **Income tax expense/(benefit) reported** | **850.0** | **480.6** |
| Current Tax | 827.6 | 464.7 |
| Deferred Tax Asset | 22.4 | 15.9 |
| **Total Tax** | **850.0** | **480.6** |

The effective income tax rate for Year ended March 31, 2023 was 22.0% (March 31, 2022: 22.6%).

### Current tax assets (net)

The following table sets forth, for the periods indicated, components of the current tax assets.

₹ in million

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| Advance tax (net of provisions) | 1,004.4 | 956.5 |
| **Total** | **1,004.4** | **956.5** |

## NOTES FORMING PART OF THE ACCOUNTS

### Components of deferred tax balances

The tax effects of temporary differences are reflected through a deferred tax asset/liability, which is included in the Balance Sheet of the Company.

The following table sets forth, for the periods indicated, components of the deferred tax balances.

₹ in million

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| **Deferred tax assets:** | | |
| Allowance for loan losses | 880.3 | 979.3 |
| Cash flow hedge reserve | - | 62.1 |
| Provisions (other than ECL provisions) | 133.4 | 107.0 |
| Deferred loan origination expenses (net) and borrowing cost (EIR method of accounting) and interest on stage 3 loans | 110.2 | 6.0 |
| **Total deferred tax asset** | **1,123.9** | **1,154.4** |
| **Deferred tax liabilities:** | | |
| Depreciation on property, plant and equipment | 90.3 | 96.7 |
| Deferred loan origination expenses (net) and borrowing cost (EIR method of accounting) and interest on stage 3 loans | - | - |
| Fair value changes in investments and derivatives | 14.1 | 21.7 |
| Unrealised gains chargeable to tax on realisation basis | 481.8 | 411.6 |
| Fair value changes on financial assets (loans) | 1,103.0 | 608.6 |
| **Total deferred tax liability** | **1,689.2** | **1,138.6** |
| **Net deferred tax asset/(liability)** | **(565.3)** | **15.8** |

In assessing the realisability of deferred tax assets, management has considered whether it is probable that some portion or all of the deferred tax assets will not be realised. The ultimate realisation of the deferred tax asset is dependent on the generation of future taxable income during the periods in which the temporary differences become deductible. Management has considered the scheduled reversal of deferred tax liabilities, the projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable incomes over the periods in which the deferred tax assets are deductible, management believes that it is probable that sufficient taxable profits will be available against which the Company will realise the benefits of those deductible differences.

## NOTES FORMING PART OF THE ACCOUNTS

The following tables set forth, for the periods indicated, movement in temporary differences during the year.

₹ in million

| Particulars | Balance at April 1, 2022 | Recognised in profit and loss account | Recognised in other comprehensive income | Balance At March 31, 2023 |
|---|---|---|---|---|
| Allowance for loan losses | 979.3 | (99.0) | - | 880.3 |
| Deferred loan origination expenses (net) and borrowing cost (EIR method of accounting) and interest on stage 3 loans | 6.0 | 104.2 | - | 110.2 |
| Depreciation on Property, plant and equipment | (96.7) | 6.4 | - | (90.3) |
| Fair value changes in investments and derivatives | (21.7) | 7.6 | - | (14.1) |
| Cash flow hedge reserve | 62.1 | - | (62.1) | - |
| Unrealised gains chargeable to tax on realisation basis | (411.6) | (70.2) | - | (481.8) |
| Others | 107.0 | 28.5 | (2.1) | 133.4 |
| Fair value changes on financial assets (loans) | (608.6) | - | (494.4) | (1,103.0) |
| **Total** | **15.8** | **(22.4)** | **(558.6)** | **(565.3)** |

₹ in million

| Particulars | Balance at April 1, 2021 | Recognised in profit and loss account | Recognised in other comprehensive income | Balance At March 31, 2022 |
|---|---|---|---|---|
| Allowance for loan losses | 943.8 | 35.5 | - | 979.3 |
| Deferred loan origination expenses (net) and borrowing cost (EIR method of accounting) and interest on stage 3 loans | (115.5) | 121.5 | - | 6.0 |
| Depreciation on Property, plant and equipment | (108.8) | 12.1 | - | (96.7) |
| Fair value changes in investments and derivatives | (25.7) | 4.0 | - | (21.7) |
| Cash flow hedge reserve | 252.4 | - | (190.3) | 62.1 |
| Unrealised gains chargeable to tax on realisation basis | (313.4) | (98.2) | - | (411.6) |
| Others | 93.1 | 17.0 | (3.1) | 107.0 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Balance at April 1, 2021 | Recognised in profit and loss account | Recognised in other comprehensive income | Balance At March 31, 2022 |
|---|---|---|---|---|
| Unused tax losses carried forward | 107.7 | (107.7) | - | - |
| Fair value changes on financial assets (loans) | (287.5) | - | (321.1) | (608.6) |
| **Total** | **546.1** | **(15.9)** | **(514.5)** | **15.8** |

### 43. DERECOGNITION OF FINANCIAL ASSETS MEASURED AT AMORTISED COST

The Company in order to meet its objective of maintaining leverage at desired level and well within the regulatory requirements and also to ensure that its capacity of originating new loans is not impacted due to these requirements, considered selling of certain portion of its retail mortgage through direct assignment route from year ended March 31, 2020. The Company, w.e.f. October 1, 2020, as per its Board approved policy, classifies part of its newly originated loans in to 'Hold' and 'Hold and sell' categories. Further, considering the Asset Liability Maturity, liquidity plans and funding needs, the Company sells a part of a portfolio which has been originally classified as amortised cost.

Accordingly, during the year ended March 31, 2023, the Company sold 90% of a portion of its retail mortgage loans through direct assignments, measured at amortised cost and FVOCI, to maintain reasonable leverage. As per regulatory requirement, the Company continues to hold balance 10% of those loans as Minimum Retention Requirement (MRR). The Company transferred substantially all the risks and rewards relating to assets to the buyer and accordingly, sold portion of loans was derecognised.

The following table below sets forth, for the periods indicated, the summary of carrying amounts of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition.

₹ in million

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| Carrying amount of derecognised financial assets | 9,351.2 | 9,173.3 |
| Gain on derecognition of financial assets[1,2] | 430.0 | 704.2 |

1. Since the Company transferred the above financial asset in a transfer that qualified for derecognition in its entirety therefore the whole of the interest spread at its present value (discounted over the expected life of the asset) is recognised on the date of derecognition as interest-only strip receivable with a corresponding credit to the Statement of Profit and Loss.

2. Including upfront amortisation of income on loan origination of ₹ 22.5 million (March 31, 2022: ₹ 5.0 million).

## NOTES FORMING PART OF THE ACCOUNTS

### 44. ASSETS HELD FOR SALE

At March 31, 2021 the Company had classified its holding in the Asset Reconstruction Company India Limited (ARCIL) amounting to ₹ 425.7 million (7,340,000 nos. of Equity Shares) representing 2.26% of the equity capital of ARCIL as assets held for sale, as management intended to sell off the investment in near future. The investment could not be sold during the year ended March 31, 2022 and accordingly it was continued to be classified as asset held for sale at March 31, 2022. As the carrying amount of the asset was equal to fair value at March 31, 2022, no impairment was required to be recognised.

The Company, during the year ended March 31, 2023, sold this investment at its fair value which was equal to its carrying value and accordingly no gain/loss was recognised at the time of derecognition.

### 45. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Certain financial assets and financial liabilities are subject to offsetting where there is currently a legally enforceable right to set-off recognised amounts and the Company intends to either settle on a net basis or to realise the asset and settle the liability, simultaneously. Certain derivative financial instruments are subject to master netting agreements, whereby in the case of insolvency, derivative financial assets and derivative financial liabilities will be settled on a net basis.

The following tables set forth, for the periods indicated, the information on the impact of off-setting on the Balance Sheet and other related information.

**At March 31, 2023**

₹ in million

| Particulars | Effect of offsetting on Balance Sheet | | | Amounts not set-off on the Balance Sheet | | | |
|---|---|---|---|---|---|---|---|
| | Gross amounts | Gross amounts set off on the Balance Sheet | Net amounts presented on the Balance Sheet (A) | Impact of Master Netting Agreements (B) | Cash collateral (C) | Collateral (D) | Net amount (A-B-C-D) |
| **Financial assets** | | | | | | | |
| Other financial assets | - | - | - | - | - | - | - |
| **Financial liabilities** | | | | | | | |
| Other financial liabilities | - | - | - | - | - | - | - |

## NOTES FORMING PART OF THE ACCOUNTS

**At March 31, 2022**

₹ in million

| Particulars | Effect of offsetting on Balance Sheet | | | Amounts not set-off on the Balance Sheet | | | |
|---|---|---|---|---|---|---|---|
| | Gross amounts | Gross amounts set off on the Balance Sheet | Net amounts presented on the Balance Sheet (A) | Impact of Master Netting Agreements (B) | Cash collateral (C) | Collateral (D) | Net amount (A-B-C-D) |
| **Financial assets** | | | | | | | |
| Other financial assets | - | - | - | - | - | - | - |
| **Financial liabilities** | | | | | | | |
| Other financial liabilities | - | - | - | - | - | - | - |

### 46. FINANCIAL RISK MANAGEMENT

#### Introduction and overview

The Company is exposed primarily to credit, market, liquidity and operational risk from financial instruments.

This section presents information about the Company's exposure to the above risks, its objectives, policies and processes for managing the risk and methods used to measure the risk.

#### Risk management framework

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

1. The Board of Directors has oversight on all the risks assumed by the Company. Specific Committees of the Board have been constituted to facilitate focused oversight of various risks. The Board reviews the risk management policies, Risk Management Committee reviews the compliance with risk management guidelines stipulated by the RBI. It reviews key risk indicators covering areas such as credit risk, interest rate risk, liquidity risk and operational risks. Audit Committee provides direction to and also monitors the quality of the internal audit function.
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 have been constituted across the Company to facilitate independent evaluation, monitoring and reporting of various risks. These control groups function independently of the business groups/sub-groups.

## NOTES FORMING PART OF THE ACCOUNTS

The risk management framework forms the basis of developing consistent risk principles.

Material risks are identified, measured, monitored and reported to the Board of Directors and Board level committees.

### Credit risk

The Company is exposed to credit risk in its lending operations. Credit risk is the risk of loss that may occur from the failure of any counterparty to abide by the terms and conditions of any financial contract with the Company, principally the failure to make required payments as per the terms and conditions of the contracts.

### Objectives

The Company manages its risk with the broad objectives of mitigating the risk arising from losses on account of the default, maintaining a healthy credit portfolio, complying with regulatory norms as specified by RBI and maximising return to the stakeholders.

### Policies and processes

All credit risk related aspects are governed by the Board approved Credit and Recovery Policy (CRP). CRP outlines the type of products that can be offered, customer categories, target customer profile, credit approval process and limits. The delegation structure for approval of credit limits is approved by the Board of Directors. All credit proposals relating to construction realty finance and other funding to corporates are rated by risk management team prior to approval by the appropriate forum.

### Credit approval authorisation structure

Every new credit facility and every extension or material change of an existing credit facility (such as its tenor, collateral structure or major covenants) to any counterparty requires credit approval at the appropriate authority level. The Company assigns credit approval authorities to individuals according to their qualifications, experience and training, and these are reviewed periodically. The authorisation is based on the level of risk and the quantum of exposure, to ensure that the transactions with higher exposure and level of risk are put up to correspondingly higher forum/committee for approval.

In respect of retail loans, all exposures are approved under operating notes or programs approved by the Committee of Directors (COD). This involves a cluster-based approach for a particular product or for homogeneous group of individuals/business entities that comply with certain laid down parameter based norms. The norms vary across product segments/customer profile, but typically include factors such as the borrower's income, the loan-to-value ratio and demographic parameters. The individual credit proposals are evaluated and approved by executives on the basis of the product policies.

### Collateral management

The Company defines collateral as the assets or rights provided to the Company by the borrower or a third party in order to secure a credit facility. The main types of collaterals are registered/equitable mortgage of property, pledge of fixed deposits/gold ornaments, assignment of receivables, liquidity

## NOTES FORMING PART OF THE ACCOUNTS

support collateral [e.g. DSRA (Debt Service Reserve Account)]. The Company would have the rights of secured creditor in respect of the assets offered as security for the obligations of the borrower/obligor.

The Company ensures that the underlying documentation for the collateral provides the Company appropriate rights over the collateral or other forms of credit enhancement including the right to liquidate retain or take legal possession of it in a timely manner in the event of default by the counterparty. The Company follows the due procedure as laid down under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) to take possession of assets given as collateral. The assets so repossessed are sold on behalf of the customers so as to settle the receivables. Any surplus funds are returned to the customers/obligors. Accordingly, the collaterals are not recorded on the Balance Sheet and not treated as non–current assets held for sale.

The collateral is valued at the time of sanctioning the credit facility and loan-to-value (LTV) norms are applied as specified in the credit policies. For loan accounts classified as Stage 3, collaterals are valued on annual basis.

### Quantitative information of Collateral - Credit impaired assets

The following table sets forth, for the periods indicated, quantitative information of collaterals of credit impaired assets.

₹ in million

| Loan to value (LTV) range | Gross value of loan | |
|---|---|---|
| | At March 31, 2023 | At March 31, 2022 |
| Less than 50% | 1,779.4 | 3,472.4 |
| 51 to 70% | 1,681.1 | 2,830.2 |
| 71 to 90% | 1,951.7 | 2,154.8 |
| 91 to 100% | 197.4 | 123.7 |
| More than 100% | 2.0 | 15.9 |
| **Total** | **5,611.6** | **8,597.0** |

### Impairment assessment

Loans and advances are classified into Stage 1, Stage 2 and Stage 3. For classifying loans into Stage 1 and assessing significant increase in credit risk and impairment in case of retail loans, accounts are identified based on number of days the account is overdue. Overdue flagging is done for day end overdues based on day end process in the system.

The Company determines credit loss allowances in accordance with Ind AS 109 as follows:

Stage 1 - Borrowers having delinquencies less than or equal to 30 days overdue and not classified as Stage 2 or 3.

Stage 2 -

a. Borrowers having delinquencies greater than 30 days overdue; or

b. where the contractual terms of the loans were renegotiated/modified as per the RBI circular on resolution framework for Covid-19 related stress dated August 6, 2020 and May 5, 2021 and which are not classified as Stage 3.

Stage 3 (Default) -

a. Borrowers with overdue for a period equal to or greater than 90 days; or

b. Borrowers with overdue for a period equal to or greater than 90 days on or after November 12, 2021 and have not regularised the entire overdue amount; or

c. Where the contractual terms of the loans are renegotiated/modified, other than those where contractual terms of the loans are renegotiated/modified as per the RBI circular on resolution framework for Covid-19 related stress dated August 6, 2020 and May 5, 2021; or

d. Borrowers identified as Credit Impaired; or

e. Overdue accounts based on future cash flows being negative; or

f. Cases where fraud has been identified.

However, where moratorium is granted to borrower in accordance with extant guidance of regulator, assets classification/staging is also in accordance with the guidance.

Further, the expected credit loss calculation for Stage 3 distinguishes between transactions in homogeneous and non-homogenous portfolios.

### Significant increase in credit risk

The Company continuously monitors all assets subject to ECL. In order to determine whether a borrower accounts is subject to 12-month ECL or life time ECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition. The Company considers an exposure in retail loans to have significantly increase in credit risk if a borrower becomes 30 days overdue on its contractual payments or where the contractual terms of loans with respect to EMI payments and/or tenure of the loans were renegotiated/modified, as per RBI circular on resolution framework for COVID-19 related stress. In addition to overdue days criteria, the Company also considers an exposure in Real estate loans to have significant increase in credit risk on moving a customer to watch list.

### Basis for inputs, assumptions and the estimation techniques

The Company calculates ECL for each financial asset individually. Similarly, the determination of the need to transfer between stages is made on an individual asset basis. The Company uses three main components to measure ECL. These are Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). Risk Management Committee approves the underlying estimates, assumptions and methodology for computing allowances.

The estimation techniques for the input factors for retail portfolio of the Company are described in more detail below;

## NOTES FORMING PART OF THE ACCOUNTS

### Probability of default (PD)

One year PD - For the purpose of PD estimation, the portfolio is segmented based on months-on-books and overdue status. For estimating the PD, historical data at quarterly time points have been used. The one-year PD is generated by taking a simple average of the defaults rates of the most recent 20 quarters of the corresponding pool.

Life time PD - 13-year default rate is considered for lifetime PD estimation since it has been observed that the cumulative PD curve tends to flatten out by 12$^{th}$ year. For cohorts where observation window is less than 13 years, a chain ladder approach has been used to project defaults rates over 13 years. The lifetime PD curves have been generated by taking a simple average of the cumulative PD curves of the most recent 20 quarters of the corresponding pool.

Since a Stage 3 transaction is defaulted, the probability of default is equal to 100%.

With the outbreak of COVID-19 in March 2020, country wide lockdown was imposed which impacted the Indian economy. The economic activity which started improving post November 2021, improved considerably in the last quarter of FY2022 leading to loan originations as well as collection efficiencies reaching at pre COVID levels.

In case of retails loans, the Company calculates ECL on a collective basis. The portfolio is segmented based on nature of products, months-on-books and overdue status and employment status. The Company has continued with PDs computed at March-22 for its 1 year PD computation considering that March-22 PDs factors the COVID impact on the PD and 1-year timeframe require for the normalized PD.

### Loss Given Default (LGD)

LGD is defined as the likely loss intensity in case of a counterparty default. It provides an estimation of the exposure that cannot be recovered in a default event and therefore captures the severity of a loss. For estimation of LGD, portfolio is segmented based on the default status. The LGD for the non-default segment has been considered for all Stage 1 and 2 assets. The time horizon ensures that the projected recoveries used for LGD estimation are based on the defaults that have seen at least four years of recovery. The LGD estimation for the non-default segment at each of the financial year end has been based on the observed recoveries for the accounts moving in to default over the next one year. For cohorts where less than 4 years of observed recoveries are available, the recoveries are projected using chain ladder projection method. The recoveries are discounted to the default period using the cost of funds for the respective periods.

Further, in case of loans which are in certain deeper buckets, management overlays are being applied over and above the LGDs. The overlays are applied primarily due to uncertainties over collections from the borrowers in these buckets due to prolonged legal processes affecting the recoveries and time-value loss on delayed recoveries on these buckets.

## NOTES FORMING PART OF THE ACCOUNTS

### Exposure at Default (EAD)

The EAD is defined as the expected amount of the credit exposure to a counterparty at the time of its default. For cases involving undrawn amount, a percentage share of undrawn amount is added to the outstanding amount in order to appropriately reflect the expected outstanding amount in case of a counterparty default. The calibrations of such parameters are based on regulatory guidelines and product type specifics.

### Real Estate Loans

For real estate loans the Company carries out on quarterly basis the individual borrower wise assessment to quantify the Significant Increase in Credit Risk (SICR) impact. The Stage 1 and 2 assets have been analysed based on scenario analysis to arrive at the potential SICR impact. Scenarios analysis was done basis impact on sales/future demand and asset valuation.

Further, impact analysis has been done considering the developer pedigree, project completion stage, promoter's vested interest, affordability factor, sales velocity, location advantage and repayment track record parameters and based on the same loans were being identified for having low, medium and high impact. Accordingly, wherever loans are classified as high impact, ECL as considered for stage-2 loans is applied and wherever loans are classified as medium impact, twice of ECL considered for stage-1 is applied.

For Stage 3 accounts, discounted Cash flow analysis was done to arrive at final allowance for each account in construction realty finance.

The underlying forecasts and assumptions applied in the determination of ECL provision are subject to uncertainties which are often outside of the Company's control and accordingly, actual results may differ from these estimates.

### Quantitative disclosures on credit risk

### Maximum credit risk exposure

The following table sets forth, for the periods indicated, the carrying amount of financial assets.

₹ in million

| Category | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| Balances with banks | 4,373.1 | 2,693.6 |
| Deposits with banks | 2.5 | 2.5 |
| Derivative financial instruments | - | 595.7 |
| Trade receivables (net of allowances) | 20.7 | 12.5 |
| Advances (net of allowances)[1] | 175,436.2 | 144,985.0 |
| Other assets | 2,081.6 | 2,244.2 |
| **Total** | **181,914.1** | **150,533.5** |

## NOTES FORMING PART OF THE ACCOUNTS

1. Advances generally have a significant level of collateralisation depending on the nature of the product. Mortgage loans are secured against residential/commercial property as collateral and gold loan are secured against gold. Lending to construction finance customers is also secured. Collateral provides a secondary source of repayment for funds advanced in the event that a customer cannot meet their contractual repayment obligations.

### Reconciliation of gross carrying amount of loans and advances

The following tables set forth, for the periods indicated, movement in gross carrying amount of loans and advances.

₹ in million

| Particulars | Year ended March 31, 2023 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| **Balance at April 1, 2022** | **129,115.8** | **11,028.4** | **8,597.0** | **148,741.2** |
| Loans and advances originated | 88,885.2 | - | - | **88,885.2** |
| Loans and advances purchased | - | - | - | **-** |
| Interest capitalisation | - | 75.2 | 0.1 | **75.3** |
| Assets derecognised (on repayment and assignments, excluding write-offs)[1] | (56,141.8) | (1,695.0) | (1,017.3) | **(58,854.1)** |
| Changes due to fair value changes on loans classified under "Hold & sell" business model | 1,964.6 | - | - | **1,964.6** |
| Transfer to Stage 1 | 6,999.3 | (3,407.6) | (3,591.7) | **-** |
| Transfer to Stage 2 | (6,465.8) | 8,293.5 | (1,827.7) | **-** |
| Transfer to Stage 3 | (927.8) | (4,761.1) | 5,688.9 | **-** |
| Amount written off | - | - | (2,237.7) | **(2,237.7)** |
| **Balance at March 31, 2023** | **163,429.5** | **9,533.4** | **5,611.6** | **178,574.5** |

1. Includes assets derecognised pursuant to direct assignment transactions undertaken during the year. For details, refer note no. 56.

₹ in million

| Particulars | Year ended March 31, 2022 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| **Balance at April 1, 2021** | **121,216.9** | **10,627.0** | **9,385.7** | **141,229.6** |
| Loans and advances originated[1] | 51,382.7 | - | - | **51,382.7** |
| Loans and advances purchased | - | - | - | **-** |
| Interest capitalisation | - | 251.1 | 1.3 | **252.4** |
| Assets derecognised (on repayment and assignments, excluding write-offs)[1] | (42,027.9) | (404.8) | (1,158.9) | **(43,591.6)** |
| Changes due to fair value changes on loans classified under "Hold & sell" business model | 1,168.4 | - | - | **1,168.4** |
| Transfer to Stage 1 | 9,272.4 | (5,138.4) | (4,134.0) | **-** |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Year ended March 31, 2022 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| Transfer to Stage 2 | (10,860.8) | 13,267.9 | (2,407.1) | - |
| Transfer to Stage 3 | (1,035.9) | (7,574.4) | 8,610.3 | - |
| Amount written off | - | - | (1,700.3) | **(1,700.3)** |
| **Balance at March 31, 2022** | **129,115.8** | **11,028.4** | **8,597.0** | **148,741.2** |

1. Includes assets derecognised pursuant to direct assignment transactions undertaken during the year. For details refer note no. 56.

### Reconciliation of allowances for loans and advances

The following tables set forth, for the periods indicated, movement in impairment allowance for loans and advances.

₹ in million

| Particulars | Measured at an amount equal to 12- month credit losses | Measured at an amount equal to life time expected credit losses on non-credit impaired financial instruments | Measured at an amount equal to life time expected credit losses on credit impaired financial instruments | On financial assets that are purchased or originated credit impaired | Total |
|---|---|---|---|---|---|
| **Impairment allowance at April 1, 2022** | **217.7** | **1,177.5** | **2,361.0** | **-** | **3,756.2** |
| New assets originated[1] | 177.8 | 7.5 | * | - | **185.3** |
| Transfer to 12-month credit losses | 1,075.8 | (300.3) | (775.5) | - | **-** |
| Transfer to life-time credit losses –not credit impaired | (90.3) | 386.2 | (295.9) | - | **-** |
| Transfer to life-time credit losses impaired - credit impaired | (18.0) | (491.3) | 509.3 | - | **-** |
| Reversal on write-off | - | - | (972.5) | - | **(972.5)** |
| Change in ECL on loans measured at FVOCI | (173.6) | - | - | - | **(173.6)** |
| Reversal on recovery | (28.6) | (139.1) | (386.3) | - | **(554.0)** |
| Changes in provision on account of migration between stages and in same stage due to change in buckets | (1,058.9) | 348.2 | 1,607.6 | - | **896.9** |
| **Impairment allowance at March 31, 2023** | **101.9** | **988.7** | **2,047.7** | **-** | **3,138.3** |

* Insignificant amount

1. Includes ECL on interest capitalised on loans under moratorium.

## NOTES FORMING PART OF THE ACCOUNTS

The decrease in ECL was driven by movements between stages as a result of decrease in credit risk and change in probability of default and loss given default.

₹ in million

| Particulars | Measured at an amount equal to 12- month credit losses | Measured at an amount equal to life time expected credit losses on non-credit impaired financial instruments | Measured at an amount equal to life time expected credit losses on credit impaired financial instruments | On financial assets that are purchased or originated credit impaired | Total |
|---|---|---|---|---|---|
| **Impairment allowance at April 1, 2021** | **355.3** | **1,047.7** | **2,248.4** | **-** | **3,651.4** |
| New assets originated[1] | 103.8 | 25.1 | 0.2 | - | **129.1** |
| Transfer to 12-month credit losses | 1,138.6 | (445.7) | (692.9) | - | **-** |
| Transfer to life-time credit losses –not credit impaired | (184.9) | 537.4 | (352.5) | - | **-** |
| Transfer to life-time credit losses impaired - credit impaired | (29.6) | (739.8) | 769.4 | - | **-** |
| Reversal on write-off | - | - | (1,642.3) | - | **(1,642.3)** |
| Change in ECL on loans measured at FVOCI | (107.3) | - | - | - | **(107.3)** |
| Reversal on recovery | (41.1) | (78.1) | (539.5) | - | **(658.7)** |
| Changes in provision on account of migration between stages and in same stage due to change in buckets | (1,017.1) | 830.9 | 2,570.2 | - | **2,384.0** |
| **Impairment allowance at March 31, 2022** | **217.7** | **1,177.5** | **2,361.0** | **-** | **3,756.2** |

1. Includes ECL on interest capitalised on loans under moratorium.

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, the closing balance of impairment allowance on loans and advances.

₹ in million

| Particulars | March 31, 2023 | March 31, 2022 |
|---|---|---|
| Impairment allowances measured at an amount equal to 12-month credit losses | 101.9 | 217.7 |
| Impairment allowances measured at an amount equal to life time expected credit losses on non-credit impaired financial instruments | 988.7 | 1,177.5 |
| Impairment allowances measured at an amount equal to life time expected credit losses on credit impaired financial instruments | 2,047.7 | 2,361.0 |
| **Total** | **3,138.3** | **3,756.2** |

The following tables set forth, for the periods indicated, comparison between provisions required as per RBI Master Directions and impairment allowances made under Ind AS 109.

**At March 31, 2023**

₹ in million

| Particulars | Stage | Gross Carrying amount as per Ind AS | Loss Allowances (Provisions) as required under Ind AS 109 | Net Carrying amount | Provisions required as per RBI Master Direction | Difference between Ind AS 109 Provisions and RBI Master Direction |
|---|---|---|---|---|---|---|
| **A. Performing Assets** | | | | | | |
| Standard | Stage 1[1] | 163,756.0 | 428.4 | 163,327.6 | 572.5 | (144.1) |
| | Stage 2 | 9,533.4 | 988.7 | 8,544.7 | 720.3 | 268.4 |
| **Sub-Total (A)** | | **173,289.4** | **1,417.1** | **171,872.3** | **1,292.8** | **124.3** |
| **B. Non Performing Assets (NPA)** | | | | | | |
| **a) Sub-standard** | **Stage 3** | **2,788.0** | **430.1** | **2,357.9** | **394.0** | **36.1** |
| | | | | | | |
| **b) Doubtful** | | | | | | |
| Doubtful - upto 1 year | Stage 3 | 1,327.0 | 451.6 | 875.4 | 310.6 | 141.0 |
| Doubtful - 1-3 years | Stage 3 | 716.5 | 385.9 | 330.6 | 283.2 | 102.7 |
| Doubtful - More than 3 years | Stage 3 | 780.1 | 780.1 | - | 780.1 | - |
| **Sub-total for Doubtful** | | **2,823.6** | **1,617.6** | **1,206.0** | **1,373.9** | **243.7** |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Stage | Gross Carrying amount as per Ind AS | Loss Allowances (Provisions) as required under Ind AS 109 | Net Carrying amount | Provisions required as per RBI Master Direction | Difference between Ind AS 109 Provisions and RBI Master Direction |
|---|---|---|---|---|---|---|
| **c) Loss** | **Stage 3** | **-** | **-** | **-** | **-** | **-** |
| **Sub-total for NPAs (B)** | | **5,611.6** | **2,047.7** | **3,563.9** | **1,767.9** | **279.8** |
| **C.** Other items such as guarantees, loan commitments etc. which are in the scope of Ind AS 109 but not covered under current RBI Master Directions | Stage 1[2] | 10,603.1 | 30.0 | 10,573.1 | - | 30.0 |
| | Stage 2 | - | - | - | - | - |
| | Stage 3 | - | - | - | - | - |
| **Sub-total (C)** | | **10,603.1** | **30.0** | **10,573.1** | **-** | **30.0** |
| **Total** | **Stage 1** | **174,359.1** | **458.4** | **173,900.7** | **572.5** | **(114.1)** |
| | **Stage 2** | **9,533.4** | **988.7** | **8,544.7** | **720.3** | **268.4** |
| | **Stage 3** | **5,611.6** | **2,047.7** | **3,563.9** | **1,767.9** | **279.8** |
| | **Total** | **189,504.1** | **3,494.8** | **186,009.3** | **3,060.7** | **434.1** |

1. Gross carrying amount includes fair value gain on FVOCI pool and unamortised EIR income/expense. Loss allowances includes loss allowance on FVOCI pool.
2. Represents loan commitment

**At March 31, 2022**

₹ in million

| Particulars | Stage | Gross Carrying amount as per Ind AS | Loss Allowances (Provisions) as required under Ind AS 109 | Net Carrying amount | Provisions required as per RBI Master Direction | Difference between Ind AS 109 Provisions and RBI Master Direction |
|---|---|---|---|---|---|---|
| **A. Performing Assets** | | | | | | |
| Standard | Stage 1[1] | 129,268.7 | 370.5 | 128,898.2 | 419.1 | (48.6) |
| | Stage 2 | 11,028.4 | 1,177.5 | 9,850.9 | 970.4 | 207.1 |
| **Sub-Total (A)** | | **140,297.1** | **1,548.0** | **138,749.1** | **1,389.5** | **158.5** |
| **B. Non Performing Assets (NPA)** | | | | | | |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Stage | Gross Carrying amount as per Ind AS | Loss Allowances (Provisions) as required under Ind AS 109 | Net Carrying amount | Provisions required as per RBI Master Direction | Difference between Ind AS 109 Provisions and RBI Master Direction |
|---|---|---|---|---|---|---|
| **a) Sub-standard** | **Stage 3** | **3,925.7** | **572.7** | **3,353.0** | **572.7** | **-** |
| **b) Doubtful** | | | | | | |
| Doubtful - upto 1 year | Stage 3 | 2,016.2 | 668.3 | 1,347.9 | 484.1 | 184.2 |
| Doubtful - 1-3 years | Stage 3 | 2,431.1 | 1,120.0 | 1,311.1 | 1,246.8 | (126.8) |
| Doubtful - More than 3 years | Stage 3 | 224.0 | - | 224.0 | 224.0 | (224.0) |
| **Sub-total for Doubtful** | | **4,671.3** | **1,788.3** | **2,883.0** | **1,954.9** | **(166.6)** |
| **c) Loss** | **Stage 3** | **-** | **-** | **-** | **-** | **-** |
| **Sub-total for NPAs (B)** | | **8,597.0** | **2,361.0** | **6,236.0** | **2,527.6** | **(166.6)** |
| **C.** Other items such as guarantees, loan commitments etc. which are in the scope of Ind AS 109 but not covered under current RBI Master Directions | Stage 1[2] | 7,777.1 | 35.0 | 7,742.1 | - | 35.0 |
| | Stage 2 | - | - | - | - | - |
| | Stage 3 | - | - | - | - | - |
| **Sub-total (C)** | | **7,777.1** | **35.0** | **7,742.1** | **-** | **35.0** |
| **Total** | **Stage 1** | **137,045.8** | **405.5** | **136,640.3** | **419.1** | **(13.6)** |
| | **Stage 2** | **11,028.4** | **1,177.5** | **9,850.9** | **970.4** | **207.1** |
| | **Stage 3** | **8,597.0** | **2,361.0** | **6,236.0** | **2,527.6** | **(166.6)** |
| | **Total** | **156,671.2** | **3,944.0** | **152,727.2** | **3,917.1** | **26.9** |

1. Gross carrying amount includes fair value gain on FVOCI pool and unamortised EIR income/expense. Loss allowances includes loss allowance on FVOCI pool.

2. Represents loan commitment.

## NOTES FORMING PART OF THE ACCOUNTS

### Impairment on financial instruments by category

The following tables set forth, for the periods indicated, closing balances of impairment allowances by category of financial instruments.

₹ in million

| Particulars | At March 31, 2023 | | |
|---|---|---|---|
| | On financial instruments measured at amortised cost | On financial instruments measured as fair value through other comprehensive income | Total |
| Loan and advances[1] | 3,138.3 | - | 3,138.3 |
| Trade receivables | - | - | - |
| **Total** | **3,138.3** | **-** | **3,138.3** |

1. Excluding allowance for loan commitment of ₹ 30.0 million.

₹ in million

| Particulars | At March 31, 2022 | | |
|---|---|---|---|
| | On financial instruments measured at amortised cost | On financial instruments measured as fair value through other comprehensive income | Total |
| Loan and advances[1] | 3,756.2 | - | 3,756.2 |
| Trade receivables | 30.3 | - | 30.3 |
| **Total** | **3,786.5** | **-** | **3,786.5** |

1. Excluding allowance for loan commitment of ₹ 35.0 million.

### Ageing analysis of loans and advances

The following tables set forth, for the periods indicated, the ageing analysis of gross carrying amount of loans and advances.

₹ in million

| Particulars | At March 31, 2023 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| Not due | 163,380.0 | 9,407.2 | - | 172,787.2 |
| Overdue up to 30 days | 49.5 | 10.0 | - | 59.5 |
| Overdue 31 - 60 days | - | 87.4 | - | 87.4 |
| Overdue 61 - 90 days | - | 28.8 | - | 28.8 |
| Overdue More than 90 days[1] | - | - | 5,611.6 | 5,611.6 |
| **Total** | **163,429.5** | **9,533.4** | **5,611.6** | **178,574.5** |

1. Includes installments which are not due.

## NOTES FORMING PART OF THE ACCOUNTS

₹ in million

| Particulars | At March 31, 2022 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Total |
| Not due | 129,073.9 | 10,917.6 | - | 139,991.5 |
| Overdue up to 30 days | 41.9 | 15.0 | - | 56.9 |
| Overdue 31 – 60 days | - | 73.9 | - | 73.9 |
| Overdue 61 – 90 days | - | 21.9 | - | 21.9 |
| Overdue More than 90 days[1] | - | - | 8,597.0 | 8,597.0 |
| **Total** | **129,115.8** | **11,028.4** | **8,597.0** | **148,741.2** |

1. Includes instalments which are not due.

The contractual amount outstanding on loans that have been written off, but are still subject to enforcement activity amounts to ₹ 5,023.3 million at March 31, 2023 (March 31, 2022: ₹ 3,446.6 million).

### Concentration of credit risk

Credit risk is monitored in accordance with the guidelines stipulated by the RBI. None of the borrower has exceeded the Single Borrower Limit and Group Borrower Limit as set by the regulator during the year ended March 31, 2023.

The following table sets forth, for the periods indicated, the product wise concentration of loans and advances.

₹ in million

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| Mortgage loans | 172,429.8 | 145,922.5 |
| Real estate loans | 5,795.4 | 2,540.2 |
| Loan against securities/deposits | 18.2 | 52.4 |
| Gold loan | 331.1 | 226.1 |
| **Grand Total** | **178,574.5** | **148,741.2** |

## NOTES FORMING PART OF THE ACCOUNTS

### Loans under RBI resolution framework

The following tables set forth, for the periods indicated, details with respect to loans where resolution plan has been implemented as per RBI circulars on 'Resolution Framework for COVID-19 - related stress' dated August 6, 2020 and May 5, 2021.

₹ in million

| Type of borrower | Exposure to accounts classified as standard consequent to implementation of resolution plan - Position as at the end of the March 31, 2022 (A)[1] | Of (A), aggregate debt that slipped into NPA during the half-year | Of (A), amount written off during the half-year[2] | Of (A) amount paid by the borrowers during the half-year | Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at Sept 30, 2022 |
|---|---|---|---|---|---|
| Personal loans | 4,490.3 | 710.0 | 1.0 | 292.6 | 3,519.6 |
| Corporate persons | 1,378.7 | 243.0 | 0.7 | 47.4 | 1,100.4 |
| Of which, *MSMEs* | *630.8* | *151.7* | - | *24.0* | *461.4* |
| Others | 1,849.4 | 327.5 | 0.2 | 173.5 | 1,361.5 |
| **Total** | **7,718.4** | **1,280.5** | **1.9** | **513.5** | **5,981.5** |

1. Excluding accounts where OTR was revoked subsequently
2. Represents debt that slipped into NPA and was subsequently written off during the half-year ended September 30, 2022.

₹ in million

| Type of borrower | Exposure to accounts classified as standard consequent to implementation of resolution plan – Position as at the end of the Sept 30, 2022(A)[1] | Of (A), aggregate debt that slipped into NPA during the half-year | Of (A), amount written off during the half-year2 | Of (A) amount paid by the borrowers during the half-year | Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at March 31, 2023 |
|---|---|---|---|---|---|
| Personal loans | 3,519.6 | 255.6 | 1.8 | 313.4 | 2,971.1 |
| Corporate persons | 1,100.4 | 118.6 | 2.3 | 175.1 | 809.5 |
| Of which, *MSMEs* | *461.4* | *59.8* | - | *83.4* | *319.5* |
| Others | 1,361.5 | 54.5 | 3.5 | 183.4 | 1,127.8 |
| **Total** | **5,981.5** | **428.7** | **7.6** | **671.9** | **4,908.4** |

1. Excluding accounts where OTR was revoked subsequently
2. Represents debt that slipped into NPA and was subsequently written off during the half-year ended March 31, 2023.

## NOTES FORMING PART OF THE ACCOUNTS

### Liquidity Risk Management

In line with RBI guidelines and ICICI Group's overall business framework, the Board of the Company had approved a comprehensive ALM policy that defines composition of Asset Liability Management Committee (ALCO) and the ALM framework for liquidity and interest rate risk management. ALCO reviews the Asset Liability profile and interest rates on regular basis.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company proactively manages liquidity risk as part of its ALM function. The ALCO of the Company monitors liquidity risk through various tools like statements of short term dynamic liquidity, structural liquidity, liquidity stock ratios, Liquidity Coverage Ratio (LCR) amongst others.

For measuring and managing net funding requirements, the Company has adopted use of a maturity ladder and calculation of cumulative surplus or deficit of funds at selected maturity dates. The Statement of Structural Liquidity is prepared by placing all cash inflows and outflows in the maturity ladder according to the expected timing of cash flows. The Company monitors absolute and/or cumulative mismatches across all time buckets by establishing internal prudential limits consistent with regulatory requirements. Further, the Statement of Structural Liquidity is used as a standard tool for measuring and managing net funding requirements and the assessment of a surplus or shortfall of funds in various maturity buckets in the future. The Company has certain resources (enumerated as below) at its disposal for meeting the shortfall in liquidity if the outflows of cash occur significantly earlier than indicated in the ALM statements or are for significantly different amounts from those indicated in the ALM statements.

a. Balances in tri-party repo, schemes of mutual funds
b. Line of credit (overdraft limit) from banks
c. Other liquid investments (in excess of statutory requirements, if any)
d. Unavailed term loans/NCDs/Transfer of loan limits from various banks
e. Unutlised rating limits under various borrowing programmes.

### Liquidity Contingency Plan

A Liquidity Contingency Plan (LCP) has been formulated to assist the ALCO in responding to situations arising out of liquidity crisis. The plan is an extension of dynamic liquidity statement and assists in:

- Liquidity planning for contingencies
- Identifying mitigants to liquidity stress arising out of contingencies
- Assessment of liquidity indicators and liquidity monitoring threshold
- Communication and action protocol
- Restoring normalcy in the event of any contingency

In order to ensure stability in liquidity management, the Company's ALM policy also defines monitoring of liquidity ratio of 'High value bulk deposits to total borrowings and High value Customers' deposits(aggregate of all deposits having value ₹ 250.0 million and more from single depositors) to Total deposits'. Further as per revised regulatory framework, the Company has adopted the below stock approach ratios in the ALM Policy.

## NOTES FORMING PART OF THE ACCOUNTS

a. Short-term liability to total assets

b. Short-term liability to long-term assets

c. Long-term assets to total assets

### Maturity analysis for financial liabilities

The following tables set forth, for the periods indicated, the cash flows under financial liabilities as per their residual contractual maturities at the Balance Sheet date.

**At March 31, 2023**

₹ in million

| Particulars | Up to 1 month | Over 1 month to 3 months | Over 3 months to 1 year | Over 1 year to 5 years | Over 5 years | Total |
|---|---|---|---|---|---|---|
| Trade payables | 1,874.0 | - | - | - | - | **1,874.0** |
| Debt securities | 1,152.3 | 6,890.3 | 10,419.5 | 33,561.8 | 2,576.0 | **54,599.9** |
| Borrowings | 94.5 | 842.5 | 6,773.1 | 37,042.4 | 8,503.0 | **53,255.5** |
| Deposits | 1,153.4 | 3,568.8 | 8,184.7 | 20,801.2 | 2,917.7 | **36,625.8** |
| Subordinate liabilities | - | 60.9 | 77.5 | - | 4,197.3 | **4,335.7** |
| Committed credit lines | - | 251.7 | 2,122.0 | 20,937.4 | 26,813.3 | **50,124.4** |
| Derivative financial liabilities | - | - | - | - | - | **-** |
| Other financial liabilities | 7,373.1 | 1,507.5 | 110.6 | 167.2 | 910.4 | **10,068.8** |

**At March 31, 2022**

₹ in million

| Particulars | Up to 1 month | Over 1 month to 3 months | Over 3 months to 1 year | Over 1 year to 5 years | Over 5 years | Total |
|---|---|---|---|---|---|---|
| Trade payables | 1,625.0 | - | - | - | - | **1,625.0** |
| Debt securities | 1,648.7 | 175.6 | 12,025.8 | 28,443.9 | 2,575.5 | **44,869.5** |
| Borrowings | 0.8 | 14,246.8 | 4,060.6 | 25,368.4 | 3,977.9 | **47,654.5** |
| Deposits | 618.3 | 1,728.2 | 8,618.7 | 17,745.1 | 2,296.7 | **31,007.0** |
| Subordinate liabilities | - | 61.1 | 77.9 | - | 4,198.0 | **4,337.0** |
| Committed credit lines | - | 81.7 | 849.3 | 22,404.4 | 7,914.6 | **31,250.0** |
| Derivative financial liabilities | - | 200.5 | - | - | - | **200.5** |
| Other financial liabilities | 8,376.6 | 19.9 | 156.7 | 151.9 | 5.7 | **8,710.8** |

## NOTES FORMING PART OF THE ACCOUNTS

For non-derivative financial liabilities, amounts represent undiscounted cash flows.

### Market risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and equity price risk.

a. Currency risk (or foreign exchange risk) arises on financial instruments that are denominated in a foreign currency, that is, in a currency other than the functional currency in which they are measured.

   The Company does not have any foreign currency exposure as on at March 31, 2023.

b. Interest rate risk is the risk that changes in market interest rates might adversely affect the Company's financial condition. It is the risk of potential variability in earnings and capital value resulting from changes in market interest rates. A Company generally faces interest rate risk when one side of the Balance Sheet largely has rate sensitive items and the other side has rate insensitive items. Interest rate risk arises on interest-bearing financial instruments recognised in the Balance Sheet (e.g. debt instruments acquired or issued) and on some financial instruments not recognised in the Balance Sheet (e.g. loan commitments). The Company uses various tools including gap analysis, Earnings at Risk (EaR) and duration of equity (DoE) for interest risk management.

The following table sets forth, for the periods indicated, the break-up of borrowings into variable rate and fixed rate.

| **Particulars** | **At March 31, 2023** | **At March 31, 2022** |
|---|---|---|
| Variable rate borrowings | 38.2% | 24.4% |
| Fixed rate borrowings | 61.8% | 75.6% |
| **Total borrowings** | **100.0%** | **100.0%** |

   At March 31, 2023, the Company has Earnings (Profit) at Risk (EaR) impact of ₹ 129.6 million (March 31, 2022: ₹ 275.8 million) due to interest rate sensitivity of 100 basis point adverse change in borrowing rates and 50 basis point adverse change in lending rates as per approved Asset Liability Management Policy of the Company.

c. Equity price risk is the risk that the fair value of equities decreases as the result of changes in their prices. The Company does not trade in equities. The unquoted investments are valued in accordance with Ind AS 113 'Fair Value Measurements'. The Company does not have any significant value of investments in equities.

## NOTES FORMING PART OF THE ACCOUNTS

### Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

Operational risk management in the Company follows three lines of defense approach:

1. The first line of defense is business line management –They are responsible for identifying and managing operational risks inherent in the products and processes. They are also responsible for assessing and enhancing controls thereby promoting a strong risk culture.

2. Second line of defense is risk management group –They are responsible for independent review of processes and functions and implementation of the operational risk management function in the Company. Key responsibilities include risk identification, risk assessment, risk measurement, risk monitoring, and risk reporting.

3. Third line of defense is internal audit department –They provide independent assurance that the first and second lines are operating in line with policies, regulations and internal standards defined for management of operational risk in the Company. Operational risk and related areas are governed by the Board approved policies.

### 47. FAIR VALUE MEASUREMENTS

This section gives an overview of the significance of financial instruments for the Company and provides additional information on Balance Sheet items that contain financial instruments. The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised are disclosed in note 3.

#### a) Valuation framework

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal market at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using a valuation technique.

The Company uses valuation models for computing the valuation of instruments wherever a traded price is not readily available for such instruments.

#### Fair value hierarchy

The Company measures fair values using the following value hierarchy that reflects the significance of the inputs used in making the measurements.

#### Level 1

Valuation is based upon unadjusted quoted prices of identical instruments traded in active markets. The instruments that have been valued based upon such quoted prices include mutual funds.

**Level 2**

Valuation is based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, prices quoted by market participants and prices derived from valuation models which use significant inputs that are observable in active markets. The instruments that have been valued based upon such valuation include derivatives

**Level 3**

Valuation is based on valuation techniques or models which use data based on unobservable market input or assumptions. Financial instruments are considered Level 3 when their values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable or when determination of the fair value requires significant management judgment or estimation.

**Valuation models**

**Level 1**

Prices quoted in active markets - The fair value of instruments that are quoted in active markets is determined using the quoted prices where they represent prices at which regularly and recently occurring transactions take place.

**Level 2**

Valuation techniques with observable inputs - The Company uses valuation techniques to establish the fair value of instruments where price, quoted in active markets, are not available. Valuation techniques used for financial instruments include modeling techniques, the use of indicative quotes for proxy instruments, quotes from recent and less regular transactions and broker quotes.

Derivatives are valued using mark-to-market receivable/payable indicated by the counterparties. The valuation derived based on counterparties quote are also independently validated.

**Level 3**

Valuation techniques with significant unobservable inputs - This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, carrying value and fair value of financial instruments by categories at March 31, 2023.

₹ in million

| Particulars | Fair value through P&L | Derivative instruments in hedging relationship | Derivative instruments not in hedging relationship | Fair value through other comprehensive income | Amortised cost | Total carrying value | Total fair value |
|---|---|---|---|---|---|---|---|
| **Assets** | | | | | | | |
| Cash and cash equivalents | - | - | - | - | 4,373.1 | 4,373.1 | 4,373.1 |
| Bank deposits | - | - | - | - | 2.5 | 2.5 | 2.5 |
| Derivative financial instruments | - | - | - | - | - | - | - |
| Trade receivables | - | - | - | - | 20.7 | 20.7 | 20.7 |
| Loans | - | - | - | 71,645.7 | 103,790.5 | 175,436.2 | 175,436.2 |
| Investments | 1,687.5 | - | - | - | 3,304.1 | 4,991.6 | 4,937.6 |
| Other financial assets | - | - | - | - | 2,081.6 | 2,081.6 | 2,081.6 |
| **Total** | **1,687.5** | **-** | **-** | **71,645.7** | **113,572.5** | **186,905.7** | **186,851.7** |
| **Liabilities** | | | | | | | |
| Derivative financial instruments | - | - | - | - | - | - | - |
| Trade and other payables | - | - | - | - | 1,874.0 | 1,874.0 | 1,874.0 |
| Borrowings (including Debt securities, Deposits and Subordinate Liabilities) | - | - | - | - | 148,618.2 | 148,618.2 | 145,743.4 |
| Other financial liabilities | - | - | - | - | 10,068.8 | 10,068.8 | 10,068.8 |
| **Total** | **-** | **-** | **-** | **-** | **160,561.0** | **160,561.0** | **156,686.2** |

At March 31, 2023, financial assets carried at fair value through P&L was ₹ 1,687.5 million, financial assets carried at fair value through OCI was ₹ 71,645.7 million and financial assets carried at amortised cost was ₹ 113,572.5 million. A significant portion of financial assets carried at fair value through P&L are mainly investments in liquid debt securities (classified as Level 1) and accordingly, material volatility is not expected.

## NOTES FORMING PART OF THE ACCOUNTS

Loans and advances carried at amortised cost or at fair value through OCI, which are valued considering allowances for losses using Expected Credit Loss (ECL) method. Based on the assessment as given in note no. 46 on ECL, the allowance for loans of ₹ 3,138.3 million at March 31, 2023 is considered adequate.

A Significant amount of financial assets, other than loans and advances which are carried at amortised cost are in the form of cash and cash equivalents, bank deposits, government securities, where in the Company does not expect any increase in credit risk.

The following table sets forth, carrying value and fair value of financial instruments by categories at March 31, 2022.

₹ in million

| Particulars | Fair value through P&L | Derivative instruments in hedging relationship | Derivative instruments not in hedging relationship | Fair value through other comprehensive income | Amortised cost | Total carrying value | Total fair value |
|---|---|---|---|---|---|---|---|
| **Assets** | | | | | | | |
| Cash and cash equivalents | - | - | - | - | 2,693.6 | 2,693.6 | 2,693.6 |
| Bank deposits | - | - | - | - | 2.5 | 2.5 | 2.5 |
| Derivative financial instruments | - | 595.7 | - | - | - | 595.7 | 595.7 |
| Trade receivables | - | - | - | - | 12.5 | 12.5 | 12.5 |
| Loans | - | - | - | 37,550.6 | 107,434.4 | 144,985.0 | 144,985.0 |
| Investments | 2,735.2 | - | - | - | 3,268.9 | 6,004.1 | 6,036.9 |
| Other financial assets | - | - | - | - | 2,244.2 | 2,244.2 | 2,244.2 |
| Assets held for sale | 425.7 | - | - | - | - | 425.7 | 425.7 |
| **Total** | **3,160.9** | **595.7** | **-** | **37,550.6** | **115,656.1** | **156,963.3** | **156,996.1** |
| **Liabilities** | | | | | | | |
| Derivative financial instruments | - | 200.5 | - | - | - | 200.5 | 200.5 |
| Trade and other payables | - | - | - | - | 1,625.0 | 1,625.0 | 1,625.0 |
| Borrowings (including Debt securities, Deposits and Subordinate Liabilities) | - | - | - | - | 127,567.0 | 127,567.0 | 126,655.3 |
| Other financial liabilities | - | - | - | - | 8,710.8 | 8,710.8 | 8,710.8 |
| **Total** | **-** | **200.5** | **-** | **-** | **137,902.8** | **138,103.3** | **137,191.6** |

## NOTES FORMING PART OF THE ACCOUNTS

At March 31, 2022, financial assets carried at fair value through P&L was ₹ 3,160.9 million, financial assets carried at fair value through OCI was ₹ 37,550.6 million and financial assets carried at amortised cost was ₹ 115,656.1 million. A significant portion of financial assets carried at fair value through P&L are mainly investments in liquid debt securities (classified as Level 1) and accordingly, material volatility is not expected.

Loans and advances carried at amortised cost or at fair value through OCI, which are valued considering allowances for losses using Expected Credit Loss (ECL) method. Based on the assessment as given in note no. 46 on ECL, the allowance for loans of ₹ 3,756.2 million at March 31, 2022 is considered adequate.

A Significant amount of financial assets, other than loans and advances which are carried at amortised cost are in the form of cash and cash equivalents, bank deposits, government securities, where in the Company does not expect any increase in credit risk.

The following tables set forth, for the periods indicated, an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1, 2 and 3.

₹ in million

| At March 31, 2023 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Investments | | | | |
| Mutual funds | 1,615.4 | - | - | 1,615.4 |
| Equity Shares | - | - | 56.5 | 56.5 |
| Units of venture capital funds | - | - | 15.6 | 15.6 |
| Loans classified under "Hold & sell" business model | - | - | 71,645.7 | 71,645.7 |
| Derivative financial assets | - | - | - | - |
| **Total** | **1,615.4** | **-** | **71,717.8** | **73,333.2** |
| Financial liabilities | - | - | - | - |
| Derivative financial liabilities | - | - | - | - |
| **Total** | **-** | **-** | **-** | **-** |

₹ in million

| At March 31, 2022 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Investments | | | | |
| Mutual funds | 2,701.5 | - | - | 2,701.5 |
| Equity Shares | - | - | 17.6 | 17.6 |
| Units of venture capital funds | - | - | 16.2 | 16.2 |

## NOTES FORMING PART OF THE ACCOUNTS

| At March 31, 2022 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Loans classified under "Hold & sell" business model | - | - | 37,550.6 | 37,550.6 |
| Derivative financial assets | - | 595.7 | - | 595.7 |
| Assets held for sale | - | - | 425.7 | 425.7 |
| **Total** | **2,701.5** | **595.7** | **38,010.1** | **41,307.3** |
| Financial liabilities | | | | |
| Derivative financial liabilities | - | 200.5 | - | 200.5 |
| **Total** | **-** | **200.5** | **-** | **200.5** |

### b) Financial instruments not measured at fair value measurement

#### Estimated fair value of financial instruments

Fair value estimates are generally subjective in nature and are made at a specific point in time based on the characteristics of the financial instruments and relevant market information. Quoted market prices are used, wherever available. In other cases, fair values are based on estimates using present value or other valuation techniques. These techniques involve uncertainties and are significantly affected by the assumptions used and judgments made regarding risk characteristics of various financial instruments, discount rates, estimates of future cash flows and other factors. Changes in assumptions could significantly affect these estimates and the resulting fair values. Derived fair value estimates cannot necessarily be substantiated by comparison to independent markets and may not be realised in an immediate sale of the instruments.

The short-term financial assets (cash and cash equivalents, other bank balances, receivables and other assets) and liabilities (Trade payables and other liabilities) are stated at amortised cost, which is approximately equal to their fair value.

The details of methods and assumptions used by the Company in estimating the fair values of financial instruments is given below.

#### i. Loans and advances

Substantially all the loans reprice frequently, with interest rates reflecting current market pricing, hence the carrying value of loan approximates fair value. The advances are classified as level 3 instruments in view of absence of any significant market observable data for valuation of these instruments.

#### ii. Investments

The Company has investments in government securities which are carried at amortised cost. The fair value of these investments is computed based on prices published by Fixed Income Money Market and Derivatives Association (FIMMDA)/Financial Benchmark India Private Limited (FIBIL).

## NOTES FORMING PART OF THE ACCOUNTS

### iii. Debt securities and other borrowings (including fixed deposits)

The fair value of the Company's debt is estimated by discounting future contractual cash flows using appropriate interest rates and credit spreads. The carrying value of short-term borrowings approximates fair value. The borrowings in the form of bonds and debentures (including MLDs and sub-debts) are classified as level 2 instruments. All other borrowings are classified as level 3 instruments.

The following tables set forth, for the periods indicated provides an analysis of fair value of financial instruments that are not measured at fair value, grouped into Level 1, 2 and 3 categories.

₹ in million

| At March 31, 2023 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Loans | - | - | 103,790.5 | 103,790.5 |
| Investments | 3,250.1 | - | - | 3,250.1 |
| **Total** | **3,250.1** | **-** | **103,790.5** | **107,040.6** |
| **Financial liabilities** | | | | |
| Borrowings | - | 51,040.8 | 94,702.6 | 145,743.4 |
| **Total** | **-** | **51,040.8** | **94,702.6** | **145,743.4** |

₹ in million

| At March 31, 2022 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Loans | - | - | 107,434.4 | 107,434.4 |
| Investments | 3,301.7 | - | - | 3,301.7 |
| **Total** | **3,301.7** | **-** | **107,434.4** | **110,736.1** |
| **Financial liabilities** | | | | |
| Borrowings | - | 46,832.9 | 79,822.4 | 126,655.3 |
| **Total** | **-** | **46,832.9** | **79,822.4** | **126,655.3** |

### c) Reclassification of financial assets

During financial years ended March 31, 2023, and March 31, 2022, the Company had not reclassified any of financial assets from one category to another category.

## NOTES FORMING PART OF THE ACCOUNTS

### d) Movement in level 3 financial instruments measured at fair value

The following tables set forth, for the periods indicated, the reconciliation of the opening and closing amounts of level 3 financial assets measured at fair value.

₹ in million

| Description | Equity instruments | Units of Venture capital fund | Loans Measured at fair value | Total |
|---|---|---|---|---|
| **Opening balance at April 1, 2022** | **443.3** | **16.2** | **37,550.6** | **38,010.1** |
| Total gains or losses included in statement of Profit and Loss | 38.9 | (0.6) | - | 38.3 |
| Expected Credit Loss (ECL) included in statement of Profit and Loss | - | - | (173.6) | (173.6) |
| Purchases/Originated | - | - | 46,982.3 | 46,982.3 |
| Sales | (425.7) | - | (14,678.2) | (15,103.9) |
| Total gains or losses included in Other Comprehensive Income (OCI) | - | - | 2,748.9 | 2,748.9 |
| Gain/(loss) reclassified to Profit & Loss | - | - | (784.3) | (784.3) |
| **Closing balance at March 31, 2023** | **56.5** | **15.6** | **71,645.7** | **71,717.8** |
| Total amount of gains or (losses) included in Statement of Profit and Loss on account attributable to change in unrealised gains or (losses) relating to assets still held at reporting date | 38.9 | (0.6) | - | 38.3 |

₹ in million

| Description | Equity instruments[1] | Units of Venture capital fund | Loans Measured at fair value | Total |
|---|---|---|---|---|
| **Opening balance at April 1, 2021** | **446.3** | **16.1** | **14,442.0** | **14,904.4** |
| Total gains or losses included in Statement of Profit and Loss | (3.0) | 0.1 | - | (2.9) |
| Expected Credit Loss (ECL) included in Statement of Profit and Loss | - | - | (107.3) | (107.3) |

## NOTES FORMING PART OF THE ACCOUNTS

| Description | Equity instruments[1] | Units of Venture capital fund | Loans Measured at fair value | Total |
|---|---|---|---|---|
| Purchases/Originated | - | - | 25,005.0 | 25,005.0 |
| Sales | - | - | (3,064.8) | (3,064.8) |
| Total gains or losses included in Other Comprehensive Income (OCI) | - | - | 1,500.7 | 1,500.7 |
| Gain/(loss) reclassified to Profit & Loss | - | - | (225.0) | (225.0) |
| **Closing balance at March 31, 2022** | **443.3** | **16.2** | **37,550.6** | **38,010.1** |
| Total amount of gains or (losses) included in Statement of Profit and Loss on account attributable to change in unrealised gains or (losses) relating to assets still held at reporting date | (3.0) | 0.1 | - | (2.9) |

1. This includes assets held for sale

### e) Unobservable inputs used in measuring fair value of financial instruments categorised as level 3

The following tables set forth, for the periods indicated, information about significant unobservable inputs used in measuring financial instruments categorised as level 3 in the fair value hierarchy.

₹ in million

| Type of financial instruments | Fair value at March 31, 2023 | Significant unobservable input | Fair value measurement sensitivity to unobservable inputs |
|---|---|---|---|
| Unlisted equity | 56.5 | Fair value as determined by Independent valuer | A significant increase/decrease in the price would result in a higher/lower fair value |
| Venture funds | 15.6 | Net Assets Value (NAV) provided by the Venture Capital Fund (VCF) | A significant increase/decrease in the NAV would result in a higher/lower fair value |
| Loans classified under "Hold & sell" business model | 71,645.7 | Pre-payment rate<br>Discount rate | A significant increase/decrease in the pre-payment and/or discount rate would result in a lower/higher fair value |
| **Total** | **71,717.8** | | |

## NOTES FORMING PART OF THE ACCOUNTS

Investment in equity shares is valued by Independent valuer using investee company's net worth. Based on the assessment of current financial conditions and business prospects of investee company, valuation was appropriately discounted to reflect the risks and uncertain market conditions. Any changes in the scenario could be a key risk to valuation.

₹ in million

| Type of financial instruments | Fair value at March 31, 2022 | Significant unobservable input | Fair value measurement sensitivity to unobservable inputs |
|---|---|---|---|
| Unlisted equity[1] | 443.3 | Fair value as determined by the Independent valuer | A significant increase/decrease in the price would result in a higher/lower fair value |
| Venture funds | 16.2 | Net Assets Value (NAV) provided by the Venture Capital Fund (VCF) | A significant increase/decrease in the NAV would result in a higher/lower fair value |
| Loans classified under "Hold & sell" business model | 37,550.6 | Pre-payment rate<br>Discount rate | A significant increase/decrease in the pre-payment and/or discount rate would result in a lower/higher fair value |
| **Total** | **38,010.1** | | |

1. This includes assets held for sale

### The effect of unobservable inputs on fair value measurement

Although the Company believes that its estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value.

The total outstanding carrying amount of unlisted equity and units in venture capital funds at March 31, 2023 was ₹ 72.1 million (at March 31, 2022: ₹ 459.5 million includes asset held for sale of : ₹ 425.7 million). The most significant input impacting the fair value of the unlisted equity shares and units in venture capital fund are prices or values provided by external valuer/fund and recent market transactions. A 10% change in price would result in an impact of ₹ 7.2 million (at March 31, 2022: ₹ 46.0 million).

The total outstanding carrying amount of loans under FVOCI category at March 31, 2023 was ₹ 71,645.7 million (at March 31, 2022: 37,550.6). The most significant input impacting the fair value of the loans under FVOCI category is pre-payment rate and discount rate used by the Company. An upward 10% change in pre-payment rate and discount rate would result in an impact of ₹ 350.4 million and ₹ 1,192.2 million respectively (at March 31, 2022: ₹ 196.6 million and ₹ 563.6 million respectively) and a downward 10% change would result in an impact of ₹ 420.0 million and ₹ 1,219.1 million respectively (at March 31, 2022: ₹ 235.7 million and ₹ 575.0 million respectively).

## NOTES FORMING PART OF THE ACCOUNTS

### 48. EMPLOYEE BENEFITS

#### Defined benefit plans

#### Gratuity

The Company has a defined benefit gratuity plan (funded). The Company's defined benefit gratuity plan requires contributions to be made to a separately administered fund. The fund has the form of a trust and it is governed by the Board of Trustees. The Board of Trustees is responsible for the administration of the plan assets.

The gratuity benefit is provided through annual contributions to a fund administered and managed by ICICI Prudential Life Insurance Company Limited (ICICI Prudential). Under this scheme, the settlement obligation remains with the Company.

Gratuity is a defined benefit plan and the Company is exposed to the following risks:

a) Interest rate risk: A fall in the discount rate which is linked to the Government Securities rate, will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of the asset.

b) Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than the assumed level will increase the plan's liability.

c) Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the reporting date on government bonds. If the return on plan assets is below this rate, it will create a plan deficit.

d) Mortality risk: Since the benefits under the plan are not payable for life time and payable till retirement age only, plan does not have any longevity risk.

The following table sets forth, for the periods indicated, the funded status of the plans and the amounts recognised in the financial statements.

₹ in million

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| **Change in benefit obligations** | | |
| Opening obligations | 97.8 | 104.3 |
| Service cost | 18.2 | 17.7 |
| Interest cost | 5.5 | 5.5 |
| **Remeasurements gains/(losses)** | | |
| -Actuarial gain/(loss) from changes in demographic assumptions | - | - |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| -Actuarial gain/(loss) from changes in financial assumptions | (9.2) | (2.1) |
| -Actuarial gain/(loss) from changes in experience adjustments | (3.7) | (12.1) |
| Past service cost | - | - |
| Transfer in/(out) of liability | - | (5.3) |
| Benefits paid | (7.9) | (10.2) |
| **Benefit obligations at the end of the year** | **100.7** | **97.8** |
| | | |
| **Change in plan assets** | | |
| Fair value of plan assets at beginning of the year | 107.2 | 104.6 |
| Interest on plan assets | 6.4 | 5.8 |
| Actual return on plan assets less interest on plan assets | (4.4) | (1.9) |
| Actuarial gain/(loss) from changes in demographic assumptions | - | - |
| Actuarial gain/(loss) from changes in financial assumptions | - | - |
| Employer contributions | - | 14.1 |
| Transfer in/(out) of assets | - | (5.3) |
| Benefits paid | (7.9) | (10.1) |
| **Plan assets at the end of the year** | **101.3** | **107.2** |
| | | |
| **Expected employer's contribution next year** | **10.0** | **10.0** |
| Fair value of plan assets at the end of the year | 101.3 | 107.2 |
| Present value of the defined benefit obligations at the year | 100.7 | 97.8 |
| Unrecognised prior service cost | - | - |
| Amount not recognised as an Asset | - | - |
| **Asset/(liability)** | **0.6** | **9.4** |

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, the components of the income and expenses recognised in Other Comprehensive Income.

₹ in million

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| **Opening balance of actuarial (gains)/losses recognised in Other Comprehensive Income** | **(5.8)** | **6.5** |
| Remeasurements loss/(gains) | - | - |
| **Actuarial loss or gain arising from:** | | |
| Demographic assumptions | - | - |
| Financial assumptions | (9.2) | (2.1) |
| Experience adjustment | (3.7) | (12.1) |
| Return on plan assets excluding interest income | 4.4 | 1.9 |
| Effects of movements in exchange rates | - | - |
| **Closing balance of actuarial (gains)/losses recognised in Other Comprehensive Income** | **(14.3)** | **(5.8)** |

The following table sets forth, for the periods indicated, the components of the net gratuity cost recognised in Statement of Profit and Loss.

₹ in million

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| Service cost | 18.2 | 17.7 |
| Interest cost/(income) | (0.9) | (0.3) |
| Amortisation of prior service cost | - | - |
| **Net gratuity cost** | **17.3** | **17.4** |

Gratuity cost is included in the line item 'Employee benefits expenses' in the Statement of Profit and Loss.

The discount rate used to discount gratuity obligations has been determined with reference to the prevailing market yields on government of India bonds, for the estimated term of obligations, at the end of the reporting period.

## NOTES FORMING PART OF THE ACCOUNTS

The following tables set forth, for the periods indicated, assumptions used to determine benefit obligations.

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| Discount rate | 7.55% | 6.05% |
| Rate of increase in compensation levels | 7.00% | 7.00% |

Assumptions regarding future mortality have been based on published statistics and mortality tables. The current longevities underlying the value of the defined benefit obligation at the reporting date were as follows:

| Age (years) | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| 21-24 | 41% | 41% |
| 25-29 | 36% | 36% |
| 30-34 | 30% | 30% |
| 35-44 | 20% | 20% |
| 45 and above | 9% | 9% |

### Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amount shown below.

₹ in million

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| Discount rate (0.5% movement) | | |
| On increase | (2.7) | (2.9) |
| On decrease | 3.0 | 3.1 |
| Future salary growth (0.5% movement) | | |
| On increase | 3.0 | 3.1 |
| On decrease | (2.7) | (2.9) |

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the methods and assumptions used in preparing the sensitivity analysis.

## NOTES FORMING PART OF THE ACCOUNTS

### Plan assets

The following table sets forth, for the periods indicated, the asset allocation for gratuity by asset category based on fair values.

₹ in million

| Asset category | At March 31, 2023 | | At March 31, 2022 | |
|---|---|---|---|---|
| | Amount | As percentage of total | Amount | As percentage of total |
| Insurer managed funds | 100.9 | 99.6% | 106.8 | 99.6% |
| Others | 0.4 | 0.4% | 0.4 | 0.4% |

### Maturity analysis of the benefit payments from the fund

The following table sets forth, for the periods indicated, maturity analysis of the benefit payments from the fund.

₹ in million

| Future year from the date of reporting | March 31, 2023 | March 31, 2022 |
|---|---|---|
| 1st year | 13.4 | 12.4 |
| 2nd year | 12.1 | 11.4 |
| 3rd year | 13.0 | 10.4 |
| 4th year | 25.1 | 11.0 |
| 5th year | 8.2 | 20.8 |
| 6th year | 7.8 | 6.4 |
| 7th year | 9.5 | 6.6 |
| 8th year | 11.6 | 7.5 |
| 9th year | 80.8 | 9.3 |
| 10th year and above | 58.2 | 54.1 |

Weighted average duration of defined benefit obligation is 5.67 years (March 31, 2022: 6.19 years).

### Provident fund

Employees of the Company are entitled to receive benefits under the provident fund. These contributions were being made under defined benefit obligation plan to a fund set up by the Company and administered by a Board of Trustees. With effect from August 1, 2022, the administration of the Employees' Provident Fund has been transferred to the Employees' Provident Fund Organisation (EPFO). Accordingly, monthly contributions from July 2022 and onwards were paid to the EPFO as

defined contribution plan. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. The Company contributed ₹ 75.7 million, wherein ₹ 17.6 million is towards defined benefit plan (March 31, 2022: ₹ 48.1 million) and ₹ 58.1 million is towards defined contribution plan (March 31, 2022: Nil) to the employees' provident fund for the year ended March 31, 2023, which includes compulsory contribution made towards employee pension scheme under Employees Provident Fund and Miscellaneous Provisions Act, 1952. This cost is included in the line item 'Employee benefits expenses' in the Statement of Profit and Loss.

The following table sets forth, for the periods indicated, the funded status of the plans and the amounts recognised in the financial statements.

₹ in million

| **Particulars** | **Year ended March 31, 2023** | **Year ended March 31, 2022** |
|---|---|---|
| Change in benefit obligations | | |
| Opening obligations | NA | 570.4 |
| Service cost | NA | 30.8 |
| Interest cost | NA | 34.3 |
| Remeasurements gains/(losses) | NA | (11.4) |
| Employee's contribution | NA | 61.3 |
| Transfer in/(out) of liability | NA | 21.9 |
| Benefits paid | NA | (52.0) |
| **Benefit obligations at the end of the year** | **NA** | **655.3** |
| **Change in plan assets** | | |
| Fair value of plan assets at beginning of the year | NA | 570.4 |
| Expected return on plan assets | NA | 34.3 |
| Actuarial gain/(loss) | NA | 22.5 |
| Employer contributions | NA | 30.8 |
| Employee contributions | NA | 61.3 |
| Transfer in/(out) of assets | NA | 21.9 |
| Benefits paid | NA | (52.0) |
| **Plan assets at the end of the year** | **NA** | **689.2** |
| **Expected employer's contribution next year** | **NA** | **33.0** |

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, the asset allocation for provident fund by asset category based on fair values.

₹ in million

| Asset category | At March 31, 2023 | | At March 31, 2022 | |
|---|---|---|---|---|
| | Amount | As percentage of total | Amount | As percentage of total |
| Government of India securities | NA | NA | 311.8 | 45.2% |
| Corporate bonds | NA | NA | 221.6 | 32.2% |
| Exchange traded funds | NA | NA | 102.0 | 14.8% |
| Others | NA | NA | 53.8 | 7.8% |
| **Total** | **NA** | **NA** | **689.2** | **100%** |

The following table sets forth, for the periods indicated, assumptions used to determine benefit obligations.

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| Discount rate | NA | 6.05% |
| Expected rate of return on assets | NA | 8.17% |
| Discount rate for the remaining term to maturity of investment | NA | 6.75% |
| Average historic yield on investment | NA | 8.87% |
| Guaranteed rate of return | NA | 8.10% |
| Average expected future period (in years) | NA | 4.16 |

### Compensated absence

The following table sets forth, for the periods indicated, details for compensated absence.

₹ in million

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| Cost | 19.2 | 16.4 |
| **Assumptions** | | |
| Discount rate | 7.55% | 6.05% |
| Salary escalation rate | 7.00% | 7.00% |

Cost for the year is included in the line item 'Employee benefits expenses' in the Statement of Profit and Loss.

## NOTES FORMING PART OF THE ACCOUNTS

### Defined contribution plans

The following table sets forth, for the periods indicated, contribution made by the Company towards defined contribution plans.

₹ in million

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| Employer's Contribution to Provident fund[1,2] | 58.1 | - |
| Employer's Contribution to Employee state insurance scheme[2,3] | 2.7 | 2.9 |
| Employer's Contribution to National Pension Scheme[4] | 4.7 | 4.3 |
| Employer's Contribution to Superannuation Scheme[4] | 1.5 | 1.1 |
| **Total** | **67.0** | **8.3** |

1 Amount represents the contribution made to Employees' Provident Fund Organisation (EPFO) as defined contribution plan.

2. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

3. For employees eligible as per Employees' State Insurance Act, 1948.

4. For employees who have opted for the scheme.

Cost for the year is included in the line item 'Employee benefits expenses' in the Statement of Profit and Loss.

### 49. SHARE BASED PAYMENTS

In terms of an Employee Stock Option Scheme (ESOS), of the Parent Bank, share options are granted to eligible employees and Directors of the Bank and its subsidiaries. As per the ESOS, as amended from time to time, the maximum number of options granted to any eligible employees/Directors in a financial year shall not exceed 0.05% of the Parent Bank's issued equity shares at the time of the grant of the options and the aggregate of all such options granted to any eligible employees/Directors shall not exceed 10% of the aggregate number of the Parent Bank's issued equity shares on the date(s) of the grant of the options in line with SEBI Regulations.

Options granted prior to March 2014 vested in a graded manner over a four-year period, with 20%, 20%, 30% and 30% of the grants vested in each year, commencing from the end of 12 months from the date of grant. Options granted after March 2014, vest in a graded manner over a three-year period with 30%, 30%, and 40% of the grants vesting in each year, commencing from the end of 12 months from the date of grant. In April 2016, the Parent Bank modified the exercise period from 10 years from the date of grant or five years from the date of vesting, whichever is later, to 10 years from the date of vesting of options. In June 2017, the exercise period was further modified by the Parent Bank to not exceed 10 years from the date of vesting of options as may be determined by the Board Governance, Remuneration & Nomination Committee of the Parent Bank to be applicable for future grants. In May 2018, exercise period was further modified by the Parent Bank to not exceed 5 years from the date of vesting of options as may be determined by the Board Governance, Remuneration & Nomination Committee of the Parent Bank to be applicable for future grants.

## NOTES FORMING PART OF THE ACCOUNTS

During the year ended March 31, 2023, ₹ 41.9 million was charged to the Statement of Profit and Loss account in respect of equity-settled share-based payment transactions (Year ended March 31, 2022: ₹ 33.0 million).

The following table sets forth, for the periods indicated, movement in share options during the year.

| Particulars | At March 31, 2023 | | At March 31, 2022 | |
|---|---|---|---|---|
| | No. of options | Price[2] | No. of options | Price[2] |
| Outstanding at the beginning of the year | 2,094,655 | 311.59 | 2,650,744 | 269.17 |
| Add: Granted during the year[1] | 120,100 | 747.65 | 365,700 | 445.67 |
| Less: Exercised during the year[1] | 137,825 | 275.29 | 921,789 | 252.46 |
| Less: Expired/lapsed during the year | - | - | - | - |
| Outstanding at the end of the year | 2,076,930 | 339.21 | 2,094,655 | 311.59 |

1. Including changes in outstanding stock options on account of group company transfers.
2. Indicates weighted average price.

The following table sets forth, for the periods indicated, the key assumptions used to estimate the fair value of options granted.

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| Risk-free interest rate | 5.99% to 6.62% | 5.34% to 6.31% |
| Expected life | 3.23 to 5.23 years | 3.55 to 5.55 years |
| Expected volatility | 35.75% to 38.81% | 36.49% to 39.41% |
| Expected dividend yield | 0.27% | 0.18% |

The weighted average fair value, based on Black-Scholes model, of options granted by the parent Bank during the Year ended March 31, 2023 was ₹ 291.04 (Year ended March 31, 2022: ₹ 227.57).

Risk free interest rates over the expected term of the option are based on the government securities yield in effect at the time of the grant. The expected term of an option is estimated based on the vesting term as well as expected exercise behavior of the employees who receive the option of the Parent Bank. Expected exercise behavior is estimated based on the historical stock option exercise pattern of the Parent Bank. Expected volatility during the estimated expected term of the option is based on historical volatility determined based on observed market prices of the Parent Bank's publicly traded equity shares. Expected dividends during the estimated expected term of the option are based on recent dividend activity of the Parent Bank.

## NOTES FORMING PART OF THE ACCOUNTS

### 50. RELATED PARTY DISCLOSURE

The Company has transactions with its related parties comprising Holding Company, fellow subsidiaries, post-employment benefit plans, key management personnel (KMP) and close members of their family. The transactions between the Company and its related parties were in the ordinary course of business and based on the principles of arm's length.

The following table sets forth, names of related parties and their relationship as per Ind AS 24 'Related party disclosures'.

| S No. | Name of the related party | Nature of relationship |
|---|---|---|
| 1 | ICICI Bank Limited | Holding Company |
| 2 | ICICI Securities Limited | Fellow Subsidiary |
| 3 | ICICI Securities Primary Dealership Limited | Fellow Subsidiary |
| 4 | ICICI Prudential Life Insurance Company Limited | Fellow Subsidiary |
| 5 | ICICI Securities Inc. | Fellow Subsidiary |
| 6 | ICICI Securities Holdings Inc. | Fellow Subsidiary |
| 7 | ICICI Venture Funds Management Company Limited | Fellow Subsidiary |
| 8 | ICICI Trusteeship Services Limited | Fellow Subsidiary |
| 9 | ICICI Investment Management Company Limited | Fellow Subsidiary |
| 10 | ICICI International Limited | Fellow Subsidiary |
| 11 | ICICI Bank UK PLC | Fellow Subsidiary |
| 12 | ICICI Bank Canada | Fellow Subsidiary |
| 13 | ICICI Prudential Asset Management Company Limited | Fellow Subsidiary |
| 14 | ICICI Prudential Trust Limited | Fellow Subsidiary |
| 15 | ICICI Prudential Pension Funds Management Company Limited | Fellow Subsidiary |
| 16 | ICICI Strategic Investments Fund[1] | Fellow Subsidiary |
| 17 | ICICI Lombard General Insurance Company Limited[2] | Associate of Holding Company |
| 18 | I-Process Services (India) Private Limited | Associate of Holding Company |
| 19 | India Infradebt Limited | Associate of Holding Company |

## NOTES FORMING PART OF THE ACCOUNTS

| S No. | Name of the related party | Nature of relationship |
|---|---|---|
| 20 | NIIT Institute of Finance, Banking and Insurance Training Limited | Associate of Holding Company |
| 21 | ICICI Merchant Services Private Limited | Associate of Holding Company |
| 22 | India Advantage Fund-III | Associate of Holding Company |
| 23 | India Advantage Fund-IV | Associate of Holding Company |
| 24 | Arteria Technologies Private Limited | Associate of Holding Company |
| 25 | ICICI Foundation for Inclusive Growth | Other related entity of Holding Company |
| 26 | Comm Trade Services Limited[3] | Other related entity of Holding Company |
| 27 | Sandeep Bakhshi<br>(Relatives - Shivam Bakhshi, Esha Bakhshi and Minal Bakhshi) | Key Managerial Personnel of Holding Company |
| 28 | Anup Bagchi[4] | Key Managerial Personnel |
| 29 | Anirudh Kamani, Managing Director and CEO (Relative - Nilima Goel) | Key Managerial Personnel |
| 30 | Sankaran Santhanakrishnan | Key Managerial Personnel |
| 31 | Vinod Kumar Dhall | Key Managerial Personnel |
| 32 | G. Gopalakrishna | Key Managerial Personnel |
| 33 | Supritha Shetty[5] | Key Managerial Personnel |
| 34 | N.R.Narayanan[6] | Key Managerial Personnel |
| 35 | Sanjay Singhvi[7] | Key Managerial Personnel |
| 36 | Rakesh Jha[8] | Key Managerial Personnel |
| 37 | Zeenat Hamirani[9] | Key Managerial Personnel |
| 38 | ICICI Home Finance Company Limited Employees Provident Fund[10] | Post-Employment benefit plan |
| 39 | ICICI Home Finance Company Limited Employees Group Gratuity Assurance Scheme | Post-Employment benefit plan |
| 40 | ICICI Home Finance Company Limited Employees Superannuation Scheme | Post-Employment benefit plan |

1. Entity consolidated by the Holding Company as per AS-21
2. Associate of Holding Company effective September 8, 2021

## NOTES FORMING PART OF THE ACCOUNTS

3. Included as related party effective from June 30,2022
4. Ceased to be related party effective from September 17, 2022
5. Ceased to be related party effective from January 5, 2023
6. Ceased to be related party effective from September 1, 2021
7. Included as related party effective from September 13, 2021
8. Included as related party effective from October 13, 2022
9. Included as related party effective from January 5, 2023
10. W.e.f August 1, 2022, the administration of the Employees' Provident Fund has been transferred to the Employees' Provident Fund Organisation (EPFO).

The following table sets forth, for the periods indicated, details of outstanding balance with related parties.

₹ in million

| Particulars | Name of the related party | Nature of relationship | At March 31, 2023 | At March 31, 2022 |
|---|---|---|---|---|
| **Assets** | | | | |
| Bank Balance (Including interest outstanding on Fixed Deposit) | ICICI Bank Limited | Holding company | 831.1 | 255.9 |
| Fee Receivable | ICICI Lombard General Insurance Company Limited | Associate of Holding Company | 9.3 | 7.6 |
| | ICICI Prudential Life Insurance Company Limited | Fellow subsidiary | 10.3 | 8.5 |
| Loan Receivable | Anirudh Kamani, Managing Director and CEO | Key Managerial Personnel | 52.5 | 58.1 |
| MTM Receivable | ICICI Bank Limited | Holding company | - | 242.7 |
| Other Receivable | ICICI Bank Limited | Holding company | 58.6 | 55.5 |
| | I-Process Services (India) Private Limited | Associate of Holding Company | * | * |
| **Liabilities** | | | | |
| Equity Share Capital | ICICI Bank Limited | Holding company | 12,035.3 | 10,987.5 |
| Loans | ICICI Bank Limited | Holding company | 1,208.3 | 4,500.8 |
| Bank/book overdrafts in current accounts | ICICI Bank Limited | Holding company | 7,918.8 | 5,549.4 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Name of the related party | Nature of relationship | At March 31, 2023 | At March 31, 2022 |
|---|---|---|---|---|
| Amount collected from borrowers pending to be transferred (for portfolio sold) | ICICI Bank Limited | Holding company | 893.0 | 776.4 |
| Security deposit payable | ICICI Bank Limited | Holding company | 5.8 | 5.8 |
| Fee Payable | ICICI Bank Limited | Holding company | 5.5 | 0.7 |
| Bonds | ICICI Lombard General Insurance Company Limited | Associate of Holding Company | 1,600.0 | 2,100.0 |
| | ICICI Securities Limited | Fellow subsidiary | 0.5 | 5.0 |
| | ICICI Bank Limited | Holding company | - | 1,500.0 |
| Interest payable on bonds | ICICI Lombard General Insurance Company Limited | Associate of Holding Company | 29.2 | 52.4 |
| | ICICI Securities Limited | Fellow subsidiary | * | 0.3 |
| | ICICI Bank Limited | Holding company | - | 36.9 |
| Fixed deposits accepted (FDs) | Anirudh Kamani, Managing Director and CEO | Key Managerial Personnel | 4.8 | 4.6 |
| | Nilima Goel | Relative of Key Managerial Personnel | 1.4 | 1.4 |
| | Shivam Bakhshi | Relative of Key Managerial Personnel of Holding Company | 3.2 | 3.2 |
| | Esha Bakhshi | Relative of Key Managerial Personnel of Holding Company | 2.6 | 2.6 |
| | Minal Bakhshi | Relative of Key Managerial Personnel of Holding Company | 2.2 | 2.2 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Name of the related party | Nature of relationship | At March 31, 2023 | At March 31, 2022 |
|---|---|---|---|---|
| Interest payable on FD | Anirudh Kamani, Managing Director and CEO | Key Managerial Personnel | 0.9 | 0.8 |
| | Nilima Goel | Relative of Key Managerial Personnel | 0.3 | 0.2 |
| Other payables (Including on account of expenses) | ICICI Bank Limited | Holding company | 66.7 | 66.1 |
| | ICICI Securities Limited | Fellow subsidiary | 3.9 | 3.8 |
| | ICICI Investment Management Company Limited | Fellow subsidiary | 0.4 | - |
| Directors commission payable[1] | Sankaran Santhanakrishnan | Key Managerial Personnel | 0.8 | 0.8 |
| | Vinod Kumar Dhall | Key Managerial Personnel | 0.8 | 0.8 |
| | G. Gopalakrishna | Key Managerial Personnel | 0.8 | 0.8 |
| **Others** | | | | |
| SWAP (notional principal) | ICICI Bank Limited | Holding company | - | 15,702.4 |
| Letter of undertaking (utilised) | ICICI Bank Limited | Holding company | 11,514.8 | 16,009.4 |
| Guarantee | ICICI Bank Limited | Holding company | 2.5 | 2.5 |
| Government Securities held in CLGS account | ICICI Bank Limited | Holding company | 3,199.8 | 3,149.8 |

*Insignificant amount.

1. Represents provision amount.
2. The receivables/payables above are expected to be realised/settled in cash/cash equivalents during the regular course of business.
3. No impairment losses or allowances have been recorded during the year against balance outstanding with related party.

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, details of transactions with related parties.

₹ in million

| Particulars | Name of the related party | Nature of relationship | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|---|---|
| **Income** | | | | |
| Rent Received | ICICI Bank Limited | Holding company | 11.7 | 11.1 |
| Expense Recovery | ICICI Bank Limited | Holding company | 6.2 | 0.7 |
| Servicing fees | ICICI Bank Limited | Holding company | 52.0 | 21.1 |
| Interest on Fixed Deposit | ICICI Bank Limited | Holding company | 0.2 | 0.2 |
| Interest income on loans | Anirudh Kamani, Managing Director and CEO | Key Managerial Personnel | 1.9 | 1.3 |
| Referral fee | ICICI Lombard General Insurance Company Limited | Associate of Holding Company | 43.0 | 13.5 |
| | ICICI Prudential Life Insurance Company Limited | Fellow subsidiary | 79.4 | 57.8 |
| **Expense** | | | | |
| Servicing Fees | ICICI Bank Limited | Holding company | 1.1 | 1.7 |
| Collection Cost (shared expenses) | ICICI Bank Limited | Holding company | 1.9 | 10.5 |
| IT infrastructure cost (shared expenses) | ICICI Bank Limited | Holding company | 84.8 | 52.4 |
| Interest & other finance expenses (including hedging cost) | ICICI Bank Limited | Holding company | 417.7 | 991.8 |
| Interest expenses on bonds | ICICI Lombard General Insurance Company Limited | Associate of Holding Company | 140.3 | 163.5 |
| | ICICI Securities Limited | Fellow subsidiary | 0.3 | 7.3 |
| | ICICI Bank Limited | Holding company | 5.5 | 39.2 |
| | ICICI Securities Primary Dealership Limited | Fellow subsidiary | - | 3.6 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Name of the related party | Nature of relationship | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|---|---|
| Royalty fees | ICICI Bank Limited | Holding company | 17.9 | 2.3 |
| Share based payment to employees | ICICI Bank Limited | Holding company | 38.1 | 24.6 |
| Sourcing cost (Loans & FDs) | ICICI Bank Limited | Holding company | 101.5 | 41.1 |
| | ICICI Securities Limited | Fellow subsidiary | 10.9 | 5.2 |
| | ICICI Investment Management Company Limited | Fellow subsidiary | 3.4 | 3.1 |
| Fee expenses - property service | ICICI Bank Limited | Holding company | 5.3 | 10.2 |
| | ICICI Securities Limited | Fellow subsidiary | - | 2.2 |
| Arranger fee | ICICI Bank Limited | Holding company | 1.6 | 2.0 |
| | ICICI Securities Limited | Fellow subsidiary | 0.1 | 0.5 |
| | ICICI Securities Primary Dealership Limited | Fellow subsidiary | 1.5 | 1.6 |
| Rent expenses | ICICI Lombard General Insurance Company Limited | Associate of Holding Company | - | 0.2 |
| | ICICI Prudential Life Insurance Company Limited | Fellow subsidiary | - | 0.1 |
| Insurance premium | ICICI Lombard General Insurance Company Limited | Associate of Holding Company | 81.3 | 81.3 |
| | ICICI Prudential Life Insurance Company Limited | Fellow subsidiary | 13.6 | 15.2 |
| Remuneration[1] | Anirudh Kamani, Managing Director and CEO | Key Managerial Personnel | 40.4 | 177.2 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Name of the related party | Nature of relationship | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|---|---|
| Interest expenses on deposits | Anirudh Kamani, Managing Director and CEO | Key Managerial Personnel | 0.4 | 0.4 |
| | Nilima Goel | Relative of Key Managerial Personnel | 0.1 | 0.1 |
| | Shivam Bakhshi | Relative of Key Managerial Personnel of Holding Company | 0.3 | 0.3 |
| | Esha Bakhshi | Relative of Key Managerial Personnel of Holding Company | 0.2 | 0.2 |
| | Minal Bakhshi | Relative of Key Managerial Personnel of Holding Company | 0.2 | 0.2 |
| Sitting fees/ Commission | Sankaran Santhanakrishnan | Key Managerial Personnel | 2.0 | 2.5 |
| | G. Gopalakrishna | Key Managerial Personnel | 2.0 | 2.5 |
| | Vinod Kumar Dhall | Key Managerial Personnel | 2.0 | 2.4 |
| Employer's contribution to provident fund | ICICI HFC Employees Provident Fund | Post-Employment benefit plan | 9.7 | 21.0 |
| Contribution to Gratuity Fund | ICICI HFC Employees Group Gratuity Scheme | Post-Employment benefit plan | 3.4 | 15.4 |
| Contribution to Superannuation Fund | ICICI HFC Employees Group Superannuation Schemes | Post-Employment benefit plan | 1.5 | 1.1 |
| Miscellaneous (IPA charges, LAS sourcing cost, operation cost, common corporate expenses and man power services) | ICICI Bank Limited | Holding company | 28.7 | 27.7 |
| | ICICI Lombard General Insurance Company Limited | Associate of Holding Company | * | 0.5 |
| | ICICI Prudential Asset Management Company Limited | Fellow subsidiary | - | 0.3 |
| | ICICI Prudential Life Insurance Company Limited | Fellow subsidiary | - | 0.1 |
| | I-Process Services (India) Private Limited | Associate of Holding Company | * | 0.1 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Name of the related party | Nature of relationship | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|---|---|
| Unwinding cost for derivatives | ICICI Bank Limited | Holding company | 95.2 | 107.0 |
| Contribution for CSR activities | ICICI Foundation for Inclusive Growth | Other related entity of Holding Company | 10.1 | 9.1 |
| **Others** | | | | |
| Recovery of principal amounts of loans from KMP | Anirudh Kamani, Managing Director and CEO | Key Managerial Personnel | 5.6 | 3.2 |
| Investment in bonds | ICICI Securities Primary Dealership Limited | Fellow subsidiary | - | 1,450.0 |
| | ICICI Securities Limited | Fellow subsidiary | - | 329.0 |
| | ICICI Bank Limited | Holding company | - | 2,700.0 |
| | ICICI Lombard General Insurance Company Limited | Associate of Holding Company | 1,000.0 | - |
| Redemption/ Maturity of bonds | ICICI Securities Limited | Fellow subsidiary | - | 229.3 |
| | ICICI Lombard General Insurance Company Limited | Associate of Holding Company | 1,615.5 | - |
| | Anup Bagchi | Key Managerial Personnel | - | 10.2 |
| Fixed deposits accepted (FDs) | Nilima Goel | Relative of Key Managerial Personnel | - | 0.3 |
| Sale of retail mortgage loans (Direct assignment) | ICICI Bank Limited | Holding company | 19,290.7 | 6,766.5 |
| Bank loan repaid | ICICI Bank Limited | Holding company | 4,541.7 | 2,400.0 |
| Bank loan taken during the period | ICICI Bank Limited | Holding company | 1,250.0 | 4,500.0 |
| Employees' contribution to Provident fund | ICICI HFC Employees Provident Fund | Post-Employment benefit plan | 19.2 | 67.1 |
| Sale of fixed assets | ICICI Bank Limited | Holding company | 1.4 | - |
| Equity Dividend | ICICI Bank Limited | Holding company | 164.7 | - |
| Equity Share Capital | ICICI Bank Limited | Holding company | 1,047.8 | |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Name of the related party | Nature of relationship | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|---|---|
| Premium on equity share capital | ICICI Bank Limited | Holding company | 1,452.2 | - |

*Insignificant amount.

1. Includes perquisite value of ESOPs issued earlier by the Parent Bank.

The Company received ₹ 580.1 million during the year ended March 31, 2023 (March 31, 2022: ₹ 353.8 million) from ICICI Bank towards excess interest spread recovered from borrowers for loans, which have been assigned by the Company to Bank on direct assignment basis.

### Compensation to Key Managerial Personnel

The following table sets forth, for the periods indicated, the details of compensation paid by the Company to the Key Managerial Personnel.

₹ in million

| Particulars | March 31, 2023 | March 31, 2022 |
|---|---|---|
| Short-term employee benefits (including salaries) | 38.1 | 175.1 |
| Post-employment benefits | 2.3 | 2.1 |
| Other long-term benefits | - | - |
| **Total[1,2]** | **40.4** | **177.2** |

1. Excludes ₹ 27.5 million payable to the Parent Bank for the cost of options granted for purchase of the Parent Bank's equity shares (March 31, 2022: ₹ 22.5 million)

2. Includes perquisite value of ESOP issued by the Parent Bank

Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall basis at the Company level at the end of each year and accordingly, have not been considered in the above information.

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, details of consolidated outstanding balances with related parties as required by RBI circular dated April 19, 2022.

₹ in million

| Particulars | Holding Company | | Fellow Subsidiaries | | Associates of Holding Company | | KMP and Relatives of KMP | | | | | | | | Others | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Directors[1] | | Relatives of directors[1] | | Other Key Managerial Personnel[2] | | Relatives of Other Key Managerial Personnel[2] | | | | | |
| | At March 31, 2023 | At March 31, 2022 | At March 31, 2023 | At March 31, 2022 | At March 31, 2023 | At March 31, 2022 | At March 31, 2023 | At March 31, 2022 | At March 31, 2023 | At March 31, 2022 | At March 31, 2023 | At March 31, 2022 | At March 31, 2023 | At March 31, 2022 | At March 31, 2023 | At March 31, 2022 | At March 31, 2023 | At March 31, 2022 |
| Borrowings (Loans/ Bonds/ Bank overdrafts) | 9,127.1 | 11,586.3 | 0.5 | 5.3 | 1,629.2 | 2,152.4 | - | - | - | - | - | - | - | - | - | - | **10,756.8** | **13,744.0** |
| Deposits | - | - | - | - | - | - | 5.7 | 5.4 | 9.7 | 9.9 | - | - | 3.0 | 2.8 | - | - | **18.4** | **18.1** |
| Placement of deposit | 2.5 | 2.5 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | **2.5** | **2.5** |
| Advances (Including Loans) | - | - | - | - | - | - | 52.5 | 58.1 | - | - | - | - | - | - | - | - | **52.5** | **58.1** |
| Investments | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | **-** | **-** |
| **Others** | | | | | | | | | | | | | | | | | | |
| Bank Balance (Including interest outstanding on fixed deposit) | 831.1 | 255.9 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | **831.1** | **255.9** |
| MTM Receivables | - | 242.7 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | **-** | **242.7** |
| Other Receivables | 58.6 | 55.5 | 10.3 | 8.5 | 9.3 | 7.6 | - | - | - | - | - | - | - | - | - | - | **78.2** | **71.6** |
| Equity Share Capital | 12,035.3 | 10,987.5 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | **12,035.3** | **10,987.5** |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Holding Company | | Fellow Subsidiaries | | Associates of Holding Company | | KMP and Relatives of KMP | | | | | | | | Others | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Directors[1] | | Relatives of directors[1] | | Other Key Managerial Personnel[2] | | Relatives of Other Key Managerial Personnel[2] | | | | | |
| | At March 31, 2023 | At March 31, 2022 | At March 31, 2023 | At March 31, 2022 | At March 31, 2023 | At March 31, 2022 | At March 31, 2023 | At March 31, 2022 | At March 31, 2023 | At March 31, 2022 | At March 31, 2023 | At March 31, 2022 | At March 31, 2023 | At March 31, 2022 | At March 31, 2023 | At March 31, 2022 | At March 31, 2023 | At March 31, 2022 |
| Amount collected from borrowers pending to be transferred (for portfolio sold) | 893.0 | 776.4 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | **893.0** | **776.4** |
| SWAP (notional principal) | - | 15,702.4 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | **-** | **15,702.4** |
| Letter of undertaking (utilised) | 11,514.8 | 16,009.4 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | **11,514.8** | **16,009.4** |
| Government securities held in CLGS account | 3,199.8 | 3,149.8 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | **3,199.8** | **3,149.8** |
| Other Payables | 78.0 | 72.6 | 4.3 | 3.8 | - | - | 2.4 | 2.4 | - | - | - | - | - | - | - | - | **84.7** | **78.8** |

1. Includes Managing Director & CEO.

2. Includes KMP as defined under Ind AS-24 and Companies Act, 2013.

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, details of consolidated maximum outstanding balances with related parties as required by RBI circular dated April 19, 2022.

₹ in million

| Particulars | Holding Company | | Fellow Subsidiaries | | Associates of Holding Company | | KMP and Relatives of KMP | | | | | | | | Others | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Directors[1] | | Relatives of directors[1] | | Other Key Managerial Personnel[2] | | Relatives of Other Key Managerial Personnel[2] | | | | | |
| | At March 31, 2023 | At March 31, 2022 | At March 31, 2023 | At March 31, 2022 | At March 31, 2023 | At March 31, 2022 | At March 31, 2023 | At March 31, 2022 | At March 31, 2023 | At March 31, 2022 | At March 31, 2023 | At March 31, 2022 | At March 31, 2023 | At March 31, 2022 | At March 31, 2023 | At March 31, 2022 | At March 31, 2023 | At March 31, 2022 |
| Borrowings (Loans/ Bonds/ Bank overdrafts) | 9,919.5 | 11,586.3 | 1.0 | 358.3 | 2,234.4 | 2,233.6 | - | - | - | - | - | - | - | - | - | - | **12,154.9** | **14,178.2** |
| Deposits | - | - | - | - | - | - | 5.7 | 5.4 | 9.7 | 9.9 | - | - | 3.0 | 2.8 | - | - | **18.4** | **18.1** |
| Placement of deposit | 2.5 | 2.5 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | **2.5** | **2.5** |
| Advances (Including Loans) | - | - | - | - | - | - | 56.7 | 58.1 | - | - | - | - | - | - | - | - | **56.7** | **58.1** |
| Investments | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | **-** | **-** |

1. Includes Managing Director & CEO.

2. Includes KMP as defined under Ind AS-24 and Companies Act, 2013.

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, details of consolidated transactions with related parties as required by RBI circular dated April 19, 2022.

₹ in million

| Particulars | Holding Company | | Fellow Subsidiaries | | Associates of Holding Company | | KMP and Relatives of KMP | | | | | | | | Others | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Directors[1] | | Relatives of directors[1] | | Other Key Managerial Personnel[2] | | Relatives of Other Key Managerial Personnel[2] | | | | | |
| | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 |
| Sale of fixed Assets | 1.4 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | **1.4** | **-** |
| Interest Paid | 423.2 | 1,031.0 | 0.3 | 10.9 | 140.3 | 163.5 | 0.4 | 0.4 | 0.8 | 0.8 | - | - | 0.2 | 0.2 | - | - | **565.2** | **1,206.8** |
| Interest Received | 0.2 | 0.2 | - | - | - | - | 1.9 | 1.3 | - | - | - | 0.1 | - | - | - | - | **2.1** | **1.6** |
| Others | | | | | | | | | | | | | | | | | | |
| Rent Received | 11.7 | 11.1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | **11.7** | **11.1** |
| Servicing Fee | 52.0 | 21.1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | **52.0** | **21.1** |
| Referral Fee | - | - | 79.4 | 57.8 | 43.0 | 13.5 | - | - | - | - | - | - | - | - | - | - | **122.4** | **71.3** |
| Insurance Premium | - | - | 13.6 | 15.2 | 81.3 | 81.3 | - | - | - | - | - | - | - | - | - | - | **94.9** | **96.5** |
| Remuneration | - | - | - | - | - | - | 40.4 | 177.2 | - | - | 42.0 | 45.8 | - | - | - | - | **82.4** | **223.0** |
| Unwinding cost for derivatives | 95.2 | 107.0 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | **95.2** | **107.0** |
| IT Infrastructure cost (Shared expense) | 84.8 | 52.4 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | **84.8** | **52.4** |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Holding Company | | Fellow Subsidiaries | | Associates of Holding Company | | KMP and Relatives of KMP | | | | | | | | Others | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Directors[1] | | Relatives of directors[1] | | Other Key Managerial Personnel[2] | | Relatives of Other Key Managerial Personnel[2] | | | | | |
| | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 |
| Sourcing cost (Loans & FDs) | 101.5 | 41.1 | 14.3 | 8.3 | - | - | - | - | - | - | - | - | - | - | - | - | **115.8** | **49.4** |
| Miscellaneous (IPA charges, LAS sourcing cost, operation cost, common corporate expenses and man power services) | 28.7 | 27.7 | - | 0.4 | - | 0.6 | - | - | - | - | - | - | - | - | - | - | **28.7** | **28.7** |
| Share based payment to employees | 38.1 | 24.6 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | **38.1** | **24.6** |
| Employer's contribution to provident fund | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 9.7 | 21.0 | **9.7** | **21.0** |
| Sitting Fee/ Commission | - | - | - | - | - | - | 6.0 | 7.4 | - | - | - | - | - | - | - | - | **6.0** | **7.4** |
| Equity dividend | 164.7 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | **164.7** | **-** |
| Recovery of principal amount of loan | - | - | - | - | - | - | 5.6 | 3.2 | - | - | - | 35.8 | - | - | - | - | **5.6** | **39.0** |
| Investment in bonds | - | 2,700.0 | - | 1,779.0 | 1,000.0 | - | - | - | - | - | - | - | - | - | - | - | **1,000.0** | **4,479.0** |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Holding Company | | Fellow Subsidiaries | | Associates of Holding Company | | KMP and Relatives of KMP | | | | | | | | Others | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Directors[1] | | Relatives of directors[1] | | Other Key Managerial Personnel[2] | | Relatives of Other Key Managerial Personnel[2] | | | | | |
| | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 |
| Redemption/ maturity of bonds | - | - | - | 229.3 | 1,615.5 | - | - | 10.2 | - | - | - | - | - | - | - | - | **1,615.5** | **239.5** |
| Sale of retail mortgage loans (Direct assignment) | 19,290.7 | 6,766.5 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | **19,290.7** | **6,766.5** |
| Bank loan repaid | 4,541.7 | 2,400.0 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | **4,541.7** | **2,400.0** |
| Bank loan taken during the period | 1,250.0 | 4,500.0 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | **1,250.0** | **4,500.0** |
| Employee's contribution to provident fund | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 19.2 | 67.1 | **19.2** | **67.1** |
| Equity share capital | 1,047.8 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | **1,047.8** | **-** |
| Premium on equity share capital | 1,452.2 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | **1,452.2** | **-** |
| Expense Recovery | 6.2 | 0.7 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | **6.2** | **0.7** |
| Other expense | 27.8 | 26.7 | 1.6 | 4.4 | - | 0.2 | - | - | - | - | - | - | - | - | 15.0 | 25.6 | **44.4** | **56.9** |

1. Includes Managing Director & CEO.

2. Includes KMP as defined under Ind AS-24 and Companies Act, 2013.

## 51. DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

The Company enters into derivatives transactions for risk management purposes. The primary risk managed using derivatives instruments are foreign currency risk and interest rate risk. The risk management policy lays down the broad guidelines and approach to ensure that various risks are understood, measured, monitored and relevant policies and procedures are established to address these risks. Moreover, the investment policy lays down a broad framework for management of investment function, instrument and entity wise investment limits and their stop loss limits. The investment policy also lays down the types of derivative transactions to hedge different types of risks embedded in a single asset/liability. The policy also lays down the total exposure limit, counterparty credit exposure limit, and trigger limits along with the reporting authority.

For hedge transactions, the Company identifies the hedged item (asset or liability) at the inception of the hedge itself. The effectiveness is assessed at the time of inception of the hedge and periodically thereafter. Derivatives held for risk management purposes meet the hedge accounting requirements. Hedge derivative transactions are accounted for pursuant to the principles of hedge accounting.

### Derivative qualifying for hedge accounting

The Company had borrowed aggregate to USD 275 million in form of ECBs and in order to fully hedge the same, the Company had taken derivative positions in the form of a 5 year Principal-Only Swap (POS), 5 year USD Interest Rate Swap (IRS) and Currency Forwards for all its coupon cash flows. These swaps hedge any adverse movement in the USD-INR rates on its principal and interest obligations and also against any adverse movement in the LIBOR on its interest rate obligations. Out of USD 275 million, the Company prepaid the ECB amounting to USD 100 million during the year ended March 31, 2022 and the remaining USD 175 million was prepaid during the year ended March 31, 2023. Further, the Company does not have any unhedged foreign currency exposures during the year ended March 31, 2023.

There is an economic relation between the hedged item and hedging instruments as the terms of derivatives match with that of External Commercial Borrowings (notional amount, interest payment dates, principal repayment dates etc.). There had been no changes in the contractual terms of the hedged item and hedging instrument from the COVID-19 outbreak.

As per the Investment Policy, the Company monitors the derivative exposure limits based on calculations as per Original Exposure Method (OEM) and Current Exposure Method (CEM). The Credit Conversion Factors (CCF) are applied as per the regulatory guidelines.

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, the carrying values of derivatives financial instruments recorded as assets or liabilities together with their notional amounts.

₹ in million

| Particulars | Assets | | Liabilities | |
|---|---|---|---|---|
| | Notional Amounts | Fair value | Notional Amounts | Fair value |
| **At March 31, 2023** | | | | |
| Forward contracts | - | - | - | - |
| Currency swaps | - | - | - | - |
| Interest rate swaps | - | - | - | - |
| **Total derivatives** | | | | |
| **At March 31, 2022** | | | | |
| Forward contracts | - | - | 900.2 (USD 11.9 million) | 66.0 |
| Currency swaps | 13,286.8 (USD 175.0 million) | 595.7 | - | - |
| Interest rate swaps | - | - | 13,286.8 (USD 175.0 million) | 134.5 |
| **Total derivatives** | **13,286.8 (USD 175.0 million)** | **595.7** | **14,187.0 (USD 186.9 million)** | **200.5** |

The following table sets forth, for the periods indicated, the details of the hedged items.

₹ in million

| Particulars | Carrying amount | Accumulated amount of fair value adjustment | Balance in cash flow hedge reserve (gross of deferred tax) |
|---|---|---|---|
| **Cash flow hedging** | | | |
| **At March 31, 2023** | | | |
| External Commercial Borrowings | - | - | - |
| **At March 31, 2022** | | | |
| External Commercial Borrowings | 13,286.7 (USD 175.0 Million) | 768.3 | 246.9 |

Hedging instruments are disclosed in line item derivative financial instruments (under financial assets/ liabilities).

## NOTES FORMING PART OF THE ACCOUNTS

### 52. PRINCIPAL BUSINESS CRITERIA

The following table sets forth, for the periods indicated, fulfilment of the principal business criteria as applicable for housing finance companies (HFCs).

| Position as at | Percentage of total assets[1] towards housing finance | | Percentage of total assets[1] towards housing finance for Individuals | |
|---|---|---|---|---|
| | Required | Actual | Required | Actual |
| At March 31, 2023 | >=55% | 66.10% | >=45% | 64.50% |
| At March 31, 2022 | >=50% | 65.13% | >=40% | 64.24% |

1. Total Assets netted off by Intangible Assets

### 53. SECURITISATION OF FINANCIAL ASSETS

The Company has not sponsored any SPVs during the current year, and there is no outstanding amount of securitised assets as a result of any such sponsorships. (March 31, 2022: ₹ Nil)

### 54. DETAILS OF FINANCIAL ASSETS SOLD TO SECURITISATION/ RECONSTRUCTION COMPANY FOR ASSET RECONSTRUCTION

The Company has not sold any financial assets to securitisation/reconstruction company for asset reconstruction during the current financial year. (March 31, 2022: Nil)

### 55. OFF BALANCE SHEET SPVS SPONSORED

The Company has not sponsored any SPVs - Domestic or Overseas as at the end of current financial year. (March 31, 2022: Nil)

### 56. DETAILS OF ASSIGNMENT TRANSACTIONS UNDERTAKEN

a. During the year, the Company has not purchased performing mortgage loans from other housing finance company(ies). (March 31, 2022: Nil)

b. The following table sets forth, for the periods indicated, details of loans transferred through Direct Assignment.

₹ in million, except number of accounts and months

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| Number of loans | 16,757 | 9,041 |
| Aggregate amount | 24,029.4 | 12,238.1 |
| Sale consideration | 24,029.4 | 12,238.1 |
| Number of transactions | 10 | 7 |
| Weighted average maturity (remaining) | 187 | 151 |
| Weighted average holding period (after origination) | 22 | 23 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|
| Retention of beneficial economic interest (average) | 10% | 10% |
| Coverage of tangible security coverage | 100% | 100% |
| Rating wise distribution of rated loans | NA | NA |
| Number of instances (transactions) where transferor has agreed to replace the transferred loans | Nil | Nil |
| Number of transferred loans replaced | Nil | Nil |

Notes:

1. The Company recognised gain of ₹ 1,214.3 million on derecognition of financial assets (March 31, 2022: ₹ 929.2 million).
2. Includes loans assigned to Parent Bank amounting to ₹ 19,290.7 million (March 31, 2022: ₹ 6,766.5) (No. of accounts –13,229, March 31, 2022: 5,236), where the Company recognised gain of ₹ 1,038.3 million on derecognition (March 31, 2022: ₹ 518.7 million).

c. The following table sets forth, for the periods indicated, details of stressed loans transferred to ARCs.

₹ in million, except number of accounts and months

| | Year ended March 31, 2023 | | | Year ended March 31, 2022 | | |
|---|---|---|---|---|---|---|
| Particulars | To ARCs | To permitted transferees | To other transferees | To ARCs | To permitted transferees | To other transferees |
| No. of accounts | 196 | - | - | 557 | - | - |
| Aggregate principal outstanding of loans transferred | 351.0 | - | - | 935.9 | - | - |
| Weighted average residual tenor of the loans transferred | 142 | - | - | 137 | - | - |
| Net book value of loans transferred (at the time of transfer) | 162.5 | - | - | 385.7 | - | - |
| Aggregate Consideration | 133.4 | - | - | 374.4 | - | - |

## NOTES FORMING PART OF THE ACCOUNTS

| | Year ended March 31, 2023 | | | Year ended March 31, 2022 | | |
|---|---|---|---|---|---|---|
| **Particulars** | **To ARCs** | **To permitted transferees** | **To other transferees** | **To ARCs** | **To permitted transferees** | **To other transferees** |
| Additional consideration realized in respect of accounts transferred in earlier years | - | - | - | - | - | - |

### 57. DETAILS OF NON-PERFORMING FINANCIAL ASSETS PURCHASED

The Company has not purchased non-performing financial assets from other Housing Finance Companies during the year ended March 31,2023 (March 31, 2022: Nil).

### 58. EXPOSURE TO REAL ESTATE SECTOR

The following table sets forth, for the periods indicated, the position of exposure to real estate sector.

₹ in million

| **Particulars** | **At March 31, 2023** | **At March 31, 2022** |
|---|---|---|
| **(a) Direct exposure** | | |
| **(i) Residential mortgages** | | |
| Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure shall also include non-fund based (NFB) limits. (Individual Housing Loans up to ₹ 1.5 million - March 2023 - ₹ 40,791.8 million, March 2022 - ₹ 34,538.6 million) | 160,295.0 | 139,581.9 |
| **(b) Commercial real estate** | | |
| Lending secured by mortgages on commercial real estates (office buildings, retail space multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction etc). Exposure shall also include non-fund based (NFB) limits. | 17,930.5 | 8,880.8 |
| **(c) Investments in mortgage backed securities (MBS) and other securitised exposures** | | |
| (i) Residential | - | - |
| (ii) Commercial real estate | - | - |
| **(d) Indirect exposure** | | |
| Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs) | - | - |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| **Total Exposure to Real Estate Sector** | **178,225.5** | **148,462.7** |

### 59. EXPOSURE TO CAPITAL MARKET

The following table sets forth, for the periods indicated, the position of exposure to capital market.

₹ in million

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| (i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt[1]; | 15.1 | 528.9 |
| (ii) Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), Convertible bonds, convertible debentures, and units of equity-oriented mutual funds; | - | - |
| (iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity-oriented mutual funds are taken as primary security; | - | - |
| (iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity-oriented mutual funds i.e. where the primary security other than shares/ convertible bonds/convertible debentures/units of equity-oriented mutual funds' does not fully cover the advances; | - | - |
| (v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers; | - | - |
| (vi) Loans sanctioned to corporates against the security of shares/bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources; | - | - |
| (vii) Bridge loans to companies against expected equity flows/ issues; | - | - |
| (viii) Underwriting commitments taken up by the Company in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds; | - | - |
| (ix) Financing to stockbrokers for margin trading | - | - |

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| (x) All exposures to Alternate Investment Funds (both registered and unregistered) | | |
| (i) Category I | | |
| (ii) Category II | | |
| (iii) Category III[2] | 15.6 | 16.2 |
| **Total Exposure to Capital Market** | **30.7** | **545.1** |

1. As per RBI master directions, direct investment of a housing finance company in shares shall be calculated at their cost price.

2. Represents investments in venture capital fund

## 60. EXPOSURE TO GROUP COMPANIES ENGAGED IN REAL ESTATE BUSINESS

The Company does not have any group company engaged in real estate business at the end of the current financial year and at the end of the preceding financial year and hence no exposure.

Following are intra group exposures,

(i) Total intra-group exposures: Nil (March 31, 2022: Nil)

(ii) Total of top 20 intra-group exposures: Nil (March 31, 2022: Nil)

(iii) Percentage of intra-group exposures to total exposure of the Company on borrowers/customers : Nil (March 31, 2022: Nil).

## 61. CONCENTRATION OF PUBLIC DEPOSITS, ADVANCES, EXPOSURES AND NPAS

### (a) Concentration of loans and advances

₹ in million

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| Total loans and advances to twenty largest borrowers | 5,215.9 | 3,747.1 |
| Percentage of loans and advances to twenty largest borrowers to total advances of the HFC | 2.9% | 2.5% |

### (b) Concentration of all exposure (including Off-Balance Sheet exposure)

₹ in million

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| Total exposure to twenty largest borrowers/customers | 7,914.2 | 4,743.6 |
| Percentage of exposures to twenty largest borrowers/ customers to total exposure of the HFC on borrowers/customers | 4.2% | 3.0% |

## NOTES FORMING PART OF THE ACCOUNTS

### (c) Concentration of NPAs

₹ in million

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| Total exposure to top ten NPA accounts | 1,203.1 | 1,973.2 |

### (d) Concentration of deposits

### (i) Public deposits

₹ in million

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| Total deposits of twenty largest depositors | 6,105.21 | 6,773.2 |
| Percentage of deposits of twenty largest depositors to total deposits of the deposit taking HFC | 16.7% | 29.1% |

### (ii) Total deposits

₹ in million

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| Total Deposits of 20 largest depositors (₹ in million) | 10,515.3 | 8,506.3 |
| Percentage of deposits of twenty largest depositors to total deposits of deposit taking HFC | 28.8% | 27.6% |

### (e) Funding concentration based on significant counterparty (both deposits and borrowings)

**At March 31, 2023**

₹ in million

| Sr. No. | Particulars | No. of Significant Counterparties | Amount | % of Total Deposits/ Borrowings | % of Total Liabilities |
|---|---|---|---|---|---|
| 1 | Borrowings | 18 | 80,821.8 | 54.4% | 50.1% |
| 2 | Deposits | 15 | 8,923.3 | 24.4% | 5.5% |

## NOTES FORMING PART OF THE ACCOUNTS

**At March 31, 2022**

₹ in million

| Sr. No. | Particulars | No. of Significant Counterparties | Amount | % of Total Deposits/ Borrowings | % of Total Liabilities |
|---|---|---|---|---|---|
| 1 | Borrowings | 17 | 73,417.3 | 58.21% | 53.06% |
| 2 | Deposits | 14 | 6,908.5 | 22.38% | 4.99% |

### (f) Top 10 borrowings

₹ in million

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| Total of Top 10 borrowings[1] | 63,770.9 | 61,684.0 |
| Percentage of Top 10 borrowings to total borrowings | 42.9% | 48.9% |

1. Excluding borrowings in form of deposits

### (g) Funding concentration based on significant instrument/product

₹ in million

| Sr. No. | Name of the Instrument/Product | At March 2023 | | At March 2022 | |
|---|---|---|---|---|---|
| | | Amount | % of Total Liabilities | Amount | % of Total Liabilities |
| 1 | Deposits | 36,500.4 | 22.6% | 30,870.6 | 22.3% |
| 2 | Secured Non-Convertible Debentures | 47,658.1 | 29.5% | 41,841.9 | 30.2% |
| 3 | External Commercial Borrowings[1] | - | - | 13,203.5 | 9.5% |
| 4 | Refinance facility from National Housing Bank | 11,514.8 | 7.1% | 16,009.4 | 11.6% |
| 5 | Term Loans from banks | 40,514.0 | 25.1% | 13,837.6 | 10.0% |
| 6 | Commercial Papers | 6,886.6 | 4.3% | 2,966.2 | 2.1% |
| 7 | Sub-ordinate debt | 4,335.7 | 2.7% | 4,337.0 | 3.1% |
| 8 | Loans from Parent Bank (incl. Term Loans and Demand Loans | 1,208.6 | 0.7% | 4,500.8 | 3.3% |
| **Total Borrowings** | | **148,618.2** | **92.1%** | **127,567.0** | **92.2%** |
| **Total Liabilities** | | **161,379.1** | **100.0%** | **138,352.0** | **100.0%** |

1. External Commercial Borrowings were availed in USD Currency

## NOTES FORMING PART OF THE ACCOUNTS

### (h) Stock Ratio

| Sr. No. | Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|---|
| 1. | Commercial Papers as % of Total Public Funds | 4.6% | 2.4% |
| 2. | Commercial Papers as % of Total Liabilities | 4.3% | 2.1% |
| 3. | Commercial Papers as % of Total Assets | 3.6% | 1.9% |
| 4. | Non-Convertible Debentures (original maturity < 1 year) as % of Total Public Funds | Nil | Nil |
| 5. | Non-Convertible Debentures (original maturity < 1 year) as % of Total Liabilities | Nil | Nil |
| 6. | Non-Convertible Debentures (original maturity < 1 year) as % of Total Assets | Nil | Nil |
| 7. | Other Short Term Liabilities[1] as % of Total Public Funds | 29.2% | 40.1% |
| 8. | Other Short Term Liabilities[1] as % of Total Liabilities | 26.9% | 36.5% |
| 9. | Other Short Term Liabilities[1] as % of Total Assets | 22.9% | 31.7% |

1. Short term liabilities represent the amount payable within 12 months from the reporting date excluding for commercial papers.

### 62. SECTOR-WISE NPAs

| Sector | Percentage of NPAs to total Advances in that sector | |
|---|---|---|
| | At March 31, 2023 | At March 31, 2022 |
| **A. Housing Loans:** | | |
| 1. Individuals | 2.1% | 3.5% |
| 2. Builders/Project Loans | 21.1% | 55.4% |
| 3. Corporates | - | - |
| 4. Others (specify) | - | - |
| **B. Non-Housing Loans:** | | |
| 1. Individuals | 4.3% | 8.5% |
| 2. Builders/Project Loans | - | 46.3% |
| 3. Corporates | 8.3% | 6.5% |
| 4. Others (specify) | - | - |

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth Sectoral exposure,

₹ in million

| Sectors | Year ended March 31, 2023 | | | Year ended March 31, 2022 | | |
|---|---|---|---|---|---|---|
| | Total Exposure (includes on Balance sheet and Off-Balance Sheet exposure) | Gross NPAs | Percentage of Gross NPAs to total exposure in that sector | Total Exposure (includes on Balance Sheet and Off-Balance Sheet exposure) | Gross NPAs | Percentage of Gross NPAs to total exposure in that sector |
| **1. Agriculture and Allied Activities** | - | - | - | - | - | - |
| **2. Industry** | | | | | | |
| i. Real Estate | 9,194.9 | 815.5 | 8.9% | 3,894.7 | 1,622.7 | 41.7% |
| ii. Others | - | - | - | - | - | - |
| **Total of Industry (i+ii)** | **9,194.9** | **815.5** | **8.9%** | **3,894.7** | **1,622.7** | **41.7%** |
| **3. Services** | | | | | | |
| i. | - | - | - | - | - | - |
| ii. | - | - | - | - | - | - |
| Others | - | - | - | - | - | - |
| **Total of Services (i+ii+Others)** | - | - | - | - | - | - |
| **4. Personal Loans** | | | | | | |
| i. Housing | 132,464.3 | 2,616.1 | 2.0% | 111,527.1 | 3,714.9 | 3.3% |
| ii. Non Housing | 47,169.1 | 2,179.9 | 4.6% | 40,818.0 | 3,259.4 | 8.0% |
| Others | 349.3 | 0.1 | 0.0% | 278.5 | 0 | - |
| **Total of Personal Loans (i+ii+Others)** | **179,982.7** | **4,796.1** | **2.7%** | **152,623.6** | **6,974.3** | **4.6%** |
| **5. Others** | - | - | - | - | - | - |
| **Total (1,2,3,4,5)** | **189,177.6** | **5,611.6** | | **156,518.3** | **8,597.0** | |

### 63. OVERSEAS ASSETS

The Company does not hold any overseas assets at the year ended March 31, 2023 (March 31, 2022: Nil).

## NOTES FORMING PART OF THE ACCOUNTS

**64.** There is no financing of the parent bank's products during the year ended March 31, 2023 (March 31, 2022: Nil).

**65.** The Company has not exceeded the prudential exposure limits (Single Borrower Limit and/or Group Borrower Limit) as defined in the RBI Master Directions during the year ended March 31, 2023 (March 31, 2022: Nil).

**66.** During the year ended March 31, 2023 (March 31, 2022: Nil), there was no breach in covenants of term loans availed and debt securities issued and outstanding at March 31, 2023 (March 31, 2022: Nil).

**67.** There was no income and expenditure of exceptional nature during the year ended March 31, 2023 (March 31, 2022: Nil).

### 68. FRAUDS REPORTING

As required by RBI Master Directions - Monitoring of frauds in NBFCs (Reserve Bank) Directions, 2016, the Company has reported frauds amounting to ₹ 149.5 million during year ended March 31, 2023 (March 31, 2022: ₹ 41.8 million).

**69.** The Company is registered with the following other financial sector regulators:

(a) Insurance Regulatory and Development Authority of India

### 70. DETAILS OF GOLD LOAN AUCTIONS

The following table sets forth, for the periods indicated, details of auctions conducted during the year.

₹ in million, except number of accounts

| Particulars | For the Year ended March 31, 2023 | For the Year ended March 31, 2022 |
|---|---|---|
| Number of loan accounts | 67 | 19 |
| Outstanding amount | 5.4 | 2.0 |
| Value fetched on loan accounts | 6.1 | 2.2 |

Note: No sister concerns have participated in the Gold loan auctions.

### 71. CUSTOMER COMPLAINTS

The Company has Customer Grievance Redressal Mechanism (CGRM) for convenience of customers to register their complaints and for it to monitor and redress them.

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth for the periods indicated, details of customer complaints

| Particulars | At March 31, 2023 | At March 31, 2022 |
|---|---|---|
| **Complaints received by the Company from its customers** | | |
| 1. Number of complaints pending at beginning of the year | - | - |
| 2. Number of complaints received during the year | 1,022 | 568 |
| 3. Number of complaints disposed during the year | 1,022 | 568 |
| a) Of which, number of complaints rejected by the Company | - | - |
| 4. Number of complaints pending at the end of the year | - | - |
| **Maintainable complaints received by the Company from Office of Ombudsman** | | |
| 5. Number of maintainable complaints received by the Company from Office of Ombudsman | - | - |
| a) Of 5, number of complaints resolved in favour of the Company by Office of Ombudsman | - | - |
| b) Of 5, number of complaints resolved through conciliation/ mediation/advisories issued by Office of Ombudsman | - | - |
| c) Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the Company | - | - |
| 6. Number of Awards unimplemented within the stipulated time (other than those appealed) | - | - |

The following table sets forth, for the periods indicated, the details of top five grounds of complaints received by the Company.

| Grounds of complaints, (i.e. complaints relating to) | Number of complaints pending at the beginning of the year | Number of complaints received during the year | % increase/ decrease in the number of complaints received over the previous year | Number of complaints pending at the end of the year | Of 5, number of complaints pending beyond 30 days |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| **Year ended March 31, 2023** | | | | | |
| Deliverable/ documents related | - | 244 | 116 | - | - |
| Refund/Charges related | - | 210 | 239 | - | - |
| Sanction/ Disbursement/Loan cancellation/Closure/ Loan related | - | 196 | 65 | - | - |

## NOTES FORMING PART OF THE ACCOUNTS

| Grounds of complaints, (i.e. complaints relating to) | Number of complaints pending at the beginning of the year | Number of complaints received during the year | % increase/ decrease in the number of complaints received over the previous year | Number of complaints pending at the end of the year | Of 5, number of complaints pending beyond 30 days |
|---|---|---|---|---|---|
| **(1)** | **(2)** | **(3)** | **(4)** | **(5)** | **(6)** |
| ROI related | - | 86 | 34 | - | - |
| EMI/reschedulement related | - | 68 | 277 | - | - |
| Others | - | 218 | 91 | - | - |
| **Total** | **-** | **1,022** | | **-** | **-** |
| **Year ended March 31, 2022** | | | | | |
| Sanction/ Disbursement/Loan cancellation/Closure/ Loan related | - | 119 | 8 | - | - |
| Deliverables/ Documents Related | - | 113 | 22 | - | - |
| PMAY related | - | 96 | 36 | - | - |
| ROI related | - | 64 | 62 | - | - |
| Refund/Charges related | - | 62 | 5 | - | - |
| Others | - | 114 | 67 | - | - |
| **Total** | **-** | **568** | | **-** | **-** |

### 72. PENALTIES

During the year ended March 31, 2023, there were no penalties imposed by NHB/RBI and any other regulators. During the year ended March 31, 2022, NHB through its letter dated August 13, 2021, had imposed a penalty of ₹ 30,000/- on the Company for non-compliance under Para 28 of the HFC (NHB) Directions, 2010, which was paid within stipulated timeline and the same was disclosed on the website of the Company.

### 73. CONSOLIDATED FINANCIAL STATEMENTS (CFS)

The Company does not have any subsidiary - domestic as well as overseas, and accordingly is not required to prepare consolidated financial statements as per Ind AS 110- "Consolidated Financial Statements".

## NOTES FORMING PART OF THE ACCOUNTS

### 74. NET PROFIT OR LOSS FOR THE PERIOD, PRIOR PERIOD ITEMS AND CHANGES IN ACCOUNTING POLICIES

There were no prior period items during the financial year ended March 31, 2023 and March 31, 2022. Further, there were no changes in accounting policies except disclosed otherwise.

### 75. ASSET LIABILITY MANAGEMENT

The following table sets forth, maturity pattern of certain types of items of Assets and Liabilities at March 31, 2023.

₹ in million

| Maturity Bucket | Liabilities | | | | Assets | | |
|---|---|---|---|---|---|---|---|
| | Borrowings from banks | Market borrowing | Fixed deposits | Foreign currency liabilities | Advances | Investments[1] | Foreign currency assets |
| 1 Day to 7 Days | 26.5 | - | 63.9 | - | 1,774.4 | 1,868.1 | - |
| 8 Days to 14 Days | - | - | 642.3 | - | 146.0 | 11.6 | - |
| 15 Days upto 30/31 days | 68.0 | 1,152.3 | 447.3 | - | 23.5 | 22.0 | - |
| Over 1 month upto 2 months | 372.9 | 3.3 | 1,850.4 | - | 437.5 | 13.4 | - |
| Over 2 months upto 3 months | 469.6 | 6,948.0 | 1,718.3 | - | 445.8 | 7.0 | - |
| Over 3 months upto 6 months | 1,929.9 | 2,935.0 | 1,946.0 | - | 1,545.8 | 109.2 | - |
| Over 6 months upto 1 Year | 4,843.2 | 7,562.0 | 6,238.7 | - | 3,266.7 | - | - |
| Over 1 year upto 3 years | 22,769.0 | 25,012.5 | 12,857.0 | - | 15,050.8 | 15.6 | - |
| Over 3 years upto 5 years | 14,273.4 | 8,549.2 | 7,944.3 | - | 17,939.8 | 651.2 | - |
| Over 5 years | 8,484.9 | 6,718.1 | 2,792.2 | - | 134,805.9 | 2,293.5 | - |
| **Total** | **53,237.4** | **58,880.4** | **36,500.4** | **-** | **175,436.2** | **4,991.6** | **-** |

1. Includes government securities amounting to ₹ 252.7 million which forms part of excess statutory liquidity securities.

2. Refer note no. 46 for para on liquidity risk management.

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, maturity pattern of certain types of items of Assets and Liabilities at March 31, 2022.

₹ in million

| Maturity Bucket | Liabilities | | | | Assets | | |
|---|---|---|---|---|---|---|---|
| | Borrowings from banks[1] | Market borrowing | Fixed deposits | Foreign currency liabilities[2] | Advances | Investments[3,4] | Foreign currency assets |
| 1 Day to 7 Days | - | - | 127.4 | - | 1,442.5 | 2,751.9 | - |
| 8 Days to 14 Days | - | - | 126.3 | - | 124.0 | 7.5 | - |
| 15 Days upto 30/31 days | 0.8 | 1,648.7 | 364.6 | - | 6.5 | 22.0 | - |
| Over 1 month upto 2 months | 190.0 | 175.6 | 672.2 | - | 455.1 | 168.4 | - |
| Over 2 months upto 3 months | 13,962.2 | 61.1 | 1,056.0 | 13,203.5 | 484.6 | 7.0 | - |
| Over 3 months upto 6 months | 1,206.0 | 5,821.6 | 3,785.6 | - | 1,515.1 | 583.2 | - |
| Over 6 months upto 1 Year | 2,854.6 | 6,282.1 | 4,833.1 | - | 3,300.9 | - | - |
| Over 1 year upto 3 years | 14,584.6 | 18,694.8 | 11,840.6 | - | 14,067.5 | 118.0 | - |
| Over 3 years upto 5 years | 10,775.3 | 9,749.1 | 5,904.5 | - | 17,521.6 | 206.0 | - |
| Over 5 years | 3,977.9 | 6,712.1 | 2,160.3 | - | 1,06,067.3 | 2,565.8 | - |
| **Total** | **47,551.3** | **49,145.1** | **30,870.6** | **13,203.5** | **1,44,985.0** | **6,429.8** | **-** |

1. Including foreign currency liabilities.
2. These are fully hedged through derivative instruments.
3. Includes government securities amounting to ₹ 50.4 million which forms part of excess statutory liquidity securities.
4. Includes Asset held for sale.

### 76. LIQUIDITY COVERAGE RATIO (LCR)

The following table sets forth, for the periods indicated, computation of liquidity coverage ratio.

₹ in million

| Particulars | | March 31, 2023 | | March 31, 2022 | |
|---|---|---|---|---|---|
| | | Total unweighted value (average) | Total weighted value (average) | Total unweighted value (average) | Total weighted value (average) |
| **High quality liquid assets** | | | | | |
| 1 | Total high quality assets | 9,839.7 | 9,203.2 | 4,827.3 | 4,017.3 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | | March 31, 2023 | | March 31, 2022 | |
|---|---|---|---|---|---|
| | | Total unweighted value (average) | Total weighted value (average) | Total unweighted value (average) | Total weighted value (average) |
| **Cash Outflows** | | | | | |
| 2 | Deposits (for deposit taking companies) | 1,435.9 | 1,651.3 | 769.3 | 884.8 |
| 3 | Unsecured wholesale funding | 3,531.7 | 4,061.4 | 1,191.8 | 1,370.6 |
| 4 | Secured wholesale funding | 711.4 | 818.1 | 931.6 | 1,071.3 |
| 5 | Additional requirements, of which | - | - | - | - |
| (i) | Outflows related to derivative exposures and other collateral requirements | - | - | - | - |
| (ii) | Outflows related to loss of funding on debt products | - | - | - | - |
| (iii) | Credit and liquidity facilities | 876.8 | 1,008.3 | 557.8 | 641.4 |
| 6 | Other contractual funding obligations | 7,883.8 | 9,066.4 | 8,633.6 | 9,928.7 |
| 7 | Other contingent funding obligations | - | - | - | - |
| 8 | Total Cash Outflows | 14,439.6 | 16,605.5 | 12,084.1 | 13,896.8 |
| **Cash Inflows** | | | | | |
| 9 | Secured lending | - | - | - | - |
| 10 | Inflows from fully performing exposures | 458.3 | 343.7 | 534.8 | 401.1 |
| 11 | Other cash inflows | 44,335.9 | 33,251.9 | 30,899.1 | 23,174.3 |
| 12 | Total Cash Inflows | 44,794.2 | 33,595.6 | 31,433.9 | 23,575.4 |
| | | **Total Adjusted Value** | | **Total Adjusted Value** | |
| 13 | Total High Quality Liquid Assets (HQLA) | 9,203.2 | | 4,342.1 | |
| 14 | Total Net Cash Outflows | 4,151.4 | | 3,474.2 | |
| 15 | Liquidity Coverage Ratio (%) | 221.69% | | 124.98% | |

## NOTES FORMING PART OF THE ACCOUNTS

₹ in million

| Particulars | | December 31, 2022 | | December 31, 2021 | |
|---|---|---|---|---|---|
| | | Total unweighted value (average) | Total weighted value (average) | Total unweighted value (average) | Total weighted value (average) |
| **High quality liquid assets** | | | | | |
| 1 | Total high quality assets | 8,042.0 | 7,398.6 | 4,645.9 | 4,017.3 |
| **Cash Outflows** | | | | | |
| 2 | Deposits (for deposit taking companies) | 922.9 | 1,061.4 | 1,390.6 | 1,599.2 |
| 3 | Unsecured wholesale funding | 3,511.9 | 4,038.7 | 2,336.8 | 2,687.4 |
| 4 | Secured wholesale funding | 2,310.8 | 2,657.4 | 2,120.2 | 2,438.2 |
| 5 | Additional requirements, of which | - | - | - | - |
| (i) | Outflows related to derivative exposures and other collateral requirements | - | - | - | - |
| (ii) | Outflows related to loss of funding on debt products | - | - | - | - |
| (iii) | Credit and liquidity facilities | 871.3 | 1,002.0 | 486.6 | 559.5 |
| 6 | Other contractual funding obligations | 6,449.5 | 7,416.9 | 7,314.2 | 8,411.3 |
| 7 | Other contingent funding obligations | - | - | - | - |
| 8 | Total Cash Outflows | 14,066.4 | 16,176.4 | 13,648.4 | 15,695.6 |
| **Cash Inflows** | | | | | |
| 9 | Secured lending | - | - | - | - |
| 10 | Inflows from fully performing exposures | 545.8 | 409.3 | 1,611.3 | 1,208.5 |
| 11 | Other cash inflows | 32,894.0 | 24,670.5 | 18,011.2 | 13,508.4 |
| 12 | Total Cash Inflows | 33,439.8 | 25,079.8 | 19,622.5 | 14,716.9 |
| | | **Total Adjusted Value** | | **Total Adjusted Value** | |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | | December 31, 2022 | | December 31, 2021 | |
|---|---|---|---|---|---|
| | | Total unweighted value (average) | Total weighted value (average) | Total unweighted value (average) | Total weighted value (average) |
| 13 | Total High Quality Liquid Assets (HQLA) | | 7,398.6 | | 4,017.3 |
| 14 | Total Net Cash Outflows | | 4,044.1 | | 3,923.9 |
| 15 | Liquidity Coverage Ratio (%) | | 182.95% | | 102.38% |

₹ in million

| Particulars | | June 30, 2022 | | September 30, 2022 | |
|---|---|---|---|---|---|
| | | Total unweighted value (average) | Total weighted value (average) | Total unweighted value (average) | Total weighted value (average) |
| **High quality liquid assets** | | | | | |
| 1 | Total high quality assets | 7,580.7 | 6,942.6 | 7,126.9 | 6,480.7 |
| **Cash Outflows** | | | | | |
| 2 | Deposits (for deposit taking companies) | 1,023.5 | 1,177.1 | 1,213.2 | 1,395.2 |
| 3 | Unsecured wholesale funding | 1,012.9 | 1,164.9 | 1,668.3 | 1,918.5 |
| 4 | Secured wholesale funding | 4,642.8 | 5,339.2 | 2,039.0 | 2,344.9 |
| 5 | Additional requirements, of which | - | - | - | - |
| (i) | Outflows related to derivative exposures and other collateral requirements | - | - | - | - |
| (ii) | Outflows related to loss of funding on debt products | - | - | - | - |
| (iii) | Credit and liquidity facilities | 612.7 | 704.6 | 779.2 | 896.1 |
| 6 | Other contractual funding obligations | 9,947.5 | 11,439.7 | 6,100.2 | 7,015.2 |
| 7 | Other contingent funding obligations | - | - | - | - |
| 8 | Total Cash Outflows | 17,239.4 | 19,825.5 | 11,799.9 | 13,569.9 |

## NOTES FORMING PART OF THE ACCOUNTS

| Particulars | | June 30, 2022 | | September 30, 2022 | |
|---|---|---|---|---|---|
| | | Total unweighted value (average) | Total weighted value (average) | Total unweighted value (average) | Total weighted value (average) |
| **Cash Inflows** | | | | | |
| 9 | Secured lending | - | - | - | - |
| 10 | Inflows from fully performing exposures | 494.8 | 371.1 | 475.5 | 356.6 |
| 11 | Other cash inflows | 38,153.2 | 28,614.9 | 29,704.0 | 22,278.0 |
| 12 | Total Cash Inflows | 38,648.0 | 28,986.0 | 30,179.5 | 22,634.6 |
| | | **Total Adjusted Value** | | **Total Adjusted Value** | |
| 13 | Total High Quality Liquid Assets (HQLA) | 6,942.6 | | 6,480.7 | |
| 14 | Total Net Cash Outflows | 4,956.4 | | 3,392.5 | |
| 15 | Liquidity Coverage Ratio (%) | 140.07% | | 191.03% | |

RBI issued Master direction for HFCs on February 17, 2021 in which the regulator has prescribed LCR guidelines. The minimum regulatory prescribed LCR requirement (phase wise) will be applicable as per the following timeline, which shall be maintained on an ongoing basis to monitor and control liquidity risk. The LCR requirement was applicable from December 1, 2021 with the minimum HQLAs to be held being 50% of the LCR, progressively reaching a level upto 60%, 70%, 85% and 100% by December 1, 2022, December 1, 2023, December 1, 2024, December 1, 2025 respectively.

LCR aims to maintain adequate liquidity for upcoming 30 days under severe stress scenario in which 30 days' cash flows are stressed by assigning a predefined stress percentage. LCR is to be maintained by holding investments in HQLA. HQLA primarily includes cash on hand, bank balances in current account, Triparty Repo Dealing and Settlement (TREPs) and Government securities (such unencumbered approved securities held as per the provisions of section 29B of NHB Act, 1987 is reckoned as HQLA only to the extent of 80% of the required holding). LCR is represented as (Stock of HQLA/Total net cash outflows over the next 30 calendar days).

The average LCR is computed at as simple averages of daily observations component wise over the previous quarter (e.g. for March 2023, average of daily observations component wise for January 2023, February 2023 and March 2023). The Company has implemented the LCR framework and has maintained LCR well above the regulatory threshold. The average LCR for the quarter ended March 31, 2023 was 221.69% which is above the regulatory requirement of 60%.

## NOTES FORMING PART OF THE ACCOUNTS

### 77. DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in crypto currency or virtual currency during the year ended March 31, 2023. (March 31, 2022: Nil)

### 78. UNDISCLOSED INCOME

For the year ended March 31, 2023, there are no instances of transactions not recorded in the books of account, which have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) (March 31, 2022: Nil).

### 79. WILLFUL DEFAULTER

The Company has not been declared willful defaulter by any bank or financial institution or other lender during the year or in the preceding financial year.

### 80. RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company has not undertaken any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year or in the preceding financial year.

### 81. REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES (ROC)

There is no charge form filed beyond the statutory period during the year or in the preceding financial year.

### 82. COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

Not applicable, since the Company does not have any subsidiary.

### 83. DETAILS OF CSR EXPENDITURE

The Company was required to contribute ₹ 18.0 million towards CSR expenditure in the year ended March 31, 2023, of which company was eligible to avail credit of ₹ 2.5 million, being excess expenditure incurred in the year ended March 31, 2022. Accordingly, the Company was required to spend ₹ 15.5 million in the year ended March 31, 2023 against which the Company spent ₹ 15.6 million in FY2023. (March 31, 2022: ₹ 7.7 million).

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, the details of amount spent on CSR by the Company for the Year ended March 31, 2023.

₹ in million

| Amount required to be spent by the company during the year | Amount of expenditure incurred | Shortfall at the end of the year | Total of previous years shortfall | Reason for shortfall | Nature of CSR activities | Details of related party transactions | Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately |
|---|---|---|---|---|---|---|---|
| 15.5 | 15.6 | - | - | - | 1. Healthcare Projects - Ambulances/ healthcare equipment.<br>2. Environmental / Social project - Rain water harvesting in rural government schools in any major states.<br>3. Contribution to Incubators to support startups, Other areas - Automation of construction activities, Waste water recycling and Energy saving equipment.<br>4. Contribution to Indian Institute of Technology, Madras | ICICI Foundation | - |

The Company has partnered with ICICI Foundation for providing one ambulance to Be Well hospital, Chennai and for rain water harvesting projects in certain states amounting to ₹ 3.0 million and ₹ 7.1 million respectively for the year ended March 31, 2023. The Company contributed to Society for Innovation and Entrepreneurship (SINE) - IIT Bombay to support startups in areas such as Automation of construction activities, waste water recycling and Energy saving equipment amounting to ₹ 3.0 million. The Company also contributed ₹ 2.5 million to IIT Madras to be utilised for 3D printing machine for construction projects.

## NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, the details of amount spent on CSR by the Company for the year ended March 31, 2022.

₹ in million

| Amount required to be spent by the company during the year | Amount of expenditure incurred | Shortfall at the end of the year | Total of previous years shortfall | Reason for shortfall | Nature of CSR activities | Details of related party transactions | Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately |
|---|---|---|---|---|---|---|---|
| 7.7 | 10.2 | - | - | - | Vocational skill development, healthcare purposes and tree plantation | ICICI Foundation | - |

The Company had partnered with ICICI Foundation for promoting sustainable livelihood through vocational skill development projects through the ICICI academy for skills and rural initiative and also partnered with ICICI Foundation for healthcare purposes, the Company contributed ₹ 9.1 million for the year ended March 31, 2022 towards the same. The Company contributed ₹ 1.1 million towards tree plantation activity.

### 84. EVENTS AFTER REPORTING DATE

There have been no significant events after the reporting date that require disclosure in these financial statements.

### 85. NHB DIVERGENCE IN ASSET CLASSIFICATION AND PROVISIONING.

In terms of the RBI circular no. DOR.ACC.REC. No.20/21.04.018/2022-23 dated April 19, 2022, NBFCs are required to disclose the divergences in asset classification and provisioning consequent to NHB's (in case of HFCs) annual supervisory process in their notes to accounts to the financial statements, wherever either (a) the additional provisioning requirements assessed by NHB exceed 5% of the reported net profits before tax and impairment loss on financial instruments or (b) the additional gross NPAs identified by NHB exceed 5% of the published reported gross NPAs for the reference period, or both. Based on the condition mentioned in RBI circular, no disclosure on divergence in asset classification and provisioning for NPAs is required with respect to NHB's supervisory process for the year ended March 31, 2022 and for the year ended March 31, 2021.

## NOTES FORMING PART OF THE ACCOUNTS

### 86. SCHEDULE TO THE BALANCE SHEET OF THE HOUSING FINANCE COMPANY AS REQUIRED UNDER MASTER DIRECTION - NON-BANKING FINANCIAL COMPANY - HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021

₹ in million

| Particulars | | | Amount outstanding | Amount overdue |
|---|---|---|---|---|
| LIABILITIES SIDE | | | | |
| **(1)** | **Loans and advances availed by the Company inclusive of interest accrued thereon but not paid:** | | **148,816.9** | **8.8** |
| | (a) | Debentures : Secured | 47,713.3 | - |
| | | : Unsecured | 4,335.7 | - |
| | | (other than falling within the meaning of public deposits*) | | |
| | (b) | Deferred credits | - | - |
| | (c) | Term loans | 53,255.5 | - |
| | (d) | Inter-corporate loans and borrowing | 15,219.3 | - |
| | (e) | Commercial paper | 6,886.6 | - |
| | (f) | Public deposits* | 21,406.5 | 8.8 |
| | (g) | Other loans (specify nature) | - | - |
| | *Please see Note 1 below | | | |
| **(2)** | **Break-up of (1)(f) above (outstanding public deposits inclusive of interest accrued thereon but not paid):** | | **21,406.5** | **-** |
| | (a) | In the form of Unsecured debentures | - | - |
| | (b) | In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security | - | - |
| | (c) | Other public deposits | 21,406.5 | - |
| | * Please see Note 1 below | | | |

₹ in million

| ASSETS SIDE | | | Amount outstanding |
|---|---|---|---|
| **(3)** | **Break-up of loans and advances including bills receivables [other than those included in (4) below]:** | | **175,436.2** |
| | (a) | Secured | 175,436.2 |
| | (b) | Unsecured | - |
| **(4)** | **Break up of leased assets and stock on hire and other assets counting towards asset financing activities** | | **-** |

## NOTES FORMING PART OF THE ACCOUNTS

| ASSETS SIDE | | | | Amount outstanding |
|---|---|---|---|---|
| | (i) | Lease assets including lease rentals under sundry debtors | | |
| | | (a) | Financial lease | - |
| | | (b) | Operating lease | - |
| | (ii) | Stock on hire including hire charges under sundry debtors | | |
| | | (a) | Assets on hire | - |
| | | (b) | Repossessed assets | - |
| | (iii) | Other loans counting towards asset financing activities | | |
| | | (a) | Loans where assets have been repossessed | - |
| | | (b) | Loans other than (a) above | - |
| **(5)** | **Break-up of investments** | | | |
| | **Current investments** | | | **1,716.1** |
| | **1.** | **Quoted** | | **1,716.1** |
| | | (i) | Shares | |
| | | | (a) Equity | - |
| | | | (b) Preference | - |
| | | (ii) | Debentures and Bonds | - |
| | | (iii) | Units of mutual funds | 1,615.4 |
| | | (iv) | Government Securities | 100.7 |
| | | (v) | Others (please specify) | - |
| | **2.** | **Unquoted** | | **-** |
| | | (i) | Shares | |
| | | | (a) Equity | - |
| | | | (b) Preference | - |
| | | (ii) | Debentures and bonds | - |
| | | (iii) | Units of mutual funds | - |
| | | (iv) | Government securities | - |
| | | (v) | Others (please specify) | - |
| | **Long Term investments** | | | **3,275.5** |
| | **1.** | **Quoted** | | **3,203.4** |
| | | (i) | Shares | |
| | | | (a) Equity | - |
| | | | (b) Preference | - |

## NOTES FORMING PART OF THE ACCOUNTS

| ASSETS SIDE | | | | Amount outstanding |
|---|---|---|---|---|
| | | (ii) | Debentures and bonds | - |
| | | (iii) | Units of mutual funds | - |
| | | (iv) | Government securities | 3,203.4 |
| | | (v) | Others (please specify) | - |
| | **2.** | **Unquoted** | | **72.1** |
| | | (i) | Shares | |
| | | | (a) Equity | 56.5 |
| | | | (b) Preference | - |
| | | (ii) | Debentures and bonds | - |
| | | (iii) | Units of mutual funds | - |
| | | (iv) | Government securities | - |
| | | (v) | Others (Units in venture capital fund) | 15.6 |

**(6) Borrower group-wise classification of assets financed as in (3) and (4) above:** (Please see Note 2 below)

| Category | | | Amount net of provisions | | |
|---|---|---|---|---|---|
| | | | Secured | Unsecured | Total |
| 1. | Related Parties ** | | | | |
| | (a) | Subsidiaries | - | - | - |
| | (b) | Companies in the same group | - | - | - |
| | (c) | Other related parties | - | - | - |
| 2. | Other than related parties | | 175,436.2 | - | 175,436.2 |
| **Total** | | | **175,436.2** | **-** | **175,436.2** |

**(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):** (Please see Note 3 below)

| Category | | | Market Value / Break up or fair value or NAV | Book Value (net of Provisions) |
|---|---|---|---|---|
| 1. | Related Parties ** | | | |
| | (a) | Subsidiaries | - | - |
| | (b) | Companies in the same group | - | - |
| | (c) | Other related parties | - | - |
| 2. | Other than related parties* | | 4,937.6 | 4,991.6 |
| **Total** | | | **4,937.6** | **4,991.6** |

## NOTES FORMING PART OF THE ACCOUNTS

| ASSETS SIDE | | | | Amount outstanding |
|---|---|---|---|---|
| | *Amount includes Assets held for sale | | | |
| | ** As per notified Accounting Standard (Please see Note 3) | | | |
| **(8)** | **Other information** | | | |
| | **Particulars** | | | **Amount** |
| | (i) | Gross non-performing assets | | |
| | | (a) | Related parties | - |
| | | (b) | Other than related parties | 5,611.6 |
| | (ii) | Net non-performing assets | | |
| | | (a) | Related parties | - |
| | **Particulars** | | | **Amount** |
| | | (b) | Other than related parties | 3,563.9 |
| | (iii) | Assets acquired in satisfaction of debt | | - |
| Notes : | | | | |
| 1. | As defined in Paragraph 4.1.30 of the RBI Master direction. | | | |
| 2. | Provisioning norms shall be applicable as prescribed in the RBI Master direction. | | | |
| 3. | All notified Accounting Standards are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above. | | | |

## NOTES FORMING PART OF THE ACCOUNTS

### 87. DIAGRAMMATIC REPRESENTATION OF GROUP

Note: The above group structure does not covers entities (including entities using common brand name) which are not consolidated in the financial statements of the Holding Company as there is no control/significant influence or the investment is intended to be temporary or the objective of control is not to obtain economic benefits from their activities.

## NOTES FORMING PART OF THE ACCOUNTS

**88.** The previous year figures have been reclassified/regrouped/restated to conform to current year's classification.

As per our report of even date attached

For **M/s Singhi & Co.**
Chartered Accountants
Firm registration no.: 302049E

Sd/-
**Shweta Singhal**
Partner
Membership No.: 414420

For **M/s Mukund M. Chitale & Co.**
Chartered Accountants
Firm registration no.: 106655W

Sd/-
**Nisha Yadav**
Partner
Membership No.:135775

For and on behalf of the Board of Directors
**ICICI Home Finance Company Limited**

Sd/-
**Vinod Kumar Dhall**
Chairman
DIN-02591373

Sd/-
**Anirudh Kamani**
Managing Director
& CEO
DIN-07678378

Place: Mumbai
Date : April 17, 2023

Sd/-
**Vikrant Gandhi**
Chief Financial
Officer

Sd/-
**Priyanka Shetty**
Company Secretary

ICICI Home Finance

**ICICI HOME FINANCE COMPANY LIMITED**
**CIN: U65922MH1999PLC120106**

**Registered Office:** ICICI Bank Towers,
Bandra-Kurla Complex, Mumbai - 400051

**Corporate Office:** ICICI HFC Tower,
Andheri Kurla Road, J.B. Nagar, Andheri (E), Mumbai - 400059

(+91-22) 4009 3457 hfcsecreterial@icicihfc.com

**www.icicihfc.com**

# ICICI Home Finance Company Limited

## Financial statements

(Stock Exchange)

At September 30, 2023

**Singhi & Co.**
Chartered Accountants
B2 402B, Marathon Innova, 4th Floor
Off Ganpatrao Kadam Marg,
Lower Parel,
Mumbai-400013, India

**Mukund M. Chitale & Co.**
Chartered Accountants
2nd Floor, Kapur House,
Paranjape B Scheme Road No. 1,
Vile Parle (E),
Mumbai – 400 057, India

**Independent Auditors' Limited Review Report on Unaudited financial results of ICICI Home Finance Company Limited for the quarter and six months ended September 30, 2023, pursuant to Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015**

To,
The Board of Directors
ICICI Home Finance Company Limited

1. We have reviewed the accompanying statement of unaudited financial results of ICICI Home Finance Company Limited (the 'Company') for the quarter and six months ended September 30, 2023 (the 'Statement'). This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to express a conclusion on these unaudited financial results based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 – "Review of Interim Financial Information performed by the Independent Auditor of the entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

**For Singhi & Co.**
Chartered Accountants
Firm Registration No.: 302049E

**Amit Hundia**
Partner
Membership No. 120761
UDIN – 23120761BGYVVK3043
Place: Mumbai
Date: October 13, 2023

**For Mukund M. Chitale & Co.**
Chartered Accountants
Firm Registration No. 106655W

**Abhay V. Kamat**
Partner
Membership No. 039585
UDIN – 23039585BGXBRX7074
Place: Mumbai
Date: October 13, 2023

SINGHI & CO. ★ Chartered Accountants ★

MUKUND M. CHITALE & CO. ★ MUMBAI ★ CHARTERED ACCOUNTANTS

ICICI Home Finance

**ICICI HOME FINANCE COMPANY LIMITED**

**Statement of assets and liabilities** — ₹ in million

| | Particulars | At September 30, 2023 (Unaudited) | At March 31, 2023 (Audited) |
|---|---|---|---|
| I | **ASSETS** | | |
| | **Financial assets** | | |
| | Cash and cash equivalents | 8,311.4 | 4,373.1 |
| | Bank balance other than above | 2.5 | 2.5 |
| | Receivables | | |
| | (i) Trade receivables | 29.8 | 20.7 |
| | (ii) Other receivables | - | - |
| | Loans | 193,656.5 | 175,436.2 |
| | Investments | 6,678.3 | 4,991.6 |
| | Other financial assets | 2,554.9 | 2,081.6 |
| | | **211,233.4** | **186,905.7** |
| | **Non-financial assets** | | |
| | Current tax assets | 1,086.7 | 1,004.4 |
| | Property, plant and Equipment | 1,306.7 | 1,253.2 |
| | Capital work-in-progress | 4.4 | 7.5 |
| | Intangible assets under development | 36.4 | 33.4 |
| | Intangible assets | 85.2 | 93.1 |
| | Other non-financial assets | 179.5 | 151.4 |
| | | **2,698.9** | **2,543.0** |
| | | **213,932.3** | **189,448.7** |
| II | **LIABILITIES AND EQUITY** | | |
| | **LIABILITIES** | | |
| | **Financial liabilities** | | |
| | Payables | | |
| | Trade Payable | | |
| | (i) Total outstanding dues of micro enterprises and small enterprises | 69.6 | 77.8 |
| | (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises | 1,792.2 | 1,767.9 |
| | Other Payables | | |
| | (i) Total outstanding dues of micro enterprises and small enterprises | 2.0 | 11.5 |
| | (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises | 10.5 | 16.8 |
| | Debt securities | 62,126.6 | 54,563.6 |
| | Borrowings (Other than debt securities) | 69,172.1 | 53,237.4 |
| | Deposits | 37,258.7 | 36,500.4 |
| | Subordinate liabilities | 4,401.9 | 4,316.8 |
| | Other financial liabilities | 8,308.5 | 10,068.8 |
| | | **183,142.1** | **160,561.0** |
| | **Non-financial liabilities** | | |
| | Provisions | 163.7 | 65.0 |
| | Deferred tax liability (net) | 629.0 | 565.3 |
| | Other non-financial liabilities | 64.2 | 187.8 |
| | | **856.9** | **818.1** |
| | **EQUITY** | | |
| | Equity share capital | 12,035.3 | 12,035.3 |
| | Other equity | 17,898.0 | 16,034.3 |
| | | **29,933.3** | **28,069.6** |
| | | **213,932.3** | **189,448.7** |

SINGHI & CO. Chartered Accountants

MUMBAI

ICICI HOME FINANCE CO. LTD. MUMBAI

ICICI Home Finance

**ICICI HOME FINANCE COMPANY LIMITED**

₹ in million

| Statement of Unaudited financial results | Three months ended | | | Six months ended | | Year ended |
|---|---|---|---|---|---|---|
| **Particulars** | **September 30, 2023 (Q2-2024) (Unaudited)[1]** | **June 30, 2023 (Q1-2024) (Unaudited)** | **September 30, 2022 (Q2-2023) (Unaudited)[1]** | **September 30, 2023 (H1-2024) (Unaudited)** | **September 30, 2022 (H1-2023) (Unaudited)** | **March 31, 2023 (FY2023) (Audited)** |
| **Revenue from operations** | | | | | | |
| Interest income | 5,625.5 | 5,262.0 | 4,226.8 | 10,887.5 | 8,078.6 | 17,732.6 |
| Fees and commission income | 156.6 | 118.7 | 90.9 | 275.3 | 177.2 | 395.8 |
| Net gain on fair value changes | 27.3 | 23.0 | 14.2 | 50.3 | 56.7 | 150.7 |
| Net gain on derecognition of financial instruments | | | | | | |
| under amortised cost category | 37.2 | 84.5 | 86.4 | 121.7 | 243.8 | 430.0 |
| under fair value through other comprehensive income | 558.8 | 396.7 | 139.2 | 955.5 | 210.8 | 784.3 |
| Total Revenue from Operations | 6,405.4 | 5,884.9 | 4,557.5 | 12,290.3 | 8,767.1 | 19,493.4 |
| Other income | 50.5 | 3.0 | 4.6 | 53.5 | 7.8 | 14.1 |
| **Total income** | **6,455.9** | **5,887.9** | **4,562.1** | **12,343.8** | **8,774.9** | **19,507.5** |
| **Expenses** | | | | | | |
| Finance costs | 3,035.7 | 2,808.0 | 2,237.2 | 5,843.7 | 4,513.1 | 9,536.7 |
| Fees and commission expense | 24.1 | 18.6 | 14.8 | 42.7 | 25.6 | 65.8 |
| Impairment on financial instruments/write-offs (including write-offs on stressed loans transferred to ARCs) | 586.4 | 435.2 | 576.2 | 1,021.6 | 834.0 | 1,775.0 |
| Employee benefit expenses | 834.3 | 727.4 | 531.4 | 1,561.7 | 1,038.0 | 2,193.6 |
| Depreciation and amortisation expense | 82.2 | 78.8 | 64.4 | 161.0 | 127.4 | 270.4 |
| Other expenses | 452.1 | 462.7 | 356.3 | 914.8 | 938.0 | 1,797.8 |
| **Total expenses** | **5,014.8** | **4,530.7** | **3,780.3** | **9,545.5** | **7,476.1** | **15,639.3** |
| **Profit/(Loss) before exceptional items and tax** | **1,441.1** | **1,357.2** | **781.8** | **2,798.3** | **1,298.8** | **3,868.2** |
| Exceptional items | - | - | - | - | - | - |
| **Profit/(Loss) before tax** | **1,441.1** | **1,357.2** | **781.8** | **2,798.3** | **1,298.8** | **3,868.2** |
| Tax expense | | | | | | |
| Current tax | 289.9 | 273.0 | 165.7 | 562.9 | 275.3 | 827.6 |
| Deferred tax | 33.8 | 31.9 | 13.0 | 65.7 | 21.6 | 22.4 |
| **Profit/(Loss) for the period/year** | **1,117.4** | **1,052.3** | **603.1** | **2,169.7** | **1,001.9** | **3,018.2** |
| **Other comprehensive income** | | | | | | |
| **Items that will not be reclassified to profit or loss** | | | | | | |
| Re-measurement of net defined benefit plan | (9.2) | (15.9) | 2.9 | (25.1) | (2.4) | 8.5 |
| Income tax impact | 2.3 | 4.0 | (0.7) | 6.3 | 0.6 | (2.1) |
| **Items that will be reclassified to profit or loss** | | | | | | |
| **Derivatives designated as cash flow hedge** | | | | | | |
| Fair value change on derivatives designated as cash flow hedge | - | - | - | - | 246.9 | 246.8 |
| Income tax impact | - | - | - | - | (62.1) | (62.1) |
| **Financial instruments through other comprehensive income** | | | | | | |
| Fair value changes on loans classified under "Hold & Sell" business model | (208.0) | 225.2 | 1,284.4 | 17.2 | 1,237.4 | 1,964.6 |
| Income tax impact | 52.4 | (56.7) | (323.2) | (4.3) | (311.4) | (494.4) |
| **Total other comprehensive income** | **(162.5)** | **156.6** | **963.4** | **(5.9)** | **1,109.0** | **1,661.3** |
| **Total comprehensive income** | **954.9** | **1,208.9** | **1,566.5** | **2,163.8** | **2,110.9** | **4,679.5** |
| Earnings per equity share (EPS)* | | | | | | |
| (Face value ₹ 10/- per share (previous year: ₹ 10/- per share) | | | | | | |
| (1) Basic (₹) | 0.93 | 0.87 | 0.51 | 1.80 | 0.88 | 2.58 |
| (2) Diluted (₹) | 0.93 | 0.87 | 0.51 | 1.80 | 0.88 | 2.58 |

* EPS is not annualised for interim period

1. Refer Note no. 5

For and on behalf of the Board of Directors
**ICICI Home Finance Company Limited**

**Anirudh Kamani**
Managing Director & CEO
DIN - 07678378

Place: Mumbai
Date : October 13, 2023

SINGHI & CO. Chartered Accountants

MUKUND M. CHITALE & CO. MUMBAI CHARTERED ACCOUNTANTS

ICICI HOME FINANCE Co. Ltd. MUMBAI

ICICI Home Finance

**ICICI Home Finance Company Limited**

| Statement of Cash flow for the period ended September 30, 2023 | | ₹ in million |
|---|---|---|
| **Particulars** | **Six months ended September 30, 2023 (Unaudited)** | **Six months ended September 30, 2022 (Unaudited)** |
| **A Cash flow from operating activities** | | |
| Profit before taxation and exceptional items | 2,798.3 | 1,298.8 |
| Adjustments for: | | |
| Interest Income on loans | (10,611.3) | (7,889.1) |
| Depreciation/amortisation | 161.0 | 127.4 |
| Loss on sale or write off of fixed assets | 2.2 | 2.5 |
| Fair value change in investment | (50.3) | (56.7) |
| Interest expense on borrowings | 5,843.7 | 4,513.1 |
| Impairment on financial instruments | 1,021.6 | 834.0 |
| Share based payment to employees | 20.2 | 21.0 |
| Fair value changes in gratuity | (25.1) | (2.4) |
| Net (gain)/loss on derecognition of financial instruments | (1,077.2) | (454.6) |
| Interest income on investments | (115.8) | (112.4) |
| | **(2,032.7)** | **(1,718.4)** |
| Interest income received | 10,472.1 | 7,766.1 |
| Interest expenses on borrowings paid | (3,776.7) | (3,157.9) |
| **Operating profit before working capital changes** | **4,662.7** | **2,889.8** |
| *Adjustments for increase or decrease in :* | | |
| (Increase) / Decrease in Trade receivables | (43.3) | (0.2) |
| (Increase) / Decrease in Other financial assets | 604.0 | 865.3 |
| (Increase) / Decrease in Other non-financial assets | (28.2) | (32.0) |
| (Decrease) / Increase in Trade payables | 0.4 | 58.1 |
| (Decrease) / Increase in Other financial liabilities | (1,825.1) | (1,582.8) |
| (Decrease) / Increase in Other non financial liabilities | (123.7) | (111.9) |
| (Decrease) / Increase in Provisions | 98.7 | (18.4) |
| Loans given (net movement) | (19,051.3) | (13,177.5) |
| **Cash generated from Operations** | **(15,705.8)** | **(11,109.6)** |
| Income taxes paid (net) | (645.1) | (301.2) |
| **Net cash (used in) / generated from operating activities - A** | **(16,350.9)** | **(11,410.8)** |
| **B Cash Flow from investing activities** | | |
| Net (Purchase)/sale of fixed assets | (115.8) | (103.3) |
| Net (Purchase)/sale of mutual funds | (1,740.7) | 2,008.6 |
| (Purchase) of investments (other than mutual funds) | - | (400.0) |
| Sale of investments (other than mutual funds) | 100.0 | 350.0 |
| Sale of investments classified as assets held for sale | - | 425.7 |
| Interest received on investments | 120.0 | 120.2 |
| **Net cash (used in) / generated from investing activities - B** | **(1,636.5)** | **2,401.2** |
| **C Cash flow from financing activities** | | |
| Proceeds from issue of share capital (including share premium) | - | 2,500.0 |
| Proceeds from borrowings[3] | 62,537.6 | 43,302.5 |
| Repayment of borrowings[3] | (40,253.9) | (35,001.2) |
| Repayment of lease liability (including interest payments) | (57.1) | (46.6) |
| Dividend Paid | (300.9) | (164.7) |
| **Net cash (used in) / generated from financing activities - C** | **21,925.7** | **10,590.0** |

SINGHI & CO. Chartered Accountants

MUKESH M. CHITALE & CO. MUMBAI CHARTERED ACCOUNTANTS

ICICI HOME FINANCE Co. Ltd. MUMBAI

ICICI Home Finance

**ICICI Home Finance Company Limited**

₹ in million

| Particulars | Six months ended September 30, 2023 (Unaudited) | Six months ended September 30, 2022 (Unaudited) |
|---|---|---|
| **Net increase/(decrease) in cash and cash equivalents (A+B+C)** | **3,938.3** | **1,580.4** |
| **Cash and cash equivalents at beginning of the period** | **4,373.1** | **2,693.6** |
| **Cash and Cash equivalents at end of the period** | **8,311.4** | **4,274.0** |

**Notes :**

**1 Cash and cash equivalents consists of :**

| | | |
|---|---|---|
| (i) Balances in current accounts | 1,665.0 | 725.0 |
| (ii) Other cash and cash equivalents (TREPs lending) | 6,646.4 | 3,549.0 |
| **Total** | **8,311.4** | **4,274.0** |

2 The above cash flow statement has been prepared under the 'Indirect Method' as set out in Ind AS 7 on "Statement of Cash Flows".

3 Net movement in Borrowings (including Debt Securities), Deposits and Subordinated Liabilities amounting to ₹ 24,341.1 million (Previous period ₹ 8,880.1 million) includes fresh issuance, repayments, effect of changes in foreign exchange rates, interest accrual and unamortised borrowing cost.

4 There was no financing activities that affect the capital and asset structure of the Company without the use of cash and cash equivalents.

**The accompanying notes are an integral part of the condensed interim financial statements**

SINGHI & CO. Chartered Accountants

MUKUND M. CHITALE & CO. MUMBAI CHARTERED ACCOUNTANTS

ICICI HOME FINANCE Co. Ltd. MUMBAI

**Notes:**

1. The Company is a housing finance company registered with the National Housing Bank.

2. The above financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 - Interim Financial Reporting, notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.

3. The Board of Directors at its meeting held on October 13, 2023 after review by the Audit Committee at its meeting held on October 13, 2023 have approved the above financial results. The joint statutory auditors have conducted limited review and issued an unmodified report on the financial results for H1-2024.

4. In compliance with the Securities and Exchange Board of India (SEBI) (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended from time to time and operational circular no. SEBI/HO/DHS/DDHS/CIR/P/2021/613 issued by SEBI on August 10, 2021, as amended from time to time, the Company has listed its Non-Convertible Debentures and Commercial papers on BSE Ltd.

5. The amounts for Q2-2024 and Q2-2023 are balancing figures in respect of H1 and Year to date figures upto the end of Q1 of the respective financial year.

6. The Company is engaged in lending business. The Company provides mortgages loans (home loan and loan against properties) and construction realty funding. The Board reviews the Company's performance as a single business. The Company operates within India. Accordingly, there are no separate reportable segments as per Ind AS 108 – Operating Segment.

7. On July 4, 2022, the Company had issued a letter of offer for issuance of equity shares on right basis to its existing shareholders. The equity shares having face value of ₹ 10/- each were proposed to be issued at a premium of ₹ 13.86 per share in the proportion of 100,000 equity shares for every 1,048,647 equity shares aggregating to ₹ 2,500.0 million. Pursuant to the letter of offer, ICICI Bank Limited on July 28, 2022 applied for 104,777,870 equity shares of face value of ₹ 10/- each at a premium of ₹ 13.86 per share aggregating to ₹ 2,500.0 million, which was duly approved by the Committee of Directors at its meeting held on July 28, 2022.

8. The following table sets forth, for the periods indicated, disclosure pursuant to RBI Circular – RBI/DOR/2021-22/86/DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021 with respect to details of loans transferred through Direct Assignment.

₹ in million, except number of accounts

| Particulars | H1-2024 | H1-2023 |
|---|---|---|
| Number of loans | 13,369 | 7,113 |
| Aggregate amount | 18,445.8 | 9,928.9 |
| Sale consideration | 18,445.8 | 9,928.9 |
| Number of transactions | 6 | 4 |
| Weighted average remaining maturity (in months)[1] | 193 | 173 |

SINGHI & CO. Chartered Accountants

MUKUND M. CHITALE & CO. MUMBAI CHARTERED ACCOUNTANTS



ICICI HOME FINANCE Co. Ltd. MUMBAI

| Particulars | H1-2024 | H1-2023 |
|---|---|---|
| Weighted average holding period after origination (in months)[1] | 17 | 25 |
| Retention of beneficial economic interest (average) | 10% | 10% |
| Coverage of tangible security coverage | 100% | 100% |
| Rating wise distribution of rated loans | NA | NA |
| Number of instances (transactions) where transferor has agreed to replace the transferred loans | Nil | Nil |
| Number of transferred loans replaced | Nil | Nil |

1. At the time of transaction(s)

Note: The Company in H1-2024 recognised gain of ₹ 1,077.2 million on derecognition of financial assets (H1-2023: ₹ 454.6 million).

9. The following table sets forth, for H1-2024, disclosure pursuant to RBI Circular – RBI/DOR/2021-22/86/DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021 with respect to details of stressed loans transferred.

₹ in million, except number of accounts and months

| | H1-2024 | | | H1-2023 | | |
|---|---|---|---|---|---|---|
| Particulars | To ARCs | To permitted transferees | To other transferees | To ARCs | To permitted transferees | To other transferees |
| No. of accounts | - | - | - | 196 | - | - |
| Aggregate principal outstanding of loans transferred | - | - | - | 351.0 | - | - |
| Weighted average residual tenor of the loans transferred | - | - | - | 142 | - | - |
| Net book value of loans transferred (at the time of transfer) | - | - | - | 162.5 | - | - |
| Aggregate Consideration | - | - | - | 133.4 | - | - |
| Additional consideration realized in respect of accounts transferred in earlier years | - | - | - | - | - | - |

SINGHI & CO. Chartered Accountants

MUKUND M. CHITALE & CO. MUMBAI CHARTERED ACCOUNTANTS



ICICI HOME FINANCE Co. Ltd. MUMBAI

10. Details of loans where resolution plan has been implemented as per RBI circular on "Resolution Framework for COVID-19 – related stress" dated August 6, 2020 and May 5, 2021

₹ in million

| Type of borrower | Exposure to accounts classified as standard consequent to implementation of resolution plan – Position as at the end of the March 31, 2023 (A) | Of (A), aggregate debt that slipped into NPA during the half-year | Of (A), amount written off during the half-year[1] | Of (A) amount paid by the borrowers during the half-year | Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as September 30, 2023 |
|---|---|---|---|---|---|
| Personal loans | 2,971.1 | 89.6 | 11.2 | 285.0 | 2,607.7 |
| Corporate persons | 809.5 | 22.0 | 0.1 | 87.5 | 701.8 |
| *Of which, MSMEs* | *319.5* | *0.6* | * | *62.0* | *256.7* |
| Others | 1,127.8 | 17.5 | 1.8 | 166.1 | 948.0 |
| **Total** | **4,908.4** | **129.1** | **13.1** | **538.6** | **4,257.5** |

*Insignificant amount.

1. Represents debt that slipped into NPA and was subsequently written off during the six months ended September 30, 2023.

11. The members at its Annual General Meeting held on May 30, 2023, approved the payment of final dividend of ₹ 0.25 per equity share aggregating to ₹ 300.9 million for FY2023, as recommended by Board of Directors of the Company at its meeting held on April 17, 2023.

12. Pursuant to notification issued by Ministry of Corporate Affairs on Companies (Share Capital and Debentures) Rules, 2014 dated August 16, 2019 and subsequent amendments thereof, the issuer being registered as Housing Finance Company with National Housing Bank, is not required to create Debenture Redemption Reserve. Creation of Capital Redemption Reserve (CRR) is not applicable to the Company.

13. The above financial results for all the relevant periods are reviewed/audited by the joint statutory auditors, M/s Singhi & Co., Chartered Accountants and M/s Mukund M. Chitale & Co., Chartered Accountants.

14. Disclosures in compliance with SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 are given as Annexure 1.

SINGHI & CO. Chartered Accountants

MUKUND M. CHITALE & CO. MUMBAI CHARTERED ACCOUNTANTS

ICICI HOME FINANCE Co. Ltd. MUMBAI

15. The previous periods/year amounts have been regrouped/reclassified wherever necessary to conform to the current period presentation.

**For ICICI Home Finance Company Limited**

**Aniruddh Kamani**
**Managing Director & CEO**
**DIN - 07678378**

**Date: October 13, 2023**
**Place: Mumbai**

**Annexure 1**

1. During H1-2024, the Company had not received any complaint from its Non-Convertible Debentures' (NCDs) investors and there is no investor complaint pending for redressal at the beginning and at the end of the above period. The shares of the Company are not listed at the stock exchange.
2. Security cover available: The Company had secured NCDs (including MLDs) of ₹ 51,422.0 million (face value) outstanding at September 30, 2023. These NCDs are secured by way of first ranking pari passu floating charge over the eligible receivables to the extent of security cover of one time of the obligations (principal and interest).
3. The following tables set forth, for the periods indicated, disclosure as per Regulation 52(4) of the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015.

| **Particulars** | **At September 30, 2023** | **At September 30, 2022** |
|---|---|---|
| Debt – Equity Ratio | 5.8 | 5.4 |
| Outstanding redeemable preference shares (quantity and value) | NA | NA |
| Capital redemption reserve/debenture redemption reserve | NA | NA |
| Net worth[1] (₹ in million) | 26,233.1 | 22,307.3 |
| Current ratio | NA | NA |
| Long term debt to working capital | NA | NA |
| Bad debts to Account receivable ratio | NA | NA |
| Current liability ratio | NA | NA |
| Total debts to total assets | 0.81 | 0.80 |
| Debtors turnover | NA | NA |
| Inventory turnover | NA | NA |
| Sector specific equivalent ratios | | |
| - Gross Non-Performing Assets (NPA) Ratio (%) | 2.4 | 5.1 |
| - Net NPA Ratio (%) | 1.2 | 3.4 |
| - Capital to Risk (weighted) Assets Ratio (CRAR) (%) | 22.0 | 24.2 |
| - Liquidity Coverage Ratio (LCR) (%)[2] | 195.8 | 191.0 |

NA= Not Applicable

1. Net worth at September 30, 2023, has been computed as per section 2(57) of the Companies Act, 2013, thereby excluding reserves created out of revaluation of assets and deferred expenditures from total equity of the Company. The previous period number has been updated accordingly.
2. Computed as simple averages of daily observations over Q2-2024 and Q2-2023.

| **Particulars** | **H1-2024** | **H1-2023** |
|---|---|---|
| Debt service coverage ratio | NA | NA |
| Interest service coverage ratio | NA | NA |
| Net profit after tax (₹ in million) | 2,169.7 | 1,001.9 |
| Earnings per share (not annualised) (₹) | 1.80 | 0.88 |
| Operating margin (%) | NA | NA |
| Net profit margin (%) | 17.6 | 11.4 |

NA= Not Applicable

SINGHI & CO. Chartered Accountants

MUKUND M. CHITALE & CO. MUMBAI CHARTERED ACCOUNTANTS



ICICI HOME FINANCE Co. Ltd. MUMBAI

SEC/444/2023-24 October 13, 2023

The General Manager,
Compliance Dept.
BSE Limited
P J Towers, Dalal Street,
Mumbai - 400001

**Sub.: Disclosure of Security cover as per Regulation 54 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("SEBI LODR Regulations")**

Dear Sir/ Madam,

Pursuant to Regulation 54 of SEBI LODR Regulations, please find enclosed herewith the Unaudited financial results along with Limited Review Report for the quarter ended September 30, 2023. The security cover is disclosed in the enclosed Unaudited financial results under the Point No. 2 of Annexure 1 and the same is reproduced below for reference:

The Company had secured Non-Convertible Debentures (including Market Linked Debentures) (NCDs) of ₹51,422.0 million (face value) outstanding at September 30, 2023. These NCDs are secured by way of first ranking pari passu floating charge over the eligible receivables to the extent of security cover of one time of the obligations (principal and interest)."

Also, please find enclosed the security cover certificate as "Annexure A" as per Regulation 54(3) of SEBI LODR Regulations read with SEBI Circular SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 dated May 19, 2022 and subsequent amendments thereof.

We request you to take the document on record.

Yours faithfully,

For **ICICI Home Finance Company Limited**

PRIYANKA RAMESH SHETTY

Digitally signed by PRIYANKA RAMESH SHETTY
DN: c=IN, st=Maharashtra, 2.5.4.20=38432f2da911cd476db2cc82eda3e7e5a1f87dd4226602e8204e3e21555e45b, postalCode=400092, street=A 201 OM SAGAR CHANDAVARKAR ROAD NR HARSHA PARK BORIVALI W, pseudonym=18c50d4296e84387d77bdd9f0e882e00, serialNumber=e298ad69da2ca3688aa4817d0f0a631c0e3d865c57fad0322f7b444b5ba650f3, o=Personal, cn=PRIYANKA RAMESH SHETTY
Date: 2023.10.13 18:31:39 +05'30'

**Priyanka Shetty**
**Company Secretary**

**Encl: a/a**

ICICI Home Finance Company Limited

Statement of security cover at September 30, 2023

Annexure A

₹ in million

| Sr. No. | Column A<br>Particulars | Column B<br>Description of asset for which this certificate relate | Column C<br>Exclusive charge<br>Debt for which this certificate being issued | Column D<br>Exclusive charge<br>Other secured Debt | Column E<br>Pari Passu charge<br>Debt for which this certificate being issued | Column F<br>Pari Passu charge<br>Assets shared by pari passu debt holder (includes debt for which this certificate is issued and other debt with Pari-Passu charge) | Column G<br>Pari Passu charge<br>Other assets on which there is Pari-Passu charge(excluding items covered in Column F) | Column H<br>Assets not offered as security | Column I<br>Elimination (amount in negative)<br>Debt amount considered more than once (due to exclusive plus pari pasu charge) | Column J<br>Total (C to H) | Column K<br>Related to only those items covered by this certificate<br>Market value for assets charged on Exclusive basis | Column L<br>Carrying/book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg-Bank Balance, DSRA market value is not applicable) | Column M<br>Market Value for Pari Passu charge assets | Column N<br>Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg Bank balance,DSRA market value is not applicable) | Column O<br>Total Value (K+L+M+N) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Book Value | Book Value | Yes/No | Book Value | Book Value | | | | | | | | |
| | **Assets** | | | | | | | | | | | | | | |
| 1 | **Property, Plant and Equipment** | NA | NA | NA | No | NA | NA | 1,035.2 | NA | 1,035.2 | NA | NA | NA | NA | - |
| 2 | **Capital Work In progress** | NA | NA | NA | No | NA | NA | - | NA | - | NA | NA | NA | NA | - |
| 3 | **Right of Use Assets** | NA | NA | NA | No | NA | NA | - | NA | - | NA | NA | NA | NA | - |
| 4 | **Goodwill** | NA | NA | NA | No | NA | NA | - | NA | - | NA | NA | NA | NA | - |
| 5 | **Intangible Assets** | NA | NA | NA | No | NA | NA | - | NA | - | NA | NA | NA | NA | - |
| 6 | **Intangible Assets under development** | NA | NA | NA | No | NA | NA | - | NA | - | NA | NA | NA | NA | - |
| 7 | **Investments** | NA | NA | NA | No | NA | NA | 6,678.3 | NA | 6,678.3 | NA | NA | NA | NA | - |
| 8 | **Loans** | Receivable from mortgage loans | NA | 26,122.4 | Yes | 1,01,360.9 | NA | 62,344.7 | NA | 1,89,828.0 | NA | NA | NA | 53,748.2 | 53,748.2 |
| 9 | **Inventories** | NA | NA | NA | No | NA | NA | - | NA | - | NA | NA | NA | NA | - |
| 10 | **Trade Receivables** | NA | NA | NA | No | NA | NA | 29.8 | NA | 29.8 | NA | NA | NA | NA | - |
| 11 | **Cash and Cash Equivalents** | NA | NA | NA | No | NA | NA | 8,311.4 | NA | 8,311.4 | NA | NA | NA | NA | - |
| 12 | **Bank Balances other than cash and cash equivalents** | NA | NA | NA | No | NA | NA | 2.5 | NA | 2.5 | NA | NA | NA | NA | - |
| 13 | **Others** | NA | NA | NA | No | NA | NA | 3,641.6 | NA | 3,641.6 | NA | NA | NA | NA | - |
| | **Total** | | - | **26,122.4** | | **1,01,360.9** | - | **82,043.5** | | **2,09,526.8** | - | - | - | **53,748.2** | **53,748.2** |
| | **Liabilities** | | | | | | | | | | | | | | |
| 14 | **Debt securities to which this certificate pertains** | Secured NCDs/MLDs | NA | NA | Yes | 53,748.2 | NA | - | NA | 53,748.2 | NA | NA | NA | 53,748.2 | 53,748.2 |
| 15 | **Other debt sharing pari-passu charge with above debt** | NA | Not to be filled | NA | No | 47,612.7 | NA | - | NA | 47,612.7 | NA | NA | NA | NA | NA |
| 16 | **Other Debt (Deposit + Commercial Papers)** | NA | | NA | No | NA | NA | 45,869.1 | NA | 45,869.1 | NA | NA | NA | NA | NA |
| 17 | **Subordinated Debt** | NA | | NA | No | NA | NA | 4,414.7 | NA | 4,414.7 | NA | NA | NA | NA | NA |
| 18 | **Borrowings** | NA | | NA | No | NA | NA | - | NA | - | NA | NA | NA | NA | NA |
| 19 | **Bank** | NA | | 21,580.4 | No | NA | NA | - | NA | 21,580.4 | NA | NA | NA | NA | NA |
| 20 | **Debt Securities** | NA | | NA | No | NA | NA | - | NA | - | NA | NA | NA | NA | NA |
| 21 | **Others** | NA | | NA | No | NA | NA | - | NA | - | NA | NA | NA | NA | NA |
| 22 | **Trade payables** | NA | | NA | No | NA | NA | 1,874.4 | NA | 1,874.4 | NA | NA | NA | NA | NA |
| 23 | **Lease liabilities** | NA | | NA | No | NA | NA | - | NA | - | NA | NA | NA | NA | NA |
| 24 | **Provisions** | NA | | NA | No | NA | NA | 163.7 | NA | 163.7 | NA | NA | NA | NA | NA |
| 25 | **Others** | NA | | NA | No | NA | NA | 8,017.6 | NA | 8,017.6 | NA | NA | NA | NA | NA |
| 26 | **Total** | | - | **21,580.4** | | **1,01,360.9** | - | **60,339.5** | - | **1,83,280.8** | - | - | - | **53,748.2** | **53,748.2** |
| 27 | **Cover on book value[1]** | | | | | 1.00 | | | | | | | | 1.00 | 1.00 |
| 28 | **Cover on market value[1]** | | | | | 1.00 | | | | | | | | 1.00 | 1.00 |
| | | | **Exclusive Security Cover Ratio[1]** | NA | | **Pari-Passu Security Cover Ratio[1]** | 1.00 | | | | | | | | |

1. Security Cover Ratio pertains to listed secured Non Convertible Debentures (NCDs) and Market Linked Debentures (MLDs)

2. Senior NCDs (incl. MLDs) are secured by way of first pari passu floating charge against elgible receivable at such value as recognised in the unaudited financial statement. Since the nature of asset are in form of the receivables, market value cannot be ascertained and hence the book value has been considered in the above table.

Vikrant Gandhi
Chief Financial Officer

ICICI Home Finance Co. Ltd. Mumbai

MUKUND M. CHITALE & CO. MUMBAI CHARTERED ACCOUNTANTS

SEC/442/2023-24 October 13, 2023

The General Manager,
Compliance Dept.
BSE Limited
P J Towers, Dalal Street,
Mumbai – 400001

**Sub.: Statement of utilization of issue proceeds under Regulation 52(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations) and subsequent amendments thereof.**

Dear Sir/ Madam,

Pursuant to the Regulation 52(7) of SEBI LODR Regulations and subsequent amendments thereof, we hereby confirm that the proceeds of the Non-Convertible Securities issued by the Company during the quarter ended September 30, 2023 and listed on the Stock Exchange has been used for the purpose disclosed in the Offer Document/Placement Memorandum of the issue and there is no deviation.

In terms of the Regulation 52(7A) of SEBI LODR Regulations read with SEBI circular no. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103 dated July 29, 2022 including any subsequent amendments thereof, the statement of utilization of issue proceeds and the statement of Nil material deviation in the use of the proceeds of issue of NCDs from the objects stated in the offer document have been enclosed herewith as Annexure A and B respectively.

We request you to take the document on record.

Yours faithfully,

For **ICICI Home Finance Company Limited**

PRIYANKA RAMESH SHETTY

Digitally signed by PRIYANKA RAMESH SHETTY
DN: c=IN, st=Maharashtra, 2.5.4.20=38432f2da911cd476db2cc82eda3e7e5a1f87d842660d820e4e3a21555e4f3b, postalCode=400092, street=A 201 OM SAGAR CHANDAVARKAR ROAD NR HARSHA PARK BORIVALI W, pseudonym=18c5b94296e84387677bddf90e882e00, serialNumber=2298ab9fdb2ca30688ba4817d0fba631cbe3d865c57fad0322f7b444b5ba650f3, o=Personal, cn=PRIYANKA RAMESH SHETTY
Date: 2023.10.13 18:32:42 +05'30'

**Priyanka Shetty**
**Company Secretary**

**Annexure - A**

**Statement of utilization of issue proceeds:**

| Name of the Issuer | ISIN | Mode of Fund Raising (Public Issues/ Private Placement) | Type of Instrument | Date of raising funds | Amount raised (₹ in million) | Funds utilized | Any deviation (Yes/No) | If 8 is Yes, then specify the purpose of for which the funds were utilized | Remark, if any |
|---|---|---|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| ICICI Home Finance Company Limited | - | - | NCD | - | - | NA | - | NA | - |
| | **Total** | | | | **-** | | | | |

**Annexure B**

**Statement of Deviation or Variation in use of Issue proceeds for the quarter ended September 30, 2023**

| | |
|---|---|
| Name of Listed Entity | ICICI Home Finance Company Limited |
| Mode of Fund Raising | Private Placement |
| Type of Instrument | Non-Convertible Securities |
| Date of Raising Funds | - |
| Amount Raised | - |
| Report filed for quarter ended | September 30, 2023 |
| Is there a Deviation / Variation in use of funds raised? | No |
| Whether any approval is required to vary the objects of the issue stated in the prospectus / offer document? | Not Applicable |
| If yes, details of the approval so required? | Not Applicable |
| Date of approval | Not Applicable |
| Explanation for the Deviation / Variation | Not Applicable |
| Comments of the audit committee after review | - |
| Comments of the auditors, if any | - |

Objects for which funds have been raised and where there has been a deviation, in the following table;

| Original Object | Modified Object, if any | Original Allocation | Modified allocation, if any | Funds Utilised | Amount Deviation/ Variation for the half year according to applicable object (INR crores and in %) | Remarks, if any |
|---|---|---|---|---|---|---|
| - | - | - | - | - | - | - |

Deviation could mean:
(a) Deviation in the objects or purposes for which the funds have been raised.
(b) Deviation in the amount of funds actually utilized as against what was originally disclosed.

*For* **ICICI Home Finance Company Limited**

PRIYANKA RAMESH SHETTY

Digitally signed by PRIYANKA RAMESH SHETTY
DN: c=IN, st=Maharashtra, 2.5.4.20=38432fdd911cd476db2cc82eda3e7e5a1f87dd4226602e820e4e3e21555e45b, postalCode=400092, street=A 201 OM SAGAR CHANDAVARKAR ROAD NR HARSHA PARK BORIVALI W, pseudonym=18c50042968e84387d77bdd9f0e882e00, serialNumber=e298ad69da2ca3688aa4817d0f0a631c0e3d865c57f8ad0322f7b444b5ba650f3, o=Personal, cn=PRIYANKA RAMESH SHETTY
Date: 2023.10.13 18:34:17 +05'30'

**Priyanka Shetty**
**Company Secretary**

SEC/443/2023-24 October 13, 2023

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai
Maharashtra 400001

Dear Sir/Madam,

**Submission of half yearly certificate under Regulation 56(1)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations)**

Pursuant to the provisions of Regulation 56(1)(d) of the Regulation, we hereby attach a half-yearly certificate for the period ended September 30, 2023 regarding maintenance of hundred percent asset cover, including compliance with all the covenants, in respect of listed non-convertible debt securities by the Statutory Auditor.

Thanking you,

Yours faithfully,

PRIYANKA RAMESH SHETTY

Digitally signed by PRIYANKA RAMESH SHETTY
DN: c=IN, st=Maharashtra, 2.5.4.20=38432f2da911cd476db2cc82eda3e7e5a1f87dd4226602e820e4e3e21555e45b, postalCode=400092, street=A 201 OM SAGAR CHANDAVARKAR ROAD NR HARSHA PARK BORIVALI W, pseudonym=18c50d4296e84387d77bdd9f0e882e00, serialNumber=e298ad69da2ca3688aa4817d0f0a631c0e3d865c57fad0322f7b444b5ba650f3, o=Personal, cn=PRIYANKA RAMESH SHETTY
Date: 2023.10.13 18:35:31 +05'30'

**Priyanka Shetty**
**Company Secretary**

Encl: as above

CC:
Axis Trustee Service Limited
The Ruby, 2nd Floor,SW 29,
Senapati Bapat Marg, Dadar West,
Mumbai, Maharashtra, India, 400028

MUKUND
M. CHITALE
& CO.

CHARTERED
ACCOUNTANTS

2nd Floor, Kapur House.
Paranjape B Scheme
Road No.1, Vile Parle (E),
Mumbai 400057
T: 91 22 2663 3500
www.mmchitale.com

Ref. No:- K-339/2023/05-002

To,
The Board of Directors
ICICI Home Finance Company Limited
ICICI Bank Towers,
Bandra Kurla Complex,
Bandra (East)
Mumbai – 400051

To,
Axis Trustee Service Limited
Axis House, Bombay Dyeing Mills Compound,
Pandurang Budhkar Marg, Worli,
Mumbai – 400025

Dear Sirs,

**Certificate of compliance with Regulation 56(1)(d) to be read with Regulation 54 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Regulation 15(1)(t)(ii) of Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended from time to time and para 1 of Chapter V of the Operational Circular for Debenture Trustees dated March 31, 2023 (hereinafter collectively referred as "SEBI Regulations")**

1. We, Mukund M. Chitale & Co., Chartered Accountants, along with Singhi & Co., Chartered Accountants have been appointed as the joint statutory auditors' of ICICI Home Finance Company Limited ('the Company') for the Financial Year 2022-23 and 2023-24. This certificate is issued in accordance with the terms of our engagement letter dated June 15, 2022 with the Company.

2. Based on the requirements of Regulation 56(1)(d) read with Regulation 54 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "LODR Regulations"), Regulation 15(1)(t)(ii) of Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 (hereinafter referred as "DT Regulations") and Operational Circular for Debenture Trustees issued by SEBI vide letter No. SEBI/HO/DDHS/P/CIR/2023/50 dated March 31, 2023, the Company is required to submit a certificate to the Axis Trustee Service Limited (hereinafter referred to as "Debenture Trustee") regarding maintenance of security cover ("value of receivables / book debts") against Fully Paid-up listed Redeemable Non-convertible Debentures and Fully Paid-up listed Redeemable Market Linked debentures (collectively referred as "Listed NCDs") including compliance with all the covenants stated in section

"covenants" in Debenture Trust Deed (DTDs) or supplemental Debenture Trust Deed in respect of such listed NCDs,.

Accordingly, the Company has prepared accompanying statements (Annexure A containing details of security cover available for such listed NCDs and Annexure B listing compliance with covenants), annexed to the certificate, in accordance with the unaudited financial statements as at September 30, 2023 and other relevant documents / records maintained by the Company. We have been requested by the management of the Company to issue a certificate on the same.

**Management's Responsibility**

3. The Management of the Company is responsible for preparation and presentation of the accompanying statements, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the accompanying statements and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.

4. The management of the Company is also responsible for:
   a. preparation and presentation of the Annexure A, in the format prescribed in Operational Circular for Debenture Trustees dated March 31, 2023;
   b. accurate computation of security cover available for such listed NCDs based on unaudited financial statements of the Company as at September 30, 2023;
   c. ensuring maintenance of the adequate security cover available for such listed NCDs as per Regulation 54 of LODR Regulations;
   d. completeness and accuracy of the covenants listed in Annexure B, extracted from the list of covenants under the covenants section of respective DTDs, supplemental DTDs along with the guidance provided in Operational Circular for Debenture Trustees dated March 31, 2023;
   e. compliance and providing accurate status of compliance with the covenants of the DTDs including supplemental DTDs in respect of such listed NCDs as at September 30, 2023;
   f. compliance with relevant requirements of SEBI Regulations and circulars in all respect; and
   g. providing required documents and relevant information to the Company's Debenture Trustee.

This responsibility includes ensuring that the relevant records provided to us for our examination are correct and complete.

**Auditor's Responsibility**

5. Based on our examination of the security cover available for listed NCDs, which has been prepared by the management from the unaudited financial statements as at September 30, 2023 and relevant records provided by the Company, our responsibility is to provide limited assurance on whether the Company has maintained security cover (as computed in Annexure A) in accordance with LODR Regulations in respect of listed NCDs as at September 30, 2023.

6. With respect to compliance with covenants (including financial, affirmative, informative, additional and negative covenants) as stated in DTDs, supplemental DTDs, which have been extracted basis the guidance provided in Operational Circular for Debenture Trustees dated March 31, 2023, our responsibility is to provide limited assurance on whether the Company has complied with covenants (as listed in Annexure B). For providing compliance with Annexure B, we have performed necessary inquiries with the management regarding instances of non-compliance with such covenants or communications received from Debenture Trustees indicating any breach of such covenants during the quarter ended September 30, 2023.

7. With respect to covenants, the management has represented and confirmed that the Company has complied with all such covenants (including affirmative, financial, informative and negative covenants) as prescribed in DTDs, Supplemental DTDs, as at and for the quarter ended September 30, 2023 except for the covenants where the due date for compliance has not elapsed as on date of this report. We have solely relied on such representations provided by the management and have not performed any independent procedures in this regard.

8. For the purpose of this report, we have planned and performed the following procedures:
   a. Checked the computation of security cover as at September 30, 2023, prepared by the management;
   b. Traced the amounts forming part of the Annexure A with the information provided by the management and other relevant records and documents maintained by the Company and verified the arithmetical accuracy of the calculations;
   c. On sample basis, checked the details of the outstanding amounts and assets required to be maintained as collateral for a particular series of the listed debt securities from the books of accounts and other relevant records and documents maintained by the Company for the quarter ended September 30, 2023;
   d. Obtained from management, a list of covenants (as enlisted in Annexure B), which are extracted by the management from section of "covenants" of respective DTDs and supplemental DTDs of all the listed debt securities outstanding as at September 30, 2023;

e. On sample basis traced such covenants to the respective DTDs and supplemental DTDs;

f. Checked the compliance of certain covenants on sample basis by obtaining explanations from management;

g. We have relied on specific representation obtained from the management with respect to the compliance / adherence to the covenants stated in DTDs and Supplemental DTDs.

9. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

10. We conducted our examination of the accompanying statements in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (ICAI). The Guidance Note requires that we comply with the independence and ethical requirements of the Code of Ethics issued by the ICAI.

11. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1 - Quality Control for Firms that perform Audits and Reviews of Historical Financial Information and other Assurance and Related Services Engagements.

**Conclusion**

12. Based on the procedures performed by us as mentioned in Para 8 above, and according to information and explanation given to us and specific representation obtained from the management, nothing has come to our attention that cause us to believe that, in all material respects:

    a. the particulars furnished in Annexure - A have not been accurately extracted from the available books of accounts and other records and documents of the Company as at September 30, 2023;

    b. the security cover maintained by the Company against the outstanding listed debt securities are less than 100 percent;

    c. the computation of security cover is not arithmetically accurate; and

    d. that the Company has not complied with the covenants stated in Annexure- B.

MUKUND
M. CHITALE
& CO.

CHARTERED
ACCOUNTANTS

**Restriction on Use**

13. This certificate has been issued by us solely for the use of the Board of Directors of the Company and the Debenture Trustee(s), to whom it is addressed, pursuant to the requirements as mentioned in paragraph 2 above. Our certificate should not be used by any other person or for any other purpose. Our certificate should not be quoted or referred to in any other document or made available to any other person or persons without our prior written consent. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability are in no way changed by any other role we may have as statutory auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are subject of this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the Company. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Mukund M. Chitale & Co.
Chartered Accountants
Firm Reg. No. 106655W

(A.V. Kamat)
Partner
M. No. - 039585
UDIN: 23039585BGXBSB4202

Place: Mumbai
Date: 13 October, 2023

ICICI Home Finance Company Limited

Statement of security cover at September 30, 2023

Annexure A

₹ in million

| Sr. No. | Column A<br>Particulars | Column B<br>Description of asset for which this certificate relate | Column C<br>Exclusive charge<br>Debt for which this certificate being issued | Column D<br>Exclusive charge<br>Other secured Debt | Column E<br>Pari Passu charge<br>Debt for which this certificate being issued | Column F<br>Pari Passu charge<br>Assets shared by pari passu debt holder (includes debt for which this certificate is issued and other debt with Pari-Passu charge) | Column G<br>Pari Passu charge<br>Other assets on which there is Pari-Passu charge(excluding items covered in Column F) | Column H<br>Assets not offered as security | Column I<br>Elimination (amount in negative)<br>Debt amount considered more than once (due to exclusive plus pari pasu charge) | Column J<br>Total (C to H) | Column K<br>Related to only those items covered by this certificate<br>Market value for assets charged on Exclusive basis | Column L<br>Carrying/book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg-Bank Balance, DSRA market value is not applicable) | Column M<br>Market Value for Pari Passu charge assets | Column N<br>Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg Bank balance,DSRA market value is not applicable) | Column O<br>Total Value (K+L+M+N) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Book Value | Book Value | Yes/No | Book Value | Book Value | | | | | | | | |
| | **Assets** | | | | | | | | | | | | | | |
| 1 | **Property, Plant and Equipment** | NA | NA | NA | No | NA | NA | 1,035.2 | NA | 1,035.2 | NA | NA | NA | NA | - |
| 2 | **Capital Work In progress** | NA | NA | NA | No | NA | NA | - | NA | - | NA | NA | NA | NA | - |
| 3 | **Right of Use Assets** | NA | NA | NA | No | NA | NA | - | NA | - | NA | NA | NA | NA | - |
| 4 | **Goodwill** | NA | NA | NA | No | NA | NA | - | NA | - | NA | NA | NA | NA | - |
| 5 | **Intangible Assets** | NA | NA | NA | No | NA | NA | - | NA | - | NA | NA | NA | NA | - |
| 6 | **Intangible Assets under development** | NA | NA | NA | No | NA | NA | - | NA | - | NA | NA | NA | NA | - |
| 7 | **Investments** | NA | NA | NA | No | NA | NA | 6,678.3 | NA | 6,678.3 | NA | NA | NA | NA | - |
| 8 | **Loans** | Receivable from mortgage loans | NA | 26,122.4 | Yes | 1,01,360.9 | NA | 62,344.7 | NA | 1,89,828.0 | NA | NA | NA | 53,748.2 | 53,748.2 |
| 9 | **Inventories** | NA | NA | NA | No | NA | NA | - | NA | - | NA | NA | NA | NA | - |
| 10 | **Trade Receivables** | NA | NA | NA | No | NA | NA | 29.8 | NA | 29.8 | NA | NA | NA | NA | - |
| 11 | **Cash and Cash Equivalents** | NA | NA | NA | No | NA | NA | 8,311.4 | NA | 8,311.4 | NA | NA | NA | NA | - |
| 12 | **Bank Balances other than cash and cash equivalents** | NA | NA | NA | No | NA | NA | 2.5 | NA | 2.5 | NA | NA | NA | NA | - |
| 13 | **Others** | NA | NA | NA | No | NA | NA | 3,641.6 | NA | 3,641.6 | NA | NA | NA | NA | - |
| | **Total** | | - | **26,122.4** | | **1,01,360.9** | - | **82,043.5** | | **2,09,526.8** | - | - | - | **53,748.2** | **53,748.2** |
| | **Liabilities** | | | | | | | | | | | | | | |
| 14 | **Debt securities to which this certificate pertains** | Secured NCDs/MLDs | NA | NA | Yes | 53,748.2 | NA | - | NA | 53,748.2 | NA | NA | NA | 53,748.2 | 53,748.2 |
| 15 | **Other debt sharing pari-passu charge with above debt** | NA | Not to be filled | NA | No | 47,612.7 | NA | - | NA | 47,612.7 | NA | NA | NA | NA | NA |
| 16 | **Other Debt (Deposit + Commercial Papers)** | NA | | NA | No | NA | NA | 45,869.1 | NA | 45,869.1 | NA | NA | NA | NA | NA |
| 17 | **Subordinated Debt** | NA | | NA | No | NA | NA | 4,414.7 | NA | 4,414.7 | NA | NA | NA | NA | NA |
| 18 | **Borrowings** | NA | | NA | No | NA | NA | - | NA | - | NA | NA | NA | NA | NA |
| 19 | **Bank** | NA | | 21,580.4 | No | NA | NA | - | NA | 21,580.4 | NA | NA | NA | NA | NA |
| 20 | **Debt Securities** | NA | | NA | No | NA | NA | - | NA | - | NA | NA | NA | NA | NA |
| 21 | **Others** | NA | | NA | No | NA | NA | - | NA | - | NA | NA | NA | NA | NA |
| 22 | **Trade payables** | NA | | NA | No | NA | NA | 1,874.4 | NA | 1,874.4 | NA | NA | NA | NA | NA |
| 23 | **Lease liabilities** | NA | | NA | No | NA | NA | - | NA | - | NA | NA | NA | NA | NA |
| 24 | **Provisions** | NA | | NA | No | NA | NA | 163.7 | NA | 163.7 | NA | NA | NA | NA | NA |
| 25 | **Others** | NA | | NA | No | NA | NA | 8,017.6 | NA | 8,017.6 | NA | NA | NA | NA | NA |
| 26 | **Total** | | - | **21,580.4** | | **1,01,360.9** | - | **60,339.5** | - | **1,83,280.8** | - | - | - | **53,748.2** | **53,748.2** |
| 27 | **Cover on book value[1]** | | | | | 1.00 | | | | | | | | 1.00 | 1.00 |
| 28 | **Cover on market value[1]** | | | | | 1.00 | | | | | | | | 1.00 | 1.00 |
| | | | **Exclusive Security Cover Ratio[1]** | NA | | **Pari-Passu Security Cover Ratio[1]** | 1.00 | | | | | | | | |

1. Security Cover Ratio pertains to listed secured Non Convertible Debentures (NCDs) and Market Linked Debentures (MLDs)

2. Senior NCDs (incl. MLDs) are secured by way of first pari passu floating charge against elgible receivable at such value as recognised in the unaudited financial statement. Since the nature of asset are in form of the receivables, market value cannot be ascertained and hence the book value has been considered in the above table.

Vikrant Gandhi
Chief Financial Officer

ICICI Home Finance Co. Ltd. Mumbai

MUKUND M. CHITALE & CO. MUMBAI CHARTERED ACCOUNTANTS

**Annexure B**

**Covenants for the quarter ended September 30, 2023**

| Sr. no. | Category | Sub-type | Covenants | Remarks | Status of compliance |
|---|---|---|---|---|---|
| 1. | Accounts/ funds/ reserves maintained | Recovery Expense Fund | i. The Company shall create and maintain a reserve to be called the recovery expense fund as per the provisions of and in the manner provided in the SEBI (Debenture Trustee) Regulations, 1993, as amended or updated from time to time, the SEBI circular bearing serial number SEBI/ HO/MIRSD/CRADT /CIR/P/2020/207 dated 22 October 2020 on 'Contribution by Issuers of listed or proposed to be listed debt securities towards creation of "Recovery Expense Fund" and any guidelines and regulations issued by SEBI, as applicable. The recovery expense fund is created to enable the Debenture Trustee to take prompt action in relation to the enforcement of the security in accordance with the Transaction Documents. | Recovery expense fund is created by the company and the maximum amount of ₹ 25 lacs is deposited with BSE Ltd. | Complied |
| | | | ii. The balance in the recovery expense fund shall be refunded to the Company on repayment of Obligations to the Debenture Holders on the Final Redemption Date or at the time of exercise of a call or put option, for which a 'No Objection Certificate (NOC)' shall be issued by the Debenture Trustee to the designated stock exchange. The Debenture Trustee(s) shall satisfy that there is no 'default' on any other listed debt | Not Applicable as NCDs are outstanding as on date. | Not Applicable |

| Sr. no. | Category | Sub-type | Covenants | Remarks | Status of compliance |
|---|---|---|---|---|---|
| | | | b) Debt service coverage ratio;<br>c) Interest service coverage ratio;<br>d) Outstanding redeemable preference shares (quantity and value);<br>e) Capital redemption reserve/debenture redemption reserve;<br>f) Net worth;<br>g) Net profit after tax;<br>h) Earnings per share;<br>i) Current ratio;<br>j) Long term debt to working capital;<br>k) Bad debts to Account receivable ratio;<br>l) Current liability ratio;<br>m) Total debts to total assets;<br>n) Debtors' turnover;<br>o) Inventory turnover;<br>p) Operating margin percent;<br>q) Net profit margin percent<br>r) Such other ratio/equivalent financial information, as may be required to be maintained, if any, under the applicable laws. | March 31, 2023 and unaudited financial results for quarter ended June 30, 2023 to the debenture trustee within the prescribed timelines. The ratios, which are applicable to the Company, are included in the financial results of the Company. | |
| | | | iv. In accordance with Regulation 51, 52, 56, 57 and 58 and all other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company shall furnish all such documents/ certificates/ reports and such other the necessary information to the Debenture Trustee and/or Exchange, | The Company has submitted all documents/ certificates/ reports and other necessary information to the Debenture trustee and/or exchange, within the | Complied |

MUKUND M. CHITALE & CO. MUMBAI CHARTERED ACCOUNTANTS



ICICI HOME FINANCE CO. LTD. MUMBAI

| Sr. no. | Category | Sub-type | Covenants | Remarks | Status of compliance |
|---|---|---|---|---|---|
| | | | from any encumbrances, and in cases where the assets are already charged to secure a debt, the permission or consent to create a second or *pari passu* charge on the assets of the Company has been obtained from the earlier creditors. | | |
| | | | ii. The Company shall ensure that the charge created/to be created in favour of the Security Trustee pursuant to the Security Documents:<br>(a) constitutes and will constitute the security expressed to be conferred pursuant to the relevant Security Document; and<br>(b) has and shall continue to have the ranking it is expressed to have under this Deed and the Security Documents. | The Company has ensured compliance with the same. | Complied |
| | | | iii. The Company shall do all acts, deeds and things, make all filings and registrations and take any action as may be necessary or desirable to:<br>(a) establish and perfect the rights of the Security Trustee in and to the Hypothecated Assets with respect to the Obligations and give effect to the Security, including any recording, filing, registration, giving of notice or other similar action; and<br>(b) create, perfect, protect and maintain the charge over the Hypothecated Assets with respect to the Obligations, to the extent of the Security Cover, in full force and effect | The Company ensures the same by filing all charge related documents with ROC within the stipulated time and ensures maintenance of asset cover as applicable. | Complied |

MUKUND M. CHITALE & CO. MUMBAI CHARTERED ACCOUNTANTS



ICICI HOME FINANCE CO. LTD. MUMBAI

| Sr. no. | Category | Sub-type | Covenants | Remarks | Status of compliance |
|---|---|---|---|---|---|
| | | Change in nature and conduct of business | i. The Company shall inform the Debenture Trustee about any change in nature and conduct of the principal business by the Company; | No such event has occurred during the quarter ended September 30, 2023. | Not applicable |
| | | | ii. The Company shall ensure that no material change is made to the general nature and conduct of its business from that carried on at the date of the Debenture Trust Deed. In case of any material change, the same shall be notified to the Debenture Trustee | No such event has occurred during the quarter ended September 30, 2023. | Not applicable |
| | | Change in management | The Company shall inform the Debenture Trustee of any significant changes in the composition of its board of directors; | During the quarter ended September 30, 2023, Atul Arora (DIN: 01999097) was appointed as Additional Non-Executive Director of the Company with effect from July 25, 2023 and Sanjay Singhvi (DIN: 09317585) ceased to be a Director of the Company with effect from July 25, 2023 and the same was intimated to the Debenture trustee on July 26, 2023. | Complied |
| | | Fund raising/ borrowing / encumbrance | i. The Company shall ensure that the Issue does not violate the terms of any existing Financial Indebtedness of the Company. | No Debentures were issued by the Company during the quarter ended September 30, 2023 | Not Applicable |

| Sr. no. | Category | Sub-type | Covenants | Remarks | Status of compliance |
|---|---|---|---|---|---|
| | | | | quarter ended September 30, 2023. | |
| 7. | Default | Default of principal or interest or both | If one or more of the events specified in "Event of Default") shall have occurred and is continuing (that is, if the Event of Default has not been remedied by the Company or waived by the Debenture Trustee), then the Debenture Trustee, acting on the instructions of the Majority Debenture Holders or the Super Majority Debenture Holders, as applicable, shall, by a notice in writing to the Company [declare all the Debentures outstanding together with redemption premium, if any, and all accrued interest thereon to be due, and upon such declaration, the same shall thereupon become due and payable forthwith] and the Debenture Trustee shall have right to enforce this Deed and the Transaction Documents and shall have the following rights (notwithstanding anything in these presents to the contrary):<br>(a) to appoint a nominee director as per the SEBI (Debenture Trustee) Regulations, 1993 on the Board of the Company;<br>(b) to levy Default Interest on overdue amounts as per the terms of the Issue;<br>(c) enforce the security over the Hypothecated Assets towards the repayment of the Obligations and exercise its rights under the Transaction Documents; | No event of default has occurred during the quarter ended September 30, 2023. | Not applicable |

MUKUND M. CHITALE & CO. MUMBAI CHARTERED ACCOUNTANTS



ICICI HOME FINANCE CO. LTD. MUMBAI

| Sr. no. | Category | Sub-type | Covenants | Remarks | Status of compliance |
|---|---|---|---|---|---|
| | | | Trustee additional security interest or contractual comforts to the satisfaction of the Security Trustee. Such additional security interest and/or such contractual comforts shall be acceptable to the Security Trustee as being adequate (along with all other security interest existing created for securing the Debentures) to cover the Obligations and shall be created/provided within 15 (fifteen) Business Days of receiving a notice from the Debenture Trustee. Thereafter, the Company shall make and ensure making of all such filings and registrations (at its own cost and expense) with the relevant competent authority and take all other steps necessary to ensure that the security interest and/or the contractual comforts are maintained in full force and effect. In the event the Issuer fails to provide such additional security or contractual comforts within the said 15 (Fifteen) Business Days, the Secured Parties may levy an additional interest of 1% (one percent) on the principal portion of the Obligations. | | |
| | | Others | i. The Company shall notify the Debenture Trustee of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence. | No such event has occurred during the quarter ended September 30, 2023. | Not applicable |
| | | | ii. The Company shall notify the Trustee of any Event of Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence. | No such event has occurred during the quarter ended September 30, 2023 | Not applicable |

| Sr. no. | Category | Sub-type | Covenants | Remarks | Status of compliance |
|---|---|---|---|---|---|
| | | | Agency or another independent credit rating agency (acceptable to the Debenture Trustee) in accordance with the Listing Agreement and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and deliver the same to the Debenture Trustee. | days from the tenure expiry of previously issued credit rating letters. | |
| | | | The Company agrees and undertakes to constitute a stakeholders' relationship committee, in terms of the Applicable Law, to look into the mechanism of redressal of grievances of the Debenture Holders | The Company has constituted the said Committee for the given purpose. | Complied |
| | | | The Company shall supply to the Debenture Trustee until occurrence of an Event of Default, all documents dispatched by it to its shareholders (or any class of them) or its creditors generally which are in relation to the Debentures or affect the rights of the Debenture Holders and/ or creditors of the Company in any manner | No such event has occurred during the quarter ended September 30, 2023. | Not Applicable |
| | | | The Company shall supply to the Debenture Trustee within 2 (two) Business Days of receipt by the Company, notice of any application for initiation of an insolvency or insolvency resolution process, fresh start process or bankruptcy process (by whatever name called) against the Company under the Code or any other analogous law. | No such event has occurred during the quarter ended September 30, 2023. | Not Applicable |
| | | | The Company shall supply to the Debenture Trustee notice in writing of commencement of any proceedings directly affecting the Hypothecated Assets. | No such material event has occurred during the quarter ended September 30, 2023. | Not Applicable |

MUKUND M. CHITALE & CO. MUMBAI CHARTERED ACCOUNTANTS

ICICI HOME FINANCE CO. LTD. MUMBAI

| Sr. no. | Category | Sub-type | Covenants | Remarks | Status of compliance |
|---|---|---|---|---|---|
| | | | such documentation and other evidence in relation to the Company as is requested by the Debenture Trustee (including on behalf of any prospective new Debenture Holders) in order for such Debenture Holders or any prospective new Debenture Holders to conduct any "know your customer" or other similar procedures under Applicable Laws. | quarter ended September 30, 2023. | |
| | | | The Company shall provide the Debenture Trustee and/or the Debenture Holders all other documents and information required to be disclosed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, within the timeline stipulated therein. The Company shall also submit to the Debenture Trustee, all such information as may be required by the Debenture Trustee in order to make the necessary disclosures on its website pursuant to the applicable rules/regulations issued by SEBI in this regard from time to time and shall also endeavour to submit to the Debenture Trustee all other information submitted by the Company to the Exchange. | The Company provides to the Debenture trustee and/or the Debenture Holders the documents and information as required under SEBI LODR Regulations, 2015 and other SEBI regulations/circulars as applicable. | Complied |
| | | | The Company shall keep proper books of accounts as required by the Act and all other books, registers and other documents relating to the affairs of the Company at its registered office open for inspection by the Debenture Trustee; | The Company maintains all the books of accounts, registers and other documents required to be maintained under the Companies Act, 2013, which are open for inspection by the Debenture Trustee. | Complied |

MUNGRD M. CHITALE & CO. MUMBAI CHARTERED ACCOUNTANTS



ICICI HOME FINANCE CO. LTD. MUMBAI

| Sr. no. | Category | Sub-type | Covenants | Remarks | Status of compliance |
|---|---|---|---|---|---|
| | | | aforementioned intimations shall be submitted until the Obligations are fully discharged or satisfied. | | |
| | | | The Company shall submit to the Debenture Trustee, a statement indicating material deviations, if any in utilisation of the proceeds of the Debentures, in the format prescribed under Applicable Law. | The Company has provided the confirmation of no material deviation in the quarterly compliance report submitted to the Debenture Trustee for the quarter ended June 30, 2023 within the prescribed timeline. | Complied |
| | | | The Company shall furnish information required by the Debenture Trustee for the effective discharge of its duties and obligations, including copies of reports, balance sheets, profit and loss account, etc.; | The Company provides the information to the Debenture Trustee from time to time. | Complied |
| | | | The Company shall inform the Debenture Trustee in case if it undertakes or enters into any amalgamation, demerger, merger or corporate restructuring or reconstruction scheme having material impact on the composition of the Company; | No such event has occurred during the quarter ended September 30, 2023. | Not Applicable |
| | | | The Company shall keep the Debenture Trustee informed of all orders, directions, notices of courts and tribunals affecting or likely to affect the Hypothecated Assets; | No such event has occurred during the quarter ended September 30, 2023. | Not Applicable |
| | | | The Company shall keep the Debenture Trustee informed of all orders, directions, notices of courts and tribunals bearing material impact on the ability of the Company to perform its payment obligations under this Deed; | No such event has occurred during the quarter ended September 30, 2023. | Not Applicable |

MUKUND M. CHITALE & CO. MUMBAI CHARTERED ACCOUNTANTS



ICICI HOME FINANCE CO. LTD. MUMBAI

| Sr. no. | Category | Sub-type | Covenants | Remarks | Status of compliance |
|---|---|---|---|---|---|
| | | | (ii) details (if any) of any amount due but unpaid in respect of any Debenture and reasons for the same; (iii) the number and nature of grievances received from the Debenture Holders and resolved by the Company together with details of grievances unresolved by the Company and reasons thereof; (iv) a confirmation that the Hypothecated Assets are sufficient to discharge the claims of the Debenture Holders as and when the same become due; and (v) any other information that may be requested by the Debenture Holders from time to time. | trustee within the prescribed time period. | |
| | | | The Company shall Upon the reasonable request of the Debenture Trustee, the Company shall provide the Debenture Trustee and any of its authorised representatives and professional advisers, with access to and permit them to, at the cost of the Company, examine and inspect the books and records of the Company, at reasonable times. | No such event has occurred during the quarter ended September 30, 2023. | Not Applicable |
| | | | The Company shall furnish to the Debenture Trustee all information/ documents required to be submitted to the Debenture Trustee, to enable it to carry out the due diligence in terms of the SEBI circular bearing number SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/218 dated 3 November 2020 on 'Creation of Security in issuance of listed debt securities and 'due diligence' by debenture trustee(s)' and necessary reports / certificates to the stock exchanges / SEBI and make the necessary disclosures on its website, in terms of the SEBI circular no. SEBI/ HO/ MIRSD/ | The Company has submitted the necessary information as and when required by Debenture Trustee under the said SEBI circulars. | Complied |

| Sr. no. | Category | Sub-type | Covenants | Remarks | Status of compliance |
|---|---|---|---|---|---|
| | | | Hypothecated Assets, to be submitted by that Secured Party with the Information Utility. | | |
| | | | The Company shall list the Debentures on the debt market segment of the BSE within 3 (Three) Trading Days from the closure of Issue and shall at all times maintain such listing of the Debentures on the wholesale debt market segment of the BSE as amended from time to time. | No Debentures were issued by the Company during the quarter ended September 30, 2023. | Complied |
| | | | Without prejudice to the generality of sub-paragraph (I) above, the Company shall comply in all respects with any circular, guideline, direction, notification or rule issued by any Governmental Authority with respect to the Issue, including, but not limited to, the Act, the SEBI (Debenture Trustee) Regulations, 1993, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies (Share Capital and Debentures) Rules, 2014, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Listing Agreement and the Insider Trading Regulations | The Company has ensured compliance with all the applicable laws. | Complied |
| | | | The Company shall pay and discharge all Taxes, rates, rents and governmental charges upon the Company, as the case may be, and its respective assets before penalties become attached thereto and shall establish adequate reserves for the payment of any Taxes, rates, rents and governmental charges becoming due unless such Taxes, rates, rent and governmental charges are being contested in good faith by appropriate proceedings. | The Company has ensured that payment of all the applicable taxes are being done within the prescribed timeframe. | Complied |

| Sr. no. | Category | Sub-type | Covenants | Remarks | Status of compliance |
|---|---|---|---|---|---|
| | | | or liquidation under the Insolvency and Bankruptcy Code, 2016 or under any other Applicable Laws. | | |
| | | | The Company shall within 15 (fifteen) days from the end of every half year (i.e. April 15 and October 15), submit a statement, to the stock exchange, where Debentures are listed, as well as to the Depository containing data in the format as prescribed in the SEBI regulations as applicable from time to time' | The Company has submitted the statement for the period ended March 31, 2023 to the Stock Exchange within the prescribed timelines. | Complied |
| | | | The Company agrees to provide the respective authorities with any documentation or information requested relating to self or beneficiary or related Tax entity to the extent required under Applicable Law by the Debenture Trustee for meeting its compliances. The Company agrees that it will provide a copy of the documents provided to the Tax authorities to the Debenture Trustee for its records. Further, the Company shall indemnify and hold harmless the Debenture Trustee for any penal consequence arising due to non-compliance of the aforesaid provision by the Company. | No such event has occurred during the quarter ended September 30, 2023. | Not Applicable |

**Vikrant Gandhi**
**Chief Financial Officer**

ICICI HOME FINANCE Co. LTD. MUMBAI

MUMBAI

SEC/441/2023-24 October 13, 2023

The General Manager,
Compliance Dept.
BSE Limited
P J Towers, Dalal Street,
Mumbai - 400001

**Sub.: Half yearly disclosure of Related Party Transactions for the period ended September 30, 2023 under Regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("SEBI LODR Regulations")**

Dear Sir/ Madam,

Pursuant to the captioned subject, we hereby enclose the half yearly disclosure of Related Party Transactions for period ended September 30, 2023.

We request you to take the document on record.

Yours faithfully,

For **ICICI Home Finance Company Limited**

PRIYANKA RAMESH SHETTY

Digitally signed by PRIYANKA RAMESH SHETTY
DN: c=IN, st=Maharashtra, 2.5.4.20=38432f2da911cd476db2cc82eda3e7e5a1f87dd4226602e820e4e3e21555e45b, postalCode=400092, street=A 201 OM SAGAR CHANDAVARKAR ROAD NR HARSHA PARK BORIVALI W, pseudonym=18c50d4296e84387d77bdd9f0e882e00, serialNumber=e298ad69da2ca3688aa4817d0f0a631c0e3d865c57fad03322f7b444b5ba650f3, o=Personal, cn=PRIYANKA RAMESH SHETTY
Date: 2023.10.13 18:37:10 +05'30'

**Priyanka Shetty**
**Company Secretary**

**Encl:** As Above

**Related party transactions for six months ended as on September 30, 2023**

₹ in million

| S. No | Details of the party (listed entity /subsidiary) entering into the transaction | | Details of the counterparty | | | Type of related party transaction | Value of the related party transaction as approved by the audit committee | Value of transaction during the reporting period | In case monies are due to either party as a result of the transaction | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Name | PAN | Name | PAN | Relationship of the counterparty with the listed entity or its subsidiary | | | | Opening balance | Closing balance |
| 1 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Interest on Fixed Deposit | As per Standard rates | 0.08 | 0.03 | 0.04 |
| 2 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Rent Income | 1,938.53 | 5.79 | - | 0.17 |
| 3 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Servicing fees | 1,938.53 | 133.18 | - | 0.07 |
| 4 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Expenses Recovery | 1,938.53 | 2.42 | 0.74 | 0.81 |
| 5 | ICICI Home Finance | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Recovery towards LTIP | 1,938.53 | 0.38 | 0.40 | 0.13 |

ICICI HOME FINANCE COMPANY LIMITED MUMBAI

| S. No | Details of the party (listed entity /subsidiary) entering into the transaction | | Details of the counterparty | | | Type of related party transaction | Value of the related party transaction as approved by the audit committee | Value of transaction during the reporting period | In case monies are due to either party as a result of the transaction | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Name | PAN | Name | PAN | Relationship of the counterparty with the listed entity or its subsidiary | | | | Opening balance | Closing balance |
| | Company Limited | | | | | | | | | |
| 6 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Lombard General Insurance Company Limited | AAACI7904G | Associate of Holding Company | Referral Fee on HL | 1,938.53 | 40.03 | 9.27 | 19.29 |
| 7 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Prudential Life Insurance Company Limited | AAACI7351P | Fellow subsidiary | Referral Fee on HL | 1,938.53 | 33.86 | 10.28 | 9.32 |
| 8 | ICICI Home Finance Company Limited | AAACI6285N | Anirudh Kamani, Managing Director and CEO | AFLPK3727N | Key managerial personnel | Interest income on staff loans | As per HR staff loan policy | 0.86 | - | - |
| 9 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Expenses Recovery | 1,938.53 | 0.21 | 0.04 | 0.04 |

ICICI HOME FINANCE COMPANY LIMITED MUMBAI

| S. No | Details of the party (listed entity /subsidiary) entering into the transaction | | Details of the counterparty | | | Type of related party transaction | Value of the related party transaction as approved by the audit committee | Value of transaction during the reporting period | In case monies are due to either party as a result of the transaction | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Name | PAN | Name | PAN | Relationship of the counterparty with the listed entity or its subsidiary | | | | Opening balance | Closing balance |
| 10 | ICICI Home Finance Company Limited | AAACI6285N | I-Process Services (India) Private Limited | AABCI3838C | Associate of Holding Company | Cost of Outsource agency payout | 18,944.87 | - | 0.04 | 0.06 |
| 11 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Cash and Bank Balance | 18,944.87 | - | 831.02 | 346.44 |
| 12 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Other receivable from Portfolio Control Account | 18,944.87 | - | 40.89 | 56.28 |
| 13 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Receivable for - MBS deal & Commission (HL) | 18,944.87 | - | 16.56 | 14.43 |
| 14 | ICICI Home Finance Company Limited | AAACI6285N | Anirudh Kamani, Managing Director and CEO | AFLPK3727N | Key managerial personnel | Loan receivable from Key Managerial personal | As per HR staff loan policy | - | 52.46 | 37.81 |

ICICI HOME FINANCE COMPANY LIMITED MUMBAI

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|---|---|---|---|---|---|---|---|---|---|---|
| | Name | PAN | Name | PAN | Relationship of the counterparty with the listed entity or its subsidiary | | | | Opening balance | Closing balance |
| 15 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Servicing Fees on Internal Deals | 1,938.53 | 0.42 | - | - |
| 16 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Bank charges on OD account | 1,938.53 | 0.38 | - | - |
| 17 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Bank charges - Intra OD facility | 1,938.53 | 0.39 | 0.07 | 0.07 |
| 18 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Brokerage on Fixed Deposits | 1,938.53 | - | 2.75 | 1.74 |
| 19 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | PSG Fee | 1,938.53 | - | 5.45 | - |

ICICI HOME FINANCE COMPANY LIMITED MUMBAI

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|---|---|---|---|---|---|---|---|---|---|---|
| | Name | PAN | Name | PAN | Relationship of the counterparty with the listed entity or its subsidiary | | | | Opening balance | Closing balance |
| 20 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Miscellaneous TREP's charges and card charges | 1,938.53 | 0.91 | 0.22 | 0.22 |
| 21 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Prudential Life Insurance Company Limited | AAACI7351P | Fellow subsidiary | Insurance | 1,938.53 | 7.57 | - | - |
| 22 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | DMA Commission (Synergy) | 1,938.53 | 91.96 | 15.77 | 19.82 |
| 23 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Interest and other financial expenses | 1,938.53 | 51.61 | 0.26 | 0.49 |
| 24 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Foundation for Inclusive Growth | AABTT4987G | Other related entity of Holding Company | Donation - CSR expenses | 1,938.53 | 21.78 | - | - |

ICICI HOME FINANCE COMPANY LIMITED MUMBAI

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|---|---|---|---|---|---|---|---|---|---|---|
| | Name | PAN | Name | PAN | Relationship of the counterparty with the listed entity or its subsidiary | | | | Opening balance | Closing balance |
| 25 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Lombard General Insurance Company Limited | AAACI7904G | Associate of Holding Company | Interest on Bond | 1,938.53 | 63.57 | 29.20 | 92.78 |
| 26 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Lombard General Insurance Company Limited | AAACI7904G | Associate of Holding Company | Insurance | 1,938.53 | 2.74 | - | - |
| 27 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Securities Limited | AAACI0996E | Fellow subsidiary | Brokerage on Fixed Deposits | 1,938.53 | 1.69 | 2.40 | 0.45 |
| 28 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Securities Limited | AAACI0996E | Fellow subsidiary | DMA Commission | 1,938.53 | 0.92 | 1.47 | 0.12 |
| 29 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Arranger fee | 1,938.53 | 0.83 | 0.44 | - |

ICICI HOME FINANCE COMPANY LIMITED MUMBAI

| S. No | Details of the party (listed entity /subsidiary) entering into the transaction | | Details of the counterparty | | | Type of related party transaction | Value of the related party transaction as approved by the audit committee | Value of transaction during the reporting period | In case monies are due to either party as a result of the transaction | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Name | PAN | Name | PAN | Relationship of the counterparty with the listed entity or its subsidiary | | | | Opening balance | Closing balance |
| 30 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Lombard General Insurance Company Limited | AAACI7904G | Associate of Holding Company | Insurance (Group Health Insurance) | 1,938.53 | 41.23 | - | - |
| 31 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Securities Primary Dealership Limited | AAACI0995H | Fellow subsidiary | Arranger fee | 1,938.53 | 0.56 | - | - |
| 32 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Commission-DMA-Housing loans-ICICI | 1,938.53 | 2.18 | 0.51 | 0.44 |
| 33 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Miscellaneous Expenses | 1,938.53 | 0.37 | 0.13 | 0.23 |
| 34 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Investment Management Company Limited | AAACI7401G | Fellow subsidiary | Brokerage on Fixed Deposits | 1,938.53 | 2.74 | 0.44 | 1.00 |

ICICI HOME FINANCE COMPANY LIMITED MUMBAI

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|---|---|---|---|---|---|---|---|---|---|---|
| | Name | PAN | Name | PAN | Relationship of the counterparty with the listed entity or its subsidiary | | | | Opening balance | Closing balance |
| 35 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Securities Limited | AAACI0996E | Fellow subsidiary | Interest on Bond | 1,938.53 | 0.11 | 0.03 | 0.36 |
| 36 | ICICI Home Finance Company Limited | AAACI6285N | Sankaran Santhanakrishnan | AAVPS8260R | Key managerial personnel | Director fees | Approved By Board | 0.70 | - | - |
| 37 | ICICI Home Finance Company Limited | AAACI6285N | G. Gopalakrishna | AAAPG6780D | Key managerial personnel | Director fees | Approved By Board | 0.66 | - | - |
| 38 | ICICI Home Finance Company Limited | AAACI6285N | Vinod Kumar Dhall | AAAPD0352J | Key managerial personnel | Director fees | Approved By Board | 0.59 | - | - |
| 39 | ICICI Home Finance Company Limited | AAACI6285N | Sankaran Santhanakrishnan | AAVPS8260R | Key managerial personnel | Commission | Approved By Board | 0.41 | 0.82 | 0.41 |

ICICI HOME FINANCE COMPANY LIMITED MUMBAI

| S. No | Details of the party (listed entity /subsidiary) entering into the transaction | | Details of the counterparty | | | Type of related party transaction | Value of the related party transaction as approved by the audit committee | Value of transaction during the reporting period | In case monies are due to either party as a result of the transaction | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Name | PAN | Name | PAN | Relationship of the counterparty with the listed entity or its subsidiary | | | | Opening balance | Closing balance |
| 40 | ICICI Home Finance Company Limited | AAACI6285N | G. Gopalakrishna | AAAPG6780D | Key managerial personnel | Commission | Approved By Board | 0.41 | 0.82 | 0.41 |
| 41 | ICICI Home Finance Company Limited | AAACI6285N | Vinod Kumar Dhall | AAAPD0352J | Key managerial personnel | Commission | Approved By Board | 0.41 | 0.82 | 0.41 |
| 42 | ICICI Home Finance Company Limited | AAACI6285N | Esha Bakshi | ASHPB2606G | Key managerial personnel | Interest expenses on deposits | As per standard slab payout rates | 0.10 | - | - |
| 43 | ICICI Home Finance Company Limited | AAACI6285N | Minal Bakshi | CDSPB0393J | Key managerial personnel | Interest expenses on deposits | As per standard slab payout rates | 0.08 | - | - |
| 44 | ICICI Home Finance Company Limited | AAACI6285N | Shivam Bakshi | CEJPB1656N | Key managerial personnel | Interest expenses on deposits | As per standard slab payout rates | 0.13 | - | - |

ICICI HOME FINANCE COMPANY LIMITED MUMBAI

| S. No | Details of the party (listed entity /subsidiary) entering into the transaction | | Details of the counterparty | | | Type of related party transaction | Value of the related party transaction as approved by the audit committee | Value of transaction during the reporting period | In case monies are due to either party as a result of the transaction | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Name | PAN | Name | PAN | Relationship of the counterparty with the listed entity or its subsidiary | | | | Opening balance | Closing balance |
| 45 | ICICI Home Finance Company Limited | AAACI6285N | Anirudh Kamani, Managing Director and CEO | AFLPK3727N | Key managerial personnel | Interest expenses on deposits | Approved by Shareholders | 0.20 | 0.90 | 0.11 |
| 46 | ICICI Home Finance Company Limited | AAACI6285N | Nilima Goel | AGUPG4118M | Relative of Key managerial personnel | Interest expenses on deposits | As per standard slab payout rates | 0.06 | 0.32 | 0.05 |
| 47 | ICICI Home Finance Company Limited | AAACI6285N | Trupti Gandhi | ACEPG7241B | Relative of Key managerial personnel | Interest expenses on deposits | As per standard slab payout rates | 0.01 | 0.09 | 0.10 |
| 48 | ICICI Home Finance Company Limited | AAACI6285N | Utkarsh Gandhi | DFWPG9224N | Relative of Key managerial personnel | Interest expenses on deposits | As per standard slab payout rates | 0.05 | 0.24 | 0.28 |
| 49 | ICICI Home Finance Company Limited | AAACI6285N | Varsha Gandhi | AGWPG0821D | Relative of Key managerial personnel | Interest expenses on deposits | As per standard slab payout rates | 0.03 | 0.21 | 0.24 |

ICICI HOME FINANCE COMPANY LIMITED MUMBAI

| S. No | Details of the party (listed entity /subsidiary) entering into the transaction | | Details of the counterparty | | | Type of related party transaction | Value of the related party transaction as approved by the audit committee | Value of transaction during the reporting period | In case monies are due to either party as a result of the transaction | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Name | PAN | Name | PAN | Relationship of the counterparty with the listed entity or its subsidiary | | | | Opening balance | Closing balance |
| 50 | ICICI Home Finance Company Limited | AAACI6285N | Virendra Gandhi | AACPG5872E | Relative of Key managerial personnel | Interest expenses on deposits | As per standard slab payout rates | 0.02 | 0.03 | 0.06 |
| 51 | ICICI Home Finance Company Limited | AAACI6285N | Anirudh Kamani, Managing Director and CEO | AFLPK3727N | Key managerial personnel | Remuneration to KMP | Approved by Shareholders | 27.33 | - | - |
| 52 | ICICI Home Finance Company Limited | AAACI6285N | Vikrant Gandhi | AAPPS9090F | Key managerial personnel | Remuneration to KMP | As per HR policy | 34.49 | - | - |
| 53 | ICICI Home Finance Company Limited | AAACI6285N | Priyanka Shetty | BKJPS6706D | Key managerial personnel | Remuneration to KMP | As per HR policy | 2.05 | - | - |
| 54 | ICICI Home Finance Company Limited | AAACI6285N | ICICI HFC Employees Group Gratuity Scheme | AAATI8795G | Post-Employment benefit plan | Contribution to Gratuity Fund | As per Gratuity and Provident fund rules and as per | 1.21 | - | - |

ICICI HOME FINANCE COMPANY LIMITED MUMBAI

| S. No | Details of the party (listed entity /subsidiary) entering into the transaction | | Details of the counterparty | | | Type of related party transaction | Value of the related party transaction as approved by the audit committee | Value of transaction during the reporting period | In case monies are due to either party as a result of the transaction | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Name | PAN | Name | PAN | Relationship of the counterparty with the listed entity or its subsidiary | | | | Opening balance | Closing balance |
| | | | | | | | acturial valuation | | | |
| 55 | ICICI Home Finance Company Limited | AAACI6285N | ICICI HFC Employees Group Superannuation Schemes | AABTI8277J | Post-Employment benefit plan | Contribution to Superannuation Fund | As per Company Policy | 1.31 | - | - |
| 56 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Equity Share Capital | 18,944.87 | 300.88 | 12,035.28 | 12,035.28 |
| 57 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Loans | 18,944.87 | 1,027.31 | 1,208.33 | 2,166.67 |
| 58 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Book OD / Bank OD | 18,944.87 | - | 7,918.80 | 6,992.62 |
| 59 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Sourcing cost | 18,944.87 | - | 1.20 | - |

ICICI HOME FINANCE COMPANY LIMITED MUMBAI

| S. No | Details of the party (listed entity /subsidiary) entering into the transaction | | Details of the counterparty | | | Type of related party transaction | Value of the related party transaction as approved by the audit committee | Value of transaction during the reporting period | In case monies are due to either party as a result of the transaction | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Name | PAN | Name | PAN | Relationship of the counterparty with the listed entity or its subsidiary | | | | Opening balance | Closing balance |
| 60 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Recoverable ICICI Bank - Dr note payable | 18,944.87 | 102.83 | 45.34 | 37.63 |
| 61 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Lombard General Insurance Company Limited | AAACI7904G | Associate of Holding Company | Bonds | 18,944.87 | - | 1,600.00 | 1,600.00 |
| 62 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Amount collected from borrower pending for refund | 18,944.87 | - | 892.97 | 946.59 |
| 63 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Securities Limited | AAACI0996E | Fellow subsidiary | Bonds | 18,944.87 | - | 0.50 | 6.50 |
| 64 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Security Deposits | 18,944.87 | - | 5.79 | 5.79 |

ICICI HOME FINANCE COMPANY LIMITED MUMBAI

| S. No | Details of the party (listed entity /subsidiary) entering into the transaction | | Details of the counterparty | | | Type of related party transaction | Value of the related party transaction as approved by the audit committee | Value of transaction during the reporting period | In case monies are due to either party as a result of the transaction | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Name | PAN | Name | PAN | Relationship of the counterparty with the listed entity or its subsidiary | | | | Opening balance | Closing balance |
| 65 | ICICI Home Finance Company Limited | AAACI6285N | Esha Bakshi | ASHPB2606G | Key managerial personnel | Fixed deposits | As per standard slab payout rates | - | 2.60 | 2.60 |
| 66 | ICICI Home Finance Company Limited | AAACI6285N | Minal Bakshi | CDSPB0393J | Key managerial personnel | Fixed deposits | As per standard slab payout rates | - | 2.20 | 2.20 |
| 67 | ICICI Home Finance Company Limited | AAACI6285N | Shivam Bakshi | CEJPB1656N | Key managerial personnel | Fixed deposits | As per standard slab payout rates | - | 3.20 | 3.20 |
| 68 | ICICI Home Finance Company Limited | AAACI6285N | Anirudh Kamani, Managing Director and CEO | AFLPK3727N | Key managerial personnel | Fixed deposits | As per standard slab payout rates | - | 4.84 | 1.34 |
| 69 | ICICI Home Finance Company Limited | AAACI6285N | Nilima Goel | AGUPG4118M | Key managerial personnel | Fixed deposits | As per standard slab payout rates | - | 1.38 | 1.68 |

ICICI HOME FINANCE COMPANY LIMITED MUMBAI

| S. No | Details of the party (listed entity /subsidiary) entering into the transaction | | Details of the counterparty | | | Type of related party transaction | Value of the related party transaction as approved by the audit committee | Value of transaction during the reporting period | In case monies are due to either party as a result of the transaction | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Name | PAN | Name | PAN | Relationship of the counterparty with the listed entity or its subsidiary | | | | Opening balance | Closing balance |
| 70 | ICICI Home Finance Company Limited | AAACI6285N | Trupti Gandhi | ACEPG7241B | Relative of Key managerial personnel | Fixed deposits | As per standard slab payout rates | - | 0.25 | 0.25 |
| 71 | ICICI Home Finance Company Limited | AAACI6285N | Utkarsh Gandhi | DFWPG9224N | Relative of Key managerial personnel | Fixed deposits | As per standard slab payout rates | - | 1.00 | 1.00 |
| 72 | ICICI Home Finance Company Limited | AAACI6285N | Varsha Gandhi | AGWPG0821D | Relative of Key managerial personnel | Fixed deposits | As per standard slab payout rates | - | 0.57 | 0.57 |
| 73 | ICICI Home Finance Company Limited | AAACI6285N | Virendra Gandhi | AACPG5872E | Relative of Key managerial personnel | Fixed deposits | As per standard slab payout rates | - | 0.63 | 0.63 |
| 74 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Letter of Undertaking | 18,944.87 | - | 11,514.84 | 9,745.72 |
| 75 | ICICI Home Finance | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Guarantee | 18,944.87 | - | 2.50 | 2.50 |

ICICI HOME FINANCE COMPANY LIMITED MUMBAI

| S. No | Details of the party (listed entity /subsidiary) entering into the transaction | | Details of the counterparty | | | Type of related party transaction | Value of the related party transaction as approved by the audit committee | Value of transaction during the reporting period | In case monies are due to either party as a result of the transaction | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Name | PAN | Name | PAN | Relationship of the counterparty with the listed entity or its subsidiary | | | | Opening balance | Closing balance |
| | Company Limited | | | | | | | | | |
| 76 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Government securities held in CLGS accounts | 18,944.87 | - | 3,199.79 | 3,099.79 |
| 77 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Sale of retails Mortgage loans (Direct Assignment) | The deal will be on pricing determined based on similar deals executed by Parent Bank with other NBFCs/ HFCs | 15,437.12 | 19,290.71 | 15,437.12 |
| 78 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Sale of fixed assets | As per HFC policy | - | 1.37 | - |

ICICI HOME FINANCE COMPANY LIMITED MUMBAI

| S. No | Details of the party (listed entity /subsidiary) entering into the transaction | | Details of the counterparty | | | Type of related party transaction | Value of the related party transaction as approved by the audit committee | Value of transaction during the reporting period | In case monies are due to either party as a result of the transaction | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Name | PAN | Name | PAN | Relationship of the counterparty with the listed entity or its subsidiary | | | | Opening balance | Closing balance |
| 79 | ICICI Home Finance Company Limited | AAACI6285N | ICICI HFC Employees Provident Fund | AAATI3121N | Post-Employment benefit plan | Contribution to Provident Fund | As per Gratuity and Provident fund rules and as per acturial valuation | - | 19.16 | - |
| 80 | ICICI Home Finance Company Limited | AAACI6285N | ICICI Bank Limited | AAACI1195H | Holding Company | Capital infusion | 2,500.00 | - | 2,500.00 | - |

Note: The Company has not given any loan, inter corporate deposit, advances or made any investment to the related party during the reporting period.

ICICI HOME FINANCE COMPANY LIMITED MUMBAI

## Annexure 7

*Key Information Document to the General Information Document dated January 11, 2024 issued in conformity with Securities Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 issued vide notification number SEBI/LAD-NRO/GN/2021/39 on August 09, 2021, as amended from time to time, the Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper issued vide circular number SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021, as amended from time to time, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued vide notification number SEBI/LAD-NRO/GN/2015-16/013, as amended from time to time, Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI vide circular number RBI/2020-21/73 DOR.FIN.HFC.CC.No.120 /03.10.136/2020-21, as amended from time to time and the private placement offer letter as per PAS-4 pursuant to Section 42 and Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 of Companies Act, 2013, as amended from time to time and other notification/circular/guidelines issued by SEBI and other regulatory authorities from time to time*

Private & Confidential – For Private Circulation Only

**ICICI Home Finance Company Limited**
(hereinafter referred to as the **"Issuer"** or the "**Company")**
**CIN:** U65922MH1999PLC120106 **PAN:** AAACI6285N
**Date of Incorporation:** May 28, 1999 **Place of Incorporation:** Mumbai
**Registration Number issued by Registrar of Companies (ROC):** 120106
**Certificate of Registration issued by National Housing Bank** having no. 01.0007.01
**Registered office:** ICICI Bank Towers, Bandra – Kurla Complex, Mumbai – 400 051
**Corporate office:** ICICI HFC Tower, Andheri Kurla Road, JB Nagar, Andheri (E), Mumbai – 400 059
**Website:** www.icicihfc.com **Email ID:** secretarial@icicihfc.com **Tel:** 022-4009 3457
**Compliance Officer/ Company Secretary:** Priyanka Shetty **Tel:** 022-4009 3457
**Email ID:** secretarial@icicihfc.com

**Key Information Document**

**Date:** April 15, 2024

**Type of issue document:** Key Information Document

Key Information Document No: 4 (Tranche 4) to the General Information Document No. IHFC/FY24/GID/January dated January 11, 2024 **("General Information Document")** issued in conformity with the Schedule I of Securities Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 issued by SEBI vide notification number SEBI/LAD-NRO/GN/2021/39 on August 09, 2021, as amended from time to time, the Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper issued by SEBI vide circular number SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021, as amended from time to time, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued by SEBI vide notification number SEBI/LAD-NRO/GN/2015-16/013, as amended from time to time, Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI vide circular number RBI/2020-21/73 DOR.FIN.HFC.CC.No.120 /03.10.136/2020-21, as amended from time to time and the private placement offer letter as per PAS-4 pursuant to Section 42 and Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 of Companies Act, 2013, as amended from time to time and other notification/circular/guidelines issued by SEBI and other regulatory authorities from time to time for issue of *inter alia* rated, listed, senior bonds in nature of non-convertible debentures aggregating up to ₹ 27.20 billion in multiple tranches, from time to time, on private placement basis **("Bond Issuance Limit")** for *private placement of up to 35,000 (thirty five thousand) senior, secured, rated, listed, redeemable senior bonds in the nature of non-convertible debentures of the face value of ₹ 1,00,000/- (One Lakh only) each, and aggregating up to ₹ 350,00,00,000/- (Rupees three hundred and fifty crores only) with an option to retain oversubscription for up to 35,000 (thirty five thousand) senior, secured, rated, listed, redeemable*

*senior bonds in the nature of non-convertible debentures of the face value of ₹ 1,00,000/- (One Lakh only) each, and aggregating up to ₹ 350,00,00,000/- (Rupees three hundred and fifty crores only) ("Series HDBAPR251 NCDs") in terms of this Key Information Document No: 4 (Tranche 4) read with the General Information Document* **("Key Information Document").**

This Key Information Document is issued in terms of and pursuant to the General Information Document for issuance of Series HDBAPR251 NCDs. All the terms, conditions, information and stipulations contained in the General Information Document, unless the context states otherwise or unless specifically stated otherwise, are incorporated herein by reference as if the same were set out herein. Investors are advised to refer to the same to the extent applicable. Key Information Document must be read in conjunction with the General Information Document. Capitalised terms used but not defined herein shall have the meaning assigned to the term under the General Information Document.

This Key Information Document contains details in respect of: (i) the offer of Series HDBAPR251 NCDs (ii) any financial information of the Issuer if such information provided in the General Information Document is more than six months old; (iii) any material changes in the information provided in the General Information Document; and (iv) any material developments which are not disclosed in the General Information Document relevant to the offer of Series HDBAPR251 NCDs. Accordingly, set out below are the updated financial information / particulars / changes in the particulars set out under the General Information Document, which additional / updated information / particulars shall be read in conjunction with other information / particulars appearing in the General Information Document. All other particulars appearing in the General Information Document shall remain unchanged.

In case of any repugnancy, inconsistency or where there is a conflict between the terms and conditions as are stipulated in this Key Information Document and the terms and conditions in the General Information Document:

(i) In relation to matters regarding the specific details of the Issue of Series HDBAPR251 NCDs, the provisions contained in this Key Information Document shall prevail over and override the provisions of the General Information Document; and

(ii) In relation to other general matters, the provisions contained in the General Information Document shall prevail over and override the provisions of this Key Information Document.

NOTHING IN THIS KEY INFORMATION DOCUMENT SHALL CONSTITUTE AND/OR DEEM TO CONSTITUTE AN OFFER OR AN INVITATION TO OFFER, TO BE MADE TO THE PUBLIC GENERALLY TO SUBSCRIBE FOR OR OTHERWISE ACQUIRE THE SERIES HDBAPR251 NCDs AND ITS CONTENTS SHOULD NOT BE CONSTRUED TO BE A PROSPECTUS UNDER THE COMPANIES ACT, 2013 AND ACCORDINGLY, THIS KEY INFORMATION DOCUMENT HAS NOT BEEN FILED OR DELIVERED FOR FILING TO THE REGISTRAR OF COMPANIES UNDER SUB-SECTION (4) OF SECTION 26 OF COMPANIES ACT, 2013.

The issue of Series HDBAPR251 NCDs under this Key Information Document does not form part of non-equity regulatory capital mentioned under Chapter V (Issuance and Listing of perpetual debt instruments, perpetual non-cumulative preference shares and similar instruments) of SEBI NCS Regulations. The face value of each Debenture issued on private placement basis for respective 'Security Name' shall be as per 'Face Value' as mentioned under Paragraph F (Summary Term Sheet) of the Key Information Document.

## ISSUE HIGHLIGHTS

| | |
|---|---|
| Nature of securities offered | Secured, rated, listed, redeemable, senior bonds in the nature of non-convertible debentures, to be issued in one or more Tranche/Series |

| | |
|---|---|
| Number, Price and Amount of securities offered and Issue Size | Upto 35,000 (thirty five thousand) senior, secured, rated, listed, redeemable senior bonds in the nature of non-convertible debentures of the face value of ₹ 1,00,000/- (One Lakh only) each, and aggregating up to ₹350,00,00,000/- (Rupees three hundred and fifty crores only) with an option to retain oversubscription for up to 35,000 (thirty five thousand) senior, secured, rated, listed, redeemable senior bonds in the nature of non-convertible debentures of the face value of ₹ 1,00,000/- (One Lakh only) each, and aggregating up to ₹ 350,00,00,000/- (Rupees three hundred and fifty crores only) |
| Base Issue and Green Shoe Option | Base Issue: ₹ 350.00 crores<br>Green shoe option: ₹ 350.00 crores |
| Coupon Rate, if any | 8.02% p.a. |
| Coupon Payment Frequency | Annually and at maturity. |
| Redemption Date | April 19, 2029 |
| Redemption Amount | ₹ 1,00,000 per bond |
| Details of Debenture Trustee | Please refer to the 'Issue Highlights' in the General Information Document.<br><br>The Issuer has in terms of the debenture trustee agreement dated December 18, 2023 entered into between the Issuer and Axis Trustee Services Limited, has appointed Axis Trustee Services Limited as the debenture trustee in relation to the Issue of Bonds (*as defined under the General Information Document*) from time to time.<br><br>Please refer to Annexure 4 of the General Information Document for the debenture trustee consent letter and please refer to Annexure 16 of the General Information Document for the key terms of the Debenture Trustee Agreement. |
| Details about Underwriting of the Issue including the Amount Undertaken to be Underwritten by the Underwriters. | Not Applicable |
| Distributor / Distribution Agency (wherever applicable) | Not Applicable |
| *For further details on the terms of the Issue, please also refer the Section on 'Summary Term Sheet' | |

**ISSUE SCHEDULE**

| | |
|---|---|
| ISSUE/ BID OPENING DATE | Thursday, April 18, 2024 |
| ISSUE/ BID CLOSING DATE | Thursday, April 18, 2024 |
| PAY-IN DATE | Friday, April 19, 2024 |
| DEEMED DATE OF ALLOTMENT | Friday, April 19, 2024 |
| DATE OF EARLIEST CLOSING OF THE ISSUE | Thursday, April 18, 2024 |

The Issue shall, subject to the timelines of the EBP, be open for subscription during the banking hours on each day during the period covered by the Issue Schedule as shall be identified in the relevant Key Information Document. Further, the Issuer reserves the right to change the Issue

Schedule including the Deemed Date of Allotment at its sole discretion, without giving any reasons or prior notice.

## CREDIT RATING

**Details of credit rating along with the latest press release of the Credit Rating Agency in relation to the issue (along with all the ratings obtained by the Issuer for that security) and declaration that the rating is valid as on the date of issuance and listing. The said press release shall not be older than one year from the date of opening of the issue:**

Credit Rating in relation to the issue of Series HDBAPR251 NCDs and Date of the Rating Letters: The Debentures have been rated *"CRISIL AAA/Stable"* by *CRISIL Ratings* through its letter dated *March 27, 2024* and "*CARE AAA/Stable" by CARE Ratings Limited* through its letter dated *April 10, 2024.*

Date of press release of ratings (along with all the ratings obtained by the Issuer for the Series HDBAPR251 NCDs): The Debentures have been rated *"CRISIL AAA/Stable"* by *CRISIL Ratings* and "*CARE AAA/Stable" by CARE Ratings Limited with date of press release being January 31, 2024 and June 29, 2023.*

Press Release and Rating Rationale: Please refer to Schedule II of this Key Information Document.

Declaration: The ratings mentioned above are valid as on the date of issuance and listing.

## LISTING

The Series HDBAPR251 NCDs are proposed to be listed on the wholesale debt market segment of the BSE. The in-principle approval obtained by the Issuer from BSE has been disclosed in Annexure 12 of the General Information Document. The Issuer has maintained the Recovery Expense Fund with BSE Limited (Please refer to the General Information Document for more details).

## ELIGIBLE INVESTORS

Nothing in this Key Information Document read with the General Information Document shall constitute and/or deem to constitute an offer or an invitation to offer, to be made to the public or any section thereof through this Key Information Document read with the General Information Document and its contents should not be construed to be a prospectus under the Act. The Issue of Series HDBAPR251 NCDs is a domestic issue and is being made in India only. This Key Information Document read with the General Information Document and the contents thereof are restricted for only the intended recipient(s) who have been addressed directly through a communication by the Issuer and only such recipients are eligible to apply for the Series HDBAPR251 NCDs.

Subject to applicable law, the categories of investors eligible to subscribe to the Series HDBAPR251 NCDs when addressed directly, are all Qualified Institutional Buyers and any non-QIB Investors specifically mapped by the Issuer on the Electronic Book Provider Platform (EBP) of the Stock Exchange.

Note: Participation by potential investors in the Issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal, tax and regulatory advice in relation to the laws

applicable to them. Please also refer to the Section on 'Who Can Apply' under Annexure 8 of the General Information Document.

## COMPLIANCE WITH ELECTRONIC BOOK MECHANISM

The Issue of Series HDBAPR251 NCDs shall be open for bidding and subscription in accordance with the guidelines issued by SEBI and BSE pertaining to the procedure of electronic book mechanism as specified by the Electronic Book Mechanism Guidelines.

| | |
|---|---|
| **Issue Composition - Details of size of the issue and green shoe portion, if any** | Base Issue: ₹ 350.00 crores<br>Green shoe option: ₹ 350.00 crores |
| **Interest Rate Parameter – Coupon Rate and Coupon Type** | 8.02% p.a., Fixed Rate |
| **Issue / Bid opening date** | Thursday, April 18, 2024 |
| **Issue / Bid closing date** | Thursday, April 18, 2024 |
| **Manner of bidding:** | Open book |
| **Manner of Allotment:** | Multiple yield allotment |
| **Allotment Size** | 100 Series HDBAPR251 NCDs and in multiple of 1 bond thereafter |
| **Manner of Settlement:** | ICCL mechanism |
| **Minimum Bid Lot and Multiple of Single Bid:** | 100 Series HDBAPR251 NCDs and in multiple of 1 bond thereafter |
| **Trading Lot Size** | 1 Series HDBAPR251 NCDs |
| **Settlement Cycle [T+1/ T+2] where T refers to the date of bidding/ issue day** | T+1 |
| **Anchor Portion and Anchor Investors** | Rs 50 crores from A.K. Capital Services Limited and Rs 30 crores from ICICI Lombard General Insurance Company Limited. |

So long as the terms and conditions of the existing securities (under the respective issues) in the ISIN are not revised (i) otherwise than as may be required/permitted by regulations; or (ii) which results in breach of or violation of the regulation, which specifically precludes such revision, the Issuer reserves the rights entitled to add additional securities (for such additional amounts as may be issued by the Issuer from time to time) to the existing ISIN from time to time on such terms and conditions, which may be different from the existing securities under the respective issues under same ISIN. Such additional securities and their terms may be such as are permitted by regulation or not specifically precluded by regulations, as may be amended or modified from time to time.

By signing the application form and making an application to subscribe to the Series HDBAPR251 NCDs to be issued by the Issuer, all Bond Holders of the Series HDBAPR251 NCDs under any particular ISIN and any Bond Holders who acquire the Series HDBAPR251 NCDs in the secondary market shall be deemed to have irrevocably given their consent to the Issuer to add such additional securities (for such additional amounts as may be issued by the Issuer from time to time) to the existing ISIN from time to time, subject to applicable laws.

## UNDERTAKINGS OF THE ISSUER

Please refer to the section on 'Undertakings of the Issuer' under the General Information Document.

## DISCLAIMERS

Please refer to the section on 'Disclaimers' under the General Information Document and Paragraph F (Summary Term Sheet) of this Key Information Document.

## RISK FACTORS

Please refer to the section on 'Management's Perception of Risk Factors' under **Annexure 2** the General Information Document.

## DISCLOSURES UNDER SEBI NCS REGULATIONS

**A. Name, logo, addresses, website, email address, telephone number and contact person of Legal Counsel (if any), Merchant banker and Co-Managers to the Issue (not applicable for private placement, but to be disclosed if appointed), Legal Advisor (applicable in case of public issue), bankers to the issue (applicable in case of public issue), sponsor bank applicable in case of public issue), Guarantor (if any) and Arrangers (if any).**

| | Name and Logo | Address | Website & e-mail address | Telephone Number and Contact Person |
|---|---|---|---|---|
| **Legal Counsel** | **Not Applicable** | **Not Applicable** | **Not Applicable** | **Not Applicable** |
| **Merchant Banker (not applicable for private placement, however if appointed, to be disclosed)** | Not Applicable | | | |
| **Co-Manager (not applicable for private placement, however if appointed, to be disclosed)** | Not Applicable | | | |
| **Legal advisor** | Not Applicable | | | |
| **Bankers to the issue** | Not Applicable | | | |
| **Sponsor bank** | Not Applicable | | | |
| **Guarantor** | Not Applicable | | | |
| **Arrangers** | Not Applicable | | | |

**B. Expense of the Issue along with a breakup for each item of expense, including details of the fees payable, including details of the fees payable to separately as under (in terms of amount, as a percentage of the total issue expenses and as a percentage of total issue size), as applicable.**

| Expenses | Fees Amount (in Rs.)* | Fees as a percentage of total issue expenses (%) | Fees as a percentage of total issue size (%) |
|---|---|---|---|
| **Lead manager(s) fees** | NA | - | - |
| **Underwriting commission** | NA | - | - |
| **Brokerage, selling, commission and upload fees[2]** | 70,00,000 (2 bps p.a on total issue size) | 94.21% | 0.1% |
| **Fees payable to the registrars to the issue** | NA | - | - |
| **Fees payable to the legal advisors** | NA | - | - |
| **Advertising and marketing expenses** | NA | - | - |
| **Fees payable to the regulators including stock exchanges** | 55,000 | 0.74% | 0.0008% |
| **Expenses incurred on printing and distribution of issue stationary** | NA | - | - |
| **Any other fees, commission or payments under whatever nomenclature** | 3,75,000 | 5.05% | 0.005% |
| **Total** | 74,30,000 | 100.00% | |

1. Please note that the amounts mentioned in the table above are tentative in nature.
2. Assuming the issue is fully subscribed (incl. green shoe portion) and the entire issue is arranged through broker and the fee so paid is maximum 1 basis points p.a.

**C. Consent of directors, auditors, bankers to issue, trustees, solicitors or advocates to the issue, legal advisors to the issue, lead managers to the issue, Registrar to the Issue and lenders (if required, as per the terms of the agreement) and experts.**

| Sr. No. | Consent of | |
|---|---|---|
| 1 | Directors | Please refer to **Annexure 10** of the General Information Document for the board resolution dated April 17, 2023 granting approval in relation to issuance of the Bonds in terms of the General Information Document. |
| 2 | Auditors | Consent letter dated December 29, 2023 have been obtained from the Statutory Auditor of the Company. |
| 3 | Bankers to the Issue | Not Applicable |
| 4 | Debenture Trustee | Consent letter dated December 11, 2023 has been obtained from the Debenture Trustee. |
| 5 | Solicitors/ Advocates to the Issue | Not Applicable |
| 6 | Legal Advisors to the Issue | Not Applicable |
| 7 | Lead Managers to the Issue | Not Applicable |
| 8 | Registrar to the Issue | Consent letter dated December 19, 2023 has been obtained from the Registrar to the Issue. |
| 9 | Lenders | Not Applicable |
| 10 | Experts | Not Applicable |

**D. Disclosure of Cash flow with date of interest/dividend/ redemption payment as per day count convention.**

**(i) The day count convention for dates on which the payments in relation to the non-convertible securities which need to be made, should be disclosed.**

Actual/ Actual

**(ii) Procedure and time schedule for allotment and issue of securities should be disclosed.**

The procedure and time schedule for the allotment shall be as per the Electronic Book Mechanism Guidelines.

**(iii) Cash flows emanating from the non-convertible securities shall be mentioned in the offer document, by way of an illustration.**

Please refer to Schedule I of this Key Information Document.

**E. Other Details:**

**(i) Details of the resolutions passed by the shareholders and the board of director of the Issuer and authorised signatories.**

Please refer to Paragraph MM (i) of the General Information Document.

**(ii) Default in Payment**

In case of default (including delay) in payment of interest and/ or redemption of principal on the due dates for Series HDBAPR251 NCDs, additional interest of at the rate of 2% p.a. over the applicable Coupon Rate/XIRR (as applicable) shall be payable by the Issuer for the defaulting period.

**(iii) Delay in Listing**

Please refer to Paragraph MM (v) of the General Information Document.

**(iv) Delay in Allotment of Securities**

The Issuer shall allot the Series HDBAPR251 NCDs within the timeline in accordance with applicable Law and if the Issuer is not able to allot the Series HDBAPR251 NCDs within such period, it shall return the application money to the subscribers with additional interest as provided under applicable law.

**(v) Issue Details**

Please refer to Paragraph F (Summary Term Sheet) of the Key Information Document.

**(vi) Application Process**

Please refer to Annexure 8 of the General Information Document.

**(vii) Disclosures prescribed under PAS-4 of Companies (Prospectus and Allotment of Securities) Rules, 2014.**

Please refer to Schedule IV of this Key Information Document.

**F. Summary Term Sheet in relation to issuance of Series HDBAPR251 NCDs:**

## Summary Term Sheet

| | |
|---|---|
| Security Name | ICICI Home Finance Company Limited –Non-Convertible Debenture April 19, 2029 |
| Issuer | ICICI Home Finance Company Limited |
| Type of Instrument | Fully paid, Rated, Listed, Secured, Redeemable, Senior Bonds in the nature of non-convertible debentures |
| Nature of Instrument | Secured |
| Seniority | Senior |
| Eligible Investor | Please refer to **'Who Can Apply'** under **Annexure 8** of the General Information Document. |
| Listing (name of stock Exchange(s) where it will be listed and timeline for listing) | The Series HDBAPR251 NCDs being issued pursuant to the terms of the General Information Document are proposed to be listed on the WDM segment of BSE Limited.<br><br>Please refer to **Annexure 12** of the General Information Document, for the in-principle approval issued by BSE for issuance of NCDs.<br><br>In case of delay in listing of the Series HDBAPR251 NCDs beyond 3 days from the date of closure of the Issue, the Company will pay penal interest of 1% p.a. over the applicable Coupon Rate from the Deemed Date of Allotment and till the listing of the Series HDBAPR251 NCDs, to the investor. |
| Rating of Instrument | "CRISIL AAA/Stable Outlook" by CRISIL Ratings and "CARE AAA/Stable Outlook" by CARE Ratings Limited<br><br>Please refer to **Schedule II** here for the detailed rating letter and rating rationale issued by ICRA and CARE. |
| Issue Size | ₹350,00,00,000/- (Rupees three hundred and fifty crores only) with an option to retain oversubscription for up to ₹ 350,00,00,000/- (Rupees three hundred and fifty crores only) |
| Minimum Subscription | ₹ 350.00 crore (Rupees three hundred and fifty crores only) |
| Option to retain over subscription (Amount) | ₹ 350.00 crores (Rupees three hundred and fifty crores only) |
| Objects of the Issue/ Purpose for which there is requirement of funds | The funds to be raised by the issuer shall be utilised for its deployment of funds on its own balance sheet including providing housing loans and other loans, for general corporate purpose, to retire/replace existing liabilities and for temporary deployment pending utilisation of proceeds and shall not be for any specific project and would not be used for onward lending to any group entities/parent |

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| | companies/associates and as permitted by the applicable law from time to time. |
| Details of the utilisation of the proceeds | The funds mobilised shall be pooled with existing funds and then utilised 50% for providing housing loans and other loans, 50% to retire/replace existing liabilities, NIL for general corporate purpose. Until such time the funds are utilised as stated above, up to 100% of funds shall be temporarily deployed pending utilisation of proceeds. |
| In case, the issuer is an NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the prescribed format | Not Applicable. The proceeds of the Issue will not be utilised for providing loans to any group company. |
| Coupon Rate | 8.02% p.a. |
| Step Up / Step Down Coupon Rate | NA |
| Coupon Payment Frequency | Annually and at maturity |
| Coupon Payment Dates | April 19, 2025, April 19, 2026, April 19, 2027, April 19, 2028 and April 19, 2029. |
| Cumulative / non-cumulative, in case of dividend | Not Applicable |
| Coupon Type | Fixed |
| Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.) | NA |
| Day Count Basis | Actual/Actual |
| Interest on Application Money | NA |
| Default Interest Rate | As set out under the General Information Document. |
| Delay in Listing | In case of delay in listing of the Series HDBAPR251 NCDs beyond 3 days from the date of closure of the Issue, the Company will pay penal interest of 1% p.a. over the applicable Coupon Rate from the Deemed Date of Allotment and till the listing of the Series HDBAPR251 NCDs, to the investor. |
| Additional Interest on non-creation of additional security | In the event the Security Cover (as defined below) falls, the Security Trustee (acting on the instructions of the Finance Parties (as defined below) or on the instructions of the Debenture Trustee acting on the instructions of the Finance Parties (as defined below)) may, by notice to the Issuer require that such deficiency be remedied. The Issuer shall then within 15 (Fifteen) business days of receipt of such notice, furnish or cause any third party to furnish additional security / replace the hypothecated assets to the extent of the Security Cover (the "**Additional Security**"), so as to ensure that the Security Cover is met, and if required, provide to the Security Trustee written evidence or notice to the Security Trustee evidencing the Additional Security (if applicable). In the event the Issuer fails to provide such Additional Security within the said 15 (Fifteen) business |

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| | days, the Finance Parties may levy an additional interest of 1% on the principal portion of the Obligations. |
| Face Value per Series HDBAPR251 NCD | ₹1,00,000/- (Rupees One Lakh Only) |
| Issue Price per Series HDBAPR251 NCD | ₹1,00,000/- (Rupees One Lakh Only) |
| Tenor/Maturity Period | 5 years |
| Redemption Date | April 19, 2029 |
| Redemption Mechanics | On the relevant redemption date, the relevant amounts shall be paid by the Issuer to those Series HDBAPR251 NCDs holders whose names appear on the Register of Beneficial Owners as on the Record Date and, for these purposes, a statement issued by the Depository shall be conclusive evidence in respect thereof. The Issuer shall not, in any manner, be responsible or have any obligation whatsoever to verify whether the persons whose names as appearing on the Register of Beneficial Owners as on the Record Date are the beneficial owners of the Series HDBAPR251 NCDs, and/or to verify any changes post the Record Date (including due to any creation and/or enforcement of any hypothecation or pledge over the Series HDBAPR251 NCDs). The Issuer shall further have no liability whatsoever to any pledgees or hypothecates of the Series HDBAPR251 NCDs. |
| Right to repurchase / buyback & re-sale and/or re-issue and/or further issue the Series HDBAPR251 NCDs | The Issuer shall have a right to repurchase/ buyback all or part of its Series HDBAPR251 NCDs from the secondary market or otherwise at any time prior to date of maturity, by providing offer to the Bond Holders for the same.<br><br>The Issuer from time to time may carry out one or more repurchase/buyback of Series HDBAPR251 NCDs, in accordance with applicable laws, from Bond Holders who decide to offer their Series HDBAPR251 NCDs/parts thereof to the Issuer, subject to commercial terms for the repurchase/ buyback being mutually agreed between the Issuer and the respective Bond Holder.<br><br>Subject to the above, the relevant Bond Holders shall transfer the Series HDBAPR251 NCDs to the Issuer, on payment of agreed consideration by the Issuer for the same. Upon transfer, such Series HDBAPR251 NCDs may at the option of the Issuer be cancelled/extinguished, held, resold and/or re-issued and/or further issued at such a price and on such terms and conditions as the Issuer may deem fit and as permitted by law and the Issuer may inter-alia take necessary corporate action to give effect to the same. |
| Redemption Amount per Bond | ₹ 100,000/- (Rupees One Lakh Only) |
| Redemption Premium/Discount | NA |

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| Discount at which security is issued and the effective yield as a result of such discount | NA |
| Premium/Discount at which security is redeemed and the effective yield as a result of such premium/discount. | NA |
| Put Option Date | NA |
| Put Option Price | NA |
| Call Option Date | NA |
| Call Option Price | NA |
| Put Notification Time | NA |
| Call Notification Time | NA |
| Minimum Application and in Multiples of thereafter | 100 Series HDBAPR251 NCDs and in multiples of 1 bond thereafter. |
| Issue Timings<br>(i) Issue Opening Date<br>(ii) Issue Closing Date<br>(iii) Pay - in Date<br>(iv) Deemed Date of Allotment | <br>Thursday, April 18, 2024<br>Thursday, April 18, 2024<br>Friday, April 19, 2024<br>Friday, April 19, 2024 |
| Settlement Mode of Instrument | RTGS/NEFT |
| Date of earliest closing of the issue, if any | Thursday, April 18, 2024 |
| Depository | NSDL & CDSL |
| Disclosure of Coupon Due Date/ Redemption Date | Please refer to **Schedule I** of this Key Information Document for the detailed redemption schedule in relation to Series HDBAPR251 NCDs. |
| Business Day Convention | If any Interest payment date/ coupon payment date (other than the Redemption Date) falls on a day which is not a Business Day, the payment to be made on the said day will be made on the following Business Day.<br><br>If any principal payment date falls on a day which is not a Business Day, the payment will be made on the previous Business Day. However, on account of above, there would be no change in the dates of the future coupon payments and the same would be as per the schedule as set out in the Key Information Document.<br><br>Further, if the Redemption Date/ Maturity Date falls on a day that is not a Business Day, the Redemption Amount shall be paid on the immediately preceding Business Day, along with Coupon (if any) accrued on the Series HDBAPR251 NCDs until but excluding the date of such payment.<br><br>Further, in case of failure of RBI's system for RTGS/NEFT payment, the same will be made on the next Business Day. |

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| | The Company will not be liable to pay any additional interest on account of same. |
| Record Date | 15 days prior to each Coupon payment/Put option date/Call option date/Redemption date. |
| All covenants of the Issue (including side letters, accelerated payment clause, etc.) | Please refer to **Schedule III** of this Key Information Document. |
| Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the Debenture Holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in the Key Information Document. | The Series HDBAPR251 NCDs will be secured by way of a first ranking *pari passu* floating charge by way of hypothecation (which charge will be *pari passu* with the existing and future charge from time to time created/to be created with respect to any additional borrowings of the Issuer) in favour of a security trustee who holds the security for the benefit of: (i) the existing lenders/debenture holders/ debenture trustee (acting on behalf of any debenture holders) of the Issuer who have executed/acceded to the security documents **("Existing Finance Parties");** and (ii) any lenders/ debenture holders/debenture trustee (acting on behalf of any additional/incoming debenture holders) of the Issuer who from time to time in the future accede to the security documents in the future including the Debenture Trustee, acting on behalf of the Debenture Holders **("Acceding Finance Parties")** in relation to their facilities and/or debentures **("Secured Facilities")** over certain Eligible Receivables (as defined below) as are valued for an amount to meet/maintain the **Security Cover** (*as defined below*).<br><br>For the purposes of this clause, the following terms shall mean:<br><br>**"Eligible Receivable"** means the present and future receivables of the Issuer arising solely out of the loans extended by the Issuer from time to time but specifically not including the Excluded Receivables and the Specified Loan Receivables. It is clarified that other current assets, cash and investments (present or future) and the Statutory Investments do not form part of the Eligible Receivables<br><br>**"Excluded Receivables"** shall mean any present and/or future loan receivables required by law to be retained / maintained unencumbered by the Issuer.<br><br>**"Finance Parties"** shall collectively mean the Existing Finance Parties and the then Acceding Finance Parties and the term **"Finance Party"** shall mean any of them, in each case only till the relevant final settlement date applicable to such Existing Finance Party/Acceding Finance Party.<br><br>**"Specified Loan Receivables"** means the present and future loan receivables and book debts with the underlying securities in relation thereto that are at the date of this Key |

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| | Information Document or may in the future from time to time be, specifically charged to NHB and/or other regulatory body to secure, refinance / any other facilities availed by the Issuer from NHB and/or other regulatory body or charged or created as per any regulatory / statutory requirement, from time to time.<br><br>**"Statutory Investments"** shall mean all present and future securities and investments made pursuant to the requirements of any law (including but not limited to Section 29B (1) and (2) of the National Housing Bank Act, 1987), from time to time and any receivables / amounts received in respect thereof.<br><br>**"Security Cover"** shall mean the amount equivalent to 1 (one) time of the Obligations of the Existing Finance Parties and in the case of each Acceding Finance Party shall mean the amount equivalent of 1 (one) (or such higher number as mutually agreed between the Issuer and the respective Acceding Finance Party and as specified under the relevant deed of accession entered into by relevant finance party) time(s) the Obligations of such Acceding Finance Party.<br><br>The issuer to ensure that the said security cover shall be met at all times.<br><br>It is clarified that with respect to the Series HDBAPR251 NCDS, the security cover shall be equivalent to 1x the Obligations (i.e. outstanding principal and accrued interest) in relation to the Series HDBAPR251 NCDs.<br><br>**"Obligations"** shall mean (i) in respect of the Secured Facilities, at any time, all actual amounts of drawn and outstanding principal and interest, owed by the Issuer to such Finance Party from time to time, under their respective finance documents; and (ii) in respect of the Series HDBAPR251 NCDs shall mean, at any time, all actual amounts of drawn and outstanding principal and interest owed by the Issuer in relation to the Series HDBAPR251 NCDs.<br><br>The first ranking *pari passu* floating charge shall be shared on *pari passu* basis between the Existing Finance Parties and Acceding Finance Parties, including the Debenture Trustee (acting on behalf of the Debenture Holders).<br><br>Please note that the Issuer has in terms of the Security Trustee Agreement dated **August 13, 2020 ("Security Trustee Agreement")** executed by the Issuer and SBICAP Trustee Company Limited for appointment of SBICAP Trustee Company Limited as security trustee **("Security Trustee")** to *inter alia* hold the first ranking pari passu floating charge on Eligible Receivables for the benefit of all the Finance Parties. Pursuant to the STA, the Issuer has also executed a deed of hypothecation dated **August 13,** |

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| | **2020 ("Deed of Hypothecation")** for creation of the said first ranking pari passu floating charge by way of hypothecation on Eligible Receivables in favour of the Security Trustee.<br><br>For the purpose of creation of the aforesaid security for the benefit of the Debenture Holders, the Debenture Trustee (acting for and on behalf of the Debenture Holders) shall enter into relevant deed of accession for acceding into the Security Trustee Agreement ("Deed of Accession"). Further, upon acceding to the Security Trustee Agreement, the Debenture Trustee (acting for the benefit of the Debenture Holders) be entitled to share on a pari-passu basis along with the other Secured Facilities the abovementioned security interest created in terms of the Security Trustee Agreement and the Deed of Hypothecation for the benefit of the Debenture Holders.<br><br>Further, the Issuer shall ensure that before making the application for listing of the Series HDBAPR251 NCDs, the deed of accession and such other acts, deed as may be required, have been completed with the Security Trustee and the Debenture Trustee, for creation of the abovementioned hypothecation in favour of Security Trustee for the benefit of the Debenture Trustee (acting for and on behalf of the Debenture Holders). Further, the charge created by the Issuer shall be registered with the sub-registrar, registrar of companies, CERSAI, depository etc, as applicable within 30 (thirty) days of creation of such charge. In case the charge is not registered anywhere or is not independently verifiable, then the same shall be considered a breach of covenants/terms of the Issue by the Issuer.<br><br>It is clarified that with respect to the aforementioned security, there is no requirement of revaluation/replacement. Interest to the Debenture Holders over and above the interest rate shall be payable in case of: (i) failure or default in making payment of interest and/or principal redemption on the due dates in relation to the Series HDBAPR251 NCDs; (ii) non-execution of the Debenture Trust Deed; (iii) delay in listing; and (iv) failure to provide additional security in accordance with the terms of the security documents. The relevant details in relation to such additional interest are covered in General Information Document.<br><br>In the event the Issuer is mandated by applicable law or regulation to substitute the security or convert any floating charge to a fixed charge, as the case may be, the Issuer shall be entitled to substitute /convert the floating charge created in terms of the Deed of Hypothecation into a fixed charge without the requirement of obtaining any consent or providing any intimation in this respect to any Finance Party or the Security Trustee, provided that the Issuer shall |

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| | ensure that the Security Cover is maintained on such substitution / conversion.<br><br>In the event the Security Cover is insufficient/ the required security has not been created, the proceeds of the Issue shall be placed under escrow until creation of required security or till the Security Cover is sufficient, which in any case shall be within one month/any other time period as prescribed by the Regulatory Authorities from receipt of the funds.<br><br>Please refer to the Transaction Documents for detailed terms and conditions of the Security set out in paragraphs above, the security structure, the detailed definitions and explanations of the terms used hereinabove. In case of any inconsistency between the terms set out above and the Transaction Documents, the provisions of the Transaction Documents shall prevail. |
| Information on consents/permissions required for creation of further charges on assets | Please note that the Deed of Hypothecation executed on August 13, 2020 for creation of charge over Eligible Receivables specifically provide that the Issuer may at its sole discretion, substitute, dispose of, charge, assign, securitise, deal with, lien or encumber any of its assets including the Hypothecated Assets or any part thereof from time to time and in any manner whatsoever, without the requirement to notify or seek any approvals from the Finance Parties or the Security Trustee provided that the Security Cover is maintained till the Final Settlement Date.<br><br>Accordingly, the Issuer is not required to obtain prior consent of the Finance Parties or Security Trustee for creation of first ranking pari passu floating charge on the Hypothecated Assets for securing the Series HDBAPR251 NCDs. |
| Due diligence by Debenture Trustee | As set out in **Annexure 16** of the General Information Document. |
| Due diligence certificate as per the format in SEBI DT Master Circular | The due diligence certificate dated April 15, 2024 issued by the Debenture Trustee is attached as **Schedule V** of this Key Information Document. |
| Transaction Documents | 1. Debenture Trustee Agreement,<br>2. Debenture Trust Deed,<br>3. General Information Document,<br>4. Key Information Document,<br>5. Debenture Trustee Consent Letter dated December 11, 2023<br>6. Security documents being the Deed of Hypothecation, the Security Trustee Agreement and the Deed of Accession;<br>7. Any other document that may be designated as a Transaction Document under the Debenture Trust Deed or by the Debenture Trustee and the Issuer.<br>8. Credit Rating Letters from CARE Ratings Limited and CRISIL Ratings; |

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| | 9. Rating Rationale from CARE Ratings Limited and CRISIL Ratings; and<br>10. Application Form |
| Condition Precedent to Disbursement | As provided in Debenture Trust Deed, including, inter alia, the following:<br><br>1. The Issuer shall provide a certified copy of the constitutional documents of the Issuer to the Debenture Trustee;<br>2. The Issuer shall provide the Debenture Trustee with a certified copy of a resolution of the Board of the Issuer, including any of its committee in relation to the issuance of the Series HDBAPR251 NCDs:<br>3. The Issuer shall provide the Debenture Trustee with a certified true copy of the special resolution of the shareholders of the Issuer approving the issuance of non-convertible debentures in accordance with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014<br>4. The Issuer shall submit the copies of the rating letter(s) issued by the relevant rating agency providing rating to the Series HDBAPR251 NCDs, to the Debenture Trustee.<br>5. The Issuer shall submit a copy of the in-principle approval letter from BSE for listing of the Series HDBAPR251 NCDs.<br>6. The Issuer shall submit a copy of each Transaction Document, duly executed by the parties thereto.<br>7. The Issuer shall submit to the Debenture Trustee, a copy of any other Authorisation or document, opinion or assurance which the Debenture Trustee considers to be necessary or desirable in connection with the Series HDBAPR251 NCDs or the entry into and performance of the transactions contemplated by any Transaction Document or for the validity or enforceability of any Transaction Document.<br>8. The Issuer shall have received a letter issued by the Debenture Trustee according its consent for acting as debenture trustee in relation to the Series HDBAPR251 NCDs.<br>9. The Issuer shall submit to the Debenture Trustee, certified copy of the depository arrangements made by Issuer with NSDL and CDSL for issue of non-convertible debentures in dematerialized form.<br>10. The Issuer shall submit the audited financial statements of the Issuer for the year ended on March 31, 2023.<br>11. The Company shall provide confirmation with respect to the creation of ISIN. |
| Condition Subsequent to Disbursement | The following shall be completed as a conditions subsequent to the issue of Series HDBAPR251 NCDs:<br><br>1. Credit to the demat account(s) of the allottee(s) by number of Series HDBAPR251 NCDs allotted within 2 (two) Business Days from the Deemed Date of Allotment. |

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| | 2. At the time of allotment of the Series HDBAPR251 NCDs, the Issuer shall have provided evidence that the stamp Taxes payable on the Series HDBAPR251 NCDs pursuant to the Indian Stamp Act, 1899 have been paid.<br><br>3. Within 2 (two) business days of the Deemed Date of Allotment of the Series HDBAPR251 NCDs, the Issuer shall have provided to the Debenture Trustee a copy of the resolution of the board of directors of the Issuer authorising the allotment of the Non-Convertible Debentures to the Debenture Holders.<br><br>4. Within 15 (Fifteen) days from the date of the Debenture Trust Deed, the Issuer shall have provided evidence satisfactory to the Debenture Trustee that the Issuer has filed a return of allotment of securities pursuant to allotment of the Series HDBAPR251 NCDs, with the Registrar of Companies, by filing PAS-3 in pursuance of Rule 14(4) of the Companies (Prospectus and Allotment of Securities) Rules, 2014.<br><br>5. Within 30 (thirty) days of creation of Security over the Hypothecated Assets, the Issuer shall have provided the Debenture Trustee with a copy of the form CHG-9 in respect of creation of Security created under the Security Documents over the Hypothecated Assets filed with the Registrar of Companies. The Issuer shall also submit to the Debenture Trustee a copy of the certificate of registration or modification of charge provided by the registrar of companies in connection with the Hypothecated Assets, upon receipt of the same by it.<br><br>6. Within 30 (thirty) days of creation of Security over the Hypothecated Assets, the Issuer shall have provided the Debenture Trustee evidence that necessary filings in connection with the creation of Security over the Hypothecated Assets under the Transaction Documents with CERSAI have been made.<br><br>7. Immediately upon receipt, the Issuer shall have provided a copy of the final approval letter from relevant exchange for listing of Series HDBAPR251 NCDs to the Debenture Trustee. |
| Events of Default (including manner of voting/ conditions of joining Inter Creditor Agreement) | Please refer to **Schedule III** of this Key Information Document. |
| Creation of recovery expense fund | The Issuer has created the recovery expense fund in accordance with Regulation 11 of the SEBI NCS Regulations and the SEBI DT Master Circular and in the |

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| | manner and for the purposes as may be specified by SEBI from time to time. |
| Conditions for breach of covenants (as specified in Debenture Trust Deed) | Please refer to **Schedule III** of the detailed terms of the Debenture Trust Deed. |
| Provisions related to Cross Default Clause | Please refer to **Schedule III** of the detailed terms of the Debenture Trust Deed. |
| Role and Responsibilities of Debenture Trustee and terms and conditions of the Debenture Trustee Agreement including fees charged by the Debenture Trustee, details of security to be created and process of due diligence carried out by the Debenture Trustee. | Axis Trustee Services Limited has agreed to act as the debenture trustee for the Bond Holders. The copy of the consent letter from Axis Trustee Services Limited to act as debenture trustee for and on behalf of the Bond Holders is annexed as **Annexure 4** of the General Information Document.<br><br>Role and responsibilities of the Debenture Trustee: Please refer to **Annexure 16** of the General Information Document for the key terms of the Debenture Trustee Agreement and please refer to the **Schedule III** of this Key Information Document for the key role and responsibilities of the Debenture Trustee.<br><br>Fees charged by the Debenture Trustee: Please refer to the Debenture Trustee Consent Letter annexed as **Annexure 4** of the General Information Document.<br><br>Details of security to be created: Please refer to the paragraph on 'Description regarding Security' in Paragraph F (Summary Term Sheet) of this Key Information Document.<br><br>Process of due diligence carried out by the Debenture Trustee: Please refer to **Annexure 16** of the General Information Document for the process of due diligence to be carried by the Debenture Trustee |
| Risk factors pertaining to the issue | As identified under **Annexure 2** of the General Information Document. |
| Governing Law and Jurisdiction | As set out under the General Information Document. |
| Letters of Allotment | The Issuer will issue the Letters of Allotment in dematerialized form within 2 (Two) working days from the Deemed Date of Allotment of Series HDBAPR251 NCDs. |
| Compliance | The Issuer reserves the right to make multiple issuances under the same ISIN with reference to SEBI NCS Master Circular.<br><br>Issue can be made either by way of creation of fresh ISIN or by way of issuance under the existing ISIN at premium /par/discount as the case may be in line with SEBI NCS Master Circular. |
| Consent for disclosure of Name of the Debenture Holders | Pursuant to the SEBI NCS Regulations, the name of the top 10 holders of the non-convertible securities issued by the Issuer have to be disclosed by the Issuer in the placement |

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| | memorandum to be issued in relation to issue of listed non-convertible debt securities. Accordingly, the subscription of the NCDs being issued, pursuant to the terms of Key Information Document read with General Information Document by the prospective debenture holders shall also be deemed as a consent for disclosure of their name, if required, pursuant to the SEBI NCS Regulations, the SEBI NCS Master Circular or any other applicable law. |
| Names and designations of officials who are authorized to issue the offer document. | Any Director of the Company<br>Shyamsunder Tailor, Chief Financial Officer<br>Hetal Pamani Head – Treasury<br>Priyanka Shetty Company Secretary<br>Vijay Jain, Vice President– Treasury |
| Interest Rate Parameter – Coupon Rate and Coupon Type | 8.02% p.a., Fixed Rate |
| Manner of bidding: | Open book |
| Manner of Allotment: | Multiple Yield |
| Allotment Size | 100 Series HDBAPR251 NCDs and in multiple of 1 bond thereafter |
| Manner of Settlement: | ICCL mechanism |
| Minimum Bid Lot and Multiple of Single Bid: | 100 Series HDBAPR251 NCDs and in multiple of 1 bond thereafter |
| Trading Lot Size | 1 Series HDBAPR251 NCDs |
| Settlement Cycle [T+1/ T+2] where T refers to the date of bidding/ issue day | T+1 |
| Anchor Portion and Anchor Investors | Rs 50 crores from A.K. Capital Services Limited and Rs 30 crores from ICICI Lombard General Insurance Company Limited. |
| Security Trustee to the Issue | SBICAP Trustee Company Limited, having its registered office at Apeejay House, 6th Floor, 3, West Wing, Dinshaw Wachha Road, Churchgate, Mumbai – 400 020.<br><br>Please refer to **Schedule VIII** of this Key Information Document for the consent letter received from the Security Trustee. |
| Disclaimers under the SEBI DT Master Circular | (a) the Series HDBAPR251 NCDs shall be considered as secured only if the charge created by Issuer shall be registered with Sub-registrar, Registrar of Companies, CERSAI, Depository etc., as applicable, within 30 (thirty) days of creation of such charge. In case the charge is not registered anywhere or is not independently verifiable, then the same shall be considered a breach of covenants/terms of the issue by the Issuer;<br>(b) before making the application for listing of the Series HDBAPR251 NCDs, the Issuer shall create charge as specified in this Key Information Document, in favour of the Security Trustee and also execute the Debenture Trust Deed with the Debenture Trustee; and |

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| | (c) the Exchange shall list the Series HDBAPR251 NCDs only upon receipt of a due diligence certificate as per the format specified in SEBI DT Master Circular from the Debenture Trustee confirming creation of charge and execution of the Debenture Trust Deed. |

**While the debt securities are secured to the tune of 100% of the principal and interest amount or as per the terms of this Key Information Document, in favour of the Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained.*

**Schedule I: Illustration of Cashflows**

Illustration of cash flows as per the SEBI NCS Master Circular are set out below:

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| Issuer | ICICI Home Finance Company Limited |
| Face Value (per security) | Rs 1,00,000/- (Rupees One Lakh Only) |
| Date of Allotment | April 19, 2024 |
| Redemption date | April 19, 2029 |
| Tenure and Coupon Rate | 5 years and 8.02% p.a. |
| Frequency of interest payment with specified dates | April 19, 2025, April 19, 2026, April 19, 2027, April 19, 2028 and April 19, 2029 |
| Day Count Convention | Actual/Actual |

Cash flow in respect of Series HDBAPR251 NCDs of face value of Rs. 1,00,000/- (Rupees One Lakh Only) each being issued under the Key Information Document

8.02% p.a. (April 19, 2029)

| Cash flow | Date | No of days | Amount in Rupees per Bond |
|---|---|---|---|
| Allotment date | April 19, 2024 | | (1,00,000.00) |
| Coupon | April 19, 2025 | 365 | 8,020.00 |
| Coupon | April 19, 2026 | 365 | 8,020.00 |
| Coupon | April 19, 2027 | 365 | 8,020.00 |
| Coupon | April 19, 2028 | 366 | 8,020.00 |
| Coupon | April 19, 2029 | 365 | 8,020.00 |
| Principal on redemption | April 19, 2029 | 1,826 | 1,00,000.00 |

The above table is illustrative and indicative only. The payment of coupon/premium/interest/ maturity amount on due dates will be in accordance and compliance with the provisions of SEBI NCS Master Circular, applicable tax laws and business day conventions specified in the Term Sheet of the issue.

Note: In case of further issuance under existing ISIN, additional fields as applicable would be added.

Additional Covenants

In the event, the Series HDBAPR251 NCDs are subscribed by SEBI registered Foreign Portfolio Investor(s) **(FPIs),** and if these Series HDBAPR251 NCDs subscribed by the FPIs are not listed within 30 days or if the issue does not meet the end use restriction, then the FPIs shall immediately dispose such investment to either domestic investor or Issuer.

Note

The Issuer would comply with the provisions of SEBI NCS Master Circular and the guidelines issued by the stock exchanges in relation to electronic book mechanism.

ICICI HOME FINANCE COMPANY LIMITED

**Schedule II: Rating Letter & Press release**

**(*Attached separately*)**

**Schedule III: Key terms of the Debenture Trust Deed**

## 1. Information Undertaking

### A. Financial Statements

The Company shall supply to the Debenture Trustee as per the applicable rules and regulations:

(i) as soon they become available, but in any event within 60 (Sixty) days after the end of each Financial Year, the audited financial statements of the Company for that Financial Year; and

(ii) as soon they become available, but in any event within 60 (sixty) days after the end of each Financial Year, the unaudited/provisional financial statements of the Company for that Financial Year.

### B. Requirements as to financial statements

(i) Each set of financial statements delivered pursuant to paragraph A (*Financial Statements*) above shall be certified by a director or an authorised signatory of the Company as giving a true and fair view of its financial condition and operations as at the end of and for the period in relation to which those financial statements were drawn up.

(ii) The Company shall ensure that each set of the financial statements delivered referred to in Paragraph A (*Financial Statements*) above are prepared using in accordance with, the IND-AS, accounting practices and financial reference periods that are consistent with those applied in the preparation of the audited financial statements unless, in relation to any set of financial statements, the Company notifies the Debenture Trustee that there has been a change in IND-AS, the accounting practices or reference periods and its auditors deliver to the Debenture Trustee a description of any change necessary for those financial statements to reflect the IND-AS, accounting practices and reference periods upon which the financial statements were prepared. Any reference in the Debenture Trust Deed to those financial statements shall be construed as a reference to those financial statements as adjusted to reflect the basis upon which the financial statements were prepared.

### C. Requirements regarding Debentures

(i) The Company shall, by no later than 5 (five) Business days prior to each expiry of the credit rating of the Debentures, obtain an annual credit rating in respect of the Debentures from the Rating Agency or another independent credit rating agency (acceptable to the Debenture Trustee) in accordance with the Listing Agreement and the SEBI LODR Regulations and deliver the same to the Debenture Trustee.

(ii) The Company shall agree and undertake to constitute a stakeholders' relationship committee, in terms of the Applicable Law, to look into the mechanism of redressal of grievances of the Debenture Holders.

(iii) The Company shall agree, confirm and undertake that in the event the Company fails to make a timely repayment of the Obligations or fails to create a charge on its assets under the Transaction Documents or there is a revision of rating assigned to the Debentures, the Debenture Trustee shall, be entitled to disclose the information to the Debenture Holder(s) and the general public by issuing a press release, placing the same on their websites and with the credit rating agencies, as required under Applicable Law.

**D. Information: Miscellaneous**

(i) The Company shall:

(a) keep proper books of accounts as required by the Act and all other books, registers and other documents relating to the affairs of the Company at its registered office open for inspection by the Debenture Trustee;

(b) submit the credit confirmation letter received from the depositories evidencing credit of dematerialized Debentures into the depository accounts of the Debenture Holder(s);

(c) inform the Debenture Trustee and the stock exchange, the status of payment (whether in part or full) of the Debentures within the timeline specified under Applicable Law and shall within 1 (One) day of the interest or principal or both becoming due, submit a certificate to the stock exchange(s) with a copy to the Debenture Trustee, that it has made timely payment of interests or principal obligations or both in respect of the Debentures. While intimating the Debenture Trustee, the Company shall also confirm whether they have informed the status of payment or otherwise to the stock exchange(s) and Depository.

(d) if default in payment of Debentures is continuing, inform the Debenture Trustee, the stock exchange(s) and the Depository the updated status of payment within the timeline specified under Applicable Law. The aforementioned intimations shall be submitted until the Obligations are fully discharged or satisfied. The Company shall provide an undertaking to the Stock Exchange(s) on an annual basis that all documents and intimations required to be submitted to Debenture Trustees in terms of the Debenture Trust Deed and SEBI NCS Regulations have been complied with and furnish a copy of such undertaking to the Debenture Trustee for records.

(e) submit to the Debenture Trustee, a statement indicating material deviations, if any in utilisation of the proceeds of the Debentures, in the format prescribed under Applicable Law.

(f) furnish information required by the Debenture Trustee for the effective discharge of its duties and obligations, including copies of reports, balance sheets, profit and loss account, etc;

(g) inform the Debenture Trustee about any change in nature and conduct of the principal business by the Company;

(h) inform the Debenture Trustee of any significant changes in the composition of its board of directors including which may amount to change in control as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (as amended from time to time);

(i) inform the Debenture Trustee in case if it undertakes or enters into any amalgamation, demerger, merger or corporate restructuring or reconstruction scheme having material impact on the composition of the Company;

(j) keep the Debenture Trustee informed of all orders, directions, notices of courts and tribunals affecting or likely to affect the Hypothecated Assets;

(k) keep the Debenture Trustee informed of all orders, directions, notices of courts and tribunals bearing material impact on the ability of the Company to perform its payment obligations under the Debenture Trust Deed;

(l) In case there is any modification in terms or structure of the issue viz. change in terms of payment, change in interest pay-out frequency etc. as specified above, the Company shall, forthwith, inform the same to the Depository;

(m) promptly upon becoming aware, inform the Debenture Trustee the following details (if any):-

I. corporate debt restructuring,
II. fraud/defaults by promoter or key managerial personnel or by the Company or arrest of key managerial personnel or promoter; and
III. reference to National Company Law Tribunal or insolvency petitions (if any) filed by any creditor and the same is not dismissed within 60 (sixty) days.

(ii) The Company shall:

(a) promptly supply to the Debenture Trustee with notice of any application for winding up having been made or any statutory notice of winding up has been given to the Company under the Act or commencement of any suit or arbitration proceeding against the Company or if a receiver is appointed in respect of any properties or business or undertaking of the Company, information in respect thereof;

(b) give notice in writing to the Debenture Trustee of commencement of any proceedings directly affecting the Hypothecated Assets;

(c) supply to the Debenture Trustee, information regarding any revision in the existing credit rating given to the Debentures;

(d) promptly, upon becoming aware of any corporate action, legal proceedings or other procedure or step being taken in relation to the preparation of a resolution plan for the Company pursuant to the Reserve Bank of India (Prudential Framework for Resolution of the Stressed Assets) Directions, 2019 or any other guidelines issued or framework set up by the RBI in relation to resolution of stressed assets, supply the Debenture Trustee with such information;

(e) promptly supply to the Debenture Trustee with such further information regarding the financial condition, business and operations of the Company as the Debenture Trustee or a Debenture Holder (through the Debenture Trustee) may reasonably request;

(f) supply to the Debenture Trustee with a half yearly certificate from the statutory auditor, along with half yearly results, regarding maintenance of 100% Security Cover as per Regulation 56(1)(d) of the SEBI LODR Regulations, and as per format prescribed by SEBI (which includes the value of receivables/book debts) as per the terms of the General Information Document and/or the Key Information Document and/or the Debenture Trust Deed sufficient to discharge the principal amount and the interest thereon at all times for the Debentures (including compliance with all the covenants in respect of listed non-convertible debt securities, by the statutory auditor, along with the financial result in the manner and format as specified by SEBI;

(g) On quarterly basis, furnish the compliance status with respect to financial covenants of the Debentures, certified by statutory auditor of Company;

(h) within 7 (seven) days of the relevant board meeting or within 45 (forty five) days of the respective Quarter End Date whichever is earlier, furnish periodical status/ performance reports in accordance with Regulation 15 of SEBI DT Regulations;

(i) supply to the Debenture Trustee with information within 5 (five) Business Days, in relation to any change in the registered office address of the Company;

(j) promptly upon request of the Debenture Trustee, supply such documentation and other evidence in relation to the Company as is requested by the Debenture Trustee (including on behalf of any prospective new Debenture Holders) in order for such Debenture Holders or any prospective new Debenture Holders to conduct any "know your customer" or other similar procedures under Applicable Laws;

(k) submit to the Debenture Trustee, all such information as may be required by the Debenture Trustee in order to make the necessary disclosures on its website pursuant to the applicable rules/regulations issued by SEBI in this regard from time to time, and shall also endeavour to submit to the Debenture Trustee all other information submitted by the Company to the Exchange;

(l) while submitting quarterly and annual financial results, shall provide the following information:

I. Debt-equity ratio;
II. Debt service coverage ratio;
III. Interest service coverage ratio;
IV. Outstanding redeemable preference shares (quantity and value);
V. Capital redemption reserve/debenture redemption reserve;
VI. Net worth;
VII. Net profit after tax;
VIII. Earnings per share;
IX. Current ratio;
X. Long term debt to working capital;
XI. Bad debts to Account receivable ratio;
XII. Current liability ratio;
XIII. Total debts to total assets;
XIV. Debtors' turnover;
XV. Inventory turnover;
XVI. Operating margin percent;
XVII. Net profit margin percent;

in case, any of the aforementioned information is not applicable, such other ratio/equivalent financial information, as may be required to be maintained, if any, under the applicable laws.

(m) In accordance with Regulation 51, 52, 56, 57 and 58 and all other applicable regulations of SEBI LODR Regulations, the Company shall furnish all such documents/ certificates/ reports and such other the necessary information to the Debenture Trustee and/or Exchange, within the timeline specified in the said regulations.

(iii) In relation to the security to be created over the Hypothecated Assets to maintain the Security Cover, the Company shall declare and confirm that no specific prior consent or permission is required to be obtained from its existing creditors for creation of the said charge/security for the Debentures.

(iv) The Company shall, submit a quarterly report, certified by a director or company secretary or if required by Applicable Law, its statutory auditors, to the Debenture Trustee containing the following particulars, to the extent such information does not constitute Unpublished Price Sensitive Information:

(a) updated list of names and addresses of all Debenture Holders;
(b) details (if any) of interest due but unpaid in respect of any Debenture and reasons for the same;
(c) the number and nature of grievances received from the Debenture Holders and resolved by the Company together with details of grievances unresolved by the Company and reasons thereof;
(d) a confirmation that the Hypothecated Assets are sufficient to discharge the claims of the Debenture Holders as and when the same become due; and
(e) any other information that may be requested by the Debenture Holders from time to time.

(v) The Company shall within 15 (fifteen) days from the end of every half year (i.e. April 15 and October 15), submit a statement, to the stock exchange, where Debentures are listed, as well as to the Depository containing data outstanding debentures in the format as prescribed in the SEBI NCS Master Circular, the SEBI NCS Regulations and all other regulations, circulars and guidelines issued by the SEBI from time to time;

(vi) Upon the reasonable request of the Debenture Trustee, the Company shall provide the Debenture Trustee and any of its authorised representatives and professional advisers, with access to and permit them to, at the cost of the Company, examine and inspect the books and records of the Company, at reasonable times.

(vii) The Company will promptly submit to the Debenture Trustee, information required by the Debenture Trustee for carrying out the quarterly due diligence and for monitoring the Security Cover as may be specified by SEBI, from time to time.

(viii) It will furnish to the Debenture Trustee all information/ documents required to be submitted to the Debenture Trustee, to enable it to carry out the due diligence and necessary reports / certificates to the Exchanges / SEBI and make the necessary disclosures on its website in terms of the SEBI DT Master Circular.

**2. Ongoing Due Diligence by the Debenture Trustee**

In order to ensure that the Debenture Trustee can (i) conduct due diligence of the Company on an ongoing basis; and (ii) submit the relevant documents/information to the Exchange in accordance with the SEBI DT Master Circular, the Company shall supply to the Debenture Trustee as soon they become available and on quarterly basis within 45 (forty five) days from end of each quarter or within such timelines prescribed under the applicable laws / regulations / circulars / notifications, a certificate from the management or by such other person as required under abovementioned circular confirming that the Company has maintained 100% Security Cover sufficient to discharge the principal amount along with the accrued Coupon of the Debentures in a form and manner satisfactory to the Debenture Trustee, along with the value of the Hypothecated Assets and a confirmation that the Company is in compliance with all its obligations under the Transaction Documents

The Debenture Trustee shall within 75 (Seventy-Five) days after the end of each quarter and (other than the last quarter end date of a Financial Year) and within 90 (Ninety) days from the end of last quarter end date of a Financial Year, submit the security cover certificate, to the stock exchange.

**3. Notification of default**

The Company shall notify the Debenture Trustee of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.

## 4. Use of Proceeds

(i) The funds to be raised by the issuer shall be utilised for its deployment of funds on its own balance sheet including for providing housing loans and other loans, for general corporate purpose, to retire/replace existing liabilities and for temporary deployment pending utilisation of proceeds and shall not be for any specific project and would not be used for onward lending to any group entities/parent companies/ associates as permitted in the regulations from time to time.

(ii) The funds mobilised shall be pooled with existing funds and then utilised for providing housing loans and other loans and/or 100% to retire/replace existing liabilities and/or for general corporate purpose. Until such time the funds are utilised as stated above, upto 100% of funds shall be temporarily deployed pending utilisation of proceeds.

(iii) The Company shall not utilise the proceeds of the Issue until the Debentures have been allotted and the Company has filed a return of allotment of securities pursuant to allotment of the Debentures, with the Registrar of Companies, by filing Form PAS-3 in pursuance of Rule 14(6) of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

(iv) The Company shall, if required in terms of the SEBI Regulations, provide to the Debenture Trustee, at the end of each Financial Year and also on an ongoing basis within such time period as may be required under applicable law, until the entire amount of the Debentures has been utilised for the Purpose, a certificate / statement / disclosure from its statutory auditor certifying the end use of the said amount.

## 5. General Undertakings

### A. Authorisations

The Company shall promptly:

(i) obtain, comply with and do all that is necessary to maintain in full force and effect; and

(ii) supply certified copies to the Debenture Trustee of,

(iii) any Authorisation required under any Applicable Law,

(a) to enable it to carry on its business as it is being conducted from time to time;
(b) to enable it to perform its obligations under any Transaction Documents (including, without limitation, in connection with any payment to be made thereunder); and
(c) to ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of incorporation of any Transaction Document or for a purpose specified in Clause 17 of Part A of the Debenture Trust Deed.

### B. Capital Structure and Business

The Company shall ensure that no material change is made to the general nature and conduct of its business from that carried on at the date of the Debenture Trust Deed. In case of any material change, the same shall be notified to the Debenture Trustee.

### C. Further Assurances

(i) The Company shall do all acts, deeds and things, make all filings and registrations and take any action as may be necessary or as may be required by the Debenture Trustee to give effect to the Transaction Documents.

(ii) The Company shall ensure that the charge, as set out at Clause 5.1(a) of Part A of the Debenture Trust Deed, created in favour of the Security Trustee pursuant to the Security Documents:

(a) constitutes and will constitute the security expressed to be conferred pursuant to the relevant Security Document; and
(b) has and shall continue to have the ranking it is expressed to have under the Debenture Trust Deed and the Security Documents.

(iii) The Company shall do all acts, deeds and things, make all filings and registrations and take any action as may be necessary or desirable to:

(a) establish and perfect the rights of the Security Trustee in and to the Hypothecated Assets with respect to the Obligations and give effect to the Security, including any recording, filing, registration, giving of notice or other similar action; and
(b) create, perfect, protect and maintain the charge over the Hypothecated Assets with respect to the Obligations, to the extent of the Security Cover, in full force and effect.

(iv) The Company shall not do any act or thing which may adversely affect or prejudice the charge created over the Hypothecated Assets pursuant to the Security Documents. Further, the Company shall undertake that, at all times, till the Final Settlement Date, it shall maintain the Security Cover required to be maintained under the Debenture Trust Deed.

**D. Money laundering**

The operations of the Company shall be conducted at all times in compliance with applicable anti-money laundering laws.

**E. Recording security over the Hypothecated Assets**

(i) Within 7 (Seven) days of receipt of a request from a Secured Party, the Company shall authenticate any information relating to the Debentures and the Hypothecated Assets, to be submitted by that Secured Party with the Information Utility.

(ii) The Company shall co-operate with the Debenture Trustee and the Security Trustee to enable it to make necessary filings in connection with the creation of Security over Hypothecated Assets under the Deed of Hypothecation with CERSAI, within 30 (thirty) Business Days of the Deemed Date of Allotment.

**F. Terms of Financing**

The Company shall not make any material modification to the structure of the Debentures in terms of coupon, conversion, redemption, or otherwise without the prior approval of the stock exchange and such prior approval of the stock exchange would be obtained only after: (a) approval of the Board and the Debenture Trustee; and (b) complying with the provisions of the Act, including approval of the requisite majority of Debenture Holder(s) as required in terms of the Transaction Documents and/or under Applicable Law. Further, any proposal of restructuring received by Debenture Trustee shall be communicated to Debenture Holder(s) immediately.

**G. Credit rating**

The Company shall ensure that the Debentures are and continue to be rated by Rating Agency until the Final Settlement Date. If a Rating Agency withdraws or suspends the rating assigned to the Debentures prior to the occurrence of the Final Settlement Date, then the Company shall ensure that either the suspension of the rating is lifted or a new rating is received for the Debentures within a period of 30 (thirty) Business Days from another Rating Agency registered with the SEBI.

**H. Compliance with laws**

(i) The Company shall comply in all material respects with Applicable Law to which it may be subject.

(ii) Without prejudice to the generality of sub-paragraph (i) above, the Company shall comply in all respects with any circular, guideline, direction, notification or rule issued by any Governmental Authority with respect to the Issue, including, but not limited to, the Act, the SEBI DT Regulations, the SEBI NCS Regulations, the SEBI LODR Regulations, the Companies (Share Capital and Debentures) Rules, 2014, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Listing Agreement, the SEBI NCS Master Circular and the Insider Trading Regulations.

**I. Taxes**

(iii) The Company shall pay and discharge all Taxes, rates, rents and governmental charges upon the Company, as the case may be, and its respective assets before penalties become attached thereto and shall establish adequate reserves for the payment of any Taxes, rates, rents and governmental charges becoming due unless such Taxes, rates, rent and governmental charges are being contested in good faith by appropriate proceedings.

(iv) The Debenture Trustee and/or the Debenture Holder(s) or any of them or any other person shall, as provided in Section 94 of the Act, be entitled to inspect the registers of the Company and to take copies of or extracts from the same or any part thereof during usual business hours. The registers may be closed by the Company at such time and for such periods as it may think fit in accordance with the provisions of the Act after giving not less than 7 (seven) days' previous notice or such notice as prescribed under Applicable Law by advertisement in some newspaper circulating in the district in which the Company's registered office is situate. No transfer will be registered during such period when the register of Debenture Holder(s) remains closed.

(v) The Company shall transfer unclaimed interest/dividend to "Investor Education and Protection Fund" as per Section 125 of the Act and shall not forfeit unclaimed interest/dividend.

(vi) The Company shall, so long as the Debentures are outstanding, not declare any dividend to the shareholders in any year until the Company has paid or made satisfactory provision for the payment of the instalments of principal and interest due on the Debentures. Notwithstanding to the above, if the Company has defaulted in payment of interest or redemption of Debentures or in creation of Security in accordance with the terms of the Debenture Trust Deed, the General Information Document and the Key Information Document, any distribution of dividend shall require approval of the Trustee.

(vii) The Company shall agree to provide the respective authorities with any documentation or information requested relating to self or beneficiary or related Tax entity to the extent required under Applicable Law by the Debenture Trustee for meeting its compliances. The Company shall agree that it will provide a copy of the documents provided to the Tax

authorities to the Debenture Trustee for its records. Further, the Company shall indemnify and hold harmless the Debenture Trustee for any penal consequence arising due to non-compliance of the aforesaid provision by the Company.

(viii) The Company shall maintain a functional website containing correct and updated information as required by SEBI LODR Regulations and other Applicable Laws.

**J. Negative Covenants**

(i) The Company shall not, without the prior consent of the Debenture Trustee, carry out any material amendments or alterations to its Memorandum or Articles, which would impact the consummation of the transactions contemplated under the Transaction Documents or otherwise prejudice/impact the rights/interest of the Debenture Holders under the Transaction Documents.

(ii) The Company shall not, without the prior consent of the Debenture Trustee, voluntarily wind up or liquidate or dissolve its affairs or make any filing for initiation of corporate insolvency resolution process or liquidation under the Code or under any other Applicable Laws.

**K. Listing**

(i) The Debentures will be listed on BSE Limited. The Company shall list the Debentures on the wholesale debt market segment of the BSE within 3 (three) Working Days from the Issue Closing Date as per the applicable regulations/circulars/notification as amended from time to time. The Stock Exchange(s) shall list the Debentures only upon receipt of a due diligence certificate as per format specified by SEBI, from the Debenture Trustee confirming creation of charge securing the Debentures and execution of the Debenture Trust Deed.

(ii) In case of delay in listing of the Debentures by the Company beyond the above timelines, the Company will pay the Debenture Holders, additional interest of at least 1% (one percent) per annum over the Coupon Rate from the Deemed Date of Allotment till the listing of the Debentures. Further, the Company shall make payment of any other additional interest as may be applicable pursuant to any rules/regulations issued by SEBI in respect of the Debentures from time to time.

(iii) The Company shall undertake to comply with the requirements of the Listing Agreement and the SEBI NCS Regulations, to the extent applicable to it, on a continuous basis. All expenses, costs, charges, incurred for the purpose of listing of the Debentures, as also for making the offer for sale of the Debentures shall be borne and paid by the Company.

**6. EVENTS OF DEFAULT AND REMEDIES**

(i) If one or more of the events specified in Clause 11.4 of Part A of the Debenture Trust Deed (each, an "Event of Default") shall have occurred and is continuing (that is, if the Event of Default has not been remedied by the Company or waived by the Debenture Trustee), then the Debenture Trustee, acting on the instructions of the Majority Debenture Holders or the Super Majority Debenture Holders, as applicable, shall, by a notice in writing to the Company declare all the Debentures outstanding together with redemption premium, if any, and all accrued interest thereon to be due, and upon such declaration, the same shall thereupon become due and payable forthwith and the Debenture Trustee shall have right to enforce the Debenture Trust Deed and the Transaction Documents and shall have the following rights (notwithstanding anything in these presents to the contrary):

(a) subject to Clause 14.5 of Part A of the Debenture Trust Deed, to appoint a nominee director as per the SEBI DT Regulations on the Board of the Company, in the manner more particularly set out in the Debenture Trust Deed;

(b) to levy Default Interest on overdue amounts as per the terms of the Issue;

(c) enforce the security over the Hypothecated Assets towards the repayment of the Obligations and exercise its rights under the Transaction Documents;

(d) initiating any enforcement action including without limitation under SARFAESI Act, 2002, Code (wherever applicable); and

(e) exercise such other rights as the Debenture Holder(s) or Debenture Trustee (acting on the instructions of the Debenture Holders in accordance with the terms of the Debenture Trust Deed) may deem fit under Applicable Law.

**(ii) Further, it shall be agreed between the Parties and be clarified that in a scenario of enforcement of the Security created under the Transaction Documents, the provisions as mentioned in the Security Documents shall prevail.**

**(iii) The occurrence of any one of the following events shall constitute an "Event of Default" by the Company:**

**(a) Default in redemption of Debentures**

Default shall have occurred in the redemption of the Debentures together with redemption premium, if any, as and when the same shall have become due and payable and the same is not paid within 7 (seven) Business Days from the date of payment (as applicable) falling due.

It shall be clarified that any breach/ non-compliance on part of the Company to make any payment as aforesaid resulting on account failure of RTGS/NEFT payment systems, shall neither be construed as an Event of Default nor shall the Company be liable to make payment of Default Interest, in the event such payment has been paid by the Company on immediately succeeding Business Day on which RTGS/NEFT payment systems are functional.

**(b) Default in payment of Coupon/Nominal Value**

Default by the Company in the payment of any instalment of Coupon/Nominal Value of the Debentures, as and when the same shall have become due and payable, and the same is not paid within 7 (seven) Business Days from the date of payment (as applicable) falling due.

**(c) Default in performance of covenants and conditions**

Default shall have occurred in the performance of any other covenants, conditions or agreements on the part of the Company under the Debenture Trust Deed or the other Transaction Documents or deeds entered into between the Company and the Debenture Holder(s)/beneficial owner(s)/ Debenture Trustee and such default shall have continued for a period of 30 (thirty) days after notice in writing thereof has been given to the Company by the Debenture Holder(s)/beneficial owner(s)/ Debenture Trustee for remedying such default.

**(d) Inability to pay debts**

If the Company is unable to or admits in writing its inability to pay its debts as they mature or proceedings for taking it into liquidation have been admitted by any competent court/tribunal or a special resolution has been passed by the shareholders of winding up of the Company.

**(e) Proceedings against Company**

The Company commences a voluntary proceeding under any applicable bankruptcy or insolvency law, or becomes subject to an involuntary proceeding under any such law.

**(f) Liquidation or dissolution of company**

The Company has taken or suffered any action to be taken for its reorganization, insolvency, liquidation or dissolution or if the proceedings for its insolvency or liquidation have been commenced under the bankruptcy or similar laws, provided a final, non-appealable and binding order of a competent court against the Company has been obtained for the same and not discharged within 60 (sixty) days.

**(g) Appointment of receiver or liquidator**

A receiver or liquidator is appointed or allowed to be appointed of all or any substantial part of the undertaking of the Company and such order of appointment has not been dismissed.

**(h) Company ceases to carry on business**

If the Company ceases or threatens to cease to carry on its principal business or gives notice of its intention to do so.

**(i) Expropriation**

If any government authority shall have condemned, nationalised, seized, or otherwise expropriated all or any part of the assets of the Company or of the shares of the Company held by any director or the promoters, or shall have assumed custody or control of such shares or the business or operations of the Company or shall have taken any action for the dissolution of the Company or any action that would prevent the Company or its officers from carrying on its business or operations or a substantial part thereof.

(j) The Company enters into any arrangement or composition with its creditors or commits any act of insolvency or any other act, the consequence of which may lead to the insolvency or winding up of the Company.

(k) The Company is adjudged insolvent or takes advantage of any law for the relief of insolvent debtors.

(l) It is or becomes unlawful for the Company to perform any of its obligations under any Transaction Document.

(m) Failure to create or perfect Security

Any failure on the part of the Company to create and perfect the charge over the Hypothecated Assets within timelines provided in the Security Documents and/or

under Applicable Law and the same is not cured within the timeline as mentioned in the Security Documents and/or provided under Applicable Law.

**(n) Security in jeopardy**

If the Security created as contemplated at Clause 5.1(a) of Part A of the Debenture Trust Deed is transferred, charged, encumbered, alienated, sold (i.e. the charge is in jeopardy) in contravention of the terms of the Security Documents or without obtaining the prior permission of the Debenture Trustee/Debenture Holders wherever it may be required or if the charge ceases to enure to the benefit of the Security Trustee otherwise than as contemplated under the Security Documents.

**(o) Failure to maintain Security Cover**

If the Issuer fails to maintain the Security Cover to the extent of the Obligations in terms of the Security Documents and the same is not cured within the timelines set out under the Security Documents or under the Debenture Trust Deed.

(p) Any other event described as an Event of Default in the General Information Document and the Transaction Documents.

It is clarified that any default or breach of obligations by the Company in respect of the Debentures issued under any one tranche or in respect of or under any agreement entered into by the Company in connection with any loans or other borrowings availed of by it, shall not automatically result in an Event of Default or any other breach in respect of any of the other Debentures issued under any other tranche in terms of the Debenture Trust Deed.

**7. Intercreditor Agreement**

(i) The Debenture Trustee shall send a notice to the Debenture Holder(s) within 3 (three) days of the occurrence of any Event of Default or on becoming aware of facts which may lead to occurrence of any Event of Default by registered post/acknowledgement due or speed post/acknowledgement due or courier or hand delivery with proof of delivery as also through email as a text or as an attachment to email with a notification including a read receipt, and proof of dispatch of such notice or email, shall be maintained.

(ii) The notice shall contain the following:

(a) a provision for negative consent for proceeding with the enforcement of Security created for the Debentures;

(b) request for positive consent for signing of the Intercreditor Agreement;

(c) the time period within which the consent needs to be provided by the Debenture Holder(s), viz. consent to be given within 15 (fifteen) days from the date of notice or such revised timelines as prescribed under Applicable Law;

(d) the date of meeting to be convened (which shall be within 30 (thirty) days of the occurrence of Event of Default). Provided that in case the Event of Default is cured between the date of notice and the date of meeting, then the convening of such a meeting may be dispensed with; and

(e) a disclosure to the effect that in case requisite consents are not received either for enforcement of Security or for signing of the Intercreditor Agreement, then the

Debenture Trustee shall take further action, if any, as per the decision taken in the meeting of the Debenture Holder(s).

(iii) The Debenture Trustee shall take necessary action of entering into the Intercreditor Agreement based on the approval of the Debenture Holders received through a Super Majority Resolution of the Debenture Holder(s). The Debenture Trustee may form a representative committee of the Debenture Holders to participate in the Intercreditor Agreement or as may be decided in the meeting.

(iv) The Debenture Trustee may in accordance with the decision of the Debenture Holder, sign the Intercreditor Agreement and consider the resolution plan, if any, on behalf of the Debenture Holder/beneficial owners of the Debentures in accordance with the requirements under the extant RBI guidelines, SEBI circulars, guidelines and other Applicable Laws.

(v) Further, it shall be agreed between the parties and be clarified that in a scenario of enforcement of the security, the Debenture Trustee shall initiate any action as per the Security Documents.

**8. Role and responsibilities of the Debenture Trustee**

**A. Meetings and instructions**

(i) The Debenture Trustee, the Company and the Debenture Holders shall at all times be entitled to call a meeting of Debenture Holders in accordance with Clause 27 (*Meetings of Debenture Holders*) of Part A of the Debenture Trust Deed.

(ii) Where the Debenture Trustee is required by the terms of the Debenture Trust Deed to seek the instructions of the Debenture Holders, it may do so either by calling a meeting of Debenture Holders or by seeking written instructions from the Debenture Holders provided that upon becoming aware of the occurrence of any Event of Default the Debenture Trustee shall immediately seek written instructions from the Debenture Holders by sending a notice to each Debenture Holder.

**B. Actions upon occurrence of an Event of Default**

(i) Notwithstanding anything contained in the Debenture Trust Deed, the Debenture Trustee shall not be under any obligation to take any action under Clause 11 (Events of Default and Remedies) of Part A of the Debenture Trust Deed, unless it has been notified by the Company or a Debenture Holder, or is otherwise aware, of the occurrence of an Event of Default.

(ii) The undertakings of the Debenture Trustee under paragraph (a) above are solely for the benefit of the Debenture Holders. Accordingly, the Company is entitled to the benefit of such undertakings and all notices delivered. No failure by the Debenture Trustee to comply with its obligations under paragraph (a) above shall waive, or relieve the Company from, the performance of its obligations under the Transaction Documents.

**C. Other duties**

(i) The Debenture Trustee shall undertake for the benefit of the Debenture Holders that it shall, upon receipt of instructions from the applicable majority of Debenture Holders, initiate and represent the Debenture Holders in any legal or other proceedings necessary to enforce the rights of the Debenture Holders and the Debenture Trustee in connection with the Debentures and/or under the Transaction Documents provided sufficient monies

shall have been provided (or provision for it would have been made) to the satisfaction of the Debenture Trustee.

**(ii) In performing its obligations in relation to the Debentures, the Debenture Trustee shall:**

(a) perform its duties and obligations, and exercise its rights and discretions, in keeping with the trust reposed in the Debenture Trustee by the Debenture Holder(s), and shall further conduct itself, and comply with the provisions of all Applicable Laws, provided that, the provisions of Section 20 of the Indian Trusts Act, 1882, shall not be applicable to the Trustee;

(b) carry out its duties and perform its functions as required to discharge its obligations under the terms of the SEBI NCS Regulations, SEBI DT Regulations, the SEBI DT Master Circular, the Debenture Trustee Agreement, the General Information Document and all other related Transaction Documents, with due care and diligence;

(c) call for and obtain periodic status/ performance reports / valuation reports / utilization reports or any other documents from the Company, as may be required by the Debenture Trustee to comply with its obligations under the Applicable Laws including for monitoring of the security coverage ratio, compliance with covenants of the issue and the creation and maintenance of Security and recovery expense fund in relation to the Debentures;

(d) issue letters / confirmations / no objection certificates or any other communication as requested by the Company in accordance with the Transaction Documents;

**(e) ascertain and:**

I. exercise due diligence to the extent required under Applicable Law, to ensure compliance by the Company, with the provisions of the Act, SEBI NCS Regulations, SEBI LODR Regulations, SEBI DT Regulations, the Debenture Trust Deed or any other regulations issued by SEBI, in the issue and allotment of the Debentures and credit of the Debentures in the demat accounts of the Debenture Holder(s);

II. satisfy itself that interest due on the Debentures have been paid to the Debenture Holder(s) on or before the Due Dates; and

III. satisfy itself that Debenture Holder(s) have been paid the monies due to them on the date of redemption of the Debentures.

(f) either through itself or through professionals which have been appointed and compensated/remunerated by the Debenture Trustee which may include practicing chartered accountants, practicing company secretaries, registered valuers or legal counsel ("Trustee Agents"), shall carry out requisite due diligence to verify the status of Security and to calculate valuation of the assets and whether all permissions or consents (if any) as may be required to create the Security as stipulated in the Transaction Documents and as required by the Applicable Laws, has been obtained. For the purpose of carrying out the due diligence as required in terms of the Applicable Laws, the Debenture Trustee, either through itself or Trustee Agents, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external Trustee Agents appointed by the Debenture Trustee. The Trustee Agents shall be deemed to be the agents of the Debenture Trustee for the purposes of performing all actions in terms of this sub-clause (vi) and the Debenture Trustee shall be responsible for the same;

(g) communicate promptly to the Debenture Holder(s) defaults, if any, with regard to payment of interest or redemption of Debentures or occurrence of any other Event of Default or occurrence of any event which may become Event of Default, which is known to the Debenture Trustee, along with all information relating to cure periods (if any) and action taken or proposed to be taken by the Debenture Trustee thereof;

(h) carry out all its obligations, duties and functions as the Debenture Trustee in accordance with the terms set out in the Transaction Documents and where the same is silent or contrary to any other provision of the Transaction Documents, on the instructions of the Majority Debenture Holder(s);

(i) not do any act, deed or thing which is prejudicial or detrimental to the interest of the Debenture Holders and at all times act in the best interest of the Debenture Holder(s);

(j) shall not relinquish its assignment unless and until another debenture trustee has been appointed in its place;

(k) keep all customary books and records relating to the receipt and distribution of all moneys which it may receive or be entitled to hereunder or under any Transaction Documents;

(l) convene a meeting of the Debenture Holder(s) in accordance with Applicable Laws;

(m) seek the status of payment from the Company and/or conduct independent assessment (viz., from the Account Bank, Debenture Holders, rating agencies etc.,) to determine the status of payment, if the Company fails to intimate the status of payment of the Debentures within 1 (one) working day of the Redemption Date. Based on such assessment, the Debenture Trustee shall intimate stock exchange(s) and the depository, the status of payment within 9 (nine) working days of the Redemption Date or within such other revised timelines as may be prescribed under Applicable Law. Further, for continuous assessment of default status, the Debenture Trustee shall conduct independent assessment as given above and intimate the status of payment to the stock exchange(s) and depository within 7th working day of April of each financial year, if the Company fails to provide the updated status of the payment of the Debentures to the Debenture Trustee, stock exchange and/or the depository, within the 2nd working day of April of the relevant financial year;

(n) subject to the approval of the Debenture Holder(s) and the conditions as may be specified by SEBI from time to time, enter into inter-creditor agreements provided under the framework specified by the RBI / SEBI on behalf of the Debenture Holders;

(o) issue a 'No Objection Certificate (NOC)' to the designated stock exchange where the Debentures have been listed for refund of balance in the recovery expense fund to the Company on repayment of Obligations in full to the satisfaction of the Debenture Holders. The Debenture Trustee shall satisfy that there is no 'default' on any other listed debt securities of the Company before issuing such NOC;

(p) keep the information (pertaining to the details of bank account(s)) provided to it pursuant to the SEBI NCS Master Circular as confidential and shall use the same only to the extent as required under the SEBI NCS Master Circular;

(q) perform such acts as may be necessary for the protection of the interest of the Debenture Holder(s) and do all other acts as may be necessary in order to resolve the grievances of the Debenture Holder(s);

(r) while the Debentures are secured with 100% Security Cover as required under the SEBI NCS Regulations, in favour of Security Trustee, and it is the duty of the Debenture Trustee to monitor that the security is maintained; and

**(s) promptly issue a no dues certificate once the Debentures has been redeemed/matured.**

(iii) The Debenture Trustee shall provide to the Company (for onward submission to NHB/RBI), any information as may be required by the NHB/RBI, from time to time.

(iv) The Debenture Trustee shall monitor the Security Cover and covenants by the Company in relation to Debentures in the manner as specified by the SEBI.

(v) The Debenture Trustee shall ensure that the Company does not commit any breach of the terms of issue of Debentures or covenants of the Debenture Trust Deed by monitoring the same in the manner specified by the SEBI and take such reasonable steps as may be necessary to remedy any such breach.

(vi) The Debenture Trustee shall have right to share such information in relation to the Company / Debentures to the Credit Rating Agency as prescribed / required under Applicable Laws or as necessary to discharge its function as a Debenture Trustee.

(vii) The Debenture Trustee shall distribute to the Debenture Holders copies of all notices and documents received by it from the Company in its capacity as Debenture Trustee for the Debenture Holders.

(viii) Notwithstanding anything contained in the Debenture Trust Deed , no clause in the Debenture Trust Deed shall have the effect of:

(a) limiting or extinguishing the obligations and liabilities of the Debenture Trustee or the Company in relation to any rights or interests of the Debenture Holders;

(b) limiting or restricting or waiving the provisions of the Act, the SEBI NCS Regulations, the SEBI NCS Master Circular and all other regulations, circulars and guidelines issued by the SEBI from time to time; and

(c) indemnifying the Debenture Trustee or the Company for loss or damage caused by their act of negligence or commission or omission.

**Schedule IV: Additional Disclosures Under PAS – 4 pursuant to Section 42 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014**

1. **Kinds of securities offered (i.e. whether share or debentures) and class of security; the total number of shares or securities to be issued:**

   **[-]**

2. **Price at which the security is being offered including the premium if any, along with the justification of the price**

   **[-]**

3. **The proposed time within which the allotment shall be completed**

   **[-]**

4. **Amount the Issuer intends to raise by way of proposed offer of securities:**

   **[-]**

5. **Purposes and objects of the offer**

   **Please refer to Paragraph F (Summary Term Sheet) of the Key Information Document.**

6. **Principle terms of assets charged as security, if applicable**

   **Please refer to Paragraph F (Summary Term Sheet) of the Key Information Document.**

7. **Applicant Details**

   (i) Name:

   (ii) Father's Name: Not Applicable

   (iii) Complete address including flat/ house number/ street, locality, pin code:

   (iv) Phone number, if any:

   (v) Email ID, if any:

   (vi) PAN:

   (vii) Bank account details:

   (viii) Demat Account Details:

(ix) Tick whichever is applicable:-

(a) The applicant is not required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares. ☐

(b) The applicant is required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares and the same has been obtained, and is enclosed herewith. ☐

Signature of the applicant

_____

Initial of the Officer of the Company designated to keep the record

_____

## Schedule V: Due Diligence Certificate

Due diligence certificate dated April 15, 2024 issued by Axis Trustee Services Limited, as per the SEBI DT Master Circular.

## Schedule VI: Material changes in the information provided under the General Information Document

There have been no material changes in the information provided under the General Information Document.

**Schedule VII: Material developments not disclosed in the General Information Document**

There have been no material developments since the General Information Document was issued.

**Schedule VIII: Security Trustee Consent Letter**

**(*Attached separately*)**

## Schedule IX:

## Application Form

Application Form – Indicative form attached

Details of settlement -
Designated bank account of Indian Clearing Corporation Limited as specified by BSE Limited

ICICI Bank
Beneficiary Name: INDIAN CLEARING CORPORATION LTD
Account Number: ICCLEB
IFSC Code: ICIC0000106
Mode: NEFT/RTGS

HDFC Bank
Beneficiary Name: INDIAN CLEARING CORPORATION LTD
Account Number: ICCLEB
IFSC Code: HDFC0000060
Mode: NEFT/RTGS

Designated bank account of ICICI Home Finance Company Limited

Beneficiary Name: "ICICI Home Finance Co. Ltd – Bond Issuances"
Account Number: 001105019554
IFSC Code: ICIC0000011
Account Branch: ICICI Bank Limited, Andheri Branch, Mumbai

## Annexure 8 Application Process under EBP Mechanism

**INVESTORS TO NOTE THAT A SEPARATE APPLICATION PROCESS WILL BE IDENTIFIED FOR THE COMMERCIAL PAPERS IN THE RELEVANT KEY INFORMATION DOCUMENT.**

### How to Apply

Only Eligible Investors as given hereunder and identified upfront by the Issuer may apply for the Bonds. Eligible investors are required to register on the EBP platform the link for which shall be available at https://bond.bseindia.com/Investor_Registration.aspx. All the registered and eligible investors are required to update the necessary bank account details and demat details before participating in the bidding process on the EBP platform.

Each Tranche/Series of the Issue will open on the 'Issue Opening Date' and close on the 'Issue Closing Date' (both days inclusive) as stated in the Key Information Document ("Issue Period"). The subscription to the Bonds shall be made by the potential investors through the electronic book mechanism as prescribed by SEBI during the Issue Period in the manner as set hereinbelow.

The funds have to be credited to the designated bank accounts of Indian Clearing Corporation Ltd ("ICCL"), the details of which are provided below, within the prescribed timelines, as per the Electronic Book mechanism Guidelines. It may be noted that payment by any other means shall not be accepted. The Issuer assumes no responsibility for any applications lost in mail or in transit or any failure of electronic fund transfer. The Issuer will not be responsible in any manner for any delayed receipts / non-receipt of payments or applications lost in mail.

The subscription to the Bonds shall be made by the Eligible Investors through the electronic book mechanism as prescribed by SEBI under the SEBI NCS Master Circular by placing bids on the EBP platform during the Issue period. In case the Eligible Investors are not registered on the EBP platform, they will have to register themselves as investor on the said platform (as a one-time exercise) and also complete the mandatory KYC verification process. The Eligible Investors should also refer to the operational guidelines of the EBP in this respect. The disclosures required pursuant to the Electronic Book Mechanism Guidelines are set out hereinbelow:

| | |
|---|---|
| **Bid Opening Date** | As per the relevant Key Information Document. |
| **Bid Closing Date** | As per the relevant Key Information Document. |
| **Pay-in Date** | As per the relevant Key Information Document. |
| **Issue Size** | As per the relevant Key Information Document. |
| **Green Shoe Option** | As per the relevant Key Information Document. |
| **Deemed Date of Allotment** | As per the relevant Key Information Document. |
| **Electronic Book Provider Platform** | As per the relevant Key Information Document. |
| **Manner of bidding:** | As per the relevant Key Information Document. |
| **Manner of Allotment:** | As per the relevant Key Information Document. |
| **Allotment Size** | As per the relevant Key Information Document. |
| **Interest Rate Parameter (being Coupon Rate and Coupon Type)** | As per the relevant Key Information Document. |
| **Manner of Settlement:** | As per the relevant Key Information Document. |
| **Minimum Bid Lot and Multiple of Single Bid:** | As per the relevant Key Information Document. |
| **Trading Lot Size** | As per the relevant Key Information Document. |

| | |
|---|---|
| **Settlement Cycle [T+1/ T+2] where T refers to the date of bidding/ issue day** | As per the relevant Key Information Document. |
| **Anchor Investor and quantum** | As per the relevant Key Information Document. |

Further, please note that the allotment to the bidders shall be done on yield- time priority basis in the following manner:

(i) allotment would be done first on 'yield priority' basis,
(ii) where two or more bids are at the same yield, then the allotment shall be done on 'time priority' basis; and
(iii) where two or more bids have the same yield and time, then the allotment shall be done on pro rata basis.

**Process flow of settlement:**

Eligible Investors whose bids have been accepted by the Issuer and to whom a signed copy of this General Information Document and Key Information Document have been issued by the Issuer and who have submitted/shall submit the Application Form **("Successful Bidders"),** shall make pay-in of subscription monies in respect of the Bonds towards the allocation made to them, into the bank account of Indian Clearing Corporation Limited (ICCL) (the details of which will be set out under the Key Information Document), on the Deemed Date of Allotment:

The pay-in by the Successful Bidders will be made only from the bank account(s), which have been provided / updated by them in the EBP system. Any amount received from third party accounts or from accounts not specified in the EBP system will be refunded and no allotment will be made against such payments. Upon the transfer of funds into the aforesaid account of ICCL and the Issuer confirming its decision to proceed with the allotment of the Bonds in favour of the Successful Bidders to the ICCL, the R&T Agent and the EBP and initiating the requisite corporate action for allotment of Bonds and credit of the demat letter of allotment into the relevant demat account of the Successful Bidders through the Registrar to the Issue, the Registrar to the Issue shall provide corporate action file along with all requisite documents to the Depositories by 12:00 hours and also intimate the EBP of the aforesaid actions. Upon the Depositories confirming the allotment of the Bonds and the credit of the Bonds into the demat account of the Successful Bidders to EBP, the subscription monies in respect of the Bonds from the aforesaid account of ICCL shall be released into the Issuer's bank account, the details whereof will be intimated to the EBP by the Issuer.

It must be noted that all funds pay-in obligations need to be fulfilled in totality. Partial fund receipt against any given obligation will be treated as a default and debarment penalties will be applicable as specified by the EBP Guidelines.

All payments must be made through NEFT, RTGS, electronic fund transfer to the bank account of ICCL. It may be noted that payment by any other means shall not be accepted. The Company assumes no responsibility for any applications lost in mail or in transit or any failure of electronic fund transfer. The Company will not be responsible in any manner for any delayed receipts / non-receipt of RTGS payments or applications lost in mail.

As a matter of precaution against possible fraudulent encashment of interest warrants/ cheques due to loss/ misplacement, the applicant should furnish the full particulars of his or her bank account (i.e. Account Number, name of the bank and branch) at the appropriate place in the Application Form. Interest warrants will then be made out in favour of the bank for credit to his/ her account so specified and dispatched to the investors, who may deposit the same in the said bank.

The Issuer assumes no responsibility for any applications lost in mail or in transit.

**Who can apply**

Nothing in this General Information Document and the Key Information Document shall constitute and/or deem to constitute an offer or an invitation to offer, to be made to the public or any section thereof through this General Information Document and Key Information Document and its contents should not be construed to be a prospectus under the Act. The Issue is a domestic issue and is being made in India only. This General Information Document and the Key Information Document and the contents thereof are restricted for only the intended recipient(s) who have been addressed directly through a communication by the Company and only such recipients are eligible to apply for the Bonds.

Subject to applicable law, the categories of investors eligible to subscribe to the Bonds in this Issue, when addressed directly, are:

I. companies, body corporates, financial institutions, non-banking financial company, statutory corporations;
II. scheduled commercial banks including but not restricted to commercial, private, foreign, co-operative and regional rural banks;
III. pension funds/ provident funds/ superannuation funds or gratuity funds, private trusts, as may be permitted by respective rules and guidelines of such funds/ trusts;
IV. foreign portfolio investor
V. registered societies;
VI. partnership firms;
VII. Hindu Undivided Families **(HUFs);**
VIII. high net worth individuals;
IX. insurance companies;
X. mutual funds;
XI. portfolio managers registered with SEBI; and
XII. any other investor permitted to invest in the Bonds.

Please note that the abovementioned list of eligible investors is an indicative list and may change according to the type of Bonds being issued by the Company in terms of the relevant Key Information Document from time to time. In case, in view of the applicable law, the list of eligible investors requires modification with respect to any Bonds proposed to be issued by the Company, the same would be modified and indicated in the Key Information Document to be issued for such Bond. Notwithstanding anything to the contrary set out herein, all investors are required to check and comply with applicable laws including the relevant rules / regulations / guidelines applicable to them for investing in this Issue of Bonds and the Company, is not in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Company required to check or confirm the same.

Shortlisted investors as may be identified by the Board prior to issuance of the offer(s)/invitation to subscribe to the Bonds, shall be considered as the "identified person(s)" to whom the Company can make private placement of the Bonds and only such "identified persons" shall receive a direct communication from the Company with offer to subscribe to the Bonds and only such "identified persons" shall be entitled to subscribe to the Bonds (or any Series thereof).

Without prejudice to the aforesaid, where the selection of the eligible investors is required to be done pursuant to bidding mechanism on the electronic platform called the **"EBP Platform"** under the EBP Guidelines or any other successive arrangement/platform mandated by SEBI, only those Persons out of

the aforesaid categories of investors, who are registered on the EBP Platform and are eligible to make bids for Bonds of the Issuer and to whom allocation is to be made by the Issuer pursuant to selection under the electronic book mechanism for issuance of securities on private placement basis in terms of the EBP Guidelines and the Electronic Book Providers shall be considered as "identified persons" for the purposes of Section 42(2) of the Companies Act, 2013 (as amended from time to time), to whom the Issuer shall make private placement of the Bonds and only such "identified persons" shall receive a direct communication from the Issuer with offer to subscribe to the Bonds and only such "identified persons" shall be entitled to subscribe to the Bonds.

Additionally, those arrangers/brokers/intermediaries etc. (as per the defined limits under the EBP Guidelines) specifically mapped by the Issuer on the EBP Platform are also eligible to bid/apply/invest for this Issue.

Although above investors are eligible to apply however only those investors, who are individually addressed through direct communication by the Company/ Sole Arranger, are eligible to apply for the Bonds. No other person may apply. Hosting of this General Information Document and the Key Information Document on the website of the BSE should not be construed as an offer or an invitation to offer to subscribe to the Bonds and the same has been hosted only as it is stipulated by the SEBI NCS Regulations, the SEBI NCS Master Circular read with the EBP Guidelines. Investors should check their eligibility before making any investment.

**Note:** Participation by potential investors in the issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.

The applications must be accompanied by certified true copies of (1) Memorandum and Articles of Association/ Constitution/ Bye-laws (2) Resolution authorizing investment and containing operating instructions (3) Specimen signatures of authorised signatories and (4) Xerox copy of PAN Card. (5) Registration Certificate (6) Necessary forms for claiming exemption from deduction of tax at source on the interest income/ interest on application money, wherever applicable.

Notwithstanding anything stated in this document or otherwise, all eligible investors are required to check and comply with applicable laws including the relevant rules / regulations / guidelines / directions applicable to them for investing in this issue of Bonds, including all eligibility and registration formalities under the Electronic Book Mechanism Guidelines and the Issuer, is not in any way, directly or indirectly, responsible for any statutory or regulatory or procedural breaches by any investor, neither is the Issuer required to check or confirm the same.

The General Information Document and the contents hereof are restricted for only the intended recipient(s) who have been addressed directly through a communication by or on behalf of the Issuer and only such recipients are eligible to apply for the Bonds.

Eligible investors who fall in any of the following categories, shall accompany their Application Forms with the following documents:

**PAN / GIR No:**

All aJpplicants should mention their valid and operative Permanent Account number (PAN) allotted under Income Tax Act, 1961 or where the same has not been allotted, the GIR Number and the IT

Circle/Ward/District should be mentioned. In case where neither the PAN nor the GIR number has been allotted, or the applicant is not assessed to Income Tax, the fact of such non-allotment should be mentioned in the Application Form. Applications without a valid and operative PAN/GIR number will be considered incomplete and are liable to be rejected.

**Application by Banks/ Corporate Bodies/ Mutual Funds/ Financial Institutions/ Trusts/ Statutory Corporations**

The applications must be accompanied by certified true copies of (i) memorandum and articles of association/constitution/bylaws/ trust deed; (ii) resolution authorizing investment and containing operating instructions; (iii) specimen signatures of authorized signatories; and (iv) necessary form for claiming exemption from on interest on application money.

In case of applications by Mutual Funds registered with SEBI, a separate application must be made in respect of each scheme of the Mutual Fund and such applications will not be treated as multiple applications, provided that the application made by the asset management company/ trustee/ custodian clearly indicate their intention as to the scheme for which the application has been made.

The application forms duly filled shall clearly indicate the name of the concerned scheme for which application is being made and must be accompanied by certified true copies of:
i. SEBI registration certificate;
ii. Resolution authorizing investment and containing operating instructions;
iii. Specimen signature of authorized signatories.

**Application by Partnership Firm**

The applications must be accompanied by certified copies of (i) the PAN Card of the partnership firm; (ii) copy of the partnership deed; (iii) the photo identity proof like Passport / PAN Card / Driving License, etc. of the partner(s)signing the Application Form and specimen signatures of authorised signatories; and (iv) an authority letter from all partners authorizing such investment.

**Application under Power of Attorney**

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signatures of all authorised signatories must be lodged along with the submission of the completed Application Form. Further, modifications/additions in the power of attorney or authority should be delivered to the Company at its registered office.

**ISSUE PROCEDURE**

The issue Setup shall be done by the Issuer in accordance with the operating guidelines of the EBP platform. The final subscription to the Bonds shall be made by the eligible investors through the Electronic Book Mechanism as prescribed by SEBI under the Electronic Book Mechanism Guidelines by placing bids on the EBP during the issue period. An Issuer, at its discretion, may withdraw from the Issue process in accordance with the conditions enlisted in the operating guidelines of the EBP platform. Eligible investors should note that disclosure of estimated put off yield by the EBP platform to the eligible participants, pursuant to closure of Issue, shall be at the discretion of the Issuer. The Issuer may choose to disclose the estimated cut-off yield to all the eligible participants before the bidding. The minimum number of Bonds that can be applied for and the multiples thereof shall be as set out in the Key Information Document to be issued with respect to the relevant Tranche/ Series of Bonds. No application can be made for a fraction of a Bonds.

Potential investors whose bids have been accepted by the Issuer and to whom a signed copy of the General Information Document and the Key Information Document have been issued by the Issuer and who have submitted/shall submit the Application Form **("Successful Bidders"),** shall make pay-in of subscription monies in respect of the Bonds towards the allocation made to them, into the bank account of CCL, on or prior to the Deemed Date of Allotment and before the Pay-In Cut-Off Time, the details of which will be displayed on the EBP Platform.

The pay-in by the Successful Bidders will be made only from the bank account(s), which have been provided / updated by the Successful Bidders in the EBP system. Any amount received from third party accounts or from accounts not specified in the EBP system will be refunded and no allotment will be made against such payments. Further, pay-in received from any other bank account may lead to cancellation of bid and consequent debarment of the bidder from accessing the EBP platform for 30 days. Upon the transfer of funds into the aforesaid account of ICCL and the Issuer confirming its decision to proceed with the allotment of the Bonds in favour of the Successful Bidders to the clearing corporation, the R&T Agent and the EBP and initiating the requisite corporate action for allotment of Bonds and credit of the demat letter of allotment into the relevant demat account of the Successful Bidders through the R&T Agent, the R&T Agent shall provide corporate action file along with all requisite documents to the Depositories by 12:00 hours and also intimate the EBP of the aforesaid actions. Upon the Depositories confirming the allotment of the Bonds and the credit of the Bonds into the demat account of the Successful Bidders to EBP, the subscription monies in respect of the Bonds from the aforesaid account of the clearing corporation shall be released into the Issuer's bank account, as intimated by the Issuer to the EBP.

It must be noted that all funds pay-in obligations need to be fulfilled in totality. Partial fund receipt against any given obligation will be treated as a default and debarment penalties may be applicable as specified by the Electronic Book Mechanism Guidelines.

It may be noted that payment by any other means shall not be accepted, The Company assumes no responsibility for any applications lost in mail or in transit or any failure of electronic fund transfer.

The Company will not be responsible in any manner for any delayed receipts / non-receipt of RTGS payments or applications lost in mail.

All transfers/RTGS must be made payable to the designated bank accounts of CCL, details whereof shall be specified in the Key Information Document.

**PRIVATE & CONFIDENTIAL**
**NOT FOR CIRCULATION**

ICICI Home Finance

**HDBAPR251**

Serial No.

## ICICI HOME FINANCE COMPANY LIMITED

Registered Office: ICICI Bank Towers, Bandra Kurla Complex, Mumbai - 400051

Corporate Office: ICICI HFC Tower, Andheri Kurla Road, J.B.Nagar, Andheri (E), Mumbai - 400 059

# ICICI HOME FINANCE
# APPLICATION FORM

## FULLY PAID, RATED, LISTED, SECURED REDEEMABLE SENIOR BONDS IN THE NATURE OF NON-CONVERTIBLE DEBENTURES (NCDs)

## RATINGS : "CRISIL AAA/Stable" BY CRISIL RATINGS & "CARE AAA/Stable" BY CARE RATINGS LIMITED

| Arranger's/Advisor's Stamp | Date & Time of Receipt |
|---|---|
| | |

| Instrument Details | | Status (Please tick any one) | |
|---|---|---|---|
| Series | HDBAPR251 | Body Corporate | |
| Tick the Series applied in | | Bank | |
| Face Value per bond in ₹ | 100,000/- | Insurance Company | |
| Issue Price per bond in ₹ **(a)** | 100,000/- | Gratuity / Provident / Superannuation Fund | |
| Redemption Price per bond in ₹ | 100,000/- | | |
| Coupon | 8.02% p.a. | Financial Institution | |
| Maturity Date | Thu, April 19, 2029 | Mutual Fund | |
| | | Society | |
| No. of bonds applied for in figures **(b)** | | FII / NRI | |
| No. of bonds applied for in words | | Others (Specify) | |

The application shall be for a minimum of 100 bonds and in multiple of 1 bond thereafter.

| Total Amount Payable | |
|---|---|
| (a*b) ₹ in figures | |
| (a*b) ₹ in words | |

| Investor Information | |
|---|---|
| Name of the Applicant / Investor | |
| Address | |
| Email ID | |
| Tel. No. | |
| Fax No. | |

| Payment Details | | | |
|---|---|---|---|
| Name of Bank | | Account No. | |
| Branch (Address) | | UTR No. / Ref No. | |

| Depository Account Details | | | | |
|---|---|---|---|---|
| Depository Name (Tick any) | NSDL | CDSL | DP ID | |
| Depository Participant Name | | | Beneficiary A/c No. (Client Id) | |

All payments of interest and principal will be processed through electronic payment mode to the bank account updated with your Depository Participant pursuant to the SEBI Circular CIR/MRD/DP/10/2013 dated March 21, 2013 and the Company shall not be responsible for any loss incurred on account of any wrong or incorrect bank details updated with your Depository Participant.

| Transaction Details | |
|---|---|
| Total Amount Paid (₹ Figures) | |
| Total Amount Paid (₹ Words) | |
| Total No. of Bonds Applied (Figures) | |
| Total No. of Bonds Applied (Words) | |

**PRIVATE & CONFIDENTIAL**
**NOT FOR CIRCULATION**

ICICI Home Finance

**HDBAPR251**

Serial No.

**FULLY PAID, RATED, LISTED, SECURED REDEEMABLE SENIOR BONDS IN THE NATURE OF NON-CONVERTIBLE DEBENTURES (NCDs)**

Instructions:

1. Please read the terms and conditions before filling this form.
2. The forms should be filled in block letters in English as per the instructions contained herein and in the Key Information Document and are liable to be rejected if incomplete.
3.The Applicant/Investor is requested to send the duly completed application form either by hand delivery or by Registered Post to the Advisors/Arrangers if any, or at the Issuer's Corporate Office address given in this form.
4. Details of settlement:

Designated bank account of Indian Clearing Corporation Limited

ICICI Bank - Beneficiary Name: INDIAN CLEARING CORPORATION LTD, Account Number: ICCLEB, IFSC Code: ICIC0000106, Mode: NEFT/RTGS

HDFC Bank - Beneficiary Name: INDIAN CLEARING CORPORATION LTD, Account Number: ICCLEB, IFSC Code: HDFC0000060, Mode: NEFT/RTGS

5. Applications complete in all respects to be submitted at ICICI Home Finance Corporate Office or to the Arranger/Advisor if any.
6. The Company shall not be liable for any incorrect details provided by the investor including but not limited to any details related to electronic communications, address, bank account details and/or any other KYC details, to their respective depository participants, upon which the Company has communicated any details/process for any obligation arising out of such transaction.

7. Redemption mechanism - On the relevant redemption date, the relevant amounts shall be paid by the Issuer to those Series HDBAPR251 NCDs holders whose names appear on the Register of Beneficial Owners as on the Record Date and, for these purposes, a statement issued by the Depository shall be conclusive evidence in respect thereof. The Issuer shall not, in any manner, be responsible or have any obligation whatsoever to verify whether the persons whose names as appearing on the Register of Beneficial Owners as on the Record Date are the beneficial owners of the Series HDBAPR251 NCDs, and/or to verify any changes post the Record Date (including due to any creation and/or enforcement of any hypothecation or pledge over the Series HDBAPR251 NCDs). The Issuer shall further have no liability whatsoever to any pledgees or hypothecatees of the Series HDBAPR251 NCDs.

**Self Declaration:**

**1. I/We have read the Terms and Conditions refer to the Key Information Document (KID No. 4/Tranche 4) of General Information Document (GID) no: IHFC/FY24/GID/January dated January 11, 2024 filed with BSE Limited as per Schedule II of SEBI (Issue and Listing of Non Converible Securities) Regulations, 2021 and amendments thereto and Operational Circular and private placement offer letter as per PAS-4 [pursuant to section 42 and rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014] of Companies Act, 2013.**

**2.I/We hereby confirm that I/We have not been debarred from accessing/participating in the capital markets or have not been restrained by any regulatory authority directly/indirectly.**

| Tax Status of Applicant / Investor (Tick) | | | |
|---|---|---|---|
| Non - Exempt | | Exempt | |

For Exempted Applicant / Investor (Please Tick One) -

| | | | |
|---|---|---|---|
| Exemption certificate u/s. 197 of the Income Tax Act, 1961 (the Act) | | Exemption available u/s 10 of the Act | |
| Furnishing Form 15G / 15H u/s 197A of the Act | | Any other proof (please furnish details) | |

ICICI Home Finance Company Limited (the Company) shall deduct tax at source (TDS) as per the prevailing provisions of the Act and at the prevailing rate(s) as amended by the applicable Finance Act. If no PAN furnished by the bondholder(s) / investor(s) then no TDS Certificate shall be generated by the Income Tax Department i.f.o. bondholder(s) / investor(s). If any resident Bondholder(s) / investor(s) want(s) to avail the exemption from deduction of tax at source by furnishing the prescribed Form 15G (applicable to investor other than a company or firm) or Form 15H (applicable to only senior citizens aged 60 years and more) as specified u/s 197A of the Act, then a valid PAN needs to be furnished along with Form 15G/H, as the case may be. Form 15G/H will not be taken into cognizance if the total interest income likely to be credited / paid or total income declared by the bondholder / investor in the Form exceeds maximum amount not chargeable to tax and the TDS shall be deducted at the prevailing rates and as per the prevailing provisions, if deductible. If any resident Bondholder(s) / investor(s) want(s) to avail the exemption from deduction of tax at source by furnishing the exemption certificate issued by the Income Tax Authority u/s 197(1) of the Act, then the tax would be deducted at such nil / lower rate specified in the exemption certificate issued u/s 197(1) of the Act, as the case may be, in accordance with the prevailing provisions of the Act as amended from time to time. Where bondholder(s) / investor(s) is/are an specified entity whose income is unconditionally exempt u/s 10 of the Act and who is/are not statutorily required to file return of income under section 139 of the Act, then no TDS would be deducted at source subject to submission of such proof(s) to substantiate exemption specified in the Circular No. 18/2017 dated May 29, 2017 issued by the Central Board of Direct Taxes (CBDT) - Recognized Employee's Provident Fund / Approved Superannuation / Gratuity Funds exempt under section 10(25) (i) to (V) clause, funds covered under sub clause (i),(ii),(iii),(iiia),(iiiaa),(iiiaaa) of clause 10(23c) under the said CBDT circular. The bondholder(s) / investor(s) are required to submit Form 15G/H u/s 197A of the Act (as the case may be) / Exemption Certificate issued by the competent income tax authority u/s 197(1) of the Act for each applicable financial year, if required).

| **Income Tax Permanent Account No (PAN Compulsory)** | |
|---|---|

(Please provide copy of PAN, in the absence of which the bondholder will not be issued a certificate for deduction of tax at source)

As per section 206AA of the Act read with section 139A (5A) of the Act, it is mandatory for the Bondholder(s) / Investor(s) to furnish valid PAN if TDS is deductible. It is also mandatory to furnish a valid PAN in terms of rule 114B of the Income Tax Rules, 1962 wherever payment for such investment made to the Company exceeds ₹ 50,000/-. Further, In case of individual PAN should be linked to Aadhaar as per requirement of section 139AA of the Income Tax Act, 1961. In absence of a valid PAN, the Company shall deduct TDS at higher rates specified under the prevailing provisions of the Act applicable to such transaction. In accordance with section 206AB of the Act effective July 1, 2021, if any person for which tax is deductible has not filed its income tax return for the previous years preceding the current financial year in which tax is deductible, and aggregate tax deducted/collected in the depositor's case is ₹50,000/- or more in the said previous year, then tax shall be deductible at higher rates. It is also mandatory to disclose PAN in Form 15G/H if furnished by the bondholder / investor as per prevailing provision specified u/s 206AA of the Act. I / We hereby declare that the amount being deposited herewith is not out of any funds acquired by us by borrowing or accepting deposits from any person(s). We hereby declare that the Applicant (Company / Body corporate) is the beneficial owner of the funds and as such the Applicant should be treated as the payee for the purpose of tax deduction at source as per prevailing provisions of the Act. I / We hereby declare that exemption, for no deduction of tax at source as specified in clause (ix) of Proviso to section 193 of the Act on interest payment of security which is in dematerialized form and is listed on a recognized stock exchange in India in accordance with the Securities Contract (Regulation) Act, 1956 and the rules made thereunder, has been withdrawn through Budget 2024, accordingly w.e.f. April 1, 2023 the Company shall be required to deduct TDS on interest on listed securities at the rate of 10%. I / We hereby declare and confirm that the Trust / Society / Company is authorised to subscribe to the bonds. I/ We also declare that the person(s) signing this application is the authorised signatory(ies) and are authorised to issue any and every instruction with regard to any action under this subscription. Any change in the authority of the signatory(ies) or introduction of new signatory(ies) shall be informed to the Company promptly. I / We confirm that we have not been debarred from accessing the capital market or have been restrained by any regulatory authority from directly or indirectly acquiring the said securities.

Having read the terms and conditions governing the issue of the Bonds, we hereby agree to abide by the same.

| | Name(s) of Authorised Signatories | Signature(s) |
|---|---|---|
| 1 | | |
| 2 | | |
| 3 | | |

| **Issue Programme:** | |
|---|---|
| Issue Opens on | **Thursday, April 18, 2024** |
| Issue Closes on (latest closing date) | **Thursday, April 18, 2024** |
| Pay-in Date | **Friday, April 19, 2024** |
| Deemed Date of Allotment | **Friday, April 19, 2024** |

**PRIVATE & CONFIDENTIAL**
**NOT FOR CIRCULATION**

ICICI Home Finance

**HDBAPR251**

Serial No

**(To be filled in by the Applicant)**

## ICICI HOME FINANCE COMPANY LIMITED

Registered Office: ICICI Bank Towers, Bandra Kurla Complex, Mumbai - 400 051

Corporate Office: ICICI HFC Tower, Andheri Kurla Road, J.B.Nagar, Andheri (E), Mumbai - 400 059

FULLY PAID, RATED, LISTED, SECURED REDEEMABLE SENIOR BONDS IN THE NATURE OF NON-CONVERTIBLE DEBENTURES (NCDs)

Advisor/Arranger Stamp

ICICI
HOME
FINANCE
Stamp & Date

### Acknowledgment Slip

Date :_____

Received from _____

vide RTGS/NEFT no. _____ dated _____

for (₹_____/-) Rupees (in words) _____

being application amount for ICICI Home Finance Bonds.

Total Amount Payable

- [ ] Completed Application Form
- [ ] Copy of PAN Card/ No.
- [ ] Tax Exemption Certificate, if applicable
- [ ] Copy of MAPIN No., if applicable

For all further correspondence please contact the Registrar at:

Datamatics Business Solutions Limited

Plot No. B-5, Part B Crosslane, MIDC

Andheri (East), Mumbai 400 093

Tel : (022) 66719645

Fax (022) 66712209

ICICI Home Finance

**CERTIFIED TRUE COPY OF RESOLUTION PASSED BY THE MEMBERS OF ICICI HOME FINANCE COMPANY LIMITED AT THE TWENTY FOURTH ANNUAL GENERAL MEETING HELD ON TUESDAY, MAY 30, 2023 AT MUMBAI**

**Fixing overall Borrowing Limits under Section 180(1)(c) of the Companies Act, 2013**

**"RESOLVED that** pursuant to the provisions of Section 180(1)(c) and other applicable provisions if any, of the Companies Act, 2013, the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (RBI Directions) as amended from time to time and relevant provisions of the Articles of Association of the Company, any other applicable provision of law, any amendment variation or re-enactment thereto from time to time and such other regulations as may be applicable, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing any sum or sums of moneys for and on behalf of the Company from time to time, from any persons, firms, bodies corporate, bankers, financial institutions or from others by way of advances, deposits, loans or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of Company's assets and properties, whether movable or immovable or debts subject to any restriction imposed by the terms of the Agreements as may have been entered into or may be entered into from time to time for grant of any assistance to the Company, of all moneys deemed by them to be requisite or proper for the purpose of carrying on the business of the Company, notwithstanding that the moneys to be borrowed together with the money already borrowed by the Company (apart from temporary loans, if any, obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid-up capital of the Company and its free reserves provided that the total amount of such borrowings outstanding at any time shall not exceed ₹ 250.00 billion (Rupees two hundred and fifty billion) or the limit as specified in RBI Directions as amended from time to time whichever is lower.

**RESOLVED further that** the Board be and is hereby authorised to delegate (to the extent permitted by law) all or any of the powers herein conferred to any Committee of Directors or/and any Director and/or Chief Financial Officer or/and Company Secretary and/or any other officer of the Company as may be authorised by Managing Director & CEO and/or Chief Financial Officer to give effect to the aforesaid Resolution."

**Issue of Non-Convertible Debentures under Private Placement**

**"RESOLVED that** pursuant to the provisions of Section 42, and Section 71 of Companies Act, 2013, and Rule (14) (2) of Companies (Prospectus and Allotment of Securities) Rules, 2014, provisions of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, any other applicable provision of law, any amendment variation or re-enactment thereto from time to time and such other regulations as may be applicable, the consent of the Members of the Company be and is hereby accorded to the Board of Directors (which term shall be deemed to include committees authorised in this regard) to issue secured and/or unsecured Non-Convertible Debentures/Bonds (fully or partly paid, fixed or floating rate, rupee or foreign currency)

for an aggregate amount not exceeding ₹ 35.00 billion (Rupees thirty-five billion) during the period of one year from the date of passing this resolution, in one or more tranches on a private placement basis to one or more persons, bodies corporate, banks/financial institutions, mutual funds, other investors/ investing agencies etc., upon the terms and conditions as may be decided by the Board in its absolute discretion.

**RESOLVED further that** without prejudice to the generality of the above and for the purpose of giving effect to the above, the Board of Directors (which term shall be deemed to include committees authorised in this regard) be and is hereby authorised to determine as to when the secured or unsecured debentures are to be issued, the terms of the issue, number of Debentures to be allotted in each tranche, issue price, rate of interest, redemption period, listing on one or more recognised stock exchanges and all such terms as are provided in offering of a like nature as the Committee may in its absolute discretion deem fit and to make and accept any modifications in the proposal as may be required by the authorities involved in such issues and to perform all such acts, deeds, matters and things execute all such deeds and documents as may be necessary and settle any questions or difficulties that may arise in regard to the said issue(s).

**RESOLVED further that** the approval is hereby accorded to the Board of Directors (which term shall be deemed to include committees authorised in this regard) to appoint lead managers, arrangers, underwriters, depositories, registrars, trustees, bankers, lawyers, advisors and all such agencies as may be involved or concerned in such offerings and to remunerate them by way of commission, brokerage, fees or the like (including reimbursement of their actual expenses) and also to enter into and execute all such arrangements, contracts/agreements, memorandum, documents, etc., with such agencies and be and is hereby authorised to do all such acts, deeds and things in this regard.

**RESOLVED further that** Anirudh Kamani, Managing Director and Chief Executive Officer and/or Vikrant Gandhi, Chief Financial Officer and/or Priyanka Shetty, Company Secretary of the Company and/or Hetal Pamani, Head – Treasury and/or any other officer of the Company as may be authorised by Managing Director & CEO and/or Chief Financial Officer be and are hereby severally authorise to file the required returns/forms with the Registrar of Companies and other regulatory authorities and to do all such acts, things, deeds as may be required in this connection and to provide a certified true copy of this Resolution and any other related documents in this regard and the same be furnished to the concerned authorities and they be requested to act thereon."

For **ICICI Home Finance Company Limited**

PRIYANKA RAMESH SHETTY

Digitally signed by PRIYANKA RAMESH SHETTY
DN: c=IN, st=Maharashtra,
2.5.4.20=38413f2da911cd476db2cc82ede3e7e5a1f
8704f6266f2e8f2fe4e3a21555e45b,
postalCode=400092, street=A 201, OM SAGAR
CHANDAVARKAR ROAD NR VARSHA PARK
BORIVALI W,
pseudonym=16c5b4296e84387d77bd6ff9a882e
00,
serialNumber=e288a669da2ca3688ae4617d0f0a63
1c0e3d865c57fad8332f7b444b0ba650f0,
o=Personal, cn=PRIYANKA RAMESH SHETTY
Date: 2024.01.11 12:48:42 +05'30'

**Priyanka Shetty**
**Company Secretary**

ICICI Home Finance

**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF ICICI HOME FINANCE COMPANY LIMITED AT ITS MEETING HELD ON MONDAY, APRIL 17, 2023 AT MUMBAI.**

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**Fixing of annual overall borrowing limit through various instruments**

**"RESOLVED that** pursuant to provisions of Section 179 (3) and any other applicable provisions of the Companies Act, 2013, the approval of the Board be and is hereby accorded to borrow/avail annual overall borrowing upto ₹ 85.00 billion (excluding borrowings with a contractual maturity of up to twelve months and funds raised through transfer of loan exposure) through mix of various instruments and the same shall be valid upto the Board Meeting to be held in Q1-2025, which along with the other outstanding borrowings of the Company net of payments will be within the overall limits of ₹ 250.00 billion (Rupees Two-hundred and fifty billion) or the limit as specified in RBI Directions as amended from time to time whichever is lower and shall include but not be limited to fixed or floating rate, secured or unsecured, rupee and foreign currency in form of term loans including refinance from banks, financial institutions, developmental finance institutions etc., refinance facility from National Housing Bank (NHB), Non-Convertible Debentures/Bonds (issued at par/premium/discount, fully or partly paid, fixed or floating rate, rupee or foreign currency), commercial papers, working capital loans and fixed deposits or any other form of borrowings as may be availed by the Company on the terms and conditions as may be agreed upon.

**RESOLVED further that** Anirudh Kamani, Managing Director and Chief Executive Officer and/or Vikrant Gandhi, Chief Financial Officer and/or Priyanka Shetty, Company Secretary of the Company and/or Hetal Pamani, Head – Treasury and/ or such other officials of the Company as may be authorised by Managing Director & CEO and/or Chief Financial Officer be and are hereby authorised jointly/severally to sign and submit all papers, deeds and documents, to file the required returns/forms with the regulatory authorities and to do all such acts, things, deeds as may be required in this connection and to provide a certified true copy of this Resolution and any other related documents in this regard and the same be furnished to the concerned authorities and they be requested to act thereon."

For **ICICI Home Finance Company Limited**

Priyanka Ramesh Shetty

Digitally signed by Priyanka Ramesh Shetty
DN: c=IN, st=Maharashtra, 2.5.4.20=38432fd2d91 1cd476db2cc82e da1e7e5a1887d0422b603e620e4e3e21 555e45b, postalCode=400092, street=near harsha park , borivaliwest , Mumbai , Mumbai, pseudonym=d41d8cd98f00b204e9800 998ecf8427e, serialNumber=e294bd69da2ca368ba4 817d0f0ad31e3e3d80bc51fadf032075e4 4db5ba610f3, o=Personal, cn=Priyanka Ramesh Shetty
Date: 2023.12.22 17:25:33 +05'30'

**Priyanka Shetty**
**Company Secretary**

**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF ICICI HOME FINANCE COMPANY LIMITED AT ITS MEETING HELD ON MONDAY, APRIL 17, 2023 AT MUMBAI.**

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**Fixing of sublimit for borrowing through private placement of secured and/or unsecured Non-Convertible Debentures (NCDs)/Bonds**

**"RESOLVED that** pursuant to the provisions of Section 42, Section 179(3) and Section 71 of Companies Act, 2013 and Rule (14) (2) of Companies (Prospectus and Allotment of Securities) Rules, 2014 and any other applicable provisions including rules made thereunder and subject to the approval of the members at the ensuing General Meeting, consent of the Board of directors be and is hereby accorded to the Company to issue secured and/or unsecured Non-Convertible Debentures (NCDs)/Bonds for an aggregate amount not exceeding ₹35.00 billion (Rupees Three Thousand Five Hundred Crores) for one year from the date of approval of shareholders meeting in one or more tranches on a private placement basis to one or more persons, body corporate, banks/financial institutions, mutual funds, other investors/ investing agencies etc. upon the terms and condition as may be decided by the Board in its absolute discretion.

**RESOLVED further that** the borrowings through secured or unsecured NCDs/Bonds which shall include but not limited to plain vanilla bonds, masala bonds, market linked bonds, special purpose bonds, etc.

**RESOLVED further that** for rupee denominated bonds the funds to be raised by the Issuer shall be utilised for its deployment of funds on its own balance sheet including providing housing loans and other loans, for general corporate purpose, to retire/replace existing liabilities and for temporary deployment pending utilisation of proceeds and shall not be for any specific project. The amount so raised would be for deployment of funds on its own balance sheet and would not be used for onward lending to any group entities/parent companies/associates and as permitted in the regulations from time to time.

**RESOLVED further that** for foreign currency bonds or masala bonds or special purpose bonds, the purpose of the bonds shall be in accordance with the permitted purposes and shall be stated in the Shelf Placement memorandum.

**RESOLVED further that** power to modify the purpose for raising funds through secured or unsecured Bonds/NCDs be delegated to the Committee of Directors.

**RESOLVED further that** without prejudice to the generality of the above and for the purpose of giving effect to the above, the Committee of Executives be and is hereby authorised to determine as to when the fully/partly paid, fixed/floating rate, rupee/ foreign currency, secured/unsecured NCDs/Bonds are to be issued, type of secured or unsecured

NCDs/Bonds, the terms of the issue, number of secured or unsecured NCDs/Bonds to be allotted in each tranche, issue price, rate of interest, redemption period, listing on one or more recognised stock exchanges, all other related activities and all such terms as are provided in offering of a like nature as the Board may in its absolute discretion deem fit and to make and accept any modifications in the proposal as may be required by the authorities involved in such issues and to perform all such acts, deeds, matters and things execute all such deeds and documents as may be necessary and settle any questions or difficulties that may arise in regard to the said issue(s).

**RESOLVED further that** the approval is hereby accorded to the Committee of Executives to appoint lead managers, arrangers, advisors, intermediaries, underwriters, depositories, registrars, facility agents, process agents, trustees, bankers, lawyers/legal counsels, advisors, credit rating agencies and all such agencies as may be involved or concerned in such offerings and to remunerate them by way of commission, brokerage, fees or the like (including reimbursement of their actual expenses) and also to enter into and execute all such arrangements, contracts/agreements, memorandum, documents, etc., with such agencies.

**RESOLVED further that** the Committee of Executives be and is hereby authorised to delegate (to the extent permitted by law) all or any of the powers herein conferred to any executive director or directors or any other officer or officers of the Company to give effect to the aforesaid Resolution."

For **ICICI Home Finance Company Limited**

PRIYANKA RAMESH SHETTY

Digitally signed by PRIYANKA RAMESH SHETTY
DN: c=IN, st=Maharashtra, 2.5.4.20=38432f2da911cd476db2cc82eda3e7e5a1f87d6f422662a02be4e3e21555e45b, postalCode=400092, street=A 201 OM SAGAR CHANDAVARKAR ROAD NR HARSHA PARK BORIVALI W, postalAddress=18c5d4296e84387d77bdd00a882a00, serialNumber=4208ad69da2ca3688aa4817d0a631c0e3df665c57fad0322f7b448c5ba650f3, o=Personal, cn=PRIYANKA RAMESH SHETTY
Date: 2023.12.18 12:00:22 +05'30'

**Priyanka Shetty**
**Company Secretary**

**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF ICICI HOME FINANCE COMPANY LIMITED AT ITS MEETING HELD ON MONDAY, APRIL 17, 2023 AT MUMBAI.**

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**Fixing of limit for borrowing through Commercial Papers (CPs)**

**RESOLVED that** pursuant to the applicable provisions of the Companies Act, 2013 the approval of the Board be and is hereby accorded by the Company to borrow a portion through Commercial Papers subject to the outstanding CP borrowing at any point of time not being greater than 15% of the outstanding borrowing at March 31, 2023 or ₹ 25.00 billion, whichever is lower.

**Resolved further that** Anirudh Kamani, Managing Director and Chief Executive Officer and/or Vikrant Gandhi, Chief Financial Officer and/or Priyanka Shetty, Company Secretary of the Company and/or Hetal Pamani, Head – Treasury and/ or such other officials of the Company as may be authorised by Managing Director & CEO and/or Chief Financial Officer be and are hereby authorised severally to finalise all agreements, deeds, documents, writings and instruments and other papers and to sign and execute on behalf of the Company all applications, forms, documents, agreements, returns, receipts, undertakings, indemnities and all renewals and/or amendments thereto and to appoint and remove bankers, Issue and Paying agents, registrars, brokers, arrangers, advisors other agencies as may be required and to remunerate them by way of commission, brokerage, fees or the like (including reimbursement of their actual expenses) and to settle terms and conditions relating to the same as may be required in connection with borrowing of moneys by way of Commercial Paper and to do all such acts, deeds and things as may be incidental or consequential thereto.

For **ICICI Home Finance Company Limited**

PRIYANKA RAMESH SHETTY

Digitally signed by PRIYANKA RAMESH SHETTY
DN: c=IN, st=Maharashtra, 2.5.4.20=3841d2da011cd476db2cc82eda3e7e5a1f87b04226602e820e4e3a2155 5e4f0, postalCode=400092, street=A 201 OM SAGAR CHANDAVARKAR ROAD N R H ARSHA PARK BORIVALI W, pseudonym=18c50d4296e84387d77bd6f90e882e00, serialNumber=e2966d69da2ca3668ae4817d0f0e631cc0e3d865c57fa8032275b44465ba6505, o=Personal, cn=PRIYANKA RAMESH SHETTY
Date: 2023.12.05 11:06:10 +05'30'

**Priyanka Shetty**
**Company Secretary**

ICICI Home Finance

**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF ICICI HOME FINANCE COMPANY LIMITED AT ITS MEETING HELD ON FRIDAY, OCTOBER 13, 2023 AT MUMBAI.**

**Half-yearly revalidation of unutilised sub-limits for borrowing through private placement of secured and/or unsecured NCDs/Bonds**

**RESOLVED that** pursuant to the provisions of Section 42 and Section 71 of Companies Act, 2013 and Rules made thereunder, RBI Directions and approval of the members of the Company at the Annual General Meeting held on May 30, 2023, the Board of Directors be and hereby revalidates its approval for issuance of secured or unsecured NCDs for the balance unutilised portion of ₹32.20 billion out of the limit of upto ₹35.00 billion in one or more tranches on a private placement basis to one or more persons, bodies corporate, banks/financial institutions, mutual funds, other investors/investing agencies etc. upon the terms and condition as may be decided by the Board (which term shall be deemed to include Committees authorised in this regard) in its absolute discretion.

**RESOLVED further that** the borrowings through rupee and foreign currency NCDs/Bonds shall be including but not limited to plain vanilla bonds, masala bonds, market linked bonds, partly paid bonds etc.

**RESOLVED further that** for rupee denominated bonds, the funds raised by the Company shall be utilised for its deployment of funds on its own balance sheet including providing housing loans and other loans, for general corporate purpose, to retire/replace existing liabilities and for temporary deployment pending utilisation of proceeds and shall not be for any specific project and would not be used for onward lending to any group entities/parent companies/associates and as permitted in the regulations from time to time.

**RESOLVED further that** for foreign currency bonds or masala bonds, the purpose of the bonds shall be in accordance with the permitted purposes and the same shall be stated in the Information/Placement memorandum

**RESOLVED further that** without prejudice to the generality of the above and for the purpose of giving effect to the above, the Committee of Executives be and is hereby authorised to determine as to when the fully/partly paid, fixed/floating rate, rupee/ foreign currency, secured/unsecured NCDs/Bonds are to be issued, type of secured or unsecured NCDs/Bonds, the terms of the issue, number of secured or unsecured NCDs/Bonds to be allotted in each tranche, issue price, rate of interest, redemption period, listing on one or more recognised stock exchanges and all such terms as are provided in offering of a like nature and to make and accept any modifications in the proposal as may be required by the authorities involved in such issues and to perform all such acts, deeds, matters and things execute all such deeds and documents as may be necessary and settle any questions or difficulties that may arise in regard to the said issue(s).

**RESOLVED further that** the approval is hereby accorded to the Committee of Executives to appoint lead managers, arrangers, advisors, underwriters, depositories, registrars, facility agents, process agents, trustees, bankers, lawyers/legal counsels, advisors, credit rating agencies and all such agencies as may be involved or concerned in such offerings and to remunerate them by way of commission, brokerage, fees or the like (including reimbursement of their actual expenses) and also to enter into and execute all such arrangements, contracts/agreements, memorandum, documents, etc., with such agencies.

**RESOLVED further that** the Committee of Executives be and is hereby authorised to delegate (to the extent permitted by law) all or any of the powers herein conferred to any executive director or directors or any other officer or officers of the Company and to do all such acts, deeds and things as may be required to give effect to the aforesaid Resolution.

For **ICICI Home Finance Company Limited**

PRIYANKA RAMESH SHETTY

Digitally signed by PRIYANKA RAMESH SHETTY
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Date: 2023.12.20 12:39:22 +05'30'

**Priyanka Shetty**
**Company Secretary**

ICICI Home Finance

**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF ICICI HOME FINANCE COMPANY LIMITED AT ITS MEETING HELD ON MONDAY, APRIL 17, 2023 AT MUMBAI.**

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**Fixing of limits for borrowing and investment/ deployment of funds**

**"RESOLVED that** pursuant to the provisions of Section 180(1)(c), Section 179 (3) and other applicable provisions if any, of the Companies Act, 2013, the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (RBI Directions) as amended from time to time and relevant provisions of the Articles of Association of the Company and subject to the approval of members of the Company, consent of the Board of Directors of the Company be and is hereby accorded for borrowing any sum or sums of moneys for and on behalf of the Company from time to time, from any persons, firms, body corporate, bankers, financial institutions or from others by way of advances, deposits, loans or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of Company's assets and properties, whether movable or immovable or debts subject to any restriction imposed by the terms of the Agreements as may have been entered into or may be entered into from time to time for grant of any assistance to the Company, of all moneys deemed by them to be requisite or proper for the purpose of carrying on the business of the Company, notwithstanding that the moneys to be borrowed together with the money already borrowed by the Company (apart from temporary loans, if any, obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid-up capital of the Company and its free reserves provided that the total amount of such borrowings outstanding at any time shall not exceed ₹ 250.00 billion (Rupees Two-Hundred and fifty billion) or the limit as specified in RBI Directions as amended from time to time whichever is lower.

**RESOLVED further that** Anirudh Kamani, Managing Director & Chief Executive Officer and/or Vikrant Gandhi, Chief Financial Officer and/or Priyanka Shetty, Company Secretary and/or Hetal Pamani, Head treasury be and are authorised severally to finalise all agreements, deeds, documents, writings and instruments and to sign, execute necessary applications, agreements, forms, indemnities, undertakings and other necessary documents and to appoint and remove bankers, Issuing and paying agents, registrars, other agencies and to settle terms and conditions relating to the same as may be required and to do all such acts, deeds and things as may be incidental or consequential thereto.

**RESOLVED further that** the Common Seal of the Company, if required, be affixed to any of the deeds, agreements, documents, and writings in respect of the above borrowings, in the presence of any one of the Directors and Priyanka Shetty, Company Secretary or Vikrant Gandhi, Chief Financial Officer of the Company in terms of Articles of Association of the Company, who shall sign the same in token thereof.

**RESOLVED further that** the authority granted to the officials, by the Board of Directors in regard to the above mentioned matters, be superseded, save that all acts, deeds, matters and things done under or by virtue of the said authority shall remain in full force and effect."

For **ICICI Home Finance Company Limited**

Priyanka Ramesh Shetty

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Date: 2023.12.22 17:27:11 +05'30'

**Priyanka Shetty**
**Company Secretary**

**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF ICICI HOME FINANCE COMPANY LIMITED AT ITS MEETING HELD ON MONDAY, APRIL 17, 2023 AT MUMBAI.**

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**Fixing of limits for creation of charge/security on the assets to secure its borrowings**

**RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the applicable Rules framed thereunder (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force); the applicable provisions of the Memorandum of Association and the Articles of Association of the Company and all other applicable laws, acts, rules, regulations, guidelines, circulars, directions and notifications and subject to such other consent(s) / permission(s) / sanction(s), as may be required and subject to approval of the shareholders of the Company, consent of the Board of Directors of the Company be and is hereby accorded to create such charges, mortgages, hypothecations or lien or pledge in addition to the existing charges, mortgages, hypothecations or lien or pledge created by the Company, on such movable and immovable properties and/or assets of the Company, both present and future, in favour of any banks/financial institutions, Body Corporates/companies/any other entities/persons, other investing agencies and trustees for the holders of debentures/bonds/other instruments in such form and manner as the Board may deem fit, for securing the borrowings of the Company (up to the borrowing limits as approved under Section 180(1)(c) of the Act) for an amount not exceeding ₹250.00 billion (Rupees Two-hundred and fifty billion).

**RESOLVED further that** Anirudh Kamani, Managing Director and Chief Executive Officer or Vikrant Gandhi, Chief Financial Officer or Hetal Pamani, Head- Treasury of the Company be and are authorised severally to finalise all agreements, deeds, documents, writings and instruments and to sign, execute necessary applications, agreements, forms, indemnities, undertakings and other necessary documents and to do all such acts, deeds and things in connection with the said resolution.

**RESOLVED further that** Anirudh Kamani, Managing Director and Chief Executive Officer or Vikrant Gandhi, Chief Financial Officer of the Company be and are authorised severally to appoint any other officials of the Company to sign and execute all such agreements, documents, deeds and/ or other writings and also to register all such documents with the concerned Sub Registrar of Assurance, if any, and to do all other acts, deeds and things as may be required for the purpose of giving effect to the said resolution.

**RESOLVED further that** the Common Seal of the Company be affixed, to the Transaction Documents and/ or to other documents, if required, in accordance with the provisions of the Articles of Association of the Company;

**RESOLVED further that** Anirudh Kamani, Managing Director and Chief Executive Officer or Vikrant Gandhi, Chief Financial Officer or Priyanka Shetty, Company Secretary of the Company be and are hereby authorise to file the required returns/forms with the Registrar of Companies and other regulatory authorities and to do all such acts, things, deeds as may be required in this connection and to provide a certified true copy of this Resolution and any other related documents in this regard and the same be furnished to the concerned authorities and they be requested to act thereon.

For **ICICI Home Finance Company Limited**

PRIYANKA RAMESH SHETTY

Digitally signed by PRIYANKA RAMESH SHETTY
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Date: 2024.01.02 10:46:00 +05'30'

**Priyanka Shetty**
**Company Secretary**

CareEdge RATINGS

**No. CARE/HO/RL/2024-25/1033**

**Shri Shyamsunder Tailor**
**Chief Financial Officer**
**ICICI Home Finance Company Limited**
RPG tower, 4th floor,
Andheri kurla road, J B nagar,
Mumbai
Maharashtra 400059

April 10, 2024

**Confidential**

Dear Sir,

**Credit rating for Non-Convertible Debentures**

Please refer to our letter no. CARE/HO/RL/2023-24/4584 dated March 11, 2024 and your request for revalidation of the rating assigned to the NCD company, for a limit of Rs.11,500.00 crore.

2. The following rating(s) have been reviewed:

| Sr. No. | Instrument | Amount (₹ crore) | Rating[1] | Rating Action |
|---|---|---|---|---|
| 1. | Non Convertible Debentures | 11,000.00 | CARE AAA; Stable (Triple A; Outlook: Stable) | Reaffirmed |
| 2. | Subordinate Debt | 500.00 | CARE AAA; Stable (Triple A; Outlook: Stable) | Reaffirmed |

3. Please arrange to get the rating revalidated, in case the proposed issue is not made within **six months** from the date of this letter.
4. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

| Instrument type | ISIN | Issue Size (Rs cr.) | Coupon Rate | Coupon Payment Dates | Terms of Redemption | Redemption date | Name and contact details of Trustee/IPA | Details of top 10 investors |
|---|---|---|---|---|---|---|---|---|

[1]Complete definitions of the ratings assigned are available at www.careedge.in and in other CARE Ratings Ltd.'s publications.

5. CARE Ratings Ltd. reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.

6. CARE Ratings Ltd. reserves the right to revise/reaffirm/withdraw the rating assigned as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE Ratings Ltd. warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE Ratings Ltd. so as to enable it to carry out continuous monitoring of the rating of the debt instruments, CARE Ratings Ltd. shall carry out the review on the basis of best available information throughout the life time of such instruments. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE Ratings Ltd. shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.

7. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.
8. Users of this rating may kindly refer our website www.careedge.in for latest update on the outstanding rating.
9. CARE Ratings Ltd. ratings are **not** recommendations to buy, sell, or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,

**Soniya Mehta**
Lead Analyst
soniya.mehta@careedge.in

**Aditya R Acharekar**
Associate Director
aditya.acharekar@careedge.in

Encl.: As above

Disclaimer

The ratings issued by CARE Ratings Limited are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings Limited has based its ratings/outlooks based on information obtained from reliable and credible sources. CARE Ratings Limited does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings Limited have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings Limited or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE Ratings Limited is, inter-alia, based on the capital deployed by the partners/proprietor and the current financial strength of the firm. The rating/outlook may undergo a change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE Ratings Limited is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE Ratings Limited's rating.
Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

# ICICI Home Finance Company Limited

June 29, 2023

| Facilities/Instruments | Amount (₹ crore) | Rating[1] | Rating Action |
|---|---|---|---|
| Debt-Subordinate debt | 500.00 | CARE AAA; Stable | Reaffirmed |
| Market-linked debentures | 2,000.00 | CARE PP-MLD AAA; Stable | Reaffirmed |
| Non-convertible debentures | 11,000.00 | CARE AAA; Stable | Reaffirmed |
| Fixed deposit | 5,000.00 | CARE AAA; Stable | Reaffirmed |
| Commercial paper | 4,000.00 | CARE A1+ | Reaffirmed |

Details of instruments/facilities in Annexure-1.

## Detailed Rationale and key rating drivers

The ratings assigned to the debt instruments of ICICI Home Finance Company Limited (ICICI HFC) derive strength from its parentage of ICICI Bank (IBL; rated CARE AAA; Stable) and the strategic importance of ICICI HFC to the parent group (ICICI). The rating further factors in the managerial support that ICICI HFC receives along with the shared brand name, funding support, and financial flexibility with access to diversified funding sources which enhances the resource-raising capability of the company. The ratings also factor in ICICI HFC's adequate capitalisation levels, the increasing presence in retail home loan market with focus on affordable housing segment and the expected parent support which outweigh moderate but improving asset quality and profitability.

## Rating sensitivities: Factors likely to lead to rating actions

**Positive factors:** Not applicable

**Negative factors**

- Significant fall in the shareholding of IBL in ICICI HFC and weakening of the expected parent support.
- Weakening of the credit profile of IBL resulting in a downgrade in rating of IBL, which could lead to a similar rating change on ICICI HFC.
- Significant deterioration in the asset quality, with a net non-performing assets (NPA) ratio of over 6.5% on a sustained basis.

## Analytical approach:

Standalone. Factoring in the strong linkages and expected support from its parent IBL which holds 100% shareholding.

## Outlook: Stable

Stable outlook is on account of improvement in the profitability post increase in the levels of disbursements of loans during FY23 which is expected to continue in the near term and improvement in the asset quality parameters.

## Detailed description of the key rating drivers:

## Key strengths:

**Strong parentage and its support in the form of financial, operational and managerial assistance:**

[1]Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

ICICI HFC is a wholly owned subsidiary of IBL (rated CARE AAA; Stable / CARE A1+). It has a strategic positioning for the group as an entity which focuses on affordable housing financing, which the group has planned to scale up. ICICI HFC caters to customer segment and geographies, where IBL has no or limited presence and focuses on Tier II and Tier III cities as against IBL which focuses largely on more prime segment. Furthermore, IBL is also assisting ICICI HFC in the expansion and scale-up of its business activities. By virtue of being a wholly owned subsidiary of IBL, ICICI HFC enjoys high financial flexibility enabling it to raise funds at competitive rates. During July 2022, IBL infused equity capital of ₹250 crore into ICICI HFC. Furthermore, ICICI HFC is expected to receive capital and funding support from IBL on a need basis, subject to regulatory approval. IBL also has a representation on the Board of the company. The Board is headed by Vinod Dhall (Chairman) and the operations of the company are looked after by Anirudh Kamani (Managing Director & Chief Executive Officer), having vast and well-round experience across domains along with well experienced non-executive directors having an experience of more than 25 years in banking.

**Diversified resource profile:**

The resource profile of ICICI HFC is diversified, with term loans from banks, refinance from the National Housing Bank (NHB), capital market borrowings, and fixed deposits. The resource profile is also diversified in terms of investors comprising public sector and private sector banks, mutual funds, retirement funds, foreign institutional investors (FIIs), corporates and the public or high net worth individuals (HNIs). Deposits constituted 25% (PY: 24%) of total borrowings as on March 31, 2023, while bank borrowings (including NHB refinance) constituted 36% (PY: 28%), market borrowings constituted 35% (PY: 35%), balance through commercial paper (CP) which constituted 5% (PY: 2%). Furthermore, the company has also been doing direct assignment (sell down) of its loan portfolio. As on March 31, 2023, the company's assigned loan portfolio stood at ₹4,501 crore (P.Y.- ₹ 3,363 crore), constituting 20.42% of the assets under management (AUM). Furthermore, the company has been able to maintain its cost of funds during FY23, due to its strategy to borrow short to medium term fixed rate liabilities specifically in the early part of the year when the rates were comparatively lower and borrow long-term floating rate liabilities linked to MCLRs/external benchmarks. Additionally, during the fiscal, the company prepaid term loans amounting to ₹2,131 crore, which in addition to high-cost term loans included high-cost External Commercial Borrowing (ECB) facility resulting in reduction in cost of borrowing.

**Adequate capitalisation and moderate gearing levels:**

ICICI HFC has been maintaining adequate capitalisation levels over the last few years and reported total capital adequacy ratio (CAR) and Tier-I CAR of 23.47% and 19.2%, respectively, as on March 31, 2023, as compared to 21.9% and 16.95%, respectively, as on March 31, 2022. During FY23, IBL has infused an equity capital of ₹250 crore in the company.

During FY23, the company's net worth increased due to infusion of equity capital (₹250 crore), increase in retained earnings by around ₹225 crore (P.Y.: ₹131 crore) and an increase in OCI reserves by ₹166 crore (P.Y.: ₹153 crore). Overall gearing stood at 5.33x (post adjustment for fair value gains: 6.04x) as on March 31, 2023 as compared to overall gearing of 6.11x (post adjustment for fair value gains: 6.63x) as on March 31, 2022.

Although, the leverage has decreased, the company plans to grow its portfolio which would increase the leverage in the near term. The company plans to maintain leverage below 8x calculated on its net owned funds (NOF) going forward.

**Increasing presence in the home loan market along with efforts to increase geographical diversification albeit lower seasoning and higher proportion of self-employed customers:**

ICICI HFC caters to customer segment and geographies where IBL has no or limited presence. During the past few years, the bank has started focusing of the affordable housing portfolio and lower ticket-size exposures in the construction finance segment. The product mix of the company is almost similar to the previous year. Home loans, LAP and construction finance constituted 70.79% (PY: 71.16%), 25.78% (PY: 26.95%) and 3.43% (PY: 1.93%) respectively of the gross loan book. During the year the net assets under management increased by 23.42% vis-à-vis industry growth of 11%. The proportion of the self-employed

customers accounted for 62% (PY: 63%) which is relatively vulnerable to the economic cycle as compared to the salaried customer segment. Further during the year, the company opened 43 branches and closed 13 nonperforming branches. Currently, it has presence in 22 states; however, the geographical concentration in the state of Maharashtra, though slightly improved, continues to be high at 23.31% of the total exposure (PY: 24.99%).

**Key rating weaknesses**

**Moderate asset quality:**

ICICI HFC has seen improvement in its asset quality parameters over the years; however, they remain moderate compared to the other players in the housing finance segment. The GS3 ratio and NS3 ratio of the company improved from 5.78% and 4.3% as on March 31, 2022 to 3.14% and 2.04% as on March 31, 2023 respectively, on account of recoveries of ₹643.6 crore as well as write-offs in Fy23. The company's restructured advances book stood at ₹695 crore as on March 31, 2023, constituting 3.97% of net advances, out of which stage 3 accounted for ₹130 crore. Net stressed assets to tangible net worth stood at 37.63% (P.Y.: 70.33%) as on March 31, 2023. During the year the slippages have reduced from ₹861 crore to ₹569 crore. The company's Stage 3 provision coverage ratio stood at 36%.

**Profitability improvement over the last few years:**

Over the last three years, ICICI HFC has seen an improvement in profitability. The company saw increase in yield on advances from 10.11% in FY22 to 10.78% in FY23 as 97% of the portfolio is at floating rate, which enabled it to pass on the increase in the cost of borrowings. During FY23, the company increased its PLR by 125 bps. Since there was no increase in the company's cost of funds as the same was mitigated with prepayments of ECB and other high-cost borrowings during FY23 (6.9%), it resulted in an improved NIM of 4.70% for FY23 (PY: 3.65%). Further the non-interest income in the form of fees and commission has increased marginally i.e from ₹31.4 crore to ₹39.5 crore due to the increase in processing and referral fees. Operating expenses have increased in FY23 due to the opening of 43 branches and increased legal expense from ₹23 crore in FY22 to ₹48 crore in FY23. On book, the ROTA of the company has improved from 1.05% to 1.73% due to the reduced credit cost from 1.12% in FY22 to 1.02% in FY23.

**Liquidity**: Adequate

The asset-liability maturity (ALM) profile of the company as on March 31, 2023, showed no cumulative mismatches (including sanctioned but undrawn term loans) in the up to the one-year bucket. The company, being a housing loan lender, has inherent ALM mismatches in longer-time buckets due to the relatively longer maturity profile of assets vis-à-vis the borrowings. However, the company has a strong resource-raising ability which helps it maintain adequate liquidity. As on May 31, 2023, the company has undrawn lines of ₹2,450 crore and OD limit of ₹375 crore. Also, being part of ICICI group adds comfort.

**Environment, social, and governance (ESG) risks:** NA

## Applicable criteria

Policy on default recognition
Factoring Linkages Parent Sub JV Group
Financial Ratios - Financial Sector
Rating Outlook and Credit Watch
Short Term Instruments
Housing Finance Companies
Policy on Withdrawal of Ratings
Market Linked Notes

## About the company and industry

### Industry classification

| Macro Economic Indicator | Sector | Industry | Basic Industry |
|---|---|---|---|
| Financial Services | Financial Services | Finance | Housing Finance Company |

ICICI HFC, incorporated on May 28, 1999, is a wholly owned subsidiary of IBL (rated 'CARE AAA; Stable', 'CARE A1+'). ICICI HFC has a network of 200 branches and a strength of 2,751 employees. ICICI HFC primarily caters to the customer segment and geographies where IBL has no or limited presence. ICICI HFC's total loan book stood at ₹17,543 crore as on March 31, 2023, and AUM stood at ₹22,044 crore. ICICI HFC provides housing loans (comprises 71% of the loan book), LAP (26%), and construction financing (3%). From 2018, the company has also been giving affordable housing loans (AHL). Affordable loans accounted for 37% of the total mortgage disbursements.

| Brief Financials (₹ crore) | March 31, 2021 (A) | March 31, 2022 (A) | March 31, 2023 (A) |
|---|---|---|---|
| Total operating income | 1613.5 | 1,591.76 | 1,950.75 |
| PAT | 21.6 | 164.17 | 301.82 |
| ROTA (%) | 0.14 | 1.05 | 1.73 |
| Overall gearing | 7.36 | 6.11 | 5.33 |
| Net NPA (%) | 5.19 | 4.30 | 2.04 |

A: Audited UA: Unaudited; Note: 'the above results are latest financial results available'

**Status of non-cooperation with previous CRA:** Not applicable.

**Any other information:** Not applicable.

**Rating history for last three years:** Please refer Annexure-2

**Covenants of rated instrument / facility:** Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

**Complexity level of various instruments rated**: Annexure-4

**Lender details**: Annexure-5

**Annexure-1: Details of instruments/facilities**

| Name of the Instrument | ISIN | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (₹crore) | Rating Assigned along with Rating Outlook |
|---|---|---|---|---|---|---|
| Debentures-NCD | Various ISIN's^ | Various Issuance dates | Various Coupon Rates | Various Maturity Dates | 7,107.2 | CARE AAA; Stable |
| Debentures-NCD | INE071G07298 | December 05, 2019 | 8.00% | December 05, 2024 | 120 | CARE AAA; Stable |
| Debentures-NCD | INE071G07298 | January 30, 2020 | 8.00% | December 05, 2024 | 350 | CARE AAA; Stable |
| Debentures-NCD | INE071G07256 | April 28, 2020 | 7.60% | April 28, 2025 | 120 | CARE AAA; Stable |
| Debentures-NCD | INE071G07322 | May 26, 2020 | 7.45% | July 05, 2024 | 200 | CARE AAA; Stable |
| Debentures-NCD | INE071G07330 | May 26, 2020 | 8.00% | May 24, 2030 | 5 | CARE AAA; Stable |
| Debentures-NCD | Proposed | - | - | - | 3,097.8 | CARE AAA; Stable |
| Debt-Subordinate debt | INE071G08AH0 | June 10, 2020 | 8.02% | June 10, 2030 | 50 | CARE AAA; Stable |
| Debt-Subordinate debt | INE071G08AH0 | Jun 26, 2020 | 8.02% | June 10, 2030 | 45.5 | CARE AAA; Stable |
| Debt-Subordinate debt | Proposed | - | - | - | 404.5 | CARE AAA; Stable |
| Debentures-MLD | INE071G07355^ | June 26, 2019 | 8.10% | June 25, 2021 | 30.00 | CARE PP-MLD AAA; Stable |
| Debentures-MLD | INE071G07348^ | August 06, 2019 | 8.00% | August 06, 2021 | 119.50 | CARE PP-MLD AAA; Stable |
| Debentures-MLD | INE071G07355^ | August 20, 2019 | 8.10% | June 25, 2021 | 45.80 | CARE PP-MLD AAA; Stable |
| Debentures-MLD | INE071G07363^ | September 06, 2019 | 7.70% | January 06, 2022 | 27.00 | CARE PP-MLD AAA; Stable |
| Debentures-MLD | INE071G07363^ | October 23, 2019 | 7.70% | January 06, 2022 | 11.50 | CARE PP-MLD AAA; Stable |
| Debentures-MLD | INE071G07348^ | October 23, 2019 | 8.00% | August 06, 2021 | 6.00 | CARE PP-MLD AAA; Stable |
| Debentures-MLD | INE071G07363^ | November 29, 2019 | 7.70% | January 06, 2022 | 15.80 | CARE PP-MLD AAA; Stable |
| Debentures-MLD | INE071G07371^ | August 26, 2020 | 5.15% | August 26, 2022 | 110.00 | CARE PP-MLD AAA; Stable |
| Debentures-MLD | INE071G07496 | July 27, 2022 | 6.76% | January 25, 2024 | 179.9 | CARE PP-MLD AAA; Stable |
| Debentures-MLD | INE071G07504 | August 24, 2022 | 7.00% | February 23, 2024 | 84.30 | CARE PP-MLD AAA; Stable |
| Debentures-MLD | INE071G07538 | September 26, 2022 | 7.30% | March 26, 2025 | 57 | CARE PP-MLD AAA; Stable |
| Debentures-MLD | INE071G07546 | October 12, 2022 | 7.56% | April 11, 2025 | 110 | CARE PP-MLD AAA; Stable |
| Debentures-MLD | INE071G07553 | November 14, 2022 | 7.65% | April 29, 2025 | 40 | CARE PP-MLD AAA; Stable |
| Debentures-MLD | Proposed | - | - | - | 1,163.2 | CARE PP-MLD AAA; Stable |
| Fixed deposit | - | - | - | Ongoing | 5,000 | CARE AAA; Stable |
| Commercial Paper | INE071G14EQ1 | 06-Apr-23 | 7.25% | 27-Jun-23 | 175 | CARE A1+ |
| Commercial Paper | INE071G14ER9 | 19-May-23 | 7.23% | 18-Aug-23 | 125 | CARE A1+ |
| Commercial Paper | INE071G14ES7 | 23-May-23 | 7.09% | 22-Aug-23 | 125 | CARE A1+ |

| | | | | | | |
|---|---|---|---|---|---|---|
| Commercial Paper | INE071G14ET5 | 07-Jun-23 | 7.00% | 06-Sep-23 | 300 | CARE A1+ |
| Commercial Paper | Proposed | - | - | - | 3,275 | CARE A1+ |

MLD: Market linked Debenture, NCD: Nonconvertible debentures

^The instruments have been fully repaid. The instruments would be removed post discussion with the issuer for withdrawal of rating.

**Annexure-2: Rating history for the last three years**

| Sr. No. | Name of the Instrument/Bank Facilities | Current Ratings | | | Rating History | | | |
|---|---|---|---|---|---|---|---|---|
| | | Type | Amount Outstanding (₹ crore) | Rating | Date(s) and Rating(s) assigned in 2023-2024 | Date(s) and Rating(s) assigned in 2022-2023 | Date(s) and Rating(s) assigned in 2021-2022 | Date(s) and Rating(s) assigned in 2020-2021 |
| 1 | Fixed Deposit | LT | 5000.00 | CARE AAA; Stable | - | 1)CARE AAA; Stable (07-Dec-22)<br><br>2)CARE AAA; Stable (05-Jul-22)<br><br>3)CARE AAA; Stable (22-Jun-22) | 1)CARE AAA (FD); Stable (06-Jul-21) | 1)CARE AAA (FD); Stable (21-Sep-20)<br><br>2)CARE AAA (FD); Stable (07-Jul-20) |
| 2 | Debentures-Non Convertible Debentures | LT | 11000.00 | CARE AAA; Stable | - | 1)CARE AAA; Stable (07-Dec-22)<br><br>2)CARE AAA; Stable (05-Jul-22) | 1)CARE AAA; Stable (06-Jul-21) | 1)CARE AAA; Stable (07-Jul-20) |
| 3 | Debt-Subordinate Debt | LT | 500.00 | CARE AAA; Stable | - | 1)CARE AAA; Stable (07-Dec-22)<br><br>2)CARE AAA; Stable (05-Jul-22) | 1)CARE AAA; Stable (06-Jul-21) | 1)CARE AAA; Stable (07-Jul-20) |
| 4 | Commercial Paper-Commercial Paper (Standalone) | ST | 4000.00 | CARE A1+ | - | 1)CARE A1+ (07-Dec-22)<br><br>2)CARE A1+ (05-Jul-22) | 1)CARE A1+ (06-Jul-21) | 1)CARE A1+ (07-Jul-20) |
| 5 | Debentures-Market Linked Debentures | LT | 1000.00 | CARE PP-MLD AAA; Stable | - | 1)CARE PP-MLD AAA; Stable (07-Dec-22)<br><br>2)CARE PP-MLD AAA; Stable (05-Jul-22) | 1)CARE PP-MLD AAA; Stable (06-Jul-21) | 1)CARE PP-MLD AAA; Stable (07-Jul-20) |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 6 | Debentures-Market Linked Debentures | LT | 1000.00 | CARE PP-MLD AAA; Stable | - | 1)CARE PP-MLD AAA; Stable (07-Dec-22) | - | - |

*Long term/Short term.

**Annexure-3: Detailed explanation of covenants of the rated instruments/facilities:** Not applicable

**Annexure-4: Complexity level of the various instruments rated**

| Sr. No. | Name of the Instrument | Complexity Level |
|---|---|---|
| 1 | Commercial Paper-Commercial Paper (Standalone) | Simple |
| 2 | Debentures-Market Linked Debentures | Highly Complex |
| 3 | Debentures-Non Convertible Debentures | Simple |
| 4 | Debt-Subordinate Debt | Complex |
| 5 | Fixed Deposit | Simple |

**Annexure-5: Lender details**

| |
|---|
| To view the lender wise details of bank facilities please click here |

**Note on the complexity levels of the rated instruments:** CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

**Contact us:**


| Media Contact | Analytical Contacts |
|---|---|
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**About us:**

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

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The ratings issued by CARE Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings has based its ratings/outlook based on information obtained from reliable and credible sources. CARE Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating/outlook assigned by CARE Ratings is, inter-alia, based on the capital deployed by the partners/proprietors and the current financial strength of the firm. The ratings/outlook may change in case of withdrawal of capital, or the unsecured loans brought in by the partners/proprietors in addition to the financial performance and other relevant factors. CARE Ratings is not responsible for any errors and states that it has no financial liability whatsoever to the users of the ratings of CARE Ratings. The ratings of CARE Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades.

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CRISIL Ratings

**CONFIDENTIAL**

RL/ICIHMFNCOL/335646/NCD/0324/82546/98697210
March 27, 2024

**Mr. Shyamsunder Tailor**
Chief Financial Officer
**ICICI Home Finance Company Limited**
ICICI HFC Tower
Andheri Kurla Road,
J B Nagar Andheri (E)
Mumbai City - 400059

Dear Mr. Shyamsunder Tailor,

**Re: CRISIL rating on the Non Convertible Debentures Aggregating Rs.6195 Crore of ICICI Home Finance Company Limited.**

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated February 29, 2024 bearing Ref. no: RL/ICIHMFNCOL/335646/NCD/0224/80387/98697210

Rating outstanding on the captioned debt instruments is "CRISIL AAA/Stable" (pronounced as "CRISIL triple A rating" with Stable outlook). Securities with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such securities carry lowest credit risk..

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

As per the latest SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us for any clarifications you may have at debtissue@crisil.com

Should you require any clarifications, please feel free to contact us.

With warm regards,

Yours sincerely,

Subha Sri Narayanan
Director - CRISIL Ratings

Nivedita Shibu
Associate Director - CRISIL Ratings

***Disclaimer**: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at CRISILratingdesk@crisil.com or at 1800-267-1301*

CRISIL Ratings

# Rating Rationale

January 31, 2024 | Mumbai

# ICICI Home Finance Company Limited

*Rating Reaffirmed*

**Rating Action**

| | |
|---|---|
| **Long Term Principal Protected Market Linked Debentures Aggregating Rs.634.4 Crore (Reduced from Rs.1634.4 Crore)** | **CRISIL PPMLD AAA/Stable (Reaffirmed)** |
| **Rs.4500 Crore Fixed Deposits** | **CRISIL AAA/Stable (Reaffirmed)** |
| **Non Convertible Debentures Aggregating Rs.6195 Crore (Reduced from Rs.6545 Crore)** | **CRISIL AAA/Stable (Reaffirmed)** |
| **Rs.500 Crore Subordinated Debt** | **CRISIL AAA/Stable (Reaffirmed)** |

*Note: None of the Directors on CRISIL Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.*
*1 crore = 10 million*
*Refer to Annexure for Details of Instruments & Bank Facilities*

**Detailed Rationale**

CRISIL Ratings has reaffirmed its 'CRISIL AAA/CRISIL PPMLD AAA/Stable' ratings on the existing debt instruments of ICICI Home Finance Company Ltd (ICICI HFC).

CRISIL Ratings has also **withdrawn** its rating on Rs 350 crore of non-convertible debentures, and Rs 1,000 crore long term principal protected market-linked debenture on the company's request as the outstanding against the same is nil and on receipt of confirmation from debenture trustee (See Annexure 'Details of Rating Withdrawn' for details). The withdrawal is in line with CRISIL Ratings withdrawal policy.

The ratings continue to reflect the expectation of continued strong support from the promoter, ICICI Bank Ltd (ICICI Bank; 'CRISIL AAA/CRISIL AA+/Stable') and the diversified resource profile of ICICI HFC. These strengths are partially offset by gradual restoration in asset quality and profitability wherein sustenance in improvement of both alongside business growth, remains a rating sensitivity factor.

The company's Assets under management (AUM) stood at Rs 22,358 crore as on March 31, 2023 which marks an annual growth of 23% over fiscal 2022. The AUM further grew to Rs 27,490 crore on December 31, 2023. Corresponding to this growth, the company's asset quality has also improved reflected in gross non-performing assets (NPAs) declining to 2.0% as on December 31, 2023 from 3.1% as on March 31, 2023 (5.8% as on March 31, 2022). This improvement was driven by higher collection efficiency and recoveries made during the year. In terms of profitability, the company reported a return on assets (RoA) of 2.0% (annualized) for the nine-month period ending December 31, 2023, higher than 1.4% in fiscal 2023 and 0.9% in fiscal 2022.

**Analytical Approach**

The ratings factor in expectation of strong support from the parent, ICICI Bank. CRISIL Ratings believes ICICI Bank will continue to support ICICI HFC, considering the strategic importance of the latter, shared brand and 100% shareholding.

**Key Rating Drivers & Detailed Description**

**Strengths:**

**Expectation of continued strong support from the parent**

ICICI HFC is a strategically important subsidiary for ICICI Bank, with presence in product segments and geographies complementing the offerings of the bank. It provides housing loans (with continued focus on affordable housing), loans against property (LAP), lease rental discounting (LRD), developer financing and gold financing. ICICI Bank has infused capital of Rs 250 crore in last fiscal to support the growth plans of the company. The bank also continues to provide strategic and management support to the company via representation on the board and monitoring of growth strategies and performance. Most of the current senior management of ICICI HFC has been drawn from ICICI Bank, having vast and well-rounded experience across domains. The company has significantly scaled up its distribution and credit capacities to deepen its presence in individual home loans and LAP segments. Strong parentage further enables the company to raise funds at competitive rates.

ICICI Bank holds a 100% stake in ICICI HFC and is likely to maintain majority share in the company going forward too.

**Diversified resource profile**
The resource profile is stable and well-diversified. Total outstanding borrowing was Rs 18,518 crore as on December 31, 2023, comprising bank debt (28% of total borrowing;), bonds (34%), commercial paper (5%), fixed deposits (21%) and refinance from the National Housing Bank (NHB; 13%). The company has successfully raised medium-term and long-term debt from several investors at competitive rates. Cost of borrowing was around 7.3% (annualized) for the nine months ended December 31, 2023. Being part of the ICICI group enables the company to raise resources at competitive rates

**Weakness:**
**Gradual improvement in asset quality and profitability though sustainability of this trajectory remains a monitorable**
Asset quality has improved notably as gross stage-3 assets fell to 2.0% as on December 31, 2023, from 3.1% as on March 31, 2023 (5.8% as of March 31, 2022). This traction was supported by improvement in collections and recovery, particularly in Q3 2024 in which the company recovered its entire outstanding exposure against one large non-performing account in the construction finance segment. With a provisioning coverage ratio of 40%, net NPAs stood at 1.2% as on December 31, 2023, reduced from 2.0% as on March 31, 2023.

In the construction finance segment, the company significantly ran down the legacy book and relaunched the business in fiscal 2020, with stronger guardrails. The company has been selective with the CF portfolio, which formed 3% of the gross AUM as on December 31, 2023, as against 15% as on March 31, 2017. In the home loan and LAP segments, while the gross stage-3 assets inched up post the third wave of the Covid-19 pandemic, the company saw an improvement in collections and rollbacks, leading to relatively lower gross stage-3 assets as of December 31, 2023.

Considerable improvement in asset quality led to better profitability. Profit after tax (PAT) and return on average assets (RoA) increased to Rs 403 crore and 2.0% (annualized) respectively for nine months ended December 31, 2023 as against Rs 302 crore and 1.4%, respectively for fiscal 2023. The improvement was on account of improved net interest margins (NIMs) and reduced credit costs. NIMs for nine months ended fiscal 2024 stood at 3.9% (annualised) compared to 3.8% for fiscal 2023 (3.0% for fiscal 2022). Provision expense remained lower than the past two years and stood at 0.3% and 0.8% respectively for nine months ended December 2023 and for fiscal 2023. Further, continued investment on infrastructure, technology and manpower (operating expense at 2.0% of average total assets in fiscal 2023 and 2.1% (annualised) for nine months ended December 2023) has resulted in improved productivity and overall profitability.

Continued focus on retail home loans and LAP alongside strengthening of credit, risk and collections infrastructure, has been a catalyst for restoration in asset quality in the recent past. However, as the business scales, the company's ability to sustain the improvement in asset quality and profitability remains a monitorable.

**Liquidity: Superior**
The company had cash and cash equivalents, and liquid investments aggregating to Rs 2,192 crore as on January 03, 2024, with further cushion available through unutilised sanctioned bank lines of Rs 2,725 crore. The liquid surplus will comfortably cover the wholesale principal obligation of Rs 2,062 crore for the next six months till June 30, 2024. With respect to asset liability management, there were no mismatches in any buckets up to 1 year as on September 30, 2023. The company also benefits from the support from ICICI Bank.

**Outlook: Stable**
CRISIL Ratings believes ICICI Bank will retain its majority shareholding in ICICI HFC, and continue to extend strategic, management and financial support to the company. The company will likely maintain diversified resource profile over the medium term.

**Rating Sensitivity Factors**
**Downward Factors:**
- Downward revision in the credit risk profile of ICICI Bank by one notch may lead to a similar rating action on ICICI HFC
- Any material change in shareholding or support philosophy of ICICI Bank
- Significant weakening in asset quality, also impacting profitability

**About the Company**
ICICI HFC was incorporated in 1999, as a wholly owned subsidiary of ICICI Bank. The company provides housing loans, LAP, developer financing, and gold financing. The AUM and loan portfolio stood at Rs 27,490 crore and Rs 21,156 crore, respectively, as on December 31, 2023. Housing loans, LAP, and developer finance accounted for 66%, 31% and 3%, respectively, of the AUM. Gold financing constitute a negligible share. It had a network of 216 branches as on December 31, 2023.

The company reported PAT of Rs 403 crore on a total income of Rs 1,904 crore for nine months ended fiscal 2024 compared to Rs 302 crore and Rs 1951 crore, respectively, for fiscal 2023.

**Key Financial Indicators**

| As on / for the period ended | Unit | December 31, 2023 | March 31, 2023 | March 31, 2022 |
|---|---|---|---|---|
| Total assets | Rs crore | 23099 | 18945 | 15940 |
| Total income | Rs crore | 1904 | 1951 | 1592 |
| Profit after tax | Rs crore | 403 | 302 | 164 |
| Return on assets | % | 2.0 | 1.4 | 0.9 |
| Adjusted gearing | Times | 7.7 | 6.9 | 7.7 |
| Gross stage-3 assets | % | 2.0 | 3.1 | 5.8 |

**Any other information:** Not Applicable

**Note on complexity levels of the rated instrument:**
CRISIL Ratings` complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

CRISIL Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the CRISIL Ratings` complexity levels please visit www.crisilratings.com. Users may also call the Customer Service Helpdesk with queries on specific instruments.

**Annexure - Details of Instrument(s)**

| ISIN No. | Name of the instrument | Date of issuance | Coupon rate (%) | Maturity date | Issue size (Rs.Crore) | Complexity level | Rating |
|---|---|---|---|---|---|---|---|
| NA | Fixed deposit | NA | NA | NA | 4500 | Simple | CRISIL AAA/Stable |
| INE071G07579 | Non-convertible debentures | 27-Jan-23 | 7.88% | 27-Jan-28 | 300 | Simple | CRISIL AAA/Stable |
| INE071G07561 | Non-convertible debentures | 24-Nov-22 | 7.95% | 24-Nov-25 | 450 | Simple | CRISIL AAA/Stable |
| INE071G07512 | Non-convertible debentures | 05-Sep-22 | 7.24% | 05-Sep-24 | 125 | Simple | CRISIL AAA/Stable |
| INE071G07298 | Non-convertible debentures | 05-Dec-19 | 8.00% | 05-Dec-24 | 120 | Simple | CRISIL AAA/Stable |
| INE071G07298# | Non-convertible debentures | 30-Jan-20 | 8.00% | 05-Dec-24 | 350 | Simple | CRISIL AAA/Stable |
| INE071G07256 | Non-convertible debentures | 28-Apr-20 | 7.60% | 28-Apr-25 | 120 | Simple | CRISIL AAA/Stable |
| INE071G07322 | Non-convertible debentures | 26-May-20 | 7.45% | 05-Jul-24 | 200 | Simple | CRISIL AAA/Stable |
| INE071G07330 | Non-convertible debentures | 26-May-20 | 8.00% | 24-May-30 | 5 | Simple | CRISIL AAA/Stable |
| INE071G07389 | Non-convertible debentures | 19-Oct-20 | 6.18% | 18-Oct-24 | 100 | Simple | CRISIL AAA/Stable |
| INE071G07397 | Non-convertible debentures | 20-Nov-20 | 7.07% | 20-Nov-30 | 10 | Simple | CRISIL AAA/Stable |
| INE071G07405 | Non-convertible debentures | 20-Nov-20 | 6.18% | 20-May-25 | 150 | Simple | CRISIL AAA/Stable |
| INE071G07413 | Non-convertible debentures | 20-Jul-21 | 5.89% | 19-Jul-24 | 150 | Simple | CRISIL AAA/Stable |
| INE071G07439 | Non-convertible debentures | 12-Aug-21 | 7.25% | 12-Aug-31 | 12 | Simple | CRISIL AAA/Stable |
| INE071G07454 | Non-convertible debentures | 28-Sep-21 | 3M Tbill+127% | 27-Sep-24 | 175 | Simple | CRISIL AAA/Stable |
| INE071G07447 | Non-convertible debentures | 28-Sep-21 | 6.27% | 28-Sep-26 | 10 | Simple | CRISIL AAA/Stable |
| INE071G07439 | Non-convertible debentures | 02-Nov-21 | 7.25% | 12-Aug-31 | 146 | Simple | CRISIL AAA/Stable |
| INE071G07447# | Non-convertible debentures | 03-Dec-21 | 6.27% | 28-Sep-26 | 10 | Simple | CRISIL AAA/Stable |
| INE071G07439# | Non-convertible debentures | 03-Dec-21 | 7.25% | 12-Aug-31 | 85 | Simple | CRISIL AAA/Stable |
| INE071G07462 | Non-convertible debentures | 23-Dec-21 | 6.55% | 23-Dec-26 | 535 | Simple | CRISIL AAA/Stable |
| INE071G07470 | Non-convertible debentures | 23-Dec-21 | 6.12% | 23-Jun-25 | 150 | Simple | CRISIL AAA/Stable |
| INE071G07488 | Non-convertible debentures | 03-Mar-22 | 5.85% | 01-Mar-24 | 425 | Simple | CRISIL AAA/Stable |
| INE071G07587 | Non-convertible debentures | 29-Mar-23 | 8.00% | 28-Jun-24 | 65 | Simple | CRISIL AAA/Stable |
| INE071G07595 | Non-convertible debentures | 27-Apr-23 | 7.90% | 27-Dec-24 | 260 | Simple | CRISIL AAA/Stable |
| INE071G07603 | Non-convertible debentures | 12-May-23 | 7.85% | 12-May-28 | 315 | Simple | CRISIL AAA/Stable |
| INE071G07603# | Non-convertible debentures | 12-May-23 | 7.85% | 12-May-28 | 80 | Simple | CRISIL AAA/Stable |
| INE071G07603# | Non-convertible debentures | 12-May-23 | 7.85% | 12-May-28 | 200 | Simple | CRISIL AAA/Stable |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| INE071G07611 | Non-convertible debentures | 30-Oct-23 | 7.96% | 28-Mar-25 | 400 | Simple | CRISIL AAA/Stable |
| INE071G07629 | Non-convertible debentures | 17-Nov-23 | 8.00% | 31-Jul-25 | 100 | Simple | CRISIL AAA/Stable |
| NA | Non-convertible debentures* | NA | NA | NA | 1147 | Simple | CRISIL AAA/Stable |
| INE071G08AH0 | Subordinate debt | 10-Jun-20 | 8.02% | 10-Jun-30 | 50 | Complex | CRISIL AAA/Stable |
| INE071G08AH0# | Subordinate debt | 26-Jun-20 | 8.02% | 10-Jun-30 | 45.5 | Complex | CRISIL AAA/Stable |
| INE071G08AI8 | Subordinate debt | 10-Nov-20 | 7.50% | 08-Nov-30 | 64 | Complex | CRISIL AAA/Stable |
| INE071G08AI8# | Subordinate debt | 10-Dec-20 | 7.50% | 08-Nov-30 | 107 | Complex | CRISIL AAA/Stable |
| INE071G08AJ6 | Subordinate debt | 10-Dec-20 | 7.65% | 10-Dec-35 | 20 | Complex | CRISIL AAA/Stable |
| INE071G08AJ6# | Subordinate debt | 11-Jan-21 | 7.65% | 10-Dec-35 | 25 | Complex | CRISIL AAA/Stable |
| INE071G08AI8# | Subordinate debt | 11-Jan-21 | 7.50% | 08-Nov-30 | 25 | Complex | CRISIL AAA/Stable |
| INE071G08AK4 | Subordinate debt | 23-Feb-21 | 7.40% | 21-Feb-31 | 25 | Complex | CRISIL AAA/Stable |
| INE071G08AL2 | Subordinate debt | 23-Feb-21 | 7.50% | 23-Aug-33 | 17.7 | Complex | CRISIL AAA/Stable |
| INE071G08AJ6# | Subordinate debt | 23-Feb-21 | 7.65% | 10-Dec-35 | 40 | Complex | CRISIL AAA/Stable |
| NA | Subordinate debt* | NA | NA | NA | 80.8 | Complex | CRISIL AAA/Stable |
| INE071G07496 | Long-term principal protected market- linked debentures | 27-Jul-22 | Linked to 10-year government security | 25-Jan-24 | 179.9 | Highly complex | CRISIL PPMLD AAA/Stable |
| INE071G07504 | Long-term principal protected market- linked debentures | 24-Aug-22 | Linked to 10-year government security | 23-Feb-24 | 84.3 | Highly complex | CRISIL PPMLD AAA/Stable |
| INE071G07520 | Long-term principal protected market- linked debentures | 14-Sep-22 | Linked to 10-year government security | 15-Jul-24 | 123 | Highly complex | CRISIL PPMLD AAA/Stable |
| INE071G07538 | Long-term principal protected market- linked debentures | 26-Sep-22 | Linked to 10-year government security | 26-Mar-25 | 57 | Highly complex | CRISIL PPMLD AAA/Stable |
| INE071G07546 | Long-term principal protected market- linked debentures | 12-Oct-22 | Linked to 10-year government security | 11-Apr-25 | 110 | Highly complex | CRISIL PPMLD AAA/Stable |
| INE071G07553 | Long-term principal protected market- linked debentures | 14-Nov-22 | Linked to 10-year government security | 29-Apr-25 | 40 | Highly complex | CRISIL PPMLD AAA/Stable |
| NA | Long-term principal-protected market- linked debentures* | NA | NA | NA | 40.2 | Highly complex | CRISIL PPMLD AAA/Stable |

**Yet to be issued*
*#Further issuances*

**Annexure - Details of Rating Withdrawn**

| ISIN No. | Name of the instrument | Date of issuance | Coupon rate (%) | Maturity date | Issue size (Rs.Crore) | Complexity level | Rating |
|---|---|---|---|---|---|---|---|
| INE071G07231 | Non-convertible debentures | 28-Apr-20 | 7.40% | 28-Apr-23 | 100 | Simple | Withdrawn |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| INE071G07421 | Non-convertible debentures | 12-Aug-21 | 5.10% | 11-Aug-23 | 250 | Simple | Withdrawn |
| NA | Long-term principal protected market- linked debentures* | NA | NA | NA | 1000 | Highly Complex | Withdrawn |

**Yet to be issued*

### Annexure - Rating History for last 3 Years

| | Current | | | 2024 (History) | | 2023 | | 2022 | | 2021 | | Start of 2021 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Instrument** | **Type** | **Outstanding Amount** | **Rating** | **Date** | **Rating** | **Date** | **Rating** | **Date** | **Rating** | **Date** | **Rating** | **Rating** |
| **Fixed Deposits** | LT | 4500.0 | CRISIL AAA/Stable | | -- | 07-02-23 | CRISIL AAA/Stable | 13-07-22 | CRISIL AAA/Stable | 23-09-21 | F AAA/Stable | F AAA/Stable |
| | | | -- | | -- | 01-02-23 | CRISIL AAA/Stable | 20-06-22 | CRISIL AAA/Stable | | -- | -- |
| **Non Convertible Debentures** | LT | 6195.0 | CRISIL AAA/Stable | | -- | 07-02-23 | CRISIL AAA/Stable | 13-07-22 | CRISIL AAA/Stable | 23-09-21 | CRISIL AAA/Stable | CRISIL AAA/Stable |
| | | | -- | | -- | 01-02-23 | CRISIL AAA/Stable | 20-06-22 | CRISIL AAA/Stable | | -- | -- |
| **Subordinated Debt** | LT | 500.0 | CRISIL AAA/Stable | | -- | 07-02-23 | CRISIL AAA/Stable | 13-07-22 | CRISIL AAA/Stable | 23-09-21 | CRISIL AAA/Stable | CRISIL AAA/Stable |
| | | | -- | | -- | 01-02-23 | CRISIL AAA/Stable | 20-06-22 | CRISIL AAA/Stable | | -- | -- |
| **Long Term Principal Protected Market Linked Debentures** | LT | 634.4 | CRISIL PPMLD AAA/Stable | | -- | 07-02-23 | CRISIL PPMLD AAA/Stable | 13-07-22 | CRISIL PPMLD AAA r /Stable | 23-09-21 | CRISIL PPMLD AAA r /Stable | CRISIL PPMLD AAA r /Stable |
| | | | -- | | -- | 01-02-23 | CRISIL PPMLD AAA r /Stable | 20-06-22 | CRISIL PPMLD AAA r /Stable | | -- | -- |

*All amounts are in Rs.Cr.*

## Criteria Details

| Links to related criteria |
|---|
| **CRISILs Bank Loan Ratings - process, scale and default recognition** |
| **Rating Criteria for Finance Companies** |
| **CRISILs criteria for rating fixed deposit programmes** |
| **Criteria for Notching up Stand Alone Ratings of Companies based on Parent Support** |


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**Annexure 12**

BSE
The Power of Vibrance

DCS/COMP/MJ/IP-PPDI/414/23-24

January 16, 2024

**ICICI Home Finance Company Limited**
ICICI Bank Towers, Bandra - Kurla Complex,
Mumbai – 400 051

Dear Sir/Madam

**Re: Private Placement of A) secured and/or unsecured, rated, listed, redeemable senior and/or subordinated bonds in the nature of non-convertible debentures ("NCDs"); and/or (B) secured and/or unsecured, rated, listed, redeemable, principal protected, market linked non-convertible debentures; and/or (C) unsecured, rated, listed, perpetual debt instruments in the nature of non-convertible securities; and/or (D) subordinated, unsecured, rated, listed, redeemable, non-convertible debentures in the form of subordinated debt for inclusion as Tier II capital; and/or (E) secured and/or unsecured, rated, listed, redeemable non-convertible securities in nature of green debt securities as defined in the SEBI NCS Regulations ("Green Debt Securities") for an amount aggregating up to Rs. 27.20 billion; and/or ii) unsecured, rated, listed commercial papers ("Commercial Papers") (GID Ref no: IHFC/FY24/GID/January dated 11.01.2024)**

We acknowledge receipt of your application on the online portal on January 11, 2024 seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing of captioned security subject to fulfilling the following conditions at the time of seeking listing:

1. Filing of listing application.

2. Payment of fees as may be prescribed from time to time.

3. Compliance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder and also Compliance with provisions of Companies Act 2013.

4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.

5. Compliance with change in the guidelines, regulations, directions, circulars of the Exchange, SEBI or any other statutory authorities, documentary requirements from time to time.

6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors.:
https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31

7. Issuers, for whom use of EBP is not mandatory, specific attention is drawn towards compliance with Chapter XV of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and BSE Circular No 20210519-29 dated May 19, 2021. Accordingly, Issuers of privately placed debt securities in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or ILDM Regulations for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of such issuance. The details can be uploaded using the following links Electronic Issuance - Bombay Stock Exchange Limited (bseindia.com).

8. It is advised that Face Value of NCDs issue through private placement basis should be kept as per Chapter V of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021

9. ***Issuers are hereby advised to comply with signing of agreements with both the depositories as per Regulation 7 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.***

***10. Company is further requested to comply with SEBI Circular SEBI/HO/DDHS/DDHS-RACPOD1/CIR/P/2023/56 dated April 13, 2023, (if applicable) read along with BSE Circular https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20230428-18 and ensure compliance of the same.***

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter or period of 1 year from the date of opening of the first offer of debt securities under the General information Document, which ever applicable. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,
**For BSE Limited**

Rupal Khandelwal

**Rupal Khandelwal**
**Deputy General Manager**

**Akshay Arolkar**
**Deputy Manager**

**Annexure 13**

MUKUND M. CHITALE & CO.
CHARTERED ACCOUNTANTS

2nd Floor, Kapur House,
Paranjape B Scheme
Road No. 1, Vile Parle (E),
Mumbai 400057
T: 91 22 2663 3500
www.mmchitale.com

Ref. No:- K-468/2023/05-002

To,
The Board of Directors
ICICI Home Finance Company Limited
ICICI Bank Towers,
Bandra Kurla Complex,
Bandra (East)
Mumbai – 400051

Dear Sirs,

**Statutory Auditor's Certificate for Compliance with Master Circular – Non Banking Financial Company – Housing Finance (Reserve Bank) Directions, 2021 ('the Direction') with respect to Guidelines on Private Placement of Non-Convertible Debentures**

1. We, Mukund M. Chitale & Co., Chartered Accountants, along with Singhi & Co., Chartered Accountants have been appointed as the joint statutory auditors' of ICICI Home Finance Company Limited ('the Company') for the Financial Year 2022-23 and 2023-24. This certificate is issued in accordance with the terms of our engagement letter dated June 15, 2022 with the Company.

2. Pursuant to the requirement stated in paragraph 63.2 of Master Circular – Non Banking Financial Company – Housing Finance (Reserve Bank) Directions, 2021 ('the Direction') relating to guidelines on private placement of Non – Convertible Debentures, we have been requested by the management of the Company to issue a certificate on compliance by the Company with the eligibility conditions mentioned in paragraph 59, 61.1, and 62 of the Direction, for the proposed issuance of Secured and / or Unsecured Redeemable Non-Convertible Debentures ('NCDs') (viz. Senior NCDs, Market Linked Debentures (MLDs), Perpetual Debt Instruments (PDIs), Tier II bonds and Green Debt Securities) aggregating to Rs. 2,720.00 crore. We understand that this certificate is required for the purpose of certifying to the investors that all the eligibility conditions set forth in these Directions with respect to issue of the proposed NCDs are complied by the Company. This certificate is to be attached with the proposed offer memorandum of the proposed issuance of the NCDs and would be shared with the proposed investors.

**Management's Responsibility**

3. The Company has prepared Annexure - I (hereinafter referred as "Statement") in accordance with requirements prescribed in the Direction.

MUKUND M. CHITALE & CO.
CHARTERED ACCOUNTANTS

4. The Management of the Company is responsible for:
   a. the preparation of the Statement with respect to compliance status of the eligibility conditions set forth in the Directions by the management;
   b. maintenance of all accounting and other relevant supporting records and documents; and
   c. the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances;

5. The Company's management is also responsible for ensuring that the Company complies with the eligibility conditions of the Direction issued by RBI as amended from time to time along with compliance of various guidelines/circulars/notifications issued by the regulators.

**Auditor's Responsibility**

6. We have not performed any audit, the objective of which would be the expression of an opinion on the financial statements, specified accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such an opinion.

7. Our responsibility is to provide limited assurance in the form of a conclusion whether the Company is in compliance with the eligibility conditions of the Directions, based on our procedures undertaken and representations received.

8. For the purpose of this certificate, we have planned and performed the following procedures:

   a. We have verified that the information contained in the accompanying Statement is in agreement with the unaudited books of accounts and records of the Company;

   b. Obtained and verified the credit rating letters from the credit rating agencies mentioned in the Directions and the accompanying Statement;

   c. Read the resolution dated April 17, 2023 passed by the board of directors relating to overall borrowing limits;

   d. Read the resolution dated December 14, 2023 passed by the Committee of Directors;

   e. Obtained resolution w.r.t. revalidation of the approval done by the Board of Directors in their meeting dated October 13, 2023, regarding issuance of secured / unsecured NCDs for the balance unutilised portion;

f. obtained specific representation from management that the Company has complied with all the necessary guidelines issued by the regulators;

g. Verified the arithmetical accuracy of the details reported in the accompanying Statements; and

h. We have performed necessary inquiries with the management and obtained necessary representations from the management.

9. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

10. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (ICAI). The Guidance Note requires that we comply with the independence and ethical requirements of the Code of Ethics issued by the ICAI.

11. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1 - Quality Control for Firms that perform Audits and Reviews of Historical Financial Information and other Assurance and Related Services Engagements.

**Conclusion**

12. Based on the procedures performed by us as mentioned in Para 8 above, and according to information and explanation given to us and specific representation obtained from the management, to be read with paragraph 13, nothing has come to our attention that causes us to believe that the eligibility conditions as specified in paragraph 59, 61.1 and 62 of the Directions, as stated along with compliance status in the accompanying Statement, in all material respects, have not been complied with by the Company.

**Other Matter**

13. As per requirement of paragraph 62.2 of the Direction, the offer document for private placement of the NCDs should be issued within a maximum period of six months from the date of the Board resolutions authorising the issue. As of the date of this certificate, the offer document for private placement is yet to be issued. However, the management has

MUKUND M. CHITALE & CO.
CHARTERED ACCOUNTANTS

confirmed that the same shall be issued within the prescribed period of six months from the date of the Board Resolution authorizing the issue.

Our conclusion is not modified in respect of the above matter.

**Restriction on Use**

14. This certificate has been issued by us, at the request of the Company, solely for the use of the Board of Directors of the Company, to whom it is addressed, in connection with the purpose as mentioned in paragraph 2 above, and should not be used or referred for any other purpose or distributed to anyone other than for attaching the same in the proposed offer memorandum of the proposed issuance of the NCDs, submission to regulatory authorities with respect to proposed issuance and should not be used by any other person or for any other purpose. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability are in no way changed by, any other role we may have (or may have had) as statutory auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are subject of this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the Company. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or whose hands it may come without our prior consent in writing.

For Mukund M. Chitale & Co.
Chartered Accountants
Firm Reg. No. 106655W

Abhay Vishnu Kamat
Digitally signed by Abhay Vishnu Kamat
Date: 2023.12.29 17:25:25 +05'30'

(A.V. Kamat)
Partner
M. No. - 039585
UDIN: 23039585BGXBVD4258

Place: Mumbai
Date: 29th December, 2023

**Annexure – I**

**Compliance with eligibility conditions mentioned in the chapter XI of Master Direction – Non - Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (RBI direction) for issuance of various types of Secured and/or Unsecured Redeemable Non-Convertible Debentures (NCDs) (viz. Senior NCDs, Market Linked Debentures (MLDs), Perpetual Debt Instruments (PDIs), Tier II bonds and Green Debt Securities) on private placement basis**

| Sr. No. | Clause | Eligibility conditions | Status of compliance with eligibility conditions at December 29, 2023 |
|---|---|---|---|
| 1 | 59 | Ratings Requirements | |
| | 59.1 | A housing finance company having minimum NOF as prescribed in paragraph 5 and intending to issue non-convertible debentures shall obtain credit rating for the same from one of the credit rating agencies, viz., the Credit Rating Information Services of India Ltd. (CRISIL) or the Investment Information and Credit Rating Agency of India Ltd. (ICRA) or the Credit Analysis and Research Ltd. (CARE), or the FITCH Ratings India Pvt. Ltd or Brickwork Ratings India Pvt. Ltd or such other agencies registered with Securities and Exchange Board of India (SEBI) or such other credit rating agencies as may be specified by the Reserve Bank of India from time to time, for the purpose. | 1. The net owned funds of the company at March 31, 2023 is more than the minimum requirement i.e. ₹ 20.00 crore as prescribed in paragraph 5 of RBI direction dated February 17, 2021 and as amended from time to time.<br>2. The Company has obtained annual credit rating surveillance letters from CRISIL, ICRA and CARE dated February 1, 2023, May 19, 2023 and June 22, 2023 respectively along with the re-validation letter from CRISIL, ICRA and CARE dated December 8, 2023 December 29, 2023 and December 15, 2023 respectively. |
| | 59.2 | The housing finance company should have minimum credit rating of moderate degree of safety regarding timely servicing of financial obligations | As per the rating definition, instruments with AAA rating are considered to have the highest degree of safety regarding timely servicing of financial obligation.<br>The credit rating assigned by CRISIL, ICRA and CARE is AAA/Stable for NCDs and Subordinated Bonds.<br>Further, the credit rating assigned by CRISIL and CARE is PP-MLD AAA/ Stable and PP-MLD AAA; Stable respectively for MLDs. |
| | 59.3 | The housing finance company shall ensure at the time of issuance of the non-convertible debentures that the rating so obtained is current and has not fallen due for review. | The Company has obtained annual credit rating surveillance letters from CRISIL, ICRA and CARE dated February 1, 2023, May 19, 2023 and June 22, 2023 respectively along with the re-validation letter from CRISIL, ICRA and CARE dated December 8, 2023, December 29, 2023 and December 15, 2023 respectively. The ratings so obtained are current. |
| 2 | 61.1 | The aggregate amount of non-convertible debentures issued by a housing finance company shall be within such limit as may be approved by the Board of Directors of | The Board at its meeting held on April 17, 2023 has approved fixing of overall borrowing limit of ₹ 25,000.00 crore, annual borrowing limit through various instrument of |

| Sr. No. | Clause | Eligibility conditions | Status of compliance with eligibility conditions at December 29, 2023 |
|---|---|---|---|
| | | the housing finance company or the quantum indicated by the Credit Rating Agency for the rating granted, whichever is lower. | ₹ 8,500.00 crore and sublimit for borrowing through private placement of secured or unsecured Non-Convertible Debentures (NCDs/Bonds) of ₹ 3,500.00 crore. Further, the Board of Directors at its meeting held on October 13, 2023 had revalidated its approval for the balance unutilised portion of secured or unsecured NCDs/Bonds ₹ 3,220.00 crore. Subsequently, out of the approved limit of ₹ 3,220.00 crore, the Company till date has raised NCD of ₹ 500.00 crore, hence the cumulative issuance till date stands at ₹ 780.00 crore. The Company's outstanding borrowing including proposed issuance of NCDs aggregating upto ₹ 2,720.00 crore in one or more tranches is within the aforesaid borrowing limits. Refer Table 1 given below for the quantum of unutilized rating limits available with the Company. |
| 3 | 62.1 | A housing finance company shall have in place, a Board approved policy for resource planning which, inter alia, should cover the planning horizon and the periodicity of private placement of non-convertible debentures. | The Board approved policy for resource planning covers planning horizon for the financial year and periodicity of issue of private placement of NCDs, which was last amended and approved by the Board at its meeting held on October 13, 2023. |
| 4 | 62.2 | The offer document for private placement should be issued within a maximum period of 6 months from the date of the Board Resolution authorizing the issue. | The Board of Directors at its meeting dated October 13, 2023 has revalidated and authorised issuance of Non-Convertible Debentures aggregating up to ₹ 3,220.00 crore. The management confirms that the offer document for proposed issuance of ₹ 2,720.00 crore shall be issued within 6 months from the date of the Board Resolution authorising the issue. |

**Table 1**

Details of ratings issued by various agencies for issuance of NCDs (for the amount unutilised) on private placement basis is as under.

**₹ in crore**

| Rating Agency | Rating | Instrument Type | Total Issues rated | Total NCDs issued under the rating | Balance unutilised[2] |
|---|---|---|---|---|---|
| CRISIL | AAA/Stable | Non-Convertible Debentures | 6,545.00 | 5,398.00[1] | 1,147.00 |
| | AAA/Stable | Subordinated debt | 500.00 | 419.20 | 80.80 |
| | PP-MLD AAA/Stable | MLD | 1,634.40 | 594.20 | 1,040.20 |
| ICRA | AAA/Stable | Long term bonds | 6,608.5 | 5,298.00[1] | 1,310.50 |

| Rating Agency | Rating | Instrument Type | Total Issues rated | Total NCDs issued under the rating | Balance unutilised[2] |
|---|---|---|---|---|---|
| | | Subordinated bonds | 665.70 | 419.20 | 246.50 |
| CARE | AAA/Stable | Non-Convertible Debentures | 11,000.00 | 7,902.20[1] | 3,097.80 |
| | | Subordinated debt | 500.00 | 95.50 | 404.50 |
| | | MLD | 2000.00 | 836.80 | 1,163.20 |

1. It includes NCDs matured and outstanding as on date however amount rated for matured NCDs are yet to be withdrawn. Further, these NCDs are not mutually exclusive.
2. The proposed issue of NCDs of up to ₹ 2,720.00 crore is fully within the unutilised limit available in respect of CARE, in case of ICRA and CRISIL the same is partly within the unutilised limit, which is in compliance with Regulation 59.1 of RBI Directions.

**Vikrant Gandhi**
**Chief Financial Officer**
Mumbai
December 29, 2023

ICICI Home Finance Co. Ltd. Mumbai

## Annexure 14 Lending and Borrowing Policy

- **Note on Lending policy:**

  - **Credit risk**

    All credit risk related aspects are governed by the Board approved Credit and Recovery Policy (CRP). CRP outlines the type of products that can be offered, customer categories, target customer profile, credit approval process and limits. The delegation structure for approval of credit limits is approved by the Board of Directors. All credit proposals other than retail products, program lending and certain other specified products are rated by risk management team or external rating agency prior to approval by the appropriate forum.

  - **Credit approval authorisation structure**

    Every new credit facility and every extension or material change of an existing credit facility (such as its tenor, collateral structure or major covenants) to any counterparty requires credit approval at the appropriate authority level. We assign credit approval authorities to individuals according to their qualifications, experience and training, and we review these periodically. The authorisation is based on the level of risk and the quantum of exposure, to ensure that the transactions with higher exposure and level of risk are put up to correspondingly higher forum/committee for approval.

    In respect of retail loans, all exposures are approved under operating notes or programs approved by the requisite committee. This involves a cluster-based approach for a particular product or for homogeneous group of individuals/business entities that comply with certain laid down parameter-based norms. The norms vary across product segments/customer profile, but typically include factors such as the borrower's income, the loan-to-value ratio and demographic parameters. The individual credit proposals are evaluated and approved by executives on the basis of the product policies.

  - **Collateral management**

    The Company defines collateral as the assets or rights provided to the Company by the borrower or a third party in order to secure a credit facility. The Company would have the rights of secured creditor in respect of the assets offered as security for the obligations of the borrower/obligor. The Company ensures that the underlying documentation for the collateral provides the Company appropriate rights over the collateral or other forms of credit enhancement including the right to liquidate retain or take legal possession of it in a timely manner in the event of default by the counterparty. The collateral is valued at the time of sanctioning the credit facility and loan-to-value (LTV) norms are applied as specified in the credit policies.

  - **Monitoring & collection framework**

    Independent groups have been constituted across the Company to facilitate independent evaluation, monitoring and reporting of various risks. These control groups function independently of the business groups/sub-groups. The risk management framework forms the basis of developing consistent risk principles.

Material risks are identified, measured, monitored and reported to the Board of Director and Board level committee

The company has standardized mechanism to manage & monitor delinquency levels independent of business unit. The collections unit operates under the guidelines of a standardized recovery policy.

- **Note on Borrowing Policy:**

  The Company has a Board approved Resource Planning Policy which governs the overall borrowing under various instruments with applicable floors, caps and mix. Further on an annual basis, the Company prepares a borrowing plan which is placed before the Board. The Company also seeks the approval from the Board on an annual basis for the amount proposed to be borrowed during the year. Based on the approved plan, the various regulatory and Board stipulated limits and resource planning policy, the Company executes the borrowings through various instrument as per the rates prevalent at the time of borrowing while keeping the Asset Liability Management limits and policy in check.

  Further, Term loans including refinance facility are negotiated bilaterally and therefore the all the terms and conditions including key terms such as re-scheduling, pre-payments and penalty and generally differ with each lending institution. While re-scheduling is not allowed in case of term loans, however most of these term loans do permit part/full pre-payment with/without lock-in & penalty and default are recognized generally in nature of payment default with/ without grace period/technical exceptions.

ANNEXURE A

**ATSL/CO/23-24/9007**
**December 19, 2023**

To,
**Stock Exchange**

Dear Sir / Madam,

**SUB.: Issue of Listed, Secured/Unsecured Non-Convertible Debentures, Market-Linked Debentures, Perpetual Debt Instruments in the nature of Non-Convertible Debentures, Non-Convertible Debentures in the form of Subordinated Debt for inclusion as Tier II Capital And Non-Convertible Securities in nature of Green Debt Securities Issue aggregating to Rs. 2720 Crores by ICICI Home Finance Company Limited ("Issuer")**

We, the debenture trustee(s) to the above-mentioned forthcoming issue state as follows:

1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications. **Not Applicable**

2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications:

We confirm that:

a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued. **Not Applicable**

b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies). **Not Applicable**

c) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities. **Not Applicable**

d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document or general information document and all disclosures made in the offer document or general information document with respect to creation of security are in confirmation with the clauses of debenture trustee agreement. **Yes**

e) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application. **Not Applicable**

f) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document or general information document and given an undertaking that debenture trust deed would be executed before filing of listing application. **Not Applicable**

g) All disclosures made in the general information document with respect to the debt securities are true, fair and adequate to enable the investors to make a well-informed decision as to the investment in the proposed issue. **Yes**

We have satisfied ourselves about the ability of the Issuer to service the debt securities.

**For Axis Trustee Services Limited**

**Authorised Signatory**
**Place: Mumbai**

Axis Trustee Services Limited Mumbai

**Annexure 16 Key Terms of the Debenture Trustee Agreement**

(i) That the Company shall appoint Axis Trustee Services Limited as the Debenture Trustee for the Bond Holders of all the series of the Bonds aggregating to ₹ 27.20 billion (Rupees twenty-seven billion two hundred million only) to be issued by the Company pursuant to the terms of the Disclosure Document and other Transaction Documents issued/ to be issued from time to time and Axis Trustee Services Limited shall agree to act as debenture trustee for the Bond Holders, subject to the completion of due diligence of all relevant information pertaining to the assets of the Company which are to be offered as security in relation to such Bonds which are secured in nature, to the satisfaction of the Debenture Trustee.

(ii) Further, the Company shall along with the Debenture Trustee execute a debenture trust deed on or prior to the issuance of Key Information Document(s) for the purpose of setting out the detailed terms of the relevant Bonds being issued by the Company under the corresponding Key Information Document(s). The Debenture Trust Deed shall be finalised by the parties in Form SH-12 as prescribed under the Companies (Share Capital and Debentures) Rules, 2014 or as near thereto as possible and shall consist of two parts: Part A containing statutory/standard information pertaining to the issuance of Bonds; and Part B containing details specific to the particular Series/Tranche of Bonds.

(iii) In the event the Bonds are proposed to be secured, the Company shall create/ procure to create the securities over such assets as required and identified in the relevant Debenture Trust Deed and the Key Information Document issued thereunder and execute the necessary security documents for such Bonds approved by the Debenture Trustee, prior to filing of the application for listing of the Bonds, in accordance with the extant SEBI Regulations.

(iv) The Company shall comply with the provisions of the Companies Act, the SEBI Regulations, RBI Regulations and other applicable provisions under applicable laws, regulations and guidelines in connection with the issuance, allotment, listing and ensuring continued compliance of the Bonds until the redemption in full of the Bonds.

(v) **Terms of carrying out due diligence:**

a) Where applicable, the Debenture Trustee, either through itself or through professionals which have been appointed and compensated / remunerated by the Debenture Trustee which may include practicing chartered accountants, practicing company secretaries, registered valuers or legal counsels, advisors, consultants ("Trustee Agents"), shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the Disclosure Documents and Transaction Documents, has been obtained.

b) For the purpose of carrying out the due diligence as required in terms of the SEBI DT Master Circular, the Debenture Trustee, either through itself or through Trustee Agents, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external Trustee Agents.

c) The Trustee Agents shall be deemed to be the agents of the Debenture Trustee for the purposes of performing all actions in terms of the Debenture Trust Deed and the Debenture Trustee shall be responsible for the same.

d) The Company shall provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, Sub-registrar of assurances (as applicable), CERSAI, depositories,

information utility or any other authority, as may be required, where the assets of the Company or any third party security provider which are proposed to be charged for securing the Bonds (which are proposed to be secured in nature under the terms of the respective Debenture Trust Deed and the Key Information Documents issued thereunder with respect to such Bonds), are registered / disclosed.

e) Further, in the event that existing charge holders, the concerned trustee on behalf of the existing charge holders, have provided conditional consent / permissions to the Company to create further charge on the assets, the Debenture Trustee shall also have the power to verify such conditions by reviewing the relevant Transaction Documents or any other documents executed between existing charge holders/trustee and the Company. The Debenture Trustee shall also have the power to intimate the existing charge holders/trustee about proposal of creation of further encumbrance and seeking their comments/ objections, if any.

f) Without prejudice to the aforesaid, the Company shall ensure that it provides and procures all information, representations, confirmations and disclosures as may be required in the sole discretion of the Debenture Trustee to carry out the requisite diligence in connection with the issuance and allotment of the Bonds, in accordance with the SEBI Regulations and applicable law.

g) The Debenture Trustee shall have the power to independently appoint Trustee Agents and other entities in order to assist in the diligence by the Debenture Trustee. All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports/certificates/documentation, including all out of pocket expenses towards legal or inspection costs, travelling and other costs, shall be borne as mutually agreed between the Parties.

(vi) The Company shall undertake to promptly furnish all and any information as may be required by the Debenture Trustee, including such information as may be required to be furnished in terms of the Companies Act, SEBI Regulations and the Transaction Documents on a regular basis, as may be required in terms thereof, including without limitation the following documents, as may be applicable:

a) Disclosure Documents in relation to the issue of Bonds to facilitate the Debenture Trustee to review and provide comments, if any;

b) Memorandum and articles of association of the Company;

c) The necessary corporate authorisations by way of resolution of the Board and/or shareholder resolution necessary for the issue, allotment and the creation of security thereunder;

d) Copy of last three years' annual reports;

e) Statement containing date, particulars and parties of all material contracts and agreements;

f) Certificate issued by the Registrar of Companies in relation to the charge created to secure the Bonds (which are proposed to be secured in nature as per the terms of the respective Debenture Trust Deed and the Key Information Document issued thereunder with respect to such Bonds);

g) Agreement with the registrar to issue;

h) Letters from credit rating agencies about ratings;

i) Proof of credit of the Bonds in favour of the Bond Holders in dematerialised form;

j) Bank Account details of the Company along with copy of pre-authorisation letter issued by Company to the banker in relation to the payment of redemption amount;

k) Executed Debenture Trustee Agreement;

l) Debenture Trust Deed;

m) Security documents executed in relation to the Bonds (which are proposed to be secured in nature as per the terms of the respective Debenture Trust Deed and the Key Information Document issued thereunder with respect to such Bonds);

n) Acknowledgement of filing Disclosure Documents with the Stock Exchange;

o) Listing and trading permission from the Stock Exchange;

p) Approval for listing of the Bonds from the stock exchange;

q) Listing application along with the required details / annexures submitted to the Stock Exchange;

r) Confirmation/proofs of payment of interest and principal amounts made to the Bond Holders on due dates as per the terms of the debenture trust deed and applicable rules and regulations as may be issued by SEBI;

s) Statutory auditor's certificate/disclosure/statement for utilisation of funds/issue proceeds;

t) Beneficiary position reports as provided by the registrar and transfer agent;

u) Statutory auditor certificate certifying the book value of assets offered as security, maintenance of security cover and compliance with the covenants of the Disclosure Documents in accordance with the timelines as may be prescribed under SEBI Regulations (applicable in relation to Bonds are proposed to be secured in nature as per the terms of the respective Debenture Trust Deed and the Key Information Document issued thereunder with respect to such Bonds);

v) Information to enable the Debenture Trustee to carry out the necessary due diligence and monitor the security cover on a quarterly basis within 75 (Seventy Five) days from the end of each quarter except last quarter of financial year in which case it should be within 90 (Ninety) days from the end of financial year or within such timelines as may be required under SEBI Regulations and to ensure the implementation of the conditions regarding creation of security for the Bonds, if any, debenture redemption reserve and recovery expense fund;

w) Details of the recovery expenses fund to be created by the Company in the manner as may be specified by the SEBI from time to time along with duly acknowledged letter /confirmation from stock exchange on the amount of such fund maintained and the mode of maintenance;

x) Periodical reports /information on quarterly/ half yearly /annual basis as required to be submitted to stock exchanges under the SEBI Regulations;

y) Such other documents as may be reasonably required, from time to time, by the Debenture Trustee.

(vii) **Information Accuracy and Storage**

a) The Company shall declare that the information and data furnished by the Company to the Debenture Trustee is true and correct and that the Debenture Trustee may in good faith rely upon the same and shall not be liable for acting or refraining from acting upon such information or data furnished to it under the Debenture Trustee Agreement;

b) The Company shall confirm that the requisite disclosures made in the Disclosure Documents are true and correct;

c) All disclosures made in the Disclosure Documents with respect to creation of security (where applicable) are shall conform with the clauses of the Debenture Trustee Agreement;

d) The Company shall undertake and acknowledge that the Debenture Trustee and any other authorised agency may use, process the information and data disclosed to the Debenture Trustee in the manner as deemed fit by them in relation to the purpose of the due diligence to be undertaken in relation to the issuance of the Bonds; and

e) The Company shall agree that the Debenture Trustee shall have an unqualified right to disclose to the Bond Holders (in accordance with the applicable law) information including the credit history and the conduct of the account(s) of the Company as well as all details in relation to the assets of the Company and all third-party security providers, guarantors and other undertaking providers, in such manner and through such medium as the Debenture Trustee in its absolute discretion may think fit. The Company shall agree that such disclosure shall not be considered to be breach of confidentiality on the part of the Debenture Trustee.

(viii) **Other terms and Conditions**

a) The Trustee, ipso facto does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by investors for the Bonds.

b) In relation to the Bonds, which as per the terms of the relevant Debenture Trust Deed and the Key Information Document issued by the Company for such Bonds, are proposed to be secured by way of first ranking floating charge over certain assets of the Company (as identified in the relevant Debenture Trust Deed and the Key Information Document) to maintain the security cover identified in the Key Information Document issued with respect to such Bonds, the Company shall declare and confirm that no specific prior consent or permission is required to be obtained from its existing creditors for creation of the said charge/ security for such Bonds.

c) The charges so created by Company shall be registered with Registrar of Companies, within 30 (Thirty) days of creation of charge. In addition to the same, the Company shall register the charge created by it with the CERSAI, depository etc., as applicable, in accordance with the timelines prescribed under applicable law.

d) The Company shall agree and confirms that it shall execute/ issue the Debenture Trustee Agreement, the General Information Document, the relevant Key Information document, the Debenture Trust Deed, the deed of hypothecation (applicable in relation to the Bonds which are proposed to be secured), the security trustee agreement (applicable in relation to the Bonds which are proposed to be secured) and any other Transaction Documents within the timeframe prescribed in the SEBI Regulations.

e) The Company shall confirm that all necessary disclosures shall be made in the Disclosure Documents including but not limited to statutory and other regulatory disclosures.

f) The Company shall in accordance with the SEBI NCS Master Circular, on or prior to the date of execution of each Debenture Trust Deed, provide to the Debenture Trustee, the bank account details from which the Company proposes to make the payment of redemption amount due and interest amount due to the holders of Bonds issued/ to be issued under such Debenture Trust Deed. Further, the Company shall undertake that it shall preauthorise the Debenture Trustee to seek the redemption amount payment and interest amount payment related information from such bank.

(ix) **The Company shall agree, undertake and confirm that:**

a) All covenants proposed to be included in Debenture Trust Deed (including any side letter, accelerated payment clause, fees charged by the debenture trustee, etc.) in relation to each Tranche/ Series of Bonds are/ shall be disclosed in the Key Information Document issued/ to be issued with respect to such Tranche/ Series;

b) Terms and conditions of the Debenture Trustee Agreement including fees charged by the Trustee and process of due diligence carried out by Debenture Trustee shall be disclosed under the General Information Document and/or the Key Information Document.

c) The Company shall confirm that the Company is duly authorised to enter into the Debenture Trustee Agreement and each of the other Transaction Documents pertaining to the issue of the Bonds. The Company is validly existing and in good standing under the laws of India and each of the obligations contained herein shall be legal, valid and binding obligation enforceable against the Company.