ICICI Home Finance

Leadership through partnership

ANNUAL REPORT 2021-22

ICICI HOME FINANCE COMPANY LIMITED

CONTENT

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) 2. ICICI Prudential Life Insurance Company Limited (NED) 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) 2.ICICI Securities Limited (Chairman, NE – ID) 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;

- o Ensuring an independent review and audit in accordance with approved policies and procedures;
- o Ensuring that contingent plans have been developed and tested adequately;
- o 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;
- o To monitor/ review comprehensive risk assessment of IT systems;
- o 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 • Issue of Non-Convertible Debentures (NCDs) through Private Placement
Annual General Meeting	Friday, June 5, 2020	• Issue of NCDs through Private Placement • Creation of charge/security on the assets upto an amount of ₹ 180.0 billion to secure its Borrowings • Remuneration to Managing Director & Chief Executive Officer for the year ended March 31, 2020 • 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 • Waiver of recovery of excess Managerial remuneration paid to Managing Director & Chief Executive Officer for the year ended March 31, 2021 • 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		
CARE	Commercial Papers	CARE A1+	None	NA
	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 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 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 Item no: (iv) ensuring environmental sustainability, ecological balance,	No	Maharashtra	Mumbai Pune Nagpur Aurangabad Osmanabad	1.8	No	ICICI Foundation for Inclusive Growth	CSR00001979
				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 Delhi Odisha Andhra Pradesh Kerala Gujarat West Bengal Haryana Uttarakhand Jammu Jharkhand	Lucknow Gorakhpur Delhi Bhubaneshwar Vijaywada Kochi Vadodara Kolkata Karnal Dehradun Jammu 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, agroforestry, conservation of natural resources and maintaining quality of soil, air and water.	No	South 24 Parganas	West Bengal	1.1	Yes	NA	NA
	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.

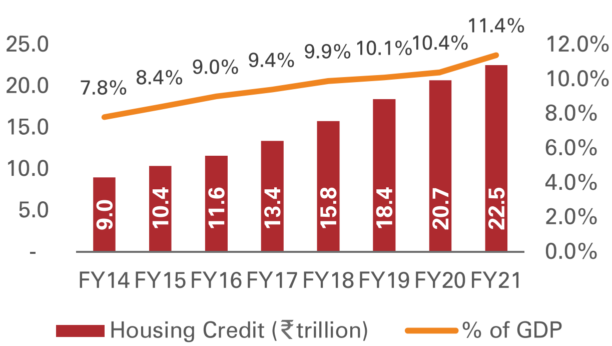
Post the second COVID-19 wave in quarter ended June 30, 2021, there was an increase in confidence levels of the consumers due to enhanced pace of vaccinations in adults. Thereby, the performance of the residential real estate sector has been resilient, on the back of all-time-low rate of interest on 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.

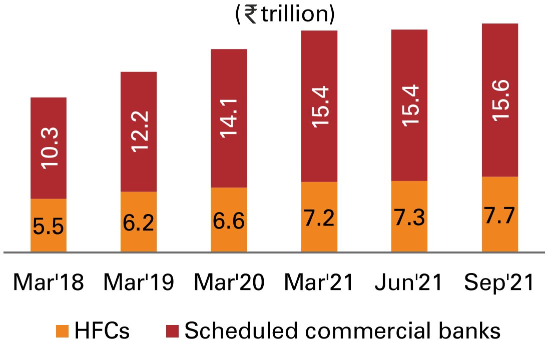
Housing Credit in India



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%.

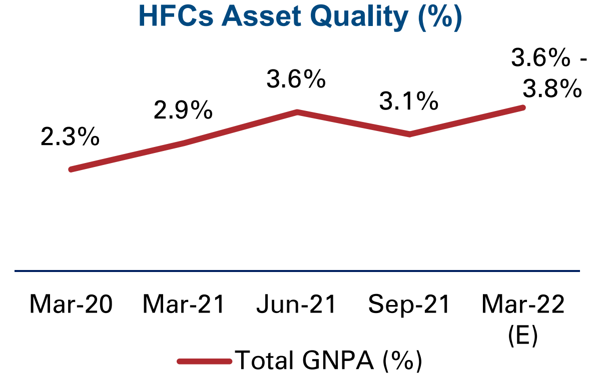
The second wave of the pandemic impacted disbursements of the HFC industry, and the industry's on-book portfolio remained flat at end of first quarter of fiscal 2022 vis-à-vis fourth quarter of fiscal 2021. However, there was a sharp recovery post first quarter of fiscal 2022 and the disbursements continued 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.

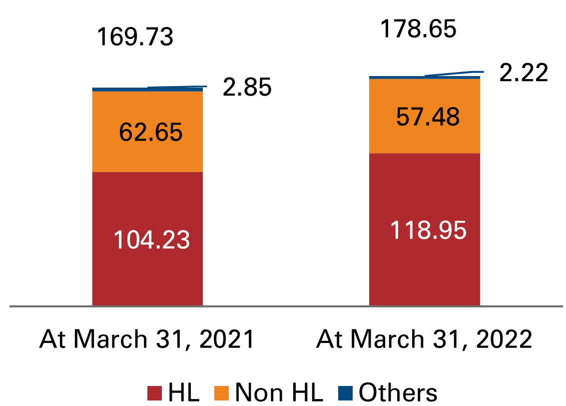
During this fiscal, disbursements under affordable segment accounted for ~45% of the total mortgage disbursements. Business origination under affordable segment being an operationally intensive task, which requires presence in deeper geographies blend well for the Company with it having built its pan-India 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.

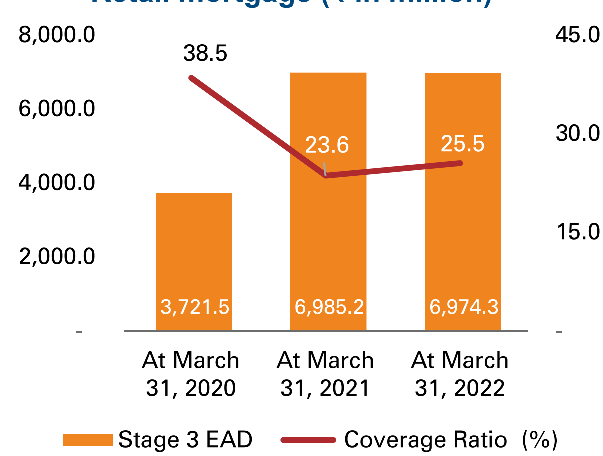
Asset quality and composition

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

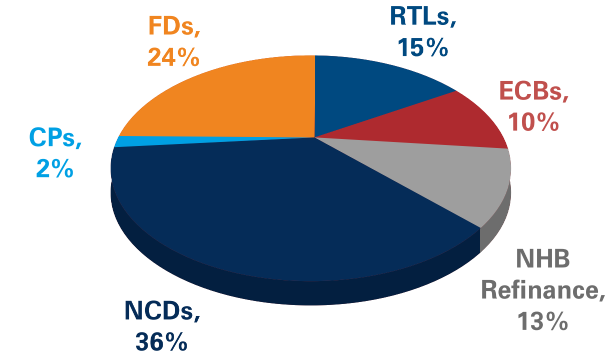
The Company has put in place its IT strategy and governing policies to focus on new applications/systems on-boarding (through development/procurement) in a seamless manner to address growing focus on technology enabled processes and customer experience enhancement. The Company will continue to leverage 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

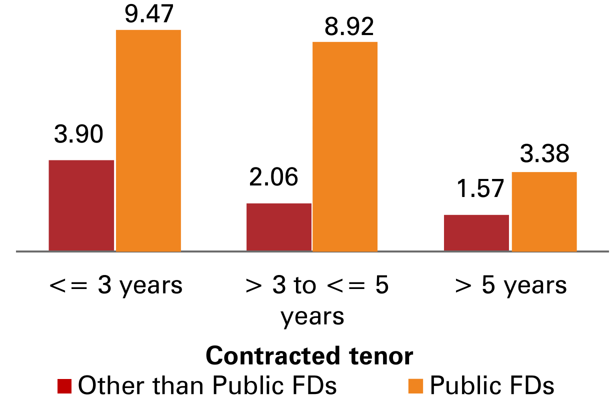
The borrowing/resource profile of the Company is well diversified and therefore is one of the key strength. It has borrowings through NCDs/Bonds, Commercial Papers (CPs), refinance from NHB, Rupee term loans (RTLs), External Commercial Borrowings (ECB) and Fixed Deposits (FDs). The Company also has a 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

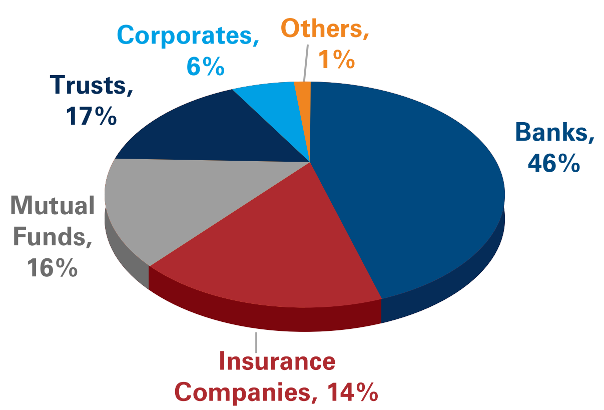


Fixed deposit maturity profile

₹ in billion



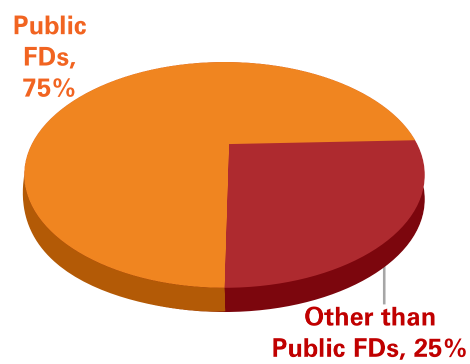
Investor Mix at March 31, 2022



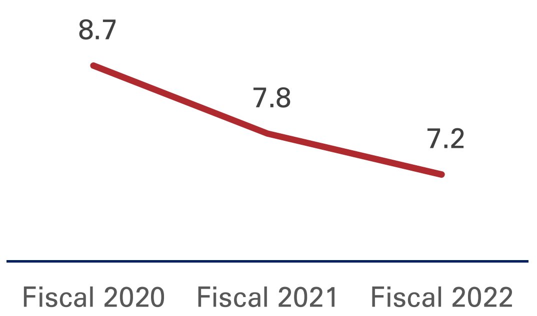
The aggregate amount of FD stands at a healthy 24% of the total borrowings at March 31, 2022, of which 75% comprises of medium tenor public fixed deposits (retail).

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.

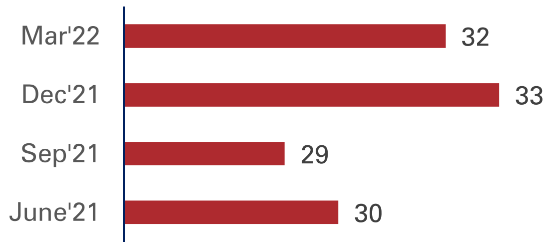
Fixed Deposit Book at March 31, 2022



Cost of funds (%)



Average duration (in months)

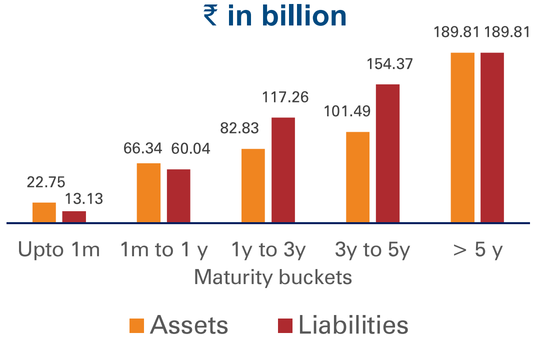


Asset Liability Management (ALM)

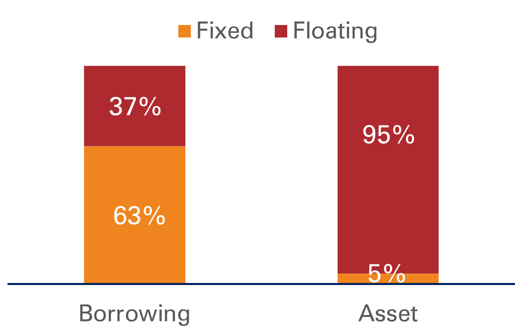
The Company's policy norms of restricting reliance on short-term instruments and ongoing efforts to increase the duration of its liabilities had placed its ALM in a comfortable position. Further, the policy of carrying adequate liquidity and liquidity buffers insulated the Company from any liquidity 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.

Singhi & Co.	**Mukund. M. Chitale & Co.,**
Chartered Accountants	Chartered Accountants
B2 402B, Marathon Innova, 4th Floor	2nd Floor, Kapur House,
Off Ganpatrao Kadam Marg,	Paranjape Scheme B Road No.1,
Lower Parel,	Vile Parle East,
Mumbai-400013, India	Mumbai – 400057, India

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.

<table>
<tr><th>Sr. No.</th><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>1.</td><td>Expected Credit Loss (ECL) on Loans and Advances
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).
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.
The elements of estimating ECL which involved increased level of audit focus are the following:

a) Data inputs - The application of ECL model requires several data inputs.

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.

c) Qualitative and quantitative factors used in staging the loan assets measured at amortized cost.

d) Economic scenarios – Ind AS 109 requires the Company to measure ECLs on an unbiased forward-</td><td>Our Audit Approach:
Our audit approach was a combination of test of internal controls and substantive procedures which included the following:
a) Testing the design and effectiveness of internal controls over the following:
➢ key controls over the completeness and accuracy of the key inputs, data and assumptions into the Ind AS 109 impairment models.
➢ 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.
➢ management’s controls over authorisation and calculation of post model adjustments and management overlays to the output of the ECL model.
b) Also, for a sample of ECL allowance on loan assets tested:
➢ 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.
➢ we evaluated reasonableness of LGD estimates by comparing actual recoveries post the loan asset becoming credit impaired with estimates of LGD; and
➢ we tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company.
➢ we have relied on the PD’s and LGD provided by the Holding Company for CREF portfolio.</td></tr>
</table>

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. e) Adjustments to model driven ECL results to address emerging trends. 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. 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. e) Evaluating the appropriateness of the Company's Ind AS 109 impairment methodologies and reasonableness of assumptions used, including management overlays. f) For models which were changed or updated during the year, evaluating whether the changes were appropriate by assessing the updated model methodology. 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. 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** Ind AS 109, Financial Instruments, contains three principal measurement categories for financial assets i.e.: - Amortised Cost;	**Our Audit Approach:** We have followed the following audit procedures: 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 - Fair Value through Profit and Loss (FVTPL). 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 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. 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. c) Test of details over of classification and measurement of financial assets in accordance with management's intent. 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. 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** 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:** Our audit approach was a combination of test of internal controls and substantive procedures which included the following: **General IT controls design, observation and operation:** ➢ 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. **User access controls operation:** ➢ 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. ➢ Further, we assessed the operating effectiveness of controls over granting, removal and appropriateness of access rights. **Application controls:** ➢ We tested the design and operating effectiveness of automated controls critical to financial accounting and reporting. ➢ For any identified deficiencies, tested the design and operating effectiveness of compensating controls and, where necessary, extended the scope of our substantive audit procedure. ➢ 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.	**For M/s Mukund M. Chitale & Co.**	For and on behalf of the Board of Directors	
Chartered Accountants	Chartered Accountants	**ICICI Home Finance Company Limited**	
Firm registration no.: 302049E	Firm registration no.: 106655W		
Sd/-	Sd/-	Sd/-	Sd/-
Shweta Singhal	**A. V. Kamat**	**Anup Bagchi**	**Anirudh Kamani**
Partner	Partner	Chairman	Managing Director & CEO
Membership No.:414420	Membership No.:039585	DIN-00105962	DIN-07678378
		Sd/-	Sd/-
Place: Mumbai		**Vikrant Gandhi**	**Priyanka Shetty**
Date : April 19, 2022		Chief Financial Officer	Company Secretary

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**

₹ 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, 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.	For M/s Mukund M. Chitale & Co.	For and on behalf of the Board of Directors	
Chartered Accountants	Chartered Accountants	**ICICI Home Finance Company Limited**	
Firm registration no.: 302049E	Firm registration no.: 106655W		
Sd/-	Sd/-	Sd/-	Sd/-
Shweta Singhal	**A. V. Kamat**	**Anup Bagchi**	**Anirudh Kamani**
Partner	Partner	Chairman	Managing Director & CEO
Membership No.:414420	Membership No.:039585	DIN-00105962	DIN-07678378
		Sd/-	Sd/-
Place: Mumbai		**Vikrant Gandhi**	**Priyanka Shetty**
Date : April 19, 2022		Chief Financial Officer	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 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.

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.

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'.

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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.

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.

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

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**

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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			

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

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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**

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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

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	-	-	-	-	-	-	-	-	-

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.

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₹ 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%).

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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

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.

ICICI Home Finance

ICICI HOME FINANCE COMPANY LIMITED

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.

ICICI Home Finance

ICICI HOME FINANCE COMPANY LIMITED

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)	-	-

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				

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.

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**

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.

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**

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

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.

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

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**

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.

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.

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	-

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

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).

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.

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.

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.

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 12th 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.

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.

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**

NOTES FORMING PART OF THE ACCOUNTS

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.

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.

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

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)

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 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 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

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.

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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.

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 (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

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

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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

ICICI HOME FINANCE COMPANY LIMITED

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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

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.

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.

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**

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

(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%

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

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.

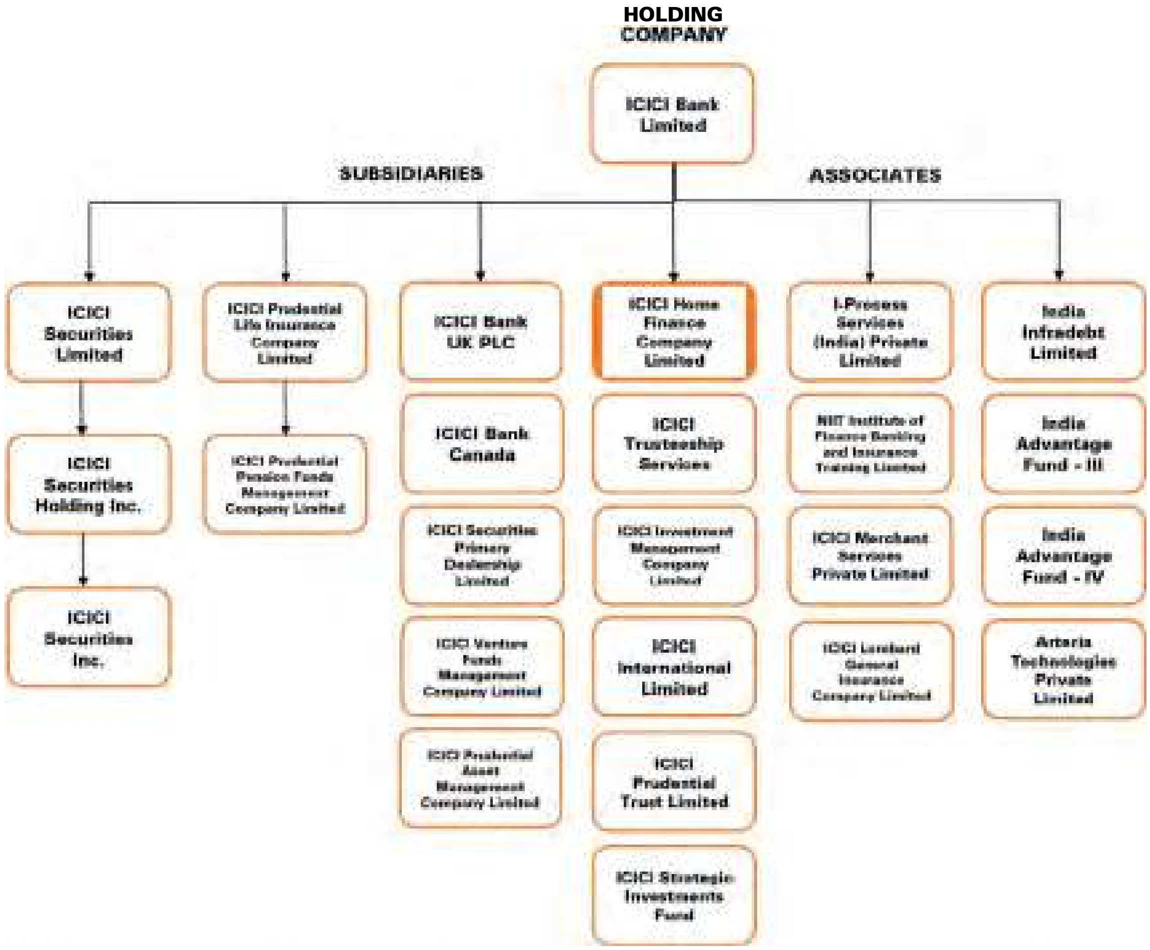
For the year ended March 31, 2021 the Company contributed ₹ 10.0 million towards PM CARES fund, ₹ 2.5 million to ICICI Foundation and ₹ 1.0 million towards tree plantation activity.

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	**For Mukund M. Chitale & Co.** Chartered Accountants Firm's Registration No: 106655W	For and on behalf of the Board of Directors **ICICI Home Finance Company Limited**	
Sd/-	Sd/-	Sd/-	Sd/-
Shweta Singhal Partner Membership No.:414420	**A.V. Kamat** Partner Membership No.:039585	**Anup Bagchi** Chairman DIN-00105962	**Anirudh Kamani** Managing Director & CEO DIN-07678378
Place: Mumbai **Dated**: April 19, 2022		Sd/- **Vikrant Gandhi** Chief Financial Officer	Sd/- **Priyanka Shetty** Company Secretary

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

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