ICICI Home Finance

ANNUAL REPORT 2022-23

SHAPING DREAMS, DRIVING GROWTH

WIDE RANGE OF PRODUCTS

DIVERSE PARTNER NETWORK

GROWING PRESENCE

TECH-ENABLED GROWTH

ICICI HOME FINANCE COMPANY LIMITED

CONTENT

CORPORATE INFORMATION

BOARD OF DIRECTORS

Vinod Kumar Dhall
Chairman,
Independent Director

S Santhanakrishnan
Independent Director

G Gopalakrishna
Independent Director

Rakesh Jha
Non-Executive Director

Sanjay Singhvi
Non-Executive Director

Zeenat Hamirani
Non-Executive Director

Anirudh Kamani
Managing Director & CEO

KEY MANAGERIAL PERSONNEL

Chief Financial Officer
Vikrant Gandhi

Company Secretary
Priyanka Shetty

SENIOR MANAGEMENT

Chief Human Resources Officer
Ashish Kakkar

Chief Operating Officer
Sathishkumar A R

Chief Distribution Officer
Pawan Bhansali

Chief Compliance Officer
Aditi Joshi

Chief Risk Officer
Rohit Parikh

STATUTORY AUDITORS

Mukund M. Chitale & Co.,
Chartered Accountants

Singhi & Co.,
Chartered Accountants

REGISTERED OFFICE

ICICI Bank Towers, Bandra-Kurla Complex,
Mumbai - 400051.

CORPORATE OFFICE

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

REGISTRAR & TRANSFER AGENTS

Datamatics Business Solutions Limited
3i Infotech Limited

DEBENTURE TRUSTEE

Axis Trustee Services Limited

SECURITY TRUSTEE

SBICAP Trustee Company Limited
IDBI Trusteeship Services Limited

SECRETARIAL AUDITOR

Makarand M. Joshi & Co.,
Company Secretaries

DIRECTORS' REPORT

To the members,

Your Company is a Housing Finance Company registered with the National Housing Bank (NHB) and regulated by the Reserve Bank of India (RBI).

On behalf of the Board of Directors (Board), it is our pleasure to present the 24th Annual Report along with the Audited Financial Statement of Accounts for the year ended March 31, 2023 (fiscal 2023).

STATE OF AFFAIRS OF THE COMPANY

Your Company is engaged in the primary business of providing a range of home loans and home improvement loans, office premises loans, home equity loans, loan against property and gold loans and construction finance to developers.

FINANCIAL HIGHLIGHTS

The financial performance for fiscal 2023 is summarised in the following table:

(₹ in million)

Particulars	Fiscal 2022	Fiscal 2023	% of change
Net interest income	6,520.4	9,295.9	42.6%
Other income	11.5	14.1	22.6%
Operating expenses	2,968.5	4,062.6	36.9%
Impairment on financial instruments / write-off (Including fair value changes)	1,755.3	1,775.0	1.1%
Profit before tax	2,122.3	3,868.2	82.3%
Profit after tax	1,641.7	3,018.2	83.8%
Total comprehensive income	**3,171.2**	**4,679.5**	**47.5%**

Net interest income was higher by ₹2,775.5 million, primarily on account of higher interest income attributable to growth in loan book and increase in prime lending rate. Operating expenditure was higher by ₹1,094.1 million on account of higher cost in the financial year ended March 31, 2023 due to increase in business operations and expansion of infrastructure facilities in current fiscal.

APPROPRIATIONS

The profit after tax for fiscal 2023 was ₹3,018.2 million after provision for impairment on financial instruments/write-off of ₹1,775.0 million, provision for taxes of ₹850.0 million and all expenses. The accumulated profit was ₹5,149.7 million, taking in to account the balance of ₹2,900.2 million brought forward from the previous fiscal year and after appropriating the disposable profit as follows:

(₹ in million)

	Fiscal 2022	Fiscal 2023
To Special Reserve (created and maintained in terms of Section 29 C of National Housing Bank Act, 1987)	328.5	604.0
Dividend paid during the year		
- Equity Shares	-	164.7
Leaving balance to be carried forward to the next year	2,900.2	5,149.7

SHARE CAPITAL

The Authorised share capital of the Company at the beginning of the year was ₹ 2,400,00,00,000/- (₹24,000.0 million) divided into 238,50,00,000 equity shares having a face value of ₹ 10/- per equity share and 1,50,00,000 preference shares having a face value of ₹ 10/- per preference share. The paid up share capital of the Company at the beginning of the year was ₹1,098,75,00,000/- (₹10,987.5 million) divided into 1,098,750,000 equity shares having a face value of ₹ 10/- per equity share.

CHANGES DURING THE YEAR

During the financial year under review, the Company in its meeting of Committee of Directors convened on July 28, 2022 allotted 104,777,870 equity shares having a face value of ₹10/- per equity share at a premium of ₹13.86/- per equity share aggregating to a total consideration of ₹2,49,99,99,978/- on rights basis to its exiting shareholders.

At the end of the Financial Year, the paid up share capital of the Company is ₹ 1,203,52,78,700 /- (₹12,035.3 million) divided into 1,20,35,27,870 equity shares having a face value of ₹10/- per equity share.

SWEAT EQUITY SHARES

During the financial year under review, the Company has not issued any sweat equity shares to its employees and therefore, the requirement of making disclosure under Rule 8(13) of Companies (Share Capital and Debenture) Rules, 2014 is not applicable to the Company.

EMPLOYEE STOCK OPTION PLAN (ESOP)

The Company does not have a designated ESOP Plan for its employees and therefore, the requirement of making disclosure under Rule 12(9) of Companies (Share Capital and Debenture) Rules, 2014 is not applicable to the Company.

DIVIDEND

Your Directors have recommended a final dividend of ₹0.25 per equity share (2.5% for fiscal 2023) (fiscal 2022: ₹0.15 per equity share at 1.5%). The final dividend is subject to the approval of the Members at the ensuing Annual General Meeting. Your Company has a Dividend Payout Policy as a matter of good corporate governance for bringing transparency in the matter of declaration of dividend and to protect the interest of investors. The payment of final dividend is in line with the Dividend Payout Policy of the Company and in compliance with Section 123 of the Companies Act, 2013.

OPERATIONAL REVIEW

The Company expanded its footprint with focus on affordable housing finance business in deeper geographies and achieved a milestone of 200 branches/offices at March 31, 2023 as compared to 170 branches at March 31, 2022. The employee strength, including employees on contract, stood at 3,107 at March 31, 2023 compared to 2,252 at March 31, 2022. The Company increased its channel partner network during fiscal 2023, specifically focused on enhancing synergy with ICICI Bank through its branches and Central Processing Centres (CPC) network and gaining more business through in-house direct sourcing.

As the disbursements of mortgage loans picked up with the receding impact of the pandemic, disbursements of the Company increased by ~74% y-o-y to ₹ 89.20 billion in fiscal 2023 as compared to ₹51.28 billion in fiscal 2022. During fiscal 2023, the Company assigned loans amounting to ₹24.03 billion compared to ₹12.24 billion last fiscal. Accordingly, total Assets Under Management (AUM) grew by 23% to ₹220.44 billion at March 31, 2023.

The Company focused on improving its asset quality in fiscal 2023 by putting comprehensive efforts on collection through various means including legal enforcements. It also sold certain stressed assets with difficult collection assessment to Asset Reconstruction Companies (ARCs). These steps along with technical write-off of stressed assets in deeper buckets helped improve the asset quality to 3.1% at March 31, 2023 as compared to 5.8% at March 31, 2022.

The Company during this fiscal initiated paperless onboarding through usage of e-Sign process to facilitate its customers. The same is part of the Company's enabled design framework alongside e-NACH facility and dedicated online portal for customer onboarding and handling post sanction processes.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company from the end of fiscal 2023 and the date of the report.

CHANGE OF NATURE OF BUSINESS

There has been no change in the nature of the business of the Company during the fiscal 2023.

SIGNIFICANT AND MATERIAL ORDERS

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

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENT

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of the Company as at March 31, 2023, comprises of seven Directors consisting of three Non-Executive Independent Directors, the Managing Director & CEO and three Non-Executive Directors (nominees of ICICI Bank, the Parent). The Directors of the Company are:

Sr. No.	Name of the Director	Designation	DIN
1	Vinod Kumar Dhall[1]	Non-Executive Independent Director (Chairman)	02591373
2	S. Santhanakrishnan	Non-Executive Independent Director	00032049
3	G. Gopalakrishna	Non-Executive Independent Director	06407040
4	Rakesh Jha	Non-Executive Director	00042075
5	Sanjay Singhvi	Non-Executive Director	09317585
6	Zeenat Hamirani	Non-Executive Director	09851630
7	Anirudh Kamani	Managing Director & CEO	07678378

1. Appointed as the Chairman of the Company with effect from April 19, 2022.

Changes in the Directorship during the financial year:

Sr. No.	Name of the Director	DIN	Appointment/ Resignation	Date of Appointment/ Resignation	Designation
1	Anup Bagchi	00105962	Resignation	September 17, 2022	Non-Executive Director
2	Rakesh Jha	00042075	Appointment	October 13, 2022	Non-Executive Director
3	Supritha Shetty	02101473	Resignation	January 5, 2023	Non-Executive Director
4	Zeenat Hamirani	09851630	Appointment	January 5, 2023	Non-Executive Director

DECLARATION OF INDEPENDENCE

The Independent Directors have confirmed that they satisfy the criteria prescribed for Independent Directors as stipulated in the provisions of Section 149(6) of the Act and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations), which have been relied upon by the Company and were placed at the Board Meeting held on April 17, 2023. The names of all the Independent Directors of the Company have been included in the Independent Directors databank maintained by Indian Institute of Corporate Affairs (IICA). None of the Directors have any pecuniary relationship or transactions with the Company. None of the Directors of the Company are related to each other. They have confirmed that they are not disqualified from being appointed as Directors in terms of Section 164 of the Act and are not debarred from holding the office of Director by virtue of any SEBI order or any other such authority.

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

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

RETIREMENT BY ROTATION

Pursuant to the provisions of Section 152 of the Act, Sanjay Singhvi (Director) retires by rotation at the forthcoming Annual General Meeting (AGM) and being eligible, offers himself for re-appointment.

APPOINTMENT AND CESSATION OF DIRECTORS

During the fiscal, pursuant to Section 161 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, Rakesh Jha was appointed as an Additional Non-Executive Director, nominated by ICICI bank with effect from October 13, 2022 by the Board of Directors. Further, on December 2, 2022, his appointment was regularized as a Non-Executive Director by obtaining approval at the Extra-Ordinary General Meeting. Also, Zeenat Hamirani was appointed as an Additional Non-Executive Director,nominated by ICICI bank on the Board of the Company on January 5, 2023. Further, on March 17, 2023, her appointment was regularized as a Non-Executive Director by obtaining approval at the Extra-Ordinary General Meeting.

During the fiscal, Anup Bagchi and Supritha Shetty resigned as the Non-Executive directors of the Company with effect from September 17, 2022 and January 05, 2023 respectively.

Apart from above changes, rest of the Directors of the Company at March 31, 2023, have continued to be on its Board.

KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Section 203 of the Act, Anirudh Kamani (Managing Director & Chief Executive Officer), Vikrant Gandhi (Chief Financial Officer) and Priyanka Shetty (Company Secretary) are Key Managerial Personnel of the Company. During the fiscal 2023, there was no change in the Key Managerial Personnel.

STATUTORY AUDITORS

RBI on April 27, 2021 issued guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) for Banks and NBFCs (including HFCs) (RBI Guidelines). As per the requirement of the said guidelines, the Company can appoint Statutory Auditors for a continuous period of maximum three years, subject to the firms satisfying the eligibility norms on a continuous basis. Additionally, the said guidelines also require NBFCs/HFCs with asset size of ₹15,000 crore and above at March 31, 2021 to appoint joint auditors for audit of their accounts. The said guidelines were applicable for the first time to NBFCs (including HFCs) and hence, NBFCs/HFCs were given flexibility to adopt these guidelines from the second half of the fiscal 2022, in order to ensure that there is no disruption.

Further, as per the aforesaid RBI guidelines and pursuant to Section 139 of the Act and Companies (Audit and Auditors) Rules, 2014 and as recommended by the Audit Committee and the Board, the shareholders of the Company at its EGM held on July 30, 2021, appointed M/s. Singhi & Co. (Firm Registration no. 302049E) and M/s. Mukund M. Chitale & Co., (Firm Registration No. 106655W), Chartered Accountants, as Joint Statutory auditors with effect from July 30, 2021 till the conclusion of 23rd AGM, to be held for the fiscal 2022. The auditors meet the eligibility criteria as required under the Act.

Accordingly, on recommendation of the Audit Committee, the Board of the Company proposed the re-appointment of M/s Singhi & Co. (Firm Registration no. 302049E) and M/s Mukund M. Chitale & Co., (Firm Registration No. 106655W), Chartered Accountants, as Joint Statutory auditors of the Company to hold office from the conclusion of the 23rd AGM till the conclusion of 25th AGM of the Company.

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

SECRETARIAL AUDITORS

In terms of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Makarand M. Joshi & Co., a firm of Practicing Company Secretaries were appointed as the Secretarial Auditors of the Company. The secretarial auditors have submitted their report for fiscal 2023 and the report does not contain any qualification. The report of the Secretarial Auditors is enclosed as **Annexure 1** to this report.

The Annual Secretarial Compliance Report for fiscal 2023 is available on the website of the Company at www.icicihfc.com and on the website of BSE Limited at www.bseindia.com.

INTERNAL AUDITORS

In terms of Section 138 of the Act read with Companies (Accounts) Rules, 2014, the Company has a dedicated team of professionals headed by the Head-Internal Auditor to conduct the internal audit of the functions and activities of the Company.

COMPLIANCE WITH SECRETARIAL STANDARDS

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

CEO/CFO CERTIFICATION

In terms of the SEBI Listing Obligations and Disclosures Requirements (LODR) Regulations, the certification by the Managing Director & CEO and Chief Financial Officer on the financial statements and internal controls relating to financial reporting has been obtained.

SUCCESSION PLANNING

In compliance with the Regulation 17 of SEBI LODR regulations and on recommendation of the Board Governance Nomination and Remuneration Committee, the Board had put in place a Succession planning policy for ascertaining the need for filling positions in the Board, senior management and other critical positions. It also involves identification of next generation for the aforesaid roles, assessment of their potential and developing them as potential successors for key leadership roles in the organization.

PERSONNEL

The Company had 3,107 (including on contract) employees at March 31, 2023.

The disclosure as required in terms of sub-section 12 of Section 197 of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for fiscal 2023 is given in **Annexure 2**.

The statement containing details of employees as required in terms of Section 197 of the Act, read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure 2A** and forms part of this report. In terms of Section 136(1) of the Act, the annual report and the financial statements are being sent to the Members, excluding **Annexure 2A**. The said Annexure is available for inspection at the Corporate Office of the Company. Any Member interested in obtaining a copy of the Annexure may write to the Company Secretary of the Company.

INTERNAL CONTROL AND ITS ADEQUACY

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

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

REGULATORY & STATUTORY COMPLIANCES

In August 2019, the Central government conferred the powers for regulation of HFCs to RBI from NHB. NHB continues to carry out the function of supervision of HFCs. On February 17, 2021, RBI issued Master Direction - NBFC - HFC (Reserve Bank) Directions, 2021 (RBI HFC Directions). These directions came into force with immediate effect.

During fiscal 2023, the RBI/NHB had issued various circulars, notifications, directions and guidelines to HFCs, the updates of which were duly placed before the Board at regular intervals. The Company had put in place adequate systems and processes in place to ensure compliance with RBI HFC Directions and other applicable directions/guidelines issued by RBI/NHB from time to time.

Your Company is also in compliance with the provisions of SEBI LODR Regulations to the extent applicable to it and subsequent amendments thereof and other applicable statutory requirements.

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

Your Company has registered itself on BSE bond platform to avail the facility of EBP Platform to issue debt securities/non-convertible debentures on a private placement basis.

Your Company has put in place policy and processes to ensure adherence to the requirement of Fair Practices Code, Know Your

Customers (KYC) and Anti Money Laundering (AML) norms as per the regulatory guidelines.

Your Company is registered with Legal Entity Identifier (LEI) India Limited (wholly owned subsidiary of Clearing Corporation of India Limited) and has obtained the LEI code 335800GH1L1U8HKSRG05. The same has a validity period of one year upto April 8, 2024.

VIGIL MECHANISM

The Company has put in place a Whistle Blower policy through which it has set-up a mechanism that enables employees or stakeholder to report about potentially illegal and/or unacceptable practices. It seeks to enable employees to report such practices without fear of victimisation and reprisal. The Whistle Blower policy aims to administer good governance practices in the Company and to ensure that serious concerns are properly raised and addressed. The Whistle Blower policy is available on the website of the Company at https://www.icicihfc.com/policies.

The purpose of the Whistle Blower policy is to enable a person who observes an unethical practice (whether or not a violation of law) to approach the Head-Internal Audit without necessarily informing his supervisors. The Whistle Blower policy governs reporting and investigation of allegations of suspected improper activities. During fiscal 2023, no personnel had been denied access to the Audit Committee. Employees of the Company are encouraged to use guidance provided in the Whistle Blower policy for reporting all alleged or suspected improper activities. In all instances, the Company retains the right to determine when circumstances warrant an investigation and in conformity with the Whistle Blower policy and applicable laws and regulations, the appropriate investigative process is employed. Strict confidentiality is maintained with regard to the identity of the complainant both during and post investigation, barring disclosure of identity, if required, under applicable law.

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

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

During fiscal 2023, the Company has not earned/ received any foreign exchange (fiscal 2022: Nil) and the total foreign exchange used was USD 177.02 million (fiscal 2022: USD 104.3 million).

RELATED PARTY TRANSACTIONS

The transactions between the Company and its related parties, during fiscal 2023, were in the ordinary course of business and based on the principles of arm's length. The Company has a Board approved policy on related party transactions, which has been disclosed on the website of the Company at https://www.icicihfc.com/policies. The details of related party transactions under Section 188(1) of the Act required to be disclosed under **Form AOC-2** pursuant to Section 134 (3) of the Act and material related party transactions at an aggregate level for fiscal 2023 are given in **Annexure 3** and related party transactions policy is enclosed in **Annexure 3A**.

ARM'S LENGTH PRINCIPLES

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

a) All transactions shall have the substantive characteristics of a transaction between independent parties.

b) The transactions shall be entered into in a need based manner and shall be based on principle of impartiality.

c) The pricing for specific transactions shall be at market related rates and would be benchmarked against comparable quotes for similar transactions in the market between independent parties.

d) The transactions shall comply with all statutory/regulatory guidelines, internal policy norms and procedures (including appropriate documentation) applicable to such transactions, if engaged with independent parties with similar background.

ANNUAL RETURN

Pursuant to Section 92(3), read with Section 134(3)(a) of the Act, the Annual Return as at March 31, 2023 is available on the Company's website on https://www.icicihfc.com/investors.

RISK MANAGEMENT FRAMEWORK

The Company is exposed to various kinds of risks like credit risk, market risk, liquidity risk and operational risk arising out of business operations, which includes mortgage lending, construction finance, gold loan liability management etc. In order to mitigate these risks, a risk management policy is in place, under the supervision of the Risk Management Committee (RMC) of the Company and the same has been approved by the Board of the Company. The Company has laid down appropriate systems to facilitate reporting pertaining to key risks to the Board of Directors, Board level committees and the senior management. The Company has adopted the Enterprise Risk Management (ERM) approach to monitor entity level risks in a holistic way and evaluate the same at organization level. The broad strategic approach is to identify and assess core perceived risks and put in place robust strategies and mitigation plans to counter the core perceived risks faced by an organization. As a part of the ERM, the Company has formulated a Risk Appetite Statement. The Risk Appetite Statement provides a comprehensive summary of Risk Appetite parameters guiding the operations of the Company. Its main purpose is to facilitate concise presentation and informed periodic review of the amount of risk the Company is prepared to take in its key activities.

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

The Company reviews its portfolio through Early warning mechanism covering Non starter / Early mortality reports, portfolio dashboard, product / segment reporting etc. The Company ensures following steps for managing its portfolio:

- Realigning the product suite by way of differentiated product mix offering to different segments of borrowers.

- For developer loans, stringent escrow management, field monitoring and engagement with promoters.

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

- Micro segment policies for enabling effective sourcing

- Branch level portfolio monitoring and intervention

- Early warning monitoring like early mortality and non-starters reporting
- Calibration of LAP portfolio & Real Estate funding

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

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

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

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

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

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

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

Over the last few years, the manifold increase in dependence on technology to run critical businesses has also led to the manifestation of newer risks and threats pertaining to the area of cyber security. In order to effectively manage cyber security and at the same time to ensure compliance with regulatory guideline, the Company has developed a comprehensive Cyber Security Policy. The Policy lays down a comprehensive set of measures and practices that would ensure protection of the Company's cyberspace against cyber-attacks, threats and vulnerabilities. The IT Risk (including cyber security risk) is managed by the Information Technology Strategy Committee (ITSC) of the Company. The core IT systems of the Company is presently hosted at ICICI Bank's data center and the Group follows Information

Security Risk Management framework for risk assessment of these IT systems. The Company ensures awareness of cyber security among all employees by periodic trainings and guidance issued through periodic mailers.

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

PERFORMANCE EVALUATION OF THE BOARD, COMMITTEES AND DIRECTORS

The Company has in place an evaluation framework for evaluation of the Board, Directors and Chairman. The Company has defined a manner of evaluation as per the provisions of the Act and SEBI LODR Regulations. The Board also carries out an evaluation of the working of the Audit Committee, Board Governance Nomination & Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee, Information Technology Strategy Committee. The evaluation of the Committees is based on the assessment of the compliance with the terms of reference of the Committees. The evaluations for the Directors and the Board were done through circulation of questionnaires for evaluation of the performance of the Board, the Committees of the Board and the individual members of the Board, which assessed the performance of the Board on selected parameters related to roles, responsibilities and obligations of the Board and functioning of the Committees including assessing the quality, quantity and timeliness of flow of information between the Company management and the Board that was necessary for the Board to effectively and reasonably perform their duties. The evaluation criteria for the Directors (including Independent Directors) was based on their participation, contribution and offering guidance to and understanding of the areas that were relevant to them in their capacity as members of the Board. A separate meeting of Independent Directors without the attendance of Non-Independent Directors and the management team was held during the fiscal as per the provisions of Schedule IV of the Act. In the opinion of Board, Independent Directors fulfill the conditions specified in the Act and SEBI LODR Regulations and are independent of the management.

NUMBER OF MEETINGS OF BOARD

During fiscal 2023, 5 (Five) Board meetings were held. For details of the meetings of the Board, please refer to the Corporate Governance section.

INFORMATION REQUIRED UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has complied with the provisions related to constitution of Internal Complaint Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Pursuant to the SEBI LODR Regulations, the details pertaining to complaints for the fiscal 2023 is given below.

a. Number of complaints received/filed during the fiscal: 3

b. Number of complaints disposed off during the fiscal: 3

c. Number of complaints pending at end of the fiscal: 0

All complaints received during fiscal 2023 have been closed within the applicable turnaround time (90 days).

DEPOSITS AS PER COMPANIES ACT, 2013

Provisions and schedules pertaining to deposits under the Companies Act, 2013 are exempted.

DETAILS OF FRAUD REPORTING TO NHB AS PER RBI MASTER DIRECTION

The Company has duly reported 15 (fifteen) fraud cases of borrowers (including 21 loan accounts) detected during FY 2023 as per the Master Direction – Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016, as amended from time to time and other applicable circular(s)guidelines, as may be issued, with respect to frauds involving value of ₹ 1 lakh and above and frauds committed by unscrupulous borrowers, detected, during fiscal 2023.

DETAILS OF FRAUD REPORTING AS PER PROVISIONS OF SECTION 134(3)(CA), READ WITH SECTION 143(12) OF THE ACT

There were no material fraud cases detected and required to be reported during fiscal 2023, as per the provisions of section 134(3) read with section 143(12) of the Act to the regulatory authorities.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of the Act, the Company filed the necessary form and uploaded the details of unpaid and unclaimed amounts lying with the Company, as on the date of closure of financial year (i.e. March 31, 2023) with the Ministry of Corporate Affairs.

During fiscal 2023, the aggregate matured deposits (including interest accrued) with the Company, which were unclaimed for more than seven years from the date of maturity of ₹ 5.0 million were transferred to IEPF as required by the Act.

MAINTENANCE OF COST RECORD

The Company is not required to maintain cost records in terms of Section 148(1) of the Act.

SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANY

The Company does not have any subsidiary, associate and joint venture company within the meaning of Section 2(87) and 2(6) of the Act and no new subsidiary, associate and joint venture company was formed during fiscal 2023.

MANAGEMENT DISCUSSION AND ANALYSIS

Management's Discussion and Analysis Report for the year under review, forms a part of this Annual Report.

CORPORATE GOVERNANCE

Philosophy of Corporate Governance

The Company's corporate governance philosophy encompasses comprehensive compliance with regulatory and legal requirements, which aims at a high level of business ethics, effective supervision, and enhancement of value for all stakeholders. The Company promotes a culture of accountability, transparency and ethical conduct across the Company.

Composition and category of directors, attendance of each director at the meeting of the board of directors and the last annual general meeting, number of other board of directors or committees in which a directors is a member or chairperson and number of meetings of the board of directors held and dates on which held

₹ in million

Name of Directors	Director Since	DIN	Category	No. of Board Meeting held and attended during the year		No. of Directorship		No. of Committee positions held in other Companies (including this Company)*		Remuneration			Attendance at the last AGM held on June 3, 2022 Yes / No	Directorship in other listed entity (Category of Directorship)
				Held	Attended	Of other Indian public limited Companies	Of other Indian Companies	Chairman	Member	Salary and other compensation	Sitting fees ##	Commission		
Anup Bagchi[1]	23/02/2017	00105962	Non-Executive Director	2	2	2	-	-	1	-	-	-	Yes	ICICI Bank Limited- Wholetime Director[6] ICICI Prudential Life Insurance Company Limited- Wholetime Director
Rakesh Jha[2]	13/10/2022	00042075	Non-Executive Director	3	3	4	-	-	1	-	-	-	-	ICICI Bank Limited- Whole time Director ICICI Securities Limited, ICICI Lombard General Insurance Company Limited- Non-executive Director
S. Santhana krishnan	16/10/2014	00032049	Non-Executive – Independent Director	5	5	-	4	1	2	-	0.75	1.12	Yes	-
Vinod Kumar Dhall[3]	18/01/2019	02591373	Chairman Non-Executive Independent Director	5	5	2	-	-	1	-	0.75	1.07	Yes	ICICI Securities Limited, Advani Hotels and Resorts (India) Limited- Non Executive Director
G. Gopalakri shna	18/01/2019	06407040	Non-Executive – Independent Director	5	5	3	2	-	4	-	0.75	1.06	Yes	-

Name of Directors	Director Since	DIN	Category	No. of Board Meeting held and attended during the year		No. of Directorship		No. of Committee positions held in other Companies (including this Company)*		Remuneration			Attendance at the last AGM held on June 3, 2022 Yes / No	Directorship in other listed entity (Category of Directorship)
				Held	Attended	Of other Indian public limited Companies	Of other Indian Companies	Chairman	Member	Salary and other compensation	Sitting fees ##	Commission		
Sanjay Singhvi	13/09/2021	09317585	Non – Executive Director	5	5	-		1	2	-	-	-	Yes	-
Supritha Shetty[4]	22/08/2019	02101473	Non – Executive Director	3	3	1		1	1	-	-	-	Yes	-
Zeenat Hamirani[5]	05/01/2023	09851630	Non – Executive Director	2	2	-		Nil	Nil	-	-	-	-	-
Anirudh Kamani	01/11/2017	07678378	Managing Director and CEO	5	5	-		-	1	41.3[#]	-	-	Yes	-

* Membership/Chairmanship of only Audit Committee and Stakeholders Relationship Committee has been considered

\# Refer Table b under the head 'Remuneration of Directors' for the elements of salary

\## Excluding GST

1. Ceased to be a director with effect from September 17, 2022.
2. Appointed as an Additional Director of the Company with effect from October 13, 2022 by the Board of Directors and his appointment was regularized from Additional Director to a Director (Non-Executive Non-Independent) at the EGM of the Company held on December 2, 2022.
3. Appointed as the Chairman of the Company with effect from April 19, 2022.
4. Ceased to be director with effect from January 5, 2023.
5. Appointed as an Additional Director on the Board of the Company with effect from January 5, 2023 and her appointment was regularized from Additional Director to a Director (Non-Executive Non-Independent) at the EGM of the Company held on March 17, 2023.
6. Anup Bagchi (DIN: 00105962), had tendered his resignation from the Board of the ICICI Bank Limited with effect from close of business hours on April 30, 2023

Note : No of Shares held in and convertible instruments held by the Directors in the Company: Nil

Details of change in composition of the Board during Fiscal 2023:

Sr. No	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (Resignation, Appointment)	Effective date
1	Anup Bagchi	Non-Executive Non-Independent Director	Resignation	September 17, 2022
2	Rakesh Jha	Non-Executive Non-Independent Director	Appointment	October 13, 2022
3	Supritha Shetty	Non-Executive Non-Independent Director	Resignation	January 05, 2023
4	Zeenat Hamirani	Non-Executive Non-Independent Director	Appointment	January 05, 2023

Details of change in composition of the Board during Fiscal 2022:

Sr. No	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (Resignation, Appointment)	Effective date
1	N. R. Narayanan	Non-Executive Non-Independent Director	Resignation	September 01, 2021
2	Sanjay Singhvi	Non-Executive Non-Independent Director	Appointment	September 13, 2021

During the financial year, five (5) Board Meetings were held on April 19, 2022, July 19, 2022, October 17, 2022, January 16, 2023 and March 2, 2023. The attendance details of Board members are given below. The intervening gap between the Board Meetings was within the period prescribed under the Act.

Disclosure of relationships between directors inter-se

There were no inter-se relationships between any of the Directors of the Company.

Number of shares and convertible instruments held by non- executive directors;

None of the Non-executive Directors hold any equity shares or convertible instruments of the Company.

Familiarisation Programs

Independent Directors are familiarised with their roles, rights and responsibilities in the Company as well as with the nature of the industry and the business model of the Company through induction programs at the time of their appointment as Directors and through presentations on economy and industry overview, key regulatory developments, strategy and performance, which are made to the directors from time to time. The details of the familiarisation programs have been hosted on the website of the Company at https://www.icicihfc.com/policies.

Skills/expertise/competence of the Board

As required under Schedule V and other applicable provisions of SEBI Listing Regulations in the context of the Company's business activities, the Company has diversity of distinguished individuals on its Board of Directors with each of the Directors having the requisite core skills/expertise/competence as well as vast experience and knowledge in one or more of the various diversified functions and fields namely, corporate planning, capital markets, institutional & retail broking, private equity fund management, financial services, treasury, competition & corporate laws, business and finance laws, corporate affairs, commerce, economic regulations, technology, business strategies and management, institutional strengthening & business transformation, banking & finance, insurance, human resources development, retail & rural banking, etc. The Board has a right blend of dynamism, leadership and experience. The Independent Directors are members of the Board of Directors of various reputed companies including listed entities and they provide their treasured inputs and guidance at the Meetings of the Board which have been of immense help to the Company in pursuing strategic goals.

As per Section C of the Schedule V of the SEBI LODR Regulations, the details of the core skills/ expertise/competence possessed by the existing directors of the Company is detailed as given below:

Name of Director	Areas of expertise
Anirudh Kamani	Agriculture and rural banking, Business Management, Risk management, Finance, Business Strategy, Marketing, Sales, Treasury Control and Services
Sanjay Singhvi	Banking, Risk Management, Finance, Business Strategy, General Management, Accountancy
G. Gopalakrishna	Regulatory Compliances, Risk Management, Corporate Governance, Information Technology, Corporate Social Responsibility, Stakeholder Management, Banking, Law and Governance
S. Santhanakrishnan	Agriculture and rural economy, Banking, Business management, Risk management, Finance, Corporate law, Business Strategy, Accountancy, Law and Governance, Law, Taxation
Vinod Kumar Dhall	Corporate Affairs, Competition and Corporate Law, Finance & Banking, Economic Regulation, Business Strategy, Business Management, Insurance, Investment Banking
Rakesh Jha	Banking, Finance, Business strategy, Asset Liability Management
Zeenat Hamirani	Underwriting across business segments, digital strategies and analytical skills

In the opinion of Board, Independent directors fulfill the conditions specified in the Act and SEBI LODR Regulations and are independent of the management.

COMMITTEES OF THE BOARD

The details of composition of the Board Level Committees and its meetings held are given below.

A. AUDIT COMMITTEE

The Audit Committee provides direction to the audit function and monitors the quality of internal and statutory audit. The responsibilities of the Audit Committee includes the following:

- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company
- Review and monitor the auditor's independence and performance, and effectiveness of audit process
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors
- Review and examination of the annual financial statements and the auditors' report thereon before submission to the Board for approval, with particular reference to:
  - matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
  - changes, if any, in accounting policies and practices and reasons for the same;
  - major accounting entries involving estimates based on the exercise of judgment by management;
  - significant adjustments made in the financial statements arising out of audit findings;
  - compliance with listing and other legal requirements relating to financial statements;
  - disclosure of any related party transactions;
  - modified opinion(s) in the draft audit report
- Review with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and other related matters, and making appropriate recommendations to the board to take up steps in this matter.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval
- Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible and inter-alia focusing primarily on compliance with prevailing accounting standards
- Approval or any subsequent modification of transactions of the Company with related parties
- Discussion with statutory auditors, before the audit commences, the nature and scope of audit as well as have post-audit discussion to ascertain any area of concern
- Evaluation of internal financial controls and risk management systems
- Reviewing with the management, performance of statutory auditors and internal auditors, adequacy of internal control systems
- Reviewing the adequacy of internal audit function, if any, including the structure of

the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit

- Discussion with internal auditors of any significant findings and follow up there on
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board
- Scrutiny of inter-corporate loans and investments
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate
- Valuation of undertakings or assets of the Company, wherever it is necessary
- Review the functioning of the Whistle Blower Mechanism
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding Rupees One hundred crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders
- Carrying out any other function as may be required and to undertake all such other matters and to do all such acts, deeds and things as may be required under the applicable laws, rules and regulations
- To mandatorily review the following:
  - management discussion and analysis of financial condition and results of operations;
  - management letters / letters of internal control weaknesses issued by the statutory auditors;
  - internal audit reports relating to internal control weaknesses;
  - appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee;
  - statement of deviations in quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) and annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(1) of SEBI LODR Regulations.

During fiscal 2023, four (4) meetings of the Committee were held on April 19, 2022, July 19, 2022, October 17, 2022 and January 16, 2023.

Sr. No.	Names of Members	Chairman/ Members	Member of Committee since	Number of meetings attended/held
1	S. Santhanakrishnan	Chairman	March 20, 2019	4/4
2	Vinod Kumar Dhall[1]	Member	September 17, 2021	3/3
3	G. Gopalakrishna[2]	Member	October 17, 2022	1/1
4	Supritha Shetty[3]	Member	December 11, 2019	3/3
5	Sanjay Singhvi[4]	Member	January 06, 2023	1/1

1. Ceased to be a member effective from October 17, 2022.
2. Appointed as a member effective from October 17, 2022.
3. Ceased to be a member effective from January 5, 2023.
4. Appointed as a member effective from January 6, 2023.

B. BOARD GOVERNANCE, NOMINATION & REMUNERATION COMMITTEE

The constitution of Board Governance, Nomination and Remuneration Committee was done in compliance with the requirements of provisions of Section 178 of the Act read with Regulation 19 of SEBI LODR Regulations. The terms of reference of the Committee includes the following:

- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- Evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director.
- For the purpose of identifying suitable candidates as an Independent Director, the Committee may:
  - use the services of external agencies, if required
  - consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - consider the time commitments of the candidates
- Formulate criteria for evaluation of performance of Independent Directors and the Board.
- To decide, whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- Devise a policy on diversity of Board.
- Recommend to the Board, all remuneration, in whatever form, payable to senior management.
- Review the Fit & Proper status of the proposed/ existing directors.
- To undertake all such other matters and to do all such acts, deeds and things as may be required under the applicable laws, rules and regulations.

During fiscal 2023, three (3) meetings of the Committee were held on April 19, 2022, July 18, 2022 and October 17, 2022.

Sr. No.	Names of Members	Chairman/ Members	Member of Committee since	Number of meetings attended/held
1	G. Gopalakrishna	Chairman	March 20, 2019	3/3
2	Vinod Kumar Dhall	Member	March 20, 2019	3/3
3	Anup Bagchi[1]	Member	April 18, 2017	2/2
4	Sanjay Singhvi[2]	Member	October 10, 2022	1/1
5	Rakesh Jha[3]	Member	October 17, 2022	-

1. Ceased to be a member effective from September 17, 2022.
2. Appointed as a member effective from October 10, 2022 and ceased to be a member effective October 17, 2022.
3. Appointed as a member effective from October 17, 2022.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

As per section 178 of the Act, read with Regulation 20 of SEBI LODR Regulations, the Company had duly constituted a Stakeholders Relationship Committee to consider and resolve the grievances of security holders of the Company. The terms of reference of the Committee are as follows:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings, etc.
- Review of measures taken for effective exercise of voting rights by shareholders
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company

During fiscal 2023, one (1) meeting of the Committee was held on January 16, 2023 and there were no complaints or pending grievances from the institutional lenders & bond holders of the Company.

Priyanka Shetty is the Company Secretary and the Compliance Officer of the Company.

Sr. No.	Names of Members	Chairman/ Members	Member of Committee since	Number of meetings attended/held
1	Sanjay Singhvi	Chairman	September 17, 2021	1/1
2	S. Santhanakrishnan	Member	January 23, 2015	1/1
3	Anirudh Kamani	Member	November 1, 2017	1/1

D. RISK MANAGEMENT COMMITTEE

The terms of reference of the Risk Management Committee includes the following:

- To formulate a detailed risk management policy which shall include:
  - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, Environmental, Social and Governance (ESG) related risks), information, cyber security risks or any other risk as may be determined by the Committee;
  - Measures for risk mitigation including systems and processes for internal control of identified risks;
  - Business continuity plan
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems
- To periodically review the risk management policy, including by considering the changing industry dynamics and evolving complexity
- To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken
- The appointment, removal and terms of remuneration of the Chief Risk Officer
- To have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary
- Review key risk indicators covering areas such as credit risk, interest rate risk, liquidity risk, foreign exchange risk, operational and outsourcing risks and the limits framework, including stress test limits for various risks
- Monitoring of regulatory and reputation risk
- Review the Internal Capital Adequacy Assessment Process (ICAAP)
- Review of risks associated with Information Technology (IT)
- Review of the Enterprise Risk Management (ERM) framework and Risk Appetite Framework (RAF)
- Review the Materiality and Risk assessment of outsourced activities
- Review the Annual Compliance Certificate for outsourcing activities
- To undertake all such other matters and to do all such acts, deeds and things as may be required under the applicable laws, rules and regulations

During fiscal 2023, four (4) meetings of the Committee were held on April 18, 2022, July 18, 2022, October 14, 2022 and January 12, 2023.

Sr. No.	Names of Members	Chairman/ Members	Member of Committee since	Number of meetings attended/held
1	Vinod Kumar Dhall[1]	Chairman	October 17, 2022	1/1
2	S. Santhanakrishnan	Member	May 2, 2020	4/4
3	G. Gopalakrishna[2]	Member	May 2, 2020	3/3
4	Zeenat Hamirani[3]	Member	January 6, 2023	1/1
5	Sanjay Singhvi[4]	Member	September 17, 2021	3/3

1. Appointed as a member effective from October 17, 2022.
2. Ceased to be a member effective from October 17, 2022.
3. Appointed as a member effective from January 6, 2023.
4. Ceased to be a member effective from January 6, 2023.

E. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

As per section 135 of the Act, the Company had duly constituted a Corporate Social Responsibility (CSR) Committee. The functions of the Committee includes the following:

- Review of Corporate Social Responsibility (CSR) initiatives.
- Formulation and recommendation to the Board, a CSR Policy, indicating the activities to be undertaken by the Company and recommendation of the amount of expenditure to be incurred on such activities specified in the Schedule VII of the Act
- Reviewing and recommending the annual CSR plan to the Board, making recommendations to the Board with respect to the CSR initiatives, policies and practices of the ICICI Group, monitoring the CSR activities, implementation and compliance with the CSR Policy and reviewing and implementing, if required, any other matter related to CSR initiatives as recommended/suggested by RBI or any other statutory Authority

During the fiscal 2023, two (2) meetings of the Committee were held on April 18, 2022 and July 19, 2022.

Sr. No.	Names of Members	Chairman/ Members	Member of Committee since	Number of meetings attended/held
1	S. Santhanakrishnan	Chairman	October 21, 2016	2/2
2	Supritha Shetty[1]	Member	October 18, 2019	2/2
3	Vinod Kumar Dhall	Member	March 20, 2019	2/2
4	G. Gopalakrishna	Member	March 20, 2019	2/2
5	Zeenat Hamirani[2]	Member	January 6, 2023	0/0

1. Ceased to be a member effective from January 5, 2023.
2. Appointed as a member effective from January 6, 2023.

Detailed report on CSR activities/initiatives is enclosed as **Annexure 5**.

F. MANAGEMENT COMMITTEE

The Management Committee (MC) was duly constituted by the Board. The terms of reference of the Committee are as follows:

Any proposal exceeding the individual and / or group borrower prudential exposure ceilings, if prescribed by the NHB. However, such proposals for additional exposure, over and above the prudential exposure ceilings, shall be considered within the guidelines prescribed by NHB from time to time. Prior to obtaining approval of the MC for such higher exposures, a pre-approval of the proposed limits to the borrower / borrower group shall be required from the Board.

All proposals exceeding the exposure limits of COD/ COE would be placed before the MC for approval

Any credit / investment proposal relating to a borrower, rated A or below, which is in default for payment of simple interest and / or principal or has any other outstanding financial irregularity to the Company for a period in excess of 60 days

To approve sell down of loan assets through direct assignment/securitization to related party upto a limit of ₹5,000.0 million

During fiscal 2023, eight (8) meetings of the Committee were held on April 12, 2022, June 21, 2022, September 27, 2022, November 28, 2022, December 28, 2022, February 22, 2023, February 24, 2023 and March 27, 2023.

Sr. No.	Names of Members	Chairman/ Members	Member of Committee since	Number of Meetings attended/held
1	Vinod Kumar Dhall	Chairman	January 18, 2019	7/8
2	S. Santhanakrishnan	Member	October 16, 2014	7/8
3	G. Gopalakrishna	Member	March 20, 2019	7/8
4	Anup Bagchi[1]	Member	February 23, 2017	1/2
5	Sanjay Singhvi	Member	September 17, 2021	1/8
6	Rakesh Jha[2]	Member	October 17, 2022	1/5
7	Supritha Shetty[3]	Member	October 18, 2019	0/5
8	Anirudh Kamani	Member	November 1, 2017	6/8
9	Zeenat Hamirani[4]	Member	January 6, 2023	0/3

1. Ceased to be a member effective from September 17, 2022.
2. Appointed as a member effective from October 17, 2022.
3. Ceased to be a member effective from January 5, 2023.
4. Appointed as a member effective from January 6, 2023.

G. INFORMATION TECHNOLOGY (IT) STRATEGY COMMITTEE

Pursuant to the circular issued by NHB on IT Framework for Housing Finance Companies (HFCs), the Company had duly constituted an Information Technology (IT) Strategy Committee, the terms of reference of which are as follows:

- Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place
- Ascertaining that management has implemented processes and practices that ensure that IT delivers value to the business

- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable
- Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high level direction for sourcing and use of IT resources
- Ensuring proper balance of IT investments for sustaining Company's growth and becoming aware about exposure towards IT risks and controls
- To recommend to the Board various policies pertaining to IT framework, which include Information Security (IS) Policy, cyber security policy, Information Technology (IT) policy, Cyber Crisis Management Plan (CCMP), Change Management Policy for implementation of IT projects, Business Continuity Planning (BCP) detailing various aspects related to each such policy as well as risk management policy considering the risk associated with existing and planned IT operations and the risk tolerance
- To recommend the Board IT services outsourcing policy and to do the following in respect of outsourced operations:
  - Instituting an appropriate governance mechanism for outsourced processes, comprising of risk based policies and procedures, to effectively identify, measure, monitor and control risks associated with outsourcing in an end to end manner;
  - Defining approval authorities for outsourcing depending on nature of risks and materiality of outsourcing;
  - Developing sound and responsive outsourcing risk management policies and procedures commensurate with the nature, scope and complexity of outsourcing arrangements;
  - Undertaking a periodic review of outsourcing strategies and all existing material outsourcing arrangement;
  - Evaluating the risks and materiality of all prospective outsourcing based on the framework developed by the Board;
  - Periodically reviewing the effectiveness of policies and procedures;
  - Communicating significant risks in outsourcing to the Board on a periodic basis;
  - Ensuring an independent review and audit in accordance with approved policies and procedures;
  - Ensuring that contingent plans have been developed and tested adequately;
  - Ensure that Company's business continuity preparedness is not adversely compromised on account of outsourcing, adopt sound business continuity management practices as issued by NHB and seek proactive assurance that that the outsourced service provider maintains readiness and preparedness for business continuity on an ongoing basis;
  - To monitor/ review comprehensive risk assessment of IT systems;
  - To discuss the reports of the information system audit and to propose appropriate action to be taken for compliance of the same.

During fiscal 2023, two (2) meetings of the Committee were held on June 27, 2022 and January 12, 2023.

Sr. No.	Names of Members	Chairman / Members	Member of Committee since	Number of meetings attended/held
1	G. Gopalakrishna	Chairman	March 20, 2019	2/2
2	S. Santhanakrishnan	Member	March 20, 2019	2/2
3	Supritha Shetty[1]	Member	December 11, 2019	1/1
4	Sanjay Singhvi[2]	Member	January 06, 2023	1/1
5	Anirudh Kamani	Member	November 01, 2017	2/2

1. Ceased to be a member effective from January 5, 2023.
2. Appointed to be a member effective from January 6, 2023.

H. ASSET LIABILITY MANAGEMENT COMMITTEE

The Company had duly constituted an Asset Liability Management Committee inter-alia, to review the ALM profile, set and monitor the market risk limits including limits on liquidity, interest rate and exchange rate positions for the structural balance sheet and the trading book, decide the business strategy on asset and liability side, oversee the implementation of the Asset Liability Management (ALM) system and review its functioning periodically, consider and approve any other matter related to liquidity and market risk management.

During fiscal 2023, 13 (thirteen) meetings of the Committee were held on April 08, 2022; April 18, 2022; May 26, 2022; June 21, 2022; July 08, 2022; July 18, 2022; August 12, 2022; October 10, 2022; October 14, 2022; December 30, 2022; January 09, 2023; January 13, 2023 and February 17, 2023.

Sr. No.	Names of Members	Chairman/ Members	Member of Committee since	Number of meetings attended/held
1	Anup Bagchi[1]	Member	February 23, 2017	0/2
2	Rakesh Jha[2]	Member	October 17, 2022	2/4
3	Supritha Shetty[3]	Member	October 18, 2019	7/10
4	Sanjay Singhvi	Member	September 17, 2021	10/13
5	Zeenat Hamirani[4]	Member	January 6, 2023	3/3
6	Anirudh Kamani	Member	November 1, 2017	9/13

1. Ceased to be a member effective from April 19, 2022
2. Appointed as a member effective from October 17, 2022.
3. Ceased to be a member effective from January 5, 2023.
4. Appointed as a member effective from January 6, 2023.

I. COMMITTEE OF DIRECTORS

The Company had duly constituted the Committee of Directors inter-alia to approve various matters namely the sanction proposals, Information Memorandum for issuance of debentures.

During fiscal 2023, sixteen (16) meetings of the Committee were held on April 1, 2022; April 18, 2022; April 28, 2022; June 13, 2022; June 23, 2022; June 27, 2022; June 30, 2022; July 14, 2022; July 18, 2022; July 26, 2022; July 28, 2022; September 22, 2022; October 14, 2022; December 5, 2022; January 12, 2023; February 15, 2023.

Sr. No.	Names of Members	Chairman/ Members	Member of Committee since	Number of meetings attended/ held
1	Supritha Shetty[1]	Member	October 18, 2019	11/14
2	Sanjay Singhvi	Member	September 17, 2021	16/16
3	Zeenat Hamirani[2]	Member	January 6, 2023	2/2
4	Anirudh Kamani	Member	November 1, 2017	9/16

1. Ceased to be a member effective from January 05, 2023.
2. Appointed as the member effective from January 06, 2023.

J. OTHER COMMITTEES

In addition to the above, the Board, has from time to time constituted various committees, namely the Committee of Executives, Product and Process Approval Committee, Customer Services and Grievances Redressal Committee, IT Steering Committee. These committees are responsible for specific operational areas like approval of credit proposals, approval of products and processes, ensuring IT investments represent a balance of risks and benefits, approval for issuance/allotment of Non-Convertible Debentures, opening/closing of various accounts maintained with other counterparts, etc.

Remuneration of directors:

a) all pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity: Not applicable

b) criteria of making payments to non-executive directors: Not Applicable

c) disclosures with respect to remuneration:

DETAILS OF REMUNERATION FOR THE FISCAL 2023:

A) NON-EXECUTIVE DIRECTORS

₹ (in million)

Sr.No	Name of the Director	Commission[6]	Sitting Fees[6]
1	Vinod Kumar Dhall, Chairman[1]	0.75	1.12
2	Santhanakrishnan S	0.75	1.07
3	Gopalakrishna G	0.75	1.06
4	Anup Bagchi[2]	-	-

Sr.No	Name of the Director	Commission[6]	Sitting Fees[6]
5	Rakesh Jha[3]	-	-
6	Supritha Shetty[4]	-	-
7	Sanjay Singhvi	-	-
8	Zeenat Hamirani[5]	-	-

1. Appointed as the Chairman of the Company with effect from April 19, 2022.
2. Ceased to be a director with effect from September 17, 2022.
3. Appointed as an Additional Non-Executive Director with effect from October 13, 2022.
4. Ceased to be a director effect from January 5, 2023.
5. Appointed as an Additional Non-Executive Director with effect from January 5, 2023.
6. Excluding GST

B) MANAGING DIRECTOR AND CEO

₹ in million

Name of the Director	Particulars	Amount
Anirudh Kamani	Basic Salary	10.4
	Performance bonus paid in fiscal 2023	4.90
	Allowances and perquisites[1]	23.6
	Contribution to provident fund	1.50
	Contribution to superannuation Fund	-
	Contribution to gratuity fund	0.90
	Stock Options (Number) - fiscal 2022[2]	89,300

1. Allowances and perquisites excludes previous year's stock options exercised in fiscal 2023 Employee Stock Options Plan (ESOP). Also excluded Insurance Premium paid for Group Helath Insurance (GHI), Group Term Life Insurance (GTL) & Group Personal Accident (GPA) in fiscal 2023
2. Stock Options (Number) are granted in April 2023 for Fiscal 2022.

Note: Service contracts, severance fees. – NA and Notice period is as per applicable policies of the Company.

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

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

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

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

During the Financial year, none of the Independent Directors resigned before the expiry of their tenure. Anup Bagchi, Non-Executive Director of the Company resigned from the Company effective from September 17, 2022. Rakesh Jha was appointed as Additional Director of the Company effective from October 13, 2022 and his appointment was regularized from Additional Director to a Director (Non-Executive Non-Independent) at the EGM of the Company held on December 2, 2022.

Further, Supritha Shetty, Non-Executive Director of the Company resigned from the Company effective from January 5, 2023. Zeenat Hamirani was appointed as an Additional Director on the Board of the Company effective from January 5, 2023 and her appointment was regularized from Additional Director to a Director (Non-Executive Non-Independent) at the EGM of the Company held on March 17, 2023.

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

Additionally, the Independent Directors of the Company are paid a profit related commission of ₹ 7,50,000 each per annum effective fiscal 2016. The payment would be subject to the provisions of the Act and availability of net profits at the end of each fiscal. The Independent Directors would be entitled to reimbursement of expenses for attending Board/Committee meetings, official visits and participation in various forums on behalf of the Company and any other expenses as may be approved by the Board.

DETAILS OF GENERAL BODY MEETINGS

A. DETAILS OF LAST THREE ANNUAL GENERAL MEETINGS OF THE COMPANY ARE GIVEN BELOW.

General Body Meeting	Day, Date	Time	Venue
Twenty-First Annual General Meeting (fiscal 2020)	Friday, June 5, 2020	11.00 AM	Meeting held through video conferencing/other audio visual means
Twenty-Second Annual General Meeting (fiscal 2021)	Friday, June 4, 2021	03.00 PM	Meeting held through video conferencing/other audio visual means
Twenty-Third Annual Genral Meeting (fiscal 2022)	Friday, June 3, 2022	03.30 PM	Meeting held through video conferencing/other audio visual means

B. SPECIAL RESOLUTIONS PASSED IN THE ANNUAL GENERAL MEETINGS HELD IN THE PREVIOUS THREE YEARS ARE GIVEN BELOW.

General Body Meeting	Day, Date	Special Resolution
Annual General Meeting	Friday, June 5, 2020	• Issue of NCDs through Private Placement • 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

General Body Meeting	Day, Date	Special Resolution
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
Annual General Meeting	Friday, June 3, 2022	• Fixing overall Borrowing Limits under Section 180(1)(c) of the Companies Act, 2013 • 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, 2022 • Re-appointment of Anirudh Kamani (DIN : 07678378) as Managing Director & CEO of the Company • Continuation of Vinod Kumar Dhall (DIN : 02591373) as an Independent Director of the Company

C. WHETHER SPECIAL RESOLUTIONS WERE PUT THROUGH POSTAL BALLOT LAST YEAR, DETAILS OF VOTING PATTERN:

During fiscal 2023, no resolution was passed through Postal Ballot.

D. WHETHER ANY SPECIAL RESOLUTION IS PROPOSED TO BE CONDUCTED THROUGH POSTAL BALLOT:

No Special Resolution is proposed to be passed through Postal Ballot as on the date of this Report.

MEANS OF COMMUNICATION

We have established robust procedures to disseminate relevant information in a planned manner to our Shareholders, Bondholders, analysts, employees and the society at large. The details of the means of communication with Shareholders/ Bondholders /analysts are given below:

1. PUBLICATION OF QUARTERLY RESULTS

Quarterly, Half-yearly and Annual Financial Results of the Company are sent to the Stock Exchanges where the securities of the Company are listed i.e. BSE Limited and published in The Financial Express, leading English newspaper having nationwide circulation. Simultaneously, they are also put on the Company's website and can be accessed at www.icicihfc.com.

2. WEBSITE

The Company's website, www.icicihfc.com contains a separate dedicated section 'Investors' and 'Investor Relations' where all the Shareholders' information is available.

3. ANNUAL REPORT

The Annual Report containing, inter alia, Audited Financial Statements, Board's Report, Auditors' Report and other important information is circulated to the members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report. The Company's Annual Report is also available in a downloadable form on the Company's website i.e. www.icicihfc.com.

4. STOCK EXCHANGE

The Company makes timely disclosures of necessary information to the BSE Limited in terms of the SEBI LODR Regulations and other rules and regulations issued by the SEBI.

GENERAL SHAREHOLDER INFORMATION

(I) COMPANY REGISTRATION DETAILS

The Company is registered in the State of Maharashtra. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is U65922MH1999PLC120106.

(II) ANNUAL GENERAL MEETING

Date : May 30, 2023

Day : Tuesday

Time : 4.30 p.m.

Place : ICICI HFC Tower, Andheri Kurla Road, J.B. Nagar, Andheri (E), Mumbai - 400 059.

(III) FINANCIAL CALENDAR

Financial Year: April 01 to March 31

(IV) DIVIDEND PAYMENT DATE

Dividend will be paid/dispatched on or after May 30, 2023.

(V) LISTING ON STOCK EXCHANGES

Your Company has issued privately placed non-convertible debentures, which are listed on BSE Limited located at Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001.

You Company has paid the Annual Listing Fees to BSE Limited where its bonds are listed for the year ending 2024.

(VI) REGISTRARS & TRANSFER AGENT

Registrars and Share Transfer Agents (RTA) of the Company are as given below. Investor services related queries requests/grievances may be directed to Mr. Sunny Abraham (Bonds) at the address as under:

Datamatics Business Solutions limited
Plot no. B-5, part B Crosslane, MIDC,
Andheri (East), Mumbai – 400093.
Tel: 022-66712196

3i Infotech Limited
International Infotech Park, Tower # 5,
3rd Floor, Vashi Railway Station Complex,
Vashi, Navi Mumbai 400 703,
Maharashtra, India
Tel: +91-22-7123 8000

(VII) DISTRIBUTION OF SHAREHOLDING AT MARCH 31, 2023

Range - Shares	No. of Shareholders		No. of Shares	
	Number	% of Total	Shares	% of Total
Upto 1,000	6	85.71	1,100	*
1,001 – 5,000	-	-	-	-
5,001 – 10,000	-	-	-	-
10,001 – 50,000	-	-	-	-
50,001 & above	1	14.29	1,203,526,770	100
Total	**7**	**100**	**1,203,527,870**	**100**

*Insignificant percentage

(VIII) CATEGORY OF SHAREHOLDERS AT MARCH 31, 2023

Category	No. of Shares held	% of Shareholding
Promoters & Promoter's group	1,203,527,870	100
Financial Institution & Banks	-	-
Foreign Portfolio Investors	-	-
Mutual Funds	-	-
Bodies Corporate	-	-
NRI	-	-
Individual	-	-
HUF	-	-
Trusts	-	-
Clearing Member	-	-
NBFCs registered with RBI	-	-
Employee Benefit Trust	-	-
Total	**1,203,527,870**	**100**

(IX) OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

Your Company does not have any outstanding GDRs/ADRs/Warrants/ Convertible Instruments at March 31, 2023.

(X) DEMATERIALISATION OF SHARES AND LIQUIDITY

Your Company is a Wholly Owned Subsidiary of ICICI Bank Limited and the Equity Shares are held by ICICI Bank Limited and its nominees in dematerialised form.

(XI) COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The Company is not in the Commodity business; hence no direct commodity price risk affects the Company. However, the Company do have Gold loan lending business where suitable margins are maintained to eliminate the risk of fluctuation of gold prices. Further, Gold loan lending are done within 75% Loan to Value (LTV) limit as per regulatory guidelines.

The Company does not have any foreign currency exposure at March 31, 2023, hence no foreign exchange risk is applicable to the Company. Further, no derivatives have been taken for hedging purpose.

(XVI) PLANT LOCATIONS: Not Applicable

(XVII) ADDRESS FOR CORRESPONDENCE

Priyanka Shetty
Company Secretary
ICICI Home Finance Company Limited,
ICICI HFC Tower, Andheri Kurla Road,
J.B. Nagar, Andheri (E), Mumbai - 400059
Email: priyanka.shetty@icicihfc.com
Website: www.icicihfc.com
Tel.: (+91-22) 40093457

(XVIII) CREDIT RATINGS AT MARCH 31, 2023

Credit Rating Agency	Instruments	Ratings	Revision, if any	Revision Rational
CRISIL	Fixed Deposits	CRISIL AAA/Stable[1]	None	NA
	Senior Bonds / Non-Convertible Debentures	CRISIL AAA/Stable		
	Subordinated Bonds	CRISIL AAA/Stable		
	Market Linked Debentures	CRISIL PPMLD AAA/ Stable[2]		
ICRA	Fixed Deposits	ICRA AAA/Stable[3]		
	Senior Bonds / Non-Convertible Debentures	ICRA AAA/Stable		
	Subordinated Bonds	ICRA AAA/Stable		
	Commercial Papers	ICRA A1+		
	Long term Bank facilities	ICRA AAA/Stable		
CARE	Fixed Deposits	CARE AAA/Stable[4]		
	Senior Bonds / Non-Convertible Debentures	CARE AAA/Stable		
	Subordinated Bonds	CARE AAA/Stable		
	Commercial Papers	CARE A1+		
	Market Linked Debentures	CARE PPMLD AAA/ Stable		

1. As per CRISIL rating letter and credit bulletin dated June 20, 2022, CRISIL Ratings has migrated the rating to "CRISIL AAA/ Stable" from "FAAA/Stable". The migration represents only a recalibration of the rating from one scale to another and does not reflect any change in the credit risk profile of the fixed deposit programme. It is also neither an upgrade nor a downgrade of the FD rating programme.

2. As per CRISIL credit bulletin dated February 7, 2023 and rating letter dated February 8, 2023, CRISIL has removed the 'r' suffix used in the rating symbol of principal protected market-linked debentures. Removal of 'r' suffix does not reflect a rating change or a change in the CRISIL Ratings' credit opinion or in the credit risk profile of the Company. In other words, it is neither an upgrade nor a downgrade of the underlying credit risk profile of the issuer.

3. As per ICRA rating letter dated May 20, 2022 and rating rational dated May 27, 2022, ICRA Limited has revised its rating symbol for fixed deposit rating to "ICRA AAA/Stable" from "ICRA MAAA/Stable" due to migration of rating from medium term rating scale to long term rating scale.

4. As per CARE Rating letter dated June 21, 2022, CARE Ratings Limited has revised its rating symbol for fixed deposit rating to

"CARE AAA/Stable" from "CARE AAA(FD)/ Stable". It is clarified that the change in rating symbols will have no bearing on the existing rating assigned by CARE ratings Ltd. to the Fixed Deposit of the company and should not be construed in any manner, as a change in the rating.

5. The Company also has a standalone issuer credit rating of 'ICRA AAA/Stable' by ICRA.

(XIX) MARKET PRICE DATA – HIGH, LOW DURING EACH MONTH IN LAST FINANCIAL YEAR – Not Applicable

(XX) PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES SUCH AS BSE SENSEX, CRISIL INDEX – Not Applicable

(XXI) IN CASE OF, ANY OF THE SECURITIES OF THE COMPANY ARE SUSPENDED FROM TRADING – Not Applicable

(XXII) SHARE TRANSFER SYSTEM

Your Company is a Wholly Owned Subsidiary of ICICI Bank Limited.

OTHER DISCLOSURES

1. There are no materially significant transactions with related parties i.e., directors, management, Holding Company conflicting with the interests of your Company. The RPT Policy annexed to this report covers aspects relating to dealing with and entering into material related party transactions.

2. **Details of non-compliance by the Company with the requirements of RBI/ NHB and Companies Act, 2013 including compliances with accounting and secretarial standards, penalties, strictures imposed on the Company by the Stock Exchange(s) or SEBI or any statutory authority on any matter related to capital markets, during the last three years:** During fiscal 2022, National Housing Bank imposed a penalty of ₹30,000/- on the Company for Non-Compliance under Para 28 'provisioning requirement' of The Housing Finance Companies (NHB) Directions, 2010. The Company paid the penalty within stipulated timeline.

3. **Details of establishment of vigil mechanism / Whistle Blower policy, and affirmation that no personnel has been denied access to the audit committee;**

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

   The purpose of the Whistle Blower policy is to enable a person who observes an unethical practice (whether or not a violation of law) to approach the Head-Internal Audit without necessarily informing his supervisors. Whistle Blower policy governs reporting and investigation of allegations of suspected improper activities. During fiscal 2023, no personnel had been denied access to the Audit Committee.

   Employees of the Company are encouraged to use guidance provided in the Whistle Blower policy for reporting all alleged or suspected improper activities. In all instances, the Company retains the right to determine when circumstances warrant an investigation and in conformity with the Whistleblower Policy and applicable laws and regulations, the appropriate investigative process is employed. Strict confidentiality is maintained with regard to the identity of the complainant both during and post investigation, barring disclosure of identity, if required, under applicable law

4. **Details of Compliance with the Mandatory requirements and adoption of Non-Mandatory Requirements**

   Mandatory requirements as mentioned under SEBI LODR Regulations to the extent applicable have been complied by the Company. However, the Company has adopted the following non-mandatory requirement of Regulation 27 of the SEBI LODR Regulations:

   a. The auditors' reports on statutory financial statements of the Company are with an unmodified opinion.

5. SEBI Listing Regulations were amended through notification dated September 07, 2021, providing for the applicability of Regulations 16 to 27, relating to corporate governance on high value debt listed entities on comply or explain basis as per the prescribed timeline and on a mandatory basis thereafter. The Company being high value debt listed entity has ensured compliance with the new requirements to the extent applicable to the Company.

6. **Web link where policy for determining 'material' subsidiaries is disclosed:** Not Applicable

7. **Remuneration to Statutory Auditors**

   As required under Part C of the Schedule V of the SEBI LODR Regulations, the total fee to the statutory auditor is as under:

₹ in million

Type of Services	Amount
Statutory Audit fees	5.7
Tax Audit fees	0.5
Certification and other fees[1]	2.4
Total	**8.6**

1. Including reimbursement of expenses and tax credit not available to the Company.

8. **Disclosure by listed entity of 'Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount**

   No such loans and advances are given by the Company

9. **Where the Board had not accepted any recommendation of any committee of the Board, which is mandatorily required, in the relevant financial year**

   All the recommendations made by the committees of the Board during the relevant financial year were accepted by the Board.

10. **Web-link where policy for determining "material" subsidiaries is disclosed**

    The Company has no subsidiaries.

11. **Web-link where policy on dealing with the Related Party Transaction is disclosed**

    The policy on dealing with the Related Party Transaction is hosted on the website of the Company i.e. **www.icicihfc.com.**

12. **Details of Utilisation of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32(7A)** – Nil

13. **Compliance Certificate on conditions of Corporate Governance by a Practicing Company Secretary**

    Your Company has annexed to this Report as **Annexure - 4**, a certificate obtained from Makarand M. Joshi & Co., Practicing Company Secretary, regarding compliance of conditions of Corporate Governance as stipulated in the Schedule V of SEBI LODR Regulations.

14. **Certificate from a Company Secretary in Practice that none of the Board members of the Company have been debarred or disqualified from being appointed or continuing as directors of Companies by the SEBI/Ministry of Corporate Affairs or any** – Certificate from a Practicing Company Secretary has been provided under **Annexure 6.**

15. The Company has complied with discretionary requirements as specified in Part E of Schedule II to the extent applicable.

16. **Disclosures with respect to demat suspense account/ unclaimed suspense account:** Not Applicable

DISCLOSURES AS PER THE NON-BANKING FINANCIAL COMPANY- HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021 (AS AMENDED FROM TIME TO TIME)

A. PUBLIC DEPOSITS

As required by the aforesaid Directions, the details of public deposits unclaimed and unpaid at March 31, 2023, are given below:

- The total number of accounts of public deposits (including interest) which have not been claimed by the depositors or not paid by the Company after the date on which the deposit became due for repayment: 169

- The total amounts due (including interest) under such accounts remaining unclaimed or unpaid beyond the dates referred to in clause (i) as aforesaid: ₹ 8.8 million.

The total amount of interest due and included in such unclaimed or unpaid deposits amounted to ₹3.6 million at March 31, 2023.

The Company has sent reminders to the depositors and requested them to claim the same. There are no overdue deposits other than unclaimed deposits.

The Company raised public deposits worth ₹7,661.99 million during fiscal 2023. The Company's Fixed Deposits programme has received the highest credit ratings of 'MAAA' by ICRA, 'CARE AAA (FD)' by CARE and 'FAAA' by CRISIL with stable outlook.

B. DEBENTURES

i. The total number of non-convertible debentures which have not been claimed by the investors or not paid by the Company after the date on which the non- convertible debentures became due for redemption: Nil

ii. The total amount in respect of such debentures remaining unclaimed or unpaid beyond the date of such debentures become due for redemption: Nil

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

There is no application made or pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The Company has not availed one-time settlement for any of its loan from banks or financial institutions.

DETAILS OF DEBENTURE TRUSTEES

As per SEBI circular no. CIR/IMD/DF/18/2013 dated October 29, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of Debenture Trustees are as under:

Name	Axis Trustee Services Limited
Address	The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai – 400 028
Contact details	Tel. No.: 022-62300451 Fax No.: 022-43253000 Email: debenturetrustee@axistrustee.in

DISCLOSURE OF LARGE CORPORATE ENTITY

Pursuant to SEBI circular SEBI/HO/DDHS/CIR/2018 dated November 26, 2018 and other applicable regulations as amended from time to time, the Company has been identified as Large Corporate Entity as per the applicability criteria.

As per the requirement of said circular, the Company after being identified as a Large Corporate entity had to raise 25% of its incremental borrowings during fiscal 2023 through issuance of debt securities. The Company was able to meet the criteria of minimum 25% (it raised 15.34 billion i.e.; 25.49% during the year) of its incremental borrowings through issuance of NCDs, which are in the nature of debt securities.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Act confirm that:

a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) They had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the fiscal 2022 and of the profit and loss of the Company for that period;

c) They had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) They had prepared the annual accounts on a going concern basis;

e) They had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Directors thank the National Housing Bank, the Reserve Bank of India, the Securities and Exchange Board of India, other statutory authorities, BSE Limited, vendors, channel partners and the bankers and lenders of the Company for their continued support.

The Directors express their gratitude for the support and guidance received from the Company’s shareholder, ICICI Bank Limited and other ICICI Group companies and also express their warm appreciation to all the employees of the Company for their commendable teamwork, professionalism and contribution during the year. The Directors extend their sincere thanks to the customers of the Company for their continued support.

For and on behalf of the Board

ICICI HOME FINANCE COMPANY LIMITED

Sd/-
Vinod Kumar Dhall
Chairman
DIN: 02591373

Place: Mumbai
Date: April 17, 2023

COMPLIANCE WITH THE GROUP CODE OF BUSINESS CONDUCT AND ETHICS

I confirm that all Directors and members of the senior management have affirmed compliance with Group Code of Business Conduct and Ethics for fiscal 2023.

Sd/-
Anirudh Kamani
Managing Director & CEO
DIN: 07678378

Place: Mumbai
Date: April 17, 2023

ANNEXURE 1

MAKARAND M. JOSHI & CO.
COMPANY SECRETARIES

Ecstasy, 803-804, 8th Floor, City of Joy, JSD Road, Mulund (W), Mumbai- 400080 (T) 022-21678100

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended March 31, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members

ICICI Home Finance Company Limited

ICICI Bank Towers

Bandra-Kurla Complex,

Mumbai -400051

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ICICI Home Finance Company Limited (hereinafter called 'the Company')**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

AUDITOR'S RESPONSIBILITY:

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of audit including internal, financial and operating controls, there is an unavoidable risk that some material misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 (hereinafter called the '**Audit Period**') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

(i) The Companies Act, 2013 (**the Act**), and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings; **(Foreign Direct Investment and Overseas Direct Investment Not Applicable to the Company during the Audit Period)**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable to the Company during the Audit Period)**

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**

d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**

e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**

f. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable to the Company during the Audit Period);**

i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 to the extent applicable to the company. ("Listing Regulations");

Further, the Company being High Value Debt Listed Entity, it is complying with the provisions of Listing Regulations on Comply and Explain basis.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc mentioned above.

We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following law applicable specifically to the Company:

(i) Non-Banking Financial Company-Housing Finance Company (Reserve Bank) Directions, 2021.

(ii) IRDA (Registration of Corporate Agents) Regulations, 2015 issued by the Insurance Regulatory Development Authority of India..

WE FURTHER REPORT THAT

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has:

- Allotted Fully paid, Rated, Listed, Secured Redeemable Senior Bonds in the nature of Market Linked Non-Convertible Debentures on private placement basis amounting to ₹ 5,942.00 million;
- Allotted 104,777,870 Equity shares of ₹ 10 each (be-ing face value) at a price of ₹ 23.86 each (including premium of ₹ 13.86 each) aggregating to ₹ 2,49,99,99,978/- on Right Issue basis;
- Allotted Fully paid, Rated, Listed, Secured Redeemable Senior Non- Convertible Debentures (NCDs) issued at par and redeemed at premium on private placement basis amounting to ₹ 9,400.00 million;

FOR MAKARAND M. JOSHI & CO.

Company Secretaries

Sd/-

Kumudini Bhalerao

Partner

FCS: 6667

CP: 6690

PR: 640/2019

UDIN: F006667E000116931

Date: April 17, 2023

Place: Mumbai

**This report is to be read with our letter of event date which is annexed as Annexure A and forms an integral part of this report.*

ANNEXURE A

To
The Members,
ICICI Home Finance Company Limited
ICICI Bank Towers
Bandra-Kurla Complex,
Mumbai - 400051
Maharashtra, India

Our report of event date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

FOR MAKARAND M. JOSHI & CO.
Company Secretaries

Sd/-
Kumudini Bhalerao
Partner
FCS: 6667
CP: 6690
PR: 640/2019
UDIN: F006667E000116931

Date: April 17, 2023
Place: Mumbai

ANNEXURE 2

DISCLOSURES IN TERMS OF SUB-SECTION 12 OF SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the fiscal:

Anirudh Kamani, MD & CEO	71:1
S. Santhanakrishnan, Independent Director[1]	2:1
Vinod Kumar Dhall[1]	2:1
G. Gopalakrishna[1]	2:1

1. Includes Commission paid during fiscal 2023 and sitting fees has been excluded for calculation of remuneration.

(ii) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer (CFO), Company Secretary or Manager, if any, in the fiscal 2023

During the fiscal, the increase in remuneration of MD & CEO, CFO and Company Secretary stood at 7%, 7% and 10.3% respectively.

(iii) The percentage increase in the median remuneration of employees in the fiscal

The median remuneration of employees in the fiscal has increased by 7%.

(iv) The number of permanent employees on the rolls of Company

The number of permanent employees on rolls of the Company is 2,751 at March 31, 2023.

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last fiscal and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

The average percentile (percentage) increase made in the salaries of total employees other than the key managerial personnel in fiscal 2023 is around 9.75% v/s 8.10% increase in the remuneration of the key managerial personnel in fiscal 2023.

(vi) Key parameters for any variable components of remuneration availed by the Directors

On the Company's Key Performance Indicators achievement.

(vii) Affirmation that the remuneration is as per the remuneration policy of the Company

Yes.

ANNEXURE 3

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013
and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis - Nil

2. Details of material contracts or arrangement or transactions at arm's length basis:

The details of material related party transactions at arm's length principles for the year ended March 31, 2023 on an aggregate basis are given below.

₹ in million

Sr. no.	Nature of Contracts/ Transactions	Name of the Related Party	Nature of Relationship	Duration of Contracts	Salient terms of Contracts/ Transactions	Amount
1.	Sell down of retail mortgage loans by way of Direct Assignment (DA)	ICICI Bank Limited	Holding Company	-	At market price	19,290.7
2.	Letter of undertaking	ICICI Bank Limited	Holding Company	Various Maturities	-	11,514.8
3.	Term Loans repaid	ICICI Bank Limited	Holding Company	Various Maturities	At market price	4,541.7
4.	Bank/Book overdraft in current accounts	ICICI Bank Limited	Holding Company	Various Maturities	At market price	7,918.8
5.	Redemption/ Maturity of bonds	ICICI Lombard General Insurance Company Limited	Associate of Holding Company	Various Maturities	At market price	1,615.5

Sd/-

Anirudh Kamani

Managing Director & CEO

DIN: 07678378

ANNEXURE 3A

RELATED PARTY TRANSACTIONS POLICY

I. BACKGROUND

The section 177 and 188 of the Companies Act, 2013 (the Act), along with relevant Rules framed thereunder contain compliance and approval requirements regarding the related party transactions. Further, Regulation 23 of Securities and Exchanges Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (Regulation 23) also contain certain approval requirements regarding the related party transactions. Regulation 23 requires the listed companies to formulate a policy on dealing with related party transactions.

Accordingly, the Company has adopted the following policy with regard to related party transactions. Any changes in the provisions, clarifications, Frequently Asked Questions (FAQs) issued under the Act or SEBI Regulations, regarding related party transactions will be applicable to the Framework from the date the changes, clarifications or FAQs are effective. The Policy will be reviewed at least once in three years.

II. DEFINITIONS

ARM'S LENGTH BASIS

In terms of the Act, the expression 'arm's length transaction' means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.

A transaction with a related party will be considered to be on arm's length basis if the key terms, including pricing of the transaction, taken as a whole, are comparable with those of similar transactions if they would have been undertaken with unrelated parties.

It may be noted that this policy framework, including the definitions above, is meant solely for the purposes of compliance with related party transaction requirements under the Act and Regulation 23. The above terms may have different connotations for other purposes like disclosures in the financial statements, which are governed by applicable regulations, accounting standards, regulatory guidelines etc.

Material related party transaction as per Regulation 23 means a transaction with a related party if the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ₹10.00 billion or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

Transaction(s) involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed 5% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

Material modification as per Regulation 23 means, subsequent to entering into a contract or arrangement for a related party transaction, would mean change in overall pricing or rate under a contract by more than 20.0%. Provided further that the aggregate value of transactions under the contract during the previous financial year or current financial year till the date of modification was more than ₹500.0 million. Provided further, a contract or arrangement where same pricing or rates are offered uniformly to all customer's/service providers will be exempt from the scope of material modification.

Ordinary course of business includes but not limited to a term for activities that are necessary, normal, and incidental to the business. These are common practices and customs of commercial transactions. The ordinary course of business covers the usual transactions, customs and practices related to the business.

The following factors are indicative of a transaction being in the ordinary course of business:

i. The transaction is normal or otherwise unremarkable for the business.

ii. The transaction is frequent/regular.

iii. The transaction is a source of income for the business.

iv. Transactions that are part of the standard industry practice, even though the Company may not have done it in the past.

These are not exhaustive criteria and the Company will have to assess each transaction considering its specific nature and circumstances.

Related party would include:

i. a director or his relative;

ii. a key managerial personnel (KMP) or his relative;

iii. a firm, in which a director, manager or his relative is a partner;

iv. a private company in which a director or manager or his relative is a member or director;

v. a public company in which a director or manager is a director and holds along with his relatives, more than two per cent of its paid-up share capital;

vi. any body corporate whose board of directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;

vii. any person on whose advice, directions or instructions a director or manager is accustomed to act:

Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity;

viii. any body corporate which is-

a. a holding, subsidiary or an associate company of such company; or

b. a subsidiary of a holding company to which it is also a subsidiary; or

c. an investing company or the venturer of the company;

The "investing company or the venturer of a company" means a body corporate whose investment in the company would result in the company becoming an associate company of the body corporate.

ix. a director other than an independent director or key managerial personnel of the holding company or his relative with reference to a company (as per Companies (Meetings of Board and its Powers) Rules, 2014;

x. any person or entity belonging to the promoter or promoter group of the listed entity.

xi. any person or any entity, holding equity shares of 20.0% or more (10.0% or more with effect from April 1, 2023) in the Company either directly or on a beneficial interest basis as provided under section 89 of the Act, at any time, during the immediate preceding financial year.

Related party transaction reference to the Company means a transaction involving a transfer of resources, services or obligations between:

- The Company or any of the subsidiaries of the Company on one hand and a related party of the Company or any of subsidiaries of the Company on the other hand; or
- The Company or any of the subsidiaries of the Company on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the Company or any of the subsidiaries of the Company, with effect from April 1, 2023;

regardless of whether a price is charged and a "transaction" with a related party shall be construed to include a single transaction or a group of transactions in a contract.

Provided that the following shall not be a related party transaction:

- the issue of specified securities on a preferential basis, subject to compliance of the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- the following corporate actions by the listed entity which are uniformly applicable/offered to all shareholders in proportion to their shareholding:

  Payment of dividend, subdivision or consolidation of securities, issuance of securities by way of a rights issue or a bonus issue and buy-back of securities;
- acceptance of fixed deposits at the terms uniformly applicable/offered to all shareholders/public.

Provided further the units issued by mutual funds, which are listed on a recognised stock exchange(s) will not be considered as related party transactions.

Significant influence means control of at least 20% of total voting power, or control of or participation in business decisions under an agreement.

Turnover has been defined as the aggregate value of the realisation of amount made from sale, supply or distribution of goods or on account of services rendered, or both, by the company during a financial year. Accordingly, for the Company, the 'turnover' is considered as the 'Total Income', i.e., total of interest income and other income.

III. APPROVAL OF RELATED PARTY TRANSACTIONS

A. AUDIT COMMITTEE

All related party transactions and subsequent material modification, where the Company is one of the party to the transaction should be pre-approved by the Audit Committee of the Company before entering into such transaction. The Audit Committee shall consider all relevant factors while deliberating the related party transactions for its approval. The Audit Committee may not approve a transaction but may make appropriate recommendations to the Board.

Only those members of the Committee, who are independent directors, shall approve related party transactions. A related party transaction, which is (i) not in the ordinary course of business, or (ii) not at arm's length price, would require approval of the Board of Directors or of shareholders as discussed subsequently.

The Audit Committee may grant omnibus approval for related party transactions of the Company, which are repetitive in nature and subject to certain criteria/ conditions as required under Regulation 23 and Companies (Meetings of Board and its powers) Rules, 2014 and such other conditions as it may consider necessary in line with this policy and in the interest of the Company. Such omnibus approval shall be valid for one financial year.

A transaction, not covered in omnibus approval, amounting upto ₹10.0 million, entered by a director, KMP or any other officer of the Company, on whose directions or instructions the Board of Directors or director(s) are accustomed to act, would be voidable at the option of the Audit Committee, unless it has been ratified by the Audit Committee within three months from the date of the transaction.

Audit Committee shall review, on a quarterly basis, the details of related party transactions entered into by the Company pursuant to the omnibus approval. In connection with any review of a related party transaction, the Committee has authority to modify or waive any procedural requirements of this policy.

A related party transaction entered into by the Company, which is not under the omnibus approval or otherwise pre-approved by the Committee will be placed before the Committee for ratification.

B. BOARD OF DIRECTORS

In case any related party transactions are referred by the Company to the Board for its approval due to the transaction being (i) not in the ordinary course of business, or (ii) not at an arm's length price, or (iii) a transaction not approved but recommended by the Audit Committee, the Board will consider such factors as, nature of the transaction, material terms, the manner of determining the pricing and the business rationale for entering into such transaction. On such consideration, the Board may approve the transaction or may require such modifications to transaction terms as it deems appropriate under the circumstances. Any member of the Board who has any interest in any related party transaction shall not vote to approve the related party transaction.

C. SHAREHOLDERS

Material related party transaction or a subsequent material modification will require shareholders' approval through resolution and no related parties will vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

The following material related party transactions will be exempt from the obtaining the approval from the shareholders of the Company:

- The Company's transactions with its Parent Bank;
- Transaction between two wholly-owned subsidiaries of the Parent Bank.

If a related party transaction, entered by the Company, is not in the ordinary course of business, or not at arm's length price and exceeds certain thresholds prescribed under the Act, it shall require shareholders' approval by a resolution. In such a case, any member who is a related party having interest in the transaction for which resolution being proposed, shall not vote on such resolution passed for approving related party transaction. However, transaction between the Company and its Parent Bank will be exempt from shareholders' approval.

D. AUDIT COMMITTEE OF THE PARENT BANK

As per the second proviso to Regulation 23(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a related party transaction to which the Company is a party but the Parent Bank is not a party, shall require prior approval of the Audit Committee of the Parent Bank, if the value of such transactions, whether entered into individually or taken together with previous transactions, during a financial year exceeds ten per cent of the annual standalone turnover, as per the last audited financial statements of the Company.

IV. REPORTING OF RELATED PARTY TRANSACTIONS

The Company will disclose every contract or arrangement, which is approved by the Board/shareholders under this Policy, in its Board's report to the shareholders along with the justification for entering into such contract or arrangement.

The Company will include details of material related party transactions in the corporate governance reports to be submitted with the stock exchanges on a quarterly basis.

The Company will submit the details of related party transactions to the stock exchanges in the prescribed format and publish the same on the Company's website along with its standalone financial results for the half year.

The Company will disclose transactions with any person or entity belonging to the promoter/promoter group of the Company and having shareholding of 10% or more in the Company in the annual report.

ANNEXURE 4

MAKARAND M. JOSHI & CO.
COMPANY SECRETARIES

Ecstasy, 803-804, 8th Floor, City of Joy, JSD Road, Mulund (W), Mumbai- 400080 (T) 022-21678100

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To

The Members

ICICI Home Finance Company Limited

ICICI Bank Towers, Bandra-Kurla Complex,

Mumbai -400051

We have examined the compliance of conditions of Corporate Governance by ICICI Home Finance Company Limited ("the Company") for the year ended on March 31, 2023, as stipulated in Regulations 17 to 27 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("listing regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and representations made by the management, we certify that the company, being a High Value Debt Listed Entity has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and Para C, D and E of Schedule V of Listing Regulations on Comply and Explain basis and is in the process of full compliance.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR MAKARAND M. JOSHI & CO.

Company Secretaries

Sd/-

Kumudini Bhalerao

Partner

FCS: 6667

CP: 6690

PR: 640/2019

UDIN: F006667E000116931

Date: April 17, 2023

Place: Mumbai

ANNEXURE 5

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES/ INITIATIVES

1. A BRIEF OUTLINE OF THE COMPANY'S CSR POLICY, INCLUDING OVERVIEW OF PROJECTS OR PROGRAMS PROPOSED TO BE UNDERTAKEN AND A REFERENCE TO THE WEB-LINK TO THE CSR POLICY AND PROJECTS OR PROGRAMS:

Corporate Social Responsibility (CSR) has been a long-standing commitment at your Company. The Company's contribution to social sector development includes several pioneering interventions and was implemented through the involvement of stakeholders within the Company and through the broader community. As per the CSR Policy, CSR activities are being undertaken by the Company directly or through ICICI Foundation or through any other entity.

The CSR Policy of the Company sets the framework guiding the Company's CSR activities. It outlines the governance structure, operating framework, monitoring mechanism and CSR activities that would be undertaken. The CSR committee is the governing body that articulates the scope of CSR activities and ensures compliance with the CSR policy. The Company's CSR activities are largely focused in the areas of education, health, skill development and financial inclusion and other activities as the Company may choose to select in fulfilling its CSR objectives. The CSR policy was approved by the Committee in October 2014 (and is amended from time to time). The CSR policy is hosted on the Company's website https://www.icicihfc.com/policies

2. THE COMPOSITION OF THE CSR COMMITTEE

The Company's CSR Committee comprises of three Independent Directors and a Non-Executive Director and is chaired by the Non-Executive Director. The composition of the Committee is set out below.

Sr. no.	Name	Chairman/ members	Number of CSR Committee meeting held during the year	Number of meeting attended during the year
1	S. Santhanakrishnan	Chairman	2	2
2	Vinod Kumar Dhall	Member	2	2
3	G. Gopalakrishna	Member	2	2
4	Supritha Shetty[1]	Member	2	2
5	Zeenat Hamirani[2]	Member	2	-

1. Ceased to be a member effective from January 5, 2023.
2. Appointed as a member effective from January 6, 2023.

The functions of the Committee include review of CSR initiatives undertaken by the Company, formulation and recommendation of CSR policy indicating the activities to be undertaken and recommendation of the annual CSR plan and amount of the expenditure to be incurred on such activities to the Board, monitoring the CSR activities, implementation of and compliance with the CSR Policy and reviewing and implementing, if required, any other matter related to CSR initiatives as recommended/suggested by the Board.

3. The web-link where composition of the CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: https://www.icicihfc.com/policies

4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: ₹ 2.5 million

6. Average net profit of the Company as per Section 135 (5) of the Companies Act, 2013 was ₹ 897.0 million.

7. a. Two per cent of the average net profit of the Company as per Section 135(5) of the Companies Act, 2013 for fiscal 2023 is ₹ 18.0 million.

b. Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

c. Amount required to be set off for the financial year: ₹ 2.5 million

d. Total CSR obligation for the financial year (7a+7b-7c) was ₹ 15.5 million.

8. a. CSR amount spent or unspent during fiscal 2023:

₹ in million

	Amount Unspent				
Total amounts for the Fiscal 2023	**Total amount transferred to Unspent CSR Account as per section 135(6)**		**Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)**		
	Amount	**Date of transfer**	**Name of the Fund**	**Amount**	**Date of Transfer**
15.6	Nil	NA	NA	Nil	NA

b. Details of CSR amount spent against ongoing projects for the financial year: NA

c. Details of CSR amount spent against other than ongoing projects for the financial year

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl No	Name of the project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the Project (in ₹ million)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration No.
1.	Environmental/ Social Project – Rain water harvesting in rural government schools	Item no: (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water and ensure social well being.	No	Telangana	Nizamabad, Wanaparthy and Nagarkurnool	7.1	No	ICICI Foundation for Inclusive Growth	CSR00001979
				Maharashtra	Beed				
2.	Sponsoring an ambulance to the 'Be-Well' hospital	Item no. (i) Promoting health care including preventive health care	No	Tamil Nadu	Cuddlore	3.0	No	ICICI Foundation for Inclusive Growth	CSR00001979

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
SI No	Name of the project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the Project (in ₹ million)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration No.
3.	(a) Contribution to Incubators to support startups, Other areas – Automation of construction activities, Waste water recycling and Energy saving equipment	Item no: (ix)(a) and (ix)(b) Contribution to incubator, Contribution to Indian Institute of Technology (IITs)	Yes	Maharashtra	Mumbai	3.0	No	Society for Innovation and Entrepreneurship	CSR00015436
	(b) Contribution to Indian Institute of Technology, Madras	Item no: (ix)(b) Contribution to Indian Institute of Technology (IITs)	No	Tamil Nadu	Chennai	2.5	No	IIT Madras	CSR00004320
	TOTAL					**15.6**			

d. Amount spent in Administrative Overheads: Not applicable

e. Amount spent on Impact Assessment, if applicable: Not applicable

f. Total amount spent for the fiscal 2023: ₹ 15.6 million

g. Excess amount for set off, if any:

₹ in million

Sl No.	Particulars	Amount
(i)	Two percent of average net profit of the company as per section 135(5) for Fiscal 2023	18.0
(ii)	Total amount spent for the Financial Year*	18.1
(iii)	Excess amount spent for the financial year [(ii) - (i)]	0.1
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.1

* Includes ₹2.50 million of excess amount spent in the preceeding financial year

9. (a) Details of Unspent CSR amount for the preceding three financial years: Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding fiscal(s): Nil

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details) as detailed below.

Sr. No.	Details of Capital Assets created or acquired (including complete address and location of the capital asset.)	Date of creation or acquisition of the capital asset(s):	Amount of CSR spent for creation or acquisition of capital asset:	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
1	Ambulance - Be Well Hospitals Private Limited No.2 (Old Door No.5), Vijayaraghava Road, (First Street), T.Nagar, Chennai-600017, Tamil Nadu	January 14, 2023	3.0 million	Be Well Hospitals Private Limited No.2 (Old Door No.5), Vijayaraghava Road, (First Street), T.Nagar, Chennai-600017, Tamil Nadu

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable.

12. The CSR Committee hereby confirms that the implementation and monitoring of CSR activities is in compliance with CSR objectives and the CSR Policy of the Company.

Sd/-
Anirudh Kamani
Managing Director & CEO
DIN: 07678378

Sd/-
S Santhanakrishnan
CSR Committee Chairman
DIN: 00032049

ANNEXURE 6

MMJB & ASSOCIATES LLP
COMPANY SECRETARIES

803-804, Ecstasy, City of Joy, JSD Road, Mulund - West, Mumbai – 400080, (T) 21678100

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of ICICI Home Finance Company Limited.

We have examined the relevant disclosures provided by the Directors to **ICICI Home Finance Company Limited** bearing **CIN: U65922MH1999PLC120106,** having registered office at **ICICI Bank Towers, Bandra-Kurla Complex, Mumbai, Maharashtra, 400051** (hereinafter referred to as 'the Company'), provided to us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information, based on (i) documents available on the website of the Ministry of Corporate Affairs as on April 17, 2023, and Stock Exchanges as on April 17, 2023 (ii) Verification of Directors Identification Number (DIN) status at the website of the Ministry of Corporate Affairs, and (iii) disclosures provided by the Directors (as enlisted in Table A) to the Company, we hereby certify that none of the Directors on the Board of the Company (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as directors of the companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority as on March 31, 2023.

Table A

Sr. No.	Name of the Directors	DIN	Date of appointment
1.	Mr. Santhanakrishnan Sankaran	00032049	October 16, 2014
2.	Mr. Rakesh Jha	00042075	October 13, 2022
3.	Mr. Vinod Kumar Dhall	02591373	January 18, 2019
4.	Mr. Gopalakrishna Gurrappa	06407040	January 18, 2019
5.	Mr. Anirudh Kamani	07678378	November 1, 2017
6.	Mr. Sanjay Shantilal Singhvi	09317585	September 13, 2021
7.	Ms. Zeenat Amin Hamirani	09851630	January 5, 2023

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

General Disclaimer: Our Analysis for this certificate does not cover the verification of criteria pertaining to appointment as Independent director under Section 149 and criteria pertaining to appointment as Managing Director under Section 196 and Schedule V of the Companies Act, 2013

FOR MMJB & ASSOCIATES LLP
Company Secretaries

Sd/-
Saurabh Agarwal
FCS: 9290
CP: 20907
CP: 6690
PR: 904/2020
UDIN: F009290E000124251

Date: April 17, 2023
Place: Mumbai

MANAGEMENT DISCUSSION AND ANALYSIS

OVERALL BUSINESS ENVIRONMENT

GLOBAL ECONOMY OVERVIEW

The global economy was poised for a gradual recovery from the effects of the pandemic and it got into unexpected geopolitical conflict in Europe. The geopolitical tensions increased prices of essential commodities due to its impact on the supply chains of these commodities. As inflation rates accelerated, central banks across the globe responded with tightening of their monetary policies in fiscal 2023. Federal Reserve and European Central Bank raised their key lending rates by 475 bps and 350 bps respectively in fiscal 2023. The Reserve Bank of India (RBI) also raised its repo rates by 250 bps in fiscal 2023. This has led to higher rate of interest in the mortgage market, as large portion of the rate hike was passed on to the customers, posing challenges ahead on the ability of customers to repay the loans. Also, the recent and unexpected failure of regional banks in advanced economies poses a challenge as the uncertainties and vulnerabilities in the financial system are exposed.

On the other hand, there was improvement in supply chain issues due to lifting of curbs by all the major countries including China, which led to ease of pressure on prices that were elevated due to supply chain constraints. The combined impact of increase in rates and ease of supply chain bottlenecks led to the inflation coming under control in part from its highs in USA, UK and European Union. In India too, the inflation eased off from its highs.

Amidst this situation, reopening of trade and economic activity across nations presents a silver lining with the emerging markets and developing economies, primarily based in Asia taking the lead and driving most of the global growth, whereas, advanced global economies are expected to see an especially pronounced growth slowdown.

The rate hike and persistent inflation also led to a lowering of the global growth forecasts for 2022 and 2023 by the International Monetary Fund (IMF) in its update of the World Economic Outlook. As per IMF, global growth is projected to slow down from 3.4 percent in calendar 2022 to 2.8 percent in calendar 2023 and then rise to 3.0 percent in calendar 2024.

INDIAN ECONOMY OVERVIEW

Strong economic growth in fiscal 2023 helped India overtake the United Kingdom to become the fifth-largest economy and has emerged to be fastest growing major economy in the World. Despite the multiple shocks of COVID-19, protracted geopolitical conflict in Europe, global inflationary pressures and policy rate hikes by central banks across the globe, Indian economy continues to remain robust and GDP is expected to grow by ~7.0 percent in fiscal 2023.

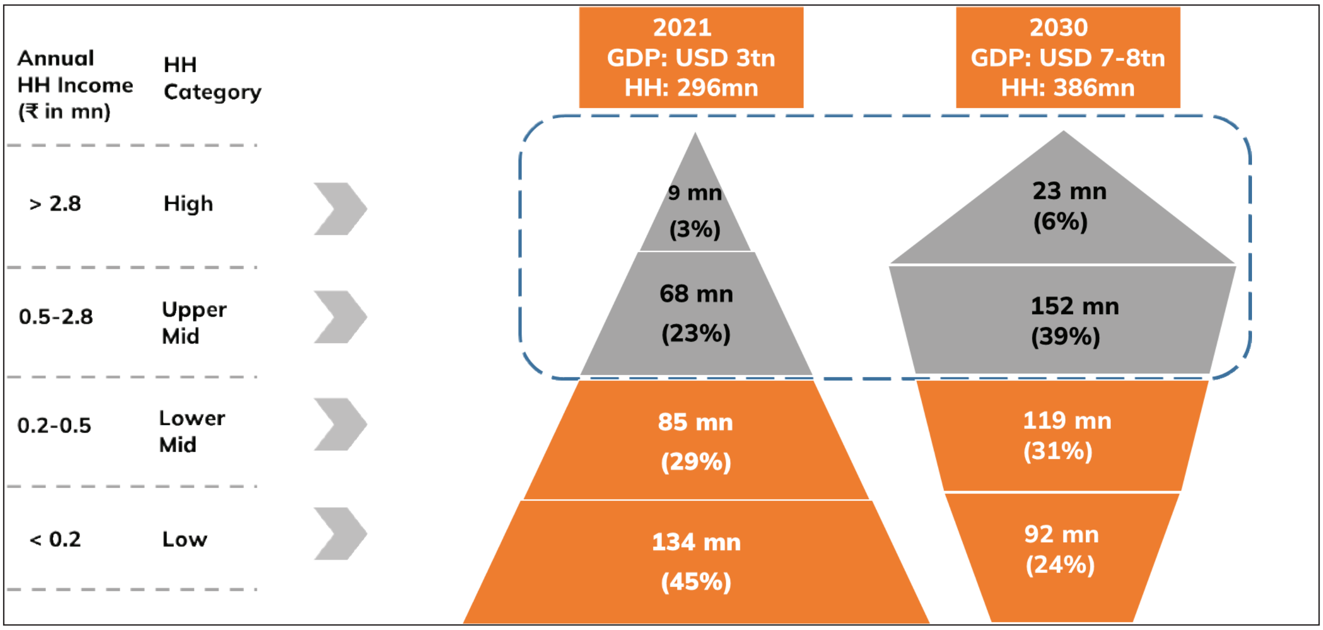
Growth Projections	2022	2023
World	3.4	2.8
Advanced Economies	2.4	1.1
United States	1.6	1.0
Euro Area	3.1	0.5
United Kingdom	3.6	0.3
Japan	1.7	1.6
Emerging Market Economies	3.7	3.7
China	3.2	4.4
India	**6.8**	**6.0-6.8***

Source: Indian Economic Survey 2022-23, IMF

*Projection for India for fiscal 2024, while calendar year for other economies

As per Indian Economic Survey, the Indian GDP growth is expected to be 6.0 – 6.8 percent in fiscal 2024 on the back of higher capital expenditure, rebound of private consumption and well capitalised banking ecosystem.

As per World Economic Forum projections, growth in incomes will transform India from a bottom of the pyramid economy to a truly middle class led economy by 2030 with growth in consumer spending pattern. The expected expansion of the middle class segment and emergence of sizable high income segment represent a once in a lifetime opportunity.



Source: WEF/Future of Consumption Report, EY, HH: Household

The increase in incomes have led to improved affordability and has given a boost to the domestic private consumption in the country, which has been the driving force behind the favourable growth outlook post pandemic. The increase in private consumption in certain items like electronics and the need to be self-sufficient in items viz. defence equipment, semiconductor chips, etc. has led to the government promoting domestic manufacturing sector to replace high-cost imports by offering production linked incentives.

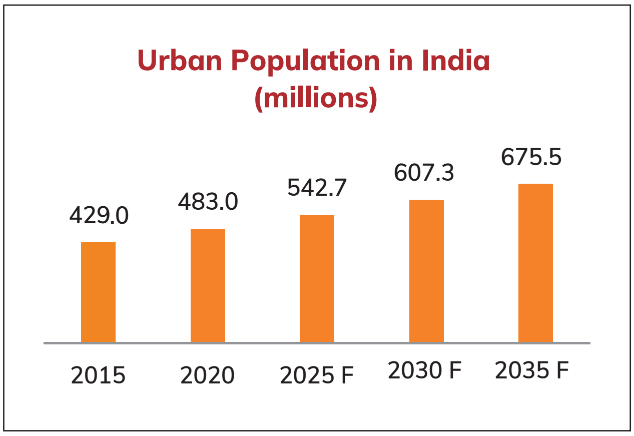
Further, investments shall be the biggest growth drivers for the Indian economy, primarily on account of government thrust as budgeted capital expenditure rose 2.7 times in the last seven years, from fiscal 2016 to fiscal 2023, reviving the Capex cycle. Capital expenditure being ~23% of budgeted total expenditure for fiscal 2024 being the highest in 24 years.

On the downside, other factors like tightening of the monetary policy by RBI, widening of the current account deficit (CAD), high oil prices, plateauing of exports and the geopolitical situation in Europe pose risks to the growth of the Indian economy.

REAL ESTATE SECTOR OVERVIEW

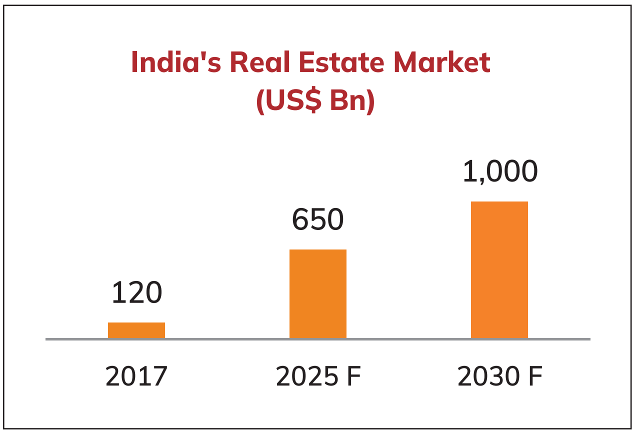
The demand in the housing market picked up during and post COVID periods and hence the housing inventory significantly declined with inventory overhang reducing from 42 months in fiscal 2022 to 33 months in third quarter of fiscal 2023.

The Indian real estate sector is mirroring the resilience shown by the Indian economy despite global headwinds. A number of factors are driving this resilient behavior including strong economic growth leading to rise in incomes and affordability, favourable demographics, low mortgage penetration in India compared to other global economies, rapid rise in urban population and government support through enhanced budget allocations and refinance.



Source: IBEF

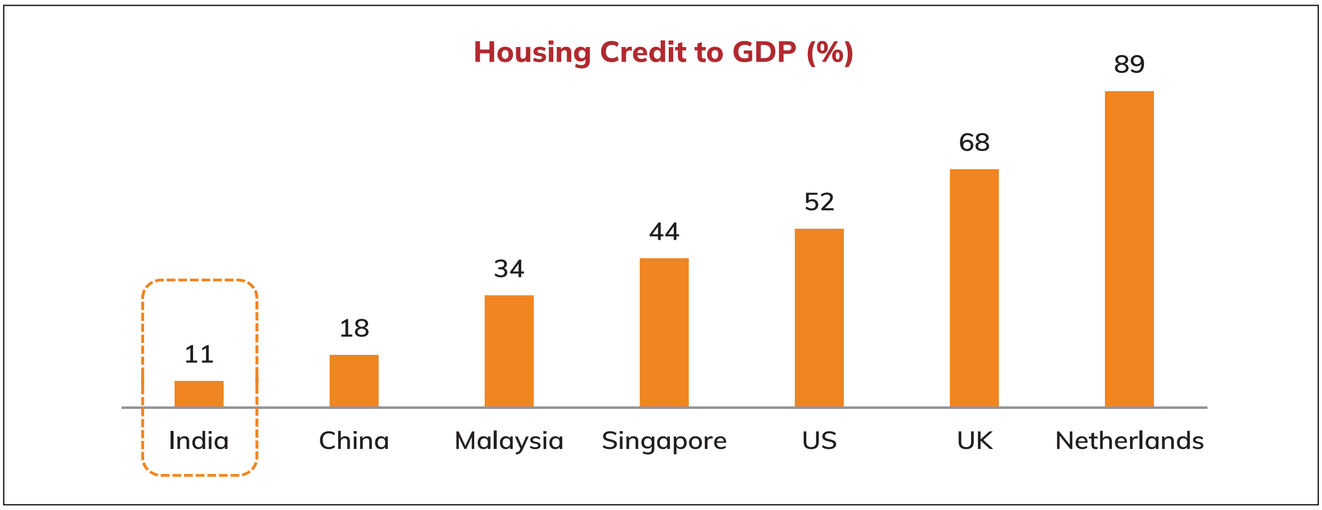
The emergence of sizable high income segment and increase of the middle income segment in India over the years, shall improve the prospects for the housing sector as more and more population shall be able to afford and purchase homes in future. Accordingly, it is expected that the real estate sector will contribute a larger share of India's GDP in the coming years i.e. 13% of GDP by 2025 reaching a market size of US$ 1 trillion by 2030.



Source: IBEF

HOUSING FINANCE SECTOR OVERVIEW

The housing credit primarily being financed by scheduled commercial banks and housing finance companies (HFCs) reached portfolio of ₹ 29.0 lakh crore at December 31, 2022, of which the combined market share of HFCs was 31%. The Indian credit sector witnessed upbeat growth wherein the housing credit segment grew by 14% in fiscal 2022 (as per ICRA) and the sector is poised to grow at ~15-16% CAGR during fiscal 2023 to fiscal 2028 (as per HSIE estimates). This growth momentum is expected to continue in fiscal 2023.



Source: European Mortgage Federation, Hofinet, NHB

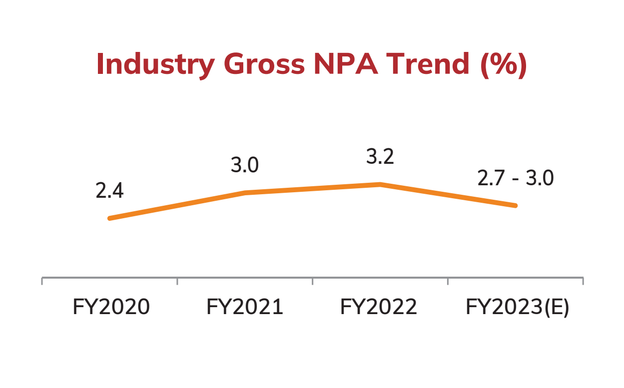
The housing finance industry in the last fiscal witnessed strong upsides in the form of steady portfolio growth, improvement in asset quality and reduction in restructured portfolio, which shall provide the necessary impetus for consistent growth in the upcoming fiscal.

The overall loan portfolio of HFCs grew by 11% y-o-y in fiscal 2022 with housing loan portfolio growing by 15% y-o-y. The buoyancy in growth of HFCs portfolio is expected to persist in fiscal 2023 with projected growth of 12% as compared to previous year. Accordingly, the overall loan portfolio of HFCs is expected to reach ₹ 13.6 lakh crore at March 31, 2023 (as per ICRA estimates). Of which, the housing loan portfolio is projected to grow by 14% and reach ₹ 9.3 lakh crore at March 31, 2023.

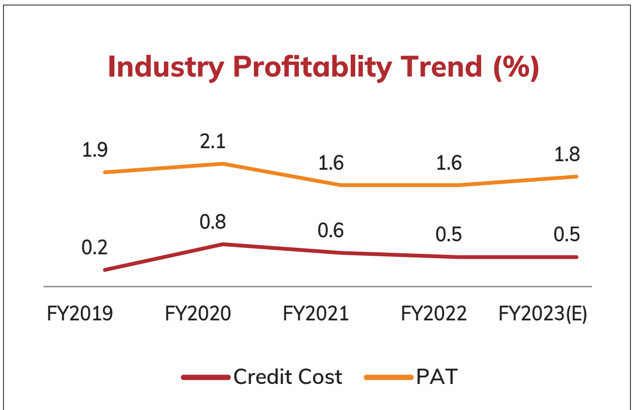
The non-housing loan portfolio of HFCs saw a rebound in terms of growth as the effect of pandemic moderated and HFCs reviewed its risk appetite for certain businesses and initiated disbursements in high yielding non-housing loan segments, being construction finance and loan against property. The growth in non-housing loan portfolio is expected to continue with the changes in interest rate scenario and the industry moving to enhance its high yield generating asset base.

Historically, HFCs in the affordable housing finance segment had been growing at a higher pace, partly aided by the lower base and support from the Government's thrust on 'housing for all'. Although, the growth rate has moderated over the past few years largely due to the growing base effect, the growth remains higher than the overall growth of HFCs aided by robust demand and liquidity support from NHB. The overall portfolio of AHFCs reported a growth of 18% y-o-y in fiscal 2022 and has reached ~₹ 830 billion at December 31, 2022 and constitutes ~6% of the overall HFCs' loan portfolio. The long-term growth outlook for AHFCs remains favourable, given the large underserved market, favourable demographic profile, housing shortage and government support.

The housing finance industry entered fiscal 2023 with an escalated level of stressed assets on account of lingering effect of COVID, restructured loans and implementation of revised asset classification norms issued by RBI. However, with the overall improvement in economic scenario in fiscal 2023 and conscious collection efforts, the industry witnessed an improvement in asset quality and reduction of the restructured portfolio. The recovery actions initiated through SARFAESI route coupled with the increase in volume of sale of stressed portfolio to ARCs by HFCs, the gross NPAs of the housing finance industry has seen sequential decline. As per ICRA estimates, the gross NPA of the industry at March 2023 is expected to be in the range of 2.7% to 3%. With the improvement in asset quality, there has been an improvement in provision cover maintained by the HFCs as they continue to carry management overlays over and above the expected credit losses created in view of pandemic related uncertainty.



The housing finance industry was marred by the systemic increase in policy rates by RBI, which resulted in compression of spreads for the industry putting pressure on net interest margins (NIMs). To reduce the impact of the rising rates on NIMs, the HFCs passed on either partial or full impact of the rise in repo rates to its consumers by increasing its prime lending rates (PLRs). The increase in interest costs suffered by HFCs was compensated through corresponding hike in interest rates on lending book and lower credit costs on account of improvement in asset quality, thus enabling HFCs profitability levels to remain stable in fiscal 2023.



KEY REGULATORY DEVELOPMENTS

With inflation peaking across global economies, central banks were forced to hike policy rates to contain inflationary pressures in the last fiscal. RBI also raised the repo rate by 250 bps in aggregate during last fiscal at various points in time from 4% to 6.5%. In response to the repo rate hike, the interest cost for all entities went upward and HFCs were also compelled to increase its prime lending rates (PLR) either in part or full. The Company also passed on a portion of the repo rate hike to its customers by increasing its PLR by 125 bps during fiscal 2023.

The major regulatory developments as announced by various agencies during the last fiscal are as under:

1) Increased budget allocation of ₹ 79,500 crore in fiscal 2024 towards Pradhan Mantri Awas Yojana (PMAY) under the initiative of "Housing for All".

2) RBI announced a list of 16 NBFCs to be classified under Upper Layer as per scale-based regulations, of which 5 were HFCs. The Company continues to be classified under Middle Layer.

3) RBI notified that in case of transfer of stressed assets to ARCs, all stressed loans can be transferred (erstwhile only SMA-2 and NPA accounts were permitted).

4) RBI in its Master Directions for HFCs, deleted the provision restricting the issuance of coupon bearing NCDs at a premium or discount to face value.

5) RBI notified the guidelines on compensation of key management personnel and senior management of NBFCs.

6) IRDAI notified the guidelines on appointment or continuation of common directors as per Insurance Act, 1938.

BUSINESS OVERVIEW

DISTRIBUTION AND OTHER INITIATIVES

As the Company worked towards tapping its core strengths built over the last few years in fiscal 2023, it went to surpass a few milestones on the way with the branch strength growing to 200, highest annual disbursements of ₹89.20 billion, Assets Under Management of ₹ 220.44 billion and profits of ₹3.02 billion.

The Company disbursed loans amounting to ₹89.20 billion in fiscal 2023 as compared to ₹51.28 billion in fiscal 2022 registering growth of ~74% Y-o-Y, across range of products in near prime and affordable categories. During this fiscal, disbursements under affordable segment accounted for ~37% of the total mortgage disbursements. Further, as the Company revived its business under LAP segment in fiscal 2022, its disbursements under LAP segment for fiscal 2023 accounted for ~30% of the total mortgage disbursements. The Company disbursed loans to real estate developers amounting to ₹ 5.28 billion in fiscal 2023 compared to ₹1.77 billion in fiscal 2022 registering growth of ~200%.

The Company is expanding its footprint with focus on affordable housing finance business in deeper geographies, and during fiscal 2023 opened 43 new branches and closed 13 branches, and achieved milestone of 200 branches/offices spread across 22 states/ UTs at March 31, 2023 as compared to 170 branches at March 31, 2022. The employee strength stood at 3,107 compared to 2,252 last year, including employees on contract.

The Company increased its channel partner network during fiscal 2023 with specific focus on enhancing synergy with ICICI Bank through its branch and CPC network. Further, the channel mix of the Company has improved in fiscal 2023 and the Company is working towards an ideal channel mix with more business coming from direct and ICICI Bank channels.

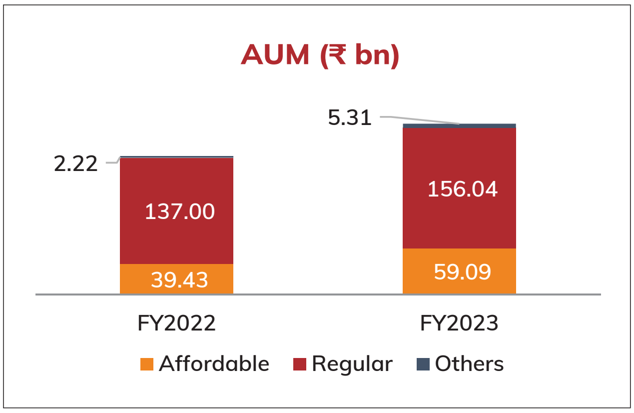
The Company in addition to its primary mortgage business, acts as corporate agent for its group insurance companies and offers their insurance products to the customers of the Company. The Company earned third party referral fees of ₹ 122.4 million in fiscal 2023 as compared to ₹ 71.4 million in fiscal 2022.

To facilitate its customers and enhance customer experience, the Company initiated paperless onboarding through usage of e-Sign process in fiscal 2023. The same is an addition to the Company's enabled design framework alongside e-NACH facility and dedicated online portal for customer onboarding and handling post sanction processes.

As the Reserve Bank of India hiked repo rate by 250 bps at different time intervals during fiscal 2023 and the borrowing costs for the Company went upward, the Company passed on portion of the rate hike to its customers by increasing its prime lending rate by 125 bps.

LOAN PORTFOLIO

The loan book of the Company registered a growth of 21% and stood at ₹ 175.44 billion at March 31, 2023 compared to ₹ 144.99 billion at March 31. 2022. Disbursements under housing segment constituted 70% of the total mortgage disbursements in fiscal 2023 as compared to 81% in fiscal 2022, as the Company revived its business in high yielding non-housing segment in fiscal 2023. Loan book under HL segment stood at 71% of the total loan book at March 31, 2023. Loan book with respect to affordable segment stood at 27% of the total AUM at March 31, 2023.

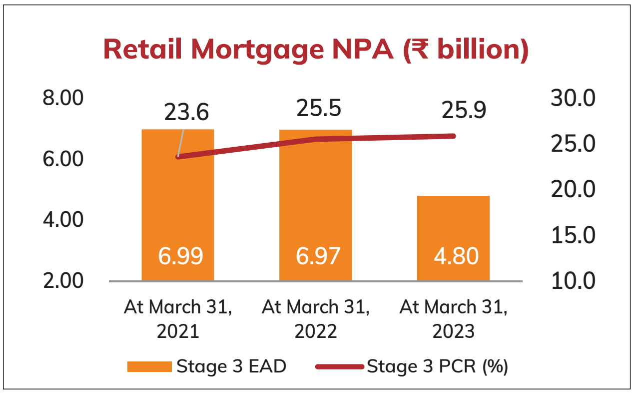


Direct assignment of loans has been an important source of funding for the Company, which aids in augmenting profits and maintaining leverage for the Company. During this fiscal, the Company assigned loans amounting to ₹ 24.03 billion and booked net gain on derecognition of such loans of ₹ 1.21 billion as per Ind AS 109 as compared to ₹ 12.24 billion worth of loans sold down in fiscal 2022 with net gain on derecognition of ₹ 0.93 billion.

ASSET QUALITY AND COMPOSITION

Under Ind AS, asset classification is done based on expected credit loss model instead of the earlier incurred loss model under Indian GAAP. Accordingly, provisions are based on the Company's historical loss experience and future expected credit loss in addition to other parameters. The Company entered fiscal 2023 with an escalated Gross NPA of 5.8% of which Retail GNPA was 4.8% on account of implementation of revised IRAC norms issued by RBI in November 2021. The Company with its dedicated focus and combined effort in fiscal 2023, has been able to contain the Gross NPA at 3.1% of which Retail GNPA is 2.8%.

RETAIL MORTGAGE LOANS PORTFOLIO



PCR (%) incl. tech. write-off:

Mar'2021 – 31.2%, Mar'2022 – 34.7%, Mar'2023 - 46.1%

Asset quality of retail mortgage portfolio has been critical for the Company during fiscal 2023 and has been an area wherein it has put accelerated efforts to improve its Gross NPA levels and provision coverage ratio. The restructured book of the Company classified as standard assets stood at ₹ 6.37 billion at March 31, 2023 as compared to ₹ 8.62 billion at March 31, 2022.

REAL ESTATE LOANS PORTFOLIO

Gross NPA with respect to corporate portfolio stood at ₹ 0.82 billion at March 31, 2023 with a provision coverage ratio at 99% as compared to ₹ 1.62 billion at March 31, 2022 and provision coverage ratio of 35.7%. The Company wrote off loans aggregating to ₹ 0.75 billion during this fiscal, which in the Company's assessment were not recoverable. The provision coverage ratio (incl. technical write-off) stood at 99.8% at March 31, 2023.

RISK MANAGEMENT

The Company has a well-established Enterprise Risk Management framework (covering market, credit, liquidity & operational risks). This framework governs policies, procedures and systems to monitor, review and report key risks. In order to mitigate these risks a risk management policy has been placed under the supervision of the Risk Management Committee (RMC) of the Company and the same has been approved by the Board. The Company has laid down appropriate systems to facilitate reporting pertaining to key risks to the Board of Directors, Board committees and the senior management.

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

- Micro segment policies for enabling effective sourcing
- Branch level portfolio monitoring and intervention
- Early warning monitoring like early mortality and non-starters reporting

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

The Company is in housing finance business. It mainly uses non-financial collateral to mitigate the underlying credit risk in its regular lending operations. The Credit Recovery Policy and Valuation Policy of the Company provides the risk mitigation guidelines to be followed by it whereby the list of eligible credit risk mitigants and permissible stipulations and policy matters has been laid down.

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

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

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

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

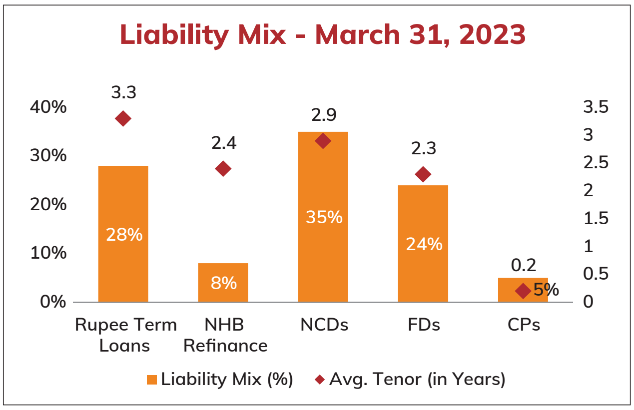
TECHNOLOGY AND DIGITISATION

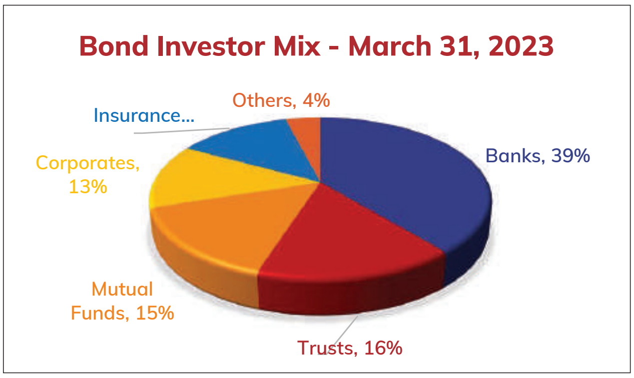
The Company continues to leverage its parent ICICI Bank's technology infrastructure for shared business applications and processes and the information and cyber security practice. The Company has also engaged with various technology vendors facilitating ease in credit underwriting and customer income assessment processes. The Company during this fiscal initiated paperless onboarding through usage of e-Sign process to facilitate its customers and enhance customer experience. The same is part of the Company's enabled design framework alongside e-NACH facility and dedicated online portal for customer onboarding and handling post sanction processes. It also put in place portal for sourcing fixed deposits online. Further, it developed a portal for channel partners to improve their experience, hence aiding in business growth.

The Company intends to launch new and integrated loan origination system in upcoming period which shall support credit decisions and help in reducing turnaround time from login to disbursement stage and thereby enhance customer experience. The Company also plans to provide enhanced IVR support in the near future. The Company currently makes use of prescriptive analytics to manage its collections from delinquent buckets and intends to scale up to predictive model in upcoming period to manage collections and reduce current bucket flows.

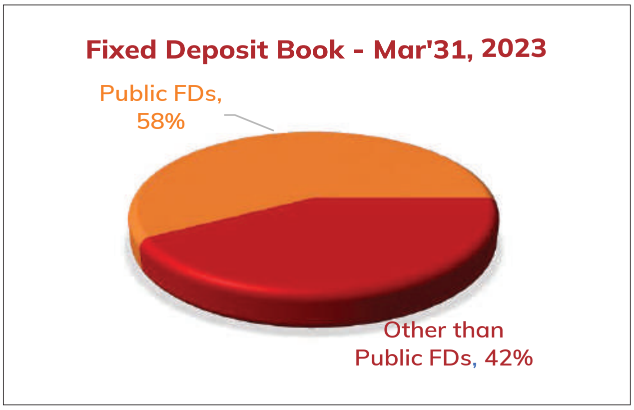
BORROWING PROFILE

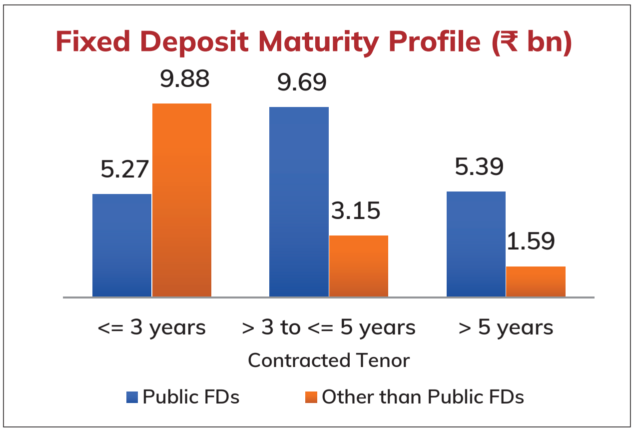
The borrowing/resource profile of the Company is well diversified with reasonably long tenor and therefore is one of the key strengths of the Company. Currently, it has borrowings through NCDs/Bonds, Commercial Papers (CPs), refinance from NHB, Rupee term loans (RTLs) and Fixed Deposits (FDs). More than 18 private and public sector banks/financial institutions have lent money to the Company in form of RTLs/NCDs and institutional investors with diversified profile have invested in its capital market instruments. The Company has also been augmenting funds through transfer of loan exposures of retail mortgage loans.

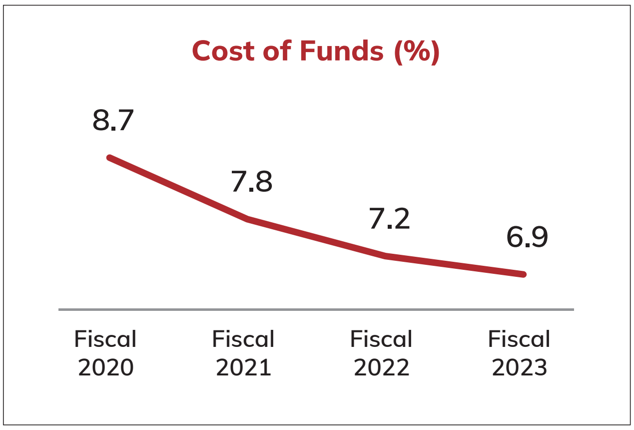




The aggregate mix of FD stands at a healthy 24% of the total borrowings at March 31, 2023, where majority share come from medium to longer tenor public deposits followed by deposits from corporates.





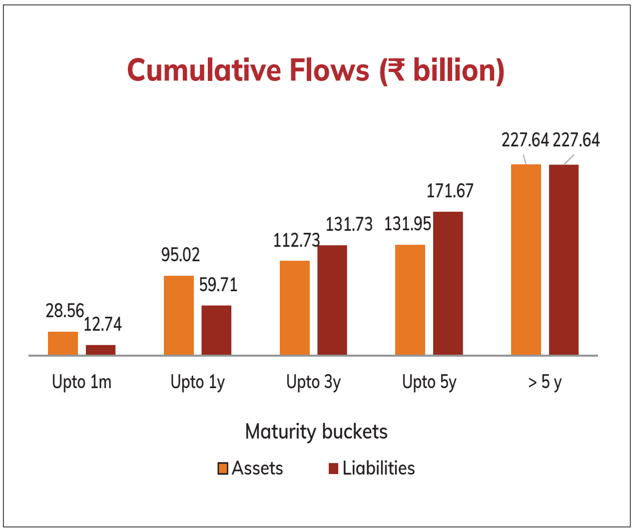


While interest rates have risen sharply during the year, the Company took various steps to reduce its impact on incremental and outstanding cost of borrowings. In fiscal 2023, the Company raised funds amounting to ₹ 15.34 billion through fixed rate medium tenor NCDs/bonds, ₹ 20.41 billion through fixed rate short to medium tenor fixed deposits and ₹ 31.25 billion through floating rate medium and long tenor RTLs upto 15 years linked to MCLRs/external benchmarks like Repo/ Treasury Bills. Additionally, the Company raised ₹ 24.03 billion through transfer of loan exposures of retail mortgage loan book. Further, during the fiscal the Company prepaid term loans amounting to ₹ 21.31 billion, which in addition to high-cost RTLs included high-cost ECB facility amounting to ₹ 13.70 billion (USD 175.0 million). As a result, the Company was able to bring down and further restrict the rise in cost of funds from 7.2% in fiscal 2022 to 6.9% in fiscal 2023, although the repo rate increased by 250 bps during the fiscal. These efforts including the strategy to borrow short to medium term fixed rate liabilities specifically in early part of the year and borrow long term floating rate liabilities, helped the Company in reducing the cost of funds, support ALM and maintain the average duration of its liability book at 32 months.

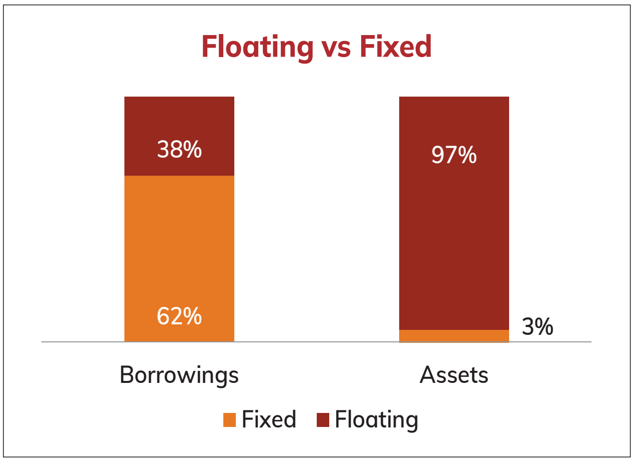
ASSET LIABILITY MANAGEMENT (ALM)

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

The Company uses behavioral analysis of prepayments and other assumptions in accordance with the guidelines issued by the regulator.



The strategy of the Company to borrow long tenor and fixed rate funds during the COVID and early post COVID period when the rates were benign, helped it to manage its cost and liability tenor. Given that the rates have increased in fiscal 2023, the Company strategically decided to borrow floating rate and long tenor loans and need based fixed rate and short to medium tenor borrowings. On these fixed rate borrowings, the Company carries the risk of repricing based on the interest rate scenario on the date of maturity of these borrowings.



CREDIT RATING

The Company has been accorded the highest rating by leading credit rating agencies. The Company has a standalone issuer credit rating of AAA/Stable by ICRA. Various borrowing programs of the Company have also been accorded with the highest credit rating from different rating agencies.

Instrument	CRISIL	ICRA	CARE
Fixed Deposits	CRISIL AAA/Stable	ICRA AAA/Stable	CARE AAA/Stable
Senior Bonds/ Non-Convertible Debentures	CRISIL AAA/Stable	ICRA AAA/Stable	CARE AAA/Stable
Subordinate Bonds	CRISIL AAA/Stable	ICRA AAA/Stable	CARE AAA/Stable
Market Linked Debentures	CRISIL PPMLD AAA/ Stable	-	CARE PPMLD AAA/ Stable
Commercial Paper	-	ICRA A1+	CARE A1+
Long Term Bank Facilities	-	ICRA AAA/Stable	-

STRATEGY

The Company is on its journey to build a strong base in affordable housing space on the back of strong parental advantage creating scope for enhanced synergy and huge unmet demand especially in deeper geographies. The Company's branch network reaching 200+ branches spread across India gives it the advantage to cater to pan-India customers and it intends to further expand its branch base going ahead. The Company intends to offer a diverse product suite and introduce newer products in the upcoming fiscal to cater to the mortgage requirements of each class and segment and strive to build a low-risk business segment.

The Company shall focus on increasing engagement with preferred partners, increasing direct sourcing and enhancing synergies with ICICI Bank. The Company plans to leverage its capacity built over the years to augment its loan portfolio to ensure growth and optimization of capital.

The Company with the objective of enhancing customer experience and reducing credit processing time, intends to launch technology enabled initiatives to smoothen loan origination and underwriting processes in the upcoming fiscal.

Asset quality shall continue to be a critical focus area for the Company and the Company shall make synchronized use of all mediums for driving quality through digital collections and delinquency reduction. The Company intends to focus on early buckets and restricting flow to deeper buckets, strengthening the legal enforcement and auction processes to ensure faster resolution of stressed assets.

The Company intends to leverage its liability franchise with the support of highest ratings from leading credit rating agencies shall strive to achieve a cost effective and efficient liability mix and increase the average duration of its liabilities.

FINANCIAL HIGHLIGHTS

As the effect of COVID-19 pandemic subsided in fiscal 2022, economic activity revived in fiscal 2023 resulting in the company restarting its expansion of infrastructure facilities to continue its growth in business and profitability. Consequently, the business and operating profit has improved in fiscal 2023. The performance highlights for fiscal 2023 are given below.

- Net interest income increased from ₹ 6.52 billion in fiscal 2022 to ₹ 9.30 billion in fiscal 2023, primarily due to higher interest income and higher income from sell down.
- Yield improved from 10.4% in fiscal 2022 to 11.0% in fiscal 2023.
- Fee income primarily includes income from third party referrals, loan related login and other charges. Fee income improved from ₹ 0.31 billion in fiscal 2022 to ₹ 0.40 billion in fiscal 2023.
- Other income primarily includes rental income from property. Other income remained flat from ₹ 0.01 billion in fiscal 2022 to ₹ 0.01 billion in fiscal 2023.
- Operating expenses primarily include employee benefits expenses and other administrative expenses. Employee benefit expenses increased from ₹ 1.72 billion in fiscal 2022 to ₹ 2.19 billion in fiscal 2023. Other administrative expenses include rent, rates and taxes, repairs and maintenance, direct marketing and sourcing business expenses, collection expenses and depreciation on assets. Other operating expenses increased from ₹ 1.25 billion in fiscal 2022 to ₹ 1.87 billion in fiscal 2023 mainly due to increase in business and expansion of infrastructure facilities.
- Provisions and write-offs increased from ₹ 1.76 billion in fiscal 2022 to ₹ 1.78 billion in fiscal 2023.
- The Company appropriated ₹ 0.60 billion from retained earnings to Special Reserve in fiscal 2023 in accordance with Section 29C of the National Housing Bank Act, 1987. Transfer to Special Reserve amounted to ₹ 0.33 billion in fiscal 2022.
- Total AUM increased from ₹ 178.65 billion at March 31, 2022 to ₹ 220.44 billion at March 31, 2023. Loan book increased from ₹ 144.99 billion at March 31, 2022 to ₹ 175.44 billion at March 31, 2023.
- GNPA decreased from ₹ 8.60 billion at March 31, 2022 to ₹ 5.61 billion at March 31, 2023. NNPA also decreased from ₹ 6.24 billion at March 31, 2022 to ₹ 3.56 billion at March 31, 2023. The gross and net NPA ratios for fiscal 2023 were 3.1% (fiscal 2022 - 5.8%) and 2.0% (fiscal 2022 - 4.3%) respectively.
- Investments (including assets held for sale) decreased from ₹ 6.43 billion at March 31, 2022 to ₹ 4.99 billion at March 31, 2023.

- Total borrowings increased from ₹ 127.57 billion at March 31, 2022 to ₹ 148.62 billion at March 31, 2023.
- The capital adequacy ratio increased from 21.9% at March 31, 2022 to 23.5% at March 31, 2023. The Tier-1 capital adequacy ratio was 19.2% at March 31, 2023 compared to 17.0% at March 31, 2022.
- The return on average equity (net worth) improved from 9.0% in fiscal 2022 to 13.0% in fiscal 2023, primarily on account of increase in profits after tax from ₹ 1.64 billion in fiscal 2022 to ₹ 3.02 billion in fiscal 2023. The net worth of the Company increased from ₹ 21.05 billion at March 31, 2022 to ₹ 28.07 billion at March 31, 2023, primarily on account of infusion of equity share capital of ₹ 2.5 billion through issue of equity shares on rights basis and internal accruals of ₹ 3.02 billion for fiscal 2023.

KEY FINANCIAL INDICATORS OF LAST 5 YEARS

The following table sets forth, for the periods indicated, the key financial ratios.

Particulars	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023
Return on average equity (%)[1]	2.7	*	1.3	9.0	13.0
Return on average assets (%)[2]	0.4	*	0.1	1.1	1.7
Earnings per share (Basic & Diluted) (₹)	0.4	0.0	0.2	1.5	2.6
Net interest margin (%)	3.1	2.5	3.0	4.0	5.0
Debt Equity Ratio	7.0	7.7	7.1	6.0	5.3
Gross NPA (%)	5.6	5.9	6.6	5.8	3.1
Net NPA (%)	3.4	3.3	5.2	4.3	2.0
Capital Adequacy Ratio (%)	18.0	14.8	20.9	21.9	23.5
Fee/Income (%)	5.2	6.2	5.4	4.6	4.1
Cost/Income (%)[3]	52.7	56.2	45.9	43.4	41.9
Net Profit Margin (%)	3.8	*	1.3	10.3	15.5

*Insignificant amount.

1. Return on average equity is the ratio of the net profit after tax to monthly average equity share capital and reserves.
2. Return on average assets is the ratio of net profit after tax to monthly average assets.
3. Cost represents operating expense. Income represents net interest income and non-interest income.
4. The following ratios are not applicable to the Company:
   - Debtors Turnover
   - Inventory Turnover
   - Interest Coverage Ratio
   - Current Ratio
   - Operating Profit Margin

REINFORCING OUR SOCIAL RESPONSIBILITY

The Company has undertaken CSR activities through ICICI foundation for Inclusive Growth (ICICI Foundation), Society for Innovation and Entrepreneurship (SINE) - IIT Bombay and IIT- Madras for the FY2023.

ICICI Foundation for Inclusive Growth ("ICICI Foundation") is the CSR arm of the ICICI Group and is registered with the Ministry of Corporate Affairs as an implementing agency. It was set up with certain objectives which include catalyzing and accelerating inclusive social and economic development through empowerment of the poor by integrated action in the diverse fields connected to the society in order to augment India's inclusive growth process. As a part of achieving such objectives, ICICI Foundation undertakes various skill development initiatives for sustainable livelihood as well as various initiatives for environment sustainability.

The Company has undertaken certain initiatives in the field of environment and healthcare through ICICI Foundation.

CONTRIBUTION TOWARDS RAIN WATER HARVESTING IN RURAL GOVERNMENT SCHOOLS

The Company implemented an environmental project pertaining to Rain water harvesting in 38 rural government schools in Maharashtra and Telangana through ICICI Foundation.

Rainwater harvesting is the simple process or technology used to conserve rainwater by collecting, storing, conveying and purifying of rainwater that runs off from rooftops, parks, roads, open grounds, etc. for later use. 95% of the rainwater is lost through run-off into the sea, with hardly 5% of the available rainwater being put to use.

CONTRIBUTION TOWARDS HEALTHCARE EQUIPMENTS

The Company delivered an Ambulance to Be Well Hospital, Chennai through ICICI Foundation.

CONTRIBUTION FOR START-UP INCUBATION

The CSR Committee of the Company contributed towards incubation of start-ups which are into activities related to construction and housing. Accordingly, during the year the Company did CSR contribution to four start-ups in construction technology, waste management technology for societies and energy conservation technology for homes through SINE-IIT Bombay (three start-ups) and IIT Madras (one start-up).

1. A flexible technology that can print precast structures. This technology enables mobile customized construction requirements based on the need and is cost effective 3D Printing is a technology that has been gaining popularity across the world for the potential that it has to increase productivity in the Construction sector. The technology is versatile and can be used for various construction activities. It is much easier to transport and move a 3D Printer than it is to move a precast factory. Apart from printing directly at the construction site (On-Site 3D Printing), 3D Printing technology can also be used as an Off-Site production facility to produce modules which can be then assembled into a much larger structure on site.

The Company contributed for construction of affordable Multi-storey apartment Clusters in Tier 1/2 Cities using Off- Site 3D Printing to IIT Madras along with Tvasta Manufacturing Solutions Private Limited (Start-up Collaborator).

2. The technology of developing microbial cultures to treat waste, which can be used in existing waste treatment plants. Wastewater rejected from industries and housing societies is one of the pressing problems of society. The untreated wastewater results in foul smell, mosquito breeding environment and ultimately pollutes surface water bodies.

The Company contributed to Greyeast Technologies Pvt. Ltd. through SINE – IIT Bombay. The motto of Greyeast is to treat such waste at source and in situ using safe green biological methods.

3. The technology is for development and deployment robots for construction that can perform advanced construction tasks at faster speeds and lower costs and digitize execution data in real time. This leads to 10x Higher productivity, 3x lower costs, quality consistency and reduced reworks, safe and healthier work environment for workers, digitization of execution data.

The Company has contributed to Controbots Robotics Pvt. Ltd. through SINE – IIT Bombay.

4. The technology developed by the start-up involves development of machine learning algorithms for monitoring and guiding on energy conservation and improving the product offering to make it more user friendly.

The Company has contributed to SustLabs Reference Analytics Pvt. Ltd. through SINE – IIT Bombay.

INDEPENDENT AUDITORS' REPORT

Singhi & Co.
Chartered Accountants
B2 402B, Marathon Innova,
4th Floor Off Ganpatrao Kadam Marg,
Lower Parel,
Mumbai - 400013, India

Mukund. M. Chitale & Co.,
Chartered Accountants
2nd Floor, Kapur House,
Paranjape Scheme B Road No.1,
Vile Parle East,
Mumbai - 400057, India

To
The Members of ICICI Home Finance Company Limited

REPORT ON THE AUDIT OF IND AS FINANCIAL STATEMENTS

1. OPINION

We have audited the accompanying Ind AS Financial Statements of ICICI Home Finance Company Limited (hereinafter referred as "the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the accompanying Ind AS financial statements gives a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit [including other comprehensive income], its cash flows and the statement of changes in equity for the year ended on that date.

2. BASIS FOR OPINION

We conducted our audit of the Ind AS Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditors Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Ind AS Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on Ind AS Financial Statements.

3. KEY AUDIT MATTER

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS Financial Statements of the current year. These matters were addressed in the context of our audit of the Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	How our audit addressed the key audit matter
1	**Expected Credit Loss – Impairment of carrying value of loans and advances:** Ind AS 109: Financial Instruments ("Ind AS 109") requires the Company to provide for impairment of its Loans and Advances ("Financial Instruments") using the Expected Credit Losses ("ECL") approach. ECL involves an estimation of probability-weighted loss on Financial Instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of the Company's loans and advances. As at March 31, 2023, the carrying value of loan assets measured at amortized cost, aggregated ₹ 1,03,790.5 million (net of allowance of ECL ₹ 3,138.3 million) constituting 54.8% of the Company's total assets. In the process, a significant degree of judgement has been applied by the management for: a) Data inputs - The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to apply assumptions in the model. b) Model estimations – Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD") and Exposures at Default ("EAD") considering impact of infrequent past events on future probability of default and forward -looking macro–economic factors. The PD and the	**Our Audit Approach:** Our audit approach was a combination of test of internal controls and substantive procedures which included the following: a) Evaluating the Company's policy, as approved by the Board of Directors, for impairment of carrying value of loans and advances and assessing appropriateness of the Company's impairment methodologies as required under Ind AS 109. b) Obtained an understanding of the ECL model adopted by the Company including the key inputs and assumptions including management overlays. c) 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 to the output of the ECL model. d) 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, model assumptions applied, and make inquiries with management.

Sr. No.	Key Audit Matters	How our audit addressed the key audit matter
	LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Company's modelling approach. c) Defining qualitative/ quantitative thresholds for 'significant increase in credit risk' ("SICR") and 'default' particularly for corporate portfolio, wherein Company's credit risk function also segregates loans with specific risk characteristics based on trigger events identified using sufficient and credible information available from internal sources supplemented by external data. Impairment allowance for these exposures is reviewed and accounted on a case- by -case basis. d) Qualitative and quantitative factors used in staging the loan and estimation of behavioral life for the loan assets measured at amortized cost. e) Adjustments to model driven ECL results to address emerging trends including management overlay. Refer Note 3.8 and 46 of the Ind AS Financial Statements.	• We tested the operating effectiveness of the controls for staging of loans and advances based on their past-due status. • we evaluated reasonableness of LGD estimates by comparing actual recoveries post the loan asset becoming credit impaired with estimates of LGD. • tested a sample of performing (stage 1) loans to assess whether any SICR or loss indicators were present requiring them to be classified under stage 2 or 3. • 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 Corporate Real Estate Funding (CREF) portfolio. e) We also evaluated the adequacy of the adjustment considering the inputs used in determining the output as per the ECL Model and ensured that the adjustment was in conformity with the amount approved by the Audit Committee. f) Testing management's controls on compliance with disclosures to confirm the compliance with the provisions of relevant provisions of Ind AS 109 and the RBI. g) Evaluating the appropriateness of the Company's Ind AS 109 impairment methodologies and reasonableness of assumptions used. h) We also made management enquiries with respect to the overlay quantum.

Sr. No.	Key Audit Matters	How our audit addressed the key audit matter
		i) For models which were changed and updated during the year, evaluating whether the changes were appropriate by assessing the updated model methodology. j) Discussed with the management, the approach, interpretation, systems and controls implemented in relation to probability of default and stage-wise bifurcation of product-wise portfolios for timely ascertainment of stress and early warning signals. k) Read and assessed the disclosures included in the Ind AS financial statements in respect of expected credit losses with the requirements of Ind AS 107 Financial Instruments: Disclosure ("Ind AS 107") and Ind AS 109.
2	**Assessment of business model for classification and measurement of financial assets** Ind AS 109, Financial Instruments, contains three principal measurement categories for financial assets i.e. - Amortised Cost; - Fair Value through Other Comprehensive Income (FVOCI); and - Fair Value through Profit and Loss (FVTPL).	**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 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 and the subsequent sale does not alter the hold category of the financial assets.

Sr. No.	Key Audit Matters	How our audit addressed the key audit matter
	We identified business model assessment as a key audit matter because of the management judgement involved in determining the intent (to hold or to sell) at the time of origination for holding financial assets which could lead to different classification and measurement outcomes of the financial assets and its significance to the financial statements of the Company Refer Note 3.4 of the Ind AS Financial Statements.	c) Test of details of classification and measurement of financial assets in accordance with management's intent. 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) Tested whether the pool of loans held at FVOCI are as per the Board approved policy. 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:** We obtained an understanding of the Company's IT applications, databases and operating systems relevant to financial reporting and the control environment with the assistance of our IT specialists. On the areas of the IT infrastructure, which majorly focused access security (including controls over privileged access), program change controls, database management and network operations. In particular, our audit procedures included the following: **General IT controls design, observation and operation:** • Understood the changes made in the IT environment during the year and ascertained its effect on the financial statements controls and accounts.

Sr. No.	Key Audit Matters	How our audit addressed the key audit matter
		• Tested key controls operating over the information technology in relation to financial accounting and reporting systems, including system access and system change management, program development and computer operations. **User access controls operation:** • Obtained management's evaluation of the access rights granted to applications relevant to financial accounting and reporting systems and tested resolution of a sample of expectations. • 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. • Our tests also included testing of the compensating controls or alternate procedures to assess whether there were any unaddressed IT risks that would materiality impact the Financial Statements. • Considered the reports for certain applications on test check basis, as issued by the professional consultants with respect to VAPT testing done on such applications.

4. INFORMATION OTHER THAN THE IND AS FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Directors Report (which includes Corporate Governance Report and Management Discussion and Analysis) but does not include the Ind AS Financial Statements and our auditors' report thereon. These reports are expected to be made available to us after the date of our auditor's report.

Our opinion on the Ind AS Financial Statements does not cover the other information and we will not express any form of assurance thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS Financial Statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

5. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, Company's Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process

6. AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE IND AS FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with Standards on auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

i. Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ii. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

v. Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of the misstatement in the statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the statement may be influenced. We consider quantitative materiality and qualitative factors in; (i) planning the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effects of any identified misstatements in the statement.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

i. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

ii. As required by section 143 (3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c. The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d. In our opinion, the aforesaid Ind AS Financial Statements comply with the Ind AS specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   e. On the basis of written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of section 164 (2) of the Act.

   f. With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company with reference to these Financial Statements and the operating effectiveness of such controls, we request you to refer to our separate Report in "Annexure B" to this report.

   g. In our opinion, the managerial remuneration for the year ended

March 31, 2023, has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act.

h. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on the financial position in its Ind AS financial statements – Refer Note 40 to the Ind AS financial statements;

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 51 to the Ind AS financial statements;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

   iv. (a) The Management has represented that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer footnote 3 in Note 8 to Ind AS financial statements);

   (b) The Management has represented that no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer note 3 in Note 16 to Ind AS financial statements); and

   (c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 relating to audit trail feature of the Company's accounting software is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under Clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 is not applicable for the current year.

For Singhi & Co.
Chartered Accountants
Firm Registration No.: 302049E

Sd/-
Shweta Singhal
Partner
Membership No. 414420
UDIN: 23414420BGVLGZ9647
Place: Mumbai
Date: April 17, 2023

For Mukund M. Chitale & Co.
Chartered Accountants
Firm registration No. 106655W

Sd/-
Nisha Yadav
Partner
Membership No. 135775
UDIN: 23135775BGXZZE3265
Place: Mumbai
Date: April 17, 2023

Annexure A to the Independent Auditors' Report

Referred to in paragraph [7(i)] under Report on Other Legal and Regulatory Requirements of our report of even date

According to the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) In respect of the Company's Property, Plant and Equipment, Right of Use Assets and Intangible Assets:

a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right-of-use Assets.

B) The Company has maintained proper records showing full particulars including quantitative details and situation of Intangible Assets.

b) As per information and explanations given to us the Property, Plant and Equipment and Right-of-Use Assets have been physically verified by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable having regard to the size of the operations of the Company and on the basis of explanations received no material discrepancies were noticed during the verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in Property, Plant and Equipment are held in the name of the Company.

d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or Intangible Assets during the year.

e) According to the information and explanations given to us, no proceedings have been initiated or is pending against the Company during the year for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) a) The Company is primarily engaged in lending business. Accordingly, it does not hold any inventories. Thus paragraph 3(ii)(a) of the Order is not applicable to the Company.

b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Basis the information and explanation provided to us and basis our audit procedures undertaken, we have not come across any difference between the information submitted in the quarterly returns / statements filed by the company with such banks or financial institutions when compared with the books of account and other relevant information provided by the Company.

(iii) a) The Company is primarily engaged in lending activities and hence reporting under paragraph 3(iii)(a) of the Order is not applicable to the Company.

b) Considering that the Company is a Non – Banking Finance Company, the investments made, security given and the terms and conditions of all loans and advances granted in the nature of loans are not prima facie prejudicial to the Company's interest. According to information and explanations provided to us, the Company has not provided any guarantees during the year.

c) In respect of the loans given and advances in the nature of loans, the Company has stipulated the schedule of repayment of principal and payment of interest. However, given the nature of business of the Company being a Non – Banking Finance Company, there are some cases during the year and as at March 31, 2023 wherein the amounts were overdue vis-à-vis stipulated terms.

d) In respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount for more than ninety days as at the Balance Sheet date except for the following cases as on March 31, 2023:

(₹ In million)

Number of Cases	Principal Amount Overdue	Interest Amount Overdue	Total Amount Dues
2,236	5,042.1	247.8	5,289.9

Further, basis discussions with the management we understand that the reasonable steps have been taken by the Company for recovery of the principal and interest.

e) The Company is engaged primarily in lending activities and hence reporting under paragraph 3(iii)(e) of the Order is not applicable to the Company.

f) Basis the information and explanations provided to us, we did not come across loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Thus, reporting under paragraph 3(iii)(f) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of sections 185 and 186 of the Companies Act 2013 are applicable, and hence not commented upon.

(v) The Company is a registered deposit taking housing finance company and accordingly basis the directives issued by Reserve Bank of India, the provision of sections 73 to 76 or any other relevant provisions of the Act and Rules framed thereunder are not applicable to the Company. Further, we are informed by management of the Company that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any other court.

(vi) The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under paragraph 3(vi) of the Order is not applicable to the Company.

(vii) In respect of Statutory dues:

a) The Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, goods and service tax, cess and other material statutory dues applicable to it to the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, wealth tax, duty of customs, duty of excise and value added tax.

There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and services tax, cess and other material statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us and on the basis of our examination of the records, there are no dues of provident fund, employees' state insurance and goods and services tax that have not been deposited on account of any dispute except, in case of following dues of income tax have not been deposited by the Company on account of disputes:

Name of the statute	Nature of the dues	Disputed Amount (₹ In million)	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	59.9	F.Y. 2004-05	Assessing Officer, Mumbai
	Income Tax	27.4	F.Y. 2007-08	Commissioner of Appeal (Income-tax)
	Income Tax	13.7	F.Y. 2008-09	Income Tax Appellate Tribunal, Mumbai
	Income Tax	114.8	F.Y. 2010-11	Commissioner of Appeal (Income-tax)
	Income Tax	200.4	F.Y. 2011-12	Commissioner of Appeal (Income-tax)
	Income Tax	1.2	F.Y. 2019-20	National Faceless Assessment Centre
	Total	**417.4**		

(viii) According to the information and explanations given to us, there are no transactions which have not been recorded in the books of account but have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender.

b) Basis the information and explanation provided to us, the Company has not been declared a willful defaulter by any bank or financial institution or other lender.

c) According to the information and explanations given to us and to the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application of proceeds.

d) On an overall examination of the financial statements of the Company, funds raised on short-term basis do not seem to have used during the year for long-term purposes.

e) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under paragraph 3(ix)(e) of the Order is not applicable to the Company.

f) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under paragraph 3(ix)(f) of the Order is not applicable to the Company.

(x) a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under paragraph 3 (x)(a) of the Order is not applicable to the Company.

b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under paragraph 3 (x)(b) of the Order is not applicable to the Company.

(xi) a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Ind AS financial statements and according to the information and explanations given by the management, there have been 27 nos. instances of fraud on the Company by its customers amounting to ₹ 149.5 million as disclosed in Note 68 to the Ind AS financial statements, which have been duly reported/reporting of the same is in process to the National Housing Bank. We did not come across any instances of fraud by the Company.

b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) We have taken into consideration the whistle blower complaints received by the Company during the year and provided to us, while determining the nature, timing and extent of our audit procedures.

(xii) The Company is not a Nidhi Company and hence reporting under paragraph 3 (xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the Ind AS financial statements, as required by the applicable accounting standards.

(xiv) a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have taken into consideration, the internal audit reports for the period under audit issued to the Company till the date while determining the nature, timing and extent of audit procedures.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them as referred to in section 192 of the Act. Thus, paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) a) According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India (RBI) Act, 1934. Thus, paragraph 3(xvi)(a) of the Order is not applicable to the Company.

b) The Company is a registered Housing Finance Company (HFC) and holds a valid Certificate of Registration (CoR) from National Housing Bank and hence reporting under paragraph 3(xvi)(b) of the Order is not applicable to the Company.

c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence reporting under paragraph 3 (xvi)(c) of the Order is not applicable.

d) According to the information and explanations given to us, there is no CIC in the Group.

(xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the Statutory Auditors of the Company during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, undrawn credit lines, other information accompanying the Ind AS financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount on account of ongoing projects or other than ongoing projects for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act as disclosed in Note 83 to the Ind AS Financial Statements.

(xxi) According to the information and explanations given to us and based on our examination of the records of the Company, there are no subsidiaries / associates / joint ventures of the Company and hence the paragraph 3(xxi) of the Order is not applicable to the Company.

For Singhi & Co.
Chartered Accountants
Firm Registration No.: 302049E

Sd/-
Shweta Singhal
Partner
Membership No. 414420
UDIN: 23414420BGVLGZ9647
Place: Mumbai
Date: April 17, 2023

For Mukund M. Chitale & Co.
Chartered Accountants
Firm registration No. 106655W

Sd/-
Nisha Yadav
Partner
Membership No. 135775
UDIN: 23135775BGXZZE3265
Place: Mumbai
Date: April 17, 2023

Annexure B to the Independent Auditors' Report

Referred to in paragraph [7(ii)(f)] under Report on Other Legal and Regulatory Requirements of our report of even date

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

OPINION

1. We have audited the internal financial controls over financial reporting with reference to the Ind AS Financial Statements of ICICI Home Finance Company Limited ("the Company") as of March 31, 2023, in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

   In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023 based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India" (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITY

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

   Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

4. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

   (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

   (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and

   (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

5. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Singhi & Co.
Chartered Accountants
Firm Registration No.: 302049E

Sd/-
Shweta Singhal
Partner
Membership No. 414420
UDIN: 23414420BGVLGZ9647
Place: Mumbai
Date: April 17, 2023

For Mukund M. Chitale & Co.
Chartered Accountants
Firm registration No. 106655W

Sd/-
Nisha Yadav
Partner
Membership No. 135775
UDIN: 23135775BGXZZE3265
Place: Mumbai
Date: April 17, 2023

Balance sheet at March 31, 2023

₹ in million

Particulars	Note No.	At March 31, 2023	At March 31, 2022
I ASSETS			
FINANCIAL ASSETS			
Cash and cash equivalents	4	4,373.1	2,693.6
Bank balance other than above	5	2.5	2.5
Derivative financial instruments	6	-	595.7
Receivables			
(i) Trade receivables	7	20.7	12.5
(ii) Other receivables		-	-
Loans	8	1,75,436.2	1,44,985.0
Investments	9	4,991.6	6,004.1
Other financial assets	10	2,081.6	2,244.2
Assets held for sale	44	-	425.7
		1,86,905.7	**1,56,963.3**
NON-FINANCIAL ASSETS			
Current tax assets (net)	42	1,004.4	956.5
Deferred tax assets (net)	42	-	15.8
Property, plant and equipment	11	1,253.2	1,180.2
Capital work-in-progress	11	7.5	6.9
Intangible assets	12	93.1	77.4
Intangible assets under development	12	33.4	37.9
Other non-financial assets	13	151.4	165.0
		2,543.0	**2,439.7**
		1,89,448.7	**1,59,403.0**
II LIABILITIES AND EQUITY			
LIABILITIES			
FINANCIAL LIABILITIES			
Derivative financial instruments	6	-	200.5
Payables			
Trade Payable			
(i) Micro and small enterprises	14	89.3	42.1
(ii) Other payables	14	1,784.7	1,582.9
Debt securities	15	54,544.7	44,808.1
Borrowings (Other than debt securities)	16	53,237.4	47,551.3
Deposits	17	36,500.4	30,870.6
Subordinate liabilities	18	4,335.7	4,337.0
Other financial liabilities	19	10,068.8	8,710.8
		1,60,561.0	**1,38,103.3**
NON-FINANCIAL LIABILITIES			
Deferred tax liability (net)	42	565.3	-
Provisions	20	65.0	94.7
Other non-financial liabilities	21	187.8	154.0
		818.1	**248.7**
EQUITY			
Equity share capital	22	12,035.3	10,987.5
Other equity	23	16,034.3	10,063.5
		28,069.6	**21,051.0**
		1,89,448.7	**1,59,403.0**

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For **M/s Singhi & Co.**
Chartered Accountants
Firm registration no.: 302049E

Sd/-
Shweta Singhal
Partner
Membership No.: 414420

For **M/s Mukund M. Chitale & Co.**
Chartered Accountants
Firm registration no.: 106655W

Sd/-
Nisha Yadav
Partner
Membership No.:135775

For and on behalf of the Board of Directors
ICICI Home Finance Company Limited

Sd/-
Vinod Kumar Dhall
Chairman
DIN-02591373

Sd/-
Anirudh Kamani
Managing Director & CEO
DIN-07678378

Sd/-
Vikrant Gandhi
Chief Financial Officer

Sd/-
Priyanka Shetty
Company Secretary

Place: Mumbai
Date : April 17, 2023

Statement of profit and loss for the year ended March 31, 2023

₹ in million

Particulars	Note No.	Year ended March 31, 2023 (Audited)	Year ended March 31, 2022 (Audited)
Revenue from operations			
Interest income	24	17,732.6	14,512.2
Fees and commission Income	25	395.8	314.2
Net gain on fair value changes	26	42.6	-
Net gain on derecognition of financial instruments		1,214.3	929.2
- under amortised cost category		*430.0*	*704.2*
- under fair value through other comprehensive income		*784.3*	*225.0*
Other revenue from operations	27	108.1	150.5
Total revenue from operations		**19,493.4**	**15,906.1**
Other income	28	14.1	11.5
Total income		**19,507.5**	**15,917.6**
Expenses			
Finance costs	29	9,536.7	8,789.4
Fees and commission expense	30	65.8	38.6
Net loss on fair value changes	26	-	1.1
Impairment on financial instruments/write-offs (including write-offs on stressed loans transferred to ARCs)	31	1,775.0	1,755.3
Employee benefit expenses	32	2,193.6	1,718.4
Depreciation and amortisation expense	-	270.4	249.9
Other expenses	33	1,797.8	1,242.6
Total expenses		**15,639.3**	**13,795.3**
Profit/(Loss) before exceptional items and tax		**3,868.2**	**2,122.3**
Exceptional items		-	-
Profit/(Loss) before tax		**3,868.2**	**2,122.3**
Tax expense	42		
Current tax		827.6	464.7
Deferred tax		22.4	15.9
Profit/(Loss) for the year		**3,018.2**	**1,641.7**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of net defined benefit plan		8.5	12.3
Income tax impact		(2.1)	(3.1)
Items that will be reclassified to profit or loss			
Derivatives designated as cash flow hedge			
Fair value change on derivatives designated as cash flow hedge		246.8	756.0
Income tax impact		(62.1)	(190.3)
Financial instruments through other comprehensive income			
Fair value changes on loans classified under "Hold & Sell" business model		1,964.6	1,275.7
Income tax impact		(494.4)	(321.1)
Total other comprehensive income		**1,661.3**	**1,529.5**
Total comprehensive income for the year		**4,679.5**	**3,171.2**
Earnings per equity share (Face value ₹ 10/- per share (previous year: ₹ 10/- per share)	37		
(1) Basic (₹)		2.58	1.49
(2) Diluted (₹)		2.58	1.49

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For **M/s Singhi & Co.**
Chartered Accountants
Firm registration no.: 302049E

Sd/-
Shweta Singhal
Partner
Membership No.: 414420

Place: Mumbai
Date : April 17, 2023

For **M/s Mukund M. Chitale & Co.**
Chartered Accountants
Firm registration no.: 106655W

Sd/-
Nisha Yadav
Partner
Membership No.:135775

For and on behalf of the Board of Directors
ICICI Home Finance Company Limited

Sd/-
Vinod Kumar Dhall
Chairman
DIN-02591373

Sd/-
Anirudh Kamani
Managing Director & CEO
DIN-07678378

Sd/-
Vikrant Gandhi
Chief Financial Officer

Sd/-
Priyanka Shetty
Company Secretary

Statement of changes in equity for the year ended March 31, 2023

A. EQUITY SHARE CAPITAL

₹ in million

Balance at April 1, 2021	10,987.5
Changes in equity share capital during the year	-
Balance at March 31, 2022	**10,987.5**
Changes in equity share capital during the year	1,047.8
Balance at March 31, 2023	**12,035.3**

B. OTHER EQUITY

₹ in million

Particulars	Reserves and surplus				Capital contribution	Other comprehensive income			Total
	Statutory reserve	General reserve	Securities Premium	Retained earnings		Acturial gain/ (losses)	Cash flow hedge reserve	Loans through OCI	
Balance at April 1, 2021	**4,809.3**	**249.4**	**-**	**1,587.0**	**138.7**	**(4.9)**	**(750.4)**	**854.8**	**6,883.9**
Profit for the year	-	-	-	1,641.7	-	-	-	-	1,641.7
Dividend	-	-	-	-	-	-	-	-	-
Securities Premium received during the year	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-
Share based payments to employees	-	-	-	-	8.4	-	-	-	8.4
Cash flow hedge reserve	-	-	-	-	-	-	286.2	-	286.2
Actuarial gains/(losses)	-	-	-	-	-	9.2	-	-	9.2
Fair value changes on loans classified under "Hold & Sell" business model	-	-	-	-	-	-	-	1,123.0	1,123.0
Gain/(loss) reclassified to Profit & loss (net-off tax)	-	-	-	-	-	-	279.5	(168.4)	111.1
Transfer to / from reserve	328.5	-	-	(328.5)	-	-	-	-	-
Balance at March 31, 2022	**5,137.8**	**249.4**	**-**	**2,900.2**	**147.1**	**4.3**	**(184.7)**	**1,809.4**	**10,063.5**

₹ in million

Particulars	Reserves and surplus				Capital contribution	Other comprehensive income			Total
	Statutory reserve	General reserve	Securities Premium	Retained earnings		Acturial gain/ (losses)	Cash flow hedge reserve	Loans through OCI	
Balance at April 1, 2022	**5,137.8**	**249.4**	**-**	**2,900.2**	**147.1**	**4.3**	**(184.7)**	**1,809.4**	**10,063.5**
Profit for the year	-	-	-	3,018.2	-	-	-	-	3,018.2
Dividend	-	-	-	(164.7)	-	-	-	-	(164.7)
Securities Premium received during the year	-	-	1,452.2	-	-	-	-	-	1,452.2
Transfer to retained earnings	-	-	-	-	-	-	-	-	-
Share based payments to employees	-	-	-	-	3.8	-	-	-	3.8
Cash flow hedge reserve	-	-	-	-	-	-	184.7	-	184.7
Actuarial gains/(losses)	-	-	-	-	-	6.4	-	-	6.4
Others	-	-	-	-	-	-	-		-
Fair value changes on loans classified under “Hold & Sell” business model	-	-	-	-	-	-	-	2,057.2	2,057.2
Gain/(loss) reclassified to Profit & loss (net-off tax)	-	-	-	-	-	-	-	(587.0)	(587.0)
Transfer to / from reserve	604.0	-	-	(604.0)	-	-	-	-	-
Balance at March 31, 2023	**5,741.8**	**249.4**	**1,452.2**	**5,149.7**	**150.9**	**10.7**	**-**	**3,279.6**	**16,034.3**

As per our report of even date attached

For **M/s Singhi & Co.**
Chartered Accountants
Firm registration no.: 302049E

Sd/-
Shweta Singhal
Partner
Membership No.: 414420

Place: Mumbai
Date : April 17, 2023

For **M/s Mukund M. Chitale & Co.**
Chartered Accountants
Firm registration no.: 106655W

Sd/-
Nisha Yadav
Partner
Membership No.:135775

For and on behalf of the Board of Directors
ICICI Home Finance Company Limited

Sd/-
Vinod Kumar Dhall
Chairman
DIN-02591373

Sd/-
Anirudh Kamani
Managing Director & CEO
DIN-07678378

Sd/-
Vikrant Gandhi
Chief Financial Officer

Sd/-
Priyanka Shetty
Company Secretary

Cash flow statement for the year ended March 31, 2023

₹ in million

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation and exceptional items	3,868.2	2,122.3
Adjustments for:		
Interest Income on loans	(17,273.9)	(14,281.2)
Depreciation/amortisation	270.4	249.9
Loss on sale or write off of fixed assets	6.8	7.5
Fair value change in investment	(42.6)	1.1
Interest expense on borrowings	9,536.7	8,789.4
Impairment on financial instruments	1,775.0	1,755.3
Share based payment to employees	41.9	33.0
Fair value changes in gratuity	8.5	12.3
Net (gain)/loss on derecognition of financial instruments	(1,214.3)	(929.2)
Interest income on investments	(228.9)	(215.6)
Profit on sale of mutual fund units	(108.1)	(150.5)
	(3,360.3)	**(2,605.7)**
Interest income received	17,021.0	14,267.2
Interest expenses on borrowings paid	(9,416.0)	(9,027.0)
Operating profit before working capital changes	**4,244.7**	**2,634.5**
Adjustments for increase or decrease in :		
(Increase) / Decrease in Trade receivables	16.4	(14.4)
(Increase) / Decrease in Other financial assets	1,376.9	148.8
(Increase) / Decrease in Other non-financial assets	13.8	9.3
(Decrease) / Increase in Trade payables	248.9	83.1
(Decrease) / Increase in Other financial liabilities	1,189.6	3,169.6
(Decrease) / Increase in Other non financial liabilities	33.9	(11.3)
(Decrease) / Increase in Provisions	(29.7)	(62.1)
(Increase)/Decrease in bank balances other than cash and cash equivalent	-	458.0
Loans given (net movement)	(30,033.4)	(7,844.7)
Cash generated from Operations	**(22,938.9)**	**(1,429.2)**
Income taxes paid (net)	(875.5)	(503.0)
Net cash (used in) / generated from operating activities - A	**(23,814.4)**	**(1,932.2)**
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Net (Purchase)/sale of fixed assets	(267.3)	(103.4)
Net (Purchase)/sale of mutual funds	1,090.4	(1,703.5)

₹ in million

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
(Purchase) of investments (other than mutual funds)	(550.0)	(345.7)
Sale of investments (other than mutual funds)	500.0	-
Sale of investments classified as assets held for sale	425.7	-
Interest received on investments	243.7	215.6
Profit on sale of mutual funds	108.1	150.5
Net cash (used in) / generated from investing activities - B	**1,550.6**	**(1,786.5)**
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital (including share premium)	2,500.0	-
Proceeds from borrowings	1,01,653.6	72,744.5
Repayment of borrowings	(79,937.0)	(73,677.6)
Repayment of lease liability (including interest payments)	(108.6)	(91.0)
Dividend Paid	(164.7)	-
Net cash (used in) / generated from financing activities - C	**23,943.3**	**(1,024.1)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**1,679.5**	(4,742.8)
Cash and cash equivalents at beginning of the year	**2,693.6**	7,436.4
Cash and Cash equivalents at end of the year	**4,373.1**	**2,693.6**

Notes :

1 **Cash and cash equivalents consists of :**

(i) Balances in current accounts	1,374.3	854.1
(ii) Other cash and cash equivalents (TREPs lending)	2,998.8	1,839.5
Total	**4,373.1**	**2,693.6**

2 The above cash flow statement has been prepared under the 'Indirect Method' as set out in Ind AS 7 on "Statement of Cash Flows".

3 Net movement in Borrowings (including Debt Securities), Deposits and Subordinated Liabilities amounting to ₹ 21,051.2 million (Previous period ₹ 528.5 million) includes fresh issuance, repayments, effect of changes in foreign exchange rates, interest accrual and unamortised borrowing cost.

4 There was no financing activities that affect the capital and asset structure of the Company without the use of cash and cash equivalents.

As per our report of even date attached

For **M/s Singhi & Co.**
Chartered Accountants
Firm registration no.: 302049E

Sd/-
Shweta Singhal
Partner
Membership No.: 414420

Place: Mumbai
Date : April 17, 2023

For **M/s Mukund M. Chitale & Co.**
Chartered Accountants
Firm registration no.: 106655W

Sd/-
Nisha Yadav
Partner
Membership No.:135775

For and on behalf of the Board of Directors
ICICI Home Finance Company Limited

Sd/-
Vinod Kumar Dhall
Chairman
DIN-02591373

Sd/-
Anirudh Kamani
Managing Director & CEO
DIN-07678378

Sd/-
Vikrant Gandhi
Chief Financial Officer

Sd/-
Priyanka Shetty
Company Secretary

NOTES FORMING PART OF THE ACCOUNTS

1. CORPORATE INFORMATION

ICICI Home Finance Company Limited (the Company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 2013 (erstwhile Companies Act, 1956). The Company is a deposit taking Housing Finance Company registered with the National Housing Bank (NHB) and is governed by the provisions of the Master Direction - Non-Banking Financial Company - Housing Finance Companies (Reserve Bank) Directions, 2021 issued by the Reserve Bank of India (RBI) (Master Directions). The Company is wholly-owned subsidiary of ICICI Bank Limited. The Company's registered office is at ICICI Bank Towers, Bandra-Kurla Complex, Bandra, Mumbai, India. The principal place of business of the Company is at ICICI HFC Tower, J B Nagar, Andheri Kurla Road, Andheri, Mumbai. The Company is engaged in providing loans for the purpose of acquiring, constructing, erecting, improving, developing any house, flats or buildings or any form of real estate or any part or portion thereof. The Company also provides loans for specified purposes against the security of immovable property and loan against gold. The redeemable and non-convertible debentures of the Company are listed on Bombay Stock Exchange (BSE).

The financial statements were approved for issue by the Board of Directors on April 17, 2023.

2. STATEMENT OF COMPLIANCE, BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

2.1 Statement of compliance

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 (the Act) and relevant amendment rules issued thereafter and guidance given by RBI through its Master direction and other relevant guidelines/ circulars.

2.2 Basis of Preparation

The financial statements have been prepared on the historical cost basis except for certain financial instruments and plan assets of defined benefit plans that are measured at fair values at the end of each reporting period as explained in the significant accounting policies below. The financial statements have been prepared on a going concern basis.

Accounting policies have been consistently applied except where a newly-issued Ind AS is initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use.

2.3 Functional and presentation currency

The financial statements are presented in Indian Rupees (₹), which is the functional and the presentation currency of the Company. Except as otherwise indicated, financial information presented in Indian Rupees has been rounded to the nearest million with one decimal.

2.4 Presentation and disclosure of financial statements

The Company prepares its Balance Sheet, Statement of profit and loss and Statement of changes in equity in the format prescribed in the Division III of Schedule III of the Act applicable for preparation and presentation of the financial statements. The Statement of Cash Flows has been prepared and

NOTES FORMING PART OF THE ACCOUNTS

presented as per the requirements of Ind AS 7 'Statement of Cash Flows'. Notes forming part of Financial Statements are prepared as per Ind AS and as required by Annexure III and IV of the Master direction. The Company presents its Balance Sheet in the order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in note no. 34.

Offsetting financial instruments

Financial asset and financial liabilities are generally reported gross in the Balance Sheet. They are offset and reported net when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Use of estimates and judgement

The preparation of financial statements in conformity with Ind AS requires that the management make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities and disclosures of contingent assets and liabilities as of the date of the financial statements and the income and expense for the year. The actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively, and, if material, their effects are disclosed in the notes to the financial statements.

Accounting policies of the Company require critical accounting estimates that involve complex and subjective judgments and the use of assumptions, some of which may be for matters that are inherently uncertain and susceptible to change. Such critical accounting estimates could change from period to period and may have a material impact on the Company's financial condition, changes in financial condition or results of operations. Critical accounting estimates could also involve estimates where management could have reasonably used another estimate in the current accounting period. The critical policies that involves critical accounting estimates includes fair value measurement of financial instruments, business model assessment for classification and measurement of financial assets, recognition of gain on derecognition of financial assets, impairment of financial instruments, recognition of interest income/ expenses using Effective Interest Rate (EIR) method, fair value of employee share options, determination of useful life of Property, Plant and Equipment, determination of useful life of Intangible assets, measurement of assets and obligations of defined benefit employee plans, measurement of provisions and contingencies and recognition of deferred tax. Management believes that the estimates used in the preparation of the Company's financial statements are prudent and reasonable.

3.2 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

a. Interest income

Interest income for all interest earning financial assets subsequently measured at amortised cost or fair value through other comprehensive income (FVOCI) are recognised as 'interest income' in the Statement of Profit and Loss on an accrual basis using the Effective Interest method (EIR).

The EIR method is a method of calculating the amortised cost of a financial asset and of allocating the interest income over the relevant period. The EIR is the rate that discounts estimated future cash payments or receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset on initial recognition. When calculating the EIR, the Company estimates cash flows considering all contractual terms of the financial asset but does not consider future credit losses. The EIR calculation includes all fees received, transaction costs and all other premiums or discounts. Where the estimates of cash flows have been revised, the carrying amount of the financial asset is adjusted to reflect the actual and revised cash flows, discounted at the assets original EIR. The adjustment is recognised as interest income in the period in which the revision is made.

Interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets. For credit-impaired financial assets, interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses).

Interest on Government Securities and bank deposits are recognised on a time proportionate basis.

b. Income from Direct assignment

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of Excess Interest Spread (EIS). The future EIS basis the expected cash flows on the execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the Statement of Profit and Loss.

c. Dividend income

Dividend income is accounted

- when the right to receive the dividend is established;
- it is probable that the economic benefits associated with the dividend will flow to the Company; and
- the amount of dividend can be reliably measured.

d. Fee and commission income

Fee and commission income other than those that are integral part of EIR are recognised when the Company satisfies the performance obligation over time and as the related services are performed.

Property services fees are recognised to the extent of invoice raised on the customer, when right to receive payment is established.

e. Rental income

Income from operating leases are recognised in the Statement of Profit and Loss as per the contractual rentals unless another systematic basis is more representative of the time pattern in which benefits derived from the leased assets.

f. Other Income

Other Income represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

3.3 Borrowing costs

Borrowing costs include interest expense calculated using the EIR on respective financial liabilities subsequently measured at amortised cost, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings, to the extent they are regarded as an adjustment to interest costs.

3.4 Financial assets

Recognition and Initial measurement

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity. Few examples of financial assets are loan receivables, investment in equity and debt instruments and cash and cash equivalents.

Financial assets, other than loans, are initially recognised on the trade date, i.e. the date on which the Company becomes the party to the contractual provisions of the instrument. Loans are recognised when the fund transfer is initiated or disbursement cheque is issued.

At initial recognition, the Company measures a financial asset at its fair value including transaction costs (other than those measured at fair value through profit or loss (FVTPL)) that are directly attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Classification of financial assets

Except where financial assets that are irrevocably designated at initial recognition as FVTPL, the Company classifies and measures all its financial assets based on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the assets either at amortised cost or at fair value through other comprehensive income:

(A) Amortised cost

The Company classifies the financial assets at amortised cost if the contractual cash flows represents solely payments of principal and interest (SPPI) on the principal amount outstanding and as per it's business model where the management is intending to hold these financial assets in order to collect contractual cash flows. However, considering the asset-liability maturity gap, liquidity plans and funding needs, it may enter into transactions to sell some of the financial assets classified at amortised cost to banks/other lending institutions without affecting the SPPI criteria of the remaining portfolio measured at amortised cost.

NOTES FORMING PART OF THE ACCOUNTS

(B) Fair value through other comprehensive income (FVOCI)

The Company classifies the financial assets as FVOCI, if the contractual cash flows represents SPPI on the principal amount outstanding and it's business model is achieved by both collecting contractual cash flow and selling the financial assets.

On derecognition of the financial assets measured at FVOCI, cumulative gain or loss previously recognised in Other Comprehensive income (OCI) is reclassified from the equity to the Statement of Profit and Loss.

(C) Fair value through profit or loss (FVTPL)

Financial assets are classified as FVTPL unless they are classified at amortised cost or at FVOCI.

Equity instruments

The Company measures all equity investments at FVTPL, unless the management has elected to classify irrevocably some of its equity investments as equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 - Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis. The Company follows trade date method of accounting for purchase and sale of investments. Profit or loss on sale of investments is determined on First in First out (FIFO) basis.

Subsequent measurement of financial assets

(A) Financial assets at amortised cost

These financial assets are subsequently measured at amortised cost on EIR method. The amortised cost is reduced by impairment losses. Interest income, impairment losses and gains and losses on derecognition are recognised in Statement of Profit and Loss.

(B) Financial assets at FVOCI

Financial assets included within the FVOCI category are measured subsequently at each reporting date at fair value. Interest income and impairment loss are recognised in the Statement of Profit and Loss. Fair value movements on subsequent measurement are recognised in the OCI.

(C) Financial assets at FVTPL

Financial assets included within the FVTPL category are measured subsequently at each reporting date at fair value. Net gain or loss, including interest and other income are recognised in the Statement of Profit and Loss.

Reclassification of financial assets

The Company changes classification of its financial assets only on account of changes in its business model for managing those financial assets. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the changes in the business model that results in reclassification.

NOTES FORMING PART OF THE ACCOUNTS

3.5 Financial liabilities and equity instruments

The Company classifies these instruments as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the face value and proceeds received in excess of the face value are recognised as securities premium.

Financial liabilities

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified at FVTPL, if it is classified as held-for trading or it is designated at FVTPL on initial recognition. All financial liabilities, other than classified at FVTPL, are classified at amortised cost in which case they are initially measured at fair value, net of transaction costs and subsequently at amortised cost using effective interest rate.

3.6 Determination of fair value

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid/ ask prices and using valuation techniques/ methods for other instruments. Valuation techniques/methods include discounted cash flow method and other unobservable inputs.

3.7 Modification and derecognition of financial assets and liabilities

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date.

The Company renegotiates loans to customers in financial difficulty, including loans where relief measures on account of COVID-19 pandemic was given, to maximise collection and minimise the risk of default. Relief is generally given in the form of extension of loan tenure, moratorium on payment of equated monthly instalments (EMIs) for a certain period with/without step-up EMI subsequently. On modification, the financial assets are assessed for de-recognition principle and financial assets are de-recognised when, and only when: (a) the contractual rights to the cash flows from the financial asset expires, or (b) transfers the financial asset and the transfer qualifies for derecognition as per the principles laid down under Ind AS 109 - Financial Instruments.

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset, the Company recalculates the gross carrying amount of the financial asset and difference, if any, in the gross carrying amount of the financial asset is recognised as modification gain or loss in Statement of Profit and Loss.

Financial assets are de-recognised when the contractual rights to the cash flows from the financial assets have expired or where the Company has transferred substantially all the risks and rewards of ownership. If substantially all the risks and rewards have been neither retained nor transferred and the Company retains control, the assets continues to be recognised to the extent of it's continuing involvement.

Any loans transferred to asset reconstruction companies, against the consideration of security receipts issued by the asset reconstruction companies, do not meet the derecognition criteria and therefore are not de-recognised till such time as the Asset Reconstruction Companies (ARCs) redeem the security receipts. Further, any loans transferred to ARCs against upfront consideration are derecognised and corresponding gain/(loss) on such transfer is recognised at the time of transfer/sale.

The Company transfers loans through direct assignment transactions. The transferred loans are de-recognised and gains/losses are accounted for, only if it transfers substantially all risks and rewards specified in the underlying assigned loan contracts. In accordance with the Ind AS 109 - Financial Instruments, on de-recognition of a financial asset for assigned transactions, present value of future cash flows accruing in the form of differential interest (excess interest spread) over the expected life of the assigned loans is recognised as receivable with a corresponding credit to Statement of Profit and Loss.

The Company continues to perform servicing of the assigned loans and receives servicing fee from the assignee. If the fee to be received is not expected to compensate the Company adequately for performing the servicing activities, a servicing liability for the servicing obligation is recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing activities, a servicing asset is recognised. Corresponding amount is recognised in the Statement of Profit and Loss.

Financial liabilities are derecognised when they are extinguished, that is when the obligation is discharged, cancelled or expired.

3.8 Impairment of financial assets

The Company recognises loss allowances using the Expected Credit Loss (ECL) model under Ind AS 109 for the financial assets and loan commitments which are not fair valued through profit or loss. ECL for loans and advances are measured at an amount equal to the 12-month ECL (ECL allowance on default events on the financial instruments that are possible within 12 months after the reporting date), unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL (ECL that results from all possible default events over the life of the financial instrument). Equity instruments are measured at fair value and not subject to impairment loss. ECL allowance (or reversal) recognised during the year is recognised as expenses/(income) in the Statement of Profit and Loss.

Financial assets are normally written-off, either partially or in full, when there is no reasonable expectation of further recovery. Further, subsequent recoveries from partially/fully written-off assets are credited to the Statement of Profit and Loss.

For detailed information on categories of loans into stages as defined under Ind AS 109 - Financial Instruments, significant increase in credit risk, default and methodology of

NOTES FORMING PART OF THE ACCOUNTS

calculating ECL using Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD), refer note no. 46.

3.9 Property, plant and equipment

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment losses. The cost includes expenditures that are directly attributable to the acquisition and installation of the asset, net of tax/duty credits availed, if any. PPE is recognised when it is probable that future economic benefits associated with the item is expected to flow to the Company and the cost of the item can be measured reliably.

Capital work-in-progress includes assets not ready for the intended use on the date of Balance Sheet.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain/loss on disposal of an item of PPE is determined by comparing the proceeds from disposal with carrying amount of the item of the PPE and is recognised in the Statement of Profit and Loss. The costs of the day-to-day servicing of PPE are recognised in Statement of Profit and Loss as and when they are incurred.

3.10 Intangible assets

Purchased software are measured at cost less accumulated amortisation and accumulated impairment losses. The cost includes expenditures that are directly attributable to the acquisition and installation of the software, net of tax/duty credits availed, if any. Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as 'Intangible assets under development'.

An intangible asset is de-recognised on disposal, or when no future economic benefit is expected from use of the asset. The gain/loss on disposal of an item of intangible assets is determined by comparing the proceeds from disposal with carrying amount of the item of the intangible assets and is recognised in the Statement of Profit and Loss.

3.11 Depreciation and amortisation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is provided on straight-line basis over the estimated useful lives of the assets, which are equal to or higher than the rates prescribed under schedule II of the Companies Act, 2013. Higher rates of depreciation are used to reflect the actual usage of the assets or based on internal assessment by the management.

The following table sets forth, useful life of PPE.

Particulars	Useful life (No. of years)
Office Buildings on freehold land	60
Right of use asset (ROU)	Period of lease
Improvements to leasehold property	Period of lease
Furniture and fixtures*	5 to 10
Office Equipment*	3 to 5
Electrical installations and equipment	10
Motor vehicles*	5
Servers and network equipment*	4 to 6
Computers	3
Software*	4

* Based on actual usage/internal assessment

Items individually costing upto ₹ 5,000 are depreciated fully over the period of 12 months from the date of purchase.

Depreciation and amortisation methods, useful lives and residual values are reassessed at each reporting date and the effect of changes are recognised prospectively. Advances paid towards acquisition of PPE are disclosed as capital advances.

3.12 Impairment of non-financial assets

Intangible assets and PPE are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount of an asset is estimated to determine the extent of impairment. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount.

3.13 Taxation

Tax expense comprises of current and deferred tax.

Current tax

Income tax expense is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity/OCI in which case it is recognised in equity/OCI. Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose and the amounts for tax purposes.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised, for all deductible temporary differences, to the extent it is probable

NOTES FORMING PART OF THE ACCOUNTS

that future taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3.14 Employee benefits

a. Accumulated leave

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service.

The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes.

The Company provides for leave encashment benefits, which is a defined benefit obligation, based on actuarial valuation conducted by an independent actuary.

b. Long-term incentive plan

The Company pays long term incentives to certain employees on fulfilment of prescribed criteria/ conditions. The Company's liability towards long term incentive is determined actuarially based on certain assumptions regarding rate of interest, staff attrition and mortality as per the projected unit credit method. Expenses towards long term incentive and actuarial gains or losses arising during the year are recognised in the Statement of Profit and Loss.

c. Post-employment obligations

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Gratuity

The Company pays gratuity, a defined benefit plan, to employees who retire or resign after a minimum prescribed period of continuous service. The Company makes contribution to a trust which administers the funds through insurance companies.

The Company recognises gratuity liability based on actuarial valuation as determined by the actuary appointed by the Company. Actuarial valuation of gratuity liability is determined based on certain assumptions regarding rate of interest, salary growth, mortality and staff attrition as per the projected unit credit method. The actuarial gains or losses arising during the year are recognised in OCI and are not reclassified in to profit and loss account in subsequent periods.

Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of planned assets.

Provident fund/Employee State Insurance Scheme

The Company used to make specified monthly contributions towards Employee Provident Fund scheme to a separate trust administered by the Company. The monthly contributions were being recognised as expense in the year in which they were incurred. The Government notifies the minimum interest payable by the trust to the beneficiaries. As the Company had obligation to make good the shortfall, if any, between the return on investments of the trust and the notified interest rate, actuarial valuation for the interest rate guarantee on the provident fund balances was being determined by actuarial assessment or valuation. Any shortfall in the amount was contributed by the Company to the trust and charged to its Statement of Profit and Loss.

With effect from August 1, 2022, the administration of the Employees' Provident Fund was transferred to the Employees' Provident Fund Organisation (EPFO) and the monthly contributions are now directly paid to the EPFO. Further, as the Company pays all contributions to EPFO, the interest obligation will be borne by the EPFO and hence, the Company is not required to do actuarial measurement for the same.

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Superannuation Fund and National Pension Scheme

The Company contributes 15% of basic salary for certain employees to superannuation funds, defined contribution plan, managed and administered by insurance companies. Further, the Company contributes 10% of the basic salary for certain employees to National Pension Scheme (NPS), a defined contribution plan, which is managed and administered by pension management companies. The Company also gives an option to its employees allowing them to receive the amount in lieu of such contributions along with their monthly salary during their employment.

The amount so contributed/paid by the Company to the Superannuation fund and NPS or to employees during the period are

NOTES FORMING PART OF THE ACCOUNTS

recognised in the Statement of Profit and Loss.

d. Share-based payments

The Parent Bank (ICICI Bank Limited) issues stock options to certain employees of the Company. These transactions are recognised as equity-settled share based payment transactions. The stock compensation expense is determined based on grant date fair value of options and the Parent Bank's estimate of options that will eventually vest and is recognised on a straight line basis over the vesting period in the Statement of Profit and Loss. For options granted till the year ended March 31, 2020, corresponding impact is given to equity as contribution from the Parent Bank as the cost was not charged by the Parent Bank. For options granted from the year ended March 31, 2021, the Company pays the cost charged by the Parent Bank.

3.15 Leases

The Company has various lease arrangement for certain assets including properties. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the commencement of the lease, the Company recognises a Right-of-Use (ROU) asset and a corresponding lease liability for all lease arrangements, except for leases with a term of twelve months or less (short-term leases) and low value leases. For low-value and short-term leases, lease rentals are recognised in the Statement of Profit and Loss on accrual basis. The ROU asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for any prepaid lease plus any initial direct costs paid at or before the commencement date and subsequently at cost less accumulated amortisation and accumulated impairment losses, if any. The lease liability is measured at amortised cost at the present value of the future lease payment, discounted using the Company's incremental borrowing rate. The lease liability is subsequently increased by interest cost on the lease liability and decreased by the lease payment made.

ROU assets are depreciated from the commencement date on a straight-line basis over the lease period. ROU assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

3.16 Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined based on management estimate of cash outflow to settle the obligation at the Balance Sheet date, supplemented by experience of similar transactions. These are reviewed at each reporting date and adjusted to reflect the current management estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or nonoccurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised. However, where an inflow of economic benefit is probable, the same is being disclosed.

Provisions, contingent liabilities and contingent assets are reviewed at each reporting date.

3.17 Commitments

Commitments are future liabilities, classified and disclosed as follows:

a) Undrawn loan commitments;

b) Estimated amount of contracts remaining to be executed on capital account and not provided for;

c) Uncalled liability on investments partly paid;

d) Other commitments, if any, to the extent they are considered material and relevant in the opinion of management.

3.18 Assets held for sale

Assets are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Assets classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

3.19 Earnings per share

The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3.20 Statement of Cash Flows

Statement of cash flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is prepared using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing activities.

3.21 Foreign currencies

Transactions in currencies other than the Company's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance

Sheet date, foreign currency monetary items are reported at the rates prevailing at the year-end. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

3.22 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with bank. Cash equivalents are short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

3.23 Accounting for derivative financial instruments

The Company enters into derivative contracts such as interest rate swaps, foreign exchange contracts and currency swaps, to manage its exposure to interest rate risk and foreign exchange rate risk. The Company recognises and measures such derivative instruments at fair value. Except for those derivatives which are designated as effective cash flow hedge, the gains and losses are recognised in the Statement of Profit and Loss.

The Company has designated certain derivatives as cash flow hedges of interest bearing liabilities. At the inception of a hedge transaction, the Company formally documents the hedge relationship and the risk management objective and strategy for undertaking the hedge. This process includes identification of the hedging instrument, hedged item, risk being hedged and the methodology for assessing effectiveness and measuring ineffectiveness of the hedge. In addition, the Company assesses both at the inception of the hedge and on an ongoing basis, whether the derivative used in the hedging transaction is effective in offsetting changes in fair value of the hedged item, and whether the derivative is expected to continue to be highly effective. The Company assesses the effectiveness of the hedge instrument at inception and continually on a quarterly basis. The effective portion of change in fair value of the designated hedging instrument is recognised in the OCI. The ineffective portion of designated hedges are recognised immediately in the Statement of Profit and Loss. A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

3.24 Dividend pay-out

The Company recognises a liability towards the equity shareholders of the Company when the dividend is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, an interim dividend is authorised when it is approved by the Board of Directors and final dividend is authorised when it is approved by the Shareholders. A corresponding amount is recognised directly in equity.

4. Cash and Cash Equivalents

The following table sets forth, for the periods indicated, details of cash and cash equivalents.

₹ in million

Particulars	At March 31, 2023	At March 31, 2022
Cash on hand	-	-
Balances with banks[1] (in current accounts)	1,374.3	854.1
Other cash & cash equivalents	2,998.8	1,839.5
Total	**4,373.1**	**2,693.6**

1. There was no earmarked balance at March 31, 2023 (March 31, 2022: Nil).

5. Bank balances other than cash and cash equivalents

The following table sets forth, for the periods indicated, bank balances other than cash and cash equivalents.

₹ in million

Particulars	At March 31, 2023	At March 31, 2022
Balances with banks to the extent held as margin money or security against borrowings, guarantees, other commitments (in deposit accounts with original maturity more than 3 months)	2.5	2.5
Total	**2.5**	**2.5**

6. Derivative financial instruments

The Company enters into derivatives transactions for risk management purposes. The primary risk managed using derivatives instruments are foreign currency risk and interest rate risk. The Company deals in derivatives for hedging floating rate borrowings denominated in foreign currency. Refer note no. 51 for detailed information on derivatives transaction undertaken by the Company.

The following tables set forth, for the periods indicated, notional amounts and fair values of the derivative deals entered into by the Company.

₹ in million

Particulars	At March 31, 2023			
	Notional amounts	Fair value – assets	Notional amounts	Fair value – liabilities
Part I				
(i) Currency derivatives				
- Forwards	-	-	-	-
- Currency swaps	-	-	-	-

NOTES FORMING PART OF THE ACCOUNTS

Particulars	At March 31, 2023			
	Notional amounts	Fair value – assets	Notional amounts	Fair value – liabilities
Sub-total (i)	**-**	**-**	**-**	**-**
(ii) Interest rate derivatives				
Interest rate swaps	-	-	-	-
Forward rate agreements	-	-	-	-
Sub-total (ii)	-	-	-	-
Total derivative financial instruments (i) + (ii)	**-**	**-**	**-**	**-**
Part II				
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:	-	-	-	-
(i) Cash flow hedging				
- Currency derivatives	-	-	-	-
- Interest rate derivatives	-	-	-	-
Sub-total (i)	**-**	**-**	**-**	**-**
Total derivative financial instruments	**-**	**-**	**-**	**-**

₹ in million

Particulars	At March 31, 2022			
	Notional amounts[1]	Fair value – assets	Notional amounts[1]	Fair value – liabilities
Part I				
(i) Currency derivatives				
- Forwards	-	-	900.2	66.0
- Currency swaps	13,286.8	595.7	-	-
Sub-total (i)	**13,286.8**	**595.7**	**900.2**	**66.0**
(ii) Interest rate derivatives				
- Interest rate swaps	-	-	13,286.8	134.5
- Forward rate agreements	-	-	-	-
Sub-total (ii)	**-**	**-**	**13,286.8**	**134.5**

Particulars	At March 31, 2022			
	Notional amounts[1]	Fair value – assets	Notional amounts[1]	Fair value – liabilities
Total derivative financial instruments (i) + (ii)	**13,286.8**	**595.7**	**14,187.0**	**200.5**
Part II				
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:				
(i) Cash flow hedging				
- Currency derivatives	13,286.8	595.7	900.2	66.0
- Interest rate derivatives	-	-	13,286.8	134.5
Sub-total (i)	**13,286.8**	**595.7**	**14,187.0**	**200.5**
Total derivative financial instruments	**13,286.8**	**595.7**	**14,187.0**	**200.5**

1. Notional amounts are converted using foreign exchange rates prevailing at reporting date.

Interest Rate Swaps (IRS)

The following tables set forth, for the periods indicated, the details of risk exposure in interest rate swaps.

₹ in million

Particulars	At March 31, 2023	At March 31, 2022
(i) The notional principal of swap agreements	-	13,286.8
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii) Collateral required by the HFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swap	-	-
(v) The fair value (MTM) of the swap book	-	(134.5)

₹ in million

Particulars	At March 31, 2023	At March 31, 2022
(i) Derivatives (notional principal amount)	-	13,286.8
(ii) Marked to market positions	-	(134.5)
(iii) Assets (+)	-	-
(iv) Liability (-)	-	(134.5)

NOTES FORMING PART OF THE ACCOUNTS

Particulars	At March 31, 2023	At March 31, 2022
(v) Credit exposure	-	-
(vi) Unhedged exposures	-	-

Forward Rate Agreement (FRA)

The Company does not have any forward rate agreement during the year ended March 31, 2023 (March 31, 2022: Nil).

Exchange Traded Interest Rate Derivative

The Company does not have any exchange traded interest rate derivatives during the year ended March 31, 2023 (March 31, 2022: Nil).

Currency and forward derivatives

The following tables set forth, for the periods indicated, the details of currency and forward derivatives.

₹ in million

Particulars	At March 31, 2023	At March 31, 2022
The notional principal of currency swap/forward	-	14,187.0
Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	595.7
Collateral required by the Company upon entering into swaps	-	-
Concentration of credit risk arising from the swap[1]	-	100%
The fair value of (MTM) the swap book	-	529.7

1. Entire exposure is towards banks.

₹ in million

Particulars	At March 31, 2023	At March 31, 2022
Derivatives (notional principal amount)	-	14,187.0
Marked to market positions	-	529.7
Assets (+)	-	595.7
Liability (-)	-	(66.0)
Credit exposure	-	-
Unhedged exposures	-	-

7. RECEIVABLES

The following tables set forth, details of trade receivables at March 31, 2023.

₹ in million

Particulars	Gross value	Expected credit loss	Net value
Trade receivables			
Receivables considered good – secured	-	-	-
Receivables considered good – unsecured[1]	20.7	-	20.7
Receivables which have significant increase in credit risk	-	-	-
Receivables - credit impaired	-	-	-
Total	**20.7**	**-**	**20.7**
Included in above:			
- Debts due by directors or other officers of the Company	-	-	-
- Debts due by firms/LLPs/private companies in which any director is partner or a director or a member	-	-	-

1. Represents receivable from related parties.

₹ in million

Particulars	Unbilled (A)	Outstanding for following periods from due date of payment							Total (A)+(B)
		Less than 3 months	3-6 months	6 months -1 year	1-2 year	2-3 years	More than 3 years	Total (B)	
(i) Undisputed Trade receivables — considered good	15.0	5.7	-	-	-	-	-	5.7	**20.7**
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-	-	**-**
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-	-	-	**-**

NOTES FORMING PART OF THE ACCOUNTS

Particulars	Unbilled (A)	Outstanding for following periods from due date of payment							Total (A)+(B)
		Less than 3 months	3-6 months	6 months -1 year	1-2 year	2-3 years	More than 3 years	Total (B)	
(iv) Disputed Trade Receivables— considered good	-	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-	-	-	-
Gross value	**15.0**	**5.7**	**-**	**-**	**-**	**-**	**-**	**5.7**	**20.7**
Less: ECL	-	-	-	-	-	-	-	-	-
Net Value	**15.0**	**5.7**	**-**	**-**	**-**	**-**	**-**	**5.7**	**20.7**

The following tables set forth, details of trade receivables at March 31, 2022.

₹ in million

Particulars	Gross value	Expected credit loss	Net value
Trade receivables			
Receivables considered good – secured	-	-	**-**
Receivables considered good – unsecured[1]	12.5	-	**12.5**
Receivables which have significant increase in credit risk	30.3	30.3	**-**
Receivables - credit impaired	-	-	**-**
Total	**42.8**	**30.3**	**12.5**
Included in above:			
- Debts due by directors or other officers of the Company	-	-	**-**
- Debts due by firms/LLPs/private companies in which any director is partner or a director or a member	-	-	**-**

1. Represents receivable from related parties.

NOTES FORMING PART OF THE ACCOUNTS

₹ in million

Particulars	Unbilled (A)	Outstanding for following periods from due date of payment							Total (A)+ (B)
		Less than 3 months	3-6 months	6 months -1 year	1-2 year	2-3 years	More than 3 years	Total (B)	
(i) Undisputed Trade receivables — considered good	12.5	-	-	-	-	-	-	-	12.5
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	2.2	1.2	3.1	9.4	6.8	7.6	30.3	30.3
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables— considered good	-	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-	-	-	-
Gross value	**12.5**	**2.2**	**1.2**	**3.1**	**9.4**	**6.8**	**7.6**	**30.3**	**42.8**
Less: ECL	-	(2.2)	(1.2)	(3.1)	(9.4)	(6.8)	(7.6)	(30.3)	(30.3)
Net Value	**12.5**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**12.5**

NOTES FORMING PART OF THE ACCOUNTS

8. LOANS

The following table sets forth, for the periods indicated, details of loans.

₹ in million

Particulars		At March 31, 2023			At March 31, 2022		
		Amortised cost	Fair value through OCI[1]	Total	Amortised cost	Fair value through OCI[1]	Total
(A)							
(i)	Loans repayable on demand	-	-	-	-	-	-
(ii)	Term loans	106,928.8	71,645.7	178,574.5	111,190.6	37,550.6	148,741.2
(iii)	Others	-	-	-	-	-	-
	Total loans – Gross (A)	**106,928.8**	**71,645.7**	**178,574.5**	**111,190.6**	**37,550.6**	**148,741.2**
	Less: Impairment loss allowance	(3,138.3)	-	(3,138.3)	(3,756.2)	-	(3,756.2)
	Total loans – Net (A)	**103,790.5**	**71,645.7**	**175,436.2**	**107,434.4**	**37,550.6**	**144,985.0**
(B)	**Secured/ Unsecured**						
(i)	Secured by tangible assets	106,629.2	71,645.7	178,274.9	110,712.2	37,550.6	148,262.8
(ii)	Secured by intangible assets	-	-	-	-	-	-
(iii)	Covered by bank/ government guarantees	299.6	-	299.6	478.4	-	478.4
(iv)	Unsecured	-	-	-	-	-	-
	Total loans – Gross (B)	**106,928.8**	**71,645.7**	**178,574.5**	**111,190.6**	**37,550.6**	**148,741.2**

NOTES FORMING PART OF THE ACCOUNTS

Particulars		At March 31, 2023			At March 31, 2022		
		Amortised cost	Fair value through OCI[1]	Total	Amortised cost	Fair value through OCI[1]	Total
	Less: Impairment loss allowance	(3,138.3)	-	(3,138.3)	(3,756.2)	-	(3,756.2)
	Total loans – Net (B)	**103,790.5**	**71,645.7**	**175,436.2**	**107,434.4**	**37,550.6**	**144,985.0**
(C)	**Loans in India**						
(i)	Public sector	-	-	-	-	-	-
	Other than Public sector	106,928.8	71,645.7	178,574.5	111,190.6	37,550.6	148,741.2
	Total loans – Gross (C)	**106,928.8**	**71,645.7**	**178,574.5**	**111,190.6**	**37,550.6**	**148,741.2**
	Less: Impairment loss allowance	(3,138.3)	-	(3,138.3)	(3,756.2)	-	(3,756.2)
	Total loans – Net (C)	**103,790.5**	**71,645.7**	**175,436.2**	**107,434.4**	**37,550.6**	**144,985.0**
(ii)	**Loans outside India**	**-**	**-**	**-**	**-**	**-**	**-**
	Total loans –Net (C) (i) and (ii)	**103,790.5**	**71,645.7**	**175,436.2**	**107,434.4**	**37,550.6**	**144,985.0**

1. Net of impairment allowance amounting to ₹ 326.5 million at March 31, 2023 (March 31, 2022: ₹ 152.9 million).
2. The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
3. The Company is engaged in a retail lending business. The Company has not entered into any transaction or arrangement with any person(s) or entity(ies) including foreign entities (intermediaries), which would result in onward lending to or on behalf of the lender.

NOTES FORMING PART OF THE ACCOUNTS

Loans against gold

Outstanding loans granted against collateral of gold jewellery was 0.17 % of total assets at March 31, 2023 (March 31, 2022: 0.14%).

Break up of loans and advances and provision thereon

The following tables set forth, for the periods indicated, the break-up of loans in housing and non-housing.

₹ in million

Particulars	At March 31, 2023		
	Housing	Non-Housing	Total
Standard assets			
Total Outstanding	126,370.7	46,592.2	172,962.9
Provision	490.4	600.2	1,090.6
Non-performing assets (NPAs)			
Sub- Standard			
Total Outstanding	1,459.2	1,328.8	2,788.0
Provision	228.1	202.0	430.1
Doubtful- 1			
Total Outstanding	807.4	519.6	1,327.0
Provision	276.1	175.5	451.6
Doubtful- 2			
Total Outstanding	361.8	354.7	716.5
Provision	199.0	186.9	385.9
Doubtful- 3			
Total Outstanding	780.1	-	780.1
Provision	780.1	-	780.1
Loss			
Total Outstanding	-	-	-
Provision	-	-	-
Total			
Total Outstanding	129,779.2	48,795.3	178,574.5
Provision	1,973.7	1,164.6	3,138.3

1. Standard assets represent loans classified as Stage-1 and Stage-2, NPAs represent loans classified as Stage-3, Total outstanding represent Exposure at default and Provisions represent Expected credit loss in the above table.

₹ in million

Particulars	At March 31, 2022		
	Housing	Non-Housing	Total
Standard assets			
Total Outstanding	102,392.0	37,752.2	140,144.2
Provision	605.5	789.7	1,395.2
Non-performing assets (NPAs)			
Sub- Standard			
Total Outstanding	2,291.3	1,634.5	3,925.8
Provision	330.9	241.8	572.7
Doubtful- 1			
Total Outstanding	1,002.7	1,013.5	2,016.2
Provision	332.8	335.5	668.3
Doubtful- 2			
Total Outstanding	1,268.2	653.8	1,922.0
Provision	777.3	342.7	1,120.0
Doubtful- 3			
Total Outstanding	224.0	509.0	733.0
Provision	-	-	-
Loss			
Total Outstanding	-	-	-
Provision	-	-	-
Total			
Total Outstanding	107,178.2	41,563.0	148,741.2
Provision	2,046.5	1,709.7	3,756.2

1. Standard assets represent loans classified as Stage-1 and Stage-2, NPAs represent loans classified as Stage-3, Total outstanding represent Exposure at default and Provisions represent Expected credit loss in the above table.

NOTES FORMING PART OF THE ACCOUNTS

Movement of Non-performing assets (NPAs)

The following table sets forth, for the periods indicated, movement in stage 3 loans (NPAs) & movement in ECL (provisions).

₹ in million

Particulars	At March 31, 2023	At March 31, 2022
(I) **Net NPAs to Net Advances (%)**	**2.03%**	**4.30%**
(II) **Movement of NPAs (Gross)**		
a) Opening balance	8,597.0	9,385.7
b) Additions during the year	5,689.0	8,611.6
c) Reductions during the year	8,674.4	9,400.3
d) Closing balance	**5,611.6**	**8,597.0**
(III) **Movement of NPAs (Net)**		
a) Opening balance	6,236.0	7,137.3
b) Additions during the year	3,572.1	5,271.8
c) Reductions during the year	6,244.2	6,173.1
d) Closing balance	**3,563.9**	**6,236.0**
(IV) **Movement of provision for NPAs (excluding provisions on standard assets)**		
a) Opening balance	2,361.0	2,248.4
b) Provisions made during the year	2,116.9	3,339.8
c) Write off/ write back of excess provisions	2,430.1	3,227.2
d) Closing balance	**2,047.7**	**2,361.0**

1. Standard assets represent loans classified as Stage-1 and Stage-2, NPAs represent loans classified as Stage-3 and Provision for NPAs represent Expected credit loss in the above table.

9. INVESTMENTS

The following tables set forth, for the periods indicated, details of investments.

₹ in million

Particulars	At March 31, 2023						
	Amortised cost	At fair value				Others	Total
		Through Other Compre-hensive Income	Through Profit or Loss	Desig-nated at Fair Value Through Profit or Loss	Sub Total		
(A) Investments in India							
Mutual funds	-	-	1,615.4	-	1,615.4	-	1,615.4
Government securities[1]	3,304.1	-	-	-	-	-	3,304.1
Equity instruments	-	-	72.1	-	72.1	-	72.1
Total Gross	**3,304.1**	**-**	**1,687.5**	**-**	**1,687.5**	**-**	**4,991.6**
Impairment loss allow-ance	-	-	-	-	-	-	-
Total Net	**3,304.1**	**-**	**1,687.5**	**-**	**1,687.5**	**-**	**4,991.6**
(B) Investments outside India	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Investments (A+B)	**3,304.1**	**-**	**1,687.5**	**-**	**1,687.5**	**-**	**4,991.6**

1. Based on the assessment, no impairment loss has been recognised on government securities.

₹ in million

Particulars	At March 31, 2022						
	Amortised cost	At fair value				Others	Total
		Through Other Compre-hensive Income	Through Profit or Loss	Desig-nated at Fair Value Through Profit or Loss	Sub Total		
(A) Investments in India							
Mutual funds	-	-	2,701.5	-	2,701.5	-	2,701.5
Government securities[1]	3,268.9	-	-	-	-	-	3,268.9

NOTES FORMING PART OF THE ACCOUNTS

Particulars	At March 31, 2022						
	Amortised cost	At fair value				Others	Total
		Through Other Compre-hensive Income	Through Profit or Loss	Desig-nated at Fair Value Through Profit or Loss	Sub Total		
Equity instruments	-	-	33.7	-	33.7	-	33.7
Total Gross	**3,268.9**	**-**	**2,735.2**	**-**	**2,735.2**	**-**	**6,004.1**
Impairment loss allow-ance	-	-	-	-	-	-	-
Total Net	**3,268.9**	**-**	**2,735.2**	**-**	**2,735.2**	**-**	**6,004.1**
(B) Investments outside India	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Investments (A+B)	**3,268.9**	**-**	**2,735.2**	**-**	**2,735.2**	**-**	**6,004.1**

1. Based on the assessment, no impairment loss has been recognised on government securities.

The following table sets forth, for the periods indicated, the details of investments and the movement in fair value changes (provision towards depreciation) on investments of the Company.

₹ in million

Particulars	At March 31, 2023	At March 31, 2022
Value of investments		
(i) Gross value of investments	4,991.6	6,004.1
(a) In India	4,991.6	6,004.1
(b) Outside India	-	-
(ii) Provision for Depreciation	-	-
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of Investments	4,991.6	6,004.1
(a) In India	4,991.6	6,004.1
(b) Outside India	-	-

NOTES FORMING PART OF THE ACCOUNTS

Particulars	At March 31, 2023	At March 31, 2022
Movement of provisions held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off/Written-back of excess provisions during the year	-	-
(iv) Closing balance	-	-

10. OTHER FINANCIAL ASSETS

The following table sets forth, for the periods indicated, details of other financial assets.

₹ in million

Particulars	At March 31, 2023	At March 31, 2022
At amortised cost		
Security deposits	108.3	47.6
Advances recoverable	57.0	60.0
Interest only strip receivable	1,914.5	1,635.5
Mutual fund redemption receivable	-	500.3
Other financial assets	1.8	0.8
Total	**2,081.6**	**2,244.2**

NOTES FORMING PART OF THE ACCOUNTS

11. PROPERTY, PLANT AND EQUIPMENT

The following table sets forth, for the periods indicated, details of property, plant and equipment.

₹ in million

Particulars	Gross block				Depreciations/amortisation				Net block	
	At April 1, 2022	Additions	Disposals/ adjustments	At March 31, 2023	At April 1, 2022	For the year	Adjustments/deductions	At March 31, 2023	At April 1, 2022	At March 31, 2023
Free hold land[1,2]	0.5	-	-	0.5	-	-	-	-	0.5	0.5
	(0.5)	-	-	(0.5)	-	-	-	-	(0.5)	(0.5)
Building[1,2]	778.4	-	-	778.4	74.9	14.7	-	89.6	703.5	688.8
	(778.1)	(0.3)	-	(778.4)	(60.1)	(14.8)	-	(74.9)	(718.0)	(703.5)
ROU	478.2	102.3	19.5	561.0	234.3	100.6	12.1	322.8	243.9	238.2
	(475.0)	(25.7)	(22.5)	(478.2)	(151.9)	(97.9)	(15.5)	(234.3)	(323.1)	(243.9)
Improvements to leasehold property	181.3	69.1	8.8	241.6	111.7	45.4	5.8	151.3	69.6	90.3
	(181.2)	(7.5)	(7.4)	(181.3)	(77.2)	(38.4)	(3.9)	(111.7)	(104.0)	(69.6)
Computers	84.6	55.4	4.3	135.7	63.2	17.2	4.1	76.3	21.4	59.4
	(63.4)	(21.9)	(0.7)	(84.6)	(43.2)	(20.6)	(0.6)	(63.2)	(20.2)	(21.4)
Office Equipments	126.5	38.5	3.4	161.6	79.9	26.7	2.4	104.2	46.6	57.4
	(123.7)	(4.9)	(2.1)	(126.5)	(57.4)	(23.4)	(0.9)	(79.9)	(66.3)	(46.6)
Furniture & fixtures	101.6	38.2	7.7	132.1	50.2	13.2	4.6	58.8	51.4	73.3
	(95.6)	(10.7)	(4.7)	(101.6)	(42.8)	(9.5)	(2.1)	(50.2)	(52.8)	(51.4)
Electric Installation & Equipments	46.4	5.0	0.7	50.7	14.1	4.8	0.2	18.7	32.3	32.0
	(43.3)	(4.5)	(1.4)	(46.4)	(10.0)	(4.5)	(0.4)	(14.1)	(33.3)	(32.3)
Server & Network	28.2	4.7	0.5	32.4	17.2	6.4	0.1	23.5	11.0	8.9
	(25.8)	(2.5)	(0.1)	(28.2)	(11.2)	(6.0)	-	(17.2)	(14.6)	(11.0)
Vehicles	3.8	5.0	3.8	5.0	3.8	0.6	3.8	0.6	-	4.4
	(3.8)	-	-	(3.8)	(2.8)	(1.0)	-	(3.8)	(1.0)	-
Total	**1,829.5**	**318.2**	**48.7**	**2,099.0**	**649.3**	**229.7**	**33.1**	**845.8**	**1,180.2**	**1,253.2**
Previous year	(1,790.4)	(78.0)	(38.9)	(1,829.5)	(456.6)	(216.2)	(23.4)	(649.3)	(1,333.8)	(1,180.2)

1. There is no charge on building (March 2022: Nil) and Free Hold land (March 31, 2022: Nil).
2. Title deeds of all the immovable properties are held in the name of the Company.
3. The Company does not hold any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
4. Amounts in brackets pertain to previous financial year.

NOTES FORMING PART OF THE ACCOUNTS

Capital work-in-progress (CWIP) ageing

The following tables set forth, for the periods indicating the details of CWIP and its ageing

At March 31, 2023

₹ in million

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	7.5	-	-	-	7.5
Projects temporarily suspended	-	-	-	-	-
Total	**7.5**	**-**	**-**	**-**	**7.5**

At March 31, 2022

₹ in million

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	6.9	-	-	-	6.9
Projects temporarily suspended	-	-	-	-	-
Total	**6.9**	**-**	**-**	**-**	**6.9**

12. INTANGIBLE ASSETS

The following table sets forth, for the periods indicated, details of intangible assets.

₹ in million

Particulars	Gross block				Depreciations/amortization				Net block	
	At April 1, 2022	Additions	Disposals/ adjustments	At March 31, 2023	At April 1, 2022	For the year	Adjustments / deductions	At March 31, 2023	At April 1, 2022	At March 31, 2023
Computer software	149.3	56.4	-	205.7	71.9	40.7	-	112.6	77.4	93.1
	(97.3)	(52.0)	-	(149.3)	(38.2)	(33.7)	-	(71.9)	(59.1)	(77.4)
Total	**149.3**	**56.4**	**-**	**205.7**	**71.9**	**40.7**	**-**	**112.6**	**77.4**	**93.1**
Previous year	(97.3)	(52.0)	-	(149.3)	(38.2)	(33.7)	-	(71.9)	(59.1)	(77.4)

NOTES FORMING PART OF THE ACCOUNTS

Intangible assets under development

The following tables set forth, for the periods indicated, ageing of intangible assets under development.

₹ in million

At March 31, 2023	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	23.0	9.3	1.1	-	33.4
Projects temporarily suspended	-	-	-	-	-
Total	**23.0**	**9.3**	**1.1**	**-**	**33.4**

₹ in million

At March 31, 2022	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	24.7	5.1	6.4	1.7	37.9
Projects temporarily suspended	-	-	-	-	-
Total	**24.7**	**5.1**	**6.4**	**1.7**	**37.9**

13. OTHER NON-FINANCIAL ASSETS

The following table sets forth, for the periods indicated, details of other non-financial assets.

₹ in million

Particulars	At March 31, 2023	At March 31, 2022
Input tax credit – Goods and Service Tax	116.1	121.2
Pre-paid expenses	18.7	17.3
Other non-financial assets (Unsecured, considered good)[1]	16.6	26.5
Total	**151.4**	**165.0**

1. Includes asset amounting to ₹ 0.6 million (At March 31, 2022: ₹ 9.4 million) recognised towards gratuity as per actuarial valuation (for detail refer note no. 48).

14. PAYABLES

The following tables set forth, for the periods indicated, details of payable.

₹ in million

Particulars	At March 31, 2023	At March 31, 2022
(I) Trade payables		
Total outstanding dues of micro, small and medium enterprises (refer note a below)	89.3	42.1
Total outstanding dues of creditors other than micro, small and medium enterprises	1,784.7	1,582.9
(II) Other payables		
Total outstanding dues of micro, small and medium enterprises (refer note a below)	-	-
Total outstanding dues of creditors other than micro, small and medium enterprises	-	-
Total	**1,874.0**	**1,625.0**

₹ in million

Particulars	Unbilled dues (A)	Outstanding for following periods from due date of payment At March 31, 2023					Total (A)+(B)
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total (B)	
(i) MSME	77.7	11.6	-	-	-	11.6	**89.3**
(ii) Others	473.3	1,309.5	1.0	0.1	0.8	1,311.4	**1,784.7**
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**551.0**	**1,321.1**	**1.0**	**0.1**	**0.8**	**1,323.0**	**1,874.0**

NOTES FORMING PART OF THE ACCOUNTS

₹ in million

Particulars	Unbilled dues (A)	Outstanding for following periods from due date of payment					Total (A)+(B)
		At March 31, 2022					
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total (B)	
(i) MSME	42.1	-	-	-	-	-	**42.1**
(ii) Others	378.6	1,199.7	3.2	0.8	0.6	1,204.3	**1,582.9**
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**420.7**	**1,199.7**	**3.2**	**0.8**	**0.6**	**1,204.3**	**1,625.0**

a. Details of dues to micro and small enterprises as per Micro, Small and Medium Enterprises Development Act, 2006

The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified based on information available with the Company. The following table sets forth, for the periods indicated, the amount of principal and interest outstanding.

₹ in million

Particulars	At March 31, 2023	At March 31, 2022
The principal amount and the interest due thereon (Interest - March 31, 2023: Nil, March 31, 2022: Nil) remaining unpaid to any supplier as at the end of each accounting year[1]	89.3	42.1
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-

1. Includes unbilled amount which is not due.

15. DEBT SECURITIES

The following tables set forth, for the periods indicated, details of debt-securities issued.

₹ in million

Particulars	At March 31, 2023			
	At amortised cost	At fair value through Profit or Loss	Designated at Fair Value Through Profit or Loss	Total
(A) Debt securities in India				
Non-convertible debentures				
– Secured	47,713.3	-	-	47,713.3
– Unsecured	-	-	-	-
Zero coupon bonds	-	-	-	-
Commercial papers	6,886.6	-	-	6,886.6
Total – Gross	**54,599.9**	**-**	**-**	**54,599.9**
Less – Unamortised borrowing cost	(55.2)	-	-	(55.2)
Total – Net	**54,544.7**	**-**	**-**	**54,544.7**
(B) Debt securities outside India				
Total (A+B)	**54,544.7**	**-**	**-**	**54,544.7**

1. The Non-convertible debentures (NCDs)/Bonds, other than Market linked debentures (MLDs) are issued with fixed/ floating coupon rate and redeemable at par/premium. NCDs/Bonds in the nature of MLDs are issued with coupon rate linked to performance of underlying/reference index. Entire senior NCDs book at March 31, 2023 is secured by way of first ranking pari passu floating charge over the eligible receivables to the extent of security cover of one time of the obligations.

₹ in million

Particulars	At March 31, 2022			
	At amortised cost	At fair value through Profit or Loss	Designated at Fair Value Through Profit or Loss	Total
(A) Debt securities in India				
Non-convertible debentures				
– Secured[1]	41,903.3	-	-	41,903.3
– Unsecured	-	-	-	-

NOTES FORMING PART OF THE ACCOUNTS

Particulars	At March 31, 2022			
	At amortised cost	At fair value through Profit or Loss	Designated at Fair Value Through Profit or Loss	Total
Zero coupon bonds	-	-	-	-
Commercial papers	2,966.2	-	-	2,966.2
Total – Gross	**44,869.5**	**-**	**-**	**44,869.5**
Less – Unamortised borrowing cost	(61.4)	-	-	(61.4)
Total – Net	**44,808.1**	**-**	**-**	**44,808.1**
(B) Debt securities outside India				
Total (A+B)	**44,808.1**	**-**	**-**	**44,808.1**

1. The Non-convertible debentures (NCDs)/Bonds, other than Market linked debentures (MLDs) are issued with fixed/floating coupon rate and redeemable at par. NCDs/Bonds in the nature of MLDs are issued with coupon rate linked to performance of underlying/reference index. Entire senior NCDs book at March 31, 2022 is secured by way of first ranking pari passu floating charge over the eligible receivables to the extent of security cover of one time of the obligations.

The following table sets forth, for the periods indicated, details of secured NCDs.

₹ in million

Description	Date of Allotment	Date of Redemption	Rate of Interest	At March 31, 2023	At March 31, 2022
Senior NCDs, other than MLDs					
120 NCDs of ₹ 1,000,000 each	August 12, 2021	August 12, 2031	7.25%	120.0	120.0
1,460 NCDs of ₹ 1,000,000 each	November 02, 2021	August 12, 2031	7.25%	1,460.0	1,460.0
850 NCDs of ₹ 1,000,000 each	December 03, 2021	August 12, 2031	7.25%	850.0	850.0
200 NCDs of ₹ 500,000 each	November 20, 2020	November 20, 2030	7.07%	100.0	100.0
100 NCDs of ₹ 500,000 each	May 26, 2020	May 24, 2030	8.00%	50.0	50.0
30,000 NCDs of ₹ 1,00,000 each	January 27, 2023	January 27, 2028	7.88%	3,000.0	-
5,350 NCDs of ₹ 1,000,000 each	December 23, 2021	December 23, 2026	6.55%	5,350.0	5,350.0
100 NCDs of ₹ 1,000,000 each	September 28, 2021	September 28, 2026	6.27%	100.0	100.0
100 NCDs of ₹ 1,000,000 each	December 03, 2021	September 28, 2026	6.27%	100.0	100.0
4,500 NCDs of ₹ 1,000,000 each	November 24, 2022	November 24, 2025	7.95%	4,500.0	-
1,500 NCDs of ₹ 1,000,000 each	December 23, 2021	June 23, 2025	6.12%	1,500.0	1,500.0

NOTES FORMING PART OF THE ACCOUNTS

Description	Date of Allotment	Date of Redemption	Rate of Interest	At March 31, 2023	At March 31, 2022
3,000 NCDs of ₹ 500,000 each	November 20, 2020	May 20, 2025	6.18%	1,500.0	1,500.0
2,400 NCDs of ₹ 500,000 each	April 28, 2020	April 28, 2025	7.60%	1,200.0	1,200.0
2,400 NCDs of ₹ 500,000 each	December 05, 2019	December 05, 2024	8.00%	1,200.0	1,200.0
7,000 NCDs of ₹ 500,000 each	January 30, 2020	December 05, 2024	8.00%	3,500.0	3,500.0
2,000 NCDs of ₹ 500,000 each	October 19, 2020	October 18, 2024	6.18%	1,000.0	1,000.0
1,750 NCDs of ₹ 1,000,000 each	September 28, 2021	September 27, 2024	7.65%	1,750.0	1,750.0
1,250 NCDs of ₹ 1,000,000 each	September 05, 2022	September 05, 2024	7.24%	1,250.0	-
1,500 NCDs of ₹ 1,000,000 each	July 20, 2021	July 19, 2024	5.89%	1,500.0	1,500.0
4,000 NCDs of ₹ 500,000 each	May 26, 2020	July 05, 2024	7.45%	2,000.0	2,000.0
6,500 NCDs of ₹ 100,000 each	March 29, 2023	June 28, 2024	8.00%	650.0	-
4,250 NCDs of ₹ 1,000,000 each	March 03, 2022	March 01, 2024	5.85%	4,250.0	4,250.0
2,500 NCDs of ₹ 1,000,000 each	August 12, 2021	August 11, 2023	5.10%	2,500.0	2,500.0
2,000 NCDs of ₹ 500,000 each	April 28, 2020	April 28, 2023	7.40%	1,000.0	1,000.0
5,500 NCDs of ₹ 500,000 each	December 05, 2019	December 05, 2022	7.70%	-	2,750.0
6,000 NCDs of ₹ 500,000 each	February 12, 2020	December 05, 2022	7.70%	-	3,000.0
5,500 NCDs of ₹ 500,000 each	May 19, 2020	September 19, 2022	7.20%	-	2,750.0
Total (A)				**40,430.0**	**39,530.0**
NCDs in the nature of MLDs					
400 MLDs of ₹ 1,000,000 each	November 14, 2022	April 29, 2025	7.65%	400.0	-
1,100 MLDs of ₹ 1,000,000 each	October 12, 2022	April 11, 2025	7.56%	1,100.0	-
570 MLDs of ₹ 1,000,000 each	September 26, 2022	March 26, 2025	7.30%	570.0	-
1,230 MLDs of ₹ 1,000,000 each	September 14, 2022	July 15, 2024	7.10%	1,230.0	-
843 MLDs of ₹ 1,000,000 each	August 24, 2022	February 23, 2024	7.00%	843.0	-
1,799 MLDs of ₹ 1,000,000 each	July 27, 2022	January 25, 2024	6.76%	1,799.0	-
2,200 MLDs of ₹ 500,000 each	August 26, 2020	August 26, 2022	5.15%	-	1,100.0
Total (B)				**5,942.0**	**1,100.0**
Total (A+B)				**46,372.0**	**40,630.0**
Add/(less)- Interest accrued				1,349.3	1,283.4
Add/(Less) – Unamortised Premium/(Discount)				(8.0)	(10.1)
Total				**47,713.3**	**41,903.3**

NOTES FORMING PART OF THE ACCOUNTS

The following tables set forth, for the periods indicated, details of commercial papers.

At March 31, 2023 (Interest rate – 7.55% to 7.83%)

₹ in million

Maturities	0-1 month	1-2 months	2-3 months	3-6 months	6-12 months	Total
Face value	-	-	7,000.0	-	-	7,000.0
Carrying value	-	-	6,886.6	-	-	6,886.6

At March 31, 2022 (Interest rate – 4.00% to 4.67%)

₹ in million

Maturities	0-1 month	1-2 months	2-3 months	3-6 months	6-12 months	Total
Face value	1,500.0	-	-	1,500.0	-	3,000.0
Carrying value	1,496.4	-	-	1,469.8	-	2,966.2

The following table sets forth, ratings assigned by credit rating agencies at March 31, 2023.

Instrument	CRISIL	ICRA	CARE
Fixed deposits	CRISIL AAA/Stable	ICRA AAA/Stable	CARE AAA/Stable
Senior bonds/non- convertible debentures	CRISIL AAA/Stable	ICRA AAA/Stable	CARE AAA/Stable
Subordinate bonds	CRISIL AAA/Stable	ICRA AAA/Stable	CARE AAA/Stable
Market linked debentures	CRISIL PP-MLD AAA/ Stable	-	CARE PP-MLD AAA/ Stable
Commercial paper	-	ICRA A1+	CARE A1+
Long term bank facilities	-	ICRA AAA/Stable	-

1. In addition to the debt instrument wise specific credit ratings, the Company has been assigned the issuer Rating of 'ICRA AAA' by ICRA
2. As per CRISIL rating letter and credit bulletin dated June 20, 2022, CRISIL Ratings has migrated the rating to "CRISIL AAA/Stable" from "FAAA/Stable". The migration represents only a recalibration of the rating from one scale to another and does not reflect any change in the credit risk profile of the fixed deposit programme. It is also neither an upgrade nor a downgrade of the FD rating programme.
3. As per CRISIL credit bulletin dated February 7, 2023 and rating letter dated February 8, 2023, CRISIL has removed the 'r' suffix used in the rating symbol of principal protected market-linked debentures. Removal of 'r' suffix does not reflect a rating change or a change in the CRISIL Ratings' credit opinion or in the credit risk profile of the Company. In other words, it is neither an upgrade nor a downgrade of the underlying credit risk profile of the issuer.
4. As per ICRA rating letter dated May 20, 2022 and rating rational dated May 27, 2022, ICRA Limited has revised its rating symbol for fixed deposit rating to "ICRA AAA/Stable" from "ICRA MAAA/Stable" due to migration of rating from medium term rating scale to long term rating scale

NOTES FORMING PART OF THE ACCOUNTS

5. As per CARE Rating letter dated June 21, 2022, CARE Ratings Limited has revised its rating symbol for fixed deposit rating to "CARE AAA/Stable" from "CARE AAA(FD)/Stable". It is clarified that the change in rating symbols will have no bearing on the existing rating assigned by CARE ratings Ltd. to the Fixed Deposit of the Company and should not be construed in any manner, as a change in the rating.

The following table sets forth, ratings assigned by credit rating agencies at March 31, 2022.

Instrument	CRISIL	ICRA	CARE
Fixed deposits	FAAA/Stable	MAAA/Stable	CARE AAA(FD)/Stable
Senior bonds/non- convertible debentures	CRISIL AAA/Stable	ICRA AAA/Stable	CARE AAA/Stable
Subordinate bonds	CRISIL AAA/Stable	ICRA AAA/Stable	CARE AAA/Stable
Market linked debentures	CRISIL PP-MLD AAAr/ Stable	-	CARE PP-MLD AAA/ Stable
Commercial paper	-	ICRA A1+	CARE A1+
Long term bank facilities	-	ICRA AAA/Stable	-

1. In addition to the debt instrument wise specific credit ratings, the Company has been assigned the Issuer Rating of 'ICRA AAA' by ICRA.
2. There was no migration of rating during the year ended March 31, 2022.

16. BORROWINGS (OTHER THAN DEBT SECURITIES)

The following tables set forth, for the periods indicated, details of borrowings (other than debt securities)

₹ in million

Particulars	At March 31, 2023			
	At amortised cost	At Fair Value Through Profit or Loss	Designated at Fair Value Through Profit or Loss	Total
(A) Secured/Unsecured				
Secured borrowings				
(a) Term loans (Including re-finance)				
(i) from banks[1]	40,532.1	-	-	40,532.1
(ii) External commercial borrowings	-	-	-	-
(iii) from National Housing Bank[2]	11,514.8	-	-	11,514.8
(b) Deferred payment liabilities	-	-	-	-
(c) Loans from related parties[1]	1,208.6	-	-	1,208.6

NOTES FORMING PART OF THE ACCOUNTS

Particulars	At March 31, 2023			
	At amortised cost	At Fair Value Through Profit or Loss	Designated at Fair Value Through Profit or Loss	Total
(d) Finance lease obligations	-	-	-	-
(e) Liability component of compound financial instruments	-	-	-	-
(f) Loans repayable on demand				
(i) from banks	-	-	-	-
(ii) from related parties	-	-	-	-
Unsecured borrowings	-	-	-	-
Total (A) – Gross	**53,255.5**	**-**	**-**	**53,255.5**
Less – Unamortised borrowing cost	(18.1)	-	-	(18.1)
Total (A) – Net	**53,237.4**	**-**	**-**	**53,237.4**
(B) In India/Outside India				
Borrowings in India	53,255.5	-	-	53,255.5
Borrowings outside India	-	-	-	-
Total (B) – Gross	**53,255.5**	**-**	**-**	**53,255.5**
Less – Unamortised borrowing cost	(18.1)	-	-	(18.1)
Total (B) – Net	**53,237.4**	**-**	**-**	**53,237.4**

1. Secured by way of first ranking pari passu floating charge over the eligible receivables to the extent of security cover of one time of the obligations.
2. Secured by way of first exclusive charge over the identified receivables on borrowings amounting to ₹ 8,093.2 million and by way of negative lien on identified receivables on borrowings amounting to ₹ 3,421.6 million.
3. At March 31, 2023 there are no borrowings guaranteed by directors and others.

₹ in million

Particulars	At March 31, 2022			
	At amortised cost	At Fair Value Through Profit or Loss	Designated at Fair Value Through Profit or Loss	Total
(A) Secured/Unsecured				

NOTES FORMING PART OF THE ACCOUNTS

Particulars	At March 31, 2022			
	At amortised cost	**At Fair Value Through Profit or Loss**	**Designated at Fair Value Through Profit or Loss**	**Total**
Secured borrowings				
(a) Term loans (Including re-finance)				
(i) from banks[1]	13,846.2	-	-	13,846.2
(ii) External commercial borrowings[1]	13,298.1	-	-	13,298.1
(iii) from National Housing Bank[2]	16,009.4	-	-	16,009.4
(b) Deferred payment liabilities	-	-	-	-
(c) Loans from related parties[1]	4,500.8	-	-	4,500.8
(d) Finance lease obligations	-	-	-	-
(e) Liability component of compound financial instruments	-	-	-	-
(f) Loans repayable on demand				
(i) from banks	-	-	-	-
(ii) from related parties	-	-	-	-
Unsecured borrowings	-	-	-	-
Total (A) – Gross	**47,654.5**	**-**	**-**	**47,654.5**
Less – Unamortised borrowing cost	(103.2)	-	-	(103.2)
Total (A) – Net	**47,551.3**	**-**	**-**	**47,551.3**
(B) In India/Outside India				
Borrowings in India	34,356.4	-	-	34,356.4
Borrowings outside India	13,298.1	-	-	13,298.1
Total (B) – Gross	**47,654.5**	**-**	**-**	**47,654.5**
Less – Unamortised borrowing cost	(103.2)	-	-	(103.2)
Total (B) – Net	**47,551.3**	**-**	**-**	**47,551.3**

1. Secured by way of first ranking pari passu floating charge over the eligible receivables to the extent of security cover of one time of the obligations.

NOTES FORMING PART OF THE ACCOUNTS

2. Secured by way of first exclusive charge over the identified receivables on borrowings amounting to ₹ 11,113.6 million and by way of negative lien on identified receivables on borrowings amounting to ₹ 4,895.8 million.

3. At March 31, 2022 there are no borrowings guaranteed by directors and others.

There has not been any default in repayment of borrowings and interest during the year ended March 31, 2023, (no default during the year ended March 31, 2022).

The following tables set forth, the interest rates and maturity pattern of term loans at March 31, 2023.

a. Term loans from banks

₹ in million

Maturities	0-1 year	1-3 years	3-5 years	5 years and above	Total
6.50% - 7.99%	1,271.6	3,048.5	2,810.9	2,220.1	9,351.1
8.00% - 9.50%	4,327.2	14,462.9	7,707.5	4,683.4	31,181.0
Total	**5,598.8**	**17,511.4**	**10,518.4**	**6,903.5**	**40,532.1**

b. Term loans from National Housing Bank

₹ in million

Maturities	0-1 year	1-3 years	3-5 years	5 years and above	Total
<6.50%	1,031.2	2,445.8	1,178.2	-	4,655.2
6.50% - 7.99%	996.6	2,645.2	2,410.0	807.8	6,859.6
Total	**2,027.8**	**5,091.0**	**3,588.2**	**807.8**	**11,514.8**

c. Term loans from related parties

₹ in million

Maturities	0-1 year	1-3 years	3-5 years	5 years and above	Total
6.50% - 7.99%	83.6	166.7	166.7	791.6	1,208.6
Total	**83.6**	**166.7**	**166.7**	**791.6**	**1,208.6**

NOTES FORMING PART OF THE ACCOUNTS

The following tables set forth, the interest rates and contractual maturity pattern of term loans at March 31, 2022.

a. Term loans from banks

₹ in million

Maturities	0-1 year	1-3 years	3-5 years	5 years and above	Total
<6.50%	3,765.8	6,003.0	1,139.6	-	10,908.4
6.50% to 7.99%	732.3	975.8	1,229.7	-	2,937.8
Total	**4,498.1**	**6,978.8**	**2,369.3**	**-**	**13,846.2**

b. External commercial borrowings

₹ in million

Maturities	0-1 year	1-3 years	3-5 years	5 years and above	Total
8.00% to 9.50%	13,298.1	-	-	-	13,298.1
Total	**13,298.1**	**-**	**-**	**-**	**13,298.1**

c. Term loans from National Housing Bank

₹ in million

Maturities	0-1 year	1-3 years	3-5 years	5 years and above	Total
< 6.50%	1,873.8	4,991.3	4,191.7	3,248.1	14,304.9
6.50% to 7.99%	153.9	410.4	410.4	729.8	1,704.5
Total	**2,027.7**	**5,401.7**	**4,602.1**	**3,977.9**	**16,009.4**

d. Term loans from related parties

₹ in million

Maturities	0-1 year	1-3 years	3-5 years	5 years and above	Total
< 6.50%	505.8	1,836.7	1,408.2	-	3,750.7
6.50% to 7.99%	107.3	367.3	275.5	-	750.1
Total	**613.1**	**2,204.0**	**1,683.7**	**-**	**4,500.8**

Notes:

1. The Company has utilised the borrowings from banks and financial institutions for the purpose for which it was availed.
2. Borrowings from banks or financial institutions are secured by way of first ranking pari passu floating charge over the eligible receivables. Further, the Company has filed Statement of Asset Cover with Security Trustee and banks matching with books of accounts.
3. The Company has not entered into any transaction or arrangement with any person(s) or entity(ies) including foreign entities (intermediaries) which would result in onward lending to or on behalf of the lender.

NOTES FORMING PART OF THE ACCOUNTS

17. DEPOSITS

The following tables set forth, for the periods indicated, details of deposits.

₹ in million

Particulars	At March 31, 2023			
	At amortised cost	At Fair Value Through Profit or Loss	Designated at Fair value Through Profit or Loss	Total
(i) Public deposits[1]	20,885.9	-	-	20,885.9
(ii) From banks	1,131.3	-	-	1,131.3
(iii) From others	14,608.6	-	-	14,608.7
Total – Gross	**36,625.8**	**-**	**-**	**36,625.8**
Less – Unamortised borrowing cost	(125.4)	-	-	(125.4)
Total – Net	**36,500.4**	**-**	**-**	**36,500.4**

1. Public deposits as defined in paragraph 3 (xiii) of Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016, are secured by floating charge and lien in favour of the Trustees for Depositors on the Statutory Liquid Assets maintained in terms of sub-sections (1) and (2) of Section 29B of the National Housing Bank Act, 1987.

₹ in million

Particulars	At March 31, 2022			
	At amortised cost	At Fair Value Through Profit or Loss	Designated at Fair value Through Profit or Loss	Total
(i) Public deposits[1]	22,519.2	-	-	22,519.2
(ii) From banks	1,141.9	-	-	1,141.9
(iii) From others	7,345.9	-	-	7,345.9
Total – Gross	**31,007.0**	**-**	**-**	**31,007.0**
Less – Unamortised borrowing cost	(136.4)	-	-	(136.4)
Total	**30,870.6**	**-**	**-**	**30,870.6**

1. Public deposits as defined in paragraph 3 (xiii) of Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016, are secured by floating charge and lien in favour of the Trustees for Depositors on the Statutory Liquid Assets maintained in terms of sub-sections (1) and (2) of Section 29B of the National Housing Bank Act, 1987.

18. SUBORDINATE LIABILITIES

The following tables set forth, for the periods indicated, details of subordinate liabilities.

₹ in million

Particulars	At March 31, 2023			
	At amortised cost	At Fair Value Through Profit or Loss	Designated at Fair value Through Profit or Loss	Total
Subordinate liabilities in India				
Non-convertible debentures	4,335.7	-	-	4,335.7
Total	**4,335.7**	**-**	**-**	**4,335.7**
Less – Unamortised borrowing cost	-	-	-	-
Total – in India	**4,335.7**	**-**	**-**	**4,335.7**
Subordinate liabilities outside India	-	-	-	-
Total - Subordinate liabilities	**4,335.7**	**-**	**-**	**4,335.7**

₹ in million

Particulars	At March 31, 2022			
	At amortised cost	At Fair Value Through Profit or Loss	Designated at Fair value Through Profit or Loss	Total
Subordinate liabilities in India				
Non-convertible debentures	4,337.0	-	-	4,337.0
Total	**4,337.0**	**-**	**-**	**4,337.0**
Less – Unamortised borrowing cost	-	-	-	-
Total – in India	**4,337.0**	**-**	**-**	**4,337.0**
Subordinate liabilities outside India	-	-	-	-
Total - Subordinate liabilities	**4,337.0**	**-**	**-**	**4,337.0**

NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, details of subordinate liabilities.

₹ in million

Description	Date of Allotment	Date of Redemption	Rate of Interest	At March 31, 2023	At March 31, 2022
800 NCDs of ₹ 500,000 each	February 23, 2021	December 10, 2035	7.65%	400.0	400.0
400 NCDs of ₹ 500,000 each	December 10, 2020	December 10, 2035	7.65%	200.0	200.0
500 NCDs of ₹ 500,000 each	January 11, 2021	December 10, 2035	7.65%	250.0	250.0
354 NCDs of ₹ 500,000 each	February 23, 2021	August 23, 2033	7.50%	177.0	177.0
500 NCDs of ₹ 500,000 each	February 23, 2021	February 21, 2031	7.40%	250.0	250.0
1,280 NCDs of ₹ 500,000 each	November 10, 2020	November 08, 2030	7.50%	640.0	640.0
2,140 NCDs of ₹ 500,000 each	December 10, 2020	November 08, 2030	7.50%	1070.0	1070.0
500 NCDs of ₹ 500,000 each	January 11, 2021	November 08, 2030	7.50%	250.0	250.0
1,000 NCDs of ₹ 500,000 each	June 10, 2020	June 10, 2030	8.02%	500.0	500.0
910 NCDs of ₹ 500,000 each	June 26, 2020	June 10, 2030	8.02%	455.0	455.0
				4,192.0	**4,192.0**
Add/(Less) – Interest Accrued				138.4	139.1
Add/(Less) – Unamortised premium/(Discount)				5.3	5.9
Total				**4,335.7**	**4,337.0**

19. OTHER FINANCIAL LIABILITIES (AT AMORTISED COST)

The following table sets forth, for the periods indicated, details of other financial liabilities (at amortised cost).

₹ in million

Particulars	At March 31, 2023	At March 31, 2022
Unpaid matured deposits and interest accrued thereon	8.8	78.8
Lease liability	260.4	271.9
Others[1]	9,799.6	8,360.1
Total	**10,068.8**	**8,710.8**

1. Includes book overdraft, unappropriated credits pertaining to loans and fixed deposits, accruals for expenses etc.

20. PROVISIONS

The following table sets forth, for the periods indicated, details of provisions.

₹ in million

Particulars	At March 31, 2023	At March 31, 2022
(a) Provision for employee benefits		
Leave encashment	30.9	30.8
(b) Other provisions		
Provision for others	34.1	63.9
Total	**65.0**	**94.7**

21. OTHER NON-FINANCIAL LIABILITIES

The following table sets forth, for the periods indicated, details of other non-financial liabilities.

₹ in million

Particulars	At March 31, 2023	At March 31, 2022
Undisputed statutory dues	187.8	154.0
Total	**187.8**	**154.0**

22. EQUITY SHARE CAPITAL

The following table sets forth, for the periods indicated, details of share capital.

₹ in million

Particulars	At March 31, 2023	At March 31, 2022
Authorised shares[1]		
2,385,000,000 Equity shares of ₹ 10 each (March 2022: 2,385,000,000)	23,850.0	23,850.0
Total authorised shares	**23,850.0**	**23,850.0**
Issued, subscribed and paid-up Equity share capital		
1,203,527,870 Equity shares of ₹ 10 each fully paid-up (March 2022 - 1,098,750,000)	12,035.3	10,987.5
Total Issued, subscribed and paid-up Equity share capital	**12,035.3**	**10,987.5**

1. Excluding 15,000,000 redeemable preference shares of ₹ 10 each (March 2022: 15,000,000)

NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, reconciliation of the equity shares.

Particulars	At March 31, 2023		At March 31, 2022	
	No.	₹ in million	No.	₹ in million
At the beginning of the year	1,098,750,000	10,987.5	1,098,750,000	10,987.5
Issued during the year	104,777,870	1,047.8	-	-
Outstanding at the end of the year	1,203,527,870	12,035.3	1,098,750,000	10,987.5

The following table sets forth, for the periods indicated shares held by the promoters.

	Promoter name	At March 31, 2023			At March 31, 2022		
		No. of Shares	% of total shares	% change during the year	No. of Shares	% of total shares	% change during the year
1	ICICI Bank Limited	1,203,526,770	100%	Nil	1,098,748,900	100%	Nil
2	ICICI Securities Limited	600	*	Nil	600	*	Nil
3	ICICI Venture Funds Management Company Limited	100	*	Nil	100	*	Nil
4	ICICI Investment Management Company Limited	100	*	Nil	100	*	Nil
5	ICICI Trusteeship Services Limited	100	*	Nil	100	*	Nil
6	ICICI Lombard General Insurance Company Limited	100	*	Nil	100	*	Nil
7	ICICI Securities Primary Dealership Limited	100	*	Nil	100	*	Nil
Total		**1,203,527,870**	**100%**		**1,098,750,000**	**100%**	

*Insignificant percentage

NOTES FORMING PART OF THE ACCOUNTS

a. All equity shares are held by the holding company (ICICI Bank Limited) and its nominees at March 31, 2023 and at March 31, 2022.

b. The Company has not reserved any shares for issues under options and contracts/ commitments for the sale.

c The Company has not allotted any shares pursuant to contracts without payment being received in cash or as bonus shares nor it has bought back any shares during the preceding five financial years.

d. The Company has not:

   i. Issued any securities convertible into equity/preference shares.

   ii. Issued any shares where calls are unpaid.

   iii. Forfeited any shares.

e. Terms/rights attached to equity shares

   The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by Shareholders at the Annual General Meeting.

f. On July 4, 2022, the Company issued a letter of offer for issuance of equity shares on right basis to its existing shareholders. The equity shares having face value of ₹ 10 each were proposed to be issued at a premium of ₹ 13.86 per share in the proportion of 100,000 equity shares for every 1,048,647 equity shares aggregating to ₹ 2,500.0 million. Pursuant to the letter of offer, ICICI Bank Limited on July 28, 2022 applied for 104,777,870 equity shares of face value of ₹ 10 each at a premium of ₹ 13.86 per share aggregating to ₹ 2,500.0 million, which was duly approved by the Committee of Directors at its meeting held on July 28, 2022.

g. Company's objectives, policies and process for managing Capital – Refer note no. 36

h. For dividend related details, refer note no. 41.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTES FORMING PART OF THE ACCOUNTS

23. OTHER EQUITY

A. Summary of Other Equity balance

The following table sets forth, for the periods indicated, details of other equity.

₹ in million

	Particulars	At March 31, 2023	At March 31, 2022
(i)	General reserve	249.4	249.4
(ii)	Statutory reserve (As per Section 29C of National Housing Bank Act,1987) and Special reserve	5,741.8	5,137.8
(iii)	Securities Premium	1,452.2	-
(iv)	Retained earnings	5,149.7	2,900.2
(v)	Capital contribution (Share based compensation to employees)	150.9	147.1
(vi)	Items of Other Comprehensive Income		
	- Re-measurements of net defined benefit plan	10.7	4.3
	- Fair value change on derivatives designated as cash flow hedges	-	(184.7)
	- Fair value changes on loans classified under "Hold & Sell" business model	3,279.6	1,809.4
	Total Other Equity	**16,034.3**	**10,063.5**

B. Nature and purpose of reserves

a. General Reserve

The Company created a General Reserve in earlier years pursuant to the provisions of the Companies Act, 1956, wherein certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per Companies Act, 2013, the requirement to transfer profits to General Reserve is not mandatory. General reserve is a free reserve available to the Company for distribution.

b. Statutory Reserve and Special Reserve

The Company has created a reserve fund as required by section 29C of National Housing Bank Act, 1987, wherein a sum not less than twenty percent of its profit every year, as disclosed in the Statement of Profit and Loss and before any dividend is declared, is transferred. For this purpose, any Special Reserve created by the Company under Section 36(1) (viii) of the Income Tax Act, 1961 is considered an eligible transfer. Statutory Reserve can be utilised only for the purposes as may be specified by the NHB from time to time and every such utilisation is required to be reported to the NHB within twenty-one days from the date of such utilisation.

NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, reconciliation of the statutory reserve.

₹ in million

Particulars		At March 31, 2023	At March 31, 2022
Balance at the beginning of the year			
a)	Statutory Reserve u/s 29C of National Housing Bank, Act 1987	1,822.2	1,727.7
b)	Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve under section 29C of the NHB Act, 1987	3,315.6	3,081.6
	Total	**5,137.8**	**4,809.3**
Addition/Appropriation/Withdrawal during the year			
Add:	a) Amount transferred u/s 29C of the NHB Act, 1987	144.0	94.5
	b) Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve u/s 29C of the NHB Act, 1987	460.0	234.0
Less:	a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
	b) Amount Withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-	-
Balance at the end of the year			
a)	Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	1,966.2	1,822.2
b)	Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve under section 29C of the NHB Act, 1987	3,775.6	3,315.6
	Total	**5,741.8**	**5,137.8**

Draw down from reserves

There has been no draw down from reserves during the year ended March 31, 2023 (March 2022 – no drawdown).

c. Capital contribution (Share based compensation to employees)

The Parent Bank (ICICI Bank Limited) has issued stock options to certain employees of the Company. These transactions are recognised as equity-settled share based payment transactions. The stock compensation expense is determined based on fair value of options and the Parent Bank's estimate

NOTES FORMING PART OF THE ACCOUNTS

of options that will eventually vest and is recognised over the vesting period in the Statement of Profit and Loss with corresponding increase in equity as contribution from the Parent Bank on options granted till March 31, 2020. However, from April 1, 2020 the Company is paying the cost of options granted to its employees by the Parent Bank.

d. Other Comprehensive Income (OCI)

Re-measurements of net defined benefit plan - It represents the cumulative actuarial gains/(losses) on defined employee benefit plans.

Cash flow hedge - It represents the cumulative gains/(losses) arising on fair valuation of the derivative instruments designated as cash flow hedges through OCI at reporting date.

Fair value changes on loans classified under "Hold & sell" business model - It represents cumulative gains/(losses) arising on fair valuation of mortgage loans set aside under the hold and sell business model at reporting date.

24. INTEREST INCOME

The following table sets forth, for the periods indicated, details of interest income.

₹ in million

Particulars	Year ended March 31, 2023				Year ended March 31, 2022			
	On financial assets measured at Fair Value Through OCI	On financial assets measured at amortised cost	On financial assets classified at fair value through Profit or Loss	Total	On financial assets measured at fair value through OCI	On financial assets measured at amortised cost	On financial assets classified at fair value through Profit or Loss	Total
Interest on loans	6,799.3	10,474.6	-	17,273.9	2,360.0	11,921.2	-	14,281.2
Interest income from investments	-	228.9	-	228.9	-	215.6	-	215.6
Interest on deposits with banks	-	2.9	-	2.9	-	9.2	-	9.2
Interest on TREPS	-	226.9	-	226.9	-	6.2	-	6.2
Total	**6,799.3**	**10,933.3**	**-**	**17,732.6**	**2,360.0**	**12,152.2**	**-**	**14,512.2**

NOTES FORMING PART OF THE ACCOUNTS

25. FEES AND COMMISSION INCOME

The following table sets forth, for the periods indicated, details of fees and commission income.

₹ in million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Property service fees	7.4	36.8
Processing fee[1]	143.2	103.5
Referral fees – General insurance	43.0	13.6
Referral fees – Life insurance	79.4	57.8
Other fee income	122.8	102.5
Total	**395.8**	**314.2**

1. Represents log-in/processing fee on expired/cancelled cases.

26. NET GAIN/(LOSS) ON FAIR VALUE CHANGES[1]

The following table sets forth, for the periods indicated, details of net gain/(loss) on fair value changes.

₹ in million

	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(A)	Net gain/(loss) on financial instruments at fair value through profit or loss		
(i)	On trading portfolio		
	- Investments	42.6	(1.1)
	- Derivatives	-	-
	- Others	-	-
(ii)	On financial instruments designated at fair value through profit or loss	-	-
	Total	**42.6**	**(1.1)**
(B)	Others	-	-
	Total	**-**	**-**
(C)	**Total net gain/(loss) on fair value changes**	**42.6**	**(1.1)**
	Fair value changes		
	- realized	-	-
	- unrealized	42.6	(1.1)
(D)	**Total net gain/(loss) on fair value changes**	**42.6**	**(1.1)**

1. Fair value changes in this schedule are other than those arising on account of accrued interest income/expense.

NOTES FORMING PART OF THE ACCOUNTS

27. OTHER REVENUE FROM OPERATIONS

The following table sets forth, for the periods indicated, details of other revenue from operation.

₹ in million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit on sale of mutual fund units	108.1	150.5
Total	**108.1**	**150.5**

28. OTHER INCOME

The following table sets forth, for the periods indicated, details of other income.

₹ in million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rent income	11.7	11.1
Others	2.4	0.4
Total	**14.1**	**11.5**

29. FINANCE COST

The following table sets forth, for the periods indicated, details of finance cost.

₹ in million

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
	On financial liabilities measured at fair value through Profit or Loss	On financial liabilities measured at amortised cost	On financial liabilities measured at fair value through Profit or Loss	On financial liabilities measured at amortised cost
Interest on deposits	-	2,416.7	-	2,323.2
Interest on borrowings	-	3,378.7	-	3,817.8
Interest on debt securities	-	3,402.3	-	2,308.2
Interest on subordinate liabilities	-	321.4	-	320.9
Interest on lease liabilities	-	17.6	-	19.3
Total	**-**	**9,536.7**	**-**	**8,789.4**

30. FEES AND COMMISSION EXPENSES

The following table sets forth, for the periods indicated, details of fees and commission expenses.

₹ in million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Property services fee expense, brokerage and commission	5.4	14.7
Legal and technical fees	60.4	23.9
Total	**65.8**	**38.6**

31. IMPAIRMENT ON FINANCIAL INSTRUMENTS

The following table sets forth, for the periods indicated, details of impairment and write-offs of financial instruments.

₹ in million

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
	On financial instruments measured at fair value through OCI	On financial instruments measured at amortised cost	On financial instruments measured at fair value through OCI	On financial liabilities measured at amortised cost
Loans	-	1,799.6	-	1,727.6
Investments	-	-	-	-
Others	-	(24.6)	-	27.7
Total	**-**	**1,775.0**	**-**	**1,755.3**

Provisions and contingencies

The following table sets forth, for the periods indicated, the break-up of provisions and contingencies included in Statement of Profit and Loss.

₹ in million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Provision for depreciation on Investment	-	-
Provision/write-offs towards non-performing assets	1,930.7	1,628.1
Provision for standard assets	(131.1)	99.5
- *HL to individuals*	*(3.4)*	*38.2*
- *HL to others*	-	-
- *Teaser Loans*	-	-

NOTES FORMING PART OF THE ACCOUNTS

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
- *Commercial Real Estate-Residential Housing Loans*	*(1.6)*	*13.1*
- *Commercial Real Estate- Other Loans*	*9.0*	*(0.1)*
- *Other Loans*	*(135.1)*	*48.3*
Other provisions and contingencies write offs	(24.6)	27.7
Total	**1,775.0**	**1,755.3**
Provision made towards Income Tax, including deferred tax credit	850.0	480.6

Note 1: Standard assets represent loans classified as Stage-1 and Stage-2, NPAs represent loans classified as Stage-3 and Provisions on loans represent ECL in the above table.

32. EMPLOYEE BENEFITS EXPENSES

The following table sets forth, for the periods indicated, details of employee benefits expenses.

₹ in million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and wages	1,894.6	1,472.6
Contribution to provident and other funds	106.5	76.4
Share based payment to employees	41.9	33.0
Staff welfare expenses	150.6	136.4
Total	**2,193.6**	**1,718.4**

33. OTHER EXPENSES

The following table sets forth, for the periods indicated, details of other expenses.

₹ in million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rent, rates and energy cost	52.6	28.5
Repairs and maintenance	158.7	88.7
Communication costs	100.2	64.8
Printing and stationery	46.0	28.1
Advertisement and publicity	79.6	49.6
Directors' fees, allowances and expenses	6.0	7.4
Auditors' fees and expenses (refer note below)	8.6	10.4

NOTES FORMING PART OF THE ACCOUNTS

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Legal and professional charges	480.0	234.5
Collection expenses	178.4	205.9
Insurance	5.4	4.4
Travelling and conveyance	183.0	96.4
Office expenses	114.0	82.3
Corporate Social Responsibility expenditure[1]	15.6	10.2
Computer consumables	25.2	19.5
Unwinding cost on derivatives	265.0	281.0
Miscellaneous expenses	79.5	30.9
Total	**1,797.8**	**1,242.6**

1. Refer note 83 for details.

Remuneration to auditors

The following table sets forth, for the periods indicated, details of remuneration to auditors.

₹ in million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Statutory audit fees	5.7	4.3
Tax audit fees	0.5	0.5
Certification and other fees[1]	2.4	5.6
Total	**8.6**	**10.4**

1. Including reimbursement of expenses and tax credit not available to the Company.

NOTES FORMING PART OF THE ACCOUNTS

34. CURRENT AND NON-CURRENT ASSETS AND LIABILITIES

The following tables set forth, for the periods indicated, the assets and liabilities to be recovered or settled within and after twelve months.

₹ in million

Particulars	At March 31, 2023		
	Amounts expected to be recovered or settled		Total
	Within twelve months	After twelve months	
ASSETS			
Financial assets			
Cash and cash equivalents	4,373.1	-	4,373.1
Bank balance other than above	-	2.5	2.5
Derivative financial instruments	-	-	-
Receivables			
(i) Trade receivables	20.7	-	20.7
(ii) Other receivables	-	-	-
Loans	7,639.7	167,796.5	175,436.2
Investments	1,716.1	3,275.5	4,991.6
Other financial assets	907.3	1,174.3	2,081.6
Assets held for Sale	-	-	-
	14,656.9	**172,248.8**	**186,905.7**
Non-financial assets			
Current tax assets (net)	-	1,004.4	1,004.4
Deferred tax assets	-	-	-
Property, plant and equipment	-	1,253.2	1,253.2
Capital work-in-progress	7.5	-	7.5
Intangible assets	-	93.1	93.1
Intangible assets under development	33.4	-	33.4
Other non-financial assets	139.6	11.8	151.4
	180.5	**2,362.5**	**2,543.0**
Total	**14,837.4**	**174,611.3**	**189,448.7**

NOTES FORMING PART OF THE ACCOUNTS

Particulars	At March 31, 2023		
	Amounts expected to be recovered or settled		Total
	Within twelve months	After twelve months	
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Derivative financial instruments	-	-	-
Payables			
(i) Micro and Small Enterprises	89.3	-	89.3
(ii) Other payables	1,784.7	-	1,784.7
Debt securities	18,444.7	36,100.0	54,544.7
Borrowings (Other than debt securities)	7,713.1	45,524.3	53,237.4
Deposits	12,857.4	23,643.0	36,500.4
Subordinate liabilities	138.4	4,197.3	4,335.7
Other financial liabilities	9,907.0	161.8	10,068.8
	50,934.6	**109,626.4**	**160,561.0**
Non-financial liabilities			
Current tax liabilities (net)	-	-	-
Deferred tax liability	-	565.3	565.3
Provisions	41.9	23.1	65.0
Other non-financial liabilities	187.8	-	187.8
	229.7	**588.4**	**818.1**
EQUITY			
Equity Share Capital	-	12,035.3	12,035.3
Other equity	-	16,034.3	16,034.3
	-	**28,069.6**	**28,069.6**
Total	**51,164.3**	**138,284.4**	**189,448.7**

NOTES FORMING PART OF THE ACCOUNTS

₹ in million

Particulars	At March 31, 2022		
	Amounts expected to be recovered or settled		Total
	Within twelve months	After twelve months	
ASSETS			
Financial assets			
Cash and cash equivalents	2,693.6	-	2,693.6
Bank balance other than above	-	2.5	2.5
Derivative financial instruments	595.7	-	595.7
Receivables			
(i) Trade receivables	12.5	-	12.5
(ii) Other receivables	-	-	-
Loans	7,328.7	137,656.3	144,985.0
Investments	3,004.9	2,999.2	6,004.1
Other financial assets	1,228.9	1,015.3	2,244.2
Assets held for Sale	425.7	-	425.7
	15,290.0	**141,673.3**	**156,963.3**
Non-financial assets			
Current tax assets (net)	-	956.5	956.5
Deferred tax assets	-	15.8	15.8
Property, plant and equipment	-	1,180.2	1,180.2
Capital work-in-progress	6.9	-	6.9
Intangible assets	-	77.4	77.4
Intangible assets under development	37.9	-	37.9
Other non-financial assets	151.8	13.2	165.0
	196.6	**2,243.1**	**2,439.7**
Total	**15,486.6**	**143,916.4**	**159,403.0**

NOTES FORMING PART OF THE ACCOUNTS

Particulars	At March 31, 2022		
	Amounts expected to be recovered or settled		Total
	Within twelve months	After twelve months	
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Derivative financial instruments	200.5	-	200.5
Payables			
(i) Micro and Small Enterprises	42.1	-	42.1
(ii) Other payables	1,582.9	-	1,582.9
Debt securities	13,834.6	30,973.5	44,808.1
Borrowings (Other than debt securities)	18,991.0	28,560.3	47,551.3
Deposits	10,907.6	19,963.0	30,870.6
Subordinate liabilities	139.1	4,197.9	4,337.0
Other financial liabilities	8,535.0	175.8	8,710.8
	54,232.8	**83,870.5**	**138,103.3**
Non-financial liabilities			
Current tax liabilities (net)	-	-	-
Provisions	71.1	23.6	94.7
Other non-financial liabilities	154.0	-	154.0
	225.1	**23.6**	**248.7**
EQUITY			
Equity Share Capital	-	10,987.5	10,987.5
Other equity	-	10,063.5	10,063.5
	-	**21,051.0**	**21,051.0**
Total	**54,481.9**	**104,921.1**	**159,403.0**

NOTES FORMING PART OF THE ACCOUNTS

35. NEWLY ISSUED OR AMENDMENTS IN STANDARDS BUT NOT YET EFFECTIVE

a. Newly issued standards

There were no standards notified by the Ministry of Corporate Affairs (MCA) during the year ended March 31, 2023.

b. Amendments in prevailing standards but not effective

Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015. The effective date for adoption of these amendments is annual period beginning on or after April 1, 2023. The significant amendments are as below.

(i) Ind AS 1 - Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The Company has evaluated the amendment and the impact of the amendment is insignificant on its financial statements.

(ii) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The Company has evaluated the amendment and the impact of the amendment is insignificant on its financial statements.

(iii) Ind AS 12 - Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The Company has evaluated the amendment and the impact of the amendment is insignificant on its financial statements.

36. CAPITAL MANAGEMENT

Objective

The Company actively manages its capital to meet regulatory norms as prescribed by RBI and current and future business needs considering the risks in its businesses, expectation of rating agencies, shareholders and investors and the available options of raising capital. No changes have been made to the objectives, policies and processes from the previous financial year.

The capital management framework of the Company is administered by the Finance team under the supervision of the Board and the Assets Liability Management Committee.

The Company has complied in full, with externally imposed capital requirement over the reporting period.

Monitoring and reporting

The Board of Directors maintains an active oversight over the Company's capital adequacy levels. On half yearly basis an analysis of the capital adequacy position and the risk-weighted assets is reported to the Board.

Capital to Risk Assets Ratio (CRAR)

The following table sets forth, for the periods indicated, computation of capital adequacy ratio.

₹ in million, except ratio (%)

Ratio	Numerator	Denominator	At March 31, 2023	At March 31, 2022	% Variance	Reason for variance (if above 25%)
CRAR	25,950.7	110,561.9	23.47%	21.90%	1.57%	NA
Tier I CRAR	21,227.0	110,561.9	19.20%	16.95%	2.25%	NA
Tier II CRAR	4,723.7	110,561.9	4.27%	4.95%	(0.68)%	NA
Liquidity Coverage Ratio	6,735.1	3,680.5	183.00%	139.73%	43.27%	The ratio has increased due to increase in High Quality Liquid asset (HQLA) maintained by the Company.

1. The Company has reckoned the property value at the time of loan origination for the purpose of computation of Loan to value ratio (LTV) and accordingly assigned applicable risk weights.

₹ in million, except ratio (%)

Ratio	Numerator	Denominator	At March 31, 2022	At March 31, 2021	% Variance	Reason for variance (if above 25%)
CRAR	20,646.1	94,258.7	21.90%	20.94%	0.96%	NA
Tier I CRAR	15,980.2	94,258.7	16.95%	15.92%	1.03%	NA
Tier II CRAR	4,665.9	94,258.7	4.95%	5.02%	(0.07%)	NA
Liquidity Coverage Ratio	5,283.0	3,781.0	139.73%	128.71%	11.02%	NA

1. The Company has reckoned the property value at the time of loan origination for the purpose of computation of Loan to value ratio (LTV) and accordingly assigned applicable risk weights.

NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, amount raised through subordinated debt as Tier II and perpetual debt instruments.

₹ in million

Particulars	At March 31, 2023	At March 31, 2022
Amount of subordinated debt raised as Tier II capital	-	-
Amount raised by issue of Perpetual debt instruments	-	-

The following table sets forth, for the periods indicated, computation of the debt to equity ratio.

₹ in million, except ratio

Particulars	At March 31, 2023	At March 31, 2022
Debt	148,618.2	127,567.0
Equity	28,069.6	21,051.0
Debt to equity ratio	5.3	6.1

37. EARNINGS PER SHARE

The following table sets forth, for the periods indicated, computation of the earnings per share.

₹ in million, except per share data

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Earnings		
Net Profit attributable shareholders (before dilution)	3,018.2	1,641.7
Dilution impact (if any)	-	-
Net Profit attributable shareholders (after dilution)	3,018.2	1,641.7
Common stock		
Weighted average number of equity shares (basic)[1]	1,169,654,476	1,098,750,000
Dilutive impact	-	-
Weighted average number of equity shares (diluted)[1]	1,169,654,476	1,098,750,000
Basic earnings per share (₹)	**2.58**	**1.49**
Diluted earnings per share (₹)	**2.58**	**1.49**

1. Face value ₹ 10/- per share (at March 31, 2022: Face value ₹ 10/- per share)

There are no instruments outstanding that could potentially dilute basic earnings per share in the future, but were not included in the calculation of diluted earnings per share because they are anti-dilutive for the year(s) presented.

There were no transactions that have occurred after the reporting date that would have changed significantly the number of ordinary shares outstanding or potential ordinary shares outstanding at the reporting date.

38. OPERATING SEGMENT

The Company is engaged in lending business. The Company provides mortgages loans (home loans and loans against properties) and real estate loans. The Company is also engaged in mortgage business related other services such as property search services. All other activities of the Company revolve around the main business. The Board reviews the Company's performance as a single business. The Company's operation is within India only. There being only one segment, disclosure for operating segment is not applicable.

Further, no clients individually accounted for more than 10% of the revenue in financial years ended March 31, 2023 and March 31, 2022.

39. LEASES

Presentation/disclosure related to leases in financial statements are given below.

1. The Company has presented lease liability as a separate line item in schedule on 'Other Financial Liabilities'. The Company presents Right of Use (ROU) assets (pertaining to its branch/office premises) as part of 'Properties, Plant and Equipment'.
2. The Company has presented interest expenses on lease liability separately from depreciation charge for the ROU assets. Interest expenses on lease liability is a component of finance cost.
3. In statement of cash flow, the Company has classified
   a) Principal portion of lease payment as financing activities,
   b) Interest on lease liability as financing activities,
   c) Lease payment for short-term assets or low-value assets as operating activities.

The following table sets forth, for the periods indicated, movement in carrying value of right of use assets (for branch premises).

₹ in million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Opening balance	239.7	311.9
Addition[1]	100.0	25.2
Deletion	(7.6)	(1.8)
Depreciation to date	(98.0)	(95.6)
Closing balance	**234.1**	**239.7**

1. Includes impact on account of lease-modifications.

NOTES FORMING PART OF THE ACCOUNTS

The following tables set forth, for the periods indicated, details pertaining to lease liabilities.

a) Movement in carrying value (present value) of lease liability

₹ in million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Opening balance	271.9	337.1
Addition[1]	100.0	23.1
Deletion	(8.7)	(2.1)
Finance cost accrued during the year	17.6	19.3
Payments made	(120.4)	(105.5)
Closing balance	**260.4**	**271.9**

1. Includes impact on account of lease-modifications.

b) Break-up of lease liability in to current and non-current

₹ in million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current lease liabilities	122.7	120.0
Non-current lease liabilities	137.7	151.9
Total	**260.4**	**271.9**

c) Contractual maturities of lease liabilities on an undiscounted basis

₹ in million

Particulars	Up to one month	Over 1 month to 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years	Total
At March 31, 2023	11.5	22.8	88.4	174.6	2.0	299.3
At March 31, 2022	9.7	19.9	90.4	173.4	14.1	307.5

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Further, for the year ended March 31, 2023, the Company

- Recorded expense of ₹ 24.6 million for short-term and low value leases (March 31, 2022: ₹ 20.0 million).

- Did not have any variable lease payments (March 31, 2022: Nil).
- Had not sub-leased right of use assets (March 31, 2022: Nil).
- Had total cash out flow for leases amounting to ₹ 120.4 million (March 31, 2022: ₹ 105.5 million).
- Does not have any significant restrictions or covenants imposed by leases (March 31, 2022: Nil).
- Has committed undiscounted value of the leases not yet commenced of ₹ 3.6 million (March 31, 2022: ₹ 10.0 million)

40. PROVISIONS, COMMITMENTS AND CONTINGENCIES

The following table sets forth, for the periods indicated, the break-up of provisions and contingencies included in Statement of Profit and Loss.

₹ in million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Impairment on financial instruments	1,799.6	1,727.6
Others	(24.6)	27.7
Total	**1,775.0**	**1,755.3**

The Company has assessed its obligations arising in the normal course of business, including pending litigations, proceedings pending with tax authorities and other contracts including derivative and long term contracts. In accordance with the provisions of Ind AS 37 on 'Provisions, Contingent Liabilities and Contingent Assets', the Company recognises a provision for material foreseeable losses when it has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure to this effect is made as contingent liabilities in the financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

Litigation

A number of litigations and claims against the Company and its directors are pending in various forums. The claims on the Company mainly arise in connection with civil cases involving allegations of service deficiencies, property or labor disputes, fraudulent transactions, economic offences and other cases filed in the normal course of business. The Company is also subject to counter-claims arising in connection with its enforcement of contracts and loans. A provision is created where an unfavorable outcome is deemed probable and in respect of which a reliable estimate can be made. In view of inherent unpredictability of litigation and cases where claims sought are substantially high, actual cost of resolving litigations may be substantially different than the provision held. The total amount of provision held was ₹ 8.7 million at March 31, 2023 (March 31, 2022: ₹ 4.3 million).

NOTES FORMING PART OF THE ACCOUNTS

Based upon a review of open matters with its legal counsels including loss contingency on account of such litigation and claims, and classification of such contingency as 'probable', 'possible' or 'remote' and with due provisioning for the relevant litigation and claims, the management believes that the outcome of such matters will not have a material adverse effect on the Company's financial position, results of operations or cash flows.

The following table sets forth, for the periods indicated, movement in provision for legal cases.

₹ in million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Opening provision	4.3	5.2
Provision made during the year	4.5	0.5
Utilisation	*	-
Provision reversed during the year	(0.1)	(1.4)
Closing provision	**8.7**	**4.3**

*insignificant amount

Claims filed against the Company not acknowledged as debt amounted to ₹ 34.0 million at March 31, 2023 (March 31, 2022: ₹ 13.9 million).

Loan commitments

The Company has outstanding undrawn commitments to provide loans to customers. These loan commitments aggregated ₹ 10,603.1 million at March 31, 2023 (March 31, 2022: ₹ 7,777.1 million). Further, the commitments have fixed expiration dates and are contingent upon the borrower's ability to maintain specific credit standards.

Capital commitments

The Company is obligated under various capital contracts. Capital contracts are work/purchase orders of a capital nature, which have been committed. Estimated amounts of contracts remaining to be executed on property, plant and equipment aggregated to ₹ 17.0 million (net of advances - ₹ 9.5 million) at March 31, 2023 (March 31, 2022: Gross - ₹ 39.5 million, net of advances - ₹ 32.6 million).

Estimated amounts of contracts remaining to be executed on intangible assets aggregated to ₹ 68.2 million (net of advances - ₹ 34.8 million) at March 31, 2023 (March 31, 2022: Gross - ₹ 64.8 million, net of advances - ₹ 26.9 million).

Commitment towards investments

The Company does not have any commitments towards uncalled amount on investments at March 31, 2023 (March 31, 2022: Nil).

Tax contingencies

Various tax related legal proceedings are pending against the Company at various levels of appeal either with the tax authorities or in the courts. Where after considering all available information in the opinion of the management a liability requires accrual, the Company accrues such liability.

Where such proceedings are sufficiently advanced to enable the management to assess that a liability exists and are subject to reasonable estimation, management records its best estimate of such liability. Where a reasonable range of potential outcomes is estimated, management records its best estimate, or in the absence of a basis for selecting a specific estimate within a range, management records a liability no less than the lower end of the estimated range. The contested tax demands are adjusted by the tax authorities against refunds due to the Company on favorable resolution of earlier year's appeals/completion of assessments or paid. The payment/adjustment does not prejudice the outcome of the appeals filed by the Company. The advance tax payments are recorded as advance tax payments.

At March 31, 2023, the Company has assessed its contingent tax liability at an aggregate amount of ₹ 417.4 million pertaining to income tax demands by the Government of India's tax authorities for past years (March 31, 2022: ₹ 416.3 million). Based on consultation with counsel and favorable decisions in the Company's own or other cases, the management believes that the tax authorities are not likely to be able to substantiate their tax assessments and accordingly, has not provided for these tax demands at March 31, 2023. Disputed tax issues that are classified as remote are not disclosed as contingent liabilities by the Company. The key disputed matters are detailed below:

a. Income tax deduction for special reserve available to financial institutions

b. Disallowance of expenses incurred for earning tax exempt income

Based on judicial precedents in the Company's and other cases and upon consultation with tax counsels, the management believes that it is more likely than not that the Company's tax position will be sustained. Accordingly, no provision has been made in the accounts.

41. PROPOSED DIVIDEND ON EQUITY SHARES

The Board of Directors at its meeting held on April 17, 2023, has recommended dividend of ₹ 0.25 per equity share for the year ended March 31, 2023 (year ended March 31, 2022: ₹ 0.15 per equity share). Further, the Company didn't declare any interim dividend during year ended March 31, 2023 (year ended March 31, 2022: Nil).

NOTES FORMING PART OF THE ACCOUNTS

42. INCOME TAXES

The following table sets forth, for the periods indicated, major components of income tax expense/(benefit).

₹ in million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current tax expense/(benefit)		
Tax expense/(benefit) for current year	827.6	464.7
Changes in estimates related to prior years	-	-
Total current tax expense/(benefit)	**827.6**	**464.7**
Deferred tax expense/(benefit)		
Origination and reversal of temporary difference	22.4	15.9
Change in tax rates	-	-
Total deferred tax expense/(benefit)	**22.4**	**15.9**
Total income tax expense/(benefit)	**850.0**	**480.6**

The tax expense and tax assets have been computed as per applicable tax laws and generally accepted tax computation policies and procedures. Further, there is no uncertain tax treatment.

The following table sets forth, for the periods indicated, income taxes charged or credited directly to Statement of Other Comprehensive Income.

₹ in million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Items that will not be reclassified to the profit or loss		
Defined benefit plan actuarial gains/(losses)	2.1	3.1
Change in tax rates	-	-
Items that will be reclassified to the profit or loss		
Impact due to cash flow hedge reserve	62.1	190.3
Change in tax rates	-	-
Impact due to fair value changes on loans classified under ''Hold & Sell" business model	494.4	321.1
Change in tax rates	-	-
Income tax charged/(credited) to OCI	**558.6**	**514.5**

NOTES FORMING PART OF THE ACCOUNTS

Reconciliation of tax rates

The following table sets forth, for the periods indicated, reconciliation of the income taxes at statutory income tax rate to income tax expense/ (benefit) as reported.

₹ in million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit/(loss) before income taxes	3,868.2	2,122.3
Total	**3,868.2**	**2,122.3**
Enacted statutory tax rate	25.168%	25.168%
Income tax expense/(benefit) at the statutory tax rate	973.5	534.1
Increases/(reductions) in taxes on account of:		
Income tax deduction for Special Reserve available to financial institutions	(115.0)	(58.9)
Exempt income	-	-
Income charged at rates other than statutory tax rate	-	-
Changes in the statutory tax rate	-	-
Deferred tax not recognized	-	-
Expenses disallowed for tax purposes	(8.5)	5.4
Income tax expense/(benefit) reported	**850.0**	**480.6**
Current Tax	827.6	464.7
Deferred Tax Asset	22.4	15.9
Total Tax	**850.0**	**480.6**

The effective income tax rate for Year ended March 31, 2023 was 22.0% (March 31, 2022: 22.6%).

Current tax assets (net)

The following table sets forth, for the periods indicated, components of the current tax assets.

₹ in million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Advance tax (net of provisions)	1,004.4	956.5
Total	**1,004.4**	**956.5**

NOTES FORMING PART OF THE ACCOUNTS

Components of deferred tax balances

The tax effects of temporary differences are reflected through a deferred tax asset/liability, which is included in the Balance Sheet of the Company.

The following table sets forth, for the periods indicated, components of the deferred tax balances.

₹ in million

Particulars	At March 31, 2023	At March 31, 2022
Deferred tax assets:		
Allowance for loan losses	880.3	979.3
Cash flow hedge reserve	-	62.1
Provisions (other than ECL provisions)	133.4	107.0
Deferred loan origination expenses (net) and borrowing cost (EIR method of accounting) and interest on stage 3 loans	110.2	6.0
Total deferred tax asset	**1,123.9**	**1,154.4**
Deferred tax liabilities:		
Depreciation on property, plant and equipment	90.3	96.7
Deferred loan origination expenses (net) and borrowing cost (EIR method of accounting) and interest on stage 3 loans	-	-
Fair value changes in investments and derivatives	14.1	21.7
Unrealised gains chargeable to tax on realisation basis	481.8	411.6
Fair value changes on financial assets (loans)	1,103.0	608.6
Total deferred tax liability	**1,689.2**	**1,138.6**
Net deferred tax asset/(liability)	**(565.3)**	**15.8**

In assessing the realisability of deferred tax assets, management has considered whether it is probable that some portion or all of the deferred tax assets will not be realised. The ultimate realisation of the deferred tax asset is dependent on the generation of future taxable income during the periods in which the temporary differences become deductible. Management has considered the scheduled reversal of deferred tax liabilities, the projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable incomes over the periods in which the deferred tax assets are deductible, management believes that it is probable that sufficient taxable profits will be available against which the Company will realise the benefits of those deductible differences.

NOTES FORMING PART OF THE ACCOUNTS

The following tables set forth, for the periods indicated, movement in temporary differences during the year.

₹ in million

Particulars	Balance at April 1, 2022	Recognised in profit and loss account	Recognised in other comprehensive income	Balance At March 31, 2023
Allowance for loan losses	979.3	(99.0)	-	880.3
Deferred loan origination expenses (net) and borrowing cost (EIR method of accounting) and interest on stage 3 loans	6.0	104.2	-	110.2
Depreciation on Property, plant and equipment	(96.7)	6.4	-	(90.3)
Fair value changes in investments and derivatives	(21.7)	7.6	-	(14.1)
Cash flow hedge reserve	62.1	-	(62.1)	-
Unrealised gains chargeable to tax on realisation basis	(411.6)	(70.2)	-	(481.8)
Others	107.0	28.5	(2.1)	133.4
Fair value changes on financial assets (loans)	(608.6)	-	(494.4)	(1,103.0)
Total	**15.8**	**(22.4)**	**(558.6)**	**(565.3)**

₹ in million

Particulars	Balance at April 1, 2021	Recognised in profit and loss account	Recognised in other comprehensive income	Balance At March 31, 2022
Allowance for loan losses	943.8	35.5	-	979.3
Deferred loan origination expenses (net) and borrowing cost (EIR method of accounting) and interest on stage 3 loans	(115.5)	121.5	-	6.0
Depreciation on Property, plant and equipment	(108.8)	12.1	-	(96.7)
Fair value changes in investments and derivatives	(25.7)	4.0	-	(21.7)
Cash flow hedge reserve	252.4	-	(190.3)	62.1
Unrealised gains chargeable to tax on realisation basis	(313.4)	(98.2)	-	(411.6)
Others	93.1	17.0	(3.1)	107.0

NOTES FORMING PART OF THE ACCOUNTS

Particulars	Balance at April 1, 2021	Recognised in profit and loss account	Recognised in other comprehensive income	Balance At March 31, 2022
Unused tax losses carried forward	107.7	(107.7)	-	-
Fair value changes on financial assets (loans)	(287.5)	-	(321.1)	(608.6)
Total	**546.1**	**(15.9)**	**(514.5)**	**15.8**

43. DERECOGNITION OF FINANCIAL ASSETS MEASURED AT AMORTISED COST

The Company in order to meet its objective of maintaining leverage at desired level and well within the regulatory requirements and also to ensure that its capacity of originating new loans is not impacted due to these requirements, considered selling of certain portion of its retail mortgage through direct assignment route from year ended March 31, 2020. The Company, w.e.f. October 1, 2020, as per its Board approved policy, classifies part of its newly originated loans in to 'Hold' and 'Hold and sell' categories. Further, considering the Asset Liability Maturity, liquidity plans and funding needs, the Company sells a part of a portfolio which has been originally classified as amortised cost.

Accordingly, during the year ended March 31, 2023, the Company sold 90% of a portion of its retail mortgage loans through direct assignments, measured at amortised cost and FVOCI, to maintain reasonable leverage. As per regulatory requirement, the Company continues to hold balance 10% of those loans as Minimum Retention Requirement (MRR). The Company transferred substantially all the risks and rewards relating to assets to the buyer and accordingly, sold portion of loans was derecognised.

The following table below sets forth, for the periods indicated, the summary of carrying amounts of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition.

₹ in million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Carrying amount of derecognised financial assets	9,351.2	9,173.3
Gain on derecognition of financial assets[1,2]	430.0	704.2

1. Since the Company transferred the above financial asset in a transfer that qualified for derecognition in its entirety therefore the whole of the interest spread at its present value (discounted over the expected life of the asset) is recognised on the date of derecognition as interest-only strip receivable with a corresponding credit to the Statement of Profit and Loss.

2. Including upfront amortisation of income on loan origination of ₹ 22.5 million (March 31, 2022: ₹ 5.0 million).

44. ASSETS HELD FOR SALE

At March 31, 2021 the Company had classified its holding in the Asset Reconstruction Company India Limited (ARCIL) amounting to ₹ 425.7 million (7,340,000 nos. of Equity Shares) representing 2.26% of the equity capital of ARCIL as assets held for sale, as management intended to sell off the investment in near future. The investment could not be sold during the year ended March 31, 2022 and accordingly it was continued to be classified as asset held for sale at March 31, 2022. As the carrying amount of the asset was equal to fair value at March 31, 2022, no impairment was required to be recognised.

The Company, during the year ended March 31, 2023, sold this investment at its fair value which was equal to its carrying value and accordingly no gain/loss was recognised at the time of derecognition.

45. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Certain financial assets and financial liabilities are subject to offsetting where there is currently a legally enforceable right to set-off recognised amounts and the Company intends to either settle on a net basis or to realise the asset and settle the liability, simultaneously. Certain derivative financial instruments are subject to master netting agreements, whereby in the case of insolvency, derivative financial assets and derivative financial liabilities will be settled on a net basis.

The following tables set forth, for the periods indicated, the information on the impact of off-setting on the Balance Sheet and other related information.

At March 31, 2023

₹ in million

Particulars	Effect of offsetting on Balance Sheet			Amounts not set-off on the Balance Sheet			
	Gross amounts	Gross amounts set off on the Balance Sheet	Net amounts presented on the Balance Sheet (A)	Impact of Master Netting Agreements (B)	Cash collateral (C)	Collateral (D)	Net amount (A-B-C-D)
Financial assets							
Other financial assets	-	-	-	-	-	-	-
Financial liabilities							
Other financial liabilities	-	-	-	-	-	-	-

NOTES FORMING PART OF THE ACCOUNTS

At March 31, 2022

₹ in million

Particulars	Effect of offsetting on Balance Sheet			Amounts not set-off on the Balance Sheet			
	Gross amounts	Gross amounts set off on the Balance Sheet	Net amounts presented on the Balance Sheet (A)	Impact of Master Netting Agreements (B)	Cash collateral (C)	Collateral (D)	Net amount (A-B-C-D)
Financial assets							
Other financial assets	-	-	-	-	-	-	-
Financial liabilities							
Other financial liabilities	-	-	-	-	-	-	-

46. FINANCIAL RISK MANAGEMENT

Introduction and overview

The Company is exposed primarily to credit, market, liquidity and operational risk from financial instruments.

This section presents information about the Company's exposure to the above risks, its objectives, policies and processes for managing the risk and methods used to measure the risk.

Risk management framework

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

1. The Board of Directors has oversight on all the risks assumed by the Company. Specific Committees of the Board have been constituted to facilitate focused oversight of various risks. The Board reviews the risk management policies, Risk Management Committee reviews the compliance with risk management guidelines stipulated by the RBI. It reviews key risk indicators covering areas such as credit risk, interest rate risk, liquidity risk and operational risks. Audit Committee provides direction to and also monitors the quality of the internal audit function.
2. Policies approved from time to time by the Board of Directors/committees of the Board form the governing framework for each type of risk. The business activities are undertaken within this policy framework.
3. Independent groups have been constituted across the Company to facilitate independent evaluation, monitoring and reporting of various risks. These control groups function independently of the business groups/sub-groups.

The risk management framework forms the basis of developing consistent risk principles.

Material risks are identified, measured, monitored and reported to the Board of Directors and Board level committees.

Credit risk

The Company is exposed to credit risk in its lending operations. Credit risk is the risk of loss that may occur from the failure of any counterparty to abide by the terms and conditions of any financial contract with the Company, principally the failure to make required payments as per the terms and conditions of the contracts.

Objectives

The Company manages its risk with the broad objectives of mitigating the risk arising from losses on account of the default, maintaining a healthy credit portfolio, complying with regulatory norms as specified by RBI and maximising return to the stakeholders.

Policies and processes

All credit risk related aspects are governed by the Board approved Credit and Recovery Policy (CRP). CRP outlines the type of products that can be offered, customer categories, target customer profile, credit approval process and limits. The delegation structure for approval of credit limits is approved by the Board of Directors. All credit proposals relating to construction realty finance and other funding to corporates are rated by risk management team prior to approval by the appropriate forum.

Credit approval authorisation structure

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

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

Collateral management

The Company defines collateral as the assets or rights provided to the Company by the borrower or a third party in order to secure a credit facility. The main types of collaterals are registered/equitable mortgage of property, pledge of fixed deposits/gold ornaments, assignment of receivables, liquidity

NOTES FORMING PART OF THE ACCOUNTS

support collateral [e.g. DSRA (Debt Service Reserve Account)]. The Company would have the rights of secured creditor in respect of the assets offered as security for the obligations of the borrower/obligor.

The Company ensures that the underlying documentation for the collateral provides the Company appropriate rights over the collateral or other forms of credit enhancement including the right to liquidate retain or take legal possession of it in a timely manner in the event of default by the counterparty. The Company follows the due procedure as laid down under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) to take possession of assets given as collateral. The assets so repossessed are sold on behalf of the customers so as to settle the receivables. Any surplus funds are returned to the customers/obligors. Accordingly, the collaterals are not recorded on the Balance Sheet and not treated as non–current assets held for sale.

The collateral is valued at the time of sanctioning the credit facility and loan-to-value (LTV) norms are applied as specified in the credit policies. For loan accounts classified as Stage 3, collaterals are valued on annual basis.

Quantitative information of Collateral - Credit impaired assets

The following table sets forth, for the periods indicated, quantitative information of collaterals of credit impaired assets.

₹ in million

Loan to value (LTV) range	Gross value of loan	
	At March 31, 2023	At March 31, 2022
Less than 50%	1,779.4	3,472.4
51 to 70%	1,681.1	2,830.2
71 to 90%	1,951.7	2,154.8
91 to 100%	197.4	123.7
More than 100%	2.0	15.9
Total	**5,611.6**	**8,597.0**

Impairment assessment

Loans and advances are classified into Stage 1, Stage 2 and Stage 3. For classifying loans into Stage 1 and assessing significant increase in credit risk and impairment in case of retail loans, accounts are identified based on number of days the account is overdue. Overdue flagging is done for day end overdues based on day end process in the system.

The Company determines credit loss allowances in accordance with Ind AS 109 as follows:

Stage 1 - Borrowers having delinquencies less than or equal to 30 days overdue and not classified as Stage 2 or 3.

Stage 2 -

a. Borrowers having delinquencies greater than 30 days overdue; or

b. where the contractual terms of the loans were renegotiated/modified as per the RBI circular on resolution framework for Covid-19 related stress dated August 6, 2020 and May 5, 2021 and which are not classified as Stage 3.

Stage 3 (Default) -

a. Borrowers with overdue for a period equal to or greater than 90 days; or

b. Borrowers with overdue for a period equal to or greater than 90 days on or after November 12, 2021 and have not regularised the entire overdue amount; or

c. Where the contractual terms of the loans are renegotiated/modified, other than those where contractual terms of the loans are renegotiated/modified as per the RBI circular on resolution framework for Covid-19 related stress dated August 6, 2020 and May 5, 2021; or

d. Borrowers identified as Credit Impaired; or

e. Overdue accounts based on future cash flows being negative; or

f. Cases where fraud has been identified.

However, where moratorium is granted to borrower in accordance with extant guidance of regulator, assets classification/staging is also in accordance with the guidance.

Further, the expected credit loss calculation for Stage 3 distinguishes between transactions in homogeneous and non-homogenous portfolios.

Significant increase in credit risk

The Company continuously monitors all assets subject to ECL. In order to determine whether a borrower accounts is subject to 12-month ECL or life time ECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition. The Company considers an exposure in retail loans to have significantly increase in credit risk if a borrower becomes 30 days overdue on its contractual payments or where the contractual terms of loans with respect to EMI payments and/or tenure of the loans were renegotiated/modified, as per RBI circular on resolution framework for COVID-19 related stress. In addition to overdue days criteria, the Company also considers an exposure in Real estate loans to have significant increase in credit risk on moving a customer to watch list.

Basis for inputs, assumptions and the estimation techniques

The Company calculates ECL for each financial asset individually. Similarly, the determination of the need to transfer between stages is made on an individual asset basis. The Company uses three main components to measure ECL. These are Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). Risk Management Committee approves the underlying estimates, assumptions and methodology for computing allowances.

The estimation techniques for the input factors for retail portfolio of the Company are described in more detail below;

NOTES FORMING PART OF THE ACCOUNTS

Probability of default (PD)

One year PD - For the purpose of PD estimation, the portfolio is segmented based on months-on-books and overdue status. For estimating the PD, historical data at quarterly time points have been used. The one-year PD is generated by taking a simple average of the defaults rates of the most recent 20 quarters of the corresponding pool.

Life time PD - 13-year default rate is considered for lifetime PD estimation since it has been observed that the cumulative PD curve tends to flatten out by 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.

In case of retails loans, the Company calculates ECL on a collective basis. The portfolio is segmented based on nature of products, months-on-books and overdue status and employment status. The Company has continued with PDs computed at March-22 for its 1 year PD computation considering that March-22 PDs factors the COVID impact on the PD and 1-year timeframe require for the normalized PD.

Loss Given Default (LGD)

LGD is defined as the likely loss intensity in case of a counterparty default. It provides an estimation of the exposure that cannot be recovered in a default event and therefore captures the severity of a loss. For estimation of LGD, portfolio is segmented based on the default status. The LGD for the non-default segment has been considered for all Stage 1 and 2 assets. The time horizon ensures that the projected recoveries used for LGD estimation are based on the defaults that have seen at least four years of recovery. The LGD estimation for the non-default segment at each of the financial year end has been based on the observed recoveries for the accounts moving in to default over the next one year. For cohorts where less than 4 years of observed recoveries are available, the recoveries are projected using chain ladder projection method. The recoveries are discounted to the default period using the cost of funds for the respective periods.

Further, in case of loans which are in certain deeper buckets, management overlays are being applied over and above the LGDs. The overlays are applied primarily due to uncertainties over collections from the borrowers in these buckets due to prolonged legal processes affecting the recoveries and time-value loss on delayed recoveries on these buckets.

Exposure at Default (EAD)

The EAD is defined as the expected amount of the credit exposure to a counterparty at the time of its default. For cases involving undrawn amount, a percentage share of undrawn amount is added to the outstanding amount in order to appropriately reflect the expected outstanding amount in case of a counterparty default. The calibrations of such parameters are based on regulatory guidelines and product type specifics.

Real Estate Loans

For real estate loans the Company carries out on quarterly basis the individual borrower wise assessment to quantify the Significant Increase in Credit Risk (SICR) impact. The Stage 1 and 2 assets have been analysed based on scenario analysis to arrive at the potential SICR impact. Scenarios analysis was done basis impact on sales/future demand and asset valuation.

Further, impact analysis has been done considering the developer pedigree, project completion stage, promoter's vested interest, affordability factor, sales velocity, location advantage and repayment track record parameters and based on the same loans were being identified for having low, medium and high impact. Accordingly, wherever loans are classified as high impact, ECL as considered for stage-2 loans is applied and wherever loans are classified as medium impact, twice of ECL considered for stage-1 is applied.

For Stage 3 accounts, discounted Cash flow analysis was done to arrive at final allowance for each account in construction realty finance.

The underlying forecasts and assumptions applied in the determination of ECL provision are subject to uncertainties which are often outside of the Company's control and accordingly, actual results may differ from these estimates.

Quantitative disclosures on credit risk

Maximum credit risk exposure

The following table sets forth, for the periods indicated, the carrying amount of financial assets.

₹ in million

Category	At March 31, 2023	At March 31, 2022
Balances with banks	4,373.1	2,693.6
Deposits with banks	2.5	2.5
Derivative financial instruments	-	595.7
Trade receivables (net of allowances)	20.7	12.5
Advances (net of allowances)[1]	175,436.2	144,985.0
Other assets	2,081.6	2,244.2
Total	**181,914.1**	**150,533.5**

NOTES FORMING PART OF THE ACCOUNTS

1. Advances generally have a significant level of collateralisation depending on the nature of the product. Mortgage loans are secured against residential/commercial property as collateral and gold loan are secured against gold. Lending to construction finance customers is also secured. Collateral provides a secondary source of repayment for funds advanced in the event that a customer cannot meet their contractual repayment obligations.

Reconciliation of gross carrying amount of loans and advances

The following tables set forth, for the periods indicated, movement in gross carrying amount of loans and advances.

₹ in million

Particulars	Year ended March 31, 2023			
	Stage 1	Stage 2	Stage 3	Total
Balance at April 1, 2022	**129,115.8**	**11,028.4**	**8,597.0**	**148,741.2**
Loans and advances originated	88,885.2	-	-	**88,885.2**
Loans and advances purchased	-	-	-	**-**
Interest capitalisation	-	75.2	0.1	**75.3**
Assets derecognised (on repayment and assignments, excluding write-offs)[1]	(56,141.8)	(1,695.0)	(1,017.3)	**(58,854.1)**
Changes due to fair value changes on loans classified under "Hold & sell" business model	1,964.6	-	-	**1,964.6**
Transfer to Stage 1	6,999.3	(3,407.6)	(3,591.7)	**-**
Transfer to Stage 2	(6,465.8)	8,293.5	(1,827.7)	**-**
Transfer to Stage 3	(927.8)	(4,761.1)	5,688.9	**-**
Amount written off	-	-	(2,237.7)	**(2,237.7)**
Balance at March 31, 2023	**163,429.5**	**9,533.4**	**5,611.6**	**178,574.5**

1. Includes assets derecognised pursuant to direct assignment transactions undertaken during the year. For details, refer note no. 56.

₹ in million

Particulars	Year ended March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total
Balance at April 1, 2021	**121,216.9**	**10,627.0**	**9,385.7**	**141,229.6**
Loans and advances originated[1]	51,382.7	-	-	**51,382.7**
Loans and advances purchased	-	-	-	**-**
Interest capitalisation	-	251.1	1.3	**252.4**
Assets derecognised (on repayment and assignments, excluding write-offs)[1]	(42,027.9)	(404.8)	(1,158.9)	**(43,591.6)**
Changes due to fair value changes on loans classified under "Hold & sell" business model	1,168.4	-	-	**1,168.4**
Transfer to Stage 1	9,272.4	(5,138.4)	(4,134.0)	**-**

Particulars	Year ended March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total
Transfer to Stage 2	(10,860.8)	13,267.9	(2,407.1)	-
Transfer to Stage 3	(1,035.9)	(7,574.4)	8,610.3	-
Amount written off	-	-	(1,700.3)	**(1,700.3)**
Balance at March 31, 2022	**129,115.8**	**11,028.4**	**8,597.0**	**148,741.2**

1. Includes assets derecognised pursuant to direct assignment transactions undertaken during the year. For details refer note no. 56.

Reconciliation of allowances for loans and advances

The following tables set forth, for the periods indicated, movement in impairment allowance for loans and advances.

₹ in million

Particulars	Measured at an amount equal to 12- month credit losses	Measured at an amount equal to life time expected credit losses on non-credit impaired financial instruments	Measured at an amount equal to life time expected credit losses on credit impaired financial instruments	On financial assets that are purchased or originated credit impaired	Total
Impairment allowance at April 1, 2022	**217.7**	**1,177.5**	**2,361.0**	**-**	**3,756.2**
New assets originated[1]	177.8	7.5	*	-	**185.3**
Transfer to 12-month credit losses	1,075.8	(300.3)	(775.5)	-	-
Transfer to life-time credit losses –not credit impaired	(90.3)	386.2	(295.9)	-	-
Transfer to life-time credit losses impaired - credit impaired	(18.0)	(491.3)	509.3	-	-
Reversal on write-off	-	-	(972.5)	-	**(972.5)**
Change in ECL on loans measured at FVOCI	(173.6)	-	-	-	**(173.6)**
Reversal on recovery	(28.6)	(139.1)	(386.3)	-	**(554.0)**
Changes in provision on account of migration between stages and in same stage due to change in buckets	(1,058.9)	348.2	1,607.6	-	**896.9**
Impairment allowance at March 31, 2023	**101.9**	**988.7**	**2,047.7**	**-**	**3,138.3**

* Insignificant amount

1. Includes ECL on interest capitalised on loans under moratorium.

NOTES FORMING PART OF THE ACCOUNTS

The decrease in ECL was driven by movements between stages as a result of decrease in credit risk and change in probability of default and loss given default.

₹ in million

Particulars	Measured at an amount equal to 12- month credit losses	Measured at an amount equal to life time expected credit losses on non-credit impaired financial instruments	Measured at an amount equal to life time expected credit losses on credit impaired financial instruments	On financial assets that are purchased or originated credit impaired	Total
Impairment allowance at April 1, 2021	**355.3**	**1,047.7**	**2,248.4**	**-**	**3,651.4**
New assets originated[1]	103.8	25.1	0.2	-	**129.1**
Transfer to 12-month credit losses	1,138.6	(445.7)	(692.9)	-	**-**
Transfer to life-time credit losses –not credit impaired	(184.9)	537.4	(352.5)	-	**-**
Transfer to life-time credit losses impaired - credit impaired	(29.6)	(739.8)	769.4	-	**-**
Reversal on write-off	-	-	(1,642.3)	-	**(1,642.3)**
Change in ECL on loans measured at FVOCI	(107.3)	-	-	-	**(107.3)**
Reversal on recovery	(41.1)	(78.1)	(539.5)	-	**(658.7)**
Changes in provision on account of migration between stages and in same stage due to change in buckets	(1,017.1)	830.9	2,570.2	-	**2,384.0**
Impairment allowance at March 31, 2022	**217.7**	**1,177.5**	**2,361.0**	**-**	**3,756.2**

1. Includes ECL on interest capitalised on loans under moratorium.

NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, the closing balance of impairment allowance on loans and advances.

₹ in million

Particulars	March 31, 2023	March 31, 2022
Impairment allowances measured at an amount equal to 12-month credit losses	101.9	217.7
Impairment allowances measured at an amount equal to life time expected credit losses on non-credit impaired financial instruments	988.7	1,177.5
Impairment allowances measured at an amount equal to life time expected credit losses on credit impaired financial instruments	2,047.7	2,361.0
Total	**3,138.3**	**3,756.2**

The following tables set forth, for the periods indicated, comparison between provisions required as per RBI Master Directions and impairment allowances made under Ind AS 109.

At March 31, 2023

₹ in million

Particulars	Stage	Gross Carrying amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying amount	Provisions required as per RBI Master Direction	Difference between Ind AS 109 Provisions and RBI Master Direction
A. Performing Assets						
Standard	Stage 1[1]	163,756.0	428.4	163,327.6	572.5	(144.1)
	Stage 2	9,533.4	988.7	8,544.7	720.3	268.4
Sub-Total (A)		**173,289.4**	**1,417.1**	**171,872.3**	**1,292.8**	**124.3**
B. Non Performing Assets (NPA)						
a) Sub-standard	**Stage 3**	**2,788.0**	**430.1**	**2,357.9**	**394.0**	**36.1**
b) Doubtful						
Doubtful - upto 1 year	Stage 3	1,327.0	451.6	875.4	310.6	141.0
Doubtful - 1-3 years	Stage 3	716.5	385.9	330.6	283.2	102.7
Doubtful - More than 3 years	Stage 3	780.1	780.1	-	780.1	-
Sub-total for Doubtful		**2,823.6**	**1,617.6**	**1,206.0**	**1,373.9**	**243.7**

NOTES FORMING PART OF THE ACCOUNTS

Particulars	Stage	Gross Carrying amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying amount	Provisions required as per RBI Master Direction	Difference between Ind AS 109 Provisions and RBI Master Direction
c) Loss	**Stage 3**	**-**	**-**	**-**	**-**	**-**
Sub-total for NPAs (B)		**5,611.6**	**2,047.7**	**3,563.9**	**1,767.9**	**279.8**
C. Other items such as guarantees, loan commitments etc. which are in the scope of Ind AS 109 but not covered under current RBI Master Directions	Stage 1[2]	10,603.1	30.0	10,573.1	-	30.0
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub-total (C)		**10,603.1**	**30.0**	**10,573.1**	**-**	**30.0**
Total	**Stage 1**	**174,359.1**	**458.4**	**173,900.7**	**572.5**	**(114.1)**
	Stage 2	**9,533.4**	**988.7**	**8,544.7**	**720.3**	**268.4**
	Stage 3	**5,611.6**	**2,047.7**	**3,563.9**	**1,767.9**	**279.8**
	Total	**189,504.1**	**3,494.8**	**186,009.3**	**3,060.7**	**434.1**

1. Gross carrying amount includes fair value gain on FVOCI pool and unamortised EIR income/expense. Loss allowances includes loss allowance on FVOCI pool.
2. Represents loan commitment

At March 31, 2022

₹ in million

Particulars	Stage	Gross Carrying amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying amount	Provisions required as per RBI Master Direction	Difference between Ind AS 109 Provisions and RBI Master Direction
A. Performing Assets						
Standard	Stage 1[1]	129,268.7	370.5	128,898.2	419.1	(48.6)
	Stage 2	11,028.4	1,177.5	9,850.9	970.4	207.1
Sub-Total (A)		**140,297.1**	**1,548.0**	**138,749.1**	**1,389.5**	**158.5**
B. Non Performing Assets (NPA)						

NOTES FORMING PART OF THE ACCOUNTS

Particulars	Stage	Gross Carrying amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying amount	Provisions required as per RBI Master Direction	Difference between Ind AS 109 Provisions and RBI Master Direction
a) Sub-standard	**Stage 3**	**3,925.7**	**572.7**	**3,353.0**	**572.7**	**-**
b) Doubtful						
Doubtful - upto 1 year	Stage 3	2,016.2	668.3	1,347.9	484.1	184.2
Doubtful - 1-3 years	Stage 3	2,431.1	1,120.0	1,311.1	1,246.8	(126.8)
Doubtful - More than 3 years	Stage 3	224.0	-	224.0	224.0	(224.0)
Sub-total for Doubtful		**4,671.3**	**1,788.3**	**2,883.0**	**1,954.9**	**(166.6)**
c) Loss	**Stage 3**	**-**	**-**	**-**	**-**	**-**
Sub-total for NPAs (B)		**8,597.0**	**2,361.0**	**6,236.0**	**2,527.6**	**(166.6)**
C. Other items such as guarantees, loan commitments etc. which are in the scope of Ind AS 109 but not covered under current RBI Master Directions	Stage 1[2]	7,777.1	35.0	7,742.1	-	35.0
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub-total (C)		**7,777.1**	**35.0**	**7,742.1**	**-**	**35.0**
Total	**Stage 1**	**137,045.8**	**405.5**	**136,640.3**	**419.1**	**(13.6)**
	Stage 2	**11,028.4**	**1,177.5**	**9,850.9**	**970.4**	**207.1**
	Stage 3	**8,597.0**	**2,361.0**	**6,236.0**	**2,527.6**	**(166.6)**
	Total	**156,671.2**	**3,944.0**	**152,727.2**	**3,917.1**	**26.9**

1. Gross carrying amount includes fair value gain on FVOCI pool and unamortised EIR income/expense. Loss allowances includes loss allowance on FVOCI pool.

2. Represents loan commitment.

NOTES FORMING PART OF THE ACCOUNTS

Impairment on financial instruments by category

The following tables set forth, for the periods indicated, closing balances of impairment allowances by category of financial instruments.

₹ in million

Particulars	At March 31, 2023		
	On financial instruments measured at amortised cost	On financial instruments measured as fair value through other comprehensive income	Total
Loan and advances[1]	3,138.3	-	3,138.3
Trade receivables	-	-	-
Total	**3,138.3**	**-**	**3,138.3**

1. Excluding allowance for loan commitment of ₹ 30.0 million.

₹ in million

Particulars	At March 31, 2022		
	On financial instruments measured at amortised cost	On financial instruments measured as fair value through other comprehensive income	Total
Loan and advances[1]	3,756.2	-	3,756.2
Trade receivables	30.3	-	30.3
Total	**3,786.5**	**-**	**3,786.5**

1. Excluding allowance for loan commitment of ₹ 35.0 million.

Ageing analysis of loans and advances

The following tables set forth, for the periods indicated, the ageing analysis of gross carrying amount of loans and advances.

₹ in million

Particulars	At March 31, 2023			
	Stage 1	Stage 2	Stage 3	Total
Not due	163,380.0	9,407.2	-	172,787.2
Overdue up to 30 days	49.5	10.0	-	59.5
Overdue 31 - 60 days	-	87.4	-	87.4
Overdue 61 - 90 days	-	28.8	-	28.8
Overdue More than 90 days[1]	-	-	5,611.6	5,611.6
Total	**163,429.5**	**9,533.4**	**5,611.6**	**178,574.5**

1. Includes installments which are not due.

₹ in million

Particulars	At March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total
Not due	129,073.9	10,917.6	-	139,991.5
Overdue up to 30 days	41.9	15.0	-	56.9
Overdue 31 – 60 days	-	73.9	-	73.9
Overdue 61 – 90 days	-	21.9	-	21.9
Overdue More than 90 days[1]	-	-	8,597.0	8,597.0
Total	**129,115.8**	**11,028.4**	**8,597.0**	**148,741.2**

1. Includes instalments which are not due.

The contractual amount outstanding on loans that have been written off, but are still subject to enforcement activity amounts to ₹ 5,023.3 million at March 31, 2023 (March 31, 2022: ₹ 3,446.6 million).

Concentration of credit risk

Credit risk is monitored in accordance with the guidelines stipulated by the RBI. None of the borrower has exceeded the Single Borrower Limit and Group Borrower Limit as set by the regulator during the year ended March 31, 2023.

The following table sets forth, for the periods indicated, the product wise concentration of loans and advances.

₹ in million

Particulars	At March 31, 2023	At March 31, 2022
Mortgage loans	172,429.8	145,922.5
Real estate loans	5,795.4	2,540.2
Loan against securities/deposits	18.2	52.4
Gold loan	331.1	226.1
Grand Total	**178,574.5**	**148,741.2**

NOTES FORMING PART OF THE ACCOUNTS

Loans under RBI resolution framework

The following tables set forth, for the periods indicated, details with respect to loans where resolution plan has been implemented as per RBI circulars on 'Resolution Framework for COVID-19 - related stress' dated August 6, 2020 and May 5, 2021.

₹ in million

Type of borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan - Position as at the end of the March 31, 2022 (A)[1]	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A), amount written off during the half-year[2]	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at Sept 30, 2022
Personal loans	4,490.3	710.0	1.0	292.6	3,519.6
Corporate persons	1,378.7	243.0	0.7	47.4	1,100.4
Of which, *MSMEs*	*630.8*	*151.7*	-	*24.0*	*461.4*
Others	1,849.4	327.5	0.2	173.5	1,361.5
Total	**7,718.4**	**1,280.5**	**1.9**	**513.5**	**5,981.5**

1. Excluding accounts where OTR was revoked subsequently
2. Represents debt that slipped into NPA and was subsequently written off during the half-year ended September 30, 2022.

₹ in million

Type of borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan – Position as at the end of the Sept 30, 2022(A)[1]	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A), amount written off during the half-year2	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at March 31, 2023
Personal loans	3,519.6	255.6	1.8	313.4	2,971.1
Corporate persons	1,100.4	118.6	2.3	175.1	809.5
Of which, *MSMEs*	*461.4*	*59.8*	-	*83.4*	*319.5*
Others	1,361.5	54.5	3.5	183.4	1,127.8
Total	**5,981.5**	**428.7**	**7.6**	**671.9**	**4,908.4**

1. Excluding accounts where OTR was revoked subsequently
2. Represents debt that slipped into NPA and was subsequently written off during the half-year ended March 31, 2023.

Liquidity Risk Management

In line with RBI guidelines and ICICI Group's overall business framework, the Board of the Company had approved a comprehensive ALM policy that defines composition of Asset Liability Management Committee (ALCO) and the ALM framework for liquidity and interest rate risk management. ALCO reviews the Asset Liability profile and interest rates on regular basis.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company proactively manages liquidity risk as part of its ALM function. The ALCO of the Company monitors liquidity risk through various tools like statements of short term dynamic liquidity, structural liquidity, liquidity stock ratios, Liquidity Coverage Ratio (LCR) amongst others.

For measuring and managing net funding requirements, the Company has adopted use of a maturity ladder and calculation of cumulative surplus or deficit of funds at selected maturity dates. The Statement of Structural Liquidity is prepared by placing all cash inflows and outflows in the maturity ladder according to the expected timing of cash flows. The Company monitors absolute and/or cumulative mismatches across all time buckets by establishing internal prudential limits consistent with regulatory requirements. Further, the Statement of Structural Liquidity is used as a standard tool for measuring and managing net funding requirements and the assessment of a surplus or shortfall of funds in various maturity buckets in the future. The Company has certain resources (enumerated as below) at its disposal for meeting the shortfall in liquidity if the outflows of cash occur significantly earlier than indicated in the ALM statements or are for significantly different amounts from those indicated in the ALM statements.

a. Balances in tri-party repo, schemes of mutual funds
b. Line of credit (overdraft limit) from banks
c. Other liquid investments (in excess of statutory requirements, if any)
d. Unavailed term loans/NCDs/Transfer of loan limits from various banks
e. Unutlised rating limits under various borrowing programmes.

Liquidity Contingency Plan

A Liquidity Contingency Plan (LCP) has been formulated to assist the ALCO in responding to situations arising out of liquidity crisis. The plan is an extension of dynamic liquidity statement and assists in:

- Liquidity planning for contingencies
- Identifying mitigants to liquidity stress arising out of contingencies
- Assessment of liquidity indicators and liquidity monitoring threshold
- Communication and action protocol
- Restoring normalcy in the event of any contingency

In order to ensure stability in liquidity management, the Company's ALM policy also defines monitoring of liquidity ratio of 'High value bulk deposits to total borrowings and High value Customers' deposits(aggregate of all deposits having value ₹ 250.0 million and more from single depositors) to Total deposits'. Further as per revised regulatory framework, the Company has adopted the below stock approach ratios in the ALM Policy.

NOTES FORMING PART OF THE ACCOUNTS

a. Short-term liability to total assets

b. Short-term liability to long-term assets

c. Long-term assets to total assets

Maturity analysis for financial liabilities

The following tables set forth, for the periods indicated, the cash flows under financial liabilities as per their residual contractual maturities at the Balance Sheet date.

At March 31, 2023

₹ in million

Particulars	Up to 1 month	Over 1 month to 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years	Total
Trade payables	1,874.0	-	-	-	-	**1,874.0**
Debt securities	1,152.3	6,890.3	10,419.5	33,561.8	2,576.0	**54,599.9**
Borrowings	94.5	842.5	6,773.1	37,042.4	8,503.0	**53,255.5**
Deposits	1,153.4	3,568.8	8,184.7	20,801.2	2,917.7	**36,625.8**
Subordinate liabilities	-	60.9	77.5	-	4,197.3	**4,335.7**
Committed credit lines	-	251.7	2,122.0	20,937.4	26,813.3	**50,124.4**
Derivative financial liabilities	-	-	-	-	-	**-**
Other financial liabilities	7,373.1	1,507.5	110.6	167.2	910.4	**10,068.8**

At March 31, 2022

₹ in million

Particulars	Up to 1 month	Over 1 month to 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years	Total
Trade payables	1,625.0	-	-	-	-	**1,625.0**
Debt securities	1,648.7	175.6	12,025.8	28,443.9	2,575.5	**44,869.5**
Borrowings	0.8	14,246.8	4,060.6	25,368.4	3,977.9	**47,654.5**
Deposits	618.3	1,728.2	8,618.7	17,745.1	2,296.7	**31,007.0**
Subordinate liabilities	-	61.1	77.9	-	4,198.0	**4,337.0**
Committed credit lines	-	81.7	849.3	22,404.4	7,914.6	**31,250.0**
Derivative financial liabilities	-	200.5	-	-	-	**200.5**
Other financial liabilities	8,376.6	19.9	156.7	151.9	5.7	**8,710.8**

For non-derivative financial liabilities, amounts represent undiscounted cash flows.

Market risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and equity price risk.

a. Currency risk (or foreign exchange risk) arises on financial instruments that are denominated in a foreign currency, that is, in a currency other than the functional currency in which they are measured.

   The Company does not have any foreign currency exposure as on at March 31, 2023.

b. Interest rate risk is the risk that changes in market interest rates might adversely affect the Company's financial condition. It is the risk of potential variability in earnings and capital value resulting from changes in market interest rates. A Company generally faces interest rate risk when one side of the Balance Sheet largely has rate sensitive items and the other side has rate insensitive items. Interest rate risk arises on interest-bearing financial instruments recognised in the Balance Sheet (e.g. debt instruments acquired or issued) and on some financial instruments not recognised in the Balance Sheet (e.g. loan commitments). The Company uses various tools including gap analysis, Earnings at Risk (EaR) and duration of equity (DoE) for interest risk management.

The following table sets forth, for the periods indicated, the break-up of borrowings into variable rate and fixed rate.

Particulars	**At March 31, 2023**	**At March 31, 2022**
Variable rate borrowings	38.2%	24.4%
Fixed rate borrowings	61.8%	75.6%
Total borrowings	**100.0%**	**100.0%**

At March 31, 2023, the Company has Earnings (Profit) at Risk (EaR) impact of ₹ 129.6 million (March 31, 2022: ₹ 275.8 million) due to interest rate sensitivity of 100 basis point adverse change in borrowing rates and 50 basis point adverse change in lending rates as per approved Asset Liability Management Policy of the Company.

c. Equity price risk is the risk that the fair value of equities decreases as the result of changes in their prices. The Company does not trade in equities. The unquoted investments are valued in accordance with Ind AS 113 'Fair Value Measurements'. The Company does not have any significant value of investments in equities.

NOTES FORMING PART OF THE ACCOUNTS

Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

Operational risk management in the Company follows three lines of defense approach:

1. The first line of defense is business line management –They are responsible for identifying and managing operational risks inherent in the products and processes. They are also responsible for assessing and enhancing controls thereby promoting a strong risk culture.

2. Second line of defense is risk management group –They are responsible for independent review of processes and functions and implementation of the operational risk management function in the Company. Key responsibilities include risk identification, risk assessment, risk measurement, risk monitoring, and risk reporting.

3. Third line of defense is internal audit department –They provide independent assurance that the first and second lines are operating in line with policies, regulations and internal standards defined for management of operational risk in the Company. Operational risk and related areas are governed by the Board approved policies.

47. FAIR VALUE MEASUREMENTS

This section gives an overview of the significance of financial instruments for the Company and provides additional information on Balance Sheet items that contain financial instruments. The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised are disclosed in note 3.

a) Valuation framework

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal market at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using a valuation technique.

The Company uses valuation models for computing the valuation of instruments wherever a traded price is not readily available for such instruments.

Fair value hierarchy

The Company measures fair values using the following value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1

Valuation is based upon unadjusted quoted prices of identical instruments traded in active markets. The instruments that have been valued based upon such quoted prices include mutual funds.

Level 2

Valuation is based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, prices quoted by market participants and prices derived from valuation models which use significant inputs that are observable in active markets. The instruments that have been valued based upon such valuation include derivatives

Level 3

Valuation is based on valuation techniques or models which use data based on unobservable market input or assumptions. Financial instruments are considered Level 3 when their values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable or when determination of the fair value requires significant management judgment or estimation.

Valuation models

Level 1

Prices quoted in active markets - The fair value of instruments that are quoted in active markets is determined using the quoted prices where they represent prices at which regularly and recently occurring transactions take place.

Level 2

Valuation techniques with observable inputs - The Company uses valuation techniques to establish the fair value of instruments where price, quoted in active markets, are not available. Valuation techniques used for financial instruments include modeling techniques, the use of indicative quotes for proxy instruments, quotes from recent and less regular transactions and broker quotes.

Derivatives are valued using mark-to-market receivable/payable indicated by the counterparties. The valuation derived based on counterparties quote are also independently validated.

Level 3

Valuation techniques with significant unobservable inputs - This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, carrying value and fair value of financial instruments by categories at March 31, 2023.

₹ in million

Particulars	Fair value through P&L	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Fair value through other comprehensive income	Amortised cost	Total carrying value	Total fair value
Assets							
Cash and cash equivalents	-	-	-	-	4,373.1	4,373.1	4,373.1
Bank deposits	-	-	-	-	2.5	2.5	2.5
Derivative financial instruments	-	-	-	-	-	-	-
Trade receivables	-	-	-	-	20.7	20.7	20.7
Loans	-	-	-	71,645.7	103,790.5	175,436.2	175,436.2
Investments	1,687.5	-	-	-	3,304.1	4,991.6	4,937.6
Other financial assets	-	-	-	-	2,081.6	2,081.6	2,081.6
Total	**1,687.5**	**-**	**-**	**71,645.7**	**113,572.5**	**186,905.7**	**186,851.7**
Liabilities							
Derivative financial instruments	-	-	-	-	-	-	-
Trade and other payables	-	-	-	-	1,874.0	1,874.0	1,874.0
Borrowings (including Debt securities, Deposits and Subordinate Liabilities)	-	-	-	-	148,618.2	148,618.2	145,743.4
Other financial liabilities	-	-	-	-	10,068.8	10,068.8	10,068.8
Total	**-**	**-**	**-**	**-**	**160,561.0**	**160,561.0**	**156,686.2**

At March 31, 2023, financial assets carried at fair value through P&L was ₹ 1,687.5 million, financial assets carried at fair value through OCI was ₹ 71,645.7 million and financial assets carried at amortised cost was ₹ 113,572.5 million. A significant portion of financial assets carried at fair value through P&L are mainly investments in liquid debt securities (classified as Level 1) and accordingly, material volatility is not expected.

NOTES FORMING PART OF THE ACCOUNTS

Loans and advances carried at amortised cost or at fair value through OCI, which are valued considering allowances for losses using Expected Credit Loss (ECL) method. Based on the assessment as given in note no. 46 on ECL, the allowance for loans of ₹ 3,138.3 million at March 31, 2023 is considered adequate.

A Significant amount of financial assets, other than loans and advances which are carried at amortised cost are in the form of cash and cash equivalents, bank deposits, government securities, where in the Company does not expect any increase in credit risk.

The following table sets forth, carrying value and fair value of financial instruments by categories at March 31, 2022.

₹ in million

Particulars	Fair value through P&L	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Fair value through other comprehensive income	Amortised cost	Total carrying value	Total fair value
Assets							
Cash and cash equivalents	-	-	-	-	2,693.6	2,693.6	2,693.6
Bank deposits	-	-	-	-	2.5	2.5	2.5
Derivative financial instruments	-	595.7	-	-	-	595.7	595.7
Trade receivables	-	-	-	-	12.5	12.5	12.5
Loans	-	-	-	37,550.6	107,434.4	144,985.0	144,985.0
Investments	2,735.2	-	-	-	3,268.9	6,004.1	6,036.9
Other financial assets	-	-	-	-	2,244.2	2,244.2	2,244.2
Assets held for sale	425.7	-	-	-	-	425.7	425.7
Total	**3,160.9**	**595.7**	**-**	**37,550.6**	**115,656.1**	**156,963.3**	**156,996.1**
Liabilities							
Derivative financial instruments	-	200.5	-	-	-	200.5	200.5
Trade and other payables	-	-	-	-	1,625.0	1,625.0	1,625.0
Borrowings (including Debt securities, Deposits and Subordinate Liabilities)	-	-	-	-	127,567.0	127,567.0	126,655.3
Other financial liabilities	-	-	-	-	8,710.8	8,710.8	8,710.8
Total	**-**	**200.5**	**-**	**-**	**137,902.8**	**138,103.3**	**137,191.6**

NOTES FORMING PART OF THE ACCOUNTS

At March 31, 2022, financial assets carried at fair value through P&L was ₹ 3,160.9 million, financial assets carried at fair value through OCI was ₹ 37,550.6 million and financial assets carried at amortised cost was ₹ 115,656.1 million. A significant portion of financial assets carried at fair value through P&L are mainly investments in liquid debt securities (classified as Level 1) and accordingly, material volatility is not expected.

Loans and advances carried at amortised cost or at fair value through OCI, which are valued considering allowances for losses using Expected Credit Loss (ECL) method. Based on the assessment as given in note no. 46 on ECL, the allowance for loans of ₹ 3,756.2 million at March 31, 2022 is considered adequate.

A Significant amount of financial assets, other than loans and advances which are carried at amortised cost are in the form of cash and cash equivalents, bank deposits, government securities, where in the Company does not expect any increase in credit risk.

The following tables set forth, for the periods indicated, an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1, 2 and 3.

₹ in million

At March 31, 2023	Level 1	Level 2	Level 3	Total
Financial assets				
Investments				
Mutual funds	1,615.4	-	-	1,615.4
Equity Shares	-	-	56.5	56.5
Units of venture capital funds	-	-	15.6	15.6
Loans classified under "Hold & sell" business model	-	-	71,645.7	71,645.7
Derivative financial assets	-	-	-	-
Total	**1,615.4**	**-**	**71,717.8**	**73,333.2**
Financial liabilities	-	-	-	-
Derivative financial liabilities	-	-	-	-
Total	**-**	**-**	**-**	**-**

₹ in million

At March 31, 2022	Level 1	Level 2	Level 3	Total
Financial assets				
Investments				
Mutual funds	2,701.5	-	-	2,701.5
Equity Shares	-	-	17.6	17.6
Units of venture capital funds	-	-	16.2	16.2

At March 31, 2022	Level 1	Level 2	Level 3	Total
Loans classified under "Hold & sell" business model	-	-	37,550.6	37,550.6
Derivative financial assets	-	595.7	-	595.7
Assets held for sale	-	-	425.7	425.7
Total	**2,701.5**	**595.7**	**38,010.1**	**41,307.3**
Financial liabilities				
Derivative financial liabilities	-	200.5	-	200.5
Total	**-**	**200.5**	**-**	**200.5**

b) Financial instruments not measured at fair value measurement

Estimated fair value of financial instruments

Fair value estimates are generally subjective in nature and are made at a specific point in time based on the characteristics of the financial instruments and relevant market information. Quoted market prices are used, wherever available. In other cases, fair values are based on estimates using present value or other valuation techniques. These techniques involve uncertainties and are significantly affected by the assumptions used and judgments made regarding risk characteristics of various financial instruments, discount rates, estimates of future cash flows and other factors. Changes in assumptions could significantly affect these estimates and the resulting fair values. Derived fair value estimates cannot necessarily be substantiated by comparison to independent markets and may not be realised in an immediate sale of the instruments.

The short-term financial assets (cash and cash equivalents, other bank balances, receivables and other assets) and liabilities (Trade payables and other liabilities) are stated at amortised cost, which is approximately equal to their fair value.

The details of methods and assumptions used by the Company in estimating the fair values of financial instruments is given below.

i. Loans and advances

Substantially all the loans reprice frequently, with interest rates reflecting current market pricing, hence the carrying value of loan approximates fair value. The advances are classified as level 3 instruments in view of absence of any significant market observable data for valuation of these instruments.

ii. Investments

The Company has investments in government securities which are carried at amortised cost. The fair value of these investments is computed based on prices published by Fixed Income Money Market and Derivatives Association (FIMMDA)/Financial Benchmark India Private Limited (FIBIL).

NOTES FORMING PART OF THE ACCOUNTS

iii. Debt securities and other borrowings (including fixed deposits)

The fair value of the Company's debt is estimated by discounting future contractual cash flows using appropriate interest rates and credit spreads. The carrying value of short-term borrowings approximates fair value. The borrowings in the form of bonds and debentures (including MLDs and sub-debts) are classified as level 2 instruments. All other borrowings are classified as level 3 instruments.

The following tables set forth, for the periods indicated provides an analysis of fair value of financial instruments that are not measured at fair value, grouped into Level 1, 2 and 3 categories.

₹ in million

At March 31, 2023	Level 1	Level 2	Level 3	Total
Financial assets				
Loans	-	-	103,790.5	103,790.5
Investments	3,250.1	-	-	3,250.1
Total	**3,250.1**	**-**	**103,790.5**	**107,040.6**
Financial liabilities				
Borrowings	-	51,040.8	94,702.6	145,743.4
Total	**-**	**51,040.8**	**94,702.6**	**145,743.4**

₹ in million

At March 31, 2022	Level 1	Level 2	Level 3	Total
Financial assets				
Loans	-	-	107,434.4	107,434.4
Investments	3,301.7	-	-	3,301.7
Total	**3,301.7**	**-**	**107,434.4**	**110,736.1**
Financial liabilities				
Borrowings	-	46,832.9	79,822.4	126,655.3
Total	**-**	**46,832.9**	**79,822.4**	**126,655.3**

c) Reclassification of financial assets

During financial years ended March 31, 2023, and March 31, 2022, the Company had not reclassified any of financial assets from one category to another category.

d) Movement in level 3 financial instruments measured at fair value

The following tables set forth, for the periods indicated, the reconciliation of the opening and closing amounts of level 3 financial assets measured at fair value.

₹ in million

Description	Equity instruments	Units of Venture capital fund	Loans Measured at fair value	Total
Opening balance at April 1, 2022	**443.3**	**16.2**	**37,550.6**	**38,010.1**
Total gains or losses included in statement of Profit and Loss	38.9	(0.6)	-	38.3
Expected Credit Loss (ECL) included in statement of Profit and Loss	-	-	(173.6)	(173.6)
Purchases/Originated	-	-	46,982.3	46,982.3
Sales	(425.7)	-	(14,678.2)	(15,103.9)
Total gains or losses included in Other Comprehensive Income (OCI)	-	-	2,748.9	2,748.9
Gain/(loss) reclassified to Profit & Loss	-	-	(784.3)	(784.3)
Closing balance at March 31, 2023	**56.5**	**15.6**	**71,645.7**	**71,717.8**
Total amount of gains or (losses) included in Statement of Profit and Loss on account attributable to change in unrealised gains or (losses) relating to assets still held at reporting date	38.9	(0.6)	-	38.3

₹ in million

Description	Equity instruments[1]	Units of Venture capital fund	Loans Measured at fair value	Total
Opening balance at April 1, 2021	**446.3**	**16.1**	**14,442.0**	**14,904.4**
Total gains or losses included in Statement of Profit and Loss	(3.0)	0.1	-	(2.9)
Expected Credit Loss (ECL) included in Statement of Profit and Loss	-	-	(107.3)	(107.3)

NOTES FORMING PART OF THE ACCOUNTS

Description	Equity instruments[1]	Units of Venture capital fund	Loans Measured at fair value	Total
Purchases/Originated	-	-	25,005.0	25,005.0
Sales	-	-	(3,064.8)	(3,064.8)
Total gains or losses included in Other Comprehensive Income (OCI)	-	-	1,500.7	1,500.7
Gain/(loss) reclassified to Profit & Loss	-	-	(225.0)	(225.0)
Closing balance at March 31, 2022	**443.3**	**16.2**	**37,550.6**	**38,010.1**
Total amount of gains or (losses) included in Statement of Profit and Loss on account attributable to change in unrealised gains or (losses) relating to assets still held at reporting date	(3.0)	0.1	-	(2.9)

1. This includes assets held for sale

e) Unobservable inputs used in measuring fair value of financial instruments categorised as level 3

The following tables set forth, for the periods indicated, information about significant unobservable inputs used in measuring financial instruments categorised as level 3 in the fair value hierarchy.

₹ in million

Type of financial instruments	Fair value at March 31, 2023	Significant unobservable input	Fair value measurement sensitivity to unobservable inputs
Unlisted equity	56.5	Fair value as determined by Independent valuer	A significant increase/decrease in the price would result in a higher/lower fair value
Venture funds	15.6	Net Assets Value (NAV) provided by the Venture Capital Fund (VCF)	A significant increase/decrease in the NAV would result in a higher/lower fair value
Loans classified under "Hold & sell" business model	71,645.7	Pre-payment rate Discount rate	A significant increase/decrease in the pre-payment and/or discount rate would result in a lower/higher fair value
Total	**71,717.8**		

NOTES FORMING PART OF THE ACCOUNTS

Investment in equity shares is valued by Independent valuer using investee company's net worth. Based on the assessment of current financial conditions and business prospects of investee company, valuation was appropriately discounted to reflect the risks and uncertain market conditions. Any changes in the scenario could be a key risk to valuation.

₹ in million

Type of financial instruments	Fair value at March 31, 2022	Significant unobservable input	Fair value measurement sensitivity to unobservable inputs
Unlisted equity[1]	443.3	Fair value as determined by the Independent valuer	A significant increase/decrease in the price would result in a higher/lower fair value
Venture funds	16.2	Net Assets Value (NAV) provided by the Venture Capital Fund (VCF)	A significant increase/decrease in the NAV would result in a higher/lower fair value
Loans classified under "Hold & sell" business model	37,550.6	Pre-payment rate Discount rate	A significant increase/decrease in the pre-payment and/or discount rate would result in a lower/higher fair value
Total	**38,010.1**		

1. This includes assets held for sale

The effect of unobservable inputs on fair value measurement

Although the Company believes that its estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value.

The total outstanding carrying amount of unlisted equity and units in venture capital funds at March 31, 2023 was ₹ 72.1 million (at March 31, 2022: ₹ 459.5 million includes asset held for sale of : ₹ 425.7 million). The most significant input impacting the fair value of the unlisted equity shares and units in venture capital fund are prices or values provided by external valuer/fund and recent market transactions. A 10% change in price would result in an impact of ₹ 7.2 million (at March 31, 2022: ₹ 46.0 million).

The total outstanding carrying amount of loans under FVOCI category at March 31, 2023 was ₹ 71,645.7 million (at March 31, 2022: 37,550.6). The most significant input impacting the fair value of the loans under FVOCI category is pre-payment rate and discount rate used by the Company. An upward 10% change in pre-payment rate and discount rate would result in an impact of ₹ 350.4 million and ₹ 1,192.2 million respectively (at March 31, 2022: ₹ 196.6 million and ₹ 563.6 million respectively) and a downward 10% change would result in an impact of ₹ 420.0 million and ₹ 1,219.1 million respectively (at March 31, 2022: ₹ 235.7 million and ₹ 575.0 million respectively).

48. EMPLOYEE BENEFITS

Defined benefit plans

Gratuity

The Company has a defined benefit gratuity plan (funded). The Company's defined benefit gratuity plan requires contributions to be made to a separately administered fund. The fund has the form of a trust and it is governed by the Board of Trustees. The Board of Trustees is responsible for the administration of the plan assets.

The gratuity benefit is provided through annual contributions to a fund administered and managed by ICICI Prudential Life Insurance Company Limited (ICICI Prudential). Under this scheme, the settlement obligation remains with the Company.

Gratuity is a defined benefit plan and the Company is exposed to the following risks:

a) Interest rate risk: A fall in the discount rate which is linked to the Government Securities rate, will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of the asset.

b) Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than the assumed level will increase the plan's liability.

c) Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the reporting date on government bonds. If the return on plan assets is below this rate, it will create a plan deficit.

d) Mortality risk: Since the benefits under the plan are not payable for life time and payable till retirement age only, plan does not have any longevity risk.

The following table sets forth, for the periods indicated, the funded status of the plans and the amounts recognised in the financial statements.

₹ in million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Change in benefit obligations		
Opening obligations	97.8	104.3
Service cost	18.2	17.7
Interest cost	5.5	5.5
Remeasurements gains/(losses)		
-Actuarial gain/(loss) from changes in demographic assumptions	-	-

NOTES FORMING PART OF THE ACCOUNTS

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
-Actuarial gain/(loss) from changes in financial assumptions	(9.2)	(2.1)
-Actuarial gain/(loss) from changes in experience adjustments	(3.7)	(12.1)
Past service cost	-	-
Transfer in/(out) of liability	-	(5.3)
Benefits paid	(7.9)	(10.2)
Benefit obligations at the end of the year	**100.7**	**97.8**
Change in plan assets		
Fair value of plan assets at beginning of the year	107.2	104.6
Interest on plan assets	6.4	5.8
Actual return on plan assets less interest on plan assets	(4.4)	(1.9)
Actuarial gain/(loss) from changes in demographic assumptions	-	-
Actuarial gain/(loss) from changes in financial assumptions	-	-
Employer contributions	-	14.1
Transfer in/(out) of assets	-	(5.3)
Benefits paid	(7.9)	(10.1)
Plan assets at the end of the year	**101.3**	**107.2**
Expected employer's contribution next year	**10.0**	**10.0**
Fair value of plan assets at the end of the year	101.3	107.2
Present value of the defined benefit obligations at the year	100.7	97.8
Unrecognised prior service cost	-	-
Amount not recognised as an Asset	-	-
Asset/(liability)	**0.6**	**9.4**

NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, the components of the income and expenses recognised in Other Comprehensive Income.

₹ in million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Opening balance of actuarial (gains)/losses recognised in Other Comprehensive Income	**(5.8)**	**6.5**
Remeasurements loss/(gains)	-	-
Actuarial loss or gain arising from:		
Demographic assumptions	-	-
Financial assumptions	(9.2)	(2.1)
Experience adjustment	(3.7)	(12.1)
Return on plan assets excluding interest income	4.4	1.9
Effects of movements in exchange rates	-	-
Closing balance of actuarial (gains)/losses recognised in Other Comprehensive Income	**(14.3)**	**(5.8)**

The following table sets forth, for the periods indicated, the components of the net gratuity cost recognised in Statement of Profit and Loss.

₹ in million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Service cost	18.2	17.7
Interest cost/(income)	(0.9)	(0.3)
Amortisation of prior service cost	-	-
Net gratuity cost	**17.3**	**17.4**

Gratuity cost is included in the line item ‘Employee benefits expenses’ in the Statement of Profit and Loss.

The discount rate used to discount gratuity obligations has been determined with reference to the prevailing market yields on government of India bonds, for the estimated term of obligations, at the end of the reporting period.

NOTES FORMING PART OF THE ACCOUNTS

The following tables set forth, for the periods indicated, assumptions used to determine benefit obligations.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Discount rate	7.55%	6.05%
Rate of increase in compensation levels	7.00%	7.00%

Assumptions regarding future mortality have been based on published statistics and mortality tables. The current longevities underlying the value of the defined benefit obligation at the reporting date were as follows:

Age (years)	Year ended March 31, 2023	Year ended March 31, 2022
21-24	41%	41%
25-29	36%	36%
30-34	30%	30%
35-44	20%	20%
45 and above	9%	9%

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amount shown below.

₹ in million

Particulars	At March 31, 2023	At March 31, 2022
Discount rate (0.5% movement)		
On increase	(2.7)	(2.9)
On decrease	3.0	3.1
Future salary growth (0.5% movement)		
On increase	3.0	3.1
On decrease	(2.7)	(2.9)

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the methods and assumptions used in preparing the sensitivity analysis.

NOTES FORMING PART OF THE ACCOUNTS

Plan assets

The following table sets forth, for the periods indicated, the asset allocation for gratuity by asset category based on fair values.

₹ in million

Asset category	At March 31, 2023		At March 31, 2022	
	Amount	As percentage of total	Amount	As percentage of total
Insurer managed funds	100.9	99.6%	106.8	99.6%
Others	0.4	0.4%	0.4	0.4%

Maturity analysis of the benefit payments from the fund

The following table sets forth, for the periods indicated, maturity analysis of the benefit payments from the fund.

₹ in million

Future year from the date of reporting	March 31, 2023	March 31, 2022
1st year	13.4	12.4
2nd year	12.1	11.4
3rd year	13.0	10.4
4th year	25.1	11.0
5th year	8.2	20.8
6th year	7.8	6.4
7th year	9.5	6.6
8th year	11.6	7.5
9th year	80.8	9.3
10th year and above	58.2	54.1

Weighted average duration of defined benefit obligation is 5.67 years (March 31, 2022: 6.19 years).

Provident fund

Employees of the Company are entitled to receive benefits under the provident fund. These contributions were being made under defined benefit obligation plan to a fund set up by the Company and administered by a Board of Trustees. With effect from August 1, 2022, the administration of the Employees' Provident Fund has been transferred to the Employees' Provident Fund Organisation (EPFO). Accordingly, monthly contributions from July 2022 and onwards were paid to the EPFO as defined contribution plan. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. The Company contributed ₹ 75.7 million, wherein ₹ 17.6 million is towards defined benefit plan (March 31, 2022: ₹ 48.1 million) and ₹ 58.1 million is towards defined contribution plan (March 31, 2022: Nil) to the employees' provident fund for the year ended March 31, 2023, which includes compulsory contribution made towards employee pension scheme under Employees Provident Fund and Miscellaneous Provisions Act, 1952. This cost is included in the line item 'Employee benefits expenses' in the Statement of Profit and Loss.

The following table sets forth, for the periods indicated, the funded status of the plans and the amounts recognised in the financial statements.

₹ in million

Particulars	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Change in benefit obligations		
Opening obligations	NA	570.4
Service cost	NA	30.8
Interest cost	NA	34.3
Remeasurements gains/(losses)	NA	(11.4)
Employee's contribution	NA	61.3
Transfer in/(out) of liability	NA	21.9
Benefits paid	NA	(52.0)
Benefit obligations at the end of the year	**NA**	**655.3**
Change in plan assets		
Fair value of plan assets at beginning of the year	NA	570.4
Expected return on plan assets	NA	34.3
Actuarial gain/(loss)	NA	22.5
Employer contributions	NA	30.8
Employee contributions	NA	61.3
Transfer in/(out) of assets	NA	21.9
Benefits paid	NA	(52.0)
Plan assets at the end of the year	**NA**	**689.2**
Expected employer's contribution next year	**NA**	**33.0**

NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, the asset allocation for provident fund by asset category based on fair values.

₹ in million

Asset category	At March 31, 2023		At March 31, 2022	
	Amount	As percentage of total	Amount	As percentage of total
Government of India securities	NA	NA	311.8	45.2%
Corporate bonds	NA	NA	221.6	32.2%
Exchange traded funds	NA	NA	102.0	14.8%
Others	NA	NA	53.8	7.8%
Total	**NA**	**NA**	**689.2**	**100%**

The following table sets forth, for the periods indicated, assumptions used to determine benefit obligations.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Discount rate	NA	6.05%
Expected rate of return on assets	NA	8.17%
Discount rate for the remaining term to maturity of investment	NA	6.75%
Average historic yield on investment	NA	8.87%
Guaranteed rate of return	NA	8.10%
Average expected future period (in years)	NA	4.16

Compensated absence

The following table sets forth, for the periods indicated, details for compensated absence.

₹ in million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Cost	19.2	16.4
Assumptions		
Discount rate	7.55%	6.05%
Salary escalation rate	7.00%	7.00%

Cost for the year is included in the line item 'Employee benefits expenses' in the Statement of Profit and Loss.

Defined contribution plans

The following table sets forth, for the periods indicated, contribution made by the Company towards defined contribution plans.

₹ in million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Employer's Contribution to Provident fund[1,2]	58.1	-
Employer's Contribution to Employee state insurance scheme[2,3]	2.7	2.9
Employer's Contribution to National Pension Scheme[4]	4.7	4.3
Employer's Contribution to Superannuation Scheme[4]	1.5	1.1
Total	**67.0**	**8.3**

1 Amount represents the contribution made to Employees' Provident Fund Organisation (EPFO) as defined contribution plan.

2. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

3. For employees eligible as per Employees' State Insurance Act, 1948.

4. For employees who have opted for the scheme.

Cost for the year is included in the line item 'Employee benefits expenses' in the Statement of Profit and Loss.

49. SHARE BASED PAYMENTS

In terms of an Employee Stock Option Scheme (ESOS), of the Parent Bank, share options are granted to eligible employees and Directors of the Bank and its subsidiaries. As per the ESOS, as amended from time to time, the maximum number of options granted to any eligible employees/Directors in a financial year shall not exceed 0.05% of the Parent Bank's issued equity shares at the time of the grant of the options and the aggregate of all such options granted to any eligible employees/Directors shall not exceed 10% of the aggregate number of the Parent Bank's issued equity shares on the date(s) of the grant of the options in line with SEBI Regulations.

Options granted prior to March 2014 vested in a graded manner over a four-year period, with 20%, 20%, 30% and 30% of the grants vested in each year, commencing from the end of 12 months from the date of grant. Options granted after March 2014, vest in a graded manner over a three-year period with 30%, 30%, and 40% of the grants vesting in each year, commencing from the end of 12 months from the date of grant. In April 2016, the Parent Bank modified the exercise period from 10 years from the date of grant or five years from the date of vesting, whichever is later, to 10 years from the date of vesting of options. In June 2017, the exercise period was further modified by the Parent Bank to not exceed 10 years from the date of vesting of options as may be determined by the Board Governance, Remuneration & Nomination Committee of the Parent Bank to be applicable for future grants. In May 2018, exercise period was further modified by the Parent Bank to not exceed 5 years from the date of vesting of options as may be determined by the Board Governance, Remuneration & Nomination Committee of the Parent Bank to be applicable for future grants.

NOTES FORMING PART OF THE ACCOUNTS

During the year ended March 31, 2023, ₹ 41.9 million was charged to the Statement of Profit and Loss account in respect of equity-settled share-based payment transactions (Year ended March 31, 2022: ₹ 33.0 million).

The following table sets forth, for the periods indicated, movement in share options during the year.

Particulars	At March 31, 2023		At March 31, 2022	
	No. of options	Price[2]	No. of options	Price[2]
Outstanding at the beginning of the year	2,094,655	311.59	2,650,744	269.17
Add: Granted during the year[1]	120,100	747.65	365,700	445.67
Less: Exercised during the year[1]	137,825	275.29	921,789	252.46
Less: Expired/lapsed during the year	-	-	-	-
Outstanding at the end of the year	2,076,930	339.21	2,094,655	311.59

1. Including changes in outstanding stock options on account of group company transfers.
2. Indicates weighted average price.

The following table sets forth, for the periods indicated, the key assumptions used to estimate the fair value of options granted.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Risk-free interest rate	5.99% to 6.62%	5.34% to 6.31%
Expected life	3.23 to 5.23 years	3.55 to 5.55 years
Expected volatility	35.75% to 38.81%	36.49% to 39.41%
Expected dividend yield	0.27%	0.18%

The weighted average fair value, based on Black-Scholes model, of options granted by the parent Bank during the Year ended March 31, 2023 was ₹ 291.04 (Year ended March 31, 2022: ₹ 227.57).

Risk free interest rates over the expected term of the option are based on the government securities yield in effect at the time of the grant. The expected term of an option is estimated based on the vesting term as well as expected exercise behavior of the employees who receive the option of the Parent Bank. Expected exercise behavior is estimated based on the historical stock option exercise pattern of the Parent Bank. Expected volatility during the estimated expected term of the option is based on historical volatility determined based on observed market prices of the Parent Bank's publicly traded equity shares. Expected dividends during the estimated expected term of the option are based on recent dividend activity of the Parent Bank.

50. RELATED PARTY DISCLOSURE

The Company has transactions with its related parties comprising Holding Company, fellow subsidiaries, post-employment benefit plans, key management personnel (KMP) and close members of their family. The transactions between the Company and its related parties were in the ordinary course of business and based on the principles of arm's length.

The following table sets forth, names of related parties and their relationship as per Ind AS 24 'Related party disclosures'.

S No.	Name of the related party	Nature of relationship
1	ICICI Bank Limited	Holding Company
2	ICICI Securities Limited	Fellow Subsidiary
3	ICICI Securities Primary Dealership Limited	Fellow Subsidiary
4	ICICI Prudential Life Insurance Company Limited	Fellow Subsidiary
5	ICICI Securities Inc.	Fellow Subsidiary
6	ICICI Securities Holdings Inc.	Fellow Subsidiary
7	ICICI Venture Funds Management Company Limited	Fellow Subsidiary
8	ICICI Trusteeship Services Limited	Fellow Subsidiary
9	ICICI Investment Management Company Limited	Fellow Subsidiary
10	ICICI International Limited	Fellow Subsidiary
11	ICICI Bank UK PLC	Fellow Subsidiary
12	ICICI Bank Canada	Fellow Subsidiary
13	ICICI Prudential Asset Management Company Limited	Fellow Subsidiary
14	ICICI Prudential Trust Limited	Fellow Subsidiary
15	ICICI Prudential Pension Funds Management Company Limited	Fellow Subsidiary
16	ICICI Strategic Investments Fund[1]	Fellow Subsidiary
17	ICICI Lombard General Insurance Company Limited[2]	Associate of Holding Company
18	I-Process Services (India) Private Limited	Associate of Holding Company
19	India Infradebt Limited	Associate of Holding Company

NOTES FORMING PART OF THE ACCOUNTS

S No.	Name of the related party	Nature of relationship
20	NIIT Institute of Finance, Banking and Insurance Training Limited	Associate of Holding Company
21	ICICI Merchant Services Private Limited	Associate of Holding Company
22	India Advantage Fund-III	Associate of Holding Company
23	India Advantage Fund-IV	Associate of Holding Company
24	Arteria Technologies Private Limited	Associate of Holding Company
25	ICICI Foundation for Inclusive Growth	Other related entity of Holding Company
26	Comm Trade Services Limited[3]	Other related entity of Holding Company
27	Sandeep Bakhshi (Relatives - Shivam Bakhshi, Esha Bakhshi and Minal Bakhshi)	Key Managerial Personnel of Holding Company
28	Anup Bagchi[4]	Key Managerial Personnel
29	Anirudh Kamani, Managing Director and CEO (Relative - Nilima Goel)	Key Managerial Personnel
30	Sankaran Santhanakrishnan	Key Managerial Personnel
31	Vinod Kumar Dhall	Key Managerial Personnel
32	G. Gopalakrishna	Key Managerial Personnel
33	Supritha Shetty[5]	Key Managerial Personnel
34	N.R.Narayanan[6]	Key Managerial Personnel
35	Sanjay Singhvi[7]	Key Managerial Personnel
36	Rakesh Jha[8]	Key Managerial Personnel
37	Zeenat Hamirani[9]	Key Managerial Personnel
38	ICICI Home Finance Company Limited Employees Provident Fund[10]	Post-Employment benefit plan
39	ICICI Home Finance Company Limited Employees Group Gratuity Assurance Scheme	Post-Employment benefit plan
40	ICICI Home Finance Company Limited Employees Superannuation Scheme	Post-Employment benefit plan

1. Entity consolidated by the Holding Company as per AS-21
2. Associate of Holding Company effective September 8, 2021

NOTES FORMING PART OF THE ACCOUNTS

3. Included as related party effective from June 30,2022
4. Ceased to be related party effective from September 17, 2022
5. Ceased to be related party effective from January 5, 2023
6. Ceased to be related party effective from September 1, 2021
7. Included as related party effective from September 13, 2021
8. Included as related party effective from October 13, 2022
9. Included as related party effective from January 5, 2023
10. W.e.f August 1, 2022, the administration of the Employees' Provident Fund has been transferred to the Employees' Provident Fund Organisation (EPFO).

The following table sets forth, for the periods indicated, details of outstanding balance with related parties.

₹ in million

Particulars	Name of the related party	Nature of relationship	At March 31, 2023	At March 31, 2022
Assets				
Bank Balance (Including interest outstanding on Fixed Deposit)	ICICI Bank Limited	Holding company	831.1	255.9
Fee Receivable	ICICI Lombard General Insurance Company Limited	Associate of Holding Company	9.3	7.6
	ICICI Prudential Life Insurance Company Limited	Fellow subsidiary	10.3	8.5
Loan Receivable	Anirudh Kamani, Managing Director and CEO	Key Managerial Personnel	52.5	58.1
MTM Receivable	ICICI Bank Limited	Holding company	-	242.7
Other Receivable	ICICI Bank Limited	Holding company	58.6	55.5
	I-Process Services (India) Private Limited	Associate of Holding Company	*	*
Liabilities				
Equity Share Capital	ICICI Bank Limited	Holding company	12,035.3	10,987.5
Loans	ICICI Bank Limited	Holding company	1,208.3	4,500.8
Bank/book overdrafts in current accounts	ICICI Bank Limited	Holding company	7,918.8	5,549.4

NOTES FORMING PART OF THE ACCOUNTS

Particulars	Name of the related party	Nature of relationship	At March 31, 2023	At March 31, 2022
Amount collected from borrowers pending to be transferred (for portfolio sold)	ICICI Bank Limited	Holding company	893.0	776.4
Security deposit payable	ICICI Bank Limited	Holding company	5.8	5.8
Fee Payable	ICICI Bank Limited	Holding company	5.5	0.7
Bonds	ICICI Lombard General Insurance Company Limited	Associate of Holding Company	1,600.0	2,100.0
	ICICI Securities Limited	Fellow subsidiary	0.5	5.0
	ICICI Bank Limited	Holding company	-	1,500.0
Interest payable on bonds	ICICI Lombard General Insurance Company Limited	Associate of Holding Company	29.2	52.4
	ICICI Securities Limited	Fellow subsidiary	*	0.3
	ICICI Bank Limited	Holding company	-	36.9
Fixed deposits accepted (FDs)	Anirudh Kamani, Managing Director and CEO	Key Managerial Personnel	4.8	4.6
	Nilima Goel	Relative of Key Managerial Personnel	1.4	1.4
	Shivam Bakhshi	Relative of Key Managerial Personnel of Holding Company	3.2	3.2
	Esha Bakhshi	Relative of Key Managerial Personnel of Holding Company	2.6	2.6
	Minal Bakhshi	Relative of Key Managerial Personnel of Holding Company	2.2	2.2

Particulars	Name of the related party	Nature of relationship	At March 31, 2023	At March 31, 2022
Interest payable on FD	Anirudh Kamani, Managing Director and CEO	Key Managerial Personnel	0.9	0.8
	Nilima Goel	Relative of Key Managerial Personnel	0.3	0.2
Other payables (Including on account of expenses)	ICICI Bank Limited	Holding company	66.7	66.1
	ICICI Securities Limited	Fellow subsidiary	3.9	3.8
	ICICI Investment Management Company Limited	Fellow subsidiary	0.4	-
Directors commission payable[1]	Sankaran Santhanakrishnan	Key Managerial Personnel	0.8	0.8
	Vinod Kumar Dhall	Key Managerial Personnel	0.8	0.8
	G. Gopalakrishna	Key Managerial Personnel	0.8	0.8
Others				
SWAP (notional principal)	ICICI Bank Limited	Holding company	-	15,702.4
Letter of undertaking (utilised)	ICICI Bank Limited	Holding company	11,514.8	16,009.4
Guarantee	ICICI Bank Limited	Holding company	2.5	2.5
Government Securities held in CLGS account	ICICI Bank Limited	Holding company	3,199.8	3,149.8

*Insignificant amount.

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

NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, details of transactions with related parties.

₹ in million

Particulars	Name of the related party	Nature of relationship	Year ended March 31, 2023	Year ended March 31, 2022
Income				
Rent Received	ICICI Bank Limited	Holding company	11.7	11.1
Expense Recovery	ICICI Bank Limited	Holding company	6.2	0.7
Servicing fees	ICICI Bank Limited	Holding company	52.0	21.1
Interest on Fixed Deposit	ICICI Bank Limited	Holding company	0.2	0.2
Interest income on loans	Anirudh Kamani, Managing Director and CEO	Key Managerial Personnel	1.9	1.3
Referral fee	ICICI Lombard General Insurance Company Limited	Associate of Holding Company	43.0	13.5
	ICICI Prudential Life Insurance Company Limited	Fellow subsidiary	79.4	57.8
Expense				
Servicing Fees	ICICI Bank Limited	Holding company	1.1	1.7
Collection Cost (shared expenses)	ICICI Bank Limited	Holding company	1.9	10.5
IT infrastructure cost (shared expenses)	ICICI Bank Limited	Holding company	84.8	52.4
Interest & other finance expenses (including hedging cost)	ICICI Bank Limited	Holding company	417.7	991.8
Interest expenses on bonds	ICICI Lombard General Insurance Company Limited	Associate of Holding Company	140.3	163.5
	ICICI Securities Limited	Fellow subsidiary	0.3	7.3
	ICICI Bank Limited	Holding company	5.5	39.2
	ICICI Securities Primary Dealership Limited	Fellow subsidiary	-	3.6

NOTES FORMING PART OF THE ACCOUNTS

Particulars	Name of the related party	Nature of relationship	Year ended March 31, 2023	Year ended March 31, 2022
Royalty fees	ICICI Bank Limited	Holding company	17.9	2.3
Share based payment to employees	ICICI Bank Limited	Holding company	38.1	24.6
Sourcing cost (Loans & FDs)	ICICI Bank Limited	Holding company	101.5	41.1
	ICICI Securities Limited	Fellow subsidiary	10.9	5.2
	ICICI Investment Management Company Limited	Fellow subsidiary	3.4	3.1
Fee expenses - property service	ICICI Bank Limited	Holding company	5.3	10.2
	ICICI Securities Limited	Fellow subsidiary	-	2.2
Arranger fee	ICICI Bank Limited	Holding company	1.6	2.0
	ICICI Securities Limited	Fellow subsidiary	0.1	0.5
	ICICI Securities Primary Dealership Limited	Fellow subsidiary	1.5	1.6
Rent expenses	ICICI Lombard General Insurance Company Limited	Associate of Holding Company	-	0.2
	ICICI Prudential Life Insurance Company Limited	Fellow subsidiary	-	0.1
Insurance premium	ICICI Lombard General Insurance Company Limited	Associate of Holding Company	81.3	81.3
	ICICI Prudential Life Insurance Company Limited	Fellow subsidiary	13.6	15.2
Remuneration[1]	Anirudh Kamani, Managing Director and CEO	Key Managerial Personnel	40.4	177.2

NOTES FORMING PART OF THE ACCOUNTS

Particulars	Name of the related party	Nature of relationship	Year ended March 31, 2023	Year ended March 31, 2022
Interest expenses on deposits	Anirudh Kamani, Managing Director and CEO	Key Managerial Personnel	0.4	0.4
	Nilima Goel	Relative of Key Managerial Personnel	0.1	0.1
	Shivam Bakhshi	Relative of Key Managerial Personnel of Holding Company	0.3	0.3
	Esha Bakhshi	Relative of Key Managerial Personnel of Holding Company	0.2	0.2
	Minal Bakhshi	Relative of Key Managerial Personnel of Holding Company	0.2	0.2
Sitting fees/ Commission	Sankaran Santhanakrishnan	Key Managerial Personnel	2.0	2.5
	G. Gopalakrishna	Key Managerial Personnel	2.0	2.5
	Vinod Kumar Dhall	Key Managerial Personnel	2.0	2.4
Employer's contribution to provident fund	ICICI HFC Employees Provident Fund	Post-Employment benefit plan	9.7	21.0
Contribution to Gratuity Fund	ICICI HFC Employees Group Gratuity Scheme	Post-Employment benefit plan	3.4	15.4
Contribution to Superannuation Fund	ICICI HFC Employees Group Superannuation Schemes	Post-Employment benefit plan	1.5	1.1
Miscellaneous (IPA charges, LAS sourcing cost, operation cost, common corporate expenses and man power services)	ICICI Bank Limited	Holding company	28.7	27.7
	ICICI Lombard General Insurance Company Limited	Associate of Holding Company	*	0.5
	ICICI Prudential Asset Management Company Limited	Fellow subsidiary	-	0.3
	ICICI Prudential Life Insurance Company Limited	Fellow subsidiary	-	0.1
	I-Process Services (India) Private Limited	Associate of Holding Company	*	0.1

NOTES FORMING PART OF THE ACCOUNTS

Particulars	Name of the related party	Nature of relationship	Year ended March 31, 2023	Year ended March 31, 2022
Unwinding cost for derivatives	ICICI Bank Limited	Holding company	95.2	107.0
Contribution for CSR activities	ICICI Foundation for Inclusive Growth	Other related entity of Holding Company	10.1	9.1
Others				
Recovery of principal amounts of loans from KMP	Anirudh Kamani, Managing Director and CEO	Key Managerial Personnel	5.6	3.2
Investment in bonds	ICICI Securities Primary Dealership Limited	Fellow subsidiary	-	1,450.0
	ICICI Securities Limited	Fellow subsidiary	-	329.0
	ICICI Bank Limited	Holding company	-	2,700.0
	ICICI Lombard General Insurance Company Limited	Associate of Holding Company	1,000.0	-
Redemption/ Maturity of bonds	ICICI Securities Limited	Fellow subsidiary	-	229.3
	ICICI Lombard General Insurance Company Limited	Associate of Holding Company	1,615.5	-
	Anup Bagchi	Key Managerial Personnel	-	10.2
Fixed deposits accepted (FDs)	Nilima Goel	Relative of Key Managerial Personnel	-	0.3
Sale of retail mortgage loans (Direct assignment)	ICICI Bank Limited	Holding company	19,290.7	6,766.5
Bank loan repaid	ICICI Bank Limited	Holding company	4,541.7	2,400.0
Bank loan taken during the period	ICICI Bank Limited	Holding company	1,250.0	4,500.0
Employees' contribution to Provident fund	ICICI HFC Employees Provident Fund	Post-Employment benefit plan	19.2	67.1
Sale of fixed assets	ICICI Bank Limited	Holding company	1.4	-
Equity Dividend	ICICI Bank Limited	Holding company	164.7	-
Equity Share Capital	ICICI Bank Limited	Holding company	1,047.8	

NOTES FORMING PART OF THE ACCOUNTS

Particulars	Name of the related party	Nature of relationship	Year ended March 31, 2023	Year ended March 31, 2022
Premium on equity share capital	ICICI Bank Limited	Holding company	1,452.2	-

*Insignificant amount.

1. Includes perquisite value of ESOPs issued earlier by the Parent Bank.

The Company received ₹ 580.1 million during the year ended March 31, 2023 (March 31, 2022: ₹ 353.8 million) from ICICI Bank towards excess interest spread recovered from borrowers for loans, which have been assigned by the Company to Bank on direct assignment basis.

Compensation to Key Managerial Personnel

The following table sets forth, for the periods indicated, the details of compensation paid by the Company to the Key Managerial Personnel.

₹ in million

Particulars	March 31, 2023	March 31, 2022
Short-term employee benefits (including salaries)	38.1	175.1
Post-employment benefits	2.3	2.1
Other long-term benefits	-	-
Total[1,2]	**40.4**	**177.2**

1. Excludes ₹ 27.5 million payable to the Parent Bank for the cost of options granted for purchase of the Parent Bank's equity shares (March 31, 2022: ₹ 22.5 million)

2. Includes perquisite value of ESOP issued by the Parent Bank

Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall basis at the Company level at the end of each year and accordingly, have not been considered in the above information.

NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, details of consolidated outstanding balances with related parties as required by RBI circular dated April 19, 2022.

₹ in million

Particulars	Holding Company		Fellow Subsidiaries		Associates of Holding Company		KMP and Relatives of KMP								Others		Total	
							Directors[1]		Relatives of directors[1]		Other Key Managerial Personnel[2]		Relatives of Other Key Managerial Personnel[2]					
	At March 31, 2023	At March 31, 2022	At March 31, 2023	At March 31, 2022	At March 31, 2023	At March 31, 2022	At March 31, 2023	At March 31, 2022	At March 31, 2023	At March 31, 2022	At March 31, 2023	At March 31, 2022	At March 31, 2023	At March 31, 2022	At March 31, 2023	At March 31, 2022	At March 31, 2023	At March 31, 2022
Borrowings (Loans/ Bonds/ Bank overdrafts)	9,127.1	11,586.3	0.5	5.3	1,629.2	2,152.4	-	-	-	-	-	-	-	-	-	-	**10,756.8**	**13,744.0**
Deposits	-	-	-	-	-	-	5.7	5.4	9.7	9.9	-	-	3.0	2.8	-	-	**18.4**	**18.1**
Placement of deposit	2.5	2.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**2.5**	**2.5**
Advances (Including Loans)	-	-	-	-	-	-	52.5	58.1	-	-	-	-	-	-	-	-	**52.5**	**58.1**
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	**-**
Others																		
Bank Balance (Including interest outstanding on fixed deposit)	831.1	255.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**831.1**	**255.9**
MTM Receivables	-	242.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	**242.7**
Other Receivables	58.6	55.5	10.3	8.5	9.3	7.6	-	-	-	-	-	-	-	-	-	-	**78.2**	**71.6**
Equity Share Capital	12,035.3	10,987.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**12,035.3**	**10,987.5**

NOTES FORMING PART OF THE ACCOUNTS

Particulars	Holding Company		Fellow Subsidiaries		Associates of Holding Company		KMP and Relatives of KMP								Others		Total	
							Directors[1]		Relatives of directors[1]		Other Key Managerial Personnel[2]		Relatives of Other Key Managerial Personnel[2]					
	At March 31, 2023	At March 31, 2022	At March 31, 2023	At March 31, 2022	At March 31, 2023	At March 31, 2022	At March 31, 2023	At March 31, 2022	At March 31, 2023	At March 31, 2022	At March 31, 2023	At March 31, 2022	At March 31, 2023	At March 31, 2022	At March 31, 2023	At March 31, 2022	At March 31, 2023	At March 31, 2022
Amount collected from borrowers pending to be transferred (for portfolio sold)	893.0	776.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**893.0**	**776.4**
SWAP (notional principal)	-	15,702.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	**15,702.4**
Letter of undertaking (utilised)	11,514.8	16,009.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**11,514.8**	**16,009.4**
Government securities held in CLGS account	3,199.8	3,149.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**3,199.8**	**3,149.8**
Other Payables	78.0	72.6	4.3	3.8	-	-	2.4	2.4	-	-	-	-	-	-	-	-	**84.7**	**78.8**

1. Includes Managing Director & CEO.

2. Includes KMP as defined under Ind AS-24 and Companies Act, 2013.

NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, details of consolidated maximum outstanding balances with related parties as required by RBI circular dated April 19, 2022.

₹ in million

Particulars	Holding Company		Fellow Subsidiaries		Associates of Holding Company		KMP and Relatives of KMP								Others		Total	
							Directors[1]		Relatives of directors[1]		Other Key Managerial Personnel[2]		Relatives of Other Key Managerial Personnel[2]					
	At March 31, 2023	At March 31, 2022	At March 31, 2023	At March 31, 2022	At March 31, 2023	At March 31, 2022	At March 31, 2023	At March 31, 2022	At March 31, 2023	At March 31, 2022	At March 31, 2023	At March 31, 2022	At March 31, 2023	At March 31, 2022	At March 31, 2023	At March 31, 2022	At March 31, 2023	At March 31, 2022
Borrowings (Loans/ Bonds/ Bank overdrafts)	9,919.5	11,586.3	1.0	358.3	2,234.4	2,233.6	-	-	-	-	-	-	-	-	-	-	**12,154.9**	**14,178.2**
Deposits	-	-	-	-	-	-	5.7	5.4	9.7	9.9	-	-	3.0	2.8	-	-	**18.4**	**18.1**
Placement of deposit	2.5	2.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**2.5**	**2.5**
Advances (Including Loans)	-	-	-	-	-	-	56.7	58.1	-	-	-	-	-	-	-	-	**56.7**	**58.1**
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	**-**

1. Includes Managing Director & CEO.

2. Includes KMP as defined under Ind AS-24 and Companies Act, 2013.

NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, details of consolidated transactions with related parties as required by RBI circular dated April 19, 2022.

₹ in million

Particulars	Holding Company		Fellow Subsidiaries		Associates of Holding Company		KMP and Relatives of KMP								Others		Total	
							Directors[1]		Relatives of directors[1]		Other Key Managerial Personnel[2]		Relatives of Other Key Managerial Personnel[2]					
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Sale of fixed Assets	1.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**1.4**	**-**
Interest Paid	423.2	1,031.0	0.3	10.9	140.3	163.5	0.4	0.4	0.8	0.8	-	-	0.2	0.2	-	-	**565.2**	**1,206.8**
Interest Received	0.2	0.2	-	-	-	-	1.9	1.3	-	-	-	0.1	-	-	-	-	**2.1**	**1.6**
Others																		
Rent Received	11.7	11.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**11.7**	**11.1**
Servicing Fee	52.0	21.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**52.0**	**21.1**
Referral Fee	-	-	79.4	57.8	43.0	13.5	-	-	-	-	-	-	-	-	-	-	**122.4**	**71.3**
Insurance Premium	-	-	13.6	15.2	81.3	81.3	-	-	-	-	-	-	-	-	-	-	**94.9**	**96.5**
Remuneration	-	-	-	-	-	-	40.4	177.2	-	-	42.0	45.8	-	-	-	-	**82.4**	**223.0**
Unwinding cost for derivatives	95.2	107.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**95.2**	**107.0**
IT Infrastructure cost (Shared expense)	84.8	52.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**84.8**	**52.4**

NOTES FORMING PART OF THE ACCOUNTS

Particulars	Holding Company		Fellow Subsidiaries		Associates of Holding Company		KMP and Relatives of KMP								Others		Total	
							Directors[1]		Relatives of directors[1]		Other Key Managerial Personnel[2]		Relatives of Other Key Managerial Personnel[2]					
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Sourcing cost (Loans & FDs)	101.5	41.1	14.3	8.3	-	-	-	-	-	-	-	-	-	-	-	-	**115.8**	**49.4**
Miscellaneous (IPA charges, LAS sourcing cost, operation cost, common corporate expenses and man power services)	28.7	27.7	-	0.4	-	0.6	-	-	-	-	-	-	-	-	-	-	**28.7**	**28.7**
Share based payment to employees	38.1	24.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**38.1**	**24.6**
Employer's contribution to provident fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.7	21.0	**9.7**	**21.0**
Sitting Fee/ Commission	-	-	-	-	-	-	6.0	7.4	-	-	-	-	-	-	-	-	**6.0**	**7.4**
Equity dividend	164.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**164.7**	**-**
Recovery of principal amount of loan	-	-	-	-	-	-	5.6	3.2	-	-	-	35.8	-	-	-	-	**5.6**	**39.0**
Investment in bonds	-	2,700.0	-	1,779.0	1,000.0	-	-	-	-	-	-	-	-	-	-	-	**1,000.0**	**4,479.0**

NOTES FORMING PART OF THE ACCOUNTS

Particulars	Holding Company		Fellow Subsidiaries		Associates of Holding Company		KMP and Relatives of KMP								Others		Total	
							Directors[1]		Relatives of directors[1]		Other Key Managerial Personnel[2]		Relatives of Other Key Managerial Personnel[2]					
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Redemption/ maturity of bonds	-	-	-	229.3	1,615.5	-	-	10.2	-	-	-	-	-	-	-	-	**1,615.5**	**239.5**
Sale of retail mortgage loans (Direct assignment)	19,290.7	6,766.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**19,290.7**	**6,766.5**
Bank loan repaid	4,541.7	2,400.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**4,541.7**	**2,400.0**
Bank loan taken during the period	1,250.0	4,500.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**1,250.0**	**4,500.0**
Employee's contribution to provident fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19.2	67.1	**19.2**	**67.1**
Equity share capital	1,047.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**1,047.8**	**-**
Premium on equity share capital	1,452.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**1,452.2**	**-**
Expense Recovery	6.2	0.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**6.2**	**0.7**
Other expense	27.8	26.7	1.6	4.4	-	0.2	-	-	-	-	-	-	-	-	15.0	25.6	**44.4**	**56.9**

1. Includes Managing Director & CEO.

2. Includes KMP as defined under Ind AS-24 and Companies Act, 2013.

51. DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

The Company enters into derivatives transactions for risk management purposes. The primary risk managed using derivatives instruments are foreign currency risk and interest rate risk. The risk management policy lays down the broad guidelines and approach to ensure that various risks are understood, measured, monitored and relevant policies and procedures are established to address these risks. Moreover, the investment policy lays down a broad framework for management of investment function, instrument and entity wise investment limits and their stop loss limits. The investment policy also lays down the types of derivative transactions to hedge different types of risks embedded in a single asset/liability. The policy also lays down the total exposure limit, counterparty credit exposure limit, and trigger limits along with the reporting authority.

For hedge transactions, the Company identifies the hedged item (asset or liability) at the inception of the hedge itself. The effectiveness is assessed at the time of inception of the hedge and periodically thereafter. Derivatives held for risk management purposes meet the hedge accounting requirements. Hedge derivative transactions are accounted for pursuant to the principles of hedge accounting.

Derivative qualifying for hedge accounting

The Company had borrowed aggregate to USD 275 million in form of ECBs and in order to fully hedge the same, the Company had taken derivative positions in the form of a 5 year Principal-Only Swap (POS), 5 year USD Interest Rate Swap (IRS) and Currency Forwards for all its coupon cash flows. These swaps hedge any adverse movement in the USD-INR rates on its principal and interest obligations and also against any adverse movement in the LIBOR on its interest rate obligations. Out of USD 275 million, the Company prepaid the ECB amounting to USD 100 million during the year ended March 31, 2022 and the remaining USD 175 million was prepaid during the year ended March 31, 2023. Further, the Company does not have any unhedged foreign currency exposures during the year ended March 31, 2023.

There is an economic relation between the hedged item and hedging instruments as the terms of derivatives match with that of External Commercial Borrowings (notional amount, interest payment dates, principal repayment dates etc.). There had been no changes in the contractual terms of the hedged item and hedging instrument from the COVID-19 outbreak.

As per the Investment Policy, the Company monitors the derivative exposure limits based on calculations as per Original Exposure Method (OEM) and Current Exposure Method (CEM). The Credit Conversion Factors (CCF) are applied as per the regulatory guidelines.

NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, for the periods indicated, the carrying values of derivatives financial instruments recorded as assets or liabilities together with their notional amounts.

₹ in million

Particulars	Assets		Liabilities	
	Notional Amounts	Fair value	Notional Amounts	Fair value
At March 31, 2023				
Forward contracts	-	-	-	-
Currency swaps	-	-	-	-
Interest rate swaps	-	-	-	-
Total derivatives				
At March 31, 2022				
Forward contracts	-	-	900.2 (USD 11.9 million)	66.0
Currency swaps	13,286.8 (USD 175.0 million)	595.7	-	-
Interest rate swaps	-	-	13,286.8 (USD 175.0 million)	134.5
Total derivatives	**13,286.8 (USD 175.0 million)**	**595.7**	**14,187.0 (USD 186.9 million)**	**200.5**

The following table sets forth, for the periods indicated, the details of the hedged items.

₹ in million

Particulars	Carrying amount	Accumulated amount of fair value adjustment	Balance in cash flow hedge reserve (gross of deferred tax)
Cash flow hedging			
At March 31, 2023			
External Commercial Borrowings	-	-	-
At March 31, 2022			
External Commercial Borrowings	13,286.7 (USD 175.0 Million)	768.3	246.9

Hedging instruments are disclosed in line item derivative financial instruments (under financial assets/ liabilities).

52. PRINCIPAL BUSINESS CRITERIA

The following table sets forth, for the periods indicated, fulfilment of the principal business criteria as applicable for housing finance companies (HFCs).

Position as at	Percentage of total assets[1] towards housing finance		Percentage of total assets[1] towards housing finance for Individuals	
	Required	Actual	Required	Actual
At March 31, 2023	>=55%	66.10%	>=45%	64.50%
At March 31, 2022	>=50%	65.13%	>=40%	64.24%

1. Total Assets netted off by Intangible Assets

53. SECURITISATION OF FINANCIAL ASSETS

The Company has not sponsored any SPVs during the current year, and there is no outstanding amount of securitised assets as a result of any such sponsorships. (March 31, 2022: ₹ Nil)

54. DETAILS OF FINANCIAL ASSETS SOLD TO SECURITISATION/ RECONSTRUCTION COMPANY FOR ASSET RECONSTRUCTION

The Company has not sold any financial assets to securitisation/reconstruction company for asset reconstruction during the current financial year. (March 31, 2022: Nil)

55. OFF BALANCE SHEET SPVS SPONSORED

The Company has not sponsored any SPVs - Domestic or Overseas as at the end of current financial year. (March 31, 2022: Nil)

56. DETAILS OF ASSIGNMENT TRANSACTIONS UNDERTAKEN

a. During the year, the Company has not purchased performing mortgage loans from other housing finance company(ies). (March 31, 2022: Nil)

b. The following table sets forth, for the periods indicated, details of loans transferred through Direct Assignment.

₹ in million, except number of accounts and months

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Number of loans	16,757	9,041
Aggregate amount	24,029.4	12,238.1
Sale consideration	24,029.4	12,238.1
Number of transactions	10	7
Weighted average maturity (remaining)	187	151
Weighted average holding period (after origination)	22	23

NOTES FORMING PART OF THE ACCOUNTS

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Retention of beneficial economic interest (average)	10%	10%
Coverage of tangible security coverage	100%	100%
Rating wise distribution of rated loans	NA	NA
Number of instances (transactions) where transferor has agreed to replace the transferred loans	Nil	Nil
Number of transferred loans replaced	Nil	Nil

Notes:

1. The Company recognised gain of ₹ 1,214.3 million on derecognition of financial assets (March 31, 2022: ₹ 929.2 million).
2. Includes loans assigned to Parent Bank amounting to ₹ 19,290.7 million (March 31, 2022: ₹ 6,766.5) (No. of accounts –13,229, March 31, 2022: 5,236), where the Company recognised gain of ₹ 1,038.3 million on derecognition (March 31, 2022: ₹ 518.7 million).

c. The following table sets forth, for the periods indicated, details of stressed loans transferred to ARCs.

₹ in million, except number of accounts and months

	Year ended March 31, 2023			Year ended March 31, 2022		
Particulars	**To ARCs**	**To permitted transferees**	**To other transferees**	**To ARCs**	**To permitted transferees**	**To other transferees**
No. of accounts	196	-	-	557	-	-
Aggregate principal outstanding of loans transferred	351.0	-	-	935.9	-	-
Weighted average residual tenor of the loans transferred	142	-	-	137	-	-
Net book value of loans transferred (at the time of transfer)	162.5	-	-	385.7	-	-
Aggregate Consideration	133.4	-	-	374.4	-	-

	Year ended March 31, 2023			Year ended March 31, 2022		
Particulars	**To ARCs**	**To permitted transferees**	**To other transferees**	**To ARCs**	**To permitted transferees**	**To other transferees**
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-	-	-	-

57. DETAILS OF NON-PERFORMING FINANCIAL ASSETS PURCHASED

The Company has not purchased non-performing financial assets from other Housing Finance Companies during the year ended March 31,2023 (March 31, 2022: Nil).

58. EXPOSURE TO REAL ESTATE SECTOR

The following table sets forth, for the periods indicated, the position of exposure to real estate sector.

₹ in million

Particulars	**At March 31, 2023**	**At March 31, 2022**
(a) Direct exposure		
(i) Residential mortgages		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure shall also include non-fund based (NFB) limits. (Individual Housing Loans up to ₹ 1.5 million - March 2023 - ₹ 40,791.8 million, March 2022 - ₹ 34,538.6 million)	160,295.0	139,581.9
(b) Commercial real estate		
Lending secured by mortgages on commercial real estates (office buildings, retail space multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction etc). Exposure shall also include non-fund based (NFB) limits.	17,930.5	8,880.8
(c) Investments in mortgage backed securities (MBS) and other securitised exposures		
(i) Residential	-	-
(ii) Commercial real estate	-	-
(d) Indirect exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-

NOTES FORMING PART OF THE ACCOUNTS

Particulars	At March 31, 2023	At March 31, 2022
Total Exposure to Real Estate Sector	**178,225.5**	**148,462.7**

59. EXPOSURE TO CAPITAL MARKET

The following table sets forth, for the periods indicated, the position of exposure to capital market.

₹ in million

Particulars	At March 31, 2023	At March 31, 2022
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt[1];	15.1	528.9
(ii) Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), Convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity-oriented mutual funds are taken as primary security;	-	-
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity-oriented mutual funds i.e. where the primary security other than shares/ convertible bonds/convertible debentures/units of equity-oriented mutual funds' does not fully cover the advances;	-	-
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi) Loans sanctioned to corporates against the security of shares/bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) Bridge loans to companies against expected equity flows/ issues;	-	-
(viii) Underwriting commitments taken up by the Company in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;	-	-
(ix) Financing to stockbrokers for margin trading	-	-

Particulars	At March 31, 2023	At March 31, 2022
(x) All exposures to Alternate Investment Funds (both registered and unregistered)		
(i) Category I		
(ii) Category II		
(iii) Category III[2]	15.6	16.2
Total Exposure to Capital Market	**30.7**	**545.1**

1. As per RBI master directions, direct investment of a housing finance company in shares shall be calculated at their cost price.

2. Represents investments in venture capital fund

60. EXPOSURE TO GROUP COMPANIES ENGAGED IN REAL ESTATE BUSINESS

The Company does not have any group company engaged in real estate business at the end of the current financial year and at the end of the preceding financial year and hence no exposure.

Following are intra group exposures,

(i) Total intra-group exposures: Nil (March 31, 2022: Nil)

(ii) Total of top 20 intra-group exposures: Nil (March 31, 2022: Nil)

(iii) Percentage of intra-group exposures to total exposure of the Company on borrowers/customers : Nil (March 31, 2022: Nil).

61. CONCENTRATION OF PUBLIC DEPOSITS, ADVANCES, EXPOSURES AND NPAS

(a) Concentration of loans and advances

₹ in million

Particulars	At March 31, 2023	At March 31, 2022
Total loans and advances to twenty largest borrowers	5,215.9	3,747.1
Percentage of loans and advances to twenty largest borrowers to total advances of the HFC	2.9%	2.5%

(b) Concentration of all exposure (including Off-Balance Sheet exposure)

₹ in million

Particulars	At March 31, 2023	At March 31, 2022
Total exposure to twenty largest borrowers/customers	7,914.2	4,743.6
Percentage of exposures to twenty largest borrowers/ customers to total exposure of the HFC on borrowers/customers	4.2%	3.0%

NOTES FORMING PART OF THE ACCOUNTS

(c) Concentration of NPAs

₹ in million

Particulars	At March 31, 2023	At March 31, 2022
Total exposure to top ten NPA accounts	1,203.1	1,973.2

(d) Concentration of deposits

(i) Public deposits

₹ in million

Particulars	At March 31, 2023	At March 31, 2022
Total deposits of twenty largest depositors	6,105.21	6,773.2
Percentage of deposits of twenty largest depositors to total deposits of the deposit taking HFC	16.7%	29.1%

(ii) Total deposits

₹ in million

Particulars	At March 31, 2023	At March 31, 2022
Total Deposits of 20 largest depositors (₹ in million)	10,515.3	8,506.3
Percentage of deposits of twenty largest depositors to total deposits of deposit taking HFC	28.8%	27.6%

(e) Funding concentration based on significant counterparty (both deposits and borrowings)

At March 31, 2023

₹ in million

Sr. No.	Particulars	No. of Significant Counterparties	Amount	% of Total Deposits/ Borrowings	% of Total Liabilities
1	Borrowings	18	80,821.8	54.4%	50.1%
2	Deposits	15	8,923.3	24.4%	5.5%

NOTES FORMING PART OF THE ACCOUNTS

At March 31, 2022

₹ in million

Sr. No.	Particulars	No. of Significant Counterparties	Amount	% of Total Deposits/ Borrowings	% of Total Liabilities
1	Borrowings	17	73,417.3	58.21%	53.06%
2	Deposits	14	6,908.5	22.38%	4.99%

(f) Top 10 borrowings

₹ in million

Particulars	At March 31, 2023	At March 31, 2022
Total of Top 10 borrowings[1]	63,770.9	61,684.0
Percentage of Top 10 borrowings to total borrowings	42.9%	48.9%

1. Excluding borrowings in form of deposits

(g) Funding concentration based on significant instrument/product

₹ in million

Sr. No.	Name of the Instrument/Product	At March 2023		At March 2022	
		Amount	% of Total Liabilities	Amount	% of Total Liabilities
1	Deposits	36,500.4	22.6%	30,870.6	22.3%
2	Secured Non-Convertible Debentures	47,658.1	29.5%	41,841.9	30.2%
3	External Commercial Borrowings[1]	-	-	13,203.5	9.5%
4	Refinance facility from National Housing Bank	11,514.8	7.1%	16,009.4	11.6%
5	Term Loans from banks	40,514.0	25.1%	13,837.6	10.0%
6	Commercial Papers	6,886.6	4.3%	2,966.2	2.1%
7	Sub-ordinate debt	4,335.7	2.7%	4,337.0	3.1%
8	Loans from Parent Bank (incl. Term Loans and Demand Loans	1,208.6	0.7%	4,500.8	3.3%
	Total Borrowings	**148,618.2**	**92.1%**	**127,567.0**	**92.2%**
	Total Liabilities	**161,379.1**	**100.0%**	**138,352.0**	**100.0%**

1. External Commercial Borrowings were availed in USD Currency

NOTES FORMING PART OF THE ACCOUNTS

(h) Stock Ratio

Sr. No.	Particulars	At March 31, 2023	At March 31, 2022
1.	Commercial Papers as % of Total Public Funds	4.6%	2.4%
2.	Commercial Papers as % of Total Liabilities	4.3%	2.1%
3.	Commercial Papers as % of Total Assets	3.6%	1.9%
4.	Non-Convertible Debentures (original maturity < 1 year) as % of Total Public Funds	Nil	Nil
5.	Non-Convertible Debentures (original maturity < 1 year) as % of Total Liabilities	Nil	Nil
6.	Non-Convertible Debentures (original maturity < 1 year) as % of Total Assets	Nil	Nil
7.	Other Short Term Liabilities[1] as % of Total Public Funds	29.2%	40.1%
8.	Other Short Term Liabilities[1] as % of Total Liabilities	26.9%	36.5%
9.	Other Short Term Liabilities[1] as % of Total Assets	22.9%	31.7%

1. Short term liabilities represent the amount payable within 12 months from the reporting date excluding for commercial papers.

62. SECTOR-WISE NPAs

Sector	Percentage of NPAs to total Advances in that sector	
	At March 31, 2023	At March 31, 2022
A. Housing Loans:		
1. Individuals	2.1%	3.5%
2. Builders/Project Loans	21.1%	55.4%
3. Corporates	-	-
4. Others (specify)	-	-
B. Non-Housing Loans:		
1. Individuals	4.3%	8.5%
2. Builders/Project Loans	-	46.3%
3. Corporates	8.3%	6.5%
4. Others (specify)	-	-

NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth Sectoral exposure,

₹ in million

Sectors	Year ended March 31, 2023			Year ended March 31, 2022		
	Total Exposure (includes on Balance sheet and Off-Balance Sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on Balance Sheet and Off-Balance Sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	**-**	**-**	**-**	**-**	**-**	**-**
2. Industry						
i. Real Estate	9,194.9	815.5	8.9%	3,894.7	1,622.7	41.7%
ii. Others	-	-	-	-	-	-
Total of Industry (i+ii)	**9,194.9**	**815.5**	**8.9%**	**3,894.7**	**1,622.7**	**41.7%**
3. Services						
i.	-	-	-	-	-	-
ii.	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total of Services (i+ii+Others)	**-**	**-**	**-**	**-**	**-**	**-**
4. Personal Loans						
i. Housing	132,464.3	2,616.1	2.0%	111,527.1	3,714.9	3.3%
ii. Non Housing	47,169.1	2,179.9	4.6%	40,818.0	3,259.4	8.0%
Others	349.3	0.1	0.0%	278.5	0	-
Total of Personal Loans (i+ii+Others)	**179,982.7**	**4,796.1**	**2.7%**	**152,623.6**	**6,974.3**	**4.6%**
5. Others	**-**	**-**	**-**	**-**	**-**	**-**
Total (1,2,3,4,5)	**189,177.6**	**5,611.6**		**156,518.3**	**8,597.0**	

63. OVERSEAS ASSETS

The Company does not hold any overseas assets at the year ended March 31, 2023 (March 31, 2022: Nil).

NOTES FORMING PART OF THE ACCOUNTS

64. There is no financing of the parent bank's products during the year ended March 31, 2023 (March 31, 2022: Nil).

65. The Company has not exceeded the prudential exposure limits (Single Borrower Limit and/or Group Borrower Limit) as defined in the RBI Master Directions during the year ended March 31, 2023 (March 31, 2022: Nil).

66. During the year ended March 31, 2023 (March 31, 2022: Nil), there was no breach in covenants of term loans availed and debt securities issued and outstanding at March 31, 2023 (March 31, 2022: Nil).

67. There was no income and expenditure of exceptional nature during the year ended March 31, 2023 (March 31, 2022: Nil).

68. FRAUDS REPORTING

As required by RBI Master Directions - Monitoring of frauds in NBFCs (Reserve Bank) Directions, 2016, the Company has reported frauds amounting to ₹ 149.5 million during year ended March 31, 2023 (March 31, 2022: ₹ 41.8 million).

69. The Company is registered with the following other financial sector regulators:

(a) Insurance Regulatory and Development Authority of India

70. DETAILS OF GOLD LOAN AUCTIONS

The following table sets forth, for the periods indicated, details of auctions conducted during the year.

₹ in million, except number of accounts

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Number of loan accounts	67	19
Outstanding amount	5.4	2.0
Value fetched on loan accounts	6.1	2.2

Note: No sister concerns have participated in the Gold loan auctions.

71. CUSTOMER COMPLAINTS

The Company has Customer Grievance Redressal Mechanism (CGRM) for convenience of customers to register their complaints and for it to monitor and redress them.

NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth for the periods indicated, details of customer complaints

Particulars	At March 31, 2023	At March 31, 2022
Complaints received by the Company from its customers		
1. Number of complaints pending at beginning of the year	-	-
2. Number of complaints received during the year	1,022	568
3. Number of complaints disposed during the year	1,022	568
a) Of which, number of complaints rejected by the Company	-	-
4. Number of complaints pending at the end of the year	-	-
Maintainable complaints received by the Company from Office of Ombudsman		
5. Number of maintainable complaints received by the Company from Office of Ombudsman	-	-
a) Of 5, number of complaints resolved in favour of the Company by Office of Ombudsman	-	-
b) Of 5, number of complaints resolved through conciliation/ mediation/advisories issued by Office of Ombudsman	-	-
c) Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the Company	-	-
6. Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

The following table sets forth, for the periods indicated, the details of top five grounds of complaints received by the Company.

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
(1)	(2)	(3)	(4)	(5)	(6)
Year ended March 31, 2023					
Deliverable/ documents related	-	244	116	-	-
Refund/Charges related	-	210	239	-	-
Sanction/ Disbursement/Loan cancellation/Closure/ Loan related	-	196	65	-	-

NOTES FORMING PART OF THE ACCOUNTS

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
(1)	(2)	(3)	(4)	(5)	(6)
ROI related	-	86	34	-	-
EMI/reschedulement related	-	68	277	-	-
Others	-	218	91	-	-
Total	**-**	**1,022**		**-**	**-**
Year ended March 31, 2022					
Sanction/ Disbursement/Loan cancellation/Closure/ Loan related	-	119	8	-	-
Deliverables/ Documents Related	-	113	22	-	-
PMAY related	-	96	36	-	-
ROI related	-	64	62	-	-
Refund/Charges related	-	62	5	-	-
Others	-	114	67	-	-
Total	**-**	**568**		**-**	**-**

72. PENALTIES

During the year ended March 31, 2023, there were no penalties imposed by NHB/RBI and any other regulators. During the year ended March 31, 2022, NHB through its letter dated August 13, 2021, had imposed a penalty of ₹ 30,000/- on the Company for non-compliance under Para 28 of the HFC (NHB) Directions, 2010, which was paid within stipulated timeline and the same was disclosed on the website of the Company.

73. CONSOLIDATED FINANCIAL STATEMENTS (CFS)

The Company does not have any subsidiary - domestic as well as overseas, and accordingly is not required to prepare consolidated financial statements as per Ind AS 110- “Consolidated Financial Statements”.

74. NET PROFIT OR LOSS FOR THE PERIOD, PRIOR PERIOD ITEMS AND CHANGES IN ACCOUNTING POLICIES

There were no prior period items during the financial year ended March 31, 2023 and March 31, 2022. Further, there were no changes in accounting policies except disclosed otherwise.

75. ASSET LIABILITY MANAGEMENT

The following table sets forth, maturity pattern of certain types of items of Assets and Liabilities at March 31, 2023.

₹ in million

Maturity Bucket	Liabilities				Assets		
	Borrowings from banks	Market borrowing	Fixed deposits	Foreign currency liabilities	Advances	Investments[1]	Foreign currency assets
1 Day to 7 Days	26.5	-	63.9	-	1,774.4	1,868.1	-
8 Days to 14 Days	-	-	642.3	-	146.0	11.6	-
15 Days upto 30/31 days	68.0	1,152.3	447.3	-	23.5	22.0	-
Over 1 month upto 2 months	372.9	3.3	1,850.4	-	437.5	13.4	-
Over 2 months upto 3 months	469.6	6,948.0	1,718.3	-	445.8	7.0	-
Over 3 months upto 6 months	1,929.9	2,935.0	1,946.0	-	1,545.8	109.2	-
Over 6 months upto 1 Year	4,843.2	7,562.0	6,238.7	-	3,266.7	-	-
Over 1 year upto 3 years	22,769.0	25,012.5	12,857.0	-	15,050.8	15.6	-
Over 3 years upto 5 years	14,273.4	8,549.2	7,944.3	-	17,939.8	651.2	-
Over 5 years	8,484.9	6,718.1	2,792.2	-	134,805.9	2,293.5	-
Total	**53,237.4**	**58,880.4**	**36,500.4**	**-**	**175,436.2**	**4,991.6**	**-**

1. Includes government securities amounting to ₹ 252.7 million which forms part of excess statutory liquidity securities.

2. Refer note no. 46 for para on liquidity risk management.

NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, maturity pattern of certain types of items of Assets and Liabilities at March 31, 2022.

₹ in million

Maturity Bucket	Liabilities				Assets		
	Borrowings from banks[1]	Market borrowing	Fixed deposits	Foreign currency liabilities[2]	Advances	Investments[3,4]	Foreign currency assets
1 Day to 7 Days	-	-	127.4	-	1,442.5	2,751.9	-
8 Days to 14 Days	-	-	126.3	-	124.0	7.5	-
15 Days upto 30/31 days	0.8	1,648.7	364.6	-	6.5	22.0	-
Over 1 month upto 2 months	190.0	175.6	672.2	-	455.1	168.4	-
Over 2 months upto 3 months	13,962.2	61.1	1,056.0	13,203.5	484.6	7.0	-
Over 3 months upto 6 months	1,206.0	5,821.6	3,785.6	-	1,515.1	583.2	-
Over 6 months upto 1 Year	2,854.6	6,282.1	4,833.1	-	3,300.9	-	-
Over 1 year upto 3 years	14,584.6	18,694.8	11,840.6	-	14,067.5	118.0	-
Over 3 years upto 5 years	10,775.3	9,749.1	5,904.5	-	17,521.6	206.0	-
Over 5 years	3,977.9	6,712.1	2,160.3	-	1,06,067.3	2,565.8	-
Total	**47,551.3**	**49,145.1**	**30,870.6**	**13,203.5**	**1,44,985.0**	**6,429.8**	**-**

1. Including foreign currency liabilities.
2. These are fully hedged through derivative instruments.
3. Includes government securities amounting to ₹ 50.4 million which forms part of excess statutory liquidity securities.
4. Includes Asset held for sale.

76. LIQUIDITY COVERAGE RATIO (LCR)

The following table sets forth, for the periods indicated, computation of liquidity coverage ratio.

₹ in million

	Particulars	March 31, 2023		March 31, 2022	
		Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)
High quality liquid assets					
1	Total high quality assets	9,839.7	9,203.2	4,827.3	4,017.3

NOTES FORMING PART OF THE ACCOUNTS

Particulars		March 31, 2023		March 31, 2022	
		Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)
Cash Outflows					
2	Deposits (for deposit taking companies)	1,435.9	1,651.3	769.3	884.8
3	Unsecured wholesale funding	3,531.7	4,061.4	1,191.8	1,370.6
4	Secured wholesale funding	711.4	818.1	931.6	1,071.3
5	Additional requirements, of which	-	-	-	-
(i)	Outflows related to derivative exposures and other collateral requirements	-	-	-	-
(ii)	Outflows related to loss of funding on debt products	-	-	-	-
(iii)	Credit and liquidity facilities	876.8	1,008.3	557.8	641.4
6	Other contractual funding obligations	7,883.8	9,066.4	8,633.6	9,928.7
7	Other contingent funding obligations	-	-	-	-
8	Total Cash Outflows	14,439.6	16,605.5	12,084.1	13,896.8
Cash Inflows					
9	Secured lending	-	-	-	-
10	Inflows from fully performing exposures	458.3	343.7	534.8	401.1
11	Other cash inflows	44,335.9	33,251.9	30,899.1	23,174.3
12	Total Cash Inflows	44,794.2	33,595.6	31,433.9	23,575.4
		Total Adjusted Value		**Total Adjusted Value**	
13	Total High Quality Liquid Assets (HQLA)		9,203.2		4,342.1
14	Total Net Cash Outflows		4,151.4		3,474.2
15	Liquidity Coverage Ratio (%)		221.69%		124.98%

NOTES FORMING PART OF THE ACCOUNTS

₹ in million

Particulars		December 31, 2022		December 31, 2021	
		Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)
High quality liquid assets					
1	Total high quality assets	8,042.0	7,398.6	4,645.9	4,017.3
Cash Outflows					
2	Deposits (for deposit taking companies)	922.9	1,061.4	1,390.6	1,599.2
3	Unsecured wholesale funding	3,511.9	4,038.7	2,336.8	2,687.4
4	Secured wholesale funding	2,310.8	2,657.4	2,120.2	2,438.2
5	Additional requirements, of which	-	-	-	-
(i)	Outflows related to derivative exposures and other collateral requirements	-	-	-	-
(ii)	Outflows related to loss of funding on debt products	-	-	-	-
(iii)	Credit and liquidity facilities	871.3	1,002.0	486.6	559.5
6	Other contractual funding obligations	6,449.5	7,416.9	7,314.2	8,411.3
7	Other contingent funding obligations	-	-	-	-
8	Total Cash Outflows	14,066.4	16,176.4	13,648.4	15,695.6
Cash Inflows					
9	Secured lending	-	-	-	-
10	Inflows from fully performing exposures	545.8	409.3	1,611.3	1,208.5
11	Other cash inflows	32,894.0	24,670.5	18,011.2	13,508.4
12	Total Cash Inflows	33,439.8	25,079.8	19,622.5	14,716.9
		Total Adjusted Value		**Total Adjusted Value**	

NOTES FORMING PART OF THE ACCOUNTS

Particulars		December 31, 2022		December 31, 2021	
		Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)
13	Total High Quality Liquid Assets (HQLA)		7,398.6		4,017.3
14	Total Net Cash Outflows		4,044.1		3,923.9
15	Liquidity Coverage Ratio (%)		182.95%		102.38%

₹ in million

Particulars		June 30, 2022		September 30, 2022	
		Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)
High quality liquid assets					
1	Total high quality assets	7,580.7	6,942.6	7,126.9	6,480.7
Cash Outflows					
2	Deposits (for deposit taking companies)	1,023.5	1,177.1	1,213.2	1,395.2
3	Unsecured wholesale funding	1,012.9	1,164.9	1,668.3	1,918.5
4	Secured wholesale funding	4,642.8	5,339.2	2,039.0	2,344.9
5	Additional requirements, of which	-	-	-	-
(i)	Outflows related to derivative exposures and other collateral requirements	-	-	-	-
(ii)	Outflows related to loss of funding on debt products	-	-	-	-
(iii)	Credit and liquidity facilities	612.7	704.6	779.2	896.1
6	Other contractual funding obligations	9,947.5	11,439.7	6,100.2	7,015.2
7	Other contingent funding obligations	-	-	-	-
8	Total Cash Outflows	17,239.4	19,825.5	11,799.9	13,569.9

NOTES FORMING PART OF THE ACCOUNTS

Particulars		June 30, 2022		September 30, 2022	
		Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)
Cash Inflows					
9	Secured lending	-	-	-	-
10	Inflows from fully performing exposures	494.8	371.1	475.5	356.6
11	Other cash inflows	38,153.2	28,614.9	29,704.0	22,278.0
12	Total Cash Inflows	38,648.0	28,986.0	30,179.5	22,634.6
		Total Adjusted Value		Total Adjusted Value	
13	Total High Quality Liquid Assets (HQLA)		6,942.6		6,480.7
14	Total Net Cash Outflows		4,956.4		3,392.5
15	Liquidity Coverage Ratio (%)		140.07%		191.03%

RBI issued Master direction for HFCs on February 17, 2021 in which the regulator has prescribed LCR guidelines. The minimum regulatory prescribed LCR requirement (phase wise) will be applicable as per the following timeline, which shall be maintained on an ongoing basis to monitor and control liquidity risk. The LCR requirement was applicable from December 1, 2021 with the minimum HQLAs to be held being 50% of the LCR, progressively reaching a level upto 60%, 70%, 85% and 100% by December 1, 2022, December 1, 2023, December 1, 2024, December 1, 2025 respectively.

LCR aims to maintain adequate liquidity for upcoming 30 days under severe stress scenario in which 30 days' cash flows are stressed by assigning a predefined stress percentage. LCR is to be maintained by holding investments in HQLA. HQLA primarily includes cash on hand, bank balances in current account, Triparty Repo Dealing and Settlement (TREPs) and Government securities (such unencumbered approved securities held as per the provisions of section 29B of NHB Act, 1987 is reckoned as HQLA only to the extent of 80% of the required holding). LCR is represented as (Stock of HQLA/Total net cash outflows over the next 30 calendar days).

The average LCR is computed at as simple averages of daily observations component wise over the previous quarter (e.g. for March 2023, average of daily observations component wise for January 2023, February 2023 and March 2023). The Company has implemented the LCR framework and has maintained LCR well above the regulatory threshold. The average LCR for the quarter ended March 31, 2023 was 221.69% which is above the regulatory requirement of 60%.

77. DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in crypto currency or virtual currency during the year ended March 31, 2023. (March 31, 2022: Nil)

78. UNDISCLOSED INCOME

For the year ended March 31, 2023, there are no instances of transactions not recorded in the books of account, which have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) (March 31, 2022: Nil).

79. WILLFUL DEFAULTER

The Company has not been declared willful defaulter by any bank or financial institution or other lender during the year or in the preceding financial year.

80. RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company has not undertaken any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year or in the preceding financial year.

81. REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES (ROC)

There is no charge form filed beyond the statutory period during the year or in the preceding financial year.

82. COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

Not applicable, since the Company does not have any subsidiary.

83. DETAILS OF CSR EXPENDITURE

The Company was required to contribute ₹ 18.0 million towards CSR expenditure in the year ended March 31, 2023, of which company was eligible to avail credit of ₹ 2.5 million, being excess expenditure incurred in the year ended March 31, 2022. Accordingly, the Company was required to spend ₹ 15.5 million in the year ended March 31, 2023 against which the Company spent ₹ 15.6 million in FY2023. (March 31, 2022: ₹ 7.7 million).

NOTES FORMING PART OF THE ACCOUNTS

The following table sets forth, the details of amount spent on CSR by the Company for the Year ended March 31, 2023.

₹ in million

Amount required to be spent by the company during the year	Amount of expenditure incurred	Shortfall at the end of the year	Total of previous years shortfall	Reason for shortfall	Nature of CSR activities	Details of related party transactions	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately
15.5	15.6	-	-	-	1. Healthcare Projects - Ambulances/ healthcare equipment. 2. Environmental / Social project - Rain water harvesting in rural government schools in any major states. 3. Contribution to Incubators to support startups, Other areas - Automation of construction activities, Waste water recycling and Energy saving equipment. 4. Contribution to Indian Institute of Technology, Madras	ICICI Foundation	-

The Company has partnered with ICICI Foundation for providing one ambulance to Be Well hospital, Chennai and for rain water harvesting projects in certain states amounting to ₹ 3.0 million and ₹ 7.1 million respectively for the year ended March 31, 2023. The Company contributed to Society for Innovation and Entrepreneurship (SINE) - IIT Bombay to support startups in areas such as Automation of construction activities, waste water recycling and Energy saving equipment amounting to ₹ 3.0 million. The Company also contributed ₹ 2.5 million to IIT Madras to be utilised for 3D printing machine for construction projects.

The following table sets forth, the details of amount spent on CSR by the Company for the year ended March 31, 2022.

₹ in million

Amount required to be spent by the company during the year	Amount of expenditure incurred	Shortfall at the end of the year	Total of previous years shortfall	Reason for shortfall	Nature of CSR activities	Details of related party transactions	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately
7.7	10.2	-	-	-	Vocational skill development, healthcare purposes and tree plantation	ICICI Foundation	-

The Company had partnered with ICICI Foundation for promoting sustainable livelihood through vocational skill development projects through the ICICI academy for skills and rural initiative and also partnered with ICICI Foundation for healthcare purposes, the Company contributed ₹ 9.1 million for the year ended March 31, 2022 towards the same. The Company contributed ₹ 1.1 million towards tree plantation activity.

84. EVENTS AFTER REPORTING DATE

There have been no significant events after the reporting date that require disclosure in these financial statements.

85. NHB DIVERGENCE IN ASSET CLASSIFICATION AND PROVISIONING.

In terms of the RBI circular no. DOR.ACC.REC. No.20/21.04.018/2022-23 dated April 19, 2022, NBFCs are required to disclose the divergences in asset classification and provisioning consequent to NHB's (in case of HFCs) annual supervisory process in their notes to accounts to the financial statements, wherever either (a) the additional provisioning requirements assessed by NHB exceed 5% of the reported net profits before tax and impairment loss on financial instruments or (b) the additional gross NPAs identified by NHB exceed 5% of the published reported gross NPAs for the reference period, or both. Based on the condition mentioned in RBI circular, no disclosure on divergence in asset classification and provisioning for NPAs is required with respect to NHB's supervisory process for the year ended March 31, 2022 and for the year ended March 31, 2021.

NOTES FORMING PART OF THE ACCOUNTS

86. SCHEDULE TO THE BALANCE SHEET OF THE HOUSING FINANCE COMPANY AS REQUIRED UNDER MASTER DIRECTION - NON-BANKING FINANCIAL COMPANY - HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021

₹ in million

Particulars			Amount outstanding	Amount overdue
	LIABILITIES SIDE			
(1)	**Loans and advances availed by the Company inclusive of interest accrued thereon but not paid:**		**148,816.9**	**8.8**
	(a)	Debentures : Secured	47,713.3	-
		: Unsecured	4,335.7	-
		(other than falling within the meaning of public deposits*)		
	(b)	Deferred credits	-	-
	(c)	Term loans	53,255.5	-
	(d)	Inter-corporate loans and borrowing	15,219.3	-
	(e)	Commercial paper	6,886.6	-
	(f)	Public deposits*	21,406.5	8.8
	(g)	Other loans (specify nature)	-	-
	*Please see Note 1 below			
(2)	**Break-up of (1)(f) above (outstanding public deposits inclusive of interest accrued thereon but not paid):**		**21,406.5**	**-**
	(a)	In the form of Unsecured debentures	-	-
	(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	(c)	Other public deposits	21,406.5	-
	* Please see Note 1 below			

₹ in million

ASSETS SIDE			Amount outstanding
(3)	**Break-up of loans and advances including bills receivables [other than those included in (4) below]:**		**175,436.2**
	(a)	Secured	175,436.2
	(b)	Unsecured	-
(4)	**Break up of leased assets and stock on hire and other assets counting towards asset financing activities**		**-**

NOTES FORMING PART OF THE ACCOUNTS

				Amount outstanding
			ASSETS SIDE	
	(i)	Lease assets including lease rentals under sundry debtors		
		(a)	Financial lease	-
		(b)	Operating lease	-
	(ii)	Stock on hire including hire charges under sundry debtors		
		(a)	Assets on hire	-
		(b)	Repossessed assets	-
	(iii)	Other loans counting towards asset financing activities		
		(a)	Loans where assets have been repossessed	-
		(b)	Loans other than (a) above	-
(5)	**Break-up of investments**			
	Current investments			**1,716.1**
	1.	**Quoted**		**1,716.1**
		(i)	Shares	
			(a) Equity	-
			(b) Preference	-
		(ii)	Debentures and Bonds	-
		(iii)	Units of mutual funds	1,615.4
		(iv)	Government Securities	100.7
		(v)	Others (please specify)	-
	2.	**Unquoted**		**-**
		(i)	Shares	
			(a) Equity	-
			(b) Preference	-
		(ii)	Debentures and bonds	-
		(iii)	Units of mutual funds	-
		(iv)	Government securities	-
		(v)	Others (please specify)	-
	Long Term investments			**3,275.5**
	1.	**Quoted**		**3,203.4**
		(i)	Shares	
			(a) Equity	-
			(b) Preference	-

NOTES FORMING PART OF THE ACCOUNTS

ASSETS SIDE				Amount outstanding
		(ii)	Debentures and bonds	-
		(iii)	Units of mutual funds	-
		(iv)	Government securities	3,203.4
		(v)	Others (please specify)	-
	2.	**Unquoted**		**72.1**
		(i)	Shares	
			(a) Equity	56.5
			(b) Preference	-
		(ii)	Debentures and bonds	-
		(iii)	Units of mutual funds	-
		(iv)	Government securities	-
		(v)	Others (Units in venture capital fund)	15.6

(6) **Borrower group-wise classification of assets financed as in (3) and (4) above:** (Please see Note 2 below)

	Category		Amount net of provisions		
			Secured	**Unsecured**	**Total**
1.	Related Parties **				
	(a)	Subsidiaries	-	-	-
	(b)	Companies in the same group	-	-	-
	(c)	Other related parties	-	-	-
2.	Other than related parties		175,436.2	-	175,436.2
Total			**175,436.2**	**-**	**175,436.2**

(7) **Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):** (Please see Note 3 below)

	Category		Market Value / Break up or fair value or NAV	Book Value (net of Provisions)
1.	Related Parties **			
	(a)	Subsidiaries	-	-
	(b)	Companies in the same group	-	-
	(c)	Other related parties	-	-
2.	Other than related parties*		4,937.6	4,991.6
Total			**4,937.6**	**4,991.6**

NOTES FORMING PART OF THE ACCOUNTS

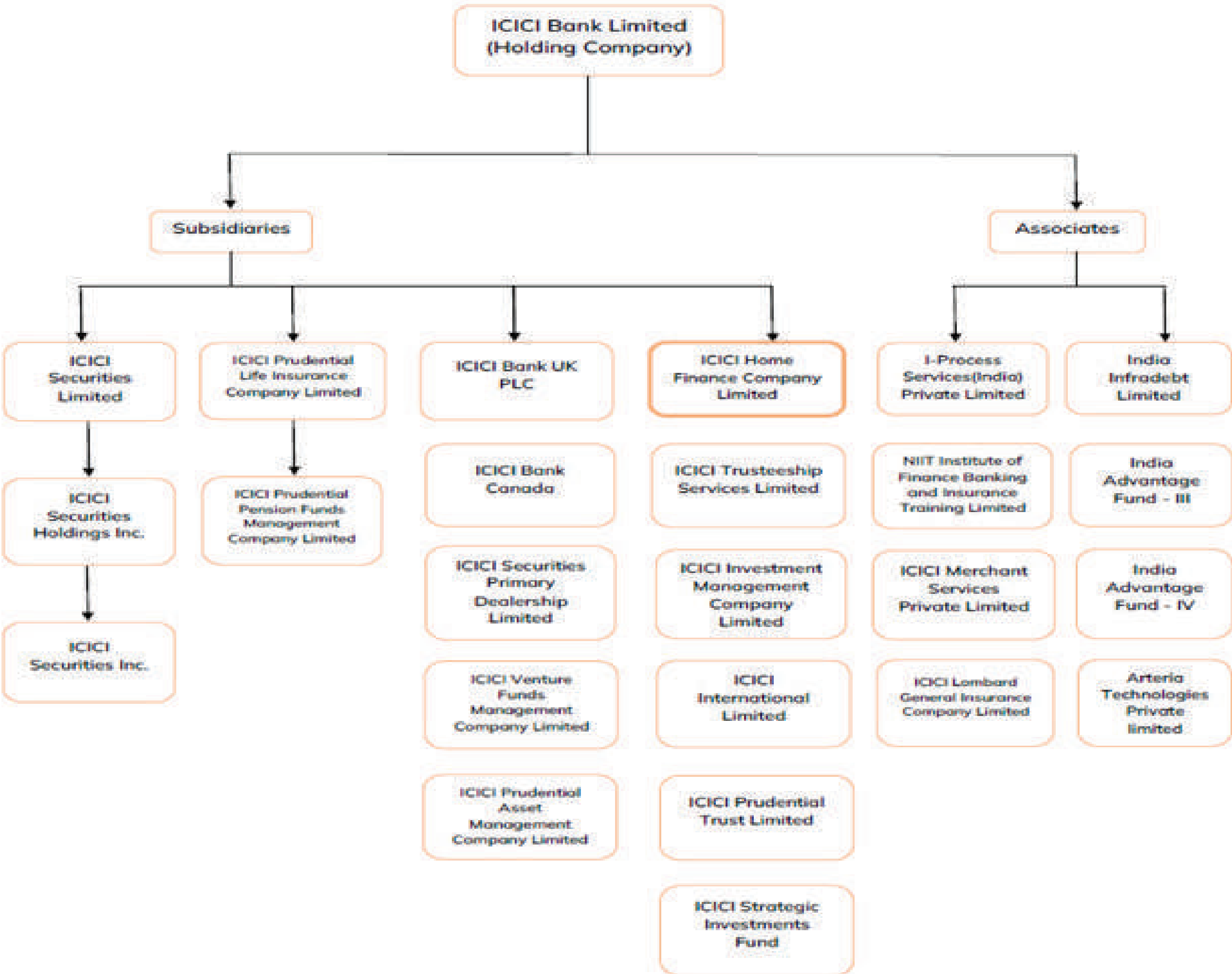
				Amount outstanding
	ASSETS SIDE			
	*Amount includes Assets held for sale			
	** As per notified Accounting Standard (Please see Note 3)			
(8)	**Other information**			
	Particulars			**Amount**
	(i)	Gross non-performing assets		
		(a)	Related parties	-
		(b)	Other than related parties	5,611.6
	(ii)	Net non-performing assets		
		(a)	Related parties	-
	Particulars			**Amount**
		(b)	Other than related parties	3,563.9
	(iii)	Assets acquired in satisfaction of debt		-

Notes :

1. As defined in Paragraph 4.1.30 of the RBI Master direction.
2. Provisioning norms shall be applicable as prescribed in the RBI Master direction.
3. All notified Accounting Standards are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

NOTES FORMING PART OF THE ACCOUNTS

87. DIAGRAMMATIC REPRESENTATION OF GROUP



Note: The above group structure does not covers entities (including entities using common brand name) which are not consolidated in the financial statements of the Holding Company as there is no control/significant influence or the investment is intended to be temporary or the objective of control is not to obtain economic benefits from their activities.

NOTES FORMING PART OF THE ACCOUNTS

88. The previous year figures have been reclassified/regrouped/restated to conform to current year's classification.

As per our report of even date attached

For **M/s Singhi & Co.** Chartered Accountants Firm registration no.: 302049E	For **M/s Mukund M. Chitale & Co.** Chartered Accountants Firm registration no.: 106655W	For and on behalf of the Board of Directors **ICICI Home Finance Company Limited**	
Sd/- **Shweta Singhal** Partner Membership No.: 414420	Sd/- **Nisha Yadav** Partner Membership No.:135775	Sd/- **Vinod Kumar Dhall** Chairman DIN-02591373	Sd/- **Anirudh Kamani** Managing Director & CEO DIN-07678378
Place: Mumbai Date : April 17, 2023		Sd/- **Vikrant Gandhi** Chief Financial Officer	Sd/- **Priyanka Shetty** Company Secretary

ICICI Home Finance

ICICI HOME FINANCE COMPANY LIMITED
CIN: U65922MH1999PLC120106

Registered Office: ICICI Bank Towers,
Bandra-Kurla Complex, Mumbai - 400051

Corporate Office: ICICI HFC Tower,
Andheri Kurla Road, J.B. Nagar, Andheri (E), Mumbai - 400059

(+91-22) 4009 3457 hfcsecreterial@icicihfc.com

www.icicihfc.com