ICICI Bank

Bank to Bank^{Tech}

ANNUAL REPORT 2021-22

ICICI Bank™
Bank to Bank[Tech]

Bank to Bank[Tech] refers to the digital and technological transformation of the Bank. At ICICI Bank, technology is being integrated into every aspect, from delivering value to customers to optimising internal operations. We believe this would enable the Bank to be responsive to the dynamic preferences of customers while strengthening our vision to be the trusted financial service provider to customers.

The Bank recognises the need for an effective technology architecture that facilitates faster transactions, is ubiquitous, enables decision-making and creates value proposition for every customer. We are investing in strengthening our technological capabilities, with key priorities being technology platforms, embedded banking, cloud adoption and data platforms and analytics.

facebook.com/icicibank twitter.com/icicibank
youtube.com/icicibank linkedin.com/company/icici-bank
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OUR APPROACH TO REPORTING

ABOUT THIS REPORT

This is ICICI Bank's Annual Report for the year ended March 31, 2022. It has been prepared in accordance with Indian regulatory reporting requirements as well as the principles of the International Integrated Reporting Framework as developed by the International Integrated Reporting Council (IIRC). Through this report, the Bank aims to provide its stakeholders a comprehensive view of its operations, performance, its financial and non-financial resources and strategy to create long-term value. The report provides insights into the Bank's primary activities, its strategic priorities, risks and mitigants, governance structure, and the manner in which it has leveraged the six capitals, namely Financial, Human, Intellectual, Manufactured, Social and Relationship, and Natural.

REPORTING BOUNDARY

The non-financial information in the Integrated Report largely covers data on the India operations of ICICI Bank Limited and ICICI Foundation for Inclusive Growth.

REPORTING PERIOD

The Annual Report provides material information relating to the Bank's strategy and business model, operating context, performance and statutory disclosures covering the financial year April 1, 2021 to March 31, 2022.

SAFE HARBOUR

Certain statements in this Annual Report relating to a future period of time (including inter alia concerning our future business plans or growth prospects) are forward-looking statements intended to qualify for the 'safe harbour' under applicable securities laws including the US Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. These risks and uncertainties include, but are not limited to statutory and regulatory changes, international economic and business conditions; political or economic instability in the jurisdictions where we have operations, increase in non-performing loans, unanticipated changes in interest rates, foreign exchange rates, equity prices or other rates or prices, our growth and expansion in business, the adequacy of our allowance for credit losses, the actual growth in demand for banking products and services, investment income, cash flow projections, our exposure to market risks, changes in India's sovereign rating, and the impact of the Covid-19 pandemic which could result in fewer business opportunities, lower revenues, and an increase in the levels of non-performing assets and provisions, depending among other factors upon the period of time for which the pandemic extends, the remedial measures adopted by governments and central banks, and the time taken for economic activity to resume at normal levels after the pandemic, as well as other risks detailed in the reports filed by us with the United States Securities and Exchange Commission. Any forward-looking statements contained herein are based on assumptions that we believe to be reasonable as of the date of this release. ICICI Bank undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof. Additional risks that could affect our future operating results are more fully described in our filings with the United States Securities and Exchange Commission. These filings are available at www.sec.gov.

CONTENTS

To view this report online, please visit:
https://www.icicibank.com/aboutus/annual.page

ICICI BANK AT A GLANCE

ICICI Bank offers a range of financial products and services to retail, rural, small and medium enterprises and corporate customers. The Bank delivers products and services through various channels including branches, ATMs, mobile phones and the internet. The Bank aims to offer a seamless omni-channel experience to customers.

₹14,112.98 billion
Standalone Total Assets

₹383.47 billion
Core Operating Profit*

₹233.39 billion
Profit After Tax*

₹474.66 billion
Net Interest Income*

3.96%
Net Interest Margin*

₹10,645.72 billion
Period-end Deposits

₹8,590.20 billion
Period-end Advances

19.16%
Total Capital Adequacy Ratio

**During fiscal 2022; others at March 31, 2022*

iMobile Pay – built for all, built for scale

6.3 million activations of iMobile Pay by non-ICICI Bank account holders till March 31, 2022.

Over 90% digital transactions

Over 90% of savings account transactions (financial and non-financial) are done through digital channels.*

More than one million customers on InstaBIZ

InstaBIZ, an app that enables Small and Medium Enterprises (SMEs) to link account of any bank, has over one million active customers. The value of financial transactions through InstaBIZ increased by 71% year-on-year in fiscal 2022.

76% increase in trade online transactions

Value of transactions on Trade Online increased by 76% year-on-year in fiscal 2022.

Credit card transactions more than doubled

Value of credit card transactions in fiscal 2022 was over twice the value of credit card transactions in fiscal 2021.

Market leader in FASTag

ICICI Bank continues to be the leading bank in electronic toll collections through FASTag with a market share of close to 33%. Our electronic toll collections through FASTag increased by 51.9% year-on-year in fiscal 2022.

UPI transactions was 2.3 times

The value of UPI person-to-merchant transactions in fiscal 2022 was 2.3 times as compared to fiscal 2021.

Working towards inclusion

ICICI Bank has provided loans to over nine million women beneficiaries through more than 692,000 Self-Help Groups (SHGs) till March 31, 2022. Of these, 3.8 million were first-time borrowers.

Rural outreach

51% of the Bank's branches are in rural and semi-urban areas with 649 branches in villages that were previously unbanked.

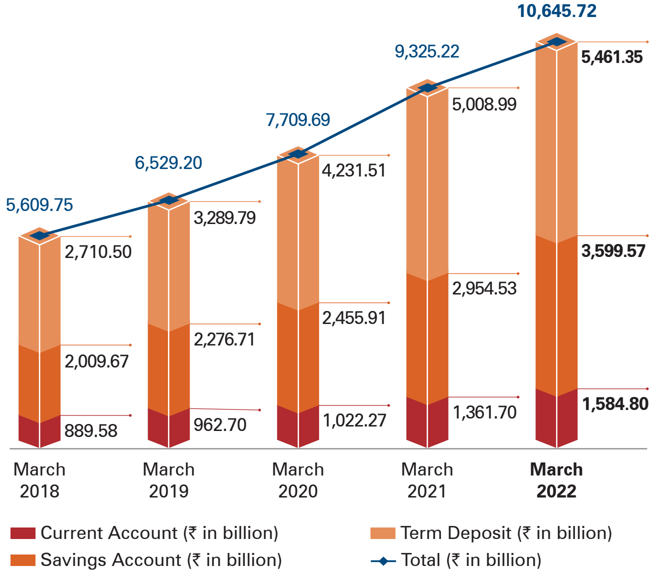
Over 750,000 individuals trained

ICICI Foundation for Inclusive Growth, CSR arm of ICICI Group, has trained over 750,000 less privileged individuals in the country since inception.

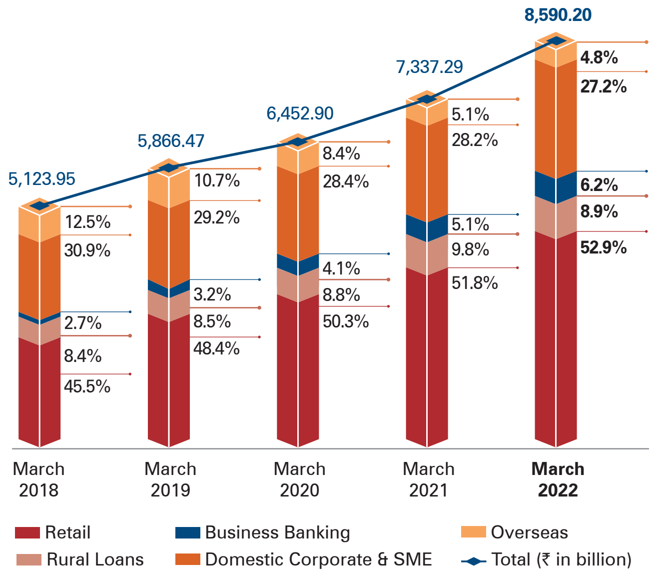
**Digital transactions include transactions on internet, iMobile Pay, point-of-sale, touch-banking, phone banking and e-commerce.*

FINANCIAL HIGHLIGHTS

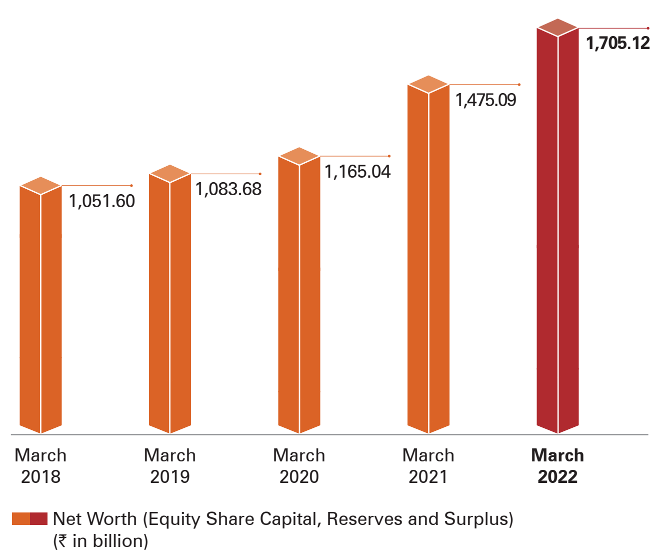
TOTAL DEPOSITS



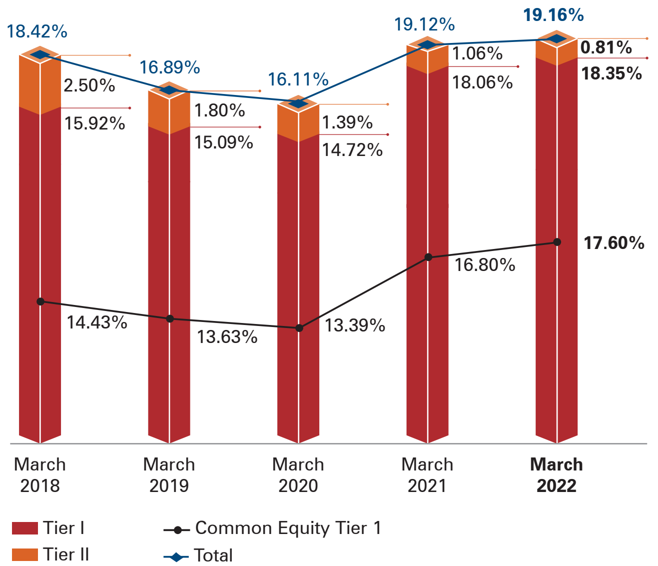
TOTAL ADVANCES



NET WORTH

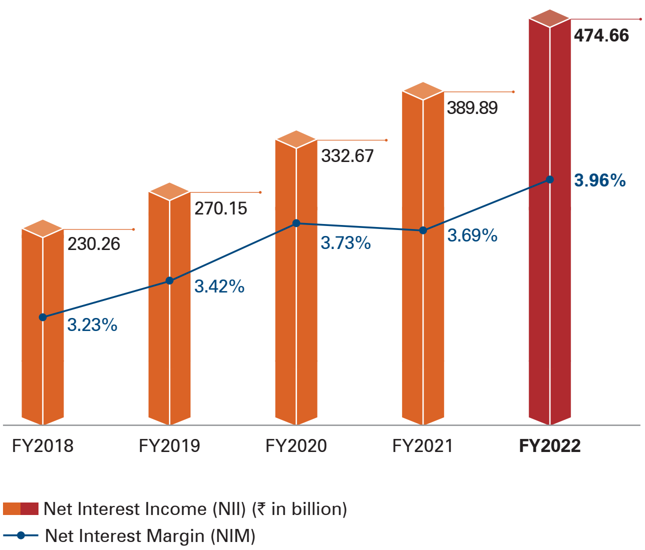


CAPITAL ADEQUACY

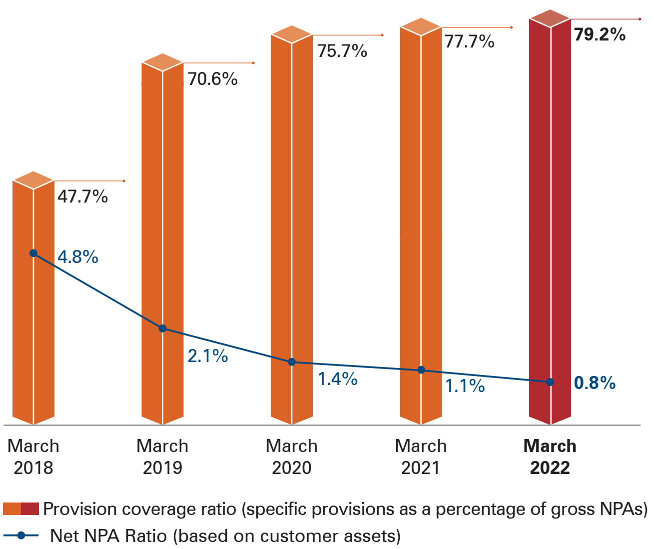


FINANCIAL HIGHLIGHTS

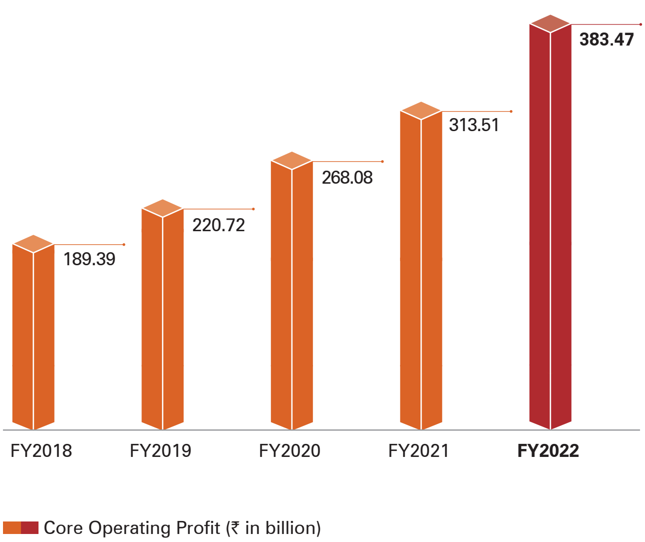
NII & NIM



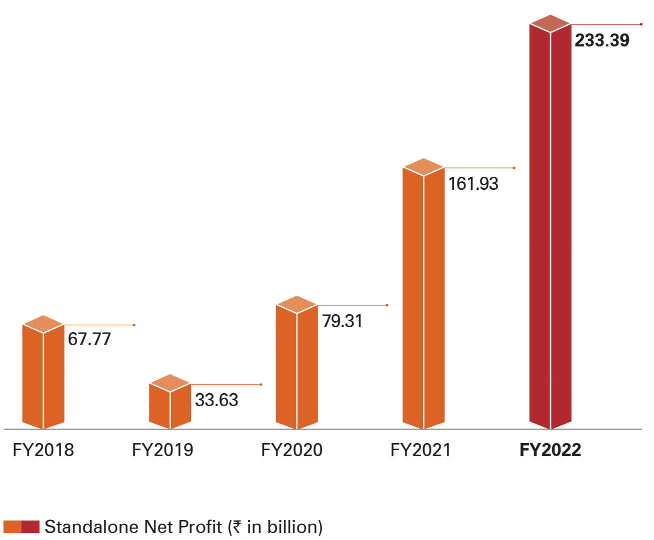
PROVISION COVERAGE RATIO & NET NPA RATIO



CORE OPERATING PROFIT



STANDALONE NET PROFIT



MESSAGE FROM THE CHAIRMAN

During fiscal 2022, ICICI Bank stayed committed to its articulated strategy of targeting risk-calibrated growth in core operating profit, while ensuring resilience against potential risks and being well-poised to capitalise on market opportunities.

Fiscal 2022 was marked by a strong recovery in economic activities, bringing to the fore the inherent strengths in the Indian economy. Despite the setback from the Covid-19 pandemic earlier, and with variants of the virus and localised lockdowns during the year, the Indian economy was resilient and saw a strong rebound and progress towards normalcy. The recovery in the Indian economy was broad-based, and supported by the rollout of the vaccination programme. Amidst these positive developments, however, the year ended with new challenges of high energy prices and inflation, geopolitical tensions, supply side disruptions and a likely slowdown in global growth. Nonetheless, we remain optimistic on India's potential.

During fiscal 2022, ICICI Bank stayed committed to its articulated strategy of targeting risk-calibrated growth in core operating profit, while ensuring resilience against potential risks and being well-poised to capitalise on market opportunities. The strong financial performance and portfolio quality that the Bank has delivered in the last three years demonstrates the efficacy of the strategy. The healthy growth in core operating profit and profit after tax in fiscal 2022 reflect the strong underlying performance of the business. The Bank grew its market share across key segments, while maintaining credit discipline and a robust balance sheet. The decline in credit costs during the year was a further pointer to the effective risk management framework adopted by the Bank over the last few years.

A key focal point for business growth is to create value for customers. The Bank is pursuing this through a customer-centric approach, underlined by the principles of 'Fair to Customer, Fair to Bank' and 'One Bank, One ROE'. These value drivers lend confidence to the Bank's focus on 'customer-360' and becoming a trusted financial partner for its clients. However, the dynamism, creativity and commitment of our employees are a key driver of the Bank's success. Working as one team to serve customers and facilitating cross-functional collaboration will differentiate the Bank and enable value-unlocking of our franchise.

A core enabler to meet the Bank's strategic objectives is technology. The initiatives in developing a strong technology architecture, the focus on platforms and digitisation, and continuous investments in innovations and security features are enabling the Bank to respond

MESSAGE FROM THE CHAIRMAN

to the needs of customers with agility. The Bank's mobile applications, iMobile Pay and InstaBIZ, have now become universal and open architecture, enabling the Bank to expand the number of people and businesses that it can serve. In today's dynamic environment, it is imperative to be responsive to new technologies, digital processes and design customer digital journeys with speedy time-to-market. The Bank's competencies will only strengthen as it progresses on transforming from *Bank to Bank*^{Tech}.

The Bank made further progress in the area of Environmental, Social and Governance (ESG), with the adoption of a Board-approved ESG policy and formalising Board oversight on ESG by including it within the remit of the Risk Committee. Further, to understand the ESG considerations of stakeholders, the Bank undertook a survey to identify ESG issues believed to be material for the Bank by our stakeholders. The top five issues that emerged were compliance with regulations and other laws, digital innovation/transformation, data privacy and cybersecurity, corporate governance & business ethics, and transparency & disclosures. An approach to integrate ESG and climate change risks in the Bank's lending and risk management has also been developed. The Bank will remain cognizant of the structural shifts in a decarbonising world, and will aim to build mitigants while capitalising on the opportunities that would emerge within India's national goals and commitments.

The Bank endeavours to promote long-term sustainable growth in the economy through responsible corporate citizenship. The dedicated focus of ICICI Foundation on creating a positive social and environmental impact has led to several projects being undertaken across the country. The efforts made in the areas of healthcare and environmental sustainability, especially in rural and remote areas, have yielded positive impact.

The Board is committed to maintaining highest standards of corporate governance and will continue to review and strengthen these practices. During the year, the Board approved the Risk and Compliance Culture Policy, anchored on five key principles. The Board and its Committees conducted regular reviews to assess the Bank's response to opportunities and challenges and evaluating the impact on the business and loan portfolio. Ensuring organisational resilience and responsiveness to the evolving technological developments and cybersecurity are priority areas of focus. The Board will continue to maintain integrity, fairness and transparency in our engagement with all our stakeholders.

Looking ahead, uncertainties have resurfaced as economies will have to tackle issues of inflation, monetary policy actions and tightening global liquidity conditions. A slowdown in global economic growth seems inevitable in the immediate period, with likely spill over to India. The Bank will focus on remaining strong and resilient while seeking to maintain sustainable, risk-calibrated and profitable growth in business.

We would like to thank all our stakeholders and look forward to your continued support.

With best wishes,

Girish Chandra Chaturvedi
Chairman

BOARD OF DIRECTORS

BOARD MEMBERS

Girish Chandra Chaturvedi
Non-Executive (part-time) Chairman

Hari L. Mundra
Independent Director

S. Madhavan
Independent Director

Neelam Dhawan
Independent Director

Radhakrishnan Nair
Independent Director

B. Sriram
Independent Director

Uday Chitale
Independent Director

Vibha Paul Rishi
Independent Director

Sandeep Bakhshi
Managing Director & CEO

Anup Bagchi
Executive Director

Rakesh Jha
*Executive Director (Designate)**

Sandeep Batra
Executive Director

KEY PERSONNEL

Anindya Banerjee
Group Chief Financial Officer

Ranganath Athreya
Company Secretary

BOARD COMMITTEES

Audit Committee
Uday Chitale, *Chairman*
S. Madhavan
Radhakrishnan Nair

Board Governance, Remuneration & Nomination Committee
Neelam Dhawan, *Chairperson*
Girish Chandra Chaturvedi
B. Sriram

Corporate Social Responsibility Committee
Girish Chandra Chaturvedi, *Chairman*
Radhakrishnan Nair
Uday Chitale
Vibha Paul Rishi
Anup Bagchi

Credit Committee
Sandeep Bakhshi, *Chairman*
Hari L. Mundra
B. Sriram
Anup Bagchi

Customer Service Committee
Vibha Paul Rishi, *Chairperson*
Hari L. Mundra
Sandeep Bakhshi
Anup Bagchi

Fraud Monitoring Committee
Radhakrishnan Nair, *Chairman*
S. Madhavan
Neelam Dhawan
Sandeep Bakhshi
Anup Bagchi

Information Technology Strategy Committee
B. Sriram, *Chairman*
Neelam Dhawan
Anup Bagchi
Sandeep Batra

Risk Committee
S. Madhavan, *Chairman*
Girish Chandra Chaturvedi
Sandeep Batra

Stakeholders Relationship Committee
Hari L. Mundra, *Chairman*
Uday Chitale
Anup Bagchi

* *Will be inducted from date of RBI approval of his appointment.*

MESSAGE FROM THE WHOLETIME DIRECTORS

Sandeep Bakhshi
Managing Director & CEO

In fiscal 2022, we continued to grow our core operating profit, within the guardrails of compliance and risk while strengthening our deposit franchise and expanding our technology and digital offerings. While the challenges posed by the Covid-19 pandemic tapered during the year, we focussed on maintaining a strong balance sheet with prudent provisioning and healthy capital adequacy. Our focus on 360˚ customer-centricity and internal collaboration enabled us to deliver customised solutions in a seamless manner.

The Indian economy presents an exciting landscape of opportunities. The extensive corporate ecosystems, global in-house centres generating high quality employment, increasing digital adoption of financial services and rising aspirations in metros, urban and rural areas provide ample opportunities to increase our market share across customer segments and products. In order to leverage these opportunities we have reorganised our business teams. Cities with large concentrated market opportunities have been organised under ‘city business heads’ covering the full spectrum of ecosystems. We have also focussed on strengthening the workforce by skilling and providing cross-functional opportunities.

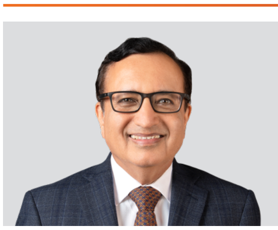
Going forward, we will continue to operate within our strategic framework while focussing on micromarkets and ecosystems. The principles of 'Fair to Customer, Fair to Bank' and 'One Bank, One ROE' will guide our operations. We focus on building a culture where every employee in the Bank serves customers with humility and upholds the values of brand ICICI. We aim to be the trusted financial services provider of choice for our customers and deliver sustainable returns to our shareholders.

Anup Bagchi
Executive Director

The Indian corporate sector showed great resilience in fiscal 2022 by overcoming the setback that it suffered during the peak pandemic period. The strong recovery in the economy is encouraging corporates to enhance capacity. There are fresh challenges in the form of inflation and geo-political uncertainties. However, armed with deleveraged balance sheets, the Indian companies are well equipped to weather volatility and capture growth opportunities. Progressive government-led initiatives to create *Atmanirbhar Bharat* add further fuel to the growth ambitions of the corporate sector. We, at ICICI Bank, stay committed to supporting our clients across all elements of balance sheets and cash flows in a 360° manner through our robust digital platforms, internet banking, Trade Online, structured trade finance, supply chain solutions and retail offerings for their human capital. ICICI Bank has been using the public digital infrastructure in our country to improve efficiency of our clients as well our own. In addition, our vast physical distribution network enables us to understand their needs and offer improved solutions to them.

Rakesh Jha
Executive Director (Designate)

Over the years, we have focussed on enhancing customer experience through digital enablement and streamlining of processes. Our digital platforms and usage of analytics and behavioural sciences underpin our banking solutions. During fiscal 2022, we further sharpened our focus on customer-centricity with the objective of providing 360° offerings to customers. We continue to design our approach based on in-depth profiling of each micromarket and leveraging potential across ecosystems. We were delighted to introduce 'The Orange Book', a monthly digital magazine, to promote financial awareness and provide guidance on financial trends. ‘iMobile Pay’ witnessed significant adoption from non-ICICI Bank account holders during the year. While strengthening our digital offerings for SME and business banking customers, we introduced the new version of InstaBIZ offering a host of services that can now be experienced by non-ICICI Bank account holders too. Building upon our foundation of 'Fair to Customer, Fair to Bank', we continuously strive to provide our customers with a transparent and best-in-class banking experience.



Sandeep Batra
Executive Director

Fiscal 2022 was a year of resurgence from the unprecedented challenges brought forth by the Covid-19 pandemic. Our employees continued to show exceptional commitment to serving customers in this phase of transition to the new normal. As their well-being is of paramount importance to us, we launched a vaccination programme for our employees and their families. We continued to grow our core operating profit during the year within the guardrails of compliance and risk management through 360° customer-centric approach. We have further institutionalised our alignment of Environmental, Social and Governance (ESG) with our business by bringing out an ESG policy and integrating ESG oversight into our governance framework. We continue to strengthen our measures on cybersecurity, data protection and ensuring safe transactions for our customers. Our investment in technology is helping us to transform from a *Bank to Bank*^{Tech}. We remain committed to building a sustainable and responsible banking business to create holistic value for all our stakeholders.

BUSINESS MODEL

VISION

To be the trusted financial services provider of choice for our customers, thereby creating sustainable value for our stakeholders.

MISSION

To grow our risk-calibrated core operating profit by:

- Delivering products and services that create value for customers
- Bringing together all our capabilities to seamlessly meet customer needs
- Conducting our business within well-defined risk tolerance levels

CAPITALS

FINANCIAL CAPITAL

Our ability to maintain a strong balance sheet and enable business continuity, sustained growth and shareholder returns.

For further details, please refer to the Management Discussion and Analysis section on page 117

HUMAN CAPITAL

Our competent workforce with diverse skill sets and valuable experience.

For further details, please refer to the section on Human Capital on page 46

INTELLECTUAL CAPITAL

Our ability to stay innovative and develop products and services that provide superior experiences to our customers.

For further details, please refer to the section on Our Business Strategy on page 14

MANUFACTURED CAPITAL

Our technology architecture along with the network of branches, ATMs and digital channels facilitates seamless delivery of services to customers.

For further details, please refer to the section on Our Business Strategy on page 14

SOCIAL AND RELATIONSHIP CAPITAL

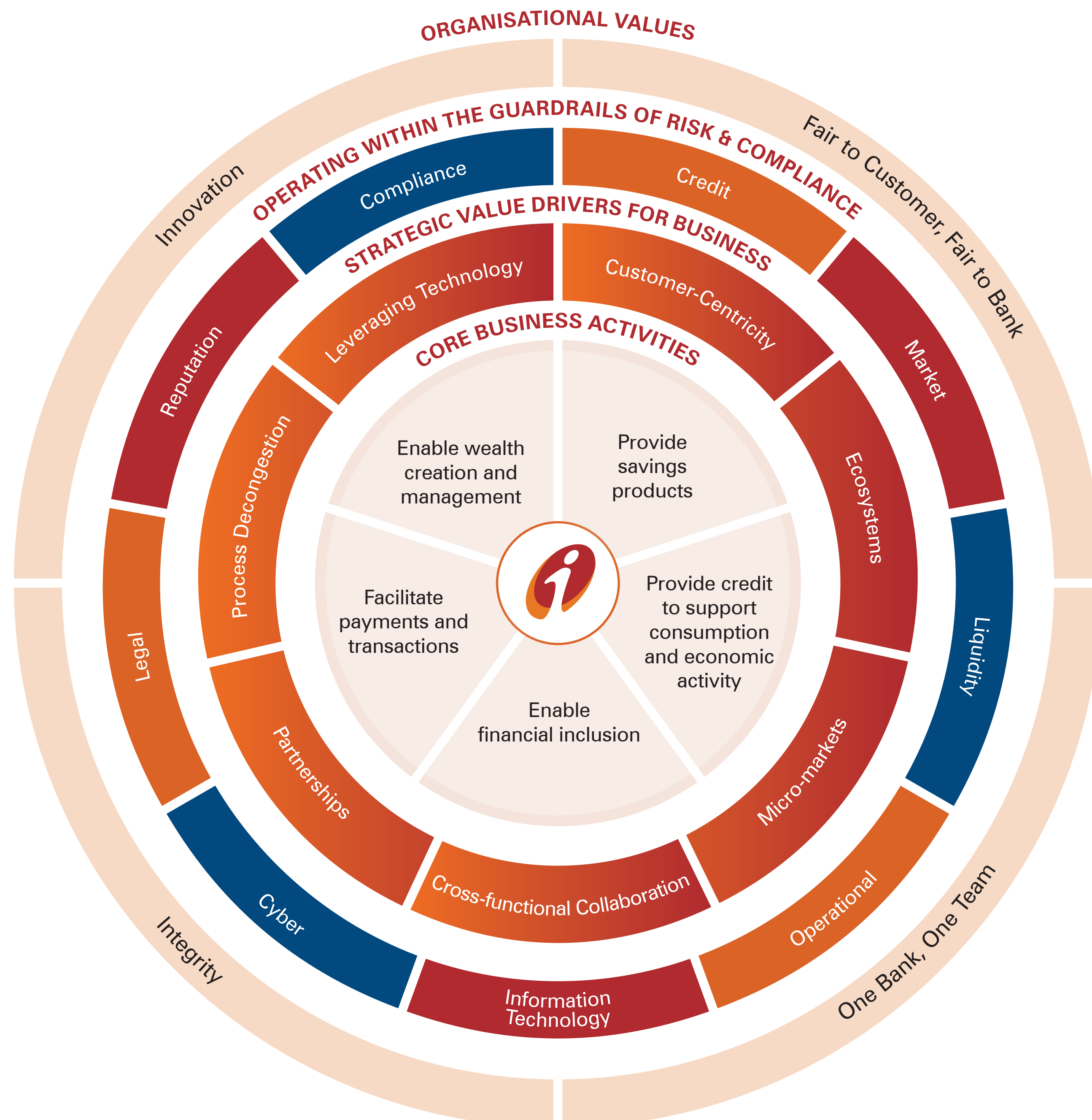
Our commitment towards social empowerment and a financial ecosystem accessible to all.

For further details, please refer to the section on Social and Relationship Capital on page 52

NATURAL CAPITAL

Our focus on minimising the impact on natural resources through our operations and through business.

For further details, please refer to the section on Environmental Sustainability on page 58



BUSINESS MODEL

VALUE DRIVERS		OUTPUTS
FINANCIAL CAPITAL	• Ensure a resilient balance sheet and strong capital levels • Maintain robust funding profile • Continue to strengthen portfolio quality • Create value for shareholders	Core Operating Profit: ₹383.47 billion in fiscal 2022
HUMAN CAPITAL	• Guided by 'One Bank, One Team' • Enabling cross-functional collaboration • Job rotation • Continuous skill training and capability building • Employee engagement	Profit After Tax: ₹233.39 billion in fiscal 2022
INTELLECTUAL CAPITAL	• Transforming *Bank to Bank*[Tech] • Early adoption of emerging technologies enabling innovation • Partnership with fintechs • Focus on cybersecurity and data privacy • Decongesting processes and improving customer experience	Loans and Advances: ₹8,590.20 billion at March 31, 2022
MANUFACTURED CAPITAL	• A combination of physical and digital channels enabling seamless service delivery • Strengthening digital capabilities for cost efficiency, process efficiency and enhancing customer experience • Core and supporting IT systems that are responsive and scalable	Deposits: ₹10,645.72 billion at March 31, 2022
SOCIAL AND RELATIONSHIP CAPITAL	• Engagement with customers, society and other stakeholders • Participating in development efforts through the ICICI Foundation for Inclusive Growth • Empowering rural women entrepreneurs • Financial inclusion	
NATURAL CAPITAL	• Supporting environment-friendly projects, subject to appropriate risk-return assessment • Efficient energy management in the Bank's operations • Use of renewable energy • Environment-friendly initiatives	

OUTCOMES

FINANCIAL CAPITAL
- Core operating profit grew by 22.3% on y-o-y basis and profit after tax by 44.1%
- Granular portfolio mix and 72% of loans, excluding rural and retail loans, to entities internally rated A- and above
- Net NPA ratio decreased from 1.14% at March 31, 2021 to 0.76% at March 31, 2022
- Common Equity Tier 1 ratio of 17.60% at March 31, 2022
- Credit cost as percentage of average advances at 1.12% in fiscal 2022
- Contingency provisions of ₹74.50 billion at March 31, 2022
- Consolidated return on equity of 14.8% in fiscal 2022

HUMAN CAPITAL
- Frontline teams reorganised to align with business strategy; new roles created like city business head
- Women comprised 31% of total employees at March 31, 2022
- 49 hours of learning per employee in fiscal 2022
- Delivering training in data science, design and technology to create a digitally capable team
- Strong industry-academia engagement to create a steady group of bankers with diverse skills

INTELLECTUAL CAPITAL
- Growth in digital transactions and digital sourcing of business during the year
- iMobile Pay for individuals and InstaBIZ for small businesses transformed to universal apps, thus enabling access to non-Bank account holders
- Over three million Amazon Pay credit cards issued till March 31, 2022
- ICICI STACK for Corporates, Merchant STACK and solutions for e-commerce ecosystems launched
- Collaborating and co-creating innovative products with start-ups

MANUFACTURED CAPITAL
- 12 ecosystem branches launched in Mumbai and Delhi during fiscal 2022
- 152 branches added during the year
- Decongested activities in client-facing channels by moving 250 services to the backend for processing
- 34% of mortgage sanctions, by volume, were end-to-end digital in fiscal 2022

SOCIAL AND RELATIONSHIP CAPITAL
- The 'Orange Book' series introduced for improving financial education and awareness
- Sustained improvement in Bank's Net Promoter Score across products and services
- ₹2.67 billion spent towards corporate social responsibility initiatives; major focus on water conservation and value chain development
- Continuing support to self-help groups and promoting women entrepreneurship

NATURAL CAPITAL
- Outstanding portfolio of about ₹73.80 billion towards sectors like renewable energy, electric vehicles, green certified real estate, water and waste management and positive impact sectors like khadi and handicrafts at March 31, 2022
- Focus on environment and climate related aspects further strengthened in risk management; a Board-approved ESG Policy adopted
- 260 kWp of new renewable energy capacity added at the Bank's premises during fiscal 2022
- Green certification of Bank's premises increased to 3.09 million square feet or 23% of total area

OUR BUSINESS STRATEGY

ICICI Bank's objective is to grow the core operating profit in a risk-calibrated manner, based on the principles of 'Fair to Customer, Fair to Bank' and 'One Bank, One ROE'.

iMobile Pay - ICICI Bank's comprehensive mobile banking application provides convenient and quick access to customers.

The Bank's strategic focus in fiscal 2022 continued to be on growth in core operating profit within the guardrails of risk and compliance. The Bank's core operating profit grew by 22.3% during fiscal 2022 to ₹383.47 billion, through the focussed pursuit of target market segments. The domestic loan portfolio grew by 17.5% year-on-year to ₹8,177.36 billion. The Bank grew its business with a focus on granularity and saw healthy growth across retail, small and medium enterprise and business banking portfolios, and in current and savings account deposits on a daily average basis.

The Bank's strategy of growing the loan portfolio in a granular manner is underpinned by a focus on risk and reward, with return of capital and containment of provisions below a defined percentage of core operating profit being key imperatives. While there are no targets for loan mix or segment-wise loan growth, the aim is to continue to grow the deposit franchise, maintain a stable and healthy funding profile and competitive advantage in cost of funds.

OUR BUSINESS STRATEGY

ICICI Bank aims to grow strategically by building platforms and offering seamless journeys to customers. Six value drivers form the crux of the Bank's strategy in delivering services to customers:

VALUE DRIVERS

A 360° customer-centric approach	Focus on ecosystems	Focus on micromarkets	Internal cross-functional collaboration and external partnerships	Process decongestion and operational flexibility	*Bank to Bank*[Tech] - Leveraging technology and digital across businesses
One-stop for meeting all banking needs of customers with a focus on risk and reward	Serving customers and their ecosystems	Building a localised understanding of market requirements through analytics and developing an efficient distribution and resource allocation strategy	Enhancing the Bank's ability to deliver services by encouraging collaboration within the organisation and external partnerships	Emphasis on decongestion of processes to improve the customer experience and internal efficiency	Developing digital platforms that deliver seamless digital journeys for all segments of customers backed by a robust technology architecture

The Bank is investing in areas that are critical for delivering enhanced customer experiences, boosting productivity and improving operational efficiency. Enabled by technology, the Bank is focussing on growing its share across all businesses by attracting new customers and deepening wallet share among existing customers. The Do-it-Yourself (DIY) digital solutions and 'Insta' products combined with universalisation of mobile applications and 'Insta' products are accelerating the Bank's reach across customer segments.

Along with business growth, the Bank is also maintaining a strong risk and capital management strategy and seeking to ensure a balance of risks and rewards. The twin principles of 'One Bank, One ROE', emphasising the need to maximise the Bank's share of the target opportunity across all products and services, and 'Fair to Customer, Fair to Bank' emphasising the need to deliver fair value to customers while creating value for shareholders, will continue to guide the Bank's operations. Building trust with all stakeholders is critical to the Bank's growth. The Bank is working to build a culture where every employee upholds these principles. The Bank aims to align the organisation structure to emerging opportunities and enabling cross-functional collaboration, encourage a culture of experimentation and build a service-oriented approach towards internal and external customers.

FOCUS ON CUSTOMER-360

OMNI-CHANNEL EXPERIENCE ON DIGITAL AND PHYSICAL CHANNELS

Product-Agnostic

Adopting a solution-oriented approach

Client-Centric

Building the distribution model with client at the core

ICICI Bank

Micromarket-Focussed

Aligned to the texture of the catchment

Segment-Agnostic

Right solution for customer not dependent on team / segment

A customer-centric approach is core to ICICI Bank's efforts in creating delightful experiences for customers. This has been enabled by adopting a solution-oriented approach to meeting all financial needs of a customer and designing solutions that are product and segment-agnostic. The approach is to take the entire bank to the customer and offer solutions for the customers and their ecosystems.

Using ICICI STACK, the Bank is offering solutions to customers on digital platforms and ensuring uninterrupted banking experience for all types of customers. The Bank has been creating intuitive customer journeys and offering personalised solutions to suit their life stage and business needs. Services offered include instant digital account opening, loan solutions, payment solutions, investments and insurance solutions.

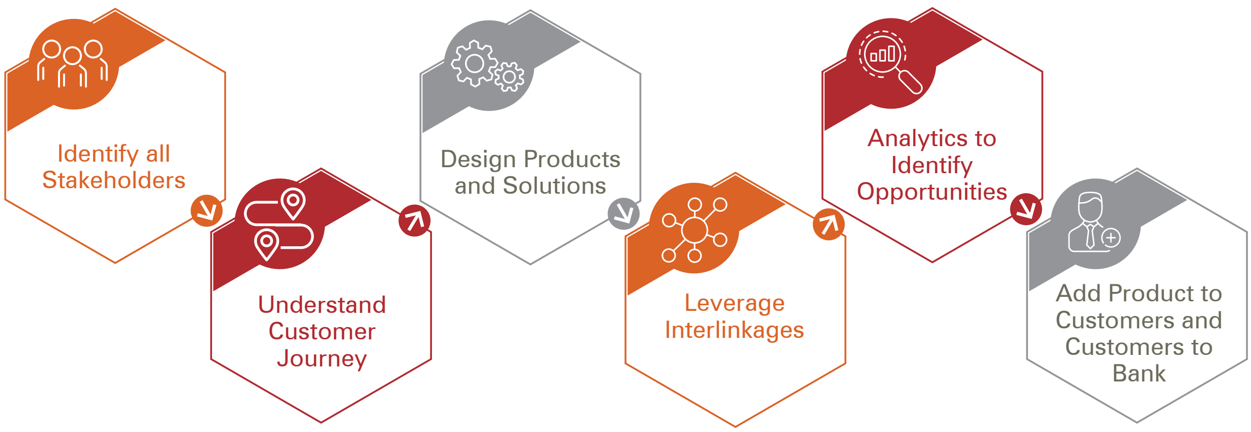
FOCUS ON ECOSYSTEMS

During the year, the Bank launched 'ICICI STACK for Corporates' offering comprehensive solutions to corporates and their ecosystems, like channel partners, dealers, vendors, employees and other stakeholders, thus taking the full bank to the customer. The Corporate STACK offers customised digital banking services to companies in over 20 key industries. The four main pillars of 'ICICI STACK for Corporates' include digital banking solutions for companies; digital banking services for channel partners, dealers and vendors; digital banking services for employees; and curated services for promoters and senior management.

The Bank's strategy in the merchant ecosystem space involves onboarding merchants through acquiring platforms or by providing them payment gateways and then cross-selling other financial products and services seamlessly. During fiscal 2022, the Bank launched 'Merchant STACK' which offers an array of banking and value-added services to retailers, online businesses and large e-commerce firms. The main pillars of the 'Merchant STACK' include a zero-balance Super Merchant Current Account which offers various benefits such as digital account opening and instant overdraft facilities based on point-of-sale transactions. Merchants can also perform instant reconciliation by using the Connected Banking services, which integrates banking with the merchants' accounting system. The STACK also offers a digital store management feature for invoicing, inventory and collections management.

OUR BUSINESS STRATEGY

APPROACH TO ECOSYSTEM



The e-commerce ecosystem lends significant opportunities for the Bank to offer digital solutions to customers and merchants selling their goods through e-commerce websites. The Bank introduced 'cardless EMI' facility, which enables pre-approved customers of the Bank to convert their transactions into EMIs at the check-out section of the e-commerce website or app. In another initiative, the Bank partnered with Amazon India and Flipkart to offer instant overdraft facility to their registered sellers with end-to-end digital processing. Some key solutions offered to e-commerce entities and their sellers include overdraft facility, composite pay APIs enabling payments through multiple channels, working capital, foreign currency fixed deposit and easy payment solutions. For customers of e-commerce platforms, the solutions offered include wallet, prepaid and co-branded credit cards and instant credit through the Bank's PayLater solution. The value of transactions through composite pay APIs in fiscal 2022 was 4.6 times the value of transactions in fiscal 2021.

The major metro cities in India offer significant opportunities surrounding inter-connected ecosystems. During fiscal 2022, the Bank opened 12 exclusive branches for ecosystem banking in Delhi and Mumbai. These ecosystem branches are full service centres that house multi-functional teams with expertise required to meeting the needs of corporate customers and bringing the entire bouquet of services of the Bank to these corporates and their ecosystem.

FOCUS ON MICROMARKETS

A key underpinning of the Bank's customer-centric and service-oriented approach has been to develop a granular perspective on markets through use of data analytics and market intelligence. The granular profiling of markets has helped the Bank in delivering value to customers in every segment. This research and knowledge through analytics helps the frontline teams to understand the markets in which they operate, and plan localised strategies with tailored propositions for customers. The insights from the micromarket analysis are used in conjunction with other factors for planning, resourcing, channel and product alignment, capability building and marketing and alliances.

The Bank has categorised certain branches under different affinities based on the nature of the micromarket catchments in which they operate. Branch layouts, branding elements, staffing and capability building in these branches are based on their market affinities. Micromarket insights have helped the Bank to identify optimal locations for opening new branches and for realigning its ATMs and distribution network based on customer needs and market opportunity. It has helped the Bank to launch focussed marketing campaigns targeted at specific customer segments and also to establish alliances with locally relevant partners who add value to our customers.

OUR BUSINESS STRATEGY

The combined levers of micromarket assessment and digitisation have played a key role in driving growth and efficiency of branches. The Bank is now able to serve more customers at its existing branches and has enabled employees to perform more value-added activities. ICICI Bank's network at March 31, 2022:

5,418
Branches

13,626
ATMs

2,983
Cash Acceptance Machines

1,102
Insta Banking Kiosks

DIGITAL PLATFORMS AND SOLUTIONS

As the Bank progressed on its journey of *Bank to Bank*^*Tech*, several digital innovations with rich features and functionalities and seamless access to digital channels were launched during fiscal 2022. The Bank's digital platforms have transformed to provide best-in-class end-to-end seamless digital journeys, with the ability to offer personalised solutions, enable data-driven cross-sell and up-sell, onboard new customers, enable self-service and provide value-added features. The open architecture platforms have enabled the Bank to extend banking services even to non-ICICI Bank account holders. During fiscal 2022, the Bank's digital channels have seen a significant increase in traffic from customers and non-Bank account holders. Digital channels account for over 90% of financial and non-financial savings account transactions.

iMobile Pay: Universal App for Individuals

The Bank's open architecture based mobile application for individuals, iMobile Pay, provides seamless transaction features and end-to-end digital journeys for savings account, personal loan, home loan, car loan, payments, credit card, term life and health insurance and investments. The feature 'Pay to Contact' enables users to automatically see the UPI IDs of their phone contacts and easily transfer money to any payment app or digital wallet via UPI. The 'Scan to Pay' feature allows users to make bill payments by scanning the QR code. Other features introduced on iMobile Pay include 'Tap-to-Pay' which enables customers to make card payments without the need to carry a physical card, linking non-ICICI Bank credit cards in the app for payments, outward remittances and smart checkout. These features have led to a significant increase in adoption of iMobile Pay. The Bank has recently introduced the outward remittances feature, 'Money2World', on the iMobile App for seamless cross-border transfer of funds. The Bank now offers end-to-end digital journeys for new-to-bank customers on iMobile Pay for products such as credit cards, personal loans, savings accounts and demat accounts.

ONE BANK FOR ALL CUSTOMERS | SEAMLESS JOURNEYS

6.3 million

activations of iMobile Pay by non-ICICI Bank account holders as of March 31, 2022.

OUR BUSINESS STRATEGY

Digital Payments and Partnerships

The Bank has continued to strengthen its position in the digital payments ecosystem by designing seamless journeys for customers, facilitating higher volumes of transactions and prompting recurrent digital transactions. The volume of UPI person-to-merchant transactions increased by 57.5% year-on-year in fiscal 2022 and the value of these transactions was 2.3 times the value in fiscal 2021.

The Bank has partnered with Amazon Pay and MakeMyTrip to offer co-branded credit cards. Over three million Amazon Pay credit cards were issued till end-March 2022. The Bank aims to provide 360° solutions to the new-to-bank customers that have been acquired through Amazon Pay credit cards. During fiscal 2022, the Bank launched several co-branded credit cards to enable customers to earn rewards and benefits. The growth in credit card transactions was driven by higher activation rate through digital onboarding of customers, automated and effective portfolio management and diversification through commercial cards.

The Bank has launched several co-branded credit cards with strong value propositions to customers in fiscal 2022.

The value of credit card transactions in fiscal 2022 was

2.1

times the value in fiscal 2021

The Bank's market share in credit card transactions by value increased to

20.1%

in fiscal 2022 from

14.6%

in fiscal 2021

The Bank's market share in credit cards in force increased to

17.6%

as at March 31, 2022 from

17.1%

as at March 31, 2021

A market leader in FASTag with market share of about

33%

in fiscal 2022; collections through FASTag higher by

51.9%

year-on-year in fiscal 2022

OUR BUSINESS STRATEGY

iLens

During fiscal 2022, the Bank introduced iLens, an integrated, end-to-end digital lending solution for mortgages which covers all facets of the loan life cycle starting from sales till disbursement including property appraisal. It is a single interface for employees, third-party agencies and distribution channels with the objective of providing superior transacting experience and enhanced operational efficiency. It also offers seamless experience to new-to-bank and existing customers through instant sanction letters, option for disbursement initiation and real-time loan tracking.

The Bank also introduced digital processing of home loan applications for Non-Resident Indian (NRI) customers. For the NRI customers, the Bank has introduced 'Do-It-Yourself Home Loan' application, address change, re-KYC and mandate holder registration process through the iMobile Pay app.

InstaBIZ: a Comprehensive Open-for-All Digital Platform for MSMEs

The Bank's comprehensive mobile banking app for businesses, InstaBIZ, offers a host of services. We have seen an increase in the engagement level of business banking customers on the InstaBIZ app.

In line with the philosophy of open architecture, the Bank recently made the InstaBIZ app interoperable. Various features of the app are now available to all merchants including those who do not have a current account with the Bank. Merchants, including those who do not have a current account with ICICI Bank, can instantly create digital collection solutions like UPI ID and QR code and start collecting money from their customers immediately. They can apply digitally for point of sale (POS) devices. Merchants can open a current account instantly and digitally on InstaBIZ. This end-to-end paperless process leverages the Bank's advanced APIs that auto fill the

OUR BUSINESS STRATEGY

account opening form and validate the identity of the merchant instantly. Through 'InstaOD Plus', customers of any bank can avail an overdraft (OD) up to ₹2.5 million instantly. Customers of ICICI Bank can activate the OD into their current account instantly, while customers of other banks can do so after opening of a current account with the Bank digitally by using Video KYC.

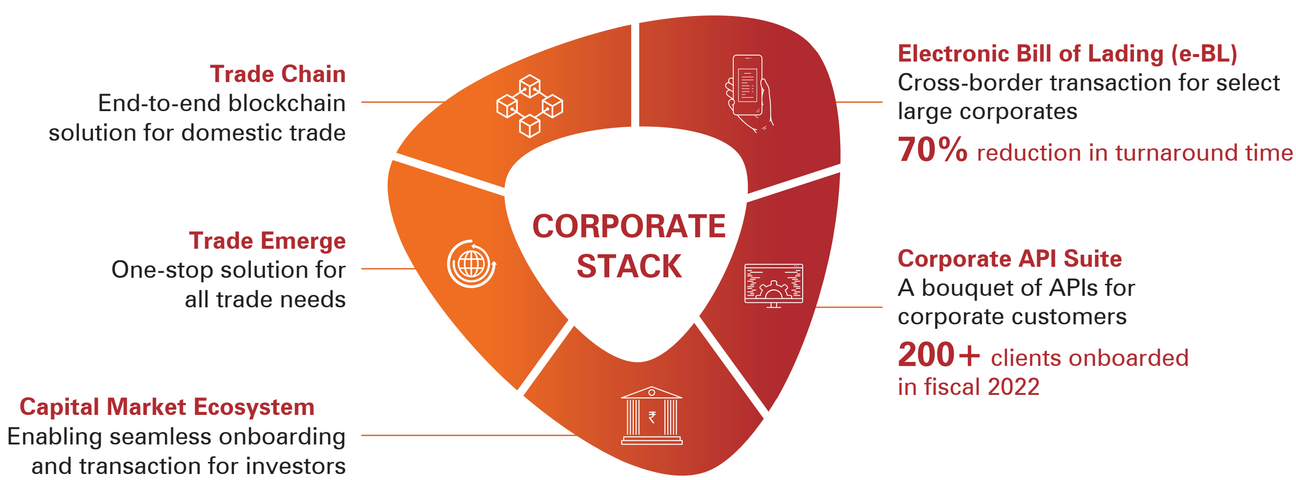
Digital Platforms and Solutions for Corporate Customers

The Bank's digital offerings for large corporates and their ecosystems include digital platforms for domestic and international trade and industry-specific solutions across the value chain. Platforms offered to corporate customers as a part of STACK include the corporate internet banking platform, Trade online and FXOnline, among others. The Bank's Trade Online platform allows customers to perform most of their trade finance and foreign exchange transactions digitally. The value of transactions on the Trade Online platform grew by 76.2% year-on-year in fiscal 2022. During the year, ICICI Bank launched 'Trade Emerge', an online platform for cross-border trade. A first-of-its-kind initiative, it offers an array of banking and value-added services in one place, and eliminates the need for companies to coordinate with multiple touchpoints. Trade Emerge is a step towards developing banking as a platform, targeted at emerging businesses. With this, the Bank aims to ensure a holistic approach to trade fulfilment, and offers a unique competitive advantage because of the end-to-end coverage of the trade journey. Trade Emerge has been integrated with the Bank's key flagship offerings, Corporate Internet Banking and InstaBIZ.

Recently, the Bank launched a revamped OneSCF, an integrated supply chain platform providing corporate customers, their vendors and dealers with a one-stop solution to efficiently manage their working capital requirements. The corporate clients can also avail seamless end-to-end supply chain financing by integrating with the Bank's platform through various modes for improving operational efficiency.

A facility to download 'Easy Balance Confirmation Certificate' through the Corporate Internet Banking platform was introduced, thus reducing the turnaround time for obtaining confirmations for financial reporting and regulatory purposes. To give a one-stop solution for all statutory requirements of the customer, the Bank has facilitated online payment of customs duty along with direct taxes, GST and various other tax payments. For addressing the challenges and risks associated with the transfer of physical documents, the Bank has partnered with leading electronic bill of lading service providers for facilitating digital transfer of trade documents over the platform. Electronic bill of lading imparts value to the customer by providing operational efficiency and

DIGITAL VALUE CREATION FOR CORPORATES



improved cash flow management. These embedded solutions help the Bank to enhance customer satisfaction and improve wallet share.

The Bank's comprehensive array of solutions to meet the needs of customers and their ecosystems are supported by robust online channels, ecosystem branches and powerful APIs that aim to impart convenience and efficiency to our clients.

Digital Solutions for Non-Resident Indians

The Bank has introduced digital conversion of three-in-one accounts for Non-Resident Indian (NRI) customers, and in certain approved geographies, is offering term life insurance digitally. The Bank also introduced mutual fund investment through iMobile Pay for NRI customers.

The Bank implemented the first global tie-up for the India corridor on SWIFT Global Payments Innovation (GPI) Instant for small value personal remittances. For inward remittances, the Bank continues to focus on partnerships with correspondent banks and exchange houses. The functionality for offering instant express facility in the US for new customers through Equifax has been made live. Under this facility, customers are eligible for transfers to India in a shorter duration based on their eligible Equifax score compared to the internal criteria that was applicable earlier. On Outward Remittances, 'Money2World' has been launched on iMobile App for seamless and ease in transferring funds.

TRANSFORMING INTO *BANK*TECH

ICICI Bank's extensive range of digital products and services, the rapidly growing digital transactions and the web of interconnected platforms, applications and databases demand the creation of a secure, stable and resilient technology infrastructure. The Bank recognises the need for an effective technology architecture that facilitates faster transactions, is ubiquitous, enables decision-making and creates value proposition for every customer.

The key priorities that dominate the Bank's technology requirements include its technology platforms, embedded banking, cloud adoption and data platforms and analytics. The Bank has over 600 APIs for retail banking and over 85 for corporate banking, with approximately 100 million financial and non-financial transactions per day.

THE *BANK*TECH ARCHITECTURE

Customer Engagement Platforms
- Direct & Embedded
- Omni Channel
- Hyper-Personalisation

Integration Layer
- Intelligent Automation
- API Gateway
- Micro-Services
- Digital Engagement Hub

Core Layer
- Data Platforms
- Enterprise Systems
- Core Systems
- Integrated CRM

OUR BUSINESS STRATEGY

ROADMAP FOR TRANSFORMING FROM *BANK TO BANK[TECH]*

Technology Foundation
- Service-mesh and Event-based Architecture
- Intelligent Automation

Data Platforms and Analytics
- Enterprise Data Lake on Cloud

Customer Engagement
- One Bank One CRM
- Marketing Technology Platform Revamp
- Consolidation of Loan Origination Systems
- Digital Engagement Hub

Engineering
- Digital Decoupling of Core Platforms
- DevSecOps Adoption

Productivity
- Productivity and Collaboration Tools
- Knowledge Management

Competency and Skilling
- Data Sciences
- Agile Methodology
- Design Thinking
- Cloud and Artificial Intelligence

As a part of the Bank's technology strategy, it is creating an enterprise architecture framework across digital platforms, data and analytics, micro services based architecture, cloud computing, cognitive intelligence and other emerging technologies. This is based on the pillars of scalability, modularity, flexibility and agility, resilience and reliability, and creating delightful and digitally native customer experiences to enable sustainable profitable growth.

The fast emerging technology advancements like cloud computing and data sciences coupled with economics of ecosystems and customer preference are constantly redefining risks and opportunities in a dynamic manner. Re-imagined customer touchpoints and journeys have impacted and transformed customer experiences across segments. Business process optimisation, decongestion in decision-making and new modes of revenue through different economic models and partnerships are getting crystallised. Robotic Process Automation (RPA) has enabled efficiency and automation across various business and operational processes resulting in faster turnaround time besides enabling increased capacity for handling transaction volumes and customer requests.

The Bank has a dedicated data science and analytics team that works across business areas on projects relating to business analytics, decision strategies, forecasting models, machine learning, rule engines and performance monitoring. We maintain a comprehensive enterprise-wide data warehouse and employ statistical and modelling tools for leading-edge analytics.

Over 600

APIs for retail banking

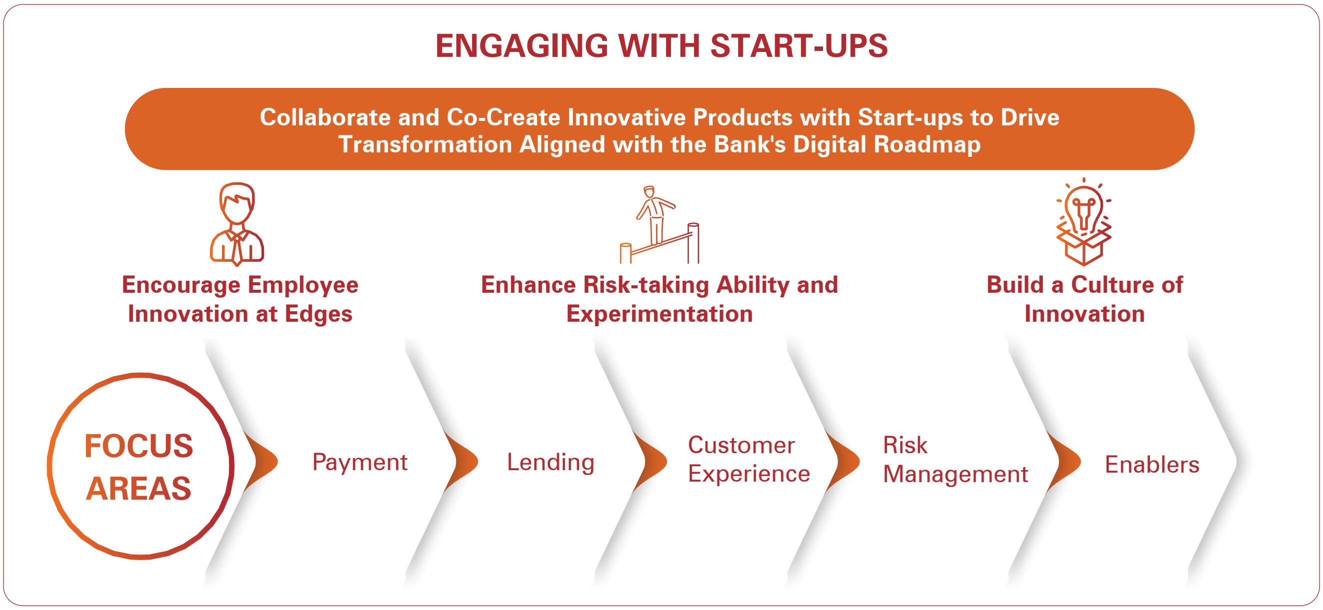
Over 85

APIs for corporate banking

Close to 100 million

financial and non-financial transactions per day

OUR BUSINESS STRATEGY



In driving an innovation and start-up mindset, the Bank has set up an Innovation Centre to collaborate with and invest in fintech startups and co-develop products aligned with the Bank's digital roadmap. The engagements with the startups are focussed on payments, digital lending, customer experience, risk management and platforms. The Bank is also offering a host of APIs and Software Developer Kits (SDKs) which facilitate third-party apps to offer payment solutions for their retail customers.

Banking services are increasingly omnipresent and completely embedded into the customer journey, which makes scalability, extensibility, security and agility the cornerstones of development. At the same time, new forms of risks such as social frauds and cyber threats are also a reality. In this context, the Bank has adopted a technological approach that enables us to respond to the changing dynamics in an agile and responsive manner.

BUILDING EFFICIENCIES AND FLEXIBILITY

With a view to effectively respond to customer requirements, ICICI Bank continues to streamline processes and creating innovative and value-adding solutions. The Bank has empowered frontline teams to identify and leverage local opportunities. The drive on technology has enabled the Bank to not just deliver improved customer experiences but also enhance productivity and improve process efficiencies. A case in point is the decongestion of the customer onboarding process. The Bank has pursued the digitisation of Know-Your-Customer (KYC) processes, and has been one of the early adopters of video-KYC. The Bank has introduced video-KYC across products such as savings account, credit cards, personal loans, mortgage, commercial cards, education loan, travel card, current account and overdraft facility for proprietors and others. This has significantly reduced the time taken to onboard a customer. In addition, the Bank leverages the Central KYC Registry, which is a central repository for KYC information of all customers of financial institutions, for onboarding customers.

ONE BANK, ONE ROE

The principle of 'One Bank, One ROE', emphasises the need to maximise the Bank's share of the target opportunity across all products and services. This requires speed, agility and adaptability to the evolving business environment and a key enabler in this regard is the Bank's human capital. ICICI Bank has focussed on strengthening the workforce by skilling and providing

OUR BUSINESS STRATEGY

cross-functional opportunities. Job rotation enables employees to have a wider perspective of banking products and services, and go beyond their defined roles to spot opportunities for 360˚ customer experiences. In order to leverage opportunities in city-ecosystems, the Bank has reorganised business teams to enable active collaboration across teams. Cities with large concentrated market opportunities have been organised under ‘city business heads’ covering the full spectrum of ecosystems. This facilitates seamless working of relationship teams and channels in an integrated manner across all products and customer segments.

For more details, refer to the Human Capital chapter on page 46.

The principle of ‘Fair to Customer, Fair to Bank’ emphasising the need to deliver fair value to customers will also continue to guide the Bank’s business.

For more details, refer to the Fair to Customer, Fair to Bank chapter on page 30.

KEY AREAS OF BUSINESS

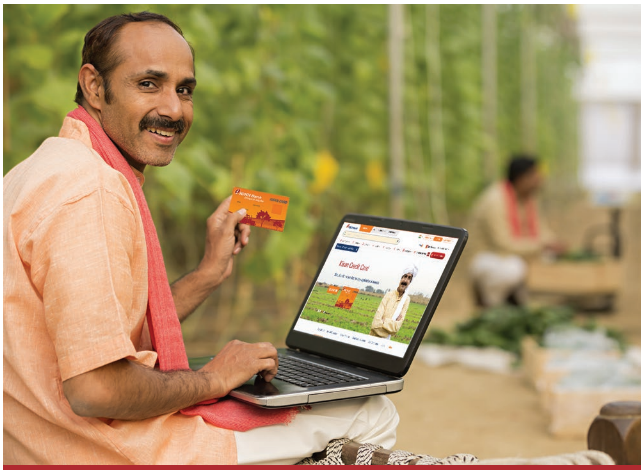
Retail

The retail business continued to be a key driver of growth in fiscal 2022, as we pursued a strategy of building a diversified and granular loan portfolio. The Bank’s retail portfolio grew by 19.7% year-on-year to ₹4,546.35 billion at March 31, 2022. Retail loans accounted for 52.9% of total loans, and including non-fund based outstanding, the share was 43.8% in the total portfolio. The Bank has undertaken several initiatives to offer a convenient and frictionless experience to customers by digitising the entire underwriting process, with instant loan approvals.

The Bank continued to maintain a robust funding profile with strong growth in the deposit base. Total deposits increased by 14.2% year-on-year to ₹10,645.72 billion at March 31, 2022. Savings account deposits, on a daily average basis, grew by 23.5% year-on-year in fiscal 2022. Current account deposits, on a daily average basis, grew by 31.0% year-on-year in fiscal 2022. Term deposits grew by 9.0% year-on-year to ₹5,461.35 billion at March 31, 2022. The growth in the deposit franchise was supported by ongoing efforts to strengthen the Bank’s digital platforms and process simplification to provide a seamless banking experience to customers.

ICICI Bank's ecosystem branch at Bandra-Kurla Complex, Mumbai.

OUR BUSINESS STRATEGY



ICICI Bank offers financial solutions to farmers and other customers in the rural ecosystem.

Rural and Inclusive Banking

The Bank's product offerings in the rural markets include working capital loans for growing crops, financing of post-harvest activities, farm equipment loans, financing against warehouse receipts and loans against gold jewellery along with personal loans, affordable housing finance and auto and two-wheeler loans. The Bank also provides consumption loans for low-income customers. Financial solutions are offered to micro-finance institutions, self-help groups, co-operatives constituted by farmers and corporations and small and medium enterprises engaged in agriculture-linked businesses. The Bank's rural portfolio grew by 6.5% year-on-year to ₹768.30 billion at March 31, 2022.

The Bank has identified six main ecosystems in the rural market, which include farmers, dealers, self-employed persons, corporates, institutions and micro-entrepreneurs.

The farmer ecosystem includes participants like farmers, seed producers, agri-input dealers, warehouses, agri-equipment dealers, commodity traders and agri processors. Products offered include working capital loans through the Kisan Credit Card and gold loans, and term loans for farm equipment, dairy livestock purchase and farm development. The dealer ecosystem comprises dealers/distributors of farm equipment, white goods, and pharmaceutical manufacturers. The self-employed ecosystem comprises rural entrepreneurs who are engaged in trading and manufacturing activities based out of commercial and industrial areas in the rural market dealing with both agri & non-agri related products. The rural ecosystem of corporates includes manufacturing and processing units, employees, dealers and suppliers. The institutional segment comprises schools, colleges, hospitals and government offices. The micro-lending space includes women from the lower-income strata of the population, non-government organisations and other institutions working at the grassroot level in the rural economy.

The Bank's reach in rural areas comprises a network of branches, ATMs, field staff and business correspondents providing last-mile access in remote areas. Of the Bank's network of 5,418 branches, 51% are in rural and semi-urban areas with 649 branches in villages that were previously unbanked. The Bank has 13,168 Business Correspondents providing last-mile access to 20,540 unbanked locations in remote regions. There were over 3,300 ATMs in the rural and semi-urban areas at March 31, 2022.

For information on the Bank's financial inclusion and rural development initiatives, refer to chapter Social and Relationship Capital on page 52.

Small and Medium Enterprises and Business Banking

The Small and Medium Enterprises (SMEs) portfolio comprises exposures to companies with a turnover of up to ₹2.50 billion. The Bank's business banking portfolio comprises small business customers with an average loan ticket size of ₹10.0-15.0 million. The business banking portfolio grew by 43.2% to ₹534.37 billion and accounted for 6.2% of the overall portfolio at March 31, 2022. The Small and Medium Enterprises segment grew by 33.6% to ₹404.50 billion and accounted for 4.7% of the overall portfolio. The growth in the portfolio was driven by the Bank's digital offerings and platforms such as InstaBIZ and Merchant STACK and efforts towards process decongestion such as online electronic franking and digital signature-based document execution (Eazysign).

OUR BUSINESS STRATEGY

The Bank's focus in these businesses is on parameterised and programme-based lending, which is granular and well-collateralised. The SME and business banking customers are offered a wide spectrum of solutions addressing their evolving business needs such as customised offerings, faster turnaround time, transaction convenience and cross-border trade and foreign exchange products. Providing digital solutions is at the core of the engagement, with the range of solutions spanning customer onboarding, payments and collections, lending and cross-border transactions.

Following the Covid-19 pandemic, the Bank provided financial assistance to clients based on various government schemes. Under the Emergency Credit Line Guarantee Scheme, the Bank had disbursed about ₹179 billion to customers till March 31, 2022.

The Bank continued to enhance the data analytics driven onboarding, credit assessment and monitoring of retail and SME customers and creation of propositions for their supply-chain financing needs.

The Bank follows strong risk management practices in managing the SME and business banking portfolio, with a view to enhancing the portfolio quality by reducing concentration risks and a focus towards granular and collateralised-lending based growth. The Bank's robust portfolio monitoring framework is able to proactively analyse and detect stressed cases which enables early action and ensures healthy portfolio quality. The Bank has further strengthened its underwriting process by integrating various digital tools like bank statement analyser, automatic fetching of bureau reports and enhanced business rule engine to generate probability of default scores for score-based analysis into one single ecosystem called 'Infinity'. A combination of qualitative and quantitative assessment tools are utilised to arrive at the final credit decision.

The Bank offers a wide spectrum of solutions to its SME and business banking customers.

Wholesale Banking

The Bank's wholesale banking customers include large private sector business houses and companies, financial institutions and banks, public sector undertakings and central and state government entities. In the last few years, the Bank has developed a strong franchise among Multi-National Corporations (MNCs) and new-age services companies, and also established a strong franchise in the financial sponsors space with special focus on private equity funds and their investee companies.

The Bank's approach has been to deepen its partnership and support to clients through their life cycle. Our product portfolio and delivery platforms are comprehensive and technologically advanced and include lending products for working capital and capital expenditure requirements and other products that the client may need across trade, treasury, bonds, commercial papers, channel financing, supply chain solutions and various other activities. The domestic corporate loan portfolio grew by 9.7% year-on-year to ₹1,937.34 billion at March 31, 2022 and accounted for 22.5% in the overall portfolio.

With a focus on the Bank's overall strategy of maximising the risk-calibrated core operating profit, value creation for clients is the main focus. Instead of being only capital providers, the Bank aims to become business partners to its clients. With the client at the centre, all the teams across the Bank are well-aligned to offer the entire Bank's offerings to wholesale clients and their ecosystems. This has not only made client servicing more effective, but also helped in deepening the Bank's relations in high-value retail accounts of promoters, directors and employees through a suite of retail products like salary, private and wealth banking, home loans, personal loans, vehicle loans, etc. This approach has also reduced client acquisition cost.

OUR BUSINESS STRATEGY

Supply chain financing is an integral part and a focus area towards deepening our coverage of the corporate ecosystem. The supply chain solutions CorpConnect and DigitalLite enable corporates to seamlessly manage supply chain financing, payments, collection and reconciliation requirements of their dealers and vendors in a convenient and paperless process. These solutions also automatically assess the eligibility of the corporate's dealers and vendors for credit through business rule engine, Goods and Services Tax (GST) returns, intelligent algorithm with automated bureau checks and dedupe checks. The value of transactions through supply chain solutions in fiscal 2022 was 2.7 times the value of transactions in fiscal 2021.

The Bank has extensively leveraged analytics to monitor transactions and portfolio quality. While new credit is extended in a granular manner to well-established and higher-rated business groups, analytics is used for portfolio monitoring and identification of early warning signals in the existing portfolio. This has led to enhancement of the overall quality of the corporate portfolio. The Bank has also focussed on reducing concentration risks to make the portfolio more granular.

International Business

ICICI Bank's international presence consists of branches in seven overseas locations and representative offices in nine locations outside India. The Bank has Offshore Banking Unit (OBU) in Mumbai and IFSC Banking Unit (IBU) in Gift City, and wholly-owned subsidiaries in the United Kingdom (UK) and Canada. ICICI Bank UK also has a branch in Germany.

The Bank's international franchise focusses on four strategic pillars, namely the NRI ecosystem comprising deposits, remittances, investments and asset products; the MNC ecosystem comprising both foreign MNCs investing in India and Indian MNCs for their foreign currency and other India related requirements as well as Global In-house Centres (GIC), which are back-offices of MNCs created to serve the world; trade ecosystem, comprising primarily India-linked trade transactions which are self-liquidating in nature; and funds ecosystem, to capture fund flows into India through the Foreign Portfolio Investment (FPI) and Foreign Direct Investment (FDI) route.

The Bank continued to progress in its strategic objective of reducing the non-India linked exposures in a planned manner. The non-India linked corporate portfolio reduced by 48.2% year-on-year or by USD 0.6 billion during fiscal 2022.

Government Banking

The Bank has been providing a range of banking services to Government of India ministries, state government departments and district and local bodies across the country. ICICI Bank offers its government customers a wide spectrum of solutions, including customised products and services for enhancing e-governance and financial management.

The Bank is assisting the government for collection of central taxes, state taxes and GST payments through authorised branches and digital channels. Our integrated banking platforms provide simple online tax payment options to customers. Statutory payments like EPFO and ESIC dues can be done online through the Bank's platforms.

The Bank has onboarded a number of Central and State Government departments for ensuring quick disbursement of funds/benefits to beneficiaries and implementing agencies through the Public Financial Management System (PFMS) of Government of India. The Bank is also assisting State-level nodal agencies and last-mile implementing agencies for adopting efficient release of Government of India scheme funds in 28 states.

FAIR TO CUSTOMER, FAIR TO BANK

The Bank's philosophy of 'Fair to Customer, Fair to Bank' emphasises the need to deliver fair value to customers, including selling products and offer services which meet societal needs and are in the interest of customers.

ICICI Bank is continuously seeking to create value across the customer life cycle through decongested delivery, zero or low-touch operations and enhanced customer engagement.

The customer is at the core of all initiatives at the Bank, and this strategic approach has enabled unlocking of the potential value of the relationship with the customer. As we walk this path, the Bank is continuously seeking to create value across the customer life cycle through decongested delivery, zero or low-touch operations and enhanced customer engagement.

In fiscal 2022, the Bank further progressed on its transition from a culture of customer satisfaction to a culture of customer delight and advocacy. The philosophy of 'Fair to Customer, Fair to Bank' was emphasised to drive mutually beneficial customer relationships. With the objective of pushing the boundaries of customer experience, end-to-end customer journeys across products, processes and channels were mapped and based on the insights gathered from Net Promoter Score (NPS), Voice of Customer and Root Cause Analysis, key customer service initiatives were implemented.

FAIR TO CUSTOMER, FAIR TO BANK

Some key initiatives taken during fiscal 2022 were:

- Enhancing and decongesting the account opening experience.
  - The account opening process for retail products were streamlined such that the existing data and KYC documents with the Bank were considered for an existing customer wanting to avail a new retail product.
  - For current account opening, Smartform 2.0 (a single-page account opening form) was launched with minimal data entry, enabling quick turnaround time for current account opening and a seamless account opening experience.
  - An e-application form was launched for personal loans, which eliminates the need of physical application form collection and wet signature from the customer.
- Customer experience on the Bank's digital channels were enhanced.
  - Features on iMobile Pay were improved enabling deposits, investments in mutual funds and auto recharge of FASTag. UPI services were introduced for fund transfers for Non-Resident Indian (NRI) customers. The mobile app now also allows enhanced credit card controls, converting multiple credit card transactions into Equated Monthly Instalments (EMI) and reissuing a blocked credit card.
  - New features were introduced on the internet banking platform for retail customers like scan and pay for credit card bills, a revamped dashboard for NRI customers and digitisation of mortgage servicing for 11 key services such as account summary, part payment, rate conversion, and others.
  - Services introduced on the corporate internet banking platform included easy bill payments with multiple biller registrations, auto reversal for failed online NEFT transactions and removal of limit on count of NEFT transactions during cut-off and holiday period.
- Insta offerings were launched in the areas of onboarding of cash management services and trade.
- An initiative to decongest activities in the client-facing channels including sales, credit and branches was undertaken by moving about 250 services to the backend for processing. This led to significant easing for the front-end staff and enabling more value-added engagement with customers.
- Online Assist, an industry-first initiative, was implemented for reversal of credit card charges. This enables real-time decisioning on reversal of charges using data science and instantly posting the credit to the customer's account with zero human intervention.
- The availability of a service desk for customers using payment and collection services, Connected Banking, EazyPay POS and EazyPay UPI was extended to 12 hours on all days compared to the earlier nine hours and only on weekdays.
- A Multi-Channel Campaign Management (MCCM) framework, which is based on Machine Learning/ Deep Learning driven actions, was introduced. This feature enables personalised customer communication across four different life stages.
- Banking services were enabled on tablets through Branch on the Move (BOTM), which allows branch employees to address the customer's transaction requirements in a fast and seamless manner.

FAIR TO CUSTOMER, FAIR TO BANK

ICICI Bank's value propositions for customers and the endeavour to create a positive customer experience have led to a sustained improvement in the Bank's Net Promoter Score (NPS) across products and services, a key metric for measuring customer advocacy. The Bank also ensures continuous engagement with its customers through multiple channels including through branch employees, surveys, social media and channels for raising queries and grievances.

While creating seamless and convenient banking experiences for customers, the Bank also recognises the customers' need to understand personal finance better through reliable information that is easily accessible. To address this need, the Bank launched a unique digital initiative 'The Orange Book' in fiscal 2022, a monthly e-magazine that educates customers about personal finance and helps them to take better financial decisions. The Orange Book with a monthly readership of about 1.2 million, covers an array of financial topics from investment planning, safe banking to tax savings, financial preparedness and much more. To improve the accessibility of the book, which is currently available only in English, the Bank intends to launch it in regional languages across all digital channels.

The February 2022 edition of The Orange Book.

The Bank's websites are designed to communicate the most suited products to the customers. With key interactive features such as Life Stage Solutions and Find the Right Product, the Bank endeavours to ease the decision-making process for our customers. Find the Right Product is a feature on the internet banking platform that helps customers to find relevant products based on their needs and displays personalised offers and engagement tools. There is also a section where customers can choose products based on their life stage needs.

CUSTOMER SERVICE AND GRIEVANCE REDRESSAL

The Bank has developed an effective complaints handling mechanism for employees and customers. The mechanisms are defined through robust Board-approved policies, and is governed through Board oversight and reporting.

Customer experience is at the core of all engagement, and this includes ensuring that the products offered are based on an assessment of the customer's financial needs and right-selling.

The objectives of the Bank's grievance redressal mechanism include fair treatment of customers, timely resolution of complaints, and educating customers about their rights and enable them to take informed decisions. In this regard, the key principles governing grievance redressal include fairness, transparency, accessibility, escalation, customer education and reviews at multiple levels. The Bank provides multiple channels for customers to complain including the branch, call centre and digital channels.

The Bank has a well-defined framework to monitor key customer service metrics. The Customer Service Committee of the Board and the Standing Committee on Customer Service meet on a regular basis. These forums deliberate on issues faced by the customers and the initiatives taken by the Bank for enhancing customer service.

FAIR TO CUSTOMER, FAIR TO BANK

ICICI Bank complies with the 'Customer Rights Policy' which enshrines the basic rights of our customers. These rights include Right to Fair Treatment; Right to Transparency, Fair and Honest Dealing; Right to Suitability; Right to Privacy; Right to Grievance Redress and Compensation. These policies can be accessed on the Bank's website.

The Bank's grievance redressal mechanism is well-defined and comprehensive, with clear turnaround times for providing resolution to customers. All complaints received by the Bank are recorded in a Customer Relationship Management (CRM) system and tracked for end-to-end resolution. The Bank also has an escalation matrix built in the CRM system to ensure that customer requirements are appropriately addressed within stipulated timelines. Further, the Bank has appointed senior retired bankers as the Internal Ombudsmen of the Bank. The Customer Service Committee of the Board, the Standing Committee on Customer Service and the Branch Level Customer Service Committees monitor customer service at different levels.

During fiscal 2022, the number of complaints received from customers declined significantly.

For details on customer complaints, refer to page 238.

DATA PROTECTION AND PRIVACY

ICICI Bank is committed to protecting the privacy of individuals whose personal data it holds, and processing such personal data in a way that is consistent with applicable laws. It is important for employees and businesses to protect customer data and follow the applicable privacy laws in India and overseas locations to ensure safety and security of data. We believe that the data privacy framework should be in line with the evolving regulatory changes and digital transformation.

The Bank has a global presence in several overseas jurisdictions including Hong Kong, Singapore, United States, United Kingdom, Canada, China, Dubai International Financial Centre and Bahrain. We are committed to ensuring compliance with applicable laws across these jurisdictions. We have an integrated and centralised strategy for achieving data privacy compliance across all jurisdictions. A set of principles have been defined with respect to handling customer data. There is a mechanism in place for reporting any form of personal data incident which is accessible to all employees in the Bank. The Personal Data Incident Handling Forum (PDIHF) comprises of the Data Protection Officer (DPO) and senior members from the Information Security Group, Operational Risk Management Group, Fraud Management Group, Human Resources, Compliance and the Legal Team. Any kind of personal data related incidents reported through the service request undergoes a detailed investigation and report of same is presented to PDIHF on a monthly basis.

The Bank periodically updates its Personal Data Protection Standard to cover the personal data protection regulatory requirements for the Bank and its overseas offices to reflect the changes in data protection laws and regulations. The Personal Data Protection Standard of the Bank was reviewed by an international law firm and strengthened last in fiscal 2021.

Privacy regulations require the personal data of customers to be protected throughout its entire life cycle. Accordingly, the Bank has undertaken several measures such as categorising all personal data and sensitive personal data as 'Confidential Information', keeping record of all its processing activities, entering into non-disclosure and confidentiality agreements with employees and third-parties who are privy to personal data of the customers and providing customers the option to exercise various rights which they enjoy under applicable data protection regulations and incident handling procedures.

There are e-learning modules specifically on personal data and its protection to build awareness among our employees.

The Bank's Data Protection Officer (DPO) oversees all privacy related developments as a data processor for international banking business and as a data controller for NRI and remittance businesses. Various data privacy awareness initiatives and periodic trainings are conducted by the Data Privacy team. A Privacy Steering Committee meets every quarter, and oversees various privacy related initiatives. Further, the Bank's Code of Business Conduct and Ethics covers guidelines on customer privacy and confidentiality of data.

VALUES AND CULTURE

The Bank places strong emphasis on ethics and integrity, and expects all employees to act in accordance with the highest professional and ethical standards upholding the principles of integrity and compliance at all times.

ICICI Bank recognises the importance of establishing effective frameworks and supporting processes that encourage employees to exhibit the desired ethos of the Bank. We aim to create an environment that encourages a culture of innovative thinking, strong compliance and governance, and ensuring ethical conduct while adhering to the principle of 'Fair to Customer, Fair to Bank'.

The Bank is committed to act professionally, fairly and with integrity in all its dealings. The ICICI Group Code of Business Conduct and Ethics provides the values, principles and standards that should drive decisions and actions of the employees of the Bank. The Code is also the Bank's commitment to its stakeholders of adhering to the highest ethical standards. All new employees are required to complete mandatory training modules pertaining to Code of Conduct, Information Security, Anti-Money Laundering and other compliance-related areas that are critical and sensitive.

The Bank has a zero tolerance approach to bribery and corruption. The Bank has a well-defined Anti-Bribery and Anti-Corruption Policy articulating the obligations of our employees in these matters. The Bank's third-party vendors are also required to adhere to the Bank's Anti-Bribery and Anti-Corruption Policy, including providing an annual self-declaration confirming their compliance. Periodic risk assessment of the policy is conducted, at least once in three years.

The Bank continuously focusses on the effectiveness of financial controls and assesses compliance with all regulatory requirements. All the key policies of the Bank are regularly reviewed and enhanced to ensure relevance,

KEY STANDARDS OF THE GROUP CODE OF BUSINESS CONDUCT AND ETHICS

- Conflicts of Interest
- Privacy/ Confidentiality
- Anti-Bribery and Anti-Corruption/ Gifts and Entertainment
- Personal Investment
- Accuracy of Company Records and Reporting
- Know-Your-Customer/ Anti-Money Laundering
- Workplace Responsibilities & Social Media

VALUES AND CULTURE

adherence to regulations and adoption of best practices on an ongoing basis. The Board-approved Group Compliance Policy lays down the compliance framework with emphasis on ensuring that products, customer offerings and activities conform to rules and regulations and adheres to the ethos of 'Fair to Customer, Fair to Bank'.

ICICI Bank aims to endorse a strong risk and compliance culture. In line with this philosophy, the Board approved the Risk and Compliance Culture Policy in fiscal 2022. The policy provides the guiding principles and aspects for effective implementation of these principles.

The effective implementation of the policy includes a governance framework with roles and responsibilities of the Board, MD & CEO and Executive Directors and the Risk and Compliance Culture Council. All employees are encouraged to align with the guiding principles while conducting their activities.

The Bank undertakes periodic training sessions and sends information mailers, as part of knowledge-enhancement and awareness, to employees on a frequent basis. The Bank is committed to constantly reviewing its governance practices and frameworks, with a focus on staying updated and responsive to the dynamic and evolving landscape, and acting in the best interest of all stakeholders.

The Bank has identified five guiding principles for risk and compliance culture across the organisation:

- **Fair to Customer, Fair to Bank:** Guiding principles of product suitability, transparency in customer dealings, fair pricing
- **One Bank, One Team:** Enabling cross-functional collaboration and taking the entire bank to the customer
- **Return of Capital is Paramount:** Prioritise conservation of capital, and not compromise for short-term gains
- **Agile Risk Management:** Dynamic identification and management of risks and encourage constructive challenge
- **Compliance with Conscience:** Conduct business within the boundaries of law and regulations

RISK GOVERNANCE FRAMEWORK

As a financial intermediary, ICICI Bank is exposed to various risks, primarily credit risk, market risk, liquidity risk, operational risk, technology risk, cyber risk, compliance risk, legal risk and reputation risk. The Bank is committed to managing material risks and participating in opportunities as part of the strategic approach of risk-calibrated growth in core operating profit.

The Board of Directors of the Bank has oversight of all risks in the Bank with specific Committees of the Board constituted to facilitate focussed oversight. There is adequate representation of Independent Directors on each of these Committees. The Board has framed the specific mandate for each of these Committees. The proceedings and the decision taken by these Committees are reported to the Board. The policies approved by the Board of Directors or Committees of the Board from time to time constitute the governing framework within which business activities are undertaken.

The roles of specific Committees of the Board constituted to facilitate focussed oversight of various risks are:

- **Credit Committee:** Review of developments in key industrial sectors, major credit portfolios and approval of credit proposals as per the authorisation approved by the Board.

- **Audit Committee:** Provides direction to the audit function and monitors the quality of internal and statutory audit; responsibilities include examining the financial statements and auditors' report and overseeing the financial reporting process to ensure fairness, sufficiency and credibility of financial statements.

- **Information Technology Strategy Committee:** Approve strategy for IT and related policy documents, ensure that the IT strategy is aligned with business strategy, review IT risks, ensure proper balance of IT investments for sustaining the Bank's growth, oversee the aggregate funding of IT at Bank-level, ascertain if the management has resources to ensure the proper management of IT risks, review contribution of IT to business, oversee the activities of Digital Council, review technology from a future readiness perspective, overseeing key projects progress and critical IT systems performance and the review of special IT initiatives.

- **Risk Committee:** Review risk management policies pertaining to credit, market, liquidity, operational, outsourcing, reputation risks, business continuity plan and disaster recovery plan and approve Broker Empanelment Policy and any amendments thereto. The functions of the Committee also include setting limits on any industry or country, review of the Enterprise Risk Management Framework, Risk Appetite Framework, Stress Testing Framework, Internal Capital Adequacy Assessment Process and Framework for Capital Allocation; review the status of Basel II and Basel III implementation, risk dashboard covering various risks, outsourcing activities and the activities of the Asset Liability Management Committee. The Committee has oversight on risks of subsidiaries covered under the Group Risk Management Framework. The Committee also carries out Cyber Security Risk Assessment.

RISK GOVERNANCE FRAMEWORK

The Bank also has a group, namely, Financial Crime Prevention and Reputation Risk Management Group, overseeing/handling the fraud prevention, detection, investigation, monitoring, reporting and awareness creation functions.

The Bank has put in place an Enterprise Risk Management (ERM) and Risk Appetite Framework (RAF) that articulates the risk appetite and drills down the same into a limit framework for various risk categories under which various business lines operate. In addition to the ERM and RAF, portfolio reviews are carried out and presented to the Credit and Risk Committees as per the approved calendar of reviews. As a part of the reviews, the prevalent trends across various economic indicators and their impact on the Bank's portfolio are presented to the Risk Committee. Industry analysis and reviews are also carried out and presented to the Credit Committee.

The Internal Capital Adequacy Assessment Process (ICAAP) encompasses capital planning for a four-year time horizon, assessment of material risks and the relationship between risk and capital. The capital management framework is complemented by the risk management framework, which covers the policies, processes, methodologies and frameworks established for the management of material risks. Stress testing, which is a key aspect of the ICAAP and the risk management framework, provides an insight on the impact of extreme but plausible scenarios on the Bank's risk profile and capital position.

The independent groups for monitoring risks in the Bank are:

- Risk Management Group
- Compliance Group
- Corporate Legal Group
- Financial Crime Prevention and Reputation Risk Management Group

The Risk Management Group is further organised into the Credit Risk Management Group, Market Risk Management Group, Operational Risk Management Group and Information Security Group. The Group is headed by the Chief Risk Officer and reports to the Risk Committee of the Board of Directors.

The Compliance Group, headed by the Group Chief Compliance Officer, oversees regulatory compliance of the Bank, both at the policy and procedures level and at the level of implementation by the respective groups. The Group has unrestricted access to information within the Bank to assess the compliance to the regulatory guidelines.

The Internal Audit Group, being the third line of defence, provides independent assurance that the aforesaid independent groups monitoring the risks in the Bank, are operating in line with policies, regulations and internal standards defined for management of the various risks in the Bank.

The Compliance Group and the Internal Audit Group report to the Audit Committee of the Board of Directors. The Risk Management, Compliance and Internal Audit Groups have administrative reporting to the Executive Director, responsible for Corporate Centre.

INDEPENDENT MONITORING OF RISKS IN THE BANK, DRIVEN BY:

- No Business Targets
- Independent Relationship Reporting
- Unbiased Inputs

CYBERSECURITY GOVERNANCE

ICICI Bank believes in providing services to its customers in the safest and secure manner keeping in mind that data protection for its customers is as important as providing quality banking services across the spectrum. The CIA triad of Confidentiality, Integrity, and Availability is at the heart of building a comprehensive information security framework. The Bank also lays emphasis on customer elements like protection from phishing, adaptive authentication, awareness initiatives, and provide easy to use protection and risk configuration ability in the hands of customers. The Bank also undertakes campaigns to create awareness among customers on security aspects while banking through digital channels.

The key elements of the security strategy at ICICI Bank are:

- A multi-layered 'Defence-in-Depth' strategy providing multiple lines of defence.
- Strong governance processes with segregation of duties and stringent control framework.
- Skilled dedicated teams focussing on information security and financial crime prevention.
- A zero-trust architecture and network segmentation.
- Global best-in-class security systems.
- 24x7 monitoring and surveillance of systems by agile teams (IT Command Centre, next-generation Security Operations Centre (SOC), Network Operations Centre).
- Stringent security and gating controls at the time of inducting new applications or servers.
- In-house Ethical Hacking (Red Teams) to continuously test IT systems for security flaws.

The Bank undertook campaigns to create awareness among customers on security aspects.

RISK GOVERNANCE FRAMEWORK

- Incident Response Plan and Crisis Management Plan (including simulation of attack scenarios).
- A fully-equipped Disaster Recovery setup in place at remote location (periodic Business Continuity / Disaster Recovery drills).
- Periodic security assessments by reputed external agencies.
- Implementation and central monitoring of terminal security solution at ATMs.
- Tightened controls to prevent misuse of access rights of separated consultants, transferred employees, separated employees.

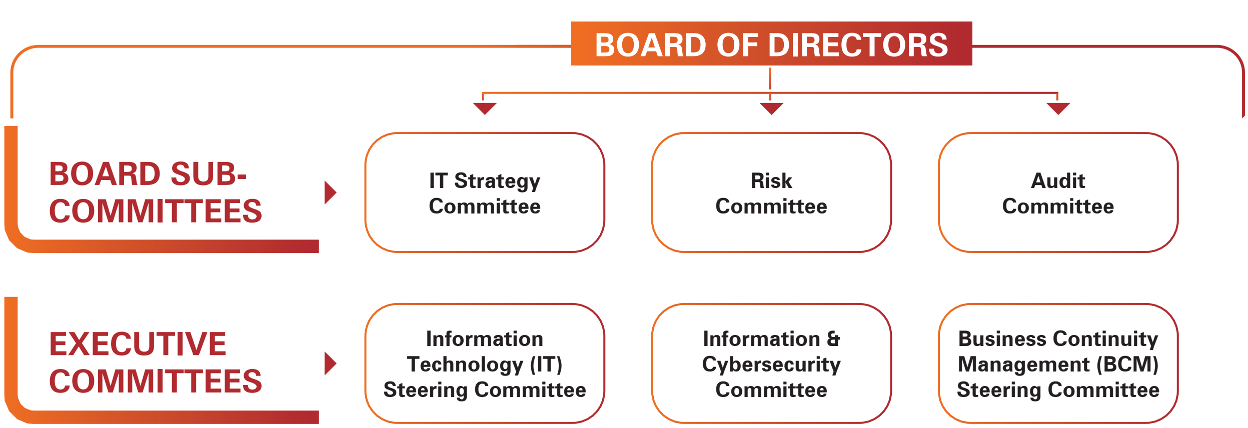
Cyber risks form an integral part of the Bank's enterprise risk management framework. The Bank is committed to work towards aligning itself with the changing threat landscape and has a dedicated team for cyber/information risk management. There is robust oversight by the Board, with regular updates from the Information Security Group (ISG) of the Bank. A monthly risk-based detailed dashboard capturing the various key performance indicators and key risk indicators associated with Security Operations Centre operations and offenses summary for the month is prepared which is reviewed by the CISO and the Chief Risk Officer of the Bank.

ICICI Bank has an information/cybersecurity governance framework consisting of leadership, organisational structures and processes that help us in mitigation of growing cybersecurity threats. Our cybersecurity governance encompasses management oversight at various levels with the ultimate responsibility assumed by the Board of Directors.

The Executive Committees have diverse cross-functional members and well-defined terms of reference. Proceedings of these Committees are reported to the IT Strategy Committee. Additionally, the Bank has multiple dashboards to review system stability, continuity and availability and network uptime. The Bank also has a well-defined Information Security Policy, Cyber Security Policy and Information Security Standards and Procedures. These policies have been designed by drawing from various standards and regulations including the Reserve Bank of India's Cyber Security Framework, NCIIPC Guidelines for protection, FFIEC Cybersecurity assessment tool, the SEBI Cyber Security and Cyber Resilience Framework for Stock Brokers/ Depository Participants and the IRDAI Guidelines on Information and Cyber Security for Insurers. The Bank has also incorporated industry best practices such as the National Institute of Standards and Technology (NIST) and the regulatory requirements of various jurisdictions in which the Bank operates. Further, periodic internal and external audits are undertaken and inputs from these assessments are incorporated from time to time. The Bank's data centre is ISO:27001* certified.

**ISO:27001 is an international standard for information security management.*

GOVERNANCE STRUCTURE FOR INFORMATION TECHNOLOGY



RISK GOVERNANCE FRAMEWORK

THE BANK'S CONTROLS FOR IT INFRASTRUCTURE

Preventive Control	Detective Control	Responsive Control
• Application Security Life Cycle (ASLC), Vulnerability Assessment and Penetration Testing (VAPT), Antivirus, Vendor Risk • Assessment, Firewall, Intrusion Detection System (IDS) • Access Management • Distributed Denial of Service (DDoS) Mitigation	• Security Operation Centre (SOC) Monitoring • Web Application Firewall • Network Operation Centre (NOC) Monitoring • RED Teaming Exercises	• Incident Response Plan • Cyber Crisis Management Plan (CCMP) • Forensic Agreements with Partners

Considering the criticality and vitality of data protection and security, the Bank has deployed Data Leakage/Loss Prevention (DLP) system with data protection rules for sensitive data exposure from the Bank's endpoints, emails and web gateways. The Bank has also deployed Digital Rights Management system to define access rights (Read/Write) with pre-defined validity and ensuring the recipients use the data only for its intended purpose.

The Bank has made arrangements for all key activities to be performed in a work-from-home environment, through secure Virtual Private Network (VPN) and Virtual Desktop Interface (VDI) and access provided through Two-Factor Authentication. The Bank also performs endpoint security posture testing while connecting to the Bank's network. A proxy agent is present on all endpoints to ensure that all computers are connected to the internet securely as per rules laid down by the Bank. Further, Data Leakage/Loss Prevention (DLP) has been implemented and all endpoints hardened as per the Bank's policy.

Participation in External Cyberattack Simulations

ICICI Bank conducts and participates in several cybersecurity attack simulation drills such as spear phishing drills on employees, Distributed Denial of Service (DDoS) attack drills for Internet Service Providers (ISPs), social engineering-based attacks on data centre staff to gain physical access etc. The Bank participates in cyber drills organised by the Institute for Development and Research in Banking Technology (IDRBT) annually. The Bank conducts an external 'Breach Assessment Exercise' or a 'Red Teaming Simulation' on its infrastructure with a clear and precise focus on the crown jewels of the Bank. There is an ongoing reinforcement of vigilance and awareness through ethical hacking exercises conducted on employees. Business continuity and recovery drills are conducted to assess the Bank's ability and readiness to combat disasters, to ensure continuity of critical business processes at an acceptable level and limit the impact of the disaster on people, processes and infrastructure.

The Bank conducts comprehensive security awareness programmes to enhance the level of cybersecurity awareness among its customers and employees. The Bank is using multiple channels to reach customers, such as social media, internet banking website, ATM, SMS, emails and posters in branches, among others. The Bank also regularly issues email advisories and conducts quiz on themes like Phishing Attacks, Malwares, System & Asset Security, Display Name Spoofing, Access, Protect Digital Identity, etc. for employees. The increased awareness among employees has also increased the overall cyber resilience of the Bank.

RISK GOVERNANCE FRAMEWORK

In view of rapid digitation and growing cyber threats, it has become imperative to respond quickly and effectively when security incidents occur. As part of incident response, the Bank has a dedicated Cyber Security Incident Response Team (CSIRT). The incident response process consists of distinct phases such as preparation, prevention, detection and escalation, containment, investigation, eradication, recovery, and post-incident analysis. Further, the Bank periodically conducts mock drills to assess the efficacy of the Incident Response Plan and continuously make improvements.

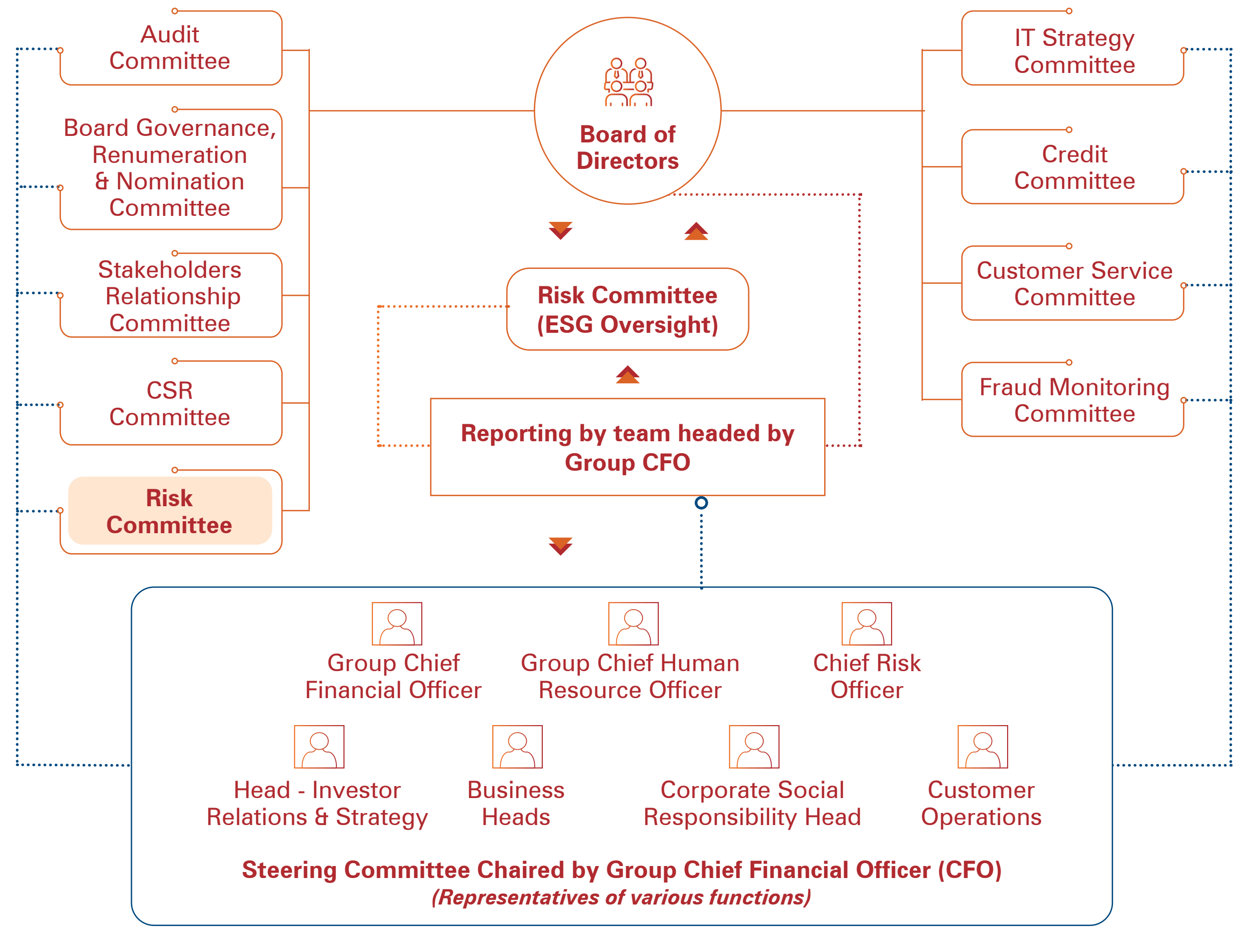
There were no material incidents of security breaches or data loss during fiscal 2022.

ESG GOVERNANCE

Long-term sustainable growth of the Bank's business is a critical strategic objective. This is backed by our commitment to adopt sustainable business practices that ensure the long-term success of the organisation and have a positive impact on the environment and society.

ICICI Bank's commitment towards ESG was strengthened with the adoption of the Board-approved Environmental, Social and Governance Policy and assigned responsibility for ESG oversight to the Board Risk Committee of the Bank, in April 2022.

ESG GOVERNANCE FRAMEWORK



RESPONDING TO CLIMATE CHANGE RISKS

ICICI Bank's Board has acknowledged the need to address the impact of climate change risks. The Bank is committed to creating a positive impact through its businesses and addressing the challenges to the environment.

The Bank has a Social and Environmental Management Framework (SEMF) for screening new project finance proposals. The framework stipulates environmental and social due diligence for projects above specific thresholds. It has an exclusion list of industries not permitted for financing.

The Bank is in the process of incorporating ESG and climate risk aspects as part of the credit evaluation process. This would include assessing the ESG profile of borrowers, their ESG-related risks depending on the sector in which they operate and related maturity in terms of policies and processes deployed to address these risks.

While a common framework for adopting climate risk assessment at banks is still evolving, the Bank's approach to analysing climate risks includes developing a framework on climate risk assessment and evolve methods to test the resilience of the lending portfolio to transition and physical risks. The Bank has formulated a Climate Risk Management Framework that comprises assessment of impact of climate change on the Bank's own operations, managing the Bank's loan book and integration of material climate risks into the existing risk management framework. The Bank will be aligned to national goals and targets in the nation's collective transition to a low-carbon economy.

In its own operations, the Bank is committed to minimising its environmental impact in its operations and facilities. The Bank is working towards setting a time-bound quantitative target for reduction in emissions/ reduction in emissions intensity/carbon neutrality.

MANAGING RISKS IMPACTING OUR BUSINESS

ICICI Bank aims to continuously evaluate the various risks impacting its business, and develop strategies to monitor and manage these risks, while meeting the objective of risk-calibrated growth and long-term sustainability.

The complex and evolving risk environment demands continuous strengthening of the Bank's risk management approach. The Bank continuously reviews and enhances the methods for identification and assessment of risks, and sets appropriate metrics and controls, and mitigants for managing significant risks. The Bank has recently initiated steps to embed climate risk assessment and climate risk management as part of the Bank's risk management framework. As a first step, a dedicated team within the Risk Management Group has been set up to develop a framework to assess the physical and transition risks of companies in the Bank's portfolio, and manage these risks as part of the credit evaluation process.

ECONOMIC RISK

KEY RISKS IN FISCAL 2022

Fiscal 2022 was a challenging year as incidences of increase of Covid-19 infection continued during the year. While the economic outlook improved, uncertainties continued as geo-political events, particularly the Russia-Ukraine crisis and rise in global crude oil and commodity prices impacted domestic economic parameters.

OUR RESPONSE

The Bank has been closely monitoring developments in the global and Indian economy, including country risk and sector-specific risks. The Bank does not have any direct exposure to Russia, and is continuously evaluating the likely second-order impact of the crisis.

CREDIT RISK

KEY RISKS IN FISCAL 2022

The continuing Covid-19 pandemic and economic developments made credit risk a key focus for the Bank during the year.

OUR RESPONSE

The Bank ensured effective risk management across business segments, strengthened by ongoing reviews for early identification and stress testing. The Bank's net non-performing assets decreased from 1.14% at March 31, 2021 to 0.76% at March 31, 2022. Credit cost as a percentage of average advances reduced from 1.75% in fiscal 2021 to 1.12% in fiscal 2022.

The Bank maintained strong capital and liquidity positions, which were significantly above regulatory requirements.

MANAGING RISKS IMPACTING OUR BUSINESS

MARKET AND LIQUIDITY RISK

KEY RISKS IN FISCAL 2022

Movements in interest rates, foreign exchange rates, credit spreads and equity prices remained largely stable during fiscal 2022. However, tightening monetary policy and exchange rate movements are expected to pose challenges going forward and could impact our net interest margin, the value of the trading portfolio, income from treasury operations and the quality of the loan portfolio. Further, deposits are an important source of funding, which are primarily short-term in nature, and banks face the risk of asset-liability mismatches if not rolled over by depositors.

OUR RESPONSE

The Investment Policy, Asset Liability Management Policy and Derivatives Policy, approved by the Board of Directors, govern the treasury activities and the associated risks and contain the limits structure. The Asset Liability Management Committee which includes the MD & CEO, Wholetime Directors and senior executives periodically reviews the Bank's business profile and its impact on asset liability management. Periodic monitoring is done by the Market Risk Management Group which recommends changes in policies, processes and methodologies. Building a strong liability franchise is a core strategic focus for the Bank.

CYBER RISK

KEY RISKS IN FISCAL 2022

There has been an increase in ransomware risk globally in recent years. In a digital economy, the Bank also leverages partnerships with third parties and these could also be sources of information security risk.

OUR RESPONSE

The Bank has been investing on building resilience and responding effectively to cyberattacks. The Bank has laid significant focus on data privacy and data loss prevention mechanisms and continued to make progress in fiscal 2022. There were no material incidents of security breaches or data loss during fiscal 2022.

TECHNOLOGY RISK

KEY RISKS IN FISCAL 2022

The growing customer dependence on digital transactions and increasing volumes of such transactions requires banks, including us, to focus on the availability and scalability of our systems. Misalignment between business and IT strategies is also a formidable risk.

OUR RESPONSE

The Bank's focus on technology and the transformation journey of *Bank to Bank*^{Tech} has enabled it to respond to the changing technological dynamics in an agile and responsive manner. The Information Technology Strategy Committee, which is a Board-level Committee, ensures that information technology strategy is aligned with the business strategy and with appropriate policies and control frameworks. The Bank's IT systems remained stable and service delivery was largely uninterrupted during fiscal 2022.

MANAGING RISKS IMPACTING OUR BUSINESS

EMPLOYEE RISK

KEY RISKS IN FISCAL 2022

The ability to attract, motivate and retain talented professionals and the availability of skilled management is critical for the successful implementation of the Bank's strategy and competing effectively. Employee well-being remained a key focus during fiscal 2022.

OUR RESPONSE

The Bank's human capital strategy is based on key value propositions of fair compensation policy, learning and growth, empowerment and care. Skilling and awareness efforts continued during fiscal 2022 with particular focus on digital upskilling and data analytics. The Bank conducted vaccination drives for employees and their immediate family during the year.

COMPLIANCE RISK

KEY RISKS IN FISCAL 2022

The Bank's compliance with regulatory requirements and changes is a key priority for the Bank. Failure to comply with applicable regulations could lead to inquiries or investigations by regulatory and enforcement authorities either against the Bank, or employees, its representatives, agents and third-party service providers.

OUR RESPONSE

The Bank is committed to ensuring compliance with regulations and laws, and proactively monitors these developments. The Bank has put in place well-articulated policies and controls to ensure compliance. The Bank seeks to have a strong compliance culture driven by the organisation's leadership. This would help in building stakeholder confidence and trust, and also ensure timely action to mitigate associated reputational risks.

HUMAN CAPITAL

One of the shifts in ICICI Bank's operating model in recent times has been the adoption of 'One Bank, One Team' as a guiding factor. The strategic focus on risk-calibrated growth in core operating profit is based on comprehensive assessment of opportunities in the market, and strengthening the teams' competencies for capturing market share, serving customers and growing profitably within the guardrails of risk and compliance.

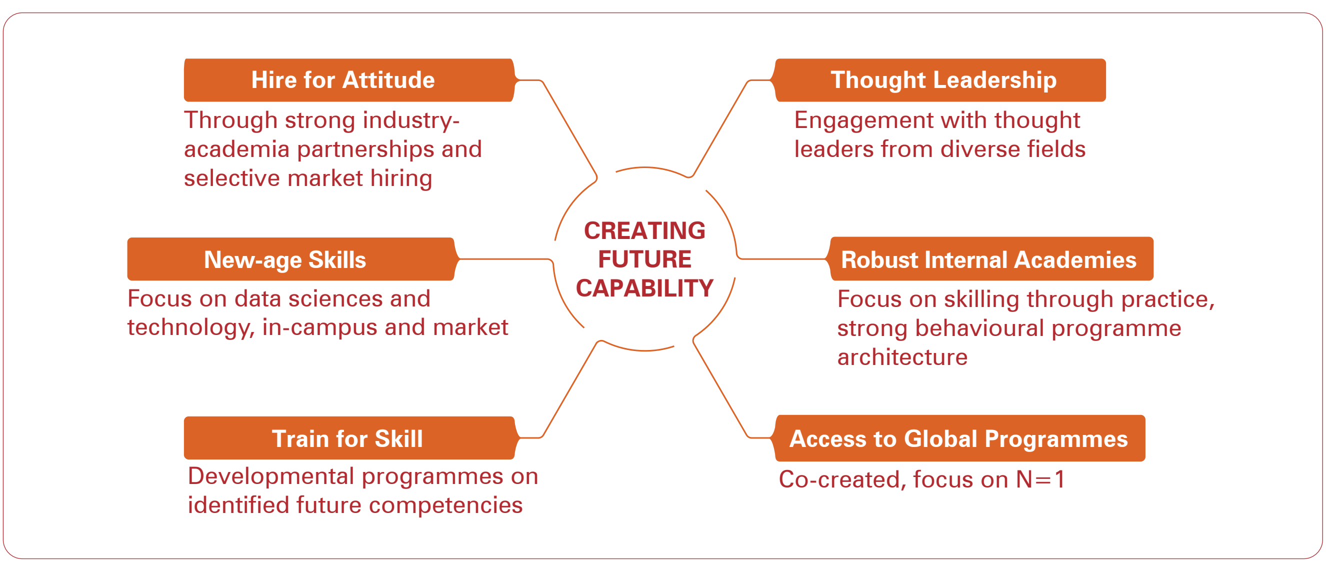
The Bank's human capital strategy is underpinned by key value propositions of learning and growth, empowerment, fair compensation policy, and care.

LEARNING AND GROWTH

The Bank's focus on ecosystem banking requires employees to have cross-functional skills and capabilities. The Bank has invested in training its employees and enhancing their ability to comprehensively serve customers. This has enabled teams to be agile in responding to requirements of customers, and work together to create innovative and experiential products for customers.

Job Rotation and Going Beyond Defined Roles

At ICICI Bank, every employee can contribute to creating a compelling customer experience. The Bank's 'customer-oriented' approach provides an opportunity to every employee to adopt new roles and not restrict themselves to specific areas. The Bank is skilling its workforce by giving cross-functional opportunities so that employees are fully equipped to cater to the 360° banking requirements of the customers. Across levels, it is imperative for employees to have a wider perspective and knowledge of all banking products.



HUMAN CAPITAL

CAPABILITY BUILDING ACADEMIES

- Retail Academy
- Wholesale Banking Academy
- Operations Academy
- Risk Academy

- Digital Academy
- Transaction Banking Academy
- Credit Academy
- Audit Academy

- Small & Medium Enterprises Group Academy
- Behavioural Academy
- Debt Service Management Group Academy

The Bank believes in building talent by identifying individuals with potential and attitude for growth, and providing them with opportunities to acquire necessary knowledge and skills. This focus is across levels, from those beginning their journey with ICICI Bank to various levels up to the senior management.

One of the ways to be future-ready is to invest in skills and capabilities, which are essential to be relevant in the market over the long term. The Bank has a defined architecture across functional, leadership development, digital and industry-academia programmes to equip employees with the required skill sets.

In order to periodically review and align the learning content and structures, ICICI Bank has structured academic councils, consisting of business leaders. This council meets on quarterly basis to review alignment of skilling content with evolving business needs. The inputs and feedback discussed in the session are implemented in the respective programmes as a part of the content update.

To meet the demands for a skilled workforce, the Bank has adopted a strategy to backward integrate at the ecosystem level to create a pool of industry-ready workforce. One of the key aspects of the industry-academia programmes is the expertise it builds in the banking, financial and digital services sector, and in ICICI Bank. The objective is to orient future employees to the culture of ICICI Bank and to impart functional knowledge in banking and related subjects.

INDUSTRY-ACADEMIA INITIATIVES

ICICI Bank Probationary Officers Programme

12 months programme designed to develop a pool of first-level managers with banking knowledge and required skill sets

ASCEND Programme

One month programme for graduates from top-tier institutes

Post Graduate Programme in Relationship Management

21 days programme designed to develop a cadre of banking professionals adept in sales and relationship management

ICICI Young Leaders Programme (YLP) - Post Graduate Diploma in Business Management

12 months career acceleration programme for employees

ICICI Business Leadership Programme - Post Graduate Certificate in Securities Markets

12 months programme designed to develop professionals for securities markets

Building a Digitally Capable Workforce

DIGITAL ACADEMY STRUCTURE

TECHNOLOGY

- Cloud Computing
- Project Management
- API and Micro Services
- DevOps
- Data Engineering
- Information and Cybersecurity
- PRISM for Technology and Information Security

DATA SCIENCE

- Data Sciences For Practitioners
- Functional Data Sciences Programme
- Advance Data Sciences Programme
- Data Story-Telling
- PRISM for Data

DESIGN

- UI/UX Training
- Design Thinking

In line with the vision of moving towards a scalable, future-ready and data-driven organisation, the Bank has geared up for transformational change with the implementation of advanced technologies in streamlining its systems and processes. To meet this objective, ICICI Bank has curated a learning plan to cover technology, data, information security and design skills ensuring right combination of functional, technical, process-based, professional and cultural anchors.

During fiscal 2022, the Bank started the PRISM programme that aims to train and develop young talented engineers who wish to pursue careers in the technology and data sciences function of the Bank. PRISM has been designed to develop a pool of managers with the required skills to be a part of the transformation from *Bank to Bank*^{Tech}. The programme has an extensive focus on hands-on exercises through virtual labs, projects and assessments.

EMPOWERMENT

The current business environment demands speed, agility and adaptability by an organisation. The Bank's focus is to create a responsive workforce, encouraged by empowering the teams to take cues from the local environment and identify local opportunities for risk-calibrated growth. The Bank encourages its employees to experiment and innovate to create service and solutions for customers within the guardrails of risk and compliance. The Bank has created a role-based leadership structure to encourage micro-experiments with the objective of taking successful models to the larger markets. The corporate office functions as service centre and the job of the central team is to serve the employees. The Bank believes in investing in its employees to take up challenging assignments and responsibilities early in the career.

Diversity and Inclusion

ICICI Bank has always encouraged diversity in its workforce and gender sensitivity is inherent to its human capital strategy. The Bank's philosophy of meritocracy and equal opportunity in its people decisions led to a large number of leadership positions being held by women over the last two decades. Conscious of the life stage needs and safety of women employees, a range of benefits and policies have been curated. The Bank has a liberal leave policy for women employees, which was established much ahead of its time.

EMPOWERING WOMEN EMPLOYEES

Travel Accompaniment

- Cost of Travel and Stay for the Child and a Caregiver

Leave Policy

- Child Care Leave
- Adoption Leave
- Fertility Leave

CARE

Response to Covid

Banking being an essential service during the Covid–19 pandemic, the Bank had to ensure continuity in its services to customers while ensuring the safety and well-being of all employees. Covid-19 related protocols of social distancing and sanitisation were followed across every location. The Bank put mechanisms in place to ensure that emotional, medical and physical support were provided to the employees on a real-time basis.

During the pandemic, ensuring safety and employee protection from the Covid-19 virus was a prime focus. The Bank undertook efforts for immunising its employees, their family members and other staff in its vendor ecosystem. The Bank launched a focussed programme to vaccinate its employees and their dependent family members. Planned vaccination drives were conducted in workplace and vaccination centres in association with hospital partners. Additionally, in hub locations, local tie-ups for in-hospital vaccination drive were also established. Employees availed vaccination at their own expense, reimbursement was provided for employees and their dependents. The planned drives included not just ICICI Bank employees and dependents, but also all other service partners.

Vaccination drive conducted by ICICI Bank for its employees.

Quick Response Team

ICICI Bank has a Quick Response Team (QRT) to assist employees if they are in any distress. Each QRT is a GPS-enabled vehicle, equipped with a stretcher and other equipment, and a team trained to deal with medical and personal safety related emergencies.

Employee Connect and Engagement

Employee self-services, managing leaves, managing financials, taxes, transfers and reimbursements and other benefits are addressed through the usage of technology. Areas that require high human touch including employee engagement and counselling and discussion around career development, are addressed through personal discussion.

The Bank is an equal opportunity employer and seeks to ensure that the workplace is free of any kind of harassment or inappropriate behaviour. Comprehensive policies and procedures have been laid down to create an environment where there is respect and dignity in every engagement. Sexual harassment cases are handled as per the guidelines set under the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Bank has created awareness about the Act through mandatory e-learnings at the time of induction. The Bank also regularly communicates with employees regarding the mechanism for raising complaints and the need for right conduct by all employees. The Bank has a mechanism for dealing with complaints of harassment. The policy ensures that all such complaints are handled promptly and effectively with utmost sensitivity and confidentiality, and are resolved within defined timelines. For other workplace issues, the Bank has a robust mechanism to resolve them and the Call@I-Care provides employees with a platform to raise such concerns.

EMPLOYEE ENGAGEMENT

Communication Meetings

The Bank's leadership regularly conducts communication meetings to articulate cultural anchors and business direction. Branch visits are an important part of the communication agenda

Coffee & Conversations

Managers engage with their teams frequently

New Joinee Engagement

Engagement sessions conducted frequently to induct new hires to the Bank's systems, processes and culture

My Wellness Hub

UOTM hosts a dedicated section on wellness, focussing on physical and emotional well-being

Digital@HR

The Universe on the Move (UOTM) platform has evolved into a comprehensive business tool that is a companion across the entire employee life cycle. Through API-based integration, UOTM offers a host of services to employees and at the same time ensures security and accessibility. Artificial Intelligence (AI) and Machine Learning (ML) technology is used to provide customised user experience. The services are deeply integrated with core platforms such as Human Resource Management System and Sales CRM (Customer Relationship Management). UOTM allows tracking and reporting of specific tabs/icons/videos for analytics and product enhancements.

Features

- Leave/ Muster
- Geo Fencing Sign-in
- Financials/ Tax
- Birthday Feature
- Communication Banners
- Investment Declaration

Business Enablers

Lead Creation | Corporate Ecosystem Vault | iMaintain | ATM Feedback

SOCIAL AND RELATIONSHIP CAPITAL

ICICI Bank is cognizant of its role towards ensuring a stable financial system and fostering value creation for all stakeholders.

An important factor in the Bank's value creation for its stakeholders is to have a meaningful engagement and be responsive to their perspectives. The Bank continuously endeavours to understand the concerns and opinions expressed by stakeholders and respond to them promptly. The Bank holds regular interactions with investors, employees, customers, regulators and engages with communities and banking associations to remain informed.

MATERIALITY ASSESSMENT

To deepen our commitment towards building a responsible and sustainable business, ICICI Bank appointed an external agency to conduct its first materiality assessment exercise to identify key topics that stakeholders believe were relevant for the Bank.

The approach for assessing material issues involved the following steps:

- Identifying the universe of relevant ESG topics that could have a potential impact on the Bank's sustainability. The sustainability topics were evaluated for consideration at a strategic level and organised into four broad themes: Governance, workplace, environmental management and community engagement.
- A survey in the form of a questionnaire was executed to capture the perspectives of our key external stakeholders including customers, investors, vendors/suppliers, rating agencies, media, and communities. Similarly, internal stakeholders were members from the management and employees. The survey and questionnaire were designed in a way to bring out the key issues, risks and opportunities from the stakeholders' point of view, which was then mapped to assess the materiality issues for our business.
- The Bank used online surveys to collect data and information from stakeholders to prioritise the list of identified ESG topics.

The Bank has identified the following top 13 material issues:

01 Compliance with regulations and other laws

02 Digital innovation/transformation

03 Data privacy and cybersecurity

04 Corporate governance and business ethics

05 Transparency and disclosures

06 Improving customer experience and satisfaction

07 Customer fairness and right-selling

08 Financial performance

09 Stability of risk management and risk outcomes

10 Leadership development and succession planning

11 Exposure of the Bank to climate-related risks in its loan portfolio

12 Carbon emissions and resource efficiency in the Bank's own operations

13 Promoting environment positive projects

STAKEHOLDER ENGAGEMENT

STAKEHOLDER	MODE OF ENGAGEMENT	AREAS OF IMPORTANCE	BANK'S RESPONSE
Customers	• Interaction with employees • Structured surveys for seeking feedback (Net Promoter Score, Customer Satisfaction Surveys) • Customer meets organised at branches • Customer communication through print, digital and social media • Multiple channels available for raising queries and grievances	• Convenience • Responsive, skilled and considerate staff • Availability of relevant products and services • Quick resolution of queries, requests raised and grievance redressal	• Being fair to the customer and to the Bank is a core element of the Bank's approach • Ensure right-selling of products • Dedicated customer service team focussed on improving process efficiency, reducing customer effort and leveraging technology to enhance customer experience and response time • Continuous upskilling and knowledge building of staff • Policy of zero tolerance to unethical conduct by employees
Shareholders/ Investors	• Annual General Meeting • Emails and periodic meetings • Conference calls • Investor conferences • Analyst day	• Shareholder value creation • Medium and long-term strategy • Governance and ethical practices • Compliance • Transparency • Disclosure of non-financial metrics pertaining to sustainability	• Continued interaction with investors during the year and also held digital interactive sessions • Communicating on strategic objectives during the quarterly results call with investors and increased disclosures • Non-financial disclosures included in the Annual Report • Board-approved Environmental, Social and Governance (ESG) Policy with oversight on ESG with the Board Risk Committee; policy disclosed on the Bank's website

SOCIAL AND RELATIONSHIP CAPITAL

STAKEHOLDER	MODE OF ENGAGEMENT	AREAS OF IMPORTANCE	BANK'S RESPONSE
Employees	• Continuous engagement across employee segments and business • Periodic communication meetings anchored by senior leaders • iCare, an online portal for employees to raise queries • Universe on the Move – a one-stop digital platform for employees • Branch visits by senior leaders	• Philosophy of 'Fair to Customer, Fair to Bank' and 'One Bank, One Team' • Risk and compliance culture • Enabling work culture with opportunities for growth and learning • Culture of experimentation • Meritocracy • Responsive grievance handling process	• Job rotation and going beyond defined roles • Responsibilities given to young professionals • Focussed leadership and career mobility • Covid vaccination drive for employees and their dependent family members • Support to employees through other networks like Quick Response Team (QRT) in case of medical emergencies • Care for employees through leave policies catering to their different needs including life stage needs • Digital, functional and behavioural learning opportunities for employees
Regulators	• Periodic meetings with regulatory bodies • Participation in policy forums • Other forms of communication like emails, letters etc. • Supervisory meeting	• Fair treatment of customers and grievance redressal • Anti-money laundering and fraud risk • Operational risk including IT and cybersecurity risk	• Strengthening risk and compliance culture among all employees • A dedicated team for communicating with regulators and responding in a time-bound manner • Well-defined processes and leveraging technology in responding to regulators • The Bank continuously engages with the regulator and provides inputs on regulatory policies
Society	• ICICI Foundation for Inclusive Growth (ICICI Foundation) • Rural development initiatives • Supporting government initiatives	• Contributing to social development • Financial literacy and improving access to financial services especially in rural areas	• Met the CSR requirement for fiscal 2022 under the Companies Act, 2013 • Focus on livelihoods, health infrastructure, social and environmental projects through the ICICI Foundation • Industry-academia partnerships for developing skills for the banking sector

Note: The listing of areas of importance are not as per the order of importance to the stakeholder

SOCIAL INITIATIVES OF ICICI BANK

STRATEGIC PILLARS THAT GUIDE ACTIVITIES OF ICICI FOUNDATION

Shortage

Addressing shortage of a commodity/skill

Surplus

Economically managing surplus of a commodity in a local area

Inclusion

Inclusion of landless and marginalised

Environment

Environment conservation and promoting sustainability

With a purpose-driven approach, the Bank has been playing a role in creating meaningful social impact. The Bank has been undertaking social investments largely through the ICICI Foundation for Inclusive Growth (ICICI Foundation). In fiscal 2022, the Bank spent about ₹2.67 billion towards CSR activities.

Activities of ICICI Foundation

A large part of the efforts of ICICI Foundation are focussed in the rural areas. Over the years, ICICI Foundation has recognised the need to discern locally relevant requirements at the grassroot level and design activities or projects for maximum impact. These projects could range from addressing issues of resource shortages, value chain development for agricultural products, imparting skill training in smart agricultural practices, and others.

Some key activities of ICICI Foundation in fiscal 2022 were as follows:

Water

Availability of water has been identified as a critical gap as water shortage is a significant challenge in many parts of the country. ICICI Foundation undertook several projects to address water challenges. During fiscal 2022, rainwater harvesting projects were implemented across 1,700 rural government schools. Apart from replenishing groundwater in these areas, the objective of implementing the project in rural schools was also to educate school children about rainwater harvesting. The idea is to instil habits from a young age to use water sustainably and mindfully. ICICI Foundation has also carried out watershed projects in regions like Marathwada and Bundelkhand, that are drought prone regions.

Rainwater harvesting project installation at a government school in Shivali village, Latur district, Maharashtra.

SOCIAL AND RELATIONSHIP CAPITAL

Healthcare

Following the Covid-19 pandemic, an important area that drew attention of the Bank and ICICI Foundation was to fortify the health infrastructure of the country. During fiscal 2022, varied efforts were made in this direction. To specifically address the requirements for Covid-19 healthcare, several health equipment like oxygen plant, ambulances, ventilators, hospital beds, and others were provided. ICICI Foundation also supported efforts to build a complete facility for Covid-19 treatment in three states. Going beyond supporting Covid-19 healthcare, ICICI Foundation also supplied medical equipment like dialysis machines and equipment for cancer care that were recognised as areas requiring significant support.

Value Chain Development

As part of value chain development, the principal focus of ICICI Foundation was towards strengthening the agriculture and animal husbandry sectors. This involved setting up food processing units at several locations for processing the surplus production to improve the shelf life of the local produce. Naming few projects in this area included the food processing unit at Udaipur in Rajasthan, oilseed value chain at Keonjhar in Odisha, value-added milk products at Beed in Maharashtra, and jackfruit value chain at Kerala. In the area of animal husbandry, ICICI Foundation has undertaken projects in livestock value chains.

Environmental Sustainability

Apart from rainwater harvesting and watershed projects, ICICI Foundation has worked on promoting use of renewable energy sources. This involved projects like setting up solar power capacity at government schools, rejuvenation of water bodies, waste management and hygiene. ICICI Foundation has also undertaken pilots for ensuring food security under adverse weather conditions in Ladakh. Trench Greenhouse has enabled vegetable cultivation in Ladakh throughout the year. In addition, ICICI Foundation has extensively engaged in tree plantation, and has planted over one million trees till March 31, 2022.


Women beneficiaries at the jackfruit processing unit in Kuzhur village, Thrissur district, Kerala.

Skill Training for Livelihood

ICICI Foundation conducts three flagship programmes for skill training. The ICICI Academy for Skills operates 28 skill training centres in 21 states/union territory. These Academies are providing industry-relevant, job-oriented training on a pro bono basis in technical and non-technical skills. Under the Rural Livelihood programme, ICICI Foundation has worked in over 2,500 villages to impart relevant skills to enable livelihood creation while ensuring sustainable village ecosystems. ICICI Foundation manages two Rural Self Employment Training Institutes (RSETIs) at Udaipur and Jodhpur with 20 satellite centres in Rajasthan. These centres provide skills based on the local market requirements.

The cumulative number of people trained through these three initiatives crossed 750,000 individuals at March 31, 2022. The activities of ICICI Foundation spans across all states in the country.

Beneficiaries of custard apple plantation drive by ICICI RSETI, Udaipur.

Rural Development

There are specific segments of the rural economy that require a more supportive and sensitive response to their financial requirements, and the Bank has taken initiatives to address the needs of such segments. The Self-Help Groups (SHGs) programme is an initiative that has contributed to entrepreneurship among women in the rural areas. A comprehensive suite of banking products, including zero-balance savings account and term loans, for meeting the business requirements of the women of these SHGs is provided. Services are offered at their doorstep, thus saving their time and money on visits to the branch. ICICI Bank is also organising financial literacy camps and has set up dedicated service desks at select branches to guide SHGs on banking procedures. There has been a gradual rise in entrepreneurial ventures by women in the areas where the Bank has been providing services to SHGs. In addition to direct efforts in reaching out to SHGs, the Bank has tied up with about 546 non-government organisations called Self-Help Promoting Institutions (SHPIs).

The Bank has provided loans to over nine million women beneficiaries through over 692,000 SHGs till March 31, 2022. Of these, 3.8 million women were ‘first time borrowers’, who had not taken a loan from any formal financial institution. In addition to direct customers, the Bank reaches out to about 1.3 million customers through microfinance institutions.

The Bank also provides lending to Joint Liability Groups (JLGs), which are semi-formal groups from the weaker sections of society. Compared to SHGs, these groups are smaller. Lending to these groups is done through tie-ups with microfinance companies. The Bank also offers credit-related services to microfinance companies that are providing financial services to the rural population.

At March 31, 2022, the Bank had over 21.1 million Basic Savings Bank Deposit Accounts (BSBDA), of which around 4.4 million accounts were opened under the Pradhan Mantri Jan Dhan Yojana. The Bank encourages and enables these account holders to transact digitally.

ENVIRONMENTAL SUSTAINABILITY

ICICI Bank has made significant strides in fiscal 2022 towards further embedding environmental priorities in its business and own operations.

ICICI Service Centre in Bandra-Kurla Complex, Mumbai, has been awarded a 'Platinum' rating by Indian Green Building Council (IGBC).

Environmental, Social and Governance (ESG) matters are becoming increasingly relevant for companies across various sectors. For banks, ESG priorities, inter alia, range from identification and promotion of sustainable assets, recognising ESG risks and opportunities, developing sustainable financing strategies, and incorporating ESG and climate change issues in risk management and governance.

The Bank has been making efforts in these areas through various initiatives. In fiscal 2022, a consulting firm was appointed to review the ESG practices at the Bank, and recommend steps to strengthen the same. The Bank established a Board-approved Environmental, Social and Governance (ESG) Policy, which outlines the key priorities and integration of ESG across various functions. The environmental focus of the Bank at present is broadly towards promoting capacity creation in sustainable sectors, evaluation of ESG and climate risks and incorporating it as part of the credit assessment process and ensuring environmental sensitivity in the Bank's own operations.

RESPONSIBLE FINANCING

ICICI Bank is committed to supporting the nation's transition to a low-carbon economy and contribute towards sustainable growth. The Bank has emphasised financial inclusion and has developed digital products and strategies to improve access to finance for segments like Micro, Small and Medium Enterprises and the unbanked rural areas. Lending to sustainable sectors, like renewable energy, is another focus area subject to appropriate assessment of risks and returns. At March 31, 2022, the Bank's outstanding portfolio to sectors like renewable energy, electric vehicles, green certified real estate, waste management and positive impact sectors like small-scale khadi and handicrafts was about ₹73.80 billion.

Consideration of ESG in the Bank's lending decisions and risk management framework are important factors and the Bank has started evaluating various approaches in this regard. A beginning was made in April 2020 with the introduction of the social and environmental management framework that integrates analysis of environmental and social risks into the overall credit appraisal process. The key elements of the assessment include an exclusion list, seeking a declaration from borrowers of compliance with applicable national environmental guidelines/approvals for qualifying proposals subject to threshold criteria defined in the framework, and due diligence by a Lender's Independent Engineer (LIE) for large-ticket project loans identified as per the criteria defined in the framework.

ICICI Bank has recently taken a step further in the process of incorporating ESG and climate risk aspects as part of the credit evaluation process. Borrower ESG scores from external agencies are considered during the evaluation of a proposal. Further, the Bank has developed sector-specific checklists on ESG and assessment of climate-related physical and transition risks that a borrower in the sector could be exposed to. A response would be sought from the top borrowers of the Bank on these identified areas that would help in profiling the borrowers, based on their ESG-related risks and maturity in terms of policies and processes deployed to address these risks. The data gathered would then be evaluated to understand the ESG profile of the Bank's borrowers, likely concentration risks and determining the next steps.

Climate change and its impact on the economy and financial systems is a tangible risk and requires close monitoring. The Bank will align its efforts with the nation's commitments and efforts towards transitioning to a low-carbon economy. As the understanding on climate risk is still evolving, the Bank has formulated an approach to address risks emanating from climate change, as part of a Climate Risk Management Framework. The scope of the framework comprises assessment of impact of climate change on the Bank's own operations, climate risk management of the Bank's loan book and integration of material climate risks into the existing risk management framework. The framework will be periodically reviewed for aligning with regulatory guidance on climate risks.

Developing proficiency in understanding ESG-related risks and opportunities and evaluation of ESG/climate related risks has been part of the training imparted to a core team within the risk management group during fiscal 2022.

ENVIRONMENT SENSITIVITY IN THE BANK'S OPERATIONS

ICICI Bank continued to make progress in rationalising the use of natural resources and developing strategies for improving energy efficiency and adoption of green practices.

Few key activities undertaken during the year were:

- An additional 0.80 million square feet of Bank's premises were certified under the Indian Green Building Council (IGBC) green building rating. The total area with IGBC certification increased from 2.28 million square feet in fiscal 2021 to 3.09 million square feet in fiscal 2022.

- An additional 260 kWp of solar power capacity was added during fiscal 2022, taking the cumulative renewable energy installed capacity to 3,174 kWp. The Bank also reviewed and enhanced the supply of renewable power under the power purchase agreements. Around 7% of energy consumption in fiscal 2022 were from renewable sources.

- The Bank developed a digital integrated maintenance portal to manage breakdown and preventive maintenance requirements of critical equipment at branches and offices.

ENVIRONMENTAL SUSTAINABILITY

23%
of total area green certified

24°Celsius
temperature policy as per ASHRAE[1] guidelines across branches and offices

Energy consumption of
127 million units
or 0.89 units per square feet per month, which is equivalent to a 4-Star as per BEE Energy Efficiency benchmark

276
new branches were equipped with energy and water efficient equipment

Rainwater Harvesting
implemented at various locations, including two of our large offices

[1] ASHRAE standards and guidelines include uniform methods of testing for rating purposes, describe recommended practices in designing and installing equipment and provide other information to guide the industry.

A rooftop solar plant installed at ICICI Bank's regional office on Bund Garden Road in Pune.

GHG EMISSIONS

The Bank appointed TUV India Private Limited to conduct an independent limited assurance of the Bank's Scope 1[2] and Scope 2[3] emissions in fiscal 2022.

In absolute terms, the Bank's GHG emissions increased by 3.6% in fiscal 2022. However, the year-on-year carbon emission per Full Time Equivalent (FTE) employee declined from 1.38 tCO_2e[4] in fiscal 2021 to 1.36 tCO_2e in fiscal 2022. The Bank did not purchase carbon credits and related instruments during the year.

ICICI Bank's GHG emissions in its own operations in fiscal 2022 were:

Emission Category	Value (tCO_2e)
Owned cars (Scope 1)	4.72
High speed diesel consumption in DGs (Scope 1)	5,523.63
Refrigerant emissions (Scope 1)	20,407.62
Fire extinguishers (Scope 1)	176.58
Electricity purchased (Scope 2)	116,379.39

In '000 tCO_2e	Fiscal 2020	Fiscal 2021	Fiscal 2022
Scope 1	21	23	26
Scope 2	128	114	116
Total	**149**	**137**	**142**
Emissions Intensity (in tCO_2e per FTE)	1.51	1.38	1.36

[2] Greenhouse Gas (GHG) Scope 1 - Direct GHG emissions that occur from sources owned or controlled by an organisation. For instance, fuel-led emissions from boilers, furnaces, vehicles, etc.

[3] Greenhouse Gas (GHG) Scope 2 - Scope 2 emissions are indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling. While these emissions may physically occur at the facility where they are generated, they are accounted for in an organisation's GHG inventory as they are generated for use by the organisation.

[4] tCO_2e - Tonnes of carbon dioxide equivalent.

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Twenty-Eighth Annual Report of ICICI Bank Limited (ICICI Bank/the Bank) along with the audited financial statements for the year ended March 31, 2022.

FINANCIAL HIGHLIGHTS

The financial performance for fiscal 2022 is summarised in the following table:

₹ in billion, except percentages	Fiscal 2021	Fiscal 2022	% change
Net interest income and non-interest income	529.12	**650.80**	23.0%
Operating expenses	215.61	**267.33**	24.0%
Core operating profit	313.51	**383.47**	22.3%
Treasury income	50.46[1]	**9.03**	(82.1)%
Operating profit	363.97	**392.50**	7.8%
Provisions & contingencies (excluding tax)	162.14	**86.41**	(46.7)%
Profit before tax	201.83	**306.09**	51.7%
Profit after tax	161.93	**233.39**	44.1%

1 Includes profit of ₹ 36.70 billion from sale of shareholding in subsidiaries in fiscal 2021.

₹ in billion, except percentages	Fiscal 2021	Fiscal 2022	% change
Consolidated profit before tax and minority interest	260.28	**349.96**	34.5%
Consolidated profit after tax and minority interest	183.84	**251.10**	36.6%

APPROPRIATIONS

The profit after tax of the Bank for fiscal 2022 is ₹ 233.39 billion after provisions and contingencies of ₹ 159.11 billion (including provision for taxes of ₹ 72.69 billion). The accumulated profit is ₹ 543.48 billion, taking into account the balance of ₹ 310.09 billion brought forward from the previous year. Your Bank has a consistent dividend payment history. Your Bank's dividend policy is based on the profitability and key financial metrics, capital position and requirements, and the regulations pertaining to the payment of dividend. The Board of Directors has recommended a dividend of ₹ 5.00 per equity share for the year ended March 31, 2022 and has appropriated the disposable profit as follows:

₹ in billion	Fiscal 2021	Fiscal 2022
To Statutory Reserve, making in all ₹ 356.04 billion	40.48	**58.35**
To Special Reserve created and maintained in terms of Section 36(1)(viii) of the Income Tax Act, 1961, making in all ₹ 128.84 billion	10.90	**15.00**
To Capital Reserve, making in all ₹ 149.54 billion	1.30	**15.74**[1]
To Investment Fluctuation Reserve, making in all ₹ 20.71 billion[2]	(2.49)[3]	**3.83**
To Revenue and other reserves, making in all ₹ 57.27 billion	14.92[4]	**0.00**
Dividend paid on equity shares[5]	-	**13.85**
Leaving balance to be carried forward to the next year	310.09	**436.71**

1 The Bank had shifted certain securities from held-to-maturity (HTM) category to available-for-sale (AFS) category on May 3, 2017. RBI through its order dated May 3, 2021 directed the Bank to appropriate the net profit made on sale of these investments during fiscal 2018 to Capital Reserve. Accordingly, during Q1-2022, the Bank transferred an amount of ₹15.09 billion from Balance in Profit and Loss account to Capital Reserve.

2 Represents an amount transferred to Investment Fluctuation Reserve (IFR) from disposable profit. As per the RBI guidelines, an amount not less than the lower of net profit on sale of AFS and held-for-trading (HFT) category investments during the year or net profit for the year less mandatory appropriations is required to be transferred to IFR, until the amount of IFR is at least 2% of the HFT and AFS portfolio. The Bank can draw down balance available in IFR in excess of 2% of its AFS and HFT portfolio.

3 Represents transfer from IFR to Balance in Profit & Loss Account.

4 Includes transfer of accumulated balance amounting to ₹ 0.08 billion maintained in Reserve Fund under Sri Lankan Banking Act No. 30 of 1988 to Balance in Profit & Loss account due to closure of the Branch.

5 Represent dividend declared for previous financial year and paid in current financial year. RBI through its circular on 'Declaration of dividends by banks (Revised)' had directed that banks shall not make any dividend payment on equity shares from the profits pertaining to fiscal 2020. Accordingly, the Bank did not declare any dividend for fiscal 2020.

DIRECTORS' REPORT

The Bank prepares its financial statements in accordance with the applicable accounting standards, RBI guidelines and other applicable laws/regulations. RBI, under its risk-based supervision exercise, carries out the risk assessment of the Bank on an annual basis. This assessment is initiated subsequent to the finalisation, completion of audit and publication of audited financial statements for a financial year and typically occurs a few months after the financial year-end. As a part of this assessment, RBI separately reviews asset classification and provisioning of credit facilities given by the Bank to its borrowers. The divergences, if any, in classification or provisioning arising out of the supervisory process are given effect to in the financial statements in subsequent periods after conclusion of the exercise.

In terms of the RBI circular no. DBR.BP.BC. No.32/21.04.018/2018-19 dated April 1, 2019, banks are required to disclose the divergences in asset classification and provisioning consequent to RBI's annual supervisory process in their notes to accounts to the financial statements, wherever either (a) the additional provisioning requirements assessed by RBI exceed 10% of the reported net profits before provisions and contingencies or (b) the additional gross NPAs identified by RBI exceed 15% of the published incremental 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 RBI's supervisory process for fiscal 2021.

SHARE CAPITAL

During the year under review, the Bank allotted 32,778,988 equity shares of ₹ 2.00 each pursuant to exercise of stock options under the Employee Stock Option Scheme. For details refer to Schedule 1 of the financial statements.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Pursuant to Section 186(11) of the Companies Act, 2013, the provisions of Section 186 of the Companies Act, 2013, except sub-section (1), do not apply to a loan made, guarantee given or security provided by a banking company in the ordinary course of business. The particulars of investments made by the Bank are disclosed in Schedule 8 of the financial statements as per the applicable provisions of the Banking Regulation Act, 1949.

SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

During the year under review, ICICI Lombard General Insurance Company Limited ceased to be a subsidiary and became an associate of the Bank. The Bank does not have any joint venture company. As at March 31, 2022, your Bank had following subsidiaries (15) and associate (9) companies:

Name of the Subsidiary Company	% of shares held
ICICI Bank UK PLC	100
ICICI Bank Canada	100
ICICI Securities Limited	74.89
ICICI Securities Holdings, Inc.[1]	100
ICICI Securities, Inc.[2]	100
ICICI Securities Primary Dealership Limited	100
ICICI Venture Funds Management Company Limited	100
ICICI Home Finance Company Limited	100
ICICI Trusteeship Services Limited	100
ICICI Investment Management Company Limited	100
ICICI International Limited	100
ICICI Prudential Pension Funds Management Company Limited[3]	100
ICICI Prudential Life Insurance Company Limited	51.32
ICICI Prudential Asset Management Company Limited	51.00
ICICI Prudential Trust Limited	50.80

1 ICICI Securities Holdings, Inc. is a wholly owned subsidiary of ICICI Securities Limited.

2 ICICI Securities, Inc. is a wholly owned subsidiary of ICICI Securities Holdings, Inc.

3 ICICI Prudential Pension Funds Management Company Limited is a wholly owned subsidiary of ICICI Prudential Life Insurance Company Limited.

DIRECTORS' REPORT

Name of the Associate Company	% of shares held
ICICI Lombard General Insurance Company Limited	48.04
I-Process Services (India) Private Limited	19.00
NIIT Institute of Finance Banking and Insurance Training Limited	18.79
ICICI Merchant Services Private Limited	19.01
India Infradebt Limited	42.33
Arteria Technologies Private Limited	19.98
Rajasthan Asset Management Company Private Limited[1]	24.30
OTC Exchange of India[1]	20.00
Falcon Tyres Limited[1]	26.39

[1] *These companies are not considered as associates in the financial statements, in accordance with the provisions of AS 23 on 'Accounting for Investments in Associates in Consolidated Financial Statements'.*

HIGHLIGHTS OF PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES AND THEIR CONTRIBUTION TO THE OVERALL PERFORMANCE OF THE COMPANY

The performance of subsidiaries and associates and their contribution to the overall performance of the Bank as on March 31, 2022 is given in "Consolidated Financial Statements of ICICI Bank Limited - Schedule 18 - Note 12 - Additional information to consolidated accounts" of this Annual Report. A summary of key financials of the Bank's subsidiaries is also given in "Statement Pursuant to Section 129 of the Companies Act, 2013" of this Annual Report.

The highlights of the performance of key subsidiaries are given as a part of Management's Discussion & Analysis under the section "Consolidated financials as per Indian GAAP".

The Bank will make available separate audited financial statements of the subsidiaries to any Member upon request. These documents/details will be available on the Bank's website at https://www.icicibank.com/aboutus/annual.html and will also be available for inspection by any Member or trustee of the holder of any debentures of the Bank. As required by Accounting Standard 21 (AS-21) issued by the Institute of Chartered Accountants of India, the Bank's consolidated financial statements included in this Annual Report incorporate the accounts of its subsidiaries and other consolidating entities.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY AND ITS FUTURE OPERATIONS

There are no significant and/or material orders passed by the regulators or courts or tribunals impacting the going concern status or future operations of the Bank.

UPDATE ON COVID-19

The Covid-19 pandemic resulted in a nation-wide lockdown in India in April-May 2020, which substantially impacted economic activity. The subsequent easing of lockdown measures led to gradual improvement in economic activity and progress towards normalcy from the second half of fiscal 2021. The second wave of the Covid-19 pandemic in April-May 2021 led to the re-imposition of localised/regional lockdown measures in various parts of the country. The lockdown measures were lifted gradually, as the second wave subsided from June 2021 onwards. The impact of the third wave of Covid-19 pandemic in December 2021-January 2022 was mild, though it had led to re-imposition of some localised/regional restrictive measures. During fiscal 2022, there was significant progress in the vaccination programme, with 1.84 billion vaccine doses administered till March 31, 2022, including 23 million precautionary doses. Currently, while the number of new Covid-19 cases have reduced significantly and the Government of India has withdrawn most of the Covid-19 related restrictions, the future trajectory of the pandemic may have an impact on the results of the Bank and the Group.

In these challenging times, the Bank's employees have shown strong resilience and the ability to adapt to changing circumstances. The health and well-being of employees and customers was of utmost importance to the Bank. A focused programme to vaccinate all employees and their dependent family members was undertaken by the Bank in association with hospital partners during fiscal 2022. Additionally, for small district and hub locations, local tie-ups for an in-hospital vaccination drive were also established. The planned drives included not just ICICI Bank employees and their dependents, but also service partners including security guards and IT support personnel.

DIRECTORS' REPORT

The Bank continues to see opportunities to grow and strengthen its franchise. A range of digital products and services were launched during fiscal 2022. The Bank launched 'ICICI STACK for Corporates' which offers comprehensive solutions to corporates and their ecosystem comprising channel partners, dealers, vendors, employees and other stakeholders. The Bank introduced "Merchant STACK" which offers an array of banking and value-added services to retailers, online businesses and large e-commerce firms. InstaBIZ, the Bank's mobile banking app for small and medium enterprise customers, was made interoperable, that is, all benefits of the app are now available to all merchants including those who do not have a current account with the Bank. Further, through the InstaBIZ app, non-ICICI Bank account holders can avail instant sanction of overdraft facility and instant opening of current account digitally through video KYC. There was a significant increase in adoption of iMobile Pay from customers who do not have an account with the Bank.

As part of corporate social responsibility (CSR) initiatives, the Bank focussed on strengthening the health infrastructure at hospitals by providing equipment and machines and other health amenities. The Bank and ICICI Foundation worked extensively in supporting the efforts to fight against the pandemic, and spent an amount of ₹ 1.00 billion during fiscal 2022.

MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE BANK

There are no material changes and commitments affecting the financial position of the Bank which have occurred between the end of the financial year of the Bank to which the financial statements relate and the date of this Report. For the impact of Covid-19 on the performance of the Bank and the Group, refer "note no. 56 of schedule 18 – Notes forming part of the accounts" of financial statements of the Bank and "note no. 17 of schedule 18 – Notes forming part of the accounts" of consolidated financial statements of the Bank.

DIRECTORS AND OTHER KEY MANAGERIAL PERSONNEL

Changes in the composition of the Board of Directors and other Key Managerial Personnel

The Board at its Meeting held on January 22, 2022 approved the appointment of Vibha Paul Rishi as an Additional (Independent) Director for a period of five years with effect from January 23, 2022 subject to the approval of Members. The Members through postal ballot on March 27, 2022 approved the appointment of Vibha Paul Rishi as an Independent Director for a term of five consecutive years commencing from January 23, 2022 to January 22, 2027.

Lalit Kumar Chandel ceased to be the Government Nominee Director on the Board of the Bank consequent to withdrawal of nomination by the Government of India through its notification dated August 18, 2021.

Rama Bijapurkar ceased to be a Non-Executive/Independent Director of the Bank with effect from January 23, 2022. The resignation letter of Rama Bijapurkar with reason and her confirmation that there is no other material reason for her resignation is available on the website of the stock exchanges and on the website of the Bank at https://www.icicibank.com/managed-assets/docs/about-us/2022/disclosure/Resignation-of-Director-Disclosure-dtd-21-Jan-22.pdf.

Vishakha Mulye stepped down from her position as an Executive Director with effect from May 31, 2022 consequent to her decision to pursue career opportunities outside the ICICI Group.

The Board acknowledges the valuable contribution and guidance provided by the Directors.

The Members at the last Annual General Meeting (AGM) held on August 20, 2021 approved the re-appointment of Anup Bagchi as Wholetime Director (designated as Executive Director) for a period of five years or date of retirement, whichever is earlier, effective from February 1, 2022, subject to the approval of Reserve Bank of India (RBI). RBI through its letter dated January 6, 2022 approved the re-appointment of Anup Bagchi as an Executive Director of the Bank for a period of three years with effect from February 1, 2022.

The Board at its Meeting held on April 23, 2022 based on the recommendations of the Board Governance, Remuneration & Nomination Committee approved the appointment of Rakesh Jha, as a Wholetime Director (designated as Executive Director) of the Bank for a period of five years effective from May 1, 2022 or the date of approval of his appointment by RBI, whichever is later. The said appointment is also subject to the approval of Members. Approval of the Members is being sought for Rakesh Jha's appointment for five years in the Notice of the forthcoming AGM through item nos. 9 and 10.

Rakesh Jha ceased to be the Group Chief Financial Officer and Key Managerial Personnel of the Bank effective May 1, 2022. The Board at its Meeting held on April 23, 2022

DIRECTORS' REPORT

approved the appointment of Anindya Banerjee as the Group Chief Financial Officer and Key Managerial Personnel of the Bank with effect from May 1, 2022.

The Board at its Meeting held on June 28, 2022 based on the recommendations of the Board Governance, Remuneration & Nomination Committee approved the following:

(a) Re-appointment of Neelam Dhawan as an Independent Director of the Bank for a second term commencing from January 12, 2023 to January 11, 2026, subject to the approval of Members.

(b) Re-appointment of Uday Chitale as an Independent Director of the Bank for a second term commencing from January 17, 2023 to October 19, 2024, subject to the approval of Members.

(c) Re-appointment of Radhakrishnan Nair as an Independent Director of the Bank for a second term commencing from May 2, 2023 to May 1, 2026, subject to the approval of Members.

The resolutions for the above re-appointments are being proposed in the Notice of the forthcoming AGM through item nos. 6 to 8.

As on the date of this report, in terms of Section 203(1) of the Companies Act, 2013, Sandeep Bakhshi, Managing Director & CEO, Anup Bagchi, Executive Director, Sandeep Batra, Executive Director, Anindya Banerjee, Group Chief Financial Officer and Ranganath Athreya, Company Secretary are the Key Managerial Personnel of the Bank.

Declaration of Independence

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 of the Companies Act, 2013 as amended (the Act) and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (SEBI Listing Regulations) which have been relied on by the Bank and were placed at the Board Meeting held on April 23, 2022. In the opinion of the Board, the Independent Directors fulfil the conditions specified in the Act and the SEBI Listing Regulations and are independent of the Management.

Retirement by rotation

In terms of Section 152 of the Companies Act, 2013, Sandeep Batra would retire by rotation at the forthcoming AGM and is eligible for re-appointment. Sandeep Batra has offered himself for re-appointment.

AUDITORS

Statutory Auditors

At the Annual General Meeting (AGM) held on August 20, 2021, the Members approved the appointment of M/s M S K A & Associates, Chartered Accountants (hereinafter referred to as M S K A & Associates) and M/s KKC & Associates LLP, Chartered Accountants (formerly M/s Khimji Kunverji & Co LLP), (hereinafter referred to as KKC & Associates LLP), as the joint statutory auditors to hold office from the conclusion of the Twenty-Seventh AGM till the conclusion of the Twenty-Eighth AGM. As per the Reserve Bank of India (RBI) guidelines, the joint statutory auditors of the banking companies are allowed to continue for a period of three years, subject to fulfilling the prescribed eligibility norms. Accordingly, M S K A & Associates and KKC & Associates LLP, would be eligible for re-appointment at the conclusion of the forthcoming AGM. As recommended by the Audit Committee, the Board has proposed the re-appointment of M S K A & Associates and KKC & Associates LLP, as the joint statutory auditors for the year ending March 31, 2023 (fiscal 2023). M S K A & Associates and KKC & Associates LLP, will hold office from the conclusion of the forthcoming AGM till the conclusion of Twenty-Ninth AGM, subject to the approval of the Members of the Bank and regulatory approvals as may be necessary or required. The re-appointment of the joint statutory auditors is proposed to the Members in the Notice of the forthcoming AGM through item nos. 4 and 5.

There are no qualifications, reservation or adverse remarks made by the joint statutory auditors in the audit report.

Secretarial Auditors

The Board appointed M/s Parikh Parekh & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Bank for fiscal 2022. The Secretarial Audit Report is annexed herewith as Annexure A. There are no qualifications, reservation or adverse remark or disclaimer made by the auditor in the report save and except disclaimer made by them in discharge of their professional obligation.

The Annual Secretarial Compliance Report for fiscal 2022 is available on the website of the Bank at https://www.icicibank.com/aboutus/disclosures-to-stock-exchanges.page?#toptitle and on the websites of the stock exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com.

DIRECTORS' REPORT

Maintenance of Cost Records

Being a banking company, the Bank is not required to maintain cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013.

Reporting of Frauds by Auditors

During the year under review, there were no instances of fraud reported by the statutory auditors, branch auditors and secretarial auditor under Section 143(12) of the Companies Act, 2013 to the Audit Committee or the Board of Directors.

PERSONNEL

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in an Annexure and forms part of this report. In terms of Section 136(1) of the Companies Act, 2013, the annual report and the financial statements are being sent to the Members excluding the aforesaid Annexure. The Annexure is available for inspection and any Member interested in obtaining a copy of the Annexure may write to the Company Secretary of the Bank.

INTERNAL CONTROL AND ITS ADEQUACY

The Bank 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 driven through various policies, procedures and certifications. The processes and controls are reviewed periodically. The Bank 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.

DISCLOSURE UNDER FOREIGN EXCHANGE MANAGEMENT ACT, 1999

The Bank has obtained a certificate from its statutory auditors that it is in compliance with the Foreign Exchange Management Act, 1999 provisions with respect to investments made in its consolidated subsidiaries and associates during fiscal 2022.

RELATED PARTY TRANSACTIONS

The Bank has a Board-approved Group Arm's Length Policy which requires transactions with the group companies to be at arm's length. All the related party transactions between the Bank and its related parties, entered during the year ended March 31, 2022, were on arm's length basis and were in the ordinary course of business.

There were no related party transactions to be reported under Section 188(1) of the Companies Act 2013, in Form No. AOC-2, pursuant to Rule 8(2) of the Companies (Accounts) Rules, 2014.

All related party transactions as required under Accounting Standard AS-18 are reported in note no. 46 of schedule 18 - Notes to Accounts of standalone financial statements and note no. 2 of schedule 18 - Notes to Accounts of consolidated financial statements of the Bank.

During the year, the Related Party Transactions Policy of the Bank was amended to align with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021. The Board-approved amended Policy effective from April 1, 2022 is disclosed on the website of the Bank and can be viewed at (https://www.icicibank.com/aboutus/other-policies.page?#toptitle).

ANNUAL RETURN

The Annual Return in Form No. MGT-7 will be hosted on the website of the Bank at (https://www.icicibank.com/aboutus/annual.html).

BUSINESS RESPONSIBILITY REPORTING

The Business Responsibility Report as stipulated under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 will be hosted on the Bank's website at (https://www.icicibank.com/aboutus/annual.html). Any Member interested in obtaining a copy of the Report may write to the Company Secretary of the Bank.

The Bank has been releasing the Environmental, Social and Governance Report since fiscal 2020. The report for fiscal 2022 will be hosted on the Bank's website at (https://www.icicibank.com/aboutus/annual.html).

INTEGRATED REPORTING

The Bank has adopted the principles of the International Integrated Reporting Framework as developed by the International Integrated Reporting Council (IIRC) in its Annual Report since fiscal 2019. For accessing the Report for fiscal 2022, please refer to the Integrated Report section of the Annual Report 2021-22.

DIRECTORS' REPORT

RISK MANAGEMENT FRAMEWORK

The Bank's risk management framework is based on a clear understanding of various risks, disciplined risk assessment and measurement procedures and continuous monitoring. The Board of Directors has oversight on all the risks assumed by the Bank. Specific Committees have been constituted to facilitate focused oversight of various risks, as follows:

- The Risk Committee of the Board inter alia reviews risk management policies of the Bank pertaining to credit, market, liquidity, operational and outsourcing risks and business continuity management. The Committee also reviews the Risk Appetite and Enterprise Risk Management frameworks, Internal Capital Adequacy Assessment Process (ICAAP) and stress testing. The stress testing framework includes a range of Bank-specific market (systemic) and combined scenarios. The ICAAP exercise covers the domestic and overseas operations of the Bank, banking subsidiaries and non-banking subsidiaries. The Committee reviews setting up of limits on any industry or country, migration to the advanced approaches under Basel II and implementation of Basel III and the activities of the Asset Liability Management Committee. The Committee reviews the level and direction of major risks pertaining to credit, market, liquidity, operational, reputation, technology, information security, compliance, group and capital at risk as a part of the risk dashboard. In addition, the Committee has oversight on risks of subsidiaries covered under the Group Risk Management Framework. The Risk Committee also reviews the Liquidity Contingency Plan for the Bank and the various thresholds set out in the Plan.

- The Credit Committee of the Board, apart from sanctioning credit proposals based on the Bank's credit approval authorisation framework, reviews developments in key industrial sectors (along with exposure to these sectors), the Bank's exposure to large borrower accounts and borrower groups. The Credit Committee also reviews major credit portfolios, non-performing loans, accounts under watch, overdues, incremental sanctions etc.

- The Audit Committee of the Board provides direction to and monitors the quality of the internal audit function, oversees the financial reporting process and also monitors compliance with inspection and audit reports of RBI, other regulators and statutory auditors.

- The Asset Liability Management Committee provides guidance for management of liquidity of the overall Bank and management of interest rate risk in the banking book within the broad parameters laid down by the Board of Directors/Risk Committee.

Summaries of reviews conducted by these Committees are reported to the Board on a regular basis.

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. Independent groups and subgroups have been constituted across the Bank to facilitate independent evaluation, monitoring and reporting of various risks. These groups function independently of the business groups/subgroups.

The Bank has dedicated groups, namely, the Risk Management Group, Compliance Group, Corporate Legal Group, Internal Audit Group and the Financial Crime Prevention & Reputation Risk Management Group, with a mandate to identify, assess and monitor all of the Bank's principal risks in accordance with well-defined policies and procedures. The Risk Management Group is further organised into Credit Risk Management Group, Market Risk Management Group, Operational Risk Management Group and Information Security Group. The Chief Risk Officer (CRO) reports to the Risk Committee constituted by the Board which reviews risk management policies of the Bank. The CRO for administrative purposes reports to an Executive Director in the Bank. The above mentioned groups are independent of all business operations and coordinate with representatives of the business units to implement the Bank's risk management policies and methodologies.

The Internal Audit Group acts as an independent entity and is responsible to evaluate and provide objective assurance on the effectiveness of internal controls, risk management and governance processes within the Bank and suggest improvements. The Internal Audit Group maintains appropriately qualified personnel to fulfill its responsibilities. The Internal Audit and Compliance groups are responsible to the Audit Committee of the Board.

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

The Bank has a policy against sexual harassment and a formal process for dealing with complaints of harassment or discrimination. The said policy is in line with the

DIRECTORS' REPORT

requirements of 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013'. The Bank has complied with provisions relating to the constitution of Internal Committee under the said Act.

The details pertaining to number of complaints during the year has been provided below:

a. number of complaints filed during the financial year: 46

b. number of complaints disposed of during the financial year: 46

c. number of complaints pending[1] at end of the financial year: Nil

[1] *All complaints received during fiscal 2022 have been closed within the applicable turnaround time (90 days).*

CORPORATE GOVERNANCE

The corporate governance framework at ICICI Bank is based on an effective independent Board, the separation of the Board's supervisory role from the executive management and the constitution of Board Committees to oversee critical areas. At March 31, 2022, Independent Directors constituted a majority on most of the Committees and most of the Committees were chaired by Independent Directors.

I. Philosophy of Corporate Governance

At ICICI Bank, we are committed to maintain the highest standards of governance in the conduct of our business and continuously strive to create lasting value for all our stakeholders. We focus on maintaining comprehensive compliance with the laws, rules and regulations that govern our business and promote a culture of accountability, transparency and ethical conduct across the Bank.

Group Code of Business Conduct and Ethics

The Group Code of Business Conduct and Ethics for Directors and employees of the ICICI Group aims at ensuring consistent standards of conduct and ethical business practices across the constituents of the ICICI Group. This Code is reviewed on an annual basis and the latest Code is available on the website of the Bank at (https://www.icicibank.com/managed-assets/docs/personal/general-links/code_of_business_conduct_ethics.pdf). Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a confirmation from the Managing Director & CEO regarding compliance with the Code by all the Directors and senior management forms part of the Annual Report.

Code of Conduct as prescribed under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

In accordance with the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Bank has adopted the Code on Prohibition of Insider Trading.

Material Subsidiaries

In accordance with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Bank has formulated a Policy for determining Material Subsidiaries and the same has been hosted on the website of the Bank at (https://www.icicibank.com/aboutus/other-policies.page?#toptitle). ICICI Prudential Life Insurance Company Limited is a material listed subsidiary of the Bank in terms of the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Bank does not have any unlisted material subsidiary.

Familiarisation Programme for Independent Directors

Independent Directors are familiarised with their roles, rights and responsibilities in the Bank as well as with the nature of the industry and the business model of the Bank through induction programmes at the time of their appointment as Directors and through presentations on economy & industry overview, key regulatory developments, strategy and performance which are made to the Directors from time to time. The details of the familiarisation programmes have been hosted on the website of the Bank at (https://www.icicibank.com/aboutus/bod-1.page?).

Dividend Distribution Policy

In accordance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Dividend Distribution Policy is hosted on the website of the Bank and can be viewed at (https://www.icicibank.com/aboutus/other-policies.page?#toptitle).

DIRECTORS' REPORT

Whistle Blower Policy

The Bank has formulated a Whistle Blower Policy, which is periodically reviewed. The policy comprehensively provides an opportunity for any employee or director of the Bank to raise any issue concerning breaches of law, accounting policies or any act resulting in financial or reputation loss and misuse of office or suspected or actual fraud. The policy provides for a mechanism to report such concerns to the Audit Committee through specified channels. The policy has been periodically communicated to the employees and also posted on the Bank's intranet. Issues raised under the Whistle Blower Policy or to senior management are investigated for appropriate action, including an assessment of the impact on financial statements, if any. The Whistle Blower Policy complies with the requirements of Vigil mechanism as stipulated under Section 177 of the Companies Act, 2013 and other applicable laws, rules and regulations. The details of establishment of the Whistle Blower Policy/Vigil mechanism have been disclosed on the website of the Bank at (https://www.icicibank.com/aboutus/other-policies.page?#toptitle).

CEO/CFO Certification

In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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.

Details of utilisation of funds

During the year under review, the Bank has not raised any funds through preferential allotment or Qualified Institutions Placement as specified under Regulation 32(7A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year under review, the Bank has raised ₹ 194,224.00 million through issue of senior unsecured redeemable long term bonds in the nature of debentures, in tranches, on private placement basis. There is no deviation in utilisation of the funds.

Fees to statutory auditors

The details of fees pertaining to services provided by the statutory auditors and entities in the network firm/network entity of which the statutory auditors is a part, to ICICI Bank Limited and its subsidiaries during the year ended March 31, 2022 are given in the following table:

Nature of service	Amount in ₹[1,2]
Audit	65,940,000
Certification and other audit related services	5,035,000
Total	**70,975,000**

1 Excludes taxes and out of pocket expenses.

2 Includes payments made to previous statutory auditor, Walker Chandiok & Co LLP, amounting to ₹ 30,020,000.

Recommendations of mandatory committees

All the recommendations made by the committees of the Board mandatorily required to be constituted by the Bank under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were accepted by the Board.

Skills/expertise/competence of the Board of Directors

The Bank has identified the core skills/expertise/competence of the Board of Directors as required under Section 10A(2)(a) of the Banking Regulation Act, 1949 in the context of its business(s) and the sectors(s) for it to function effectively and has been in compliance with the same.

The details of the core skills/expertise/competence possessed by the existing directors of the Bank is detailed as under:

Name of Director	Areas of expertise
Girish Chandra Chaturvedi	Agriculture and rural economy, Banking, Co-operation, Economics, Finance, Small Scale Industry, Human Resources, Risk Management, Business Management
Hari L. Mundra	Accountancy, Banking, Economics, Finance, Law, Human Resources, Risk Management, Business Management, Business and Financial Strategy, Treasury, M&A, Business Restructuring and Taxation

DIRECTORS' REPORT

Name of Director	Areas of expertise
S. Madhavan	Accountancy, Banking, Economics, Finance, Law, Information Technology, Human Resources, Risk Management, Business Management
Neelam Dhawan	Banking, Information Technology, Human Resources, Business Management
Radhakrishnan Nair	Accountancy, Agriculture and Rural Economy, Banking, Co-operation, Economics, Finance, Law, Small Scale Industry, Payment and Settlement Systems, Human Resources, Risk Management, Business Management, Insurance, Securities, Treasury Management, Foreign Exchange Management
B. Sriram	Banking, Finance, Small Scale Industry, Information Technology, Payment and Settlement Systems, Credit and Risk, Treasury
Uday Chitale	Accountancy, Banking, Finance, Alternate Dispute Resolution (ADR), Auditing & Assurance
Vibha Paul Rishi	Consumer Insight & Marketing, Strategy, Accountancy, Agriculture and rural economy, Economics, Finance, Information Technology, Human Resources, Risk Management, Business Management
Sandeep Bakhshi	Banking, Finance, Business Management, Insurance
Anup Bagchi	Accountancy, Banking, Economics, Finance, Small Scale Industry, Information Technology, Payment and Settlement Systems, Risk Management, Business Management, Retail & Rural and Inclusive Banking, Strategy and Corporate Planning, Securities, Business Strategy, Retail Broking, Corporate Banking, Investment Banking, Treasury Control and Services
Sandeep Batra	Accountancy, Banking, Finance, Law, Information Technology, Human Resources, Risk Management, Business Management, Insurance, Securities, Governance

Credit Rating as on March 31, 2022

Foreign currency denominated instruments issued by the Bank

Instrument type	Moody's	S&P	JCRA
Senior unsecured medium term notes	Baa3	BBB-	-
Senior unsecured medium term notes issued under Tokyo pro-bond	-	-	BBB+*
Certificate of Deposits	P-3	-	-

Rupee denominated instruments issued by the Bank

Instrument type	CARE	ICRA	CRISIL
Tier II bonds (Basel III)	CARE AAA	[ICRA]AAA	-
Additional Tier 1 bonds (Basel III)	CARE AA+	[ICRA]AA+	CRISIL AA+
Unsecured redeemable bonds	CARE AAA	[ICRA]AAA	CRISIL AAA#
Long term bonds issued by erstwhile ICICI Limited	CARE AAA	[ICRA]AAA	CRISIL AAA
Certificate of Deposits	CARE A1+	[ICRA]A1+	-
Fixed deposits	CARE AAA	MAAA$	-

Moody's: Moody's Investors Services

S&P: S&P Global Ratings

JCRA: Japan Credit Rating Agency, Limited

CARE: CARE Ratings Limited, India

ICRA: ICRA Limited, India

CRISIL: CRISIL Limited, India

In March 2022, a new rating from CRISIL was issued of "CRISIL AAA" for the Bank's unsecured redeemable bonds (infrastructure bonds).

* *In May 2022, Japan Credit Rating Agency, Limited withdrew ICICI Bank's foreign currency long-term issuer rating of BBB+. The rating withdrawal was at the Bank's request pursuant to the full repayment of bonds and subsequent delisting of the Tokyo Pro-bond Programme.*

$ *In June 2022, ICRA Limited standardised its rating scale based on directions from SEBI, and accordingly revised the rating symbol for ICICI Bank's fixed deposits programme from MAAA to [ICRA]AAA.*

DIRECTORS' REPORT

Certificate from a Company Secretary in practice

In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Bank has obtained a Certificate from a Company Secretary in practice that none of the Directors on the Board of the Bank have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority. The Certificate of Company Secretary in practice is annexed herewith as Annexure B.

Board of Directors

ICICI Bank has a broad-based Board of Directors, constituted in compliance with the Banking Regulation Act, 1949, the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with good corporate governance practices. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

The Board of the Bank at March 31, 2022 consisted of twelve Directors, out of which eight were Independent Directors and four were Executive Directors.

There were ten meetings of the Board during the year – April 24, May 31, June 28, July 15, July 24, September 22, October 5 and October 23 in 2021 and January 22 and February 18 in 2022.

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

The names of the Directors, their attendance at Board Meetings during the year, attendance at the last AGM and details of other directorships and board committee memberships held by them at March 31, 2022 are set out in the following table:

Name of Director	Board Meetings attended during the year	Attendance at last AGM (August 20, 2021)	Number of directorships		Number of other committee memberships[1]	Directorships in other listed entity and category of directorship
			of other Indian public limited companies	of other Indian companies		
Independent Directors						
Girish Chandra Chaturvedi, *Chairman* (DIN: 00110996)	10/10	Present	3	-	4(3)	• Infrastructure Leasing and Financial Services Limited[2] (NED) • IL&FS Energy Development Company Limited[2] (NED)
Hari L. Mundra (DIN: 00287029)	9/10	Present	1	-	1(1)	-
Neelam Dhawan (DIN: 00871445)	10/10	Present	2	-	2(1)	-
Radhakrishnan Nair (DIN: 07225354)	10/10	Present	6	2	6(2)	• ICICI Prudential Life Insurance Company Limited (ID) • Geojit Financial Services Limited (ID) • ICICI Securities Primary Dealership Limited (ID) • Inditrade Capital Limited (ID)
Rama Bijapurkar *(Resigned with effect from January 23, 2022)* (DIN: 00001835)	9/9	Present	N.A.	N.A.	N.A.	N.A.

DIRECTORS' REPORT

Name of Director	Board Meetings attended during the year	Attendance at last AGM (August 20, 2021)	Number of directorships		Number of other committee memberships[1]	Directorships in other listed entity and category of directorship
			of other Indian public limited companies	of other Indian companies		
B. Sriram (DIN: 02993708)	10/10	Present	5	1	5(1)	• Unitech Limited[3] (Government Nominee Director) • Nippon Life India Asset Management Limited (ID)
S. Madhavan (DIN:06451889)	10/10	Present	6	4	8(4)	• UFO Moviez India Limited (ID) • Transport Corporation of India Limited (ID) • HCL Technologies Limited (ID) • Sterlite Technologies Limited (ID) • Procter & Gamble Health Limited (ID)
Uday Chitale (DIN: 00043268)	10/10	Present	2	1	2(1)	• ICICI Lombard General Insurance Company Limited (ID) • India Infradebt Limited (ID)
Vibha Paul Rishi *(Appointed with effect from January 23, 2022)* (DIN: 05180796)	1/1	N.A.	5	-	5(1)	• ICICI Prudential Life Insurance Company Limited (ID) • Asian Paints Limited (ID) • Tata Chemicals Limited (ID) • Escorts Limited (ID)
Government Nominee Director						
Lalit Kumar Chandel *(upto close of business hours on August 18, 2021)* (DIN: 00182667)	1/5	N.A.	N.A.	N.A.	N.A.	N.A.
Executive Directors						
Sandeep Bakhshi, *Managing Director & CEO* (DIN: 00109206)	10/10	Present	-	-	-	-
Anup Bagchi (DIN: 00105962)	10/10	Present	5	-	-	• ICICI Prudential Life Insurance Company Limited (NED) • ICICI Securities Limited (NED) • ICICI Home Finance Company Limited (NED)

DIRECTORS' REPORT

Name of Director	Board Meetings attended during the year	Attendance at last AGM (August 20, 2021)	Number of directorships		Number of other committee memberships[1]	Directorships in other listed entity and category of directorship
			of other Indian public limited companies	of other Indian companies		
Sandeep Batra (DIN: 03620913)	10/10	Present	4	-	3(0)	• ICICI Prudential Life Insurance Company Limited (NED) • ICICI Lombard General Insurance Company Limited (NED)
Vishakha Mulye *(Resigned with effect from May 31, 2022)* (DIN: 00203578)	10/10	Present	1	1	-	• ICICI Lombard General Insurance Company Limited (NED)

Independent Director (ID)
Non-Executive Director (NED)

1 *Includes only chairmanship/membership of Audit Committee and Stakeholders' Relationship Committee of other Indian public limited companies. Figures in parentheses indicate committee chairpersonships.*

2 *Pursuant to the orders of the National Company Law Tribunal dated October 1, 2018 and October 3, 2018, the respective Boards of Infrastructure Leasing and Financial Services Limited and IL&FS Energy Development Company Limited appointed Girish Chandra Chaturvedi as the Director and as Chairman of Infrastructure Leasing and Financial Services Limited and IL&FS Energy Development Company Limited respectively.*

3 *Pursuant to the order dated January 22, 2020 issued by the Government of India and order dated January 20, 2020 issued by the Supreme Court of India, B. Sriram was appointed as Nominee Director of Government of India on the Board of Unitech Limited with effect from January 22, 2020.*

The profiles of the Directors can be viewed on the website of the Bank at (https://www.icicibank.com/aboutus/bod-1.page?#toptitle).

The Board has constituted various Committees, namely, Audit Committee, Board Governance, Remuneration & Nomination Committee, Corporate Social Responsibility Committee, Credit Committee, Customer Service Committee, Fraud Monitoring Committee, Information Technology Strategy Committee, Risk Committee, Stakeholders Relationship Committee and Review Committee for Identification of Wilful Defaulters/Non Co-operative Borrowers.

The quorum of the Board Committees was increased from at least two members to at least three members with effect from June 30, 2019, to transact business at any Board Committee meeting and in case where the Committee comprises of two members only or where two members are participating, then any Independent Director may attend the meeting to fulfil the requirement of three members.

The terms of reference of the Board Committees as mentioned above, their composition and attendance of the respective Members at the various Committee Meetings held during fiscal 2022 are set out below:

II. Audit Committee

Terms of Reference

The Audit Committee provides direction to the audit function and monitors the quality of internal and statutory audit. The responsibilities of the Audit Committee include examining the financial statements and auditors' report and overseeing the financial reporting process to ensure fairness, sufficiency and credibility of financial statements, review of the quarterly and annual financial statements before submission to the Board, review of management's discussion & analysis, recommendation of appointment, terms of appointment, remuneration and removal of central and branch statutory auditors and chief internal auditor, approval of payment

DIRECTORS' REPORT

to statutory auditors for other permitted services rendered by them, reviewing and monitoring with the management the auditor's independence and the performance and effectiveness of the audit process, approval of transactions with related parties or any subsequent modifications, review of statement of significant related party transactions and utilization of loans and/or advances from/investment by the Bank in its subsidiaries. The Audit Committee also reviews the functioning of the Whistle Blower Policy, adequacy of internal control systems and the internal audit function, compliance with inspection and audit reports and reports of statutory auditors, findings of internal investigations, management letters/letters on internal control weaknesses issued by statutory auditors/internal auditors, investment in shares and advances against shares. The Audit Committee responsibilities also include reviewing 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 utilised for the purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take steps in this matter, discussion on the scope of audit with external auditors, examination of reasons for substantial defaults, if any, in payment to stakeholders, valuation of undertakings or assets, evaluation of risk management systems and scrutiny of inter-corporate loans and investments. The Audit Committee is also empowered to appoint/oversee the work of any registered public accounting firm, establish procedures for receipt and treatment of complaints received regarding accounting, internal accounting controls and auditing matters and engage independent counsel as also provide for appropriate funding for compensation to be paid to any firm/advisors. In addition, the Audit Committee also exercises oversight on the regulatory compliance function of the Bank. The Committee also considers and comments on rationale, cost-benefits and impact of schemes involving merger/demerger/amalgamation etc., on the Bank and its shareholders. The Audit Committee is also empowered to approve the appointment of the Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.

Composition

There were seventeen Meetings of the Committee during the year – April 22, April 24, June 25, June 30 *(held jointly with Risk Committee)*, July 8, July 23, July 24, September 2, October 22, October 23, October 27 *(held jointly with Risk Committee)*, November 16 and December 16 in 2021 and January 20, January 22, February 17 and March 17 in 2022. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
Uday Chitale, *Chairman*	17/17
S. Madhavan	17/17
Radhakrishnan Nair	17/17

III. Board Governance, Remuneration & Nomination Committee

Terms of Reference

The functions of the Committee include recommending appointments of Directors to the Board, identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommending to the Board their appointment and removal, formulate a criteria for the evaluation of the performance of the wholetime/Independent Directors and the Board and to extend or continue the term of appointment of Independent Directors on the basis of the report of performance evaluation of Independent Directors, recommending to the Board a policy relating to the remuneration for the Directors, key managerial personnel and other employees, recommending to the Board the remuneration (including performance bonus and perquisites) to wholetime Directors and senior management personnel. The functions also include approving the policy for and quantum of bonus payable to the members of the staff including senior management and key managerial personnel, formulating the criteria for determining qualifications, positive attributes and independence of a Director, framing policy on Board diversity, framing guidelines for the Employees Stock Option Scheme (ESOS) and decide on the grant of stock options to employees and wholetime Directors of the Bank and its subsidiary companies.

DIRECTORS' REPORT

Composition

There were four Meetings of the Committee during the year – April 24, 2021, July 24, 2021, October 21, 2021 and January 21, 2022. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
Neelam Dhawan, *Chairperson*	4/4
Girish Chandra Chaturvedi	4/4
Rama Bijapurkar *(upto January 22, 2022)*	4/4
B. Sriram	4/4

Policy/Criteria for Directors' Appointment

The Bank with the approval of its Board Governance, Remuneration & Nomination Committee (Committee) has put in place a policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes and independence of a Director as well as a policy on Board diversity. The policy has been framed based on the broad principles as outlined hereinafter. The Committee evaluates the composition of the Board and vacancies arising in the Board from time to time. The Committee while recommending candidature of a Director considers the special knowledge or expertise possessed by the candidate as required under the Banking Regulation Act, 1949. The Committee assesses the fit and proper credentials of the candidate and the companies/entities with which the candidate is associated either as a director or otherwise and as to whether such association is permissible under RBI guidelines and the internal norms adopted by the Bank. For the above assessment, the Committee is guided by the guidelines issued by RBI in this regard.

The Committee also evaluates the prospective candidate for the position of a Director from the perspective of the criteria for independence prescribed under the Companies Act, 2013 as well as the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. For a Non-Executive Director to be classified as Independent he/she must satisfy the criteria of independence as prescribed and sign a declaration of independence. The Committee reviews the same and determine the independence of a Director.

The Committee based on the above assessments makes suitable recommendations on the appointment of Directors to the Board.

Remuneration policy

The Compensation Policy of the Bank is in line with the RBI circulars and in compliance with the requirements for the Remuneration Policy as prescribed under the Companies Act, 2013. The Policy is divided into the segments, Part A, Part B and Part C where Part A covers the requirements for wholetime Directors & employees pursuant to RBI guidelines, Part B relates to compensation to Non-Executive Directors (except part-time Non-Executive Chairman) and Part C relates to compensation to part-time Non-Executive Chairman. The Compensation Policy is available at (https://www.icicibank.com/aboutus/other-policies.page?#toptitle). Further details with respect to the Compensation Policy are provided under the section titled "Compensation Policy and Practices".

The remuneration payable to Non-Executive/Independent Directors is governed by the provisions of the Banking Regulation Act, 1949, RBI guidelines issued from time to time and the provisions of the Companies Act, 2013 and related rules to the extent these are not inconsistent with the provisions of the Banking Regulation Act, 1949/RBI guidelines. The remuneration for the Non-Executive/Independent Directors (other than Government Nominee Director) would be sitting fee for attending each Meeting of the Committee/Board as approved by the Board.

In addition to sitting fee, Non-Executive Director (other than part-time Chairman and the Government Nominee Director) are entitled to a fixed remuneration of ₹ 2,000,000 per annum with effect from April 1, 2021 which has been approved by the Members at their Meeting held on August 20, 2021.

For the Non-Executive Chairman, the remuneration, in addition to sitting fee includes such fixed payments as may be recommended by the Board and approved by the Members and RBI, maintaining a Chairman's office at the Bank's expense, bearing expenses for travel on official visits and participation in various forums (both in India and abroad) as Chairman of the Bank and bearing travel/halting/other expenses and allowance for attending to duties as Chairman of the Bank and any other modes of remuneration as may be permitted by RBI from time to time.

DIRECTORS' REPORT

All the Non-Executive/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 Bank.

Performance evaluation of the Board, Directors, Chairperson and Committees

The Bank with the approval of its Board Governance, Remuneration & Nomination Committee has put in place an evaluation framework for evaluation of the Board, Directors, Chairperson and Committees.

The evaluation of the Directors, the Board, Chairperson of the Board and the Committees is carried out through circulation of four different questionnaires, for the Directors, for the Board, for the Chairperson of the Board and the Committees respectively. The performance of the Board is assessed on select parameters related to roles, responsibilities and obligations of the Board, relevance of Board discussions, attention to strategic issues, performance on key areas, providing feedback to executive management and assessing the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The evaluation criteria for the Directors is based on their participation, contribution and offering guidance to and understanding of the areas which were relevant to them in their capacity as members of the Board. The evaluation criteria for the Chairperson of the Board besides the general criteria adopted for assessment of all Directors, focuses on leadership abilities, effective management of meetings and preservation of interest of stakeholders. The evaluation of the Committees is based on assessment of the clarity with which the mandate of the Committee is defined, effective discharge of terms and reference of the Committees and assessment of effectiveness of contribution of the Committee's deliberation/recommendations to the functioning/ decisions of the Board. The Bank has taken effective steps with regards to the action points arising out of performance evaluation process for fiscal 2021. The overall performance evaluation process for fiscal 2022 was completed to the satisfaction of the Board. The Board of Directors also identified specific action points arising out of the overall evaluation which would be executed as directed by the Board.

The evaluation process for wholetime Directors is further detailed under the section titled "Compensation Policy and Practices".

Details of Remuneration paid to Executive Directors

The Board Governance, Remuneration & Nomination Committee determines and recommends to the Board the amount of remuneration, including performance bonus and perquisites, payable to the MD & CEO and wholetime Directors.

The following table sets out the details of remuneration (including perquisites and retiral benefits) paid in fiscal 2022:

Details of Remuneration (₹)

	Sandeep Bakhshi	**Vishakha Mulye**	**Anup Bagchi**	**Sandeep Batra**
	2021-22	**2021-22**	**2021-22**	**2021-22**
Basic[1]	28,572,000	24,467,040	24,467,040	24,467,040
Performance bonus paid in fiscal 2022[2]	11,250,000	10,050,000	10,050,000	10,050,000
Allowances and perquisites[1,3]	24,831,136	24,122,180	26,809,851	22,405,173
Contribution to provident fund[1]	3,428,640	2,936,045	2,936,045	2,936,045
Contribution to superannuation fund[1]	0	0	0	0
Contribution to gratuity fund[1]	2,380,048	2,038,104	2,038,104	2,038,104
Stock options[4] (Number)				
Fiscal 2021	394,850	305,350	305,350	305,350

1 Prior approval of the RBI is required for payout of any incremental revision in remuneration of MD & CEO and Wholetime Directors under the Banking Regulation Act, 1949. RBI approval for revision in fixed remuneration (Basic, allowances and retirals) for FY2022 was received by the Bank on May 10, 2022 i.e. after year ended March 31, 2022. Hence the table above depicts FY2021 fixed remuneration actually paid out which would stand augmented in accordance with the subsequent RBI approval received post year end which is subject to approval by shareholders at the ensuing AGM.

2 Represents payout of 50% of the performance bonus amount pertaining to fiscal 2021 as approved by RBI. The balance 50% amount will be equally deferred over a period of three years in line with the Bank's policy and regulatory stipulations.

3 Allowances and perquisites exclude perquisites of previous years stock options exercised during fiscal 2022

4 Represents options granted during the year as per RBI approvals pertaining to fiscal 2021

DIRECTORS' REPORT

Perquisites (evaluated as per Income-tax rules wherever applicable and otherwise at actual cost to the Bank) such as the benefit of the Bank's furnished accommodation, gas and water, electricity, furnishings, club fees, group insurance, use of car and telephone at residence or reimbursement of expenses in lieu thereof, medical reimbursement, leave and leave travel concession, education benefits, provident fund, superannuation fund and gratuity, are provided in accordance with the scheme(s) and rule(s) applicable from time to time. In line with the staff loan policy applicable to specified grades of employees who fulfil prescribed eligibility criteria to avail loans for purchase of residential property, the wholetime Directors are also eligible for housing loans. The stock options vest in a graded manner over a three-year period, with 30%, 30% and 40% of the grant vesting in each year, commencing from the end of 12 months from the date of the grant. The options so vested are to be exercised within 5 years from the date of vesting.

The Bank does not pay any severance fees to its Managing Director & CEO or to its wholetime Directors. The tenure of the office of Managing Director & CEO and the wholetime Directors of the Bank is five years, subject to approval of RBI and the Members. The notice period for each of them, as specified in their respective terms of appointments is two months.

During fiscal 2022, Sandeep Bakhshi and Sandeep Batra received gross amount of ₹ 3,234,810 and ₹ 2,073,422 respectively as performance bonus from ICICI Prudential Life Insurance Company Limited, subsidiary of the Bank being the deferred variable pay for fiscal 2018.

Details of Remuneration paid to Non-Executive Directors

The Board of Directors has approved the payment of ₹ 100,000 as sitting fee for each Meeting of the Board, Audit Committee, Credit Committee and Risk Committee and ₹ 50,000 as sitting fee for each Meeting of the Committee attended other than the Audit Committee, Credit Committee and Risk Committee.

Information on the sitting fees, remuneration and profit related commission paid to each Non-Executive Director during fiscal 2022 is set out in the following table:

Amount (₹)

	Sitting Fees	Remuneration	Commission[1]
Girish Chandra Chaturvedi	2,600,000	3,500,000	-
Hari L. Mundra	3,500,000	2,000,000	1,000,000
S. Madhavan	4,000,000	2,000,000	1,000,000
Neelam Dhawan	1,650,000	2,000,000	1,000,000
Radhakrishnan Nair	3,200,000	2,000,000	1,000,000
Rama Bijapurkar[2]	1,450,000	1,622,222	1,000,000
B. Sriram	3,850,000	2,000,000	1,000,000
Uday Chitale	3,250,000	2,000,000	1,000,000
Vibha Paul Rishi[3]	150,000	377,778	-

1 Profit related commission pertaining to fiscal 2021 paid in fiscal 2022
2 Director upto January 22, 2022
3 Director with effect from January 23, 2022

DIRECTORS' REPORT

Government Nominee Director was only entitled to reimbursement of expenses for attending Board/ Committee Meetings.

The Board at its Meeting held on April 23, 2022 approved revision in sitting fee payable to Non-Executive Directors (other than Government Nominee Director) from ₹ 50,000 to ₹ 100,000 for attending each Meeting of Board Governance, Remuneration & Nomination Committee, Corporate Social Responsibility Committee, Customer Service Committee, Fraud Monitoring Committee, Information Technology Strategy Committee, Stakeholders Relationship Committee and Review Committee for Identification of Wilful Defaulters/Non Co-operative Borrowers effective April 24, 2022.

Details of shares/convertible instruments held by Non-Executive Directors

As on March 31, 2022, S. Madhavan and Vibha Paul Rishi (as joint holder) held 4,000 and 330 equity shares of face value of ₹ 2.00 each respectively.

Remuneration disclosures as required under RBI guidelines

The RBI circular on "Compensation of wholetime Directors/Chief Executive Officers/Risk takers and Control function staff etc." requires the Bank to make following disclosures on remuneration on an annual basis in their Annual Report:

COMPENSATION POLICY AND PRACTICES

(A) Qualitative Disclosures

a) Bodies that oversee remuneration.

- ***Name, composition and mandate of the main body overseeing remuneration***

  The Board Governance, Remuneration and Nomination Committee (BGRNC/Committee) is the body which oversees the remuneration aspects. The functions of the Committee include recommending appointments of Directors to the Board, identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommending to the Board their appointment and removal, formulate a criteria for the evaluation of the performance of the whole time/independent Directors and the Board and to extend or continue the term of appointment of independent Directors on the basis of the report of performance evaluation of independent Directors, recommending to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel, Material Risk Takers (MRTs) and other employees, recommending to the Board the remuneration (including performance bonus, share-linked instruments and perquisites) to wholetime Directors (WTDs) and senior management, approving the policy for and quantum of variable pay payable to members of the staff including senior management, key managerial personnel, material risk takers and formulating the criteria for determining qualifications, positive attributes and independence of a Director, framing policies on Board diversity, framing guidelines for the Employee Stock Option Scheme (ESOS) and deciding on the grant of the Bank's stock options to employees and WTDs of the Bank and its subsidiary companies.

- ***External consultants whose advice has been sought, the body by which they were commissioned, and in what areas of the remuneration process***

  During the year ended March 31, 2022, the Bank employed the services of a reputed consulting firm for market benchmarking in the area of compensation, including executive compensation.

- ***Scope of the Bank's remuneration policy (eg. by regions, business lines), including the extent to which it is applicable to foreign subsidiaries and branches***

  The Compensation Policy of the Bank, as last amended by the BGRNC through resolution dated July 12, 2021 and the Board at its meeting held on July 15, 2021 covers all employees of the Bank, including those in overseas branches of the Bank. In addition to the Bank's Compensation Policy guidelines, the overseas branches also adhere to relevant local regulations.

- ***Type of employees covered and number of such employees***

  All employees of the Bank are governed by the Compensation Policy. The total number of permanent employees of the Bank at March 31, 2022 was 103,010.

DIRECTORS' REPORT

b) Design and structure of remuneration processes

- ***Key features and objectives of remuneration policy***

  The Bank has under the guidance of the Board and the BGRNC, followed compensation practices intended to drive performance within the framework of prudent risk management. This approach has been incorporated in the Compensation Policy, the key elements of which are given below.

  o Effective governance of compensation: The BGRNC has oversight over compensation. The Committee defines Key Performance Indicators (KPIs) for WTDs and equivalent positions and the organisational performance norms for variable pay based on the financial and strategic plan approved by the Board. The KPIs include both quantitative and qualitative aspects defined with sub parameters. The BGRNC assesses organisational performance and based on its assessment, it makes recommendations to the Board regarding compensation for WTDs, senior management and equivalent positions and variable pay for employees, including senior management and key management personnel.

  o Alignment of compensation philosophy with prudent risk taking: The Bank seeks to achieve a prudent mix of fixed and variable pay, with a higher proportion of variable pay at senior levels and no guaranteed bonuses. Compensation is sought to be aligned to both financial and non- financial indicators of performance including aspects like risk management, other assurance areas and customer service. The Bank's employee stock option scheme aims at aligning compensation to long-term performance through stock option grants that vest over a period of time. Compensation of staff in audit, compliance and risk control functions is independent of the business areas they oversee and depends on their performance assessment.

- ***Changes, if any, made by the remuneration committee in the firm's remuneration policy during the past year, and if so, an overview of any changes that were made***

  During the year ended March 31, 2022, the Bank's Compensation Policy was reviewed and amended by the BGRNC and Board on April 21, 2021 to align with the revised RBI circular on 'Guidelines on Compensation of Whole Time Directors/ Chief Executive Officers/Material Risk Takers and Control Function staff' dated November 4, 2019.

  The policy was amended through BGRNC resolution dated July 12, 2021 which was approved by the Board at its meeting held on July 15, 2021 in order to align the rules of deferred cash bonus payment, incase of demise or permanent disability of an employee, with the Employee Stock Option Scheme and also to align the policy with the RBI Circular dated April 26, 2021 on 'Corporate Governance in Banks - Appointment of Directors and Constitution of Committees of the Board'.

- ***Process followed by the Bank to ensure that the risk and compliance employees are remunerated independently of the businesses they oversee***

  The compensation of staff engaged in control functions like Audit, Risk and Compliance depends on their performance, which is based on achievement of the key goals of their respective functions. They are not assessed on business targets.

c) Ways in which current and future risks are taken into account in the remuneration processes.

- ***Key risks that the Bank takes into account when implementing remuneration measures***

  The Board approves the Enterprise Risk Management framework for the Bank. The business activities of the Bank are undertaken within this framework. The risk framework includes the Bank's risk appetite and the limits framework. The Bank's KPIs which are applicable to WTDs & equivalent positions as well as employees (excluding control functions), incorporate relevant risk management related aspects. For example, in addition to performance indicators

DIRECTORS' REPORT

in areas such as risk calibrated core operating profit (profit before provisions and tax excluding treasury income), performance indicators include aspects such as asset quality. The BGRNC takes into consideration all the above aspects while assessing organisational and individual performance and making compensation-related recommendations to the Board.

- ***Nature and type of key measures used to take account of these risks, including risk difficult to measure***

  The annual Key Performance Indicators and performance evaluation incorporate both qualitative and quantitative aspects including, asset quality and provisioning, risk management framework, stakeholder relationships, customer service and leadership development.

- ***Ways in which these measures affect remuneration***

  Every year, the financial plan/targets are formulated in conjunction with a risk framework with limit structures for various areas of risk/lines of business, within which the Bank operates. To ensure effective alignment of compensation with prudent risk taking, the BGRNC takes into account adherence to the risk framework in conjunction with which the financial plan/targets have been formulated. The Bank's KPIs which are applicable to WTDs and equivalent positions as well as employees (excluding control functions), incorporate relevant risk management related aspects. For example, in addition to risk calibrated core operating profit, performance indicators also include aspects such as asset quality. The BGRNC takes into consideration all the above aspects while assessing organisational performance and making compensation-related recommendations to the Board.

- ***The nature and type of these measures that have changed over the past year and reasons for the changes, as well as the impact of changes on remuneration.***

  The nature and type of these measures have not changed over the past year and hence, there is no impact on remuneration.

d) Ways in which the Bank seeks to link performance during a performance measurement period with levels of remuneration

- ***Main performance metrics for Bank, top level business lines and individuals***

  The main performance metrics include risk calibrated core operating profit (profit before provisions and tax, excluding treasury income), asset quality metrics (such as provisions in absolute terms and as a percentage of core operating profit), regulatory compliance, risk management processes, stakeholder relationships, customer service and leadership development.

- ***Methodology followed whereby individual remuneration is linked to the Bank-wide and individual performance***

  The BGRNC takes into consideration above mentioned aspects while assessing performance and making compensation-related recommendations to the Board regarding the performance assessment of WTDs and equivalent positions.

- ***The measures that the Bank will in general implement to adjust remuneration in the event that performance metrics are weak, including the Bank's criteria for determining 'weak' performance metrics***

  The Bank's Compensation Policy outlines the measures the Bank will implement in the event of a reasonable evidence of deterioration in financial performance. Should such an event occur in the manner outlined in the policy, the BGRNC may decide to apply malus/clawback on none, part or all of the relevant variable compensation.

e) Ways in which the Bank seeks to adjust remuneration to take account of the longer term performance

- ***The Bank's policy on deferral and vesting of variable remuneration and, if the fraction of variable remuneration that is deferred differs across employees or groups of employees, a description of the factors that determine the fraction and their relative importance***

  The variable compensation is in the form of share-linked instruments (including stock options) or cash or a mix of cash and share-linked instruments (including stock options). The quantum of variable pay for an employee does not exceed a certain percentage (as stipulated in the compensation policy) of the total fixed pay in a year. The proportion of variable pay to total compensation is higher at senior levels and lower at junior levels. At least 50% of the compensation is variable for WTDs, CEO and MRTs as a design. However, they can earn lesser variable pay based on various performance criteria. For WTDs, CEO and MRTs, a minimum of 60% of the total variable pay is under deferral arrangement (deferment). Additionally, at least 50% of the cash component of the variable pay is under deferment. If the cash component is under ₹ 2.5 million, the deferment is not applicable.

- ***The Bank's policy and criteria for adjusting deferred remuneration before vesting and (if permitted by national law) after vesting through claw back arrangements***

The deferred portion of variable pay pertaining to the assessment year or previous year/s (as defined in the policy) is subject to malus, under which the Bank prevents vesting of all or part or none of the unvested variable pay in the event of the assessed divergence in the Bank's provisioning for NPAs or in the event of a reasonable evidence of deterioration in financial performance or in the event of gross misconduct and/or other acts as mentioned in the policy. In such cases (other than assessed divergence), variable pay already paid out may also be subjected to clawback arrangements, as defined in the compensation policy.

f) Different forms of variable remuneration that the Bank utilises and the rationale for using these different forms

- ***Forms of variable remuneration offered. A discussion of the use of different forms of variable remuneration and, if the mix of different forms of variable remuneration differs across employees or group of employees, a description of the factors that determine the mix and their relative importance***

The variable compensation is in the form of employee stock options or cash or a mix of cash and stock options. The Bank pays performance linked retention pay (PLRP) to its front-line staff and junior management. PLRP aims to reward front line and junior managers, mainly on the basis of skill maturity attained through experience and continuity in role which is a key differentiator for customer service. The Bank pays performance bonus and stock options to relevant employees in its middle and senior management. The variable pay payout schedules are sensitive to the time horizon of risks as defined in the policy.

The Bank ensures higher proportion of variable pay at senior levels and lower variable pay for front-line staff and junior management levels.

(B) Quantitative disclosures

The following table sets forth, for the period indicated, the details of quantitative disclosure for remuneration of WTDs (including MD & CEO) and other Material Risk Takers.

₹ in million, except numbers

No	Particulars	At March 31, 2021	At March 31, 2022
1	Number of meetings held by the BGRNC during the financial year	6	4
	Remuneration paid to its members during the financial year (sitting fees) (amount in million)	1.2	0.8
2	Number of employees having received a variable remuneration award during the financial year[1]	49	50
3	Number and total amount of sign-on/joining bonus made during the financial year	-	-
4	Details of severance pay, in addition to accrued benefits, if any	-	-
5	Breakdown of amount of remuneration awards for the financial year		
	Fixed[2] (amount in million)	1041.0	1216.3
	Variable[3] (amount in million)	165.3	426.1
	- Deferred (amount in million)	-	211.1
	- Non-deferred (amount in million)	165.3	215.0
	Share-linked instruments[3] (nos)	9,127,500	5,977,650
	- Deferred (nos)	9,127,500	5,977,650
	- Non-deferred (nos)	-	-

DIRECTORS' REPORT

₹ in million, except numbers

No	Particulars	At March 31, 2021	At March 31, 2022
6	Total amount of deferred remuneration paid out during the year		
	Bonus (amount in million)	-	-
	Share-linked instruments[4] (nos)	9,370,230	9,529,100
7	Total amount of outstanding deferred remuneration		
	Cash (amount in million)	NA	211.1
	Shares (nos.)	-	-
	Shares-linked instruments[5] (nos)	19,889,730	16,098,240
	Other	-	-
8	Total amount of outstanding deferred remuneration and retained remuneration exposed to ex-post explicit and/or implicit adjustments		
	Bonus	-	211.1
	Shares-linked instruments (nos.)	9,127,500	1,21,87,480
9	Total amount of reductions during the financial year due to ex-post explicit adjustments[6]	NA	NA
10	Total amount of reductions during the financial year due to ex-post implicit adjustments	NA	NA
11	Number of MRTs identified	47	48
12	Number of cases where malus has been exercised	-	-
	Number of cases where clawback has been exercised[6]	-	-
	Number of cases where malus and clawback have been exercised	-	-
13	The mean pay for the bank as a whole (excluding sub-staff) and the deviation of the pay of each of its WTDs from the mean pay.		
	Mean pay of the bank[7]	704,035	755,429
	Deviation- MD & CEO[8]	3,455,855	59,094,291
	Deviation- WTD1[8]	50,085,768	54,049,788
	Deviation- WTD2[8]	47,547,650	54,788,776
	Deviation- WTD3[8]	46,536,300	51,573,500

1 *Includes MD & CEO, WTDs and other MRTs based on the revised criteria given by RBI in its guideline dated November 4, 2019. Also includes WTDs transferred to group companies and who were paid bonus or stock options granted/vested during the year.*

Variable remuneration includes cash bonus and stock options based on the revised criteria given by RBI in its guideline dated November 4, 2019 that are paid/granted/vested during the year

2 *Fixed pay includes basic salary, supplementary allowances, superannuation, contribution to provident fund, gratuity fund and value of perquisites. The value of perquisite is calculated as cost to the Bank. The salaries for separated MRTs have been considered for the period they were in service with the Bank.*

3 *Variable and share-linked instruments represent amounts/options awarded for the year ended March 31, 2020 & March 31, 2021 as per RBI approvals wherever applicable*

4 *Includes options of WTDs who were transferred to group companies.*

5 *Includes outstanding options of WTDs who were transferred to group companies.*

6 *Excludes ₹ 74.1 million variable pay to the former MD & CEO for past years which has been directed for claw-back in respect of which the Bank has filed a recovery suit against the former MD & CEO.*

7 *Mean pay is computed on annualised fixed pay that includes basic salary, supplementary allowances, superannuation, contribution to provident fund, gratuity fund and value of perquisites. The value of perquisite is calculated as cost to the Bank.*

8 *For FY2021 - MD & CEO voluntarily relinquished his fixed compensation of basic, supplementary allowances and retirals and was paid honorarium fee of ₹1/-. Material Risk Takers of the Bank including Executive Directors voluntarily opted for a 10% salary reduction effective May 1, 2020 in the basic salary, retirals and supplementary allowances. For FY2022 - the remuneration paid/approved in FY2021 has been considered for MD & CEO and WTDs.*

DIRECTORS' REPORT

Disclosures required with respect to Section 197(12) of the Companies Act, 2013

The ratio of the remuneration of each director to the median employee's remuneration and such other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and as amended from time to time.

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year;

Sandeep Bakhshi, *Managing Director & CEO*	109:1	Refer Note 1
Vishakha Mulye, *Executive Director*	95:1	
Anup Bagchi, *Executive Director*	95:1	
Sandeep Batra, *Executive Director*	95:1	
Girish Chandra Chaturvedi, Independent Director	11.42:1	Refer Note 2
Hari L. Mundra, *Independent Director*	10.29:1	
S. Madhavan, *Independent Director*	11.23:1	
Neelam Dhawan, *Independent Director*	6.83:1	
Radhakrishnan Nair, *Independent Director*	9.73:1	
Rama Bijapurkar, Independent Director*	5.75:1	
B. Sriram, *Independent Director*	10.95:1	
Uday Chitale, *Independent Director*	9.83:1	
Vibha Paul Rishi, ^ Independent Director	0.99:1	

** Director upto January 22, 2022*

^ Director with effect from January 23, 2022

(ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary ranges as below:

Sandeep Bakhshi, *Managing Director & CEO*	10%	Refer Note 1
Vishakha Mulye, *Executive Director*	10%	
Anup Bagchi, *Executive Director*	10%	
Sandeep Batra, *Executive Director*	10%	
Rakesh Jha, *Group Chief Financial Officer*	5%	-
Ranganath Athreya, *Company Secretary*	6%	-

(iii) The percentage increase in the median remuneration of employees in the financial year;

The percentage increase in the median remuneration of employees in the financial year was around 11%.

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

The number of employees, as mentioned in the section on 'Management's Discussion & Analysis' is 105,844. Out of this, the employees on permanent rolls of the Company is 103,010 including employees in overseas locations.

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year 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 percentage increase made in the salaries of total employees other than the Key Managerial Personnel for FY2022 was around 11%, while the average increase in the remuneration of the Key Managerial Personnel was in the range of 5%-10%.

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

Yes

Notes:

1 *Prior approval of the RBI is required for payout of any incremental revision in remuneration of MD & CEO and Wholetime Directors under the Banking Regulation Act, 1949. RBI approval for revision in fixed remuneration for FY2022 was received by the Bank on May 10, 2022 i.e. after year ended March 31, 2022. In its final approval in May 2022, RBI approved a fixed component pay-out which was higher than the quantum previously approved by the Members for FY2022 as per the resolution approved at the AGM held on August 20, 2021. Additionally, the variable payout of stock options and performance bonus was reduced for FY2021. Hence fresh approval of the Members is sought to be obtained at the ensuing Annual General Meeting for payment of revised fixed remuneration for FY2022 as approved by the Board and thereafter by RBI.*

The ratio of the fixed remuneration as stated in point (i) is calculated based on FY2021 approved remuneration paid in FY 2022. The ratio is calculated based on fixed remuneration that was actually paid out which would stand augmented in accordance with the subsequent RBI approval received post year end which is subject to approval by shareholders at the ensuing AGM.

DIRECTORS' REPORT

The percentage increase in remuneration as stated in point (ii) above is the percentage increase in fixed remuneration as approved by the Board and RBI for FY2022 which is subject to approval by shareholders at the ensuing AGM.

2 *The Independent Directors of the Bank including Chairman receive sitting fees for attending each Meeting of the Committee/Board as approved by the Board. The Chairman receives remuneration of ₹ 3,500,000 per annum as approved by the Members and RBI. The Independent Directors other than Chairman receive fixed remuneration of ₹ 2,000,000 per annum as approved by the Members with effect from April 1, 2021.*

The ratio of remuneration is calculated after considering sitting fees and remuneration paid during FY2022.

IV. Corporate Social Responsibility Committee

Terms of Reference

The functions of the Committee include review of corporate social responsibility (CSR) initiatives undertaken by the ICICI Group and the ICICI Foundation for Inclusive Growth, formulation and recommendation to the Board of a CSR Policy indicating the activities to be undertaken by the Company and recommendation of the amount of expenditure to be incurred on such activities, identifying the focus, from among the themes specified in Schedule VII of the Companies Act, 2013, for initiatives to be undertaken by the Bank, reviewing and recommending the annual CSR plan to the Board with details of projects and schedule of implementation, 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, reviewing the submissions to be made to the Board with respect to implementation of the annual CSR action plan including the disbursement of funds for the purposes and manner as approved, implementation of on-going projects as per approved timelines and year-wise allocation of funds, any modifications to be suggested to on-going projects, earmarking unspent CSR amount, if any, in subsequent periods as prescribed in the Act and suggest deployment of any amount spent in excess of the requirement for set-off in subsequent years, reviewing impact assessment of projects, and reviewing and implementing, if required, any other matter related to CSR initiatives as recommended/ suggested by RBI or any other body.

Composition

There were four Meetings of the Committee during the year – April 20, 2021, May 26, 2021, October 7, 2021 and January 11, 2022. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
Girish Chandra Chaturvedi, *Chairman* *(Member and Chairman w.e.f. October 1, 2021)*	2/2
Radhakrishnan Nair *(Chairman upto September 30, 2021)*	4/4
Anup Bagchi	4/4
Rama Bijapurkar *(upto January 22, 2022)*	4/4
Uday Chitale	4/4
Vibha Paul Rishi *(w.e.f. January 23, 2022)*	-

Details about the policy developed and implemented by the Company on corporate social responsibility (CSR) initiatives taken during the year

ICICI Bank has a long-standing commitment towards socio-economic development. The Bank's CSR activities are focused in the areas of skill development for sustainable livelihoods, social and environmental projects, rural development and related activities including financial inclusion and financial literacy, and other activities as may be required towards fulfilling the CSR objectives. The activities are largely implemented either directly or through the ICICI Foundation for Inclusive Growth.

The CSR policy was revised in April 2021 and the revisions in the CSR Policy were largely to reflect the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, and included changes to the operating framework, disclosure requirements and principles for selection of CSR projects.

The web-link to the Bank's revised CSR Policy is: https://www.icicibank.com/managed-assets/docs/about-us/ICICI-Bank-CSR-Policy.pdf

The Annual Report on the Bank's CSR activities is annexed herewith as Annexure C.

DIRECTORS' REPORT

V. Credit Committee

Terms of Reference

The functions of the Committee include review of developments in key industrial sectors, major credit portfolios and approval of credit proposals as per the authorisation approved by the Board.

Composition

There were twenty-four Meetings of the Committee during the year – April 19, May 14, May 27, June 9, June 18, June 29, July 9, July 21, August 6, August 27, September 9, September 21, September 30, October 13, October 25, November 17, December 8 and December 15 in 2021 and January 12, January 20, February 11, February 24, March 21 and March 31 in 2022. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
Sandeep Bakhshi, *Chairman*	23/24
Hari L. Mundra[1]	22/24
Vishakha Mulye	24/24
B. Sriram	24/24

1 chaired the meeting held on April 19, 2021 in the absence of Sandeep Bakhshi

The Board at its Meeting on April 23, 2022 reconstituted the Committee pursuant to which Vishakha Mulye, Executive Director ceased to be a Member of the Committee with effect from April 24, 2022 and Anup Bagchi, Executive Director has been inducted as a Member of the Committee with effect from April 24, 2022.

VI. Customer Service Committee

Terms of Reference

The functions of this Committee include review of customer service initiatives, overseeing the functioning of the Standing Committee on Customer Service (Customer Service Council) and evolving innovative measures for enhancing the quality of customer service and improvement in the overall satisfaction level of customers.

Composition

There were four Meetings of the Committee during the year – May 12, 2021, August 19, 2021, November 23, 2021 and February 16, 2022. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
Vibha Paul Rishi, *Chairperson (Member and Chairperson w.e.f. January 23, 2022)*	1/1
Rama Bijapurkar *(Member and Chairperson upto January 22, 2022)*	3/3
Hari L. Mundra	4/4
Sandeep Bakhshi	4/4
Anup Bagchi	3/4

VII. Fraud Monitoring Committee

Terms of Reference

The Committee monitors and reviews all the frauds involving an amount of ₹ 10.0 million and above with the objective of identifying the systemic lacunae, if any, that facilitated perpetration of the fraud and put in place measures to rectify the same. The functions of this Committee include identifying the reasons for delay in detection, if any, and reporting to top management of the Bank and RBI on the same. The progress of investigation and recovery position is also monitored by the Committee. The Committee also ensures that staff accountability is examined at all levels in all the cases of frauds and action, if required, is completed quickly without loss of time. The role of the Committee is also to review the efficacy of the remedial action taken to prevent recurrence of frauds, such as strengthening of internal controls.

Composition

There were four Meetings of the Committee during the year – April 14, 2021, July 15, 2021, October 11, 2021 and January 11, 2022. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
Radhakrishnan Nair, *Chairman (Chairman w.e.f. October 1, 2021)*	3/4
S. Madhavan *(Chairman upto September 30, 2021)*	4/4
Neelam Dhawan	4/4
Anup Bagchi	4/4
Sandeep Bakhshi	3/4

DIRECTORS' REPORT

VIII. Information Technology Strategy Committee

Terms of Reference

The functions of the Committee are to approve strategy for Information Technology (IT) and policy documents, ensure that IT strategy is aligned with business strategy, review IT risks, ensure proper balance of IT investments for sustaining the Bank's growth, oversee the aggregate funding of IT at Bank-level, ascertain if the management has resources to ensure the proper management of IT risks, review contribution of IT to business, oversee the activities of Digital Council, review technology from a future readiness perspective, overseeing key projects progress & critical IT systems performance, review of special IT initiatives, review cyber risk, consider the RBI inspection report/directives received from time to time by the Bank in the areas of information technology and cyber security and to review the compliance of various actionables arising out of such reports/directives as may be deemed necessary from time to time.

Composition

There were five Meetings of the Committee during the year – April 20, 2021, June 29, 2021 *(held jointly with Risk Committee)*, July 22, 2021, October 21, 2021 and January 19, 2022.The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
B. Sriram, *Chairman*	5/5
Neelam Dhawan	5/5
Anup Bagchi	5/5
Sandeep Batra	5/5

IX. Risk Committee

Terms of Reference

The functions of the Committee are to review ICICI Bank's risk management policies pertaining to credit, market, liquidity, operational, outsourcing, reputation risks, business continuity plan and disaster recovery plan and approve Broker Empanelment Policy and any amendments thereto. The functions of the Committee also include setting limits on any industry or country, review of the Enterprise Risk Management (ERM) framework, Risk Appetite for the Bank, stress testing framework, Internal Capital Adequacy Assessment Process (ICAAP) and framework for capital allocation; review of the Basel framework, risk dashboard covering various risks, outsourcing activities and the activities of the Asset Liability Management Committee. The Committee has oversight on risks of subsidiaries covered under the Group Risk Management Framework. The Committee also carries out Cyber Security risk assessment. The appointment, removal and terms of remuneration of the Chief Risk Officer is subject to review by the Committee. The Committee keeps the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken. The Committee coordinates its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.

Composition

There were thirteen Meetings of the Committee during the year April 23, June 17, June 29 *(held jointly with Information Technology Strategy Committee)*, June 30 *(held jointly with Audit Committee)*, July 9, July 23, September 20, October 22, October 27 *(held jointly with Audit Committee)* and December 14 in 2021 and January 21, February 15 and March 25 in 2022.

The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
S. Madhavan, *Chairman* *(Chairman w.e.f. October 1, 2021)*	13/13
Girish Chandra Chaturvedi *(Chairman upto September 30, 2021)*	13/13
Sandeep Batra	13/13

X. Stakeholders Relationship Committee

Terms of Reference

The functions of the Committee include approval and rejection of transmission of shares, bonds, debentures, issue of duplicate certificates, allotment of securities from time to time, redressal and resolution of grievances of security holders, delegation of authority for opening and operation of bank accounts for payment of interest/dividend.

DIRECTORS' REPORT

Composition

There were five Meetings of the Committee during the year – April 23, July 23 and October 21 in 2021 and January 21 and February 17 in 2022. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
Hari L. Mundra, *Chairman*	4/5
Uday Chitale	5/5
Anup Bagchi	5/5

The quorum of the Board Committees was increased from at least two members to at least three members with effect from June 30, 2019, to transact business at any Board Committee meeting and in case where the Committee comprises of two members only or where two members are participating, then any Independent Director may attend the meeting to fulfil the requirement of three members. Accordingly, Radhakrishnan Nair attended and chaired the Committee meeting held on January 21, 2022 in place of Hari L. Mundra who was granted leave of absence.

Ranganath Athreya, Company Secretary of the Bank acts as the Compliance Officer in accordance with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. 180 investor complaints received in fiscal 2022 were processed. At March 31, 2022, no complaints were pending.

XI. Review Committee for Identification of Wilful Defaulters/Non Co-operative Borrowers

Terms of Reference

The function of the Committee is to review the order of the Committee for identification of wilful defaulters/non co-operative borrowers (a Committee comprising wholetime Directors and senior executives of the Bank to examine the facts and record the fact of the borrower being a wilful defaulter/non co-operative borrower) and confirm the same for the order to be considered final.

Composition

The Managing Director & CEO is the Chairman of this Committee and any two independent Directors comprise the remaining members. Two Meetings of the Committee were held during the year. The Meetings held on November 18, 2021 and January 11, 2022 were attended by Sandeep Bakhshi, Uday Chitale and Radhakrishnan Nair.

XII. Separate Meeting of Independent Directors

During the year, the Independent Directors met on April 24, 2021 inter alia to review the matters statutorily prescribed under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

XIII. Other Committees

In addition to the above, the Board has from time to time constituted various committees, namely, Committee of Executive Directors, Executive Investment Committee, Asset Liability Management Committee, Committee for Identification of Wilful Defaulters/Non Co-operative Borrowers, Committee of Senior Management (comprising certain wholetime Directors and Executives) and Committee of Executives, Compliance Committee, Process Approval Committee, Regional Committees for India and overseas operations, Outsourcing Committee, Operational Risk Management Committee, Vigilance Committee and other Committees (all comprising Executives). These committees are responsible for specific operational areas like asset liability management, approval/renewal of credit proposals, approval of products and processes and management of operational risk, under authorisation/supervision of the Board and its Committees.

DIRECTORS' REPORT

XIV. General Body Meetings

The details of General Body Meetings held in the last three years are given below:

General Body Meeting	Day, Date	Time	Venue
Twenty-Seventh Annual General Meeting	Friday, August 20, 2021	3:00 p.m.	Meeting held through Video Conferencing/Other Audio Visual Means
Twenty-Sixth Annual General Meeting	Friday, August 14, 2020	3:30 p.m	Meeting held through Video Conferencing/Other Audio Visual Means
Twenty-Fifth Annual General Meeting	Friday, August 9, 2019	11:45 a.m.	Professor Chandravadan Mehta Auditorium, General Education Centre, Opposite D. N. Hall Ground, The Maharaja Sayajirao University, Pratapgunj, Vadodara 390 002

No Special Resolution was passed at the Twenty-Seventh Annual General Meeting held on Friday, August 20, 2021.

The details of the Special Resolutions passed in the Annual General Meetings held in the year 2020 and 2019 are given below:

General Body Meeting	Day, Date	Resolutions
Twenty-Sixth Annual General Meeting	Friday, August 14, 2020	• Re-appointment of Girish Chandra Chaturvedi (DIN:00110996) as an Independent Director of the Bank • Shifting the Registered Office of the Bank from the State of Gujarat to the State of Maharashtra and consequent amendment to the Memorandum of Association of the Bank
Twenty-Fifth Annual General Meeting	Friday, August 9, 2019	• Alterations to Memorandum of Association • Adoption of revised Articles of Association

Postal Ballot

Resolutions were passed through postal ballot during fiscal 2022 vide Postal Ballot Notice dated February 18, 2022 pursuant to the provisions of Section 110 and other applicable provisions of the Companies Act, 2013.

In accordance with the General Circulars issued by the Ministry of Corporate Affairs, Government of India in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19", the approval of the Members of the Bank was obtained through Postal Ballot only through the remote e-voting process.

The Board of Directors of the Company, appointed Mr. Alwyn D'souza of Alwyn D'souza & Co., Practicing Company Secretaries or failing him Mr. Jay D'Souza of Jay D'Souza & Co., Practicing Company Secretaries, as the Scrutinizer for conducting the Postal Ballot e-voting process in a fair and transparent manner.

The scrutinizer submitted his report dated March 28, 2022. The results were declared on March 28, 2022 and communicated to the stock exchanges and displayed on the Bank's website at www.icicibank.com. The resolutions were passed with requisite majority on March 27, 2022 (the last date for remote e-voting). The details of the voting pattern are given below:

Resolutions	Number of votes polled	% of votes Polled on outstanding shares	Number of votes cast in favour of the Resolution	Number of votes cast against the Resolution	% of votes in favour on votes polled	% of votes against on votes polled
Appointment of Vibha Paul Rishi as an Independent Director (Special Resolution)	5,863,994,671	84.42	5,773,169,112	90,825,559	98.451	1.549

DIRECTORS' REPORT

Resolutions	Number of votes polled	% of votes Polled on outstanding shares	Number of votes cast in favour of the Resolution	Number of votes cast against the Resolution	% of votes in favour on votes polled	% of votes against on votes polled
Material Related Party Transactions for current account deposits (Ordinary Resolution)	5,668,080,368	81.60	5,667,771,841	308,527	99.995	0.005
Material Related Party Transactions for subscribing to securities issued by Related Parties and purchase of securities from Related Parties (Ordinary Resolution)	5,668,073,237	81.60	5,667,349,379	723,858	99.987	0.013
Material Related Party Transactions for sale of securities to Related Parties (Ordinary Resolution)	5,667,069,982	81.58	5,666,352,688	717,294	99.987	0.013
Material Related Party Transactions for fund based or non-fund based credit facilities (Ordinary Resolution)	5,668,065,509	81.60	5,667,727,952	337,557	99.994	0.006
Material Related Party Transactions for undertaking repurchase (repo) transactions and other permitted short-term borrowing transactions (Ordinary Resolution)	5,668,066,697	81.60	5,667,734,815	331,882	99.994	0.006
Material Related Party Transactions of reverse repurchase (reverse repo) and other permitted short-term lending transactions (Ordinary Resolution)	5,668,066,856	81.60	5,667,733,133	333,723	99.994	0.006
Material Related Party Transactions for availing manpower services for certain functions/ activities of the Bank from Related Party (Ordinary Resolution)	5,668,072,302	81.60	5,667,336,729	735,573	99.987	0.013

At present, no special resolution is proposed to be passed through postal ballot.

DIRECTORS' REPORT

XV. Disclosures

1. There are no materially significant transactions with related parties i.e., directors, management, subsidiaries, or relatives conflicting with the Bank's interests. The Bank has no promoter.

2. Penalties or strictures imposed on the Bank by any of the stock exchanges, the Securities & Exchange Board of India (SEBI) or any other statutory authority, for any non-compliance on any matter relating to capital markets, during the last three years, detailed as hereunder:

   i. SEBI issued an Adjudication Order on September 12, 2019, imposing a penalty of ₹ 500,000 each (totalling to ₹ 1.0 million) under Section 15HB of the Securities and Exchange Board of India Act, 1992 and Section 23E of the Securities Contracts (Regulation) Act, 1956 on the Bank for delayed disclosure of an agreement made on May 18, 2010 relating to merger of erstwhile Bank of Rajasthan with the Bank. The Bank had filed an appeal against SEBI's Order with the Securities Appellate Tribunal (SAT) and SAT vide its order converted the monetary penalty imposed on the Bank to warning.

   Subsequently, SEBI had filed an appeal with the Supreme Court of India ("Supreme Court") against the SAT order pertaining to the Bank. Separately, the Bank had also filed an appeal with the Supreme Court against the SAT order. The matter was heard by the Supreme Court wherein the Supreme Court directed an interim stay on the operation of the SAT orders. The Bank subsequently filed counter affidavit before the Supreme Court. To bring closure to the matter, the Bank filed the settlement application on January 6, 2021, under SEBI (Settlement Proceedings) Regulations, 2018 pursuant to which the Bank has paid the settlement amount to SEBI. The Bank filed the applications seeking for disposal of the civil appeal matters pending before the Supreme Court which were heard on January 4, 2022 and Supreme Court vide its order dated January 4, 2022 disposed off all the appeals in view of the settlement between the parties. SEBI vide their email dated May 12, 2022 has communicated that in view of the Order of the Hon'ble Supreme Court, the matter stands settled in respect of the appeals as mentioned in the said order.

   ii. The Reserve Bank of India, by an order dated May 3, 2021, imposed a monetary penalty of ₹ 30.0 million on the Bank. This penalty was imposed under the provisions of Section 47A (1)(c) read with Section 46(4)(I) of the Banking Regulation Act, 1949 for shifting certain investments from HTM category to AFS category in May 2017. The Bank had transferred two separate categories of securities on two different dates from HTM to AFS in April and May of 2017, which it believed was permissible as per Master Circular on Prudential Norms for Classification, Valuation and Operation of Investment Portfolio by Banks dated July 1, 2015. RBI has held that the shifting of securities the second time in May 2017 without explicit permission was in contravention of RBI directions.

   iii. The Reserve Bank of India (RBI) by an order dated December 13, 2021 (received by the ICICI Bank on December 15, 2021) imposed a monetary penalty of ₹ 3.0 million on the ICICI Bank (Bank) under the provisions of Section 46(4)(i) read with Section 47A(1) of the Banking Regulation Act, 1949 for non-compliance with certain directions issued by RBI on 'Levy of Penal charges on non-maintenance of minimum balance in savings bank accounts' dated November 20, 2014. The Bank was levying charge of ₹ 100/- plus a percentage of shortfall between the minimum average balance (MAB) required to be maintained and actual balance maintained in the saving account as agreed upon at the time of account opening. RBI has held that levy of charges for non-maintenance of MAB were not directly proportionate to the extent of the shortfall observed in the required MAB and actual balance maintained. The Bank has taken steps to align the charge levied for non-maintenance of MAB with the above direction of RBI effective from November 2021.

3. In terms of the Whistle Blower Policy of the Bank, no employee of the Bank has been denied access to the Audit Committee.

4. Being a banking company, the disclosures relating to deposits as required under Rule 8(5)(v) and (vi) of the Companies (Accounts) Rules, 2014, read with Sections 73 and 74 of the Companies Act, 2013, are not applicable to the Bank.

DIRECTORS' REPORT

5. There is no application or proceeding pending against the Bank under the Insolvency and Bankruptcy Code, 2016 during the year under review.
6. There was no instance of one-time settlement with any other Bank or financial institution during the year under review.

XVI. Means of Communication

It is ICICI Bank's belief that all stakeholders should have access to information regarding its position to enable them to accurately assess its future potential. ICICI Bank disseminates information on its operations and initiatives on a regular basis. ICICI Bank's website (www.icicibank.com) serves as a key awareness facility for all its stakeholders, allowing them to access information at their convenience. It provides comprehensive information on ICICI Bank's strategy, financial performance, operational performance and the latest press releases.

ICICI Bank's investor relations personnel respond to specific queries and play a proactive role in disseminating information to both analysts and investors. In accordance with SEBI and Securities Exchange Commission (SEC) guidelines, all information which could have a material bearing on ICICI Bank's share price is released through leading domestic and global wire agencies. The information is also disseminated to the National Stock Exchange of India Limited (NSE), BSE Limited (BSE), New York Stock Exchange (NYSE), Securities Exchange Commission (SEC), Singapore Stock Exchange, Japan Securities Dealers Association and SIX Swiss Exchange Ltd. from time to time.

The financial and other information and the various compliances as required/prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are filed electronically with NSE/BSE and are also available on their respective websites in addition to the Bank's website.

ICICI Bank's quarterly financial results are published in Business Standard or Financial Express and Vadodara Samachar or The Indian Express (Vadodara edition). The financial results, official news releases, analyst call transcripts and presentations are also available on the Bank's website.

The Management's Discussion & Analysis forms part of the Annual Report.

General Shareholder Information

Annual General Meeting	Day, Date	Time
Twenty-Eighth Annual General Meeting through Video Conferencing/Other Audio Visual Means	Tuesday, August 30, 2022	3:00 p.m.

Financial Year: April 1, 2021 to March 31, 2022

Record Date: August 10, 2022

Dividend Payment Date: Will be paid/despatched on or after September 1, 2022

Listing of equity shares/ADSs/Bonds on Stock Exchanges

Stock Exchange	Code for ICICI Bank
BSE Limited (BSE) (Equity) Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001	532174 & 632174[1]
National Stock Exchange of India Limited (NSE) (Equity) Exchange Plaza, Bandra-Kurla Complex Bandra (East), Mumbai 400 051	ICICIBANK
New York Stock Exchange (ADSs)[2] 11, Wall Street, New York, NY 10005 United States of America	IBN

1 *FII segment of BSE.*

2 *Each ADS of ICICI Bank represents two underlying equity shares.*

The bonds issued in domestic market comprised privately placed bonds as well bonds issued via public issues which are listed on BSE/NSE.

ICICI Bank has paid annual listing fees for the relevant periods to BSE and NSE where its equity shares/bonds are listed and NYSE where its ADSs are listed.

Listing of other securities

The bonds issued overseas are issued either in public or private placement format. The listed bonds are traded on Singapore Exchange Securities Trading Limited, 2 Shenton Way, #02-02, SGX Centre 1, Singapore 068804 or India International Exchange (IFSC) Limited (India INX), 1st Floor, Unit No. 101, The Signature, Building No. 13B, Road 1C, Zone 1, GIFT SEZ, GIFT City, Gandhinagar, Gujarat 382355 or SIX Swiss Exchange Ltd, P.O. Box 1758, CH-8021 Zurich, Switzerland.

DIRECTORS' REPORT

Market Price Information

The reported high and low closing prices and volume of equity shares of ICICI Bank traded during fiscal 2022 on BSE and NSE are set out in the following table:

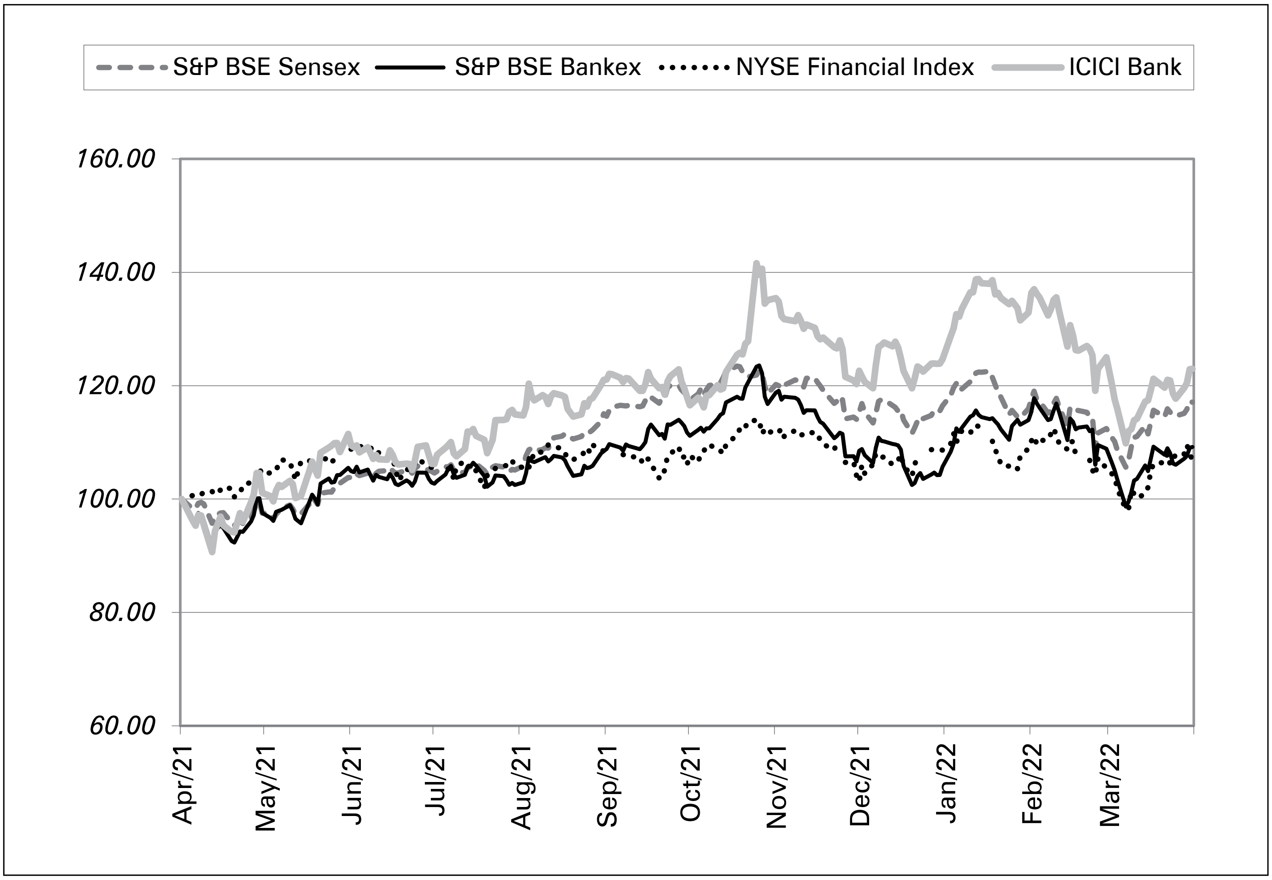
Month	BSE			NSE			Total Volume on BSE and NSE
	High ₹	Low ₹	Volume	High ₹	Low ₹	Volume	
April-21	621.25	538.40	23,400,530	621.45	538.55	542,322,720	565,723,250
May-21	662.20	591.55	15,025,683	662.75	591.55	332,116,990	347,142,673
June-21	650.25	624.55	11,375,527	650.30	624.70	271,263,271	282,638,798
July-21	687.40	630.65	12,401,300	687.50	630.85	261,916,202	274,317,502
August-21	718.85	680.40	5,626,175	719.05	680.70	253,046,942	258,673,117
September-21	729.90	700.80	26,596,031	730.00	700.85	206,095,846	232,691,877
October-21	841.05	690.05	17,928,656	841.70	689.50	327,331,220	345,259,876
November-21	804.45	714.30	8,345,584	803.90	714.35	295,114,733	303,460,317
December-21	758.85	710.05	19,769,454	758.65	709.55	348,365,793	368,135,247
January-22	824.40	764.75	9,121,650	824.70	764.70	279,251,169	288,372,819
February-22	813.80	707.25	14,498,963	813.75	707.40	288,255,231	302,754,194
March-22	730.25	652.35	13,499,122	730.90	653.75	423,463,671	436,962,793
Fiscal 2022	**841.05**	**538.40**	**177,588,675**	**841.70**	**538.55**	**3,828,543,788**	**4,006,132,463**

The reported high and low closing prices and volume of ADSs of ICICI Bank traded during fiscal 2022 on the NYSE are given below:

Month	High (USD)	Low (USD)	Number of ADS traded
April-21	16.77	14.37	182,818,400
May-21	18.17	15.92	119,359,800
June-21	17.95	16.86	92,504,700
July-21	18.82	17.11	110,157,700
August-21	19.62	18.41	118,170,400
September-21	19.95	18.87	94,742,400
October-21	21.87	18.62	155,414,900
November-21	21.28	18.46	189,797,200
December-21	20.00	18.30	239,189,000
January-22	22.22	20.35	193,697,500
February-22	21.89	19.24	181,314,300
March-22	19.01	16.39	378,371,200
Fiscal 2022	**22.22**	**14.37**	**2,055,537,500**

DIRECTORS' REPORT

The performance of ICICI Bank equity shares relative to the S&P BSE Sensitive Index (Sensex), S&P BSE Bank Index (Bankex) and NYSE Financial Index during the period April 1, 2021 to March 31, 2022 is given in the following chart:



Share Transfer System, Dematerilisation of Shares and Liquidity

As per the SEBI mandate, securities of listed companies can be transferred/traded only in dematerialised form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialised form.

At March 31, 2022, 1,903,417 Folios comprising of 6,933,447,454 equity shares forming 99.78% of the share capital are in demat form and 74,764 Folios comprising of 15,323,921 equity shares forming 0.22% of the share capital are in physical form.

As required under Regulation 40(9) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate is obtained from a practicing Company Secretary and filed with BSE and NSE, where the equity shares of ICICI Bank are listed.

In terms of Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and SEBI Circular No. D&CC/FITTC/CIR-16/2002 dated December 31, 2002, as amended vide Circular No. CIR/MRD/DP/30/2010 dated September 6, 2010 an audit is conducted on a quarterly basis, for the purpose of inter alia, reconciliation of the total admitted equity share capital with the depositories and in the physical form with the total issued/paid up equity share capital of ICICI Bank. Certificates issued in this regard are placed before the Stakeholders Relationship Committee and filed with BSE and NSE, where the equity shares of ICICI Bank are listed.

DIRECTORS' REPORT

Registrar and Transfer Agents

The Bank has appointed KFin Technologies Limited, Category I Registrar & Share Transfer Agent (R & T Agent) under SEBI Registration Number INR000001773 as its R & T Agent for equity shares in place of 3i Infotech Limited with effect from April 1, 2022. Investor services related queries/requests/grievances for equity shares may be directed to Ms. C Shobha Anand at the address as under:

KFin Technologies Limited
(formerly known as KFin Technologies Private Limited)
Unit : ICICI Bank Limited
Selenium Building, Tower-B
Plot No. 31 & 32, Financial District
Nanakramguda, Serlingampally
Hyderabad 500 032, Telangana, India
Tel. No.: +91-040-67162222
Fax No.: +91-040-23420814
Toll free No.: 18003094001
E-mail: einward.ris@kfintech.com

Other Service Centers of KFin Technologies Limited, R & T Agent for equity shareholders:

Mumbai:
KFin Technologies Limited
24/B Raja Bahadur Compound
Ambalal Doshi Marg, Behind BSE Building
Fort, Mumbai 400 001

Pune:
KFin Technologies Limited
Office # 207-210, 2nd floor, Kamla Arcade
JM Road, Opposite Balgandharva
Shivaji Nagar, Pune 411 005

New Delhi:
KFin Technologies Limited
305, New Delhi House
27, Barakhamba Road
New Delhi 110 001

Bengaluru:
KFin Technologies Limited
Old No.35, New No.59
Kamala Nivas, 1st Floor
Puttanna Road, Basavanagudi
Bengaluru 560 004

Kolkata:
KFin Technologies Limited
2/1 Russel Street, 4th Floor
Kankaria Centre, Kolkata 700 071

Chennai:
KFin Technologies Limited
9th Floor, Capital Towers
180, Kodambakkam High Road
Nungambakkam, Chennai 600 034

3i Infotech Limited continues to be the R & T Agent for the bonds/debentures issued by the Bank. Investor services related queries/requests/grievances for bonds/debentures may be directed to Mr. Vijay Singh Chauhan at the address as under:

3i Infotech Limited
International Infotech Park, Tower # 5, 3rd Floor
Vashi Railway Station Complex, Vashi
Navi Mumbai 400 703, Maharashtra, India
Tel. No.: +91-22-7123 8000
Fax No.: +91-22-7123 8098
Toll free No.: 18601207777
E-mail: investor@icicibank.com

Queries relating to the operational and financial performance of ICICI Bank may be addressed to:

Anindya Banerjee/Abhinek Bhargava
ICICI Bank Limited
ICICI Bank Towers
Bandra-Kurla Complex
Mumbai 400 051
Tel. No.: +91-22-2653 6173
Fax No.: +91-22-2653 1175
E-mail: ir@icicibank.com

DIRECTORS' REPORT

Debenture Trustees

Pursuant to Regulation 53 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the names and contact details of the debenture trustees for the public issue bonds and privately placed bonds of the Bank are given below:

Axis Trustee Services Limited
The Ruby, 2nd Floor, SW 29
Senapati Bapat Marg
Dadar West, Mumbai 400 028
Tel. No.: +91-22-2425 5202
debenturetrustee@axistrustee.com

IDBI Trusteeship Services Limited
Asian Building, Ground Floor
17, R Kamani Marg
Ballard Estate, Mumbai 400 001
Tel. No.: +91-22-4080 7001
itsupport@idbitrustee.com

Note: Axis Trustee Services Limited are now new Debenture Trustees for those Bond Series which were earlier managed by Bank of Maharashtra.

The details are available on the website of the Bank at (https://www.icicibank.com/Personal-Banking/investments/icici-bank-bonds/index.page).

Bank's Customer Service

The Bank enables customers to avail of services through multiple channels.

- Customer care: Connect with us over the phone. To know more, visit https://www.icicibank.com/customer-care?ITM=nli_cms_CONTACT_US_customer_care_menu_navigation
- Branch: Speak to the branch officials for resolution. Alternatively, drop queries/feedback in the drop box at branches.
- Website: Raise a request on the Bank's website. For details, https://www.icicibank.com/Personal-Banking/insta-banking/internet-banking/list-of-service-requests.page?
- Email: Write to us at customer.care@icicibank.com
- iMobile: Seek resolution using the IPAL chat bot.

Information on Shareholding

Shareholding pattern of ICICI Bank at March 31, 2022

Shareholder Category	No. of Shares	% holding
Deutsche Bank Trust Company Americas (Depositary for ADS holders)	1,318,553,693	18.98
FIIs/FPIs	2,474,479,616	35.61
Insurance Companies	719,745,050	10.36
Bodies Corporate (includes Government Companies and Clearing Members)	103,462,406	1.49
Banks & Financial Institutions	4,221,426	0.06
Mutual Funds/UTI	1,624,082,678	23.37
Individuals, HUF and Trusts	486,342,113	7.00
NBFCs Registered with RBI	14,879,964	0.21
Provident Fund/Pension Fund	128,495,809	1.85
Alternative Investment Fund	33,309,979	0.48
IEPF	7,545,883	0.11
Others (includes NRIs, Foreign Banks, Foreign Companies, Foreign Nationals etc.)	33,652,758	0.48
Total	**6,948,771,375**	**100.00**

DIRECTORS' REPORT

Shareholders of ICICI Bank with more than one percent holding at March 31, 2022

Name of the Shareholder	No. of Shares	% holding
Deutsche Bank Trust Company Americas*	1,318,553,693	18.98
Life Insurance Corporation of India	445,985,216	6.42
SBI Mutual Fund	330,797,507	4.76
ICICI Prudential Mutual Fund	200,002,803	2.88
Government of Singapore	185,733,311	2.67
HDFC Mutual Fund	147,519,935	2.12
NPS Trust	128,495,809	1.85
Dodge & Cox International Stock Fund	112,786,676	1.62
UTI Mutual Fund	112,240,831	1.62
Kotak Mahindra Mutual Fund	109,517,259	1.58
Aditya Birla Sun Life Mutual Fund	100,158,892	1.44
Nippon India Mutual Fund	100,138,588	1.44
Axis Mutual Fund	97,036,934	1.40
Mirae Asset Mutual Fund	85,563,024	1.23
Europacific Growth Fund	72,707,558	1.05
SBI Life Insurance Company Limited	70,331,307	1.01

** Deutsche Bank Trust Company Americas holds equity shares of ICICI Bank as depositary for ADS holders.*

Distribution of shareholding of ICICI Bank at March 31, 2022

Range – Shares	No. of Folios	%	No. of Shares	%
Upto 1,000	1,900,236	96.06	200,452,252	2.89
1,001 – 5,000	65,416	3.31	123,691,309	1.78
5,001 – 10,000	5,803	0.29	40,249,635	0.58
10,001 – 50,000	4,179	0.21	85,058,140	1.22
50,001 & above	2,547	0.13	6,499,320,039	93.53
Total	**1,978,181**	**100.00**	**6,948,771,375**	**100.00**

Disclosure with respect to equity shares lying in suspense account

The Bank had 94,378 equity shares held by 469 shareholders lying in suspense account at the beginning of the fiscal 2022. The Bank has been transferring the shares lying unclaimed to the eligible shareholders as and when the request for the same has been received after proper verification. During the year, the Bank had processed request received from two shareholders holding 940 shares and accordingly the said shares were transferred from the suspense account. As on March 31, 2022, 93,438 shares held by 467 shareholders remained unclaimed in the suspense account.

The voting rights on the shares lying in suspense account are frozen till the rightful owner of such shares claims the shares.

Transfer of unclaimed dividend and shares to Investor Education & Protection Fund (IEPF)

Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013, during fiscal 2022, dividend amount of ₹ 54.2 million remaining unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Accounts of the Company has been transferred to the IEPF.

Pursuant to Section 124(6) of the Companies Act, 2013 read with the Investor Education & Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules, 2016, during fiscal 2022, 664,301 equity shares in respect of which the dividend has not been claimed for seven consecutive years have been transferred to the designated demat account of the IEPF Authority.

The unclaimed dividend and the equity shares transferred to IEPF can be claimed by making an application in the prescribed form available on the website of IEPF at (www.iepf.gov.in).

DIRECTORS' REPORT

Members who have not yet encashed their dividend warrant(s) for the financial year ended March 31, 2016 and/or subsequent years are requested to submit their claims to KFin Technologies Limited without any delay.

The details of Nodal Officer and Deputy Nodal Officers appointed under the provisions of IEPF are available on the website of the Bank at (https://nli.icicibank.com/NewRetailWeb/showUnclaimedForm.htm).

Outstanding GDRs/ADSs/Warrants or any Convertible instruments, conversion date and likely impact on equity

ICICI Bank has 659.28 million ADS (equivalent to 1,318.55 million equity shares) outstanding, which constituted 18.98% of ICICI Bank's total equity capital at March 31, 2022. There are no other convertible instruments outstanding as on March 31, 2022.

Commodity price risk or foreign exchange risk and hedging activities

The foreign exchange risk position including bullion is managed within the net overnight open position (NOOP) limit approved by the Board of Directors. The foreign currency assets of the Bank are primarily floating rate linked assets. Wholesale liability raising for foreign currencies takes place in USD or other currencies through bond issuances, bilateral loans and syndicated/club loans as well as refinance from Export Credit Agencies (ECA) which may be at a fixed rate or floating rate linked. In case of fixed rate long-term wholesale fund raising in USD, the interest rate risk is generally hedged through interest rate swaps wherein the Bank effectively moves the interest payments to a floating rate index in order to match the asset profile. In case of fund raising in non-USD currencies, the foreign exchange risk is hedged through foreign exchange swaps or currency interest rate swaps.

The extant RBI guidelines do not allow AD Category I Banks to take any market positions in commodity related activities. However, the extant guidelines allows Bank to import gold and silver in line with the RBI license and selling of imported gold/silver on outright basis to domestic clients or providing gold metal loan to jewellery manufacturers. ICICI Bank provides pricing and hedging of Gold Metal Loan to jewellery customers and such exposures are covered on a back-to-back basis with gold suppliers.

In view of the above, the disclosure pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018 is not required to be given.

Plant Locations – Not applicable

Address for Correspondence

Ranganath Athreya
Company Secretary
ICICI Bank Limited
ICICI Bank Towers
Bandra-Kurla Complex
Mumbai 400 051
Tel. No.: +91-22-2653 8900
Fax No.: +91-22-2653 1230
E-mail: companysecretary@icicibank.com

The Bank is in compliance with requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Bank has also complied with the discretionary requirements such as maintaining a separate office for the Chairman at the Bank's expense, ensuring financial statements with unmodified audit opinion, separation of posts of Chairman and Chief Executive Officer and reporting of internal auditor directly to the Audit Committee.

Analysis of Customer Complaints

The required details as per the RBI circular No. CEPD.CO.PRD.Cir.No.01/13.01.013/2020-21 dated January 27, 2021 are disclosed in Schedule 18 of the financial statements.

COMPLIANCE CERTIFICATE OF THE AUDITORS

ICICI Bank has annexed to this Report, a certificate obtained from the statutory auditors regarding compliance of conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

EMPLOYEE STOCK OPTION SCHEME

The Bank has an Employee Stock Option Scheme (ESOS/Scheme) which was instituted in fiscal 2000 to enable the employees and wholetime Directors of ICICI Bank and its subsidiaries to participate in future growth and financial success of the Bank. The ESOS aims at achieving

DIRECTORS' REPORT

the twin objectives of aligning employee interest to that of the shareholders and retention. Through employee stock option grants, the Bank seeks to foster a culture of long-term sustainable value creation. The Scheme is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (the SEBI SBEB & SE Regulations). Pursuant to the SEBI SBEB & SE Regulations, options are granted by the Board Governance, Remuneration & Nomination Committee and noted by the Board.

The Scheme was initially approved by the Members at their meeting held on February 21, 2000 and amended from time to time.

The Bank has upto March 31, 2022 granted 590.42 million stock options from time to time aggregating to 8.50% of the issued equity capital of the Bank at March 31, 2022. As per the ESOS, as amended from time to time, the maximum number of options granted to any employee/ Director in a year is limited to 0.05% of ICICI Bank's issued equity shares at the time of the grant, and the aggregate of all such options is limited to 10% of ICICI Bank's issued equity shares on the date of the grant (equivalent to 694.88 million shares of face value ₹ 2.00 each at March 31, 2022).

Particulars of options granted by ICICI Bank as on March 31, 2022 are given below:

Number of options outstanding at the beginning of the year	246,590,972[1]
Number of options granted during the year	25,550,350
Number of options forfeited/lapsed during the year	2,164,335
Number of options vested during the year	32,901,210
Number of options exercised during the year	32,778,988
Number of shares arising as a result of exercise of options	32,778,988
Money realised by exercise of options during the year (₹)	7,979,763,506
Number of options outstanding at the end of the year	237,197,999
Number of options exercisable at the end of the year	177,170,739

1 Number of options outstanding at the beginning of year includes options for May 2019 grant pertaining to wholetime Directors of subsidiary company adjusted post regulatory approvals

Till March 31, 2021, the Bank recognised cost of stock options granted under ESOS, using intrinsic value method. Pursuant to RBI clarification dated August 30, 2021, the cost of stock options granted after March 31, 2021 is recognised based on fair value method. The cost of stock options granted up to March 31, 2021 continues to be recognised on intrinsic value method. The Bank uses Black-Scholes model to fair value the options on the grant date and the inputs used in the valuation model include assumptions such as the expected life of the share option, volatility, risk free rate and dividend yield. The diluted earnings per share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard 20 (AS-20) for the year ended March 31, 2022 was ₹ 32.98 compared to basic EPS of ₹ 33.66.

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, 2021	Year ended March 31, 2022
Risk-free interest rate	4.83% to 5.74%	**5.34% to 6.53%**
Expected life	3.45 to 5.45 years	**3.55 to 5.55 years**
Expected volatility	35.19% to 37.31%	**35.38% to 39.41%**
Expected dividend yield	0.26% to 0.30%	**0.18% to 0.30%**

The weighted average fair value, based on Black-Scholes model, of options granted during the year ended March 31, 2022 was ₹ 227.75 (year ended March 31, 2021: ₹ 125.44) and the weighted average exercise price of options granted during the year ended March 31, 2022 was ₹ 570.43 (year ended March 31, 2021: ₹ 337.73).

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. Expected exercise behavior is estimated based on the historical stock option exercise pattern of the Bank. Expected volatility during the estimated expected term of the option is based on historical volatility determined based on observed market prices of the Bank's publicly traded equity shares. Expected dividends during the estimated expected term of the option are based on recent dividend activity.

DIRECTORS' REPORT

The detailed disclosures as stipulated under Regulation 14 of the SEBI SBEB & SE Regulations will be hosted on the website of the Bank at (https://www.icicibank.com/aboutus/other-policies.page?#toptitle).

ICICI BANK EMPLOYEES STOCK UNIT SCHEME – 2022 (SCHEME 2022)

The Board of Directors at its Meeting held on June 28, 2022, approved the adoption of Scheme 2022, subject to the approval of Members. Approval of the Members is being sought for the said Scheme 2022 in the Notice of the forthcoming AGM through item nos. 23 and 24.

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

The Bank has undertaken various initiatives for energy conservation at its premises. A detailed write up is given in the Environmental, Social and Governance Report of fiscal 2022 which will be available on the website of the Bank at (https://www.icicibank.com/aboutus/annual.html) and in the Environmental Sustainability chapter in the Integrated Report section of the Annual Report for fiscal 2022. The Bank has used information technology extensively in its operations; for details refer to the chapter Our Business Strategy in the Integrated Report section of the Annual Report for fiscal 2022.

SECRETARIAL STANDARDS

Your Bank is in compliance with the Secretarial Standard on Meetings of the Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2) for the financial year ended March 31, 2022.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm:

1. that in the preparation of the annual accounts, the applicable accounting standards had been followed, along with proper explanation relating to material departures;
2. that they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Bank at the end of the financial year and of the profit of the Bank for that period;
3. that they have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of the Banking Regulation Act, 1949 and the Companies Act, 2013 for safeguarding the assets of the Bank and for preventing and detecting fraud and other irregularities;
4. that they have prepared the annual accounts on a going concern basis;
5. that they have laid down internal financial controls to be followed by the Bank and that such internal financial controls are adequate and were operating effectively; and
6. that they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

ICICI Bank is grateful to the Government of India, Reserve Bank of India, Securities and Exchange Board of India, Insurance Regulatory and Development Authority of India and overseas regulators for their continued co-operation, support and guidance. ICICI Bank wishes to thank its investors, the domestic and international banking community, rating agencies, depositories and stock exchanges for their support.

ICICI Bank would like to take this opportunity to express sincere thanks to its valued clients and customers for their continued patronage. The Directors express their deep sense of appreciation to all the employees, whose outstanding professionalism, commitment and initiative have made the organisation's growth and success possible and continues to drive its progress. Finally, the Directors wish to express their gratitude to the Members for their trust and support.

For and on behalf of the Board

Girish Chandra Chaturvedi
Chairman
June 28, 2022 DIN: 00110996

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 the year ended March 31, 2022.

Sandeep Bakhshi
Managing Director & CEO
April 23, 2022 DIN: 00109206

DIRECTORS' REPORT

ANNEXURE A

FORM No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
ICICI Bank Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022, generally 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 made available to us and maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(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;

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

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act

DIRECTORS' REPORT

and dealing with client; (Not applicable to the Company during the audit period);

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period);

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the audit period);

(i) The Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992;

(j) The Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994;

(k) The Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993;

(l) The Securities and Exchange Board of India (Custodian) Regulations, 1996;

(m) The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019;

(n) The Securities and Exchange Board of India (Stock Brokers) Regulations, 1992; and

(o) The Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;

(vi) Other laws applicable specifically to the Company namely:

(a) The Banking Regulation Act, 1949, Master Circulars, Notifications and Guidelines issued by the RBI from time to time;

(b) The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;

(c) The Recovery of Debts Due to Banks and Financial Institutions Act, 1993;

(d) The Shops and Establishments Act, 1953

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We report that

1. The Reserve Bank of India (RBI) has, by an order dated May 03, 2021, imposed a monetary penalty of ₹ 3 Crores on the Bank. This penalty has been imposed under the provisions of section 47A(1)(c) read with sections 46(4)(i) of the Banking Regulation Act, 1949 for shifting certain investments from HTM category to AFS category in May 2017. The Bank has paid the penalty amount to RBI.

2. RBI has by an order dated December 13, 2021 (received by the Bank on December 15, 2021) imposed a monetary penalty of ₹ 30 Lakhs on the Bank under the provisions of Section 46(4)(i) read with Section 47A(1) of the Banking Regulation Act, 1949 for non-compliance with certain directions issued by RBI on 'Levy of Penal charges on non-maintenance of minimum balance in savings bank accounts' dated November 20, 2014. The Bank has paid the penalty amount to RBI.

We further report that:

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

DIRECTORS' REPORT

Adequate notice was 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.

In respect of meetings held at short notice or meetings for which the agenda notes (other than those relating to Unpublished Price Sensitive Information (UPSI)) were sent at a notice of less than 7 days, the unanimous consent of the Board/Committee was taken for discussion of the said agenda items and the same has been recorded in the minutes.

Decisions at the Meetings of the Board of Directors and of the Committees thereof were taken with requisite majority.

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 the following events occurred during the audit period which have a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards etc. referred to above:

1. During the financial year ended March 31, 2022, the Bank has redeemed various series of debentures in the nature of Public issue bonds, Private placement bonds and Pension bonds aggregating to ₹ 35,978,602,276 and has complied with the applicable laws.
2. Issued and allotted various Non-Convertible Bonds in nature of Debentures of face value of ₹ 1,000,000/- each aggregating to ₹ 194,224,000,000 on private placement basis in the domestic market.
3. During the financial year ended March 31, 2022, the Bank has allotted 32,778,988 equity shares of face value of ₹ 2 each under the Employee Stock Option Scheme.

For Parikh Parekh & Associates
Company Secretaries

P. N. Parikh
Partner
FCS No: 327 CP No: 1228
UDIN: F000327D000191738
PR No.: 723/2020

Place: Mumbai
Date : April 23, 2022

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

DIRECTORS' REPORT

'ANNEXURE A'

To,
The Members,
ICICI Bank Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process 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 process 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 procedure 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 Parikh Parekh & Associates
Company Secretaries

P. N. Parikh
Partner
FCS No: 327 CP No: 1228
UDIN: F000327D000191738
PR No.: 723/2020

Place: Mumbai
Date : April 23, 2022

DIRECTORS' REPORT

ANNEXURE B

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
ICICI Bank Limited
ICICI Bank Tower,
Near Chakli Circle,
Old Padra Road,
Vadodara - 390007

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of ICICI Bank Limited having CIN L65190GJ1994PLC021012 and having registered office at ICICI Bank Tower, Near Chakli Circle, Old Padra Road, Vadodara - 390007 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with clause 10(i) of Para C of Schedule V to the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such other statutory authority.

Sl. No.	Name of the Director as on March 31, 2022	DIN	Category of Directorship	Date of Appointment
1.	Mr. Girish Chandra Chaturvedi*	00110996	Non-Executive - Independent Director	July 01, 2018
2.	Mr. Hari L. Mundra	00287029	Non-Executive - Independent Director	October 26, 2018
3.	Mr. S. Madhavan	06451889	Non-Executive - Independent Director	April 14, 2019
4.	Ms. Neelam Dhawan	00871445	Non-Executive - Independent Director	January 12, 2018
5.	Mr. Radhakrishnan Nair	07225354	Non-Executive - Independent Director	May 02, 2018
6.	Mr. B. Sriram#	02993708	Non-Executive - Independent Director	January 14, 2019
7.	Mr. Uday Chitale	00043268	Non-Executive - Independent Director	January 17, 2018
8.	Ms. Vibha Paul Rishi	05180796	Non-Executive - Independent Director	January 23, 2022
9.	Mr. Sandeep Bakhshi	00109206	Managing Director & Chief Executive Officer	October 15, 2018
10.	Mr. Anup Bagchi	00105962	Wholetime Director	February 01, 2017
11.	Mr. Sandeep Batra	03620913	Wholetime Director	December 23, 2020
12.	Ms. Vishakha Mulye	00203578	Wholetime Director	January 19, 2016

* Pursuant to the order of the Hon'ble National Company Law Tribunal ('NCLT'), Mumbai Bench dated October 1, 2018 Mr. G. C. Chaturvedi (DIN: 00110996) was appointed as nominee director of the Central Government in Infrastructure Leasing and Financial Services Limited and IL&FS Energy Development Company Limited on October 1, 2018 and November 01, 2018 respectively. Further, NCLT vide its Order dated October 5, 2018, provided immunity against disability or disqualification as per Section 164 and 167 of the Companies Act, 2013 to such newly appointed Directors. As per the information available in public domain, we could find no further order to the contrary till the date of furnishing this certificate.

Mr. B. Sriram (DIN: 02993708) was appointed as a Director on the Board of Unitech Limited on January 22, 2020, pursuant to Order of the Hon'ble Supreme Court ('SC') dated January 20, 2020 vide Ministry of Corporate Affairs ('MCA') Order No. Legal-10/01/2020. There had been a default in repayment of deposits in Unitech Limited as on March 31, 2017 and the failure continues till date. Given the nature of appointment pursuant to SC order and MCA order, the director is a nominee director of the Central Government and accordingly, we assume that the immunity from disqualification is available to the said director on the date of furnishing this certificate.

DIRECTORS' REPORT

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.

For M/s Vinod Kothari & Company
Practicing Company Secretaries
Unique Code: P1996WB042300

Vinita Nair
Senior Partner
Membership No.: F10559
C P No.: 11902
Peer Review Certificate No.: 781/2020
UDIN: F010559D000187661

Place: Mumbai
Date: April 23, 2022

DIRECTORS' REPORT

ANNEXURE C

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

1. Brief outline on CSR Policy of the Company

Corporate Social Responsibility (CSR) has been a long-standing commitment at ICICI Bank and the ICICI Group and forms an integral part of our activities. The Bank's contribution to social sector development includes several pioneering interventions, and is implemented through the involvement of stakeholders within the Bank, the Group and the broader community. The Bank established the ICICI Foundation for Inclusive Growth (ICICI Foundation) in 2008 with a view to significantly expand the ICICI Group's activities in the area of CSR. Over the last few years, ICICI Foundation has developed significant projects in specific areas, and has built capabilities for direct project implementation as opposed to extending financial support to other organisations.

ICICI Bank's objective is to proactively support meaningful socio-economic development in India and enable a larger number of people to participate in and benefit from India's economic progress. This is based on the belief that growth and development are effective only when they result in wider access to opportunities and benefit a broader section of society. ICICI Bank aims to identify critical areas of development that require investments and intervention, and which can help to realize India's potential for growth and prosperity.

The CSR Policy of the Bank sets the framework guiding the Bank's CSR activities. It outlines the governance structure, operating framework, monitoring mechanism, guiding principles for selecting CSR projects and CSR activities that would be undertaken. The Bank's CSR activities are largely focused in the areas of skill development and sustainable livelihoods, rural livelihoods, social and environmental projects, creating social awareness and other activities like disaster relief or other activities under Schedule VII of the Companies Act, 2013 ("the Act").

The CSR policy was revised in April 2021 and the revisions in the CSR Policy were largely to reflect the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, and included changes to the operating framework, disclosure requirements and principles for selection of CSR projects.The web-link to the Bank's revised CSR policy is:

https://www.icicibank.com/managed-assets/docs/about-us/ICICI-Bank-CSR-Policy.pdf

2. Composition of CSR Committee

There were four Meetings of the Committee during fiscal 2022 – April 20, 2021, May 26, 2021, October 7, 2021 and January 11, 2022.

Sr. No.	Name of Director	Designation/nature of directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Girish Chandra Chaturvedi *(Member and Chairman of CSR Committee w.e.f. October 1, 2021)*	Non-Executive (part-time) Chairman / Independent Director	4*	2
2.	Radhakrishnan Nair *(Chairman of CSR Committee upto September 30, 2021)*	Independent Director	4	4
3.	Rama Bijapurkar *(Member of CSR Committee upto January 22, 2022)*	Independent Director	4	4
4.	Uday Chitale	Independent Director	4	4
5.	Anup Bagchi	Executive Director	4	4
6.	Vibha Paul Rishi *(Member of CSR Committee w.e.f. January 23, 2022)*	Independent Director	4^	-

* *Two Meetings of the Committee were held during fiscal 2022 post induction of Girish Chandra Chaturvedi on the Committee.*

^ *No Meetings of the Committee were held during fiscal 2022 post induction of Vibha Paul Rishi on the Committee.*

DIRECTORS' REPORT

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company.

Link to the Bank's corporate social responsibility page is:

https://www.icicibank.com/aboutus/corporate-social-responsibility.page?

4. Provide 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).

The Bank has conducted impact assessment of seven projects through external agencies during fiscal 2022. These include dialysis project and urban livelihood programme undertaken through ICICI Foundation for Inclusive Growth (ICICI Foundation), and the financial inclusion programme, social awareness programme, KREA University support, community hall project and support towards creating digital classrooms in Bihar, which were implemented directly by the Bank. A summary of the findings of the impact assessment study is provided in Annexure 1 of the Annual Report on CSR, along with a link to the reports on the Bank's website.

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

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹ million)	Amount required to be set-off for the financial year, if any (in ₹ million)
1.	fiscal 2022	159.7	159.7

6. Average net profit of the Company as per section 135(5)

₹ 130.86 billion

7. *(a) Two percent of average net profit of the company as per section 135(5)*

₹ 2,617.3 million

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years

₹ 138.6 million

(c) Amount required to be set off for the financial year, if any

₹ 159.7 million

(d) Total CSR obligation for the financial year [7(a) + 7(b) - 7(c)]

₹ 2,596.1 million

8. *(a) CSR amount spent or unspent for the financial year*

Total amount spent in fiscal 2022 (in ₹ million)	Amount unspent (in ₹)				
	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
2,666.2	Nil	-	-	Nil	-

DIRECTORS' REPORT

(b) Details of CSR amount spent against on-going projects for the financial year

Sr. 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		Project duration	Amount allocated for the project (in ₹ million)	Amount spent in the current financial year (in ₹ million)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ million)	Mode of implementation Direct (Yes/No)	Mode of implementation – through implementing agency	
				State[1]	Districts						Name	CSR registration number
1.	Skill training through ICICI Academy for Skills	Livelihood enhancement projects	No	AP, Assam, Bihar, Chhattisgarh, Delhi, Gujarat, Haryana, J&K, Jharkhand, Karnataka, Kerala, MP, Maharashtra, Odisha, Punjab, Rajasthan, TN, Telangana, UP, WB	Multiple districts (28)	36 months	140.0	41.0	Nil	No	ICICI Foundation for Inclusive Growth	CSR 00001979
	Total							41.0				

[1] Includes Union Territories

AP: Andhra Pradesh, J&K: Jammu and Kashmir, MP: Madhya Pradesh, TN: Tamil Nadu, UP: Uttar Pradesh, WB: West Bengal

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

Sr. 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[1]	Districts			Name	CSR registration number
1.	Covid-19 relief (No. of projects: 1,066)	Healthcare	No	AP, Arunachal Pradesh, Assam, Bihar, Chhattisgarh, Delhi, Gujarat, Haryana, HP, J&K, Jharkhand, Karnataka, Kerala, Ladakh, MP, Maharashtra, Manipur, Meghalaya, Mizoram, Nagaland, Odisha, Punjab, Rajasthan, Sikkim, TN, Telangana, Tripura, UP, Uttarakhand, WB	Multiple districts (283)	1,000.0	No	ICICI Foundation for Inclusive Growth	CSR 00001979
2.	Rural Livelihood projects (No. of projects: 113)	Livelihood enhancement projects	No	AP, Assam, Bihar, Chhattisgarh, Gujarat, Haryana, HP, J&K, Jharkhand, Karnataka, Kerala, Ladakh, MP, Maharashtra, Manipur, Meghalaya, Nagaland, Odisha, Punjab, Rajasthan, TN, Telangana, Tripura, UP, Uttarakhand, WB	Multiple districts (116)	504.8	No	ICICI Foundation for Inclusive Growth	CSR 00001979
3.	Social & environmental projects (No. of projects: 132)	Promoting education healthcare, empowering women, ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, maintaining quality of soil, air and water, making available safe drinking water	No	AP, Assam, Bihar, Chhattisgarh, Delhi, Gujarat, Haryana, HP, J&K, Jharkhand, Karnataka, Kerala, Ladakh, MP, Maharashtra, Nagaland, Odisha, Punjab, Rajasthan, TN, Telangana, Tripura, UP, Uttarakhand, WB	Multiple districts (281)	388.8	No	ICICI Foundation for Inclusive Growth	CSR 00001979

DIRECTORS' REPORT

Sr. No.	Name of the project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the Project		Amount spent for the project (in ₹ million)	Mode of impleme-ntation Direct (Yes/No)	Mode of implementation – through implementing agency	
				State[1]	Districts			Name	CSR registration number
4.	Rural development and related activities	Rural development	No	AP, Assam, Bihar, Chandigarh, Chhattisgarh, Dadra & Nagar Haveli, Goa, Gujarat, Haryana, HP, Jharkhand, Karnataka, Kerala, MP, Maharashtra, Manipur, Meghalaya, Nagaland, Odisha, Puducherry, Punjab, Rajasthan, Sikkim, TN, Telangana, UP, WB	Multiple districts (420)	340.2	Yes	-	-
5.	Water conservation (No. of projects: 1,740)	Ensuring environmental sustainability	No	Assam, Bihar, Chhattisgarh, Delhi, Haryana, HP, J&K, Jharkhand, Karnataka, MP, Maharashtra, Manipur, Odisha, Punjab, Rajasthan, Telangana, TN, UP, Uttarakhand	Multiple districts (84)	304.6	No	ICICI Foundation for Inclusive Growth	CSR 00001979
6.	Social Awareness	Promoting education	No	Karnataka, Maharashtra, TN, WB	Bengaluru, Pune, Mumbai, Chennai, Kolkata	50.0	Yes	-	-
7.	Promoting Sports	Promoting Sports	No	Bihar, Manipur	Patna, Imphal West	8.1	Yes	-	-
8.	Waste management projects	Cleanliness and Hygiene	No	Chhattisgarh, Kerala, MP, Maharashtra, Puducherry, Punjab, TN	Raipur, Alappuzha, Bhopal, Jabalpur, Sagar, Satna, Solapur, Firozpur, Tiruppur, Viluppuram, Virudhunagar	7.7	Yes	-	-
9.	Covid-19 relief	Healthcare	No	Maharashtra	Mumbai	6.6	Yes	-	-
10.	Protecting environment	Ensuring environmental sustainability	No	Assam, Gujarat, Haryana, HP, J&K, MP, Maharashtra, Punjab, TN	Guwahati, Sabarkantha, Rohtak, Sirsa, Sonepat, Kangra, Jammu, Indore, Hingoli, Ludhiana, Tirunelveli, Tiruvannamalai, Virudhanagar	4.0	Yes	-	-
11.	Drinking water facilities	Making available safe drinking water	No	AP, Chhattisgarh, Gujarat, MP, Maharashtra, Punjab, Rajasthan, UP	Krishna, Visakhapatnam, Raipur, Gir Somnath, Patan, Bhopal, Ahmednagar, Ratnagiri, Sangli, Solapur, Faridkot, Jalandhar, Jaipur, Basti	2.9	Yes	-	-
12.	Healthcare	Promoting healthcare	No	Maharashtra	Pune	2.5	No	Vidhi Centre for Legal Policy	CSR 00000775
13.	Education	Promoting education	No	Gujarat, Haryana, TN	Ahmedabad, Karnal, Tiruchirappalli	1.6	Yes	-	-
14.	Supporting socially and economically backward groups	Livelihood enhancement, promoting healthcare, reducing inequalities	No	Assam, Chhattisgarh, Maharashtra	Majuli, Raipur, Mumbai	1.5	Yes	-	-
15.	Financial counselling	Promoting education	No	Gujarat, Karnataka	Ahmedabad, Bengaluru	0.9	No	Disha Trust	CSR 00023590
	Total					**2,624.2**			

[1] Includes Union Territories

AP: Andhra Pradesh, HP: Himachal Pradesh, J&K: Jammu and Kashmir, MP: Madhya Pradesh, TN: Tamil Nadu, UP: Uttar Pradesh, WB: West Bengal

DIRECTORS' REPORT

(d) Amount spent in Administrative Overheads

Not included in CSR expense.

(e) Amount spent on Impact Assessment, if applicable

₹ 1.0 million

(f) Total amount spent for the financial year: [sum of 8(b) + 8(c) + 8(d) + 8(e)]

₹ 2,666.2 million

(g) Excess amount for set-off, if any

Sr. No.	Particular	Amount (in ₹ million)
(i)	2% of average net profit of the company as per section 135(5)	2,457.5*
(ii)	Total amount spent for the Financial Year	2,666.2#
(iii)	Excess amount spent for the financial year [(ii)-(i)]	208.7
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	138.6
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	70.1

** Excluding the excess amount of ₹ 159.7 million spent during fiscal 2021 and available for set off in fiscal 2022*

 # Includes the amount spent on account of surplus arising out of CSR projects or programmes or activities of the previous financial year

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

Not applicable

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

Not applicable

10. In case of creation or acquisition of capital assets, furnish the details related to assets so created or acquired through CSR spent in the financial year

Sr. No.	Details of capital asset	Date of creation or acquisition	Amount spent (₹ million)	Details of entity or public authority or beneficiary under whose name the capital asset is registered
1.	Rainwater harvesting installations	Between April 1, 2021 to March 31, 2022	291.8	Various beneficiaries in the states of Assam, Bihar, Chhattisgarh, Delhi, Haryana, HP, J&K, Jharkhand, Karnataka, MP, Maharashtra, Manipur, Odisha, Punjab, Rajasthan, Telangana, TN, UP, Uttarakhand
2.	Oxygen concentrators	Between April 1, 2021 to March 31, 2022	199.0	Various hospitals in the states of AP, Arunachal Pradesh, Bihar, Chhattisgarh, Delhi, Gujarat, Haryana, HP, J&K, Jharkhand, Karnataka, Ladakh, MP, Maharashtra, Manipur, Meghalaya, Mizoram, Nagaland, Odisha, Rajasthan, Sikkim, TN, Telangana, UP, Uttarakhand, WB
3.	Ventilators	Between April 1, 2021 to March 31, 2022	134.4	Various government hospitals in the states of AP, Assam, Bihar, Chhattisgarh, Delhi, Gujarat, Haryana, HP, Jharkhand, Maharashtra, Meghalaya, Odisha, TN, Telangana, UP, Uttarakhand, WB

DIRECTORS' REPORT

Sr. No.	Details of capital asset	Date of creation or acquisition	Amount spent (₹ million)	Details of entity or public authority or beneficiary under whose name the capital asset is registered
4.	Dialysis machines	Between April 1, 2021 to March 31, 2022	130.1	Various hospitals in the states of Assam, Bihar, Chhattisgarh, Gujarat, MP, Rajasthan, TN
5.	Medical equipments including X-ray machines, ECG machines, cryogenic tank, radiography system, etc	Between April 1, 2021 to March 31, 2022	113.9	Various hospitals in the states of Assam, AP, Bihar, Chhattisgarh, Delhi, HP, J&K, Jharkhand, Karnataka, Ladakh, MP, Maharashtra, Odisha, TN, Tripura, UP, Uttarakhand, WB
6.	Covid-19 facility	Between April 1, 2021 to March 31, 2022	96.3	Covid-19 facility created in Thiruvananthapuram (Kerala), Muzaffarpur (Bihar), Kolkata (WB)
7.	Oxygen plants, including medical gas pipelines	Between April 1, 2021 to March 31, 2022	91.5	Various hospitals in the states of MP, Maharashtra, Punjab, Rajasthan, Telangana, UP, Uttarakhand, WB
8.	Ambulances	Between April 1, 2021 to March 31, 2022	87.0	Various beneficiaries in the states of AP, Assam, Bihar, Chhattisgarh, Delhi, Gujarat, HP, J&K, Jharkhand, Ladakh, MP, Maharashtra, Manipur, Odisha, Rajasthan, Sikkim, UP, Uttarakhand, WB
9.	Equipment for animal/food processing centres	Between April 1, 2021 to March 31, 2022	42.1	Beneficiaries in AP, Bihar, Chhattisgarh, J&K, Jharkhand, Karnataka, Kerala, MP, Maharashtra, Manipur, Odisha, Punjab, Rajasthan, TN, Telangana, Uttarakhand
10.	Power backup for medical facilities	Between April 1, 2021 to March 31, 2022	26.9	Various government hospitals in the states of Arunachal Pradesh, Chhattisgarh, Gujarat, J&K, Ladakh, MP, Maharashtra, Manipur, Meghalaya, Sikkim, UP, Uttarakhand, WB
11.	Oxygen cylinders	Between April 1, 2021 to March 31, 2022	26.2	Various beneficiaries in the states of Bihar, Delhi, Gujarat, Ladakh, Maharashtra, Manipur, UP, Uttarakhand, WB
12.	E-rickshaws for livelihood	December 2021	25.0	Various beneficiaries in Kaushambi district, Uttar Pradesh, 212207
13.	Hospital beds	Between April 1, 2021 to March 31, 2022	22.7	Various government hospitals in the states of Assam, AP, Chhattisgarh, Delhi, HP, Jharkhand, Karnataka, Maharashtra, Odisha, Rajasthan, TN, WB
14.	Water storage tanks	March 2022	19.4	92 schools in Mahasamund and Mungeli districts, Chhattisgarh
15.	Equipment for cancer care	February-March 2022	14.8	Homi Bhabha Cancer Hospital and Research Centre (HBCH & RC), Uma Nagar, Rasulpur, SKMCH Campus, Bihar 842004
16.	Rural bridges	March 31, 2022	14.4	Himalayan Environmental Studies and Conservation Organization (HESCO), Village Shuklapur PO Ambiwala, Dehradun, Uttarakhand 248007
17.	Animal husbandry units	Between April 1, 2021 to March 31, 2022	13.6	Beneficiaries in Assam, Chhattisgarh, Gujarat, Kerala, Manipur, Nagaland, Odisha, Tripura, TN, WB

DIRECTORS' REPORT

Sr. No.	Details of capital asset	Date of creation or acquisition	Amount spent (₹ million)	Details of entity or public authority or beneficiary under whose name the capital asset is registered
18.	Watershed management	Between April 1, 2021 to March 31, 2022	12.8	Beneficiaries in Raichur and Bengaluru districts in Karnataka, Beed and Jalna districts in Maharashtra, and Kalahandi, Kandhamal, Kendujhar and Koraput districts of Odisha.
19.	Solar facilities in government schools	March 2022	11.1	Government schools in Beed and Bhandara districts in Maharashtra and Barnala, Gurdaspur, Mansa, Moga and Sangrur districts in Punjab.
20.	Vehicle for project to provide piped water in households	March 21, 2022	7.8	Public Health and Engineering Department, PHED Bhavan, Bailey road, Indirapuri, Patna, Bihar 800015
21.	Vehicles for forest conservation	March 14, 2022; March 24, 2022	5.3	Bandipura Tiger Conservation Foundation, Bandipur, Gundlupet Taluka, Chamarajnagar, Karnataka, 571126; Similipal Tiger Conservation Foundation, Mayurbhanj, Odisha, 757002; Sariska Tiger Reserve, Alwar, Rajasthan, 301001
22.	IT equipment for government training centre	December 9, 2021	4.5	Government training room and training centre, Rajaji Nagar Industrial Estate, Bengaluru, Karnataka 560010
23.	Vans	March 24, 2022	3.6	ITBP Force, C/o 56 APO, Choglamsar, Leh, 194104
24.	Equipment for old age homes	September 30, 2021	2.1	Directorate for Empowerment of SCs, OBCs, minorities and the specially abled, Block no 33, SDA complex, Kasumpti, Shimla, HP 171009
25.	Dozer machine with trailer mounted suction machine	December 20, 2021	1.8	Swachha Bharat Mission Rural, Panchayat Durg, Raipur, Chhattisgarh 492001
26.	Organic waste digester	March 25, 2022	1.8	INS Dronacharya, Kochi, Kerala 682001
27.	Solar water heaters	March 11, 2022	1.6	JAKLI regiment centre, Rangret, Srinagar, 191202
28.	Computer lab for skill development	October 2, 2021	1.5	Xavier Institute of Engineering, Mahim causeway, Mumbai, Maharashtra 400016
29.	Equipment bank for agriculture use	March 25, 2022	1.4	Grampanchayat Maherbhaygaon, Post-Wakulni, Taluka Ambad, Jalna, Maharashtra, 431202

AP: Andhra Pradesh, HP: Himachal Pradesh, J&K: Jammu and Kashmir, MP: Madhya Pradesh, TN: Tamil Nadu, UP: Uttar Pradesh, WB: West Bengal

11. Specify the reason(s), if the company has failed to spend 2.0% of the average net profit as per section 135(5).

Not applicable

Sandeep Batra
Executive Director
DIN: 03620913

Girish Chandra Chaturvedi
CSR Committee Chairman
DIN: 00110996

June 28, 2022

DIRECTORS' REPORT

ANNEXURE 1: SUMMARY OF IMPACT ASSESSMENT STUDY

1. **Dialysis project**

   This initiative provides dialysis machines to support the dialysis centres across India. The aim was to provide free/affordable, quality dialysis to the patients who have less or no access to these facilities. The key findings were as follows:

   - The programme was implemented across 14 states and 30 districts.
   - 67 dialysis machines were provided under the programme.
   - The programme covered beneficiaries across the South, East, West and the North-East regions with representations of both genders and various age groups and socio-economic backgrounds among beneficiaries.
   - The programme focussed on beneficiaries belonging to the marginalised societies who cannot afford quality CKD care. The program was timely and relevant as CKD care was significantly impacted due to lockdown restrictions across India.
   - The project ensured free/affordable dialysis treatment while also hiring local manpower to manage the dialysis machines, boosting economic opportunities for the local people and mitigating workforce shortage.

2. **Urban livelihood programme**

   ICICI Foundation operates 28 skill training centres under the ICICI Academy for Skills. The impact evaluation of the project was based on a survey of 433 trainees across these centres, as well as interactions with knowledge partners, employers and staff at the academy. The key findings are:

   - Trainees belong to various socio-economic backgrounds
   - Female trainees constituted 97% of non-technical trainees
   - Among technical skills, Multi Skill Technician Online and Electrical & Home Appliances Repair are receiving good participation from female trainees
   - Centres in Tier 2 cities are catering to 59% of the trainees
   - Employers have rated ICICI Academy for Skills at 4 on a scale of 5 (with 5 being the highest) on its industrial relevance for its programme
   - 91% of the candidates believe that the Academy has substantially or partially contributed in their better livelihoods prospect
   - 97% of the trainees feel that the Academy has contributed towards building their confidence

   The project had a high Social Return on Investment (SROI) calculation, which stood at ₹ 7.90 (in Covid-19 impacted scenario) and ₹ 8.34 (in business as usual scenario).

3. **Financial inclusion programme**

   The financial inclusion programme was conceptualized with an aim to leverage technology to enhance access to the formal banking system for the rural population, including enabling them to avail the various Direct Benefit Transfers (DBT) under flagship government schemes. The key findings are:

   - 97% of the respondents have improved access to direct benefit transfers linked to various government schemes.
   - 95% of the respondents were found to have improved access, understanding and approachability of banking services at the village level.
   - Overall impact included women participating in financial decision-making process and improved savings and financial planning.

4. **Social Awareness**

   A pan-India Social Awareness project has been operational since fiscal 2020. The objective of this project was to create public awareness around themes of education, road safety, healthcare, gender equality, environment protection across various cities in India. Overall, the Social Awareness Project aims to bring about behavioral change among people and make them socially responsible citizens through visual communication.

DIRECTORS' REPORT

The key findings of an assessment of the activities undertaken in fiscal 2021, which involved installation and maintenance of signages in public spaces were:

- The project reached out to over 1.1 crore commuters everyday, resulting in 140 crores visibility impressions annually. The signages transmit thematic messages and serve as a stationary, persuasive mode of communication.
- The project has created a wide presence through installation of 5,453 signages in public spaces across a number of cities.
- The themes covered through the awareness project were aligned to 11 UN Sustainable Development Goals (SDGs).

5. Support to KREA University

KREA University was a collective philanthropy and ICICI Bank was among the initial participants, helping setting up KREA University on a 40-acre campus in Sri City, Tamil Nadu. ICICI Bank's initial contribution was in 2018 for inception of KREA. Additional support was given in fiscal 2021 to upgrade and modernize the KREA dining facility for students. The key findings are:

- **Inclusiveness:**
  - o Established an inclusive and holistic admission process to evaluate students beyond academics
  - o 60-70% of KREA's students are females and 30%-40% of KREA's students are provided with financial assistance
  - o The institute has received applications from over 20 states with the regional disparity gap narrowing due to strategic outreach by the institute.
  - o The campus is entirely disability-friendly.
- **Relevance:**
  - o KREA actively forms partnerships with corporates to recognize the relevant skills that are required for the industry and bases its pedagogy on current industry needs.
  - o Faculty members are on-boarded from the best universities of the world such as Harvard University, Oxford University, Indian Institute of Technology, etc.
- **Impact:**
  - o Number of applications received by the institute has seen a constant increase in the last four years and the average placement rates have been above 98% for postgraduate students.

6. Community Hall Project

ICICI Bank participated in the setting up of community halls in three villages in Dhakuwakhana, in Lakhimpur district of Assam. The objective was to promote participation by local residents in activities that promote the overall development of the community. The three community halls have been developed in the villages of Siyajuli, Boginodi and Ukhomati, which can be accessed by over 4,000 households. Key events or activities organized at the hall include health and medical camps, social awareness programmes, cultural events and skill training events.

The assessment of the project has been analysed through the pillars of Impact, Relevance, Effectiveness and Sustainability.

- **Impact created:**
  - o Provision of community owned space for organising livelihood and skill based activities
  - o Efforts to promote better health in the villages. Various healthcare based camps like eye camps, Covid-19 vaccination camps, etc. have been organised in these community halls
- **Relevance:**
  - o 93% respondents stated that the new community centre is located in less than five kilometer distance from their house
  - o 77% respondents confirmed that there were no other community centre in the locality
- **Effectiveness:**
  - o 83% respondents stated that the centres will attract the community to get together
  - o 73% respondents were part of an event or programme organised in the community centres

DIRECTORS' REPORT

- **Sustainability**:
  - o The use of the halls shall be for/by the people of the village community and the revenue through livelihood activities shall also be used in the maintenance of the halls/centres.

7. Digital classrooms in Bihar

The digital classrooms project in Bihar was undertaken by ICICI Bank to offer quality education to low-income schools. This is in collaboration with the local government entities. The project was implemented in 100 schools across four districts in Bihar. Multimedia equipment such as smart television and tablets were provided to the schools and the school authorities are in charge of the equipment's general safety. The study assessed the program on the following pillars:

- **Engagement of students**: teachers and headmasters believed that the intervention will be very helpful in engaging the interest of the students in a more efficient manner.
- **Engagement of teachers**: teachers agreed that usage of smart classroom in schools will reduce the teaching time and will help in delivering the content in an interactive manner.
- **Retention**: headmasters and teachers strongly agreed that the EdTech intervention and installation of Smart TVs will boost the overall retention rate and attendance of students.

Link to the impact assessment reports on the Bank's website:
https://www.icicibank.com/aboutus/corporate-social-responsibility.page?

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
ICICI Bank Limited

We have examined the compliance of conditions of Corporate Governance by ICICI Bank Limited (the 'Bank'), for the year ended March 31, 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D, E of schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ('Listing Regulations') and as amended from time to time.

Management's Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the management. This responsibility includes the design, implementation, and maintenance of internal control procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Bank for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Bank.

We have examined the books of account and other relevant records and documents maintained by the Bank for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Bank.

We have carried out an examination of the relevant records of the Bank in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on our examination of the relevant records and according to the information and explanations given to us, we certify that the Bank has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraph C, D, E of schedule V of the Listing Regulations during the year ended March 31, 2022, as applicable.

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

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No.105047W

Tushar Kurani
Membership No.: 118580
UDIN: 22118580AKNYZK6495

Place: Mumbai
Date: June 8, 2022

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
ICAI Firm Registration No.105146W/W100621

Gautam Shah
Membership No.: 117348
UDIN: 22117348AKOKWC8545

Place: Mumbai
Date: June 8, 2022

MANAGEMENT DISCUSSION & ANALYSIS

OPERATING ENVIRONMENT

The global economy recovered from the impact of the pandemic during calendar year 2021. Growth in global gross domestic product (GDP) improved to 6.1% during calendar year 2021 compared to a decline of 3.1% in calendar year 2020. However, global economies continued to be impacted by intermittent surges in infections and emergence of Covid-19 variants. The supply chain disruptions that had originated during the pandemic continued to impact economic activity and global merchandise trade slowed down towards the later part of the year after recovering from the pandemic. Global crude oil and commodity prices increased during the year. Rising inflation in developed and emerging economies induced monetary policy tightening by central banks in several economies, including the US Federal Reserve. The economic environment was further impacted by geo-political tensions following the Russia-Ukraine war that started in February 2022, leading to a sharp increase in crude oil prices and inflation, and volatility in financial markets. These developments and the re-imposition of restrictions in parts of China following a surge in Covid-19 cases had created a challenging environment for global growth in the later part of fiscal 2022.

The Covid-19 pandemic resulted in a nation-wide lockdown in India in April-May 2020, which substantially impacted economic activity. The easing of lockdown measures subsequently led to gradual improvement in economic activity and progress towards normalcy from the second half of fiscal 2021. The second wave of the Covid-19 pandemic in April-May 2021 led to the re-imposition of localised/regional lockdown measures in various parts of the country. The lockdown measures were lifted gradually, as the second wave subsided from June 2021 onwards. The impact of the third wave of Covid-19 pandemic in December 2021-January 2022 was mild, though it had led to re-imposition of some localised/regional restrictive measures in the country. During fiscal 2022, there was significant progress in the vaccination programme, with 1.84 billion vaccine doses administered till March 31, 2022, including 23 million precaution doses.

Growth

India's GDP grew by 8.7% during fiscal 2022, compared to a decline of 6.6% during fiscal 2021. Investments, as measured by gross fixed capital formation, increased by 15.8% during fiscal 2022 compared to a decline of 10.4% during fiscal 2021 and private final consumption expenditure grew by 7.9% in fiscal 2022 compared to a decline of 6.0% in fiscal 2021. On a gross value added basis, the agriculture sector grew by 3.0% during fiscal 2022 compared to a growth of 3.3% in fiscal 2021. The industrial sector grew by 10.3% during fiscal 2022 compared to a decline of 3.3% in fiscal 2021 and the services sector grew by 8.4% during fiscal 2022 compared to a decline of 7.8% during fiscal 2021.

Inflation

Inflation, as measured by the Consumer Price Index (CPI), increased from 5.5% in March 2021 to 7.0% in March 2022. Inflation increased consistently during the year largely driven by food and fuel prices. Average CPI inflation during fiscal 2022 was 5.5%.

Interest rates

The Reserve Bank of India (RBI) had reduced the repo rate by 75 basis points to 4.40% in March 2020 and further by 40 basis points to 4.00% in May 2020, as a measure to combat the impact of the first wave of Covid-19 pandemic. The policy rate was kept unchanged till March 2022. The Monetary Policy Committee (MPC) maintained an accommodative stance through the year with a view to sustain growth and mitigate the impact of Covid-19 on the economy. Systemic liquidity conditions remained in surplus through fiscal 2022 as RBI maintained an accommodative stance. During the year, interest rates on savings deposits and term deposits remained stable for most part of the year, with an increase in term deposit interest rates towards the end of the year. Lending rates declined further during fiscal 2022, with the average lending rate on fresh rupee loans sanctioned by banks decreasing by 29 basis points during the year. With inflation breaching the upper tolerance threshold set by RBI during the last quarter of fiscal 2022, and with downside risks to the economy, the MPC in its announcement in April 2022 indicated it would remain accommodative while focusing on withdrawal of accommodation to ensure that inflation remains within the target going forward, while supporting growth.

In the Monetary Policy Statement announced on April 8, 2022, RBI introduced the standing deposit facility (SDF) rate as the floor of the Liquidity Adjustment Facility (LAF) corridor, and set the rate at 3.75%, compared to the earlier reverse repo rate as the floor of LAF. With the introduction of SDF, RBI narrowed the LAF corridor to 50 basis points from 90 basis points earlier. The RBI indicated that the balances held by banks with the RBI under the SDF shall be an eligible Statutory Liquidity Ratio (SLR) asset and shall not be eligible for Cash Reserve Ratio (CRR) maintenance.

MANAGEMENT DISCUSSION & ANALYSIS

On May 4, 2022, the MPC announced an increase in the repo rate by 40 basis points from 4.00% to 4.40%. Accordingly, the SDF rate was revised to 4.15% and the marginal standing facility rate to 4.65%. The MPC continued to remain accommodative while focusing on withdrawal of accommodation to ensure that inflation remains within the target going forward, while supporting growth. In line with the decision to withdraw liquidity, the CRR was increased by 50 basis points from 4.00% to 4.50% of net demand and time liabilities. This was effective from the fortnight beginning May 21, 2022. On June 8, 2022, the MPC announced a further 50 basis point increase in the repo rate to 4.90%. Accordingly, the SDF rate was revised to 4.65% and the marginal standing facility rate to 5.15%.

Financial markets

During fiscal 2022, the Rupee depreciated by 3.7% from ₹ 73.14 per US dollar at March 31, 2021 to ₹ 75.87 per US dollar at March 31, 2022. Following the onset of the Russia-Ukraine war, the Rupee touched ₹ 77.07 per US dollar at March 8, 2022. The benchmark S&P BSE Sensex increased by 18.3% during fiscal 2022 compared to 68.0% in fiscal 2021. The yields on the benchmark 10-year government securities increased from 6.18% at March 31, 2021 to 6.84% at March 31, 2022. Following the increase in the repo rate announced by the MPC during May-June 2022, the yield on the benchmark 10-year government securities increased by 78 basis points to a high of 7.62% at June 16, 2022. The yields eased to 7.45% at June 30, 2022.

Banking sector trends

Non-food credit growth of the banking system improved during fiscal 2022 reflecting the gradual recovery in economic activities during the year. Non-food credit growth was 8.7% year-on-year at March 25, 2022 compared to 5.5% at March 26, 2021. As per data on sector-wise deployment of credit as of March 25, 2022 released by RBI, retail loans grew by 12.4%, credit to industry by 7.1%, credit to the services sector by 8.9% and to the agriculture sector by 9.9%. Deposit growth was marginally higher compared to credit growth at the end of fiscal 2022, with growth in total deposits of 8.9% at March 25, 2022. During the year, Indian banks reduced the interest rates on term deposits, given the excess systemic liquidity. Lending rates of banks also continued to be moderate during the year. However, banks began to increase deposit and lending rates during the first three months of fiscal 2023, following the monetary policy tightening during May-June 2022.

According to RBI's Financial Stability Report of June 2022, non-performing assets (NPA) of scheduled commercial banks declined during fiscal 2022, with gross NPA ratio at 5.9% and net NPA ratio at 1.7% at March 31, 2022 compared to a gross NPA ratio of 7.5% and net NPA ratio of 2.4% at March 31, 2021. Restructuring of loans for entities impacted by the second Covid-19 wave under Resolution Framework 2.0 stood at 1.6% of total advances as at December 31, 2021.

In the Union Budget for fiscal 2023, several banking sector specific measures were announced including financial support for the digital payment ecosystem and introduction of the Digital Rupee by RBI. The government has proposed the setting up of 75 Digital Banking Units in 75 districts during the year. The Emergency Credit Line Guarantee Scheme (ECLGS) was extended further up to March 2023, and its guarantee cover expanded from the earlier ₹ 3.0 trillion to ₹ 5.0 trillion, with the additional amount earmarked exclusively for hospitality and related enterprises.

Regulatory measures announced by RBI during fiscal 2022

Monetary measures

- With a view to mitigate the adverse impact of Covid-19 related stress on banks, RBI allowed banks to utilize 100.0% of floating provisions/ countercyclical provisioning buffer held by banks as on December 31, 2020 for making specific provisions for non-performing assets with the prior approval of their Boards. This utilization was permitted up to March 31, 2022.
- A Resolution Framework 2.0 was announced by RBI on May 5, 2021. As per the framework, for loans given to individuals, business loans to individuals and loans to small businesses, banks were permitted to offer a limited window to implement resolution plans. This was subject to the condition that the borrower should not have availed the earlier announced resolution framework in fiscal 2021. The framework for micro, small and medium enterprises was an extension of the earlier resolution framework announced in August 2020. For both the resolution frameworks, an eligibility condition for availing the restructuring facility was that the aggregate exposure of all lending institutions to the borrower, including non-fund based facilities, should not have been in excess of ₹ 250.0 million at March 31, 2021. The borrowers would continue to be classified as standard upon

MANAGEMENT DISCUSSION & ANALYSIS

implementation of the resolution plan. The last date for invocation of resolution under the frameworks was September 30, 2021, with the last date for implementation being December 31, 2021.

- RBI announced an increase in the priority sector lending targets for small and marginal farmers and weaker sections, in a phased manner, starting from fiscal 2022. The target for lending to small and marginal farmers was increased from 8.0% of adjusted net bank credit in fiscal 2021 to 9.0% in fiscal 2022, and further to 9.5% in fiscal 2023 and to 10.0% in fiscal 2024. The target for lending to identified weaker sections of society was increased from 10.0% in fiscal 2021 to 11.0% in fiscal 2022, 11.5% in fiscal 2023 and 12.0% in fiscal 2024.
- In August 2021, the RBI issued clarifications with regard to compensation of wholetime directors/ CEOs/material risk takers and control function staff. As per the notification, grant of share-linked compensation should be fair-valued and recognized as an expense in the books of accounts. This is applicable for all share-linked instruments granted after March 31, 2021.
- In September 2021, RBI issued directions with regard to tokenization of card transactions, and permitted card issuers to offer card tokenisation services as Token Service Providers from January 1, 2022. Further, it was proposed that no entity in the card transaction/payment chain, other than the card issuers and/or card networks, may store the actual card data. Any such data stored previously was required to be purged. This was to be effective from January 22, 2022, which has been extended to September 30, 2022.
- With the objective of aligning with Basel Committee on Banking Supervision (BCBS) standards to manage liquidity risks, RBI increased the threshold limit for deposits and other extension of funds made by non-financial small business customers from ₹ 50.0 million to ₹ 75.0 million for computation of liquidity coverage ratio (LCR) and net stable funding ratio (NSFR).
- RBI withdrew the special dispensation given to banks to avail funds under the marginal standing facility (MSF) by dipping into the statutory liquidity ratio up to 3.0% of net demand and time liabilities (NDTL), and returned to the normal dispensation of 2.0% of NDTL from January 1, 2022. In April 2022, RBI permitted banks to consider government securities up to 16.0% of NDTL as level 1 high quality liquid assets (HQLA) under the Facility to Avail Liquidity for Liquidity Coverage Ratio compared to the earlier level of 15.0%. Accordingly, the total amount within the mandatory statutory liquidity ratio that can be considered for liquidity coverage ratio calculation was increased from 17.0% of NDTL to 18.0% of NDTL.
- In January 2022, RBI released a discussion paper on Review of Prudential Norms for Classification, Valuation and Operations of Investment Portfolio of Commercial Banks. The discussion paper intends to broadly align the classification and accounting for investment securities with Indian Accounting Standard (Ind AS), remove ceiling on investments in Held-to-Maturity (HTM) as a percentage to total investments as also the ceiling on SLR securities that can be held in HTM. The framework if approved will be effective from April 1, 2023.

Outlook

While there was a recovery in economic activities in India during fiscal 2022, global geo-political tensions, rising energy and commodity prices, high inflation monetary policy tightening by central banks and continuing uncertainty regarding the future trajectory of the Covid-19 pandemic globally pose risks to growth. Estimates of India's GDP growth for fiscal 2023, by various agencies and analysts, indicate a lower growth in GDP compared to fiscal 2022. In the monetary policy statement in April 2022, the RBI has reduced India's GDP growth estimate for fiscal 2023 to 7.2% from the earlier estimate of 7.8%. Further, due to inflationary concerns, RBI has increased the repo rate by 90 basis points in May-June 2022 and the CRR by 50 basis points. In the event of economic and geo-political uncertainties continuing, and global monetary and liquidity conditions tightening, it could pose further challenges for the Indian economy and the banking sector.

STRATEGY

In fiscal 2022, the Bank maintained a strategic focus on profitable growth in business within the guardrails of risk and compliance. The Bank grew its credit portfolio with a focus on granularity and saw healthy growth across retail, SME and business banking portfolios, and in current and savings account deposits on a daily average basis. The Bank continued to focus on holistically serving its corporate clients and their ecosystems, including

MANAGEMENT DISCUSSION & ANALYSIS

lending to the corporate sector based on risk assessment and pricing. The Bank focused on maintaining a strong balance sheet, with prudent provisioning and healthy capital adequacy. The Bank's capital adequacy ratios were significantly above regulatory requirements as of March 31, 2022.

Going forward, the Bank would continue its strategic focus on growing the core operating profit (profit excluding income from treasury-related activities and before provisions) in a risk calibrated manner. The Risk Appetite and Enterprise Risk Management framework articulates the Bank's risk appetite and drills it down into a limit framework for various risk categories. The Bank will focus on growing its loan portfolio in a granular manner with a focus on risk and reward, with return of capital and containment of provisions below a defined percentage of core operating profit being a key imperative. There are no specific targets for loan mix or segment-wise loan growth. The Bank would aim to continue to grow its deposit franchise, maintain a stable and healthy funding profile and competitive advantage in cost of funds.

The Bank believes there are significant opportunities for profitable growth across various sectors of the Indian economy. The key elements of the strategy to maximize the Bank's share of these opportunities are:

360-degree customer centric approach

The Bank leverages its branch network, digital channels, partnerships and presence across various ecosystems to expand its customer base. Using ICICI STACK, the Bank offers solutions to its customers to suit their life-stage and business needs. The Bank continues to focus on maximising the total life-cycle value of the relationship with its customers.

Focus on ecosytems

The Bank aims to serve all financial requirements of customers and their ecosystems. Using 'ICICI STACK for Corporates', the Bank offers customized solutions to corporates and their network of employees, vendors, dealers and other parts of their ecosystems. The Bank focuses on capturing the fund flows in the corporate's supply chain with dealers and vendors by offering various digital solutions. The Bank's ecosystem branches house multi-functional teams required to nurture relationships and bring the entire bouquet of services of the Bank to corporate clients and their ecosystems. The "Merchant Stack" provides a wide range of banking and value added services to the merchant ecosystem comprising retailers, online businesses and e-commerce firms.

Focus on micro markets

The Bank follows a micro market based approach to create an efficient distribution and resource allocation strategy. Data analytics underpins the effort, analyzing relevant geographical, demographic and economic data combined with internal data to identify locally relevant opportunities. This also includes allocating appropriate resources and strengthening the branch network where required.

Internal cross-functional collaboration and external partnerships

The Bank has focussed on increasing collaboration to provide solutions that meet the complete banking requirements of customers. Cross-functional teams have been created to tap into various ecosystems, enabling 360-degree coverage of customers and increasing wallet share.

Partnerships with technology companies and platforms with large customer bases and transaction volumes offer unique opportunities for acquiring new customers and enhancing service delivery and customer experience. The Bank has also set up a start-up investment and partnerships team to collaborate with and invest in fintech startups, and co-develop products aligned with the Bank's digital roadmap.

Process decongestion and operational flexibility

The Bank has emphasised decongestion of internal processes to make customer onboarding and service delivery frictionless, thereby improving the customer experience. The Bank has reduced the layers of management in its organisation structure and empowered operating teams to create flexibility and agility in capturing business opportunities while operating within the guardrails of compliance and risk.

Leveraging technology and digital across businesses

The Bank has embarked on a journey to transform from *Bank to Bank^{Tech}*, with a focus on creating an enterprise architecture framework across digital platforms, data and analytics, micro services based architecture, cloud computing, cognitive intelligence and other emerging technologies. This is based on the founding pillars of scalability, modularity, flexibility and agility, resilience

MANAGEMENT DISCUSSION & ANALYSIS

and reliability, and creating delightful and digitally native customer experiences to enable sustainable profitable growth.

The Bank extensively leverages data analytics for deeper insights into customer needs and behaviour and create unique propositions for customer and market segments. The Bank's digital platforms such as iMobile Pay, Internet banking platforms, InstaBIZ and Trade Online provide end-to-end seamless digital journeys, personalized solutions and value added features to customers and enable effective data driven cross-sell and up-sell. The open architecture feature of iMobile Pay and InstaBIZ helps to acquire new customers in a frictionless manner. The Bank has taken initiatives to offer a convenient and frictionless experience to customers by digitising the credit underwriting process, with instant loan approvals.

The Bank is focused on the twin principles of "One Bank, One RoE" emphasizing the need to maximize its share of the target opportunity across all products and services, and "Fair to Customer, Fair to Bank" emphasising the goal of delivering fair value to customers, while creating value for shareholders. The Bank seeks to sell products and offer services which meet societal needs and are in the interest of customers. The Bank will focus on building a culture where every employee upholds this principle and serves customers with humility. The aim is to be the trusted financial services provider of choice for customers.

STANDALONE FINANCIALS AS PER INDIAN GAAP

Summary

Core operating profit increased by 22.3% from ₹ 313.51 billion in fiscal 2021 to ₹ 383.47 billion in fiscal 2022 primarily due to an increase in net interest income by ₹ 84.77 billion and fee income by ₹ 30.28 billion, offset, in part, by an increase in operating expenses by ₹ 51.72 billion. Income from treasury-related activities decreased from ₹ 50.46 billion in fiscal 2021 to ₹ 9.03 billion in fiscal 2022. Provisions and contingencies (excluding provision for tax) decreased by 46.7% from ₹ 162.14 billion in fiscal 2021 to ₹ 86.41 billion in fiscal 2022. Profit after tax increased from ₹ 161.93 billion in fiscal 2021 to ₹ 233.39 billion in fiscal 2022.

Net interest income increased by 21.7% from ₹ 389.89 billion in fiscal 2021 to ₹ 474.66 billion in fiscal 2022 due to an increase in the net interest margin by 27 basis points from 3.69% in fiscal 2021 to 3.96% in fiscal 2022 and an increase of 13.5% in the average interest-earning assets.

Fee income increased by 23.9% from ₹ 126.59 billion in fiscal 2021 to ₹ 156.87 billion in fiscal 2022. Fee income for fiscal 2021 was lower due to reduced borrowing and investment activity by customers and lower consumer spends due to the nation-wide lockdown in April-May 2020 followed by gradual easing of the lockdown by the Government of India. Dividend from subsidiaries/joint ventures increased by 48.2% from ₹ 12.34 billion in fiscal 2021 to ₹ 18.29 billion in fiscal 2022. In line with the Insurance Regulatory and Development Authority guideline asking insurers to conserve capital, ICICI Lombard General Insurance Company Limited (ICICI General) and ICICI Prudential Life Insurance Company Limited (ICICI Life) did not pay any final dividend for fiscal 2020. As a result, there was a decrease in dividend income from insurance subsidiaries in fiscal 2021. Operating expenses increased by 24.0% from ₹ 215.61 billion in fiscal 2021 to ₹ 267.33 billion in fiscal 2022.

Income from treasury-related activities decreased from ₹ 50.46 billion in fiscal 2021 to ₹ 9.03 billion in fiscal 2022. During fiscal 2021, the Bank had sold 3.96% equity shareholding in ICICI General, 1.50% equity shareholding in ICICI Life and 4.21% equity shareholding in ICICI Securities Limited (ICICI Securities) and made a net gain of ₹ 36.70 billion.

Provisions and contingencies (excluding provision for tax) decreased by 46.7% from ₹ 162.14 billion in fiscal 2021 to ₹ 86.41 billion in fiscal 2022 primarily due to a decrease in provision on non-performing and other assets and Covid-19 related provision. Provision on non-performing and other assets decreased from ₹ 107.49 billion in fiscal 2021 to ₹ 61.64 billion in fiscal 2022. During fiscal 2022, there were higher upgrades and recoveries of non-performing loans resulting in lower provisioning requirement, offset, in part, by provision made on loans restructured under RBI's Resolution Framework and change in provisioning rate on certain non-performing loans to make it more conservative. The provision coverage ratio on non-performing assets (NPA) increased from 77.7% at March 31, 2021 to 79.2% at March 31, 2022. During fiscal 2022, the Bank wrote-back Covid-19 related provision amounting to ₹ 10.50 billion as against net provision of ₹ 47.50 billion in fiscal 2021. Further, during fiscal 2022, the Bank made an additional contingency provision amounting to ₹ 10.25 billion on a prudent basis. The Bank holds

MANAGEMENT DISCUSSION & ANALYSIS

a total contingency provision of ₹ 74.50 billion, including the Covid-19 related contingency provision of ₹ 64.25 billion, at March 31, 2022.

The income tax expense increased from ₹ 39.90 billion in fiscal 2021 to ₹ 72.70 billion in fiscal 2022. The effective tax rate increased from 19.8% in fiscal 2021 to 23.7% in fiscal 2022 primarily due to change in composition of income. Fiscal 2021 included a significant amount of capital gain on sale of stake in subsidiaries, which incurs lower income tax.

Net worth increased from ₹ 1,475.09 billion at March 31, 2021 to ₹ 1,705.12 billion at March 31, 2022 primarily due to accretion to reserves out of retained profit.

Total assets increased by 14.7% from ₹ 12,304.33 billion at March 31, 2021 to ₹ 14,112.98 billion at March 31, 2022. Total advances increased by 17.1% from ₹ 7,337.29 billion at March 31, 2021 to ₹ 8,590.20 billion at March 31, 2022 primarily due to an increase in domestic advances by 17.5%. Total investments increased by 10.3% from ₹ 2,812.87 billion at March 31, 2021 to ₹ 3,102.41 billion at March 31, 2022. Cash and cash equivalents increased by 26.1% from ₹ 1,331.28 billion at March 31, 2021 to ₹ 1,678.22 billion at March 31, 2022.

The average high-quality liquid assets, after haircut, maintained during the three months ended March 31, 2022 were ₹ 3,197.27 billion (three months ended March 31, 2021: ₹ 2,767.44 billion). The average liquidity coverage ratio was 131.09% for the three months ended March 31, 2022 as against the requirement of 100.00%.

Total deposits increased by 14.2% from ₹ 9,325.22 billion at March 31, 2021 to ₹ 10,645.72 billion at March 31, 2022. Term deposits increased by 9.0% from ₹ 5,008.99 billion at March 31, 2021 to ₹ 5,461.35 billion at March 31, 2022. Current and savings account (CASA) deposits increased by 20.1% from ₹ 4,316.23 billion at March 31, 2021 to ₹ 5,184.37 billion at March 31, 2022. Average CASA deposits increased by 25.5% from ₹ 3,345.96 billion in fiscal 2021 to ₹ 4,198.86 billion in fiscal 2022. Borrowings increased by 17.0% from ₹ 916.31 billion at March 31, 2021 to ₹ 1,072.31 billion at March 31, 2022.

The Bank had a branch network of 5,418 branches and an ATM network of 13,626 ATMs at March 31, 2022.

The Bank is subject to Basel III capital adequacy guidelines stipulated by RBI. The total capital adequacy ratio of the Bank at March 31, 2022 (after deducting proposed dividend for fiscal 2022 from capital funds) in accordance with RBI guidelines on Basel III was 19.16% as compared to 19.12% at March 31, 2021. The Tier-1 capital adequacy ratio was 18.35% at March 31, 2022 as compared to 18.06% at March 31, 2021. The Common Equity Tier 1 (CET-1) ratio was 17.60% at March 31, 2022 as compared to 16.80% at March 31, 2021.

Impact of Covid-19 on the performance of the Bank

During fiscal 2021, the Covid-19 pandemic resulted in a nation-wide lockdown in April-May 2020 which substantially impacted economic activity. The subsequent easing of lockdown measures led to gradual improvement in economic activity and progress towards normalcy from the second half of fiscal 2021. In fiscal 2022, India witnessed two more waves of the Covid-19 pandemic and the re-imposition of localised/regional lock-down measures in certain parts of the country.

While the number of new Covid-19 cases have reduced significantly and the Government of India has withdrawn most of the Covid-19 related restrictions, the future trajectory of the pandemic may have an impact on the results of the Bank and the Group.

MANAGEMENT DISCUSSION & ANALYSIS

OPERATING RESULTS DATA

The following table sets forth, for the periods indicated, the operating results data.

₹ in billion, except percentages

Particulars	Fiscal 2021	Fiscal 2022	% change
Interest income	₹ 791.18	**₹ 863.75**	9.2%
Interest expense	401.29	**389.09**	(3.0)
Net interest income	**389.89**	**474.66**	**21.7**
Fee income[1]	126.59	**156.87**	23.9
Dividend from subsidiaries/joint ventures	12.34	**18.29**	48.2
Other income	0.30	**0.98**	-
Core operating income	**529.12**	**650.80**	**23.0**
Operating expenses	215.61	**267.33**	24.0
Core operating profit	**313.51**	**383.47**	**22.3**
Treasury income	50.46	**9.03**	(82.1)
Operating profit	**363.97**	**392.50**	**7.8**
Provisions, net of write-backs	162.14	**86.41**	(46.7)
Profit before tax	**201.83**	**306.09**	**51.7**
Tax, including deferred tax	39.90	**72.70**	82.2
Profit after tax	**₹ 161.93**	**₹ 233.39**	**44.1**

1. *Includes merchant foreign exchange income and margin on customer derivative transactions.*
2. *All amounts have been rounded off to the nearest ₹ 10.0 million.*
3. *Prior period figures have been re-grouped/re-arranged, where necessary.*

KEY RATIOS

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

Particulars	Fiscal 2021	Fiscal 2022
Return on average equity (%)[1]	12.21	**14.77**
Return on average assets (%)[2]	1.42	**1.84**
Net interest margin (%)	3.69	**3.96**
Cost to income (%)[3]	37.20	**40.51**
Provisions to core operating profit (%)	36.57[4]	**22.53**
Earnings per share (₹)	24.01	**33.66**
Book value per share (₹)	213.28	**245.38**

1. *Return on average equity is the ratio of the net profit after tax to the quarterly average equity share capital and reserves.*
2. *Return on average assets is the ratio of net profit after tax to average assets.*
3. *Cost represents operating expense. Income represents net interest income and non-interest income.*
4. *Excluding Covid-19 related provisions of ₹ 47.50 billion.*

The return on average equity, return on average assets and earnings per share increased primarily due to an increase in profit after tax.

MANAGEMENT DISCUSSION & ANALYSIS

NET INTEREST INCOME AND SPREAD ANALYSIS

The following table sets forth, for the periods indicated, the net interest income and spread analysis.

₹ in billion, except percentages

Particulars	Fiscal 2021	Fiscal 2022	% change
Interest income	₹ 791.18	**₹ 863.75**	9.2%
Interest expense	401.29	**389.09**	(3.0)
Net interest income	**389.89**	**474.66**	**21.7**
Average interest-earning assets	10,558.79	**11,979.51**	13.5
Average interest-bearing liabilities	9,438.50	**10,478.20**	11.0
Net interest margin	**3.69%**	**3.96%**	**-**
Average yield	7.49%	**7.21%**	-
Average cost of funds	4.25%	**3.71%**	-
Interest spread	3.24%	**3.50%**	-

1. All amounts have been rounded off to the nearest ₹ 10.0 million.

Net interest income increased by 21.7% from ₹ 389.89 billion in fiscal 2021 to ₹ 474.66 billion in fiscal 2022 primarily due to an increase in the net interest margin by 27 basis points and an increase of 13.5% in the average volume of interest-earning assets.

Net interest margin increased by 27 basis points from 3.69% in fiscal 2021 to 3.96% in fiscal 2022. The yield on average interest-earning assets decreased by 28 basis points from 7.49% in fiscal 2021 to 7.21% in fiscal 2022. The cost of funds decreased by 54 basis points from 4.25% in fiscal 2021 to 3.71% in fiscal 2022. The interest spread increased by 26 basis points from 3.24% in fiscal 2021 to 3.50% in fiscal 2022.

The net interest margin for domestic operations increased by 23 basis points from 3.84% in fiscal 2021 to 4.07% in fiscal 2022 primarily due to a decrease in cost of funds, offset, in part, by a decrease in yield on interest-earning assets. The yield on domestic interest-earning assets decreased by 34 basis points from 7.69% in fiscal 2021 to 7.35% in fiscal 2022 primarily due to sustained surplus liquidity and a decline in interest rates post the onset of the Covid-19 pandemic. The cost of domestic funds decreased by 56 basis points from 4.34% in fiscal 2021 to 3.78% in fiscal 2022 due to a decrease in interest rates on term deposits and increase in average CASA deposits, offset, in part, by an increase in cost of borrowings due to change in borrowings mix.

The net interest margin of overseas branches decreased by 5 basis points from 0.34% in fiscal 2021 to 0.29% in fiscal 2022 primarily due to a decrease in yield on advances, offset, in part, by a decrease in cost of funds.

The following table sets forth, for the periods indicated, the trend in yield, cost, spread and margin.

Particulars	Fiscal 2021	Fiscal 2022
Yield on interest-earning assets	**7.49%**	**7.21%**
- On advances	8.76	**8.27**
- On investments	6.25	**5.98**
- On SLR investments	6.32	**6.22**
- On other investments	5.97	**4.72**
- On other interest-earning assets	3.86	**4.04**
Cost of interest-bearing liabilities	**4.25**	**3.71**
- Cost of deposits	4.12	**3.53**
- Current and savings account (CASA) deposits	2.32	**2.27**
- Term deposits	5.39	**4.54**
- Cost of borrowings	5.04	**5.37**
Interest spread	**3.24**	**3.50**
Net interest margin	**3.69%**	**3.96%**

MANAGEMENT DISCUSSION & ANALYSIS

The yield on average interest-earning assets decreased by 28 basis points from 7.49% in fiscal 2021 to 7.21% in fiscal 2022 primarily due to the following factors:

- The yield on domestic advances decreased by 58 basis points from 9.22% in fiscal 2021 to 8.64% in fiscal 2022. The yield on advances decreased primarily due to re-pricing of existing floating rate loans, linked to the Bank's Marginal Cost of funds based Lending Rate (MCLR) and the repo rate, to lower rates and incremental lending at lower rates. At March 31, 2022, of the total domestic loan book, 30% had fixed interest rates, 41% had interest rates linked to repo rate, 22% had interest rates linked to MCLR and other older benchmarks and 7% had interest rates linked to T-bills.

  The Bank's 1-year MCLR decreased by 85 basis points in phases during fiscal 2021 and by an additional 5 basis points during fiscal 2022. RBI had reduced the repo rate by 40 basis points from 4.40% in March 2020 to 4.00% in May 2020. The full impact of decrease in MCLR and repo rate during fiscal 2021 is reflected in the yield on advances in fiscal 2022.

  The yield on overseas advances decreased by 98 basis points from 2.49% in fiscal 2021 to 1.51% in fiscal 2022 primarily due to a reduction in relatively higher yielding non-India linked loans and increase in low yielding trade finance loans.

  The overall yield on average advances decreased by 49 basis points from 8.76% in fiscal 2021 to 8.27% in fiscal 2022 primarily due to a decrease in yield on domestic advances, offset, in part, by an increase in the proportion of domestic advances in total advances.

- The yield on average interest-earning investments decreased by 27 basis points from 6.25% in fiscal 2021 to 5.98% in fiscal 2022. The yield on Indian government investments decreased by 10 basis points from 6.32% in fiscal 2021 to 6.22% in fiscal 2022. This was primarily due to investment in floating rate bonds at lower market yields.

  The yield on non-SLR investments decreased by 125 basis points from 5.97% in fiscal 2021 to 4.72% in fiscal 2022 primarily due to a decrease in average investment in pass through certificates which are relatively high yielding, a decrease in yield on bonds and debentures, pass through certificates and commercial paper and increase in investment in foreign government securities. The increase in investment in foreign government securities was primarily due to surplus Rupee liquidity deployed in foreign currency.

- The yield on other interest-earning assets increased by 18 basis points from 3.86% in fiscal 2021 to 4.04% in fiscal 2022. The increase was primarily due to higher swap premium income on account of surplus Rupee liquidity deployed in foreign currency due to prevailing high forward premia. The increase in yield on other interest-earning assets was, offset, in part, by an increase in average balance with RBI (cash reserve ratio) which does not earn any interest and a decrease in yield on Rural Infrastructure Development Fund (RIDF) and related deposits. During March 2020, RBI had reduced the CRR from 4.0% to 3.0% as a one-time measure to help banks tide over the disruption caused by Covid-19 pandemic. Subsequently, in February 2021, RBI increased the CRR to 3.5% for the first two months of fiscal 2022 and to 4.0% thereafter.

Interest on income tax refund decreased from ₹ 2.57 billion in fiscal 2021 to ₹ 2.43 billion in fiscal 2022. The receipt, amount and timing of such income depends on the nature and timing of determinations by tax authorities and are hence neither consistent nor predictable.

The cost of funds decreased by 54 basis points from 4.25% in fiscal 2021 to 3.71% in fiscal 2022 primarily due to the following factors:

- The cost of average deposits decreased from 4.12% in fiscal 2021 to 3.53% in fiscal 2022 primarily due to a decrease in cost of domestic term deposits and an increase in the proportion of average CASA deposits in total deposits. The cost of domestic term deposits reduced by 85 basis points from 5.42% in fiscal 2021 to 4.57% in fiscal 2022. The Bank reduced retail term deposit rates for select maturities in phases during fiscal 2021 and fiscal 2022.

  The cost of savings account deposits decreased marginally from 3.16% in fiscal 2021 to 3.15% in fiscal 2022. The average CASA deposits increased from 41.4% of total average deposits in fiscal 2021 to 44.5% of total average deposits in fiscal 2022. Average CASA deposits were 40.1% of the total funding (i.e., deposits and borrowings) for fiscal 2022 as compared to 35.5% for fiscal 2021.

- The cost of borrowings increased by 33 basis points from 5.04% in fiscal 2021 to 5.37% in fiscal 2022. The cost of domestic borrowings increased by 41 basis points from 5.97% in fiscal 2021 to 6.38% in fiscal 2022

MANAGEMENT DISCUSSION & ANALYSIS

primarily due to a decrease in proportion of lower cost call money and Liquidity Adjustment Facility (LAF) borrowings, offset, in part, by a decrease in cost of refinance borrowings and bond borrowings. The decrease in cost of refinance borrowings and bond borrowings was primarily due to maturity/repayment of higher costs borrowings and new borrowings at lower cost. The cost of overseas borrowings decreased by 73 basis points from 1.84% in fiscal 2021 to 1.11% in fiscal 2022 primarily due to maturity/repayment of bond borrowings which were relatively higher cost and decrease in cost of term borrowings.

The Bank's interest income, yield on advances, net interest income and net interest margin are impacted by systemic liquidity, the competitive environment, level of additions to non-performing loans, regulatory developments, monetary policy and the economic and geopolitical factors. Interest rates on about 47.7% of Bank's domestic loans are linked to external market benchmarks. Any differential movements in the external benchmark rates vis-à-vis cost of funds of the Bank may impact the Bank's net interest income and net interest margin.

The following table sets forth, for the period indicated, the trend in average interest-earning assets and average interest-bearing liabilities:

₹ in billion, except percentages

Particulars	Fiscal 2021	Fiscal 2022	% change
Advances	₹ 6,543.26	**₹ 7,716.34**	17.9%
Interest-earning investments[1]	2,646.70	**2,744.51**	3.7
Other interest-earning assets	1,368.83	**1,518.66**	10.9
Total interest-earning assets	**10,558.79**	**11,979.51**	**13.5**
Deposits	8,074.41	**9,433.39**	16.8
Borrowings[1]	1,364.09	**1,044.80**	(23.4)
Total interest-bearing liabilities	**₹ 9,438.50**	**₹ 10,478.20**	**11.0%**

1. Average investments and average borrowings include average short-term repurchase transactions.
2. All amounts have been rounded off to the nearest ₹ 10.0 million.

The average volume of interest-earning assets increased by 13.5% from ₹ 10,558.79 billion in fiscal 2021 to ₹ 11,979.51 billion in fiscal 2022 due to an increase in average advances by ₹ 1,173.08 billion, average other interest-earning assets by ₹ 149.84 billion and average investments by ₹ 97.81 billion.

Average advances increased by 17.9% from ₹ 6,543.26 billion in fiscal 2021 to ₹ 7,716.34 billion in fiscal 2022 due to an increase of 20.1% in average domestic advances, offset, in part, by a decrease of 11.0% in overseas average advances.

Average interest-earning investments increased by 3.7% from ₹ 2,646.70 billion in fiscal 2021 to ₹ 2,744.51 billion in fiscal 2022 primarily due to an increase in average investment in government securities, offset, in part, by a decrease in average investments in pass through certificates and bonds and debentures.

Average other interest-earning assets increased by 10.9% from ₹ 1,368.83 billion in fiscal 2021 to ₹ 1,518.66 billion in fiscal 2022 primarily due to an increase in balances with RBI and balance with other banks, offset, in part, by a decrease in LAF lending to RBI.

Average interest-bearing liabilities increased by 11.0% from ₹ 9,438.50 billion in fiscal 2021 to ₹ 10,478.20 billion in fiscal 2022 primarily due to an increase in average deposits by ₹ 1,358.98 billion, offset, in part, by a decrease in average borrowings by ₹ 319.29 billion.

Average deposits increased by 16.8% from ₹ 8,074.41 billion in fiscal 2021 to ₹ 9,433.39 billion in fiscal 2022 due to an increase in average term deposits and average CASA deposits.

Average borrowings decreased by 23.4% from ₹ 1,364.09 billion in fiscal 2021 to ₹ 1,044.80 billion in fiscal 2022 primarily due to a decrease in average call and term money borrowing, RBI borrowings and bond borrowings.

FEE INCOME

Fee income primarily includes fees from retail customers such as loan processing fees, fees from cards business, account servicing charge, income from foreign exchange transactions and third party referral fees. Fees from corporate clients includes loan processing fees, transaction banking fees, income from foreign exchange transactions and margin on derivative transactions.

MANAGEMENT DISCUSSION & ANALYSIS

Fee income increased by 23.9% from ₹ 126.59 billion in fiscal 2021 to ₹ 156.87 billion in fiscal 2022 primarily due to an increase in transaction banking fees, income from foreign exchange and derivatives products and lending linked fees. Fee income for fiscal 2021 was impacted due to lower borrowing and investment activity by customers and lower consumer spends caused by the nation-wide lockdown announced during April-May 2020 followed by gradual easing of lockdown measures.

DIVIDEND FROM SUBSIDIARIES/JOINT VENTURES

Dividend from subsidiaries/joint ventures increased by 48.2% from ₹ 12.34 billion in fiscal 2021 to ₹ 18.29 billion in fiscal 2022.

The following table sets forth, for the periods indicated, the details of dividend received from subsidiaries/joint ventures:

₹ in billion

Name of the entity	Fiscal 2021	Fiscal 2022
ICICI Prudential Asset Management Company Limited	₹ 4.24	**₹ 6.14**
ICICI Securities Limited	3.71	**5.98**
ICICI Prudential Life Insurance Company Limited	-	**1.48**
ICICI Lombard General Insurance Company Limited	0.94	**1.89**
ICICI Bank Canada	0.23	**0.88**
India Infradebt Limited	-	**0.11**
ICICI Securities Primary Dealership Limited	3.19	**1.81**
ICICI Venture Funds Management Company Limited	0.03	**-**
ICICI Prudential Trust	0.00	**0.00**
Total	**₹ 12.34**[3]	**₹ 18.29**

1. *0.00 represents insignificant amount.*
2. *All amounts have been rounded off to the nearest ₹ 10.0 million.*
3. *In line with the Insurance Regulatory and Development Authority guideline asking insurers to conserve capital, ICICI General and ICICI Life did not pay any final dividend for fiscal 2020. As a result, there was a decrease in dividend income from insurance subsidiaries in fiscal 2021.*

Other income

Other income increased from ₹ 0.30 billion in fiscal 2021 to ₹ 0.98 billion in fiscal 2022.

OPERATING EXPENSES

The following table sets forth, for the periods indicated, the principal components of operating expenses.

₹ in billion, except percentages

Particulars	Fiscal 2021	Fiscal 2022	% change
Payments to and provisions for employees	₹ 80.91	**₹ 96.73**	19.5%
Depreciation on owned property (including non-banking assets and leased assets)	10.72	**11.71**	9.3
Other administrative expenses	123.98	**158.89**	28.2
Total operating expenses	**₹ 215.61**	**₹ 267.33**	**24.0%**

1. *All amounts have been rounded off to the nearest ₹ 10.0 million.*

MANAGEMENT DISCUSSION & ANALYSIS

Operating expenses primarily include employee expenses, depreciation on assets and other administrative expenses. Operating expenses increased by 24.0% from ₹ 215.61 billion in fiscal 2021 to ₹ 267.33 billion in fiscal 2022.

Payments to and provisions for employees

Employee expenses increased by 19.5% from ₹ 80.91 billion in fiscal 2021 to ₹ 96.73 billion in fiscal 2022 primarily due to an increase in salary cost and provision for performance bonus and performance-linked retention pay. Further, employee expenses in fiscal 2022 includes an impact of ₹ 2.64 billion due to accounting on fair value basis for employee stock options as per clarification issued by RBI during fiscal 2022. Salary cost increased primarily due to annual increments and promotions and an increase in average staff strength by 7.1% from 94,480 in fiscal 2021 to 101,233 in fiscal 2022 (number of employees at March 31, 2021: 98,750 and at March 31, 2022: 105,844).

The employee base includes sales executives, employees on fixed term contracts and interns.

Depreciation

Depreciation on owned property increased by 9.3% from ₹ 10.72 billion in fiscal 2021 to ₹ 11.71 billion in fiscal 2022 primarily due to higher capitalisation of IT systems and software which attract higher depreciation rates.

Other administrative expenses

Other administrative expenses primarily include rent, taxes and lighting, advertisements, sales promotion, repairs and maintenance, direct marketing expenses and other expenditure. Other administrative expenses increased by 28.2% from ₹ 123.98 billion in fiscal 2021 to ₹ 158.89 billion in fiscal 2022. During fiscal 2021, the other administrative expenses were lower due to impact on business activities caused by the nation-wide lockdown announced during April-May 2020 followed by gradual easing of lockdown measures.

Profit/(loss) on treasury-related activities (net)

Income from treasury-related activities includes income from sale of investments and unrealised profit/(loss) on account of revaluation of investments in the fixed income portfolio, equity and preference share portfolio, units of venture funds and security receipts issued by asset reconstruction companies.

Profit from treasury-related activities was ₹ 9.03 billion in fiscal 2022 as compared to ₹ 50.46 billion in fiscal 2021. During fiscal 2021, the Bank had sold 3.96% equity shareholding in ICICI General, 1.50% equity shareholding in ICICI Life, 4.21% equity shareholding in ICICI Securities and made a net gain of ₹ 36.70 billion.

PROVISIONS AND CONTINGENCIES (EXCLUDING PROVISIONS FOR TAX)

The following tables set forth, for the periods indicated, the components of provisions and contingencies.

₹ in billion, except percentages

Particulars	Fiscal 2021	Fiscal 2022	% change
Provision for non-performing and other assets[1]	₹ 107.49	**₹ 61.64**	(42.7%)
Provision for investments (including credit substitutes) (net)	(1.58)	**3.77**	-
Provision for standard assets	2.79	**4.49**	61.1
Others[2,3]	53.44	**16.51**	(69.1)
Total provisions and contingencies (excluding provision for tax)	**₹ 162.14**	**₹ 86.41**	**(46.7%)**

1. *Includes restructuring related provision.*
2. *Includes write-back of Covid-19 related provision amounting to ₹ 10.50 billion for the year ended March 31, 2022 (March 31, 2021: provision made amounting to ₹ 47.50 billion).*
3. *Includes contingency provision amounting to ₹ 10.25 billion on a prudent basis for the year ended March 31, 2022.*
4. *All amounts have been rounded off to the nearest ₹ 10.0 million.*

MANAGEMENT DISCUSSION & ANALYSIS

In the case of corporate loans and advances, provisions are made for sub-standard and doubtful assets at rates prescribed by RBI. Loss assets and the unsecured portion of doubtful assets are fully provided. For impaired loans and advances held in overseas branches, which are performing as per RBI guidelines, provisions are made as per the host country regulations. For loans and advances held in overseas branches, which are NPAs both as per the RBI guidelines and host country guidelines, provisions are made at the higher of the provisions required under RBI guidelines and host country regulations. Provisions on homogeneous non-performing retail loans and advances, subject to minimum provisioning requirements of RBI, are made on the basis of the ageing of the loan. The specific provisions on non-performing retail loans and advances held by the Bank are higher than the minimum regulatory requirements.

In respect of non-retail loans reported as fraud to RBI the entire amount, is provided for over a period not exceeding four quarters starting from the quarter in which fraud has been detected. In respect of non-retail loans where there has been delay in reporting the fraud to the RBI or which are classified as loss accounts, the entire amount is provided immediately. In case of fraud in retail accounts, the entire amount is provided immediately. In respect of borrowers classified as non-cooperative borrowers or willful defaulters, the Bank makes accelerated provisions as per RBI guidelines.

The Bank holds specific provisions against non-performing loans and advances and against certain performing loans and advances in accordance with RBI directions, including RBI direction for provision on accounts referred to the National Company Law Tribunal (NCLT) under the Insolvency and Bankruptcy Code, 2016.

The Bank makes provision on restructured loans subject to minimum requirements as per RBI guidelines. Provision due to diminution in the fair value of restructured/ rescheduled loans and advances is made in accordance with the applicable RBI guidelines.

The Bank makes additional provisions as per RBI guidelines for the cases where viable resolution plan has not been implemented within the timelines prescribed by the RBI, from the date of default. These additional provisions are written-back on satisfying the conditions for reversal as per RBI guidelines.

On prudent basis, the Bank has made Covid-19 related provision with regard to certain borrowers, including regarding those who had taken moratorium at any time during fiscal 2021 under the extant RBI guidelines. This provision is included as contingency provision in the books. The Bank also makes additional contingency provision with regard to certain standard assets. The contingency provision is included in ”Other Liabilities and Provisions”.

Provisions and contingencies (excluding provisions for tax) decreased from ₹ 162.14 billion in fiscal 2021 to ₹ 86.41 billion in fiscal 2022 primarily due to a decrease in provision on non-performing and other assets and Covid-19 related provision.

Provision for non-performing and other assets decreased from ₹ 107.49 billion in fiscal 2021 at ₹ 61.64 billion in fiscal 2022. During fiscal 2022, there were higher upgrades and recoveries from non-performing loans resulting in lower provisioning requirement, offset, in part, by provision made on loans restructured under Resolution Framework. and change in provisioning rate on certain non-performing loans to make it more conservative.

The provision coverage ratio (excluding cumulative technical/prudential write-offs) on NPA’s increased from 77.7% at March 31, 2021 to 79.2% at March 31, 2022.

Provision for investments increased from write-back of ₹ 1.58 billion in fiscal 2021 to provision amount of ₹ 3.77 billion in fiscal 2022.

Provision for standard assets increased from ₹ 2.79 billion in fiscal 2021 to ₹ 4.49 billion in fiscal 2022. The cumulative general provision held at March 31, 2022 was ₹ 40.94 billion (March 31, 2021: ₹ 36.34 billion).

Other provisions and contingencies decreased from ₹ 53.44 billion in fiscal 2021 to ₹ 16.51 billion in fiscal 2022. The Bank made net Covid-19 related provision of ₹ 47.50 billion in fiscal 2021 and held an aggregate Covid-19 related provision of ₹ 74.75 billion at March 31, 2021. During first quarter of fiscal 2022, the Bank wrote-back Covid-19 related provision of ₹ 10.50 billion. Further, during last three months of fiscal 2022, the Bank has made an additional contingency provision of ₹ 10.25 billion on a prudent basis. Accordingly, including the Covid-19 related contingency provision of ₹ 64.25 billion, the Bank holds a total contingency provision of ₹ 74.50 billion at March 31, 2022.

TAX EXPENSE

The income tax expense increased from ₹ 39.90 billion in fiscal 2021 to ₹ 72.70 billion in fiscal 2022. The effective tax rate increased from 19.8% in fiscal 2021 to 23.7% in fiscal 2022 primarily due to change in composition of income. Fiscal 2021 included a significant amount of capital gain on sale of stake in subsidiaries, which attracts lower income tax.

MANAGEMENT DISCUSSION & ANALYSIS

FINANCIAL CONDITION

ASSETS

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

₹ in billion, except percentages

Assets	At March 31, 2021	At March 31, 2022	% change
Cash and bank balances	₹ 1,331.28	**₹ 1,678.22**	26.1%
Investments	2,812.87	**3,102.41**	10.3
- Government and other approved investments[1]	2,136.10	**2,563.78**	20.0
- Equity investment in subsidiaries	97.57	**85.97**	(11.9)
- Other investments	579.20	**452.66**	(21.8)
Advances	7,337.29	**8,590.20**	17.1
- Domestic	6,961.39	**8,177.36**	17.5
- Overseas branches	375.90	**412.84**	9.8
Fixed assets (including leased assets)	88.78	**93.74**	5.6
Other assets	734.11	**648.41**	(11.7)
- RIDF and other related deposits[2]	311.78	**264.19**	(15.3)
Total assets	**₹ 12,304.33**	**₹ 14,112.98**	**14.7%**

1. *Banks in India are required to maintain a specified percentage, currently 18.00% (at March 31, 2022), of their net demand and time liabilities by way of investments in instruments referred as SLR securities by RBI or liquid assets like cash and gold.*
2. *Deposits made in Rural Infrastructure Development Fund and other related deposits pursuant to shortfall in the amount required to be lent to certain specified sectors called priority sector as per RBI guidelines.*
3. *All amounts have been rounded off to the nearest ₹ 10.0 million.*

Total assets of the Bank increased by 14.7% from ₹ 12,304.33 billion at March 31, 2021 to ₹ 14,112.98 billion at March 31, 2022, due to a 17.1% increase in advances, a 10.3% increase in investments and 26.1% increase in cash and cash equivalents.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and balances with RBI and other banks, including money at call and short notice. Cash and cash equivalents increased by 26.1% from ₹ 1,331.28 billion at March 31, 2021 to ₹ 1,678.22 billion at March 31, 2022 primarily due to an increase in LAF lending to RBI, balance with RBI to maintain cash reserve ratio and short term balances with US Federal Reserve, offset, in part, by a decrease in foreign currency term money lent. LAF lending to RBI increased from ₹ 352.19 billion at March 31, 2021 to ₹ 494.02 billion at March 31, 2022.

Investments

Total investments increased by 10.3% from ₹ 2,812.87 billion at March 31, 2021 to ₹ 3,102.41 billion at March 31, 2022. Investments in Indian government securities increased from ₹ 2,136.10 billion at March 31, 2021 to ₹ 2,563.78 billion at March 31, 2022. Other investments decreased from ₹ 676.77 billion at March 31, 2021 to ₹ 538.63 billion at March 31, 2022 primarily due to a decrease in investment in bonds and debentures, foreign government securities and pass through certificates, offset, in part, by an increase in investment in certificate of deposits.

At March 31, 2022, the Bank had an outstanding net investment of ₹ 8.07 billion in security receipts issued by asset reconstruction companies compared to ₹ 17.29 billion at March 31, 2021.

Advances

Net advances increased by 17.1% from ₹ 7,337.29 billion at March 31, 2021 to ₹ 8,590.20 billion at March 31, 2022 primarily due to an increase in retail advances.

Domestic advances increased by 17.5% from ₹ 6,961.39 billion at March 31, 2021 to ₹ 8,177.36 billion at March 31, 2022. Net retail advances increased by 19.7% from ₹ 3,797.35 billion at March 31, 2021 to ₹ 4,546.36 billion at March 31, 2022. Net advances of rural business increased by 6.5% from ₹ 721.58 billion at March 31, 2021 to

MANAGEMENT DISCUSSION & ANALYSIS

₹ 768.30 billion at March 31, 2022. The business banking portfolio increased by 43.2% from ₹ 373.27 billion at March 31, 2021 to ₹ 534.37 billion at March 31, 2022. SME advances increased by 33.6% from ₹ 302.84 billion at March 31, 2021 to ₹ 404.50 billion at March 31, 2022. The performing domestic corporate portfolio increased by 9.3% year-on-year.

Net advances of overseas branches increased by 9.8% from ₹ 375.90 billion at March 31, 2021 to ₹ 412.84 billion at March 31, 2022.

Fixed and other assets

Fixed assets (net block) increased by 5.6% from ₹ 88.78 billion at March 31, 2021 to ₹ 93.74 billion at March 31, 2022.

Other assets decreased by 11.7% from ₹ 734.11 billion at March 31, 2021 to ₹ 648.41 billion at March 31, 2022 primarily due to a decrease in RIDF and related deposits and receivable on account of foreign exchange and derivative transactions.

LIABILITIES

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

₹ in billion, except percentages

Liabilities	At March 31, 2021	At March 31, 2022	% change
Equity share capital	₹ 13.86	**₹ 16.56**	19.5%
Reserves	1,461.23	**1,688.56**	15.6
Deposits	9,325.22	**10,645.72**	14.2
- Savings deposits	2,954.53	**3,599.57**	21.8
- Current deposits	1,361.70	**1,584.80**	16.4
- Term deposits	5,008.99	**5,461.35**	9.0
Borrowings (excluding subordinated debt)	743.85	**933.80**	25.5
- Domestic	444.42	**614.59**	38.3
- Overseas branches	299.43	**319.21**	6.6
Subordinated debt (included in Tier-1 and Tier-2 capital)	172.46	**138.51**	(19.7)
- Domestic	172.46	**138.51**	(19.7)
Other liabilities	587.71	**689.83**	17.4
Total liabilities	**₹ 12,304.33**	**₹ 14,112.98**	**14.7%**

1. All amounts have been rounded off to the nearest ₹ 10.0 million.

Total liabilities (including capital and reserves) increased by 14.7% from ₹ 12,304.33 billion at March 31, 2021 to ₹ 14,112.98 billion at March 31, 2022 due to a 14.2% increase in deposits, 17.0% increase in borrowings and 15.6% increase in net worth.

Deposits

Deposits increased by 14.2% from ₹ 9,325.22 billion at March 31, 2021 to ₹ 10,645.72 billion at March 31, 2022.

Term deposits increased by 9.0% from ₹ 5,008.99 billion at March 31, 2021 to ₹ 5,461.35 billion at March 31, 2022. Savings account deposits increased by 21.8% from ₹ 2,954.53 billion at March 31, 2021 to ₹ 3,599.57 billion at March 31, 2022 and current account deposits increased by 16.4% from ₹ 1,361.70 billion at March 31, 2021 to ₹ 1,584.80 billion at March 31, 2022. CASA deposits increased by 20.1% from ₹ 4,316.23 billion at March 31, 2021 to ₹ 5,184.37 billion at March 31, 2022.

The average current account deposits increased by 31.0% from ₹ 891.21 billion in fiscal 2021 to ₹ 1,167.28 billion in fiscal 2022. The average savings account deposits increased by 23.5% from ₹ 2,454.75 billion in fiscal 2021 to ₹ 3,031.58 billion in fiscal 2022. Average CASA deposits increased by 25.5% from ₹ 3,345.96 billion in fiscal 2021 to ₹ 4,198.86 billion in fiscal 2022. Average CASA deposits were 40.1% of the total funding (i.e., deposits and borrowings) for fiscal 2022 as compared to 35.5% for fiscal 2021.

MANAGEMENT DISCUSSION & ANALYSIS

Deposits of overseas branches increased by 28.5% from ₹ 76.34 billion at March 31, 2021 to ₹ 98.11 billion at March 31, 2022.

Total deposits at March 31, 2022 formed 90.8% of the funding (i.e., deposits and borrowings) as compared to 91.1% at March 31, 2021.

Borrowings

Borrowings increased by 17.0% from ₹ 916.31 billion at March 31, 2021 to ₹ 1,072.31 billion at March 31, 2022 primarily due to an increase in bond borrowings and foreign currency term money borrowings, offset, in part, by a decrease in subordinated debt and refinance borrowings. Net borrowings of overseas branches increased from ₹ 299.43 billion at March 31, 2021 to ₹ 319.21 billion at March 31, 2022.

Other liabilities

Other liabilities increased by 17.4% from ₹ 587.71 billion at March 31, 2021 to ₹ 689.83 billion at March 31, 2022 primarily due to an increase in security deposits and mark-to-market amount on forex and derivative transactions.

Equity share capital and reserves

Equity share capital and reserves increased from ₹ 1,475.09 billion at March 31, 2021 to ₹ 1,705.12 billion at March 31, 2022 primarily due to accretion to reserves out of retained profit.

OFF BALANCE SHEET ITEMS, COMMITMENTS AND CONTINGENCIES

The following table sets forth, for the periods indicated, the principal components of contingent liabilities.

₹ in billion

Particulars	At March 31, 2021	At March 31, 2022
Claims against the Bank, not acknowledged as debts	₹ 73.77	**₹ 82.84**
Liability for partly paid investments	0.01	**0.01**
Notional principal amount of outstanding forward exchange contracts	8,152.79	**10,645.24**
Guarantees given on behalf of constituents	995.02	**1,037.75**
Acceptances, endorsements and other obligations	324.24	**462.81**
Notional principal amount of currency swaps	481.72	**498.34**
Notional principal amount of interest rate swaps and currency options and interest rate futures	16,428.13	**25,912.44**
Other items for which the Bank is contingently liable	30.74	**37.33**
Total	**₹ 26,486.42**	**₹ 38,676.76**

1. All amounts have been rounded off to the nearest ₹ 10.0 million.

The Bank enters into foreign exchange contracts in its normal course of business, to exchange currencies at a prefixed price at a future date. This item represents the notional principal amount of such contracts, which are derivative instruments. With respect to the transactions entered into with its customers, the Bank generally enters into off-setting transactions in the inter-bank market. This results in generation of a higher number of outstanding transactions, and hence a large value of gross notional principal of the portfolio, while the net market risk is lower. The notional principal amount of outstanding forward exchange contracts increased from ₹ 8,152.79 billion at March 31, 2021 to ₹ 10,645.24 billion at March 31, 2022 primarily due to increase in trading and market making activities in forwards to facilitate client flow and capture opportunities in the forward market.

The Bank is an active market participant in the interest rate and foreign exchange derivative market for trading and market making purposes, which are carried out primarily for customer transactions and managing the proprietary position on interest rate and foreign exchange risk. The notional amount of interest rate swaps and currency options increased from ₹ 16,428.13 billion at

MANAGEMENT DISCUSSION & ANALYSIS

March 31, 2021 to ₹ 25,912.44 billion at March 31, 2022 primarily due to an increase in outstanding position of overnight index swaps. These transactions are done for trading and market-making purposes with a view to manage the interest rate risk.

Claims against the Bank, not acknowledged as debts, represent demands made in certain tax and legal matters against the Bank in the normal course of business and customer claims arising in fraud cases. In accordance with the Bank's accounting policy and Accounting Standard 29, the Bank has reviewed and classified these items as possible obligations based on legal opinion/ judicial precedents/assessment by the Bank. No provision in excess of provisions already made in the financial statements is considered necessary.

The Bank has issued guarantees to support regular business activities of clients. These generally represent irrevocable assurances that the Bank will make payments in the event that the customer fails to fulfill its financial or performance obligations. Financial guarantees are obligations to pay a third party beneficiary where a customer fails to make payment towards a specified financial obligation, including advance payment guarantee. Performance guarantees are obligations to pay a third party beneficiary where a customer fails to perform a non-financial contractual obligation. The guarantees are generally issued for a period not exceeding 10 years. The credit risks associated with these products, as well as the operating risks, are similar to those relating to other types of financial instruments. Cash margins available to reimburse losses realised under guarantees amounted to ₹ 219.62 billion at March 31, 2022 as compared to ₹ 171.60 billion at March 31, 2021. Other property or security may also be available to the Bank to cover potential losses under guarantees.

Guarantees given on behalf of constituents increased by 4.3% from ₹ 995.02 billion at March 31, 2021 to ₹ 1,037.75 billion at March 31, 2022. Acceptances, endorsements and other obligations increased by 42.7% from ₹ 324.24 billion at March 31, 2021 to ₹ 462.81 billion at March 31, 2022.

The Bank is obligated under a number of capital contracts for purchase of fixed assets. Capital contracts are job orders of a capital nature, which have been committed. Estimated amounts of contracts remaining to be executed on capital account aggregated to ₹ 10.30 billion at March 31, 2022 as compared to ₹ 8.60 billion at March 31, 2021.

CAPITAL RESOURCES

The Bank actively manages its capital to meet regulatory norms, current and future business needs and the risks in its businesses. The capital management framework of the Bank is administered by the Finance Group and the Risk Management Group under the supervision of the Board and the Risk Committee. The capital adequacy position and assessment is reported to the Board and the Risk Committee periodically.

Regulatory capital

The Bank is subject to the Basel III guidelines issued by RBI, effective from April 1, 2013, which was to be implemented in a phased manner by March 31, 2019 as per the transitional arrangement provided by Reserve Bank of India. On January 10, 2019, Reserve Bank of India had extended the transition period for implementing the last tranche of 0.625% under Capital Conservation Buffer to March 31, 2020 and thereafter further extended to October 1, 2021.

At March 31, 2022, the Bank was required to maintain a minimum Common Equity Tier-1 (CET1) capital ratio of 8.20%, minimum Tier-1 capital ratio of 9.70% and minimum total capital ratio of 11.70%. The minimum total capital requirement includes a capital conservation buffer of 2.50% and capital surcharge of 0.20% on account of the Bank being designated as a Domestic Systemically Important Bank (D-SIB). Under Pillar 1 of the RBI guidelines on Basel III, the Bank follows the standardised approach for measurement of credit risk, standardised duration method for measurement of market risk and basic indicator approach for measurement of operational risk.

MANAGEMENT DISCUSSION & ANALYSIS

The following table sets forth, for the periods indicated, the capital adequacy ratios computed in accordance with Basel III guidelines of RBI:

₹ in billion, except percentages

Basel III	At March 31, 2021[1,2]	At March 31, 2022[1,2]
Tier-1 capital	1,418.72	**1,621.21**
Of which - CET1 capital	1,319.40	**1,555.00**
Tier-2 capital	82.75	**71.92**
Total capital	**1,501.47**	**1,693.13**
Credit Risk — Risk Weighted Assets (RWA)	6,467.36	**7,357.43**
On balance sheet	5,650.84	**6,591.24**
Off balance sheet	816.52	**766.19**
Market Risk - RWA	589.68	**550.36**
Operational Risk - RWA	797.00	**928.12**
Total RWA	**7,854.03**	**8,835.91**
Total capital adequacy ratio	**19.12%**	**19.16%**
CET1 capital adequacy ratio	16.80%	**17.60%**
Tier-1 capital adequacy ratio	18.06%	**18.35%**
Tier-2 capital adequacy ratio	1.06%	**0.81%**

1. Including retained earnings and post proposed mandatory appropriations and with appropriation of proposed dividend.
2. All amounts have been rounded off to the nearest ₹ 10.0 million.

At March 31, 2022, the Bank's Tier-1 capital adequacy ratio was 18.35% as against the requirement of 9.70% and total capital adequacy ratio was 19.16% as against the requirement of 11.70%.

Movement in the capital funds and risk weighted assets from March 31, 2021 to March 31, 2022 as per Basel III norms

Capital funds (net of deductions) increased by ₹ 191.66 billion from ₹ 1,501.47 billion at March 31, 2021 to ₹ 1,693.13 billion at March 31, 2022 primarily due to increase in retained earnings and repatriation of capital from ICICI Bank UK and ICICI Bank Canada off-set, in part, by exercise of call options of Tier-1 bonds and expiry of grandfathering period of Basel II Tier-2 bonds.

Credit risk RWA increased by ₹ 890.07 billion from ₹ 6,467.36 billion at March 31, 2021 to ₹ 7,357.43 billion at March 31, 2022 primarily due to an increase of ₹ 940.40 billion in RWA for on-balance sheet assets, offset, in part, by a decrease of ₹ 50.33 billion in RWA for off-balance sheet assets. On-balance sheet RWA increased primarily due to growth in advances during the year and off-balance sheet RWA decreased primarily due to decrease in non-fund book.

Market risk RWA decreased by ₹ 39.32 billion from ₹ 589.68 billion at March 31, 2021 to ₹ 550.36 billion at March 31, 2022 primarily due to decrease in the fixed income portfolio.

Operational risk RWA increased by ₹ 131.12 billion from ₹ 797.00 billion at March 31, 2021 to ₹ 928.12 billion at March 31, 2022. The operational risk capital charge is computed based on 15% of the average of the previous three financial years' gross income and is revised on an annual basis at June 30. RWA is arrived at by multiplying the capital charge by 12.5.

Internal assessment of capital

The capital management framework of the Bank includes a comprehensive internal capital adequacy assessment process conducted annually, which determines the adequate level of capitalisation necessary to meet regulatory norms and current and future business needs. Adequate stress testing, as determined by several stress scenarios is also done. The internal capital adequacy assessment process is undertaken at both the standalone bank level and the consolidated group level. The internal capital adequacy assessment process encompasses capital planning for a four-year time horizon, assessment of material risks and the relationship between risk and capital.

MANAGEMENT DISCUSSION & ANALYSIS

The capital management framework is complemented by the risk management framework, which covers the policies, processes, methodologies and frameworks established for the management of material risks. Stress testing, which is a key aspect of the internal capital adequacy assessment process and the risk management framework, provides an insight into the impact of extreme but plausible scenarios on the Bank's risk profile and capital position. Based on the stress testing framework approved by the Board, the Bank conducts stress tests on various portfolios and assesses the impact on the capital ratios and the adequacy of capital buffers for current and future periods. The Bank periodically assesses and refines its stress testing framework in an effort to ensure that the stress scenarios capture material risks as well as reflect possible extreme market moves that could arise as a result of market conditions and the operating environment. The business and capital plans and the stress testing results of certain key group entities are integrated into the internal capital adequacy assessment process.

Based on the internal capital adequacy assessment process, the Bank determines the level of capital that needs to be maintained by considering the following in an integrated manner:

- strategic focus, business plan and growth objectives;
- regulatory capital requirements as per RBI guidelines;
- assessment of material risks and impact of stress testing;
- perception of shareholders and investors;
- future strategy with regard to investments or divestments in subsidiaries; and
- evaluation of options to raise capital from domestic and overseas markets, as permitted by RBI from time to time;
- assessment of going concern.

The Bank continues to monitor relevant developments and believes that its current robust capital adequacy position and demonstrated track record of access to domestic and overseas markets for capital raising will enable it to maintain the necessary levels of capital as required by regulations while continuing to grow its business.

LOAN CONCENTRATION

The Bank follows a policy of portfolio diversification and evaluates its total financing exposure to a particular industry in the light of its forecasts of growth and profitability for that industry. The Bank's Credit Risk Management Group monitors all major sectors of the economy and specifically tracks industries in which the Bank has credit exposures. The Bank monitors developments in various sectors to assess potential risks in its portfolio and new business opportunities. The Bank's policy is to limit its portfolio to any particular industry (other than retail loans) to 15.0% of its total exposure. In addition, the Bank has a framework for managing concentration risk with respect to single borrower and group exposures, based on the internal rating and track record of the borrowers. The exposure limits for lower rated borrowers and groups are substantially lower than the regulatory limits.

The following tables set forth, at the dates indicated, the composition of the Bank's exposure.

₹ in billion, except percentages

Industry	March 31, 2021		March 31, 2022	
	Total exposure	% of total exposure	Total exposure	% of total exposure
Retail finance[1]	₹ 4,815.80	33.9%	**₹ 6,043.07**	**36.3%**
Rural retail	898.70	6.3	**973.18**	**5.8**
Services – finance	1,409.19	9.9	**1,476.68**	**8.9**
Banks	1,122.22	7.9	**1,320.71**	**7.9**
Electronics and engineering	641.15	4.5	**702.80**	**4.2**
Crude petroleum/refining and petrochemicals	699.01	4.9	**678.01**	**4.1**
Wholesale/retail trade	487.60	3.4	**551.86**	**3.3**
Road, ports, telecom, urban development and other infrastructure	494.64	3.5	**538.29**	**3.2**
Services – non-finance	400.82	2.8	**492.76**	**3.0**
Power	358.76	2.5	**400.71**	**2.4**

MANAGEMENT DISCUSSION & ANALYSIS

₹ in billion, except percentages

Industry	March 31, 2021		March 31, 2022	
	Total exposure	% of total exposure	Total exposure	% of total exposure
Construction	330.37	2.3	**385.13**	**2.3**
Iron and steel (including iron and steel products)	228.28	1.6	**367.01**	**2.2**
Chemical and fertilisers	184.47	1.3	**265.07**	**1.6**
Automobiles	173.94	1.2	**210.21**	**1.3**
Metal and metal products (excluding iron and steel)	179.59	1.3	**179.73**	**1.1**
Mutual funds	189.36	1.3	**177.72**	**1.1**
Manufacturing products (excluding iron and steel and metal and metal products)	145.39	1.0	**173.32**	**1.0**
Other industries[2]	1,463.95	10.4	**1,711.66**	**10.3**
Total	**₹ 14,222.95**	**100.0%**	**₹ 16,647.92**	**100.0%**

1. Includes home loans, automobile loans, commercial business loans, dealer financing, personal loans, credit cards and loans against securities.

2. Other industries primarily include developer financing portfolio, gems and jewellery, mining, cement, food & beverages, textile, shipping, drugs and pharmaceuticals, asset reconstruction company, venture capital funds and FMCG.

3. All amounts have been rounded off to the nearest ₹ 10.0 million

The exposure to the top 20 non-bank borrowers as a percentage of total exposure decreased from 12.1% of total exposure of the Bank at March 31, 2021 to 9.6% at March 31, 2022. All top 20 borrowers as of March 31, 2022 are rated A- and above internally. The exposure to the top 10 borrower groups decreased from 11.6% of total exposure of the Bank at March 31, 2021 to 10.3% at March 31, 2022.

The following table sets forth, at the dates indicated, the composition of the Bank's outstanding net advances:

₹ in billion

Particulars	March 31, 2021	March 31, 2022
Advances	₹ 7,337.29	**₹ 8,590.20**
- Domestic book	6,961.39	**8,177.36**
- Retail	3,797.35	**4,546.35**
- Rural	721.58	**768.30**
- Business banking	373.27	**534.37**
- SME	302.84	**404.50**
- Corporate and others	1,766.35	**1,923.84**
- Overseas book	₹ 375.90	**₹ 412.84**

The Bank's capital allocation framework is focused on growth in granular retail and rural lending and lending to the corporate sector with a focus on increase in lending to higher rated corporates. Net retail advances increased by 19.7% in fiscal 2022 compared to an increase of 17.1% in total advances. The share of net retail advances increased from 51.8% of net advances at March 31, 2021 to 52.9% of net advances at March 31, 2022. Including the non-fund based outstanding, the proportion of retail in the portfolio was 43.8% at March 31, 2022.

The overseas loan portfolio in US dollar terms grew by 5.9% year-on-year at March 31, 2022. The year-on-year increase in the overseas loan portfolio was primarily due to increase in the India-linked trade finance book. The overseas loan portfolio was 4.8% of the overall loan book at March 31, 2022. The corporate fund and non-fund outstanding, net of cash/bank/financial institutions/insurance backed lending, was USD 3.65 billion at March 31, 2022. Out of USD 3.65 billion, 82.4% of the outstanding was to Indian corporates and their subsidiaries and joint ventures and 9.5% of the

MANAGEMENT DISCUSSION & ANALYSIS

outstanding was to non-India companies with Indian or India-linked operations and activities. The portfolio in this segment is well rated and the Indian operations of these companies are target customers for the Bank's deposit and transaction banking franchise. The Bank would continue to pursue risk-calibrated opportunities in this segment. Out of USD 3.65 billion, about 4.2% was to companies owned by NRIs/ PIOs and 3.9% of the outstanding was to other non-India companies which is less than 1.0% of the total portfolio of the Bank. The non-India linked corporate portfolio reduced by 48.2% from about USD 1.24 billion year-on-year to USD 641 million at March 31, 2022.

The following table sets forth, at the dates indicated, the composition of the Bank's net outstanding retail advances.

₹ in billion, except percentages

Particulars	March 31, 2021		March 31, 2022	
	Total retail advances	% of total retail advances	Total retail advances	% of total retail advances
Home loans	₹ 2,436.54	64.2%	**₹ 2,930.63**	**64.5%**
Personal loans	493.45	13.0	**628.73**	**13.8**
Automobile loans	376.38	9.9	**418.84**	**9.2**
Commercial business	265.16	7.0	**261.67**	**5.8**
Credit cards	173.11	4.6	**250.62**	**5.5**
Others[1]	52.71	1.4	**55.86**	**1.2**
Total retail advances[2]	**₹ 3,797.35**	**100.0%**	**₹ 4,546.35**	**100.0%**

1. *Includes loans against securities and dealer financing.*
2. *All amounts have been rounded off to the nearest ₹ 10.0 million.*

The following table sets forth, at the dated indicated, the composition of the Bank's net outstanding rural advances:

₹ in billion

Particulars	March 31, 2021	March 31, 2022
Farmer finance	₹ 221.74	**₹ 226.47**
Jewel loan	238.29	**207.09**
Rural business credit	141.32	**189.87**
Others[1]	120.23	**144.87**
Rural advances	**₹ 721.58**	**₹ 768.30**

1. *Includes term loans for farm equipment, self-help groups, loans to microfinance institutions for on-lending to individuals and inventory funding.*

The following table sets forth, at the dates indicated, the rating wise categorisation of the Bank's net outstanding advances other than retail and rural advances:

₹ in billion, except percentages

Ratings category[1]	March 31, 2021	March 31, 2022
AA- and above	35.3%	**36.1%**
A+, A, A-	33.7%	**35.7%**
A- and above	**69.1%**	**71.8%**
BBB+,BBB, BBB-	25.6%	**24.5%**
BB and below[2]	4.7%	**2.9%**
Unrated	0.5%	**0.8%**
Total	**100.0%**	**100.0%**
Total net advances[3]	**₹ 2,818.36**	**₹ 3,275.55**

1. *Based on internal ratings.*
2. *Includes net non-performing loans.*
3. *Includes business banking, SME, domestic, corporate and overseas loans.*

MANAGEMENT DISCUSSION & ANALYSIS

DIRECTED LENDING

RBI requires banks to lend to certain sectors of the economy. Such directed lending comprises priority sector lending and export credit.

Priority Sector Lending and Investment

The RBI guidelines on priority sector lending require banks to lend 40.0% of their adjusted net bank credit (ANBC), to fund certain types of activities carried out by specified borrowers. The definition of ANBC includes bank credit in India adjusted by bills rediscounted with RBI and other approved financial institutions and certain investments including Priority Sector Lending Certificates (PSLCs) and investments in Rural Infrastructure Development Fund and other specified funds on account of priority sector shortfall and is computed with reference to the outstanding amount at corresponding date of the preceding year as prescribed by the RBI guidelines titled 'Master Direction – Priority Sector Lending – Targets and Classification'. Further, the RBI allows exclusion from ANBC for funds raised by the Bank through issue of long-term bonds for financing infrastructure and affordable housing, subject to certain limits.

As prescribed by RBI's Master Direction on 'Priority Sector Lending - Targets and Classification' dated September 4, 2020, the priority sectors include categories such as agriculture, micro, small and medium enterprises, education, housing, social infrastructure, renewable energy, export credit and others. Out of the overall target of 40.0%, banks are required to lend a minimum of 18.0% of their ANBC to the agriculture sector. From fiscal 2022 sub-targets for lending to small and marginal farmers and weaker sections are revised and will be further increased in phased manner till fiscal 2024. For fiscal 2022, revised sub-targets of 9.0% (8.0% till fiscal 2021) for lending to small and marginal farmers (out of agriculture) and 11.0% (10.0% till fiscal 2021) for lending to weaker section would be applicable. The banks are also required to lend 7.5% of their ANBC to micro-enterprises applicable from fiscal 2016. RBI has directed banks to maintain overall lending to non-corporate farmers at the system-wide average of the last three years achievement, RBI would notify the banks, the applicable target for lending to the non-corporate farmers at the beginning of each year. RBI notified a target level of 12.73% of ANBC for this purpose for fiscal 2022. Priority sector lending achievement is evaluated on a quarterly average basis from fiscal 2017. From fiscal 2022, the priority sector achievements of the Banks will be computed based on the weightage assigned to the incremental priority sector credit in the identified districts. The necessary adjustments for weightage of districts and calculation of achievement would be done by RBI on the basis data submitted by Banks on quarterly basis.

The Bank is required to comply with the priority sector lending requirements prescribed by RBI from time to time. The shortfall in the amount required to be lent to the priority sectors and weaker sections may be required to be deposited in funds with government sponsored Indian development banks like the National Bank for Agriculture and Rural Development, the Small Industries Development Bank of India, the National Housing Bank, Micro Units Development and Refinance Agency Limited (MUDRA) and other financial institutions as decided by the RBI from time to time. These deposits have a maturity of up to seven years and carry interest rates lower than market rates. At March 31, 2022, the Bank's total investment in such funds was ₹ 264.19 billion, which was fully eligible for consideration in overall priority sector lending achievement.

As prescribed in the RBI guideline, the Bank's priority sector lending achievement is computed on a quarterly average basis. Total average priority sector lending for fiscal 2022 was ₹ 2,845.40 billion (fiscal 2021: ₹ 2,448.37 billion) constituting 41.3% (fiscal 2021: 40.9%) of ANBC, against the requirement of 40.0% of ANBC. The average lending to the agriculture sector was ₹ 1,226.50 billion (fiscal 2021: ₹ 1,019.54 billion) constituting 17.8% (fiscal 2021: 17.0%) of ANBC against the requirement of 18.0% of ANBC. The average advances to weaker sections were ₹ 762.02 billion (fiscal 2021: ₹ 641.59 billion) constituting 11.1% (fiscal 2021: 10.7%) of ANBC against the requirement of 11.0% of ANBC (fiscal 2021: 10.0%). Average lending to small and marginal farmers was ₹ 636.37 billion (fiscal 2021: ₹ 514.25 billion) constituting 9.2% (fiscal 2021: 8.6%) of ANBC against the requirement of 9.0% of ANBC. The average lending to micro enterprises was ₹ 550.66 billion (fiscal 2021: ₹ 448.46 billion) constituting 8.0% (fiscal 2021: 7.5%) of ANBC against the requirement of 7.5% of ANBC. The average lending to non-corporate farmers was ₹ 873.81 billion (fiscal 2021: ₹ 731.61 billion) constituting 12.7% (fiscal 2021: 12.2%) of ANBC against the requirement of 12.7% of ANBC (fiscal 2021: 12.1%). The above includes the impact of PSLCs purchased/sold during fiscal 2022 by the Bank.

MANAGEMENT DISCUSSION & ANALYSIS

CLASSIFICATION OF LOANS

The Bank classify its assets as performing and non-performing in accordance with the RBI guidelines. Under the RBI guidelines, an asset is generally classified as non-performing if any amount of interest or principal remains overdue for more than 90 days, in respect of term loans. In respect of overdraft or cash credit, an asset is classified as non-performing if the account remains out of order; and in respect of bills, if the account remains overdue for more than 90 days. An account is treated as 'out of order' if the outstanding balance remains continuously in excess of the sanctioned limit/drawing power for 90 days or where there are no credits continuously for 90 days or credits are not enough to cover the interest debited during previous 90 days period.

The RBI guidelines also require an asset to be classified as non-performing based on certain other criteria like restructuring of a loan, inability of a borrower to complete a project funded by us within stipulated timelines and certain other non-financial parameters. In respect of borrowers where loans and advances made by overseas branches are identified as impaired as per host country regulations for reasons other than record of recovery, but which are standard as per the RBI guidelines, the amount outstanding in the host country is classified as non-performing.

The RBI has separate guidelines for classification of loans for projects under implementation which are based on the date of commencement of commercial production and date of completion of the project as originally envisaged at the time of financial closure. For infrastructure projects, a loan is classified as non-performing if it fails to commence commercial operations within two years from the documented date of commencement and for non-infrastructure projects, the loan is classified as non-performing if it fails to commence operations within 12 months from the documented date of such commencement.

The RBI also has separate guidelines for restructured loans. Loans restructured after April 1, 2015 (excluding loans given for implementation of projects in the infrastructure sector and non-infrastructure sector and which are delayed up to a specified period) by re-scheduling of principal repayments and/or the interest element are classified as non-performing. For such loans, the diminution in the fair value of the loan, if any, measured in present value terms, has to be provided for in addition to the provisions applicable to non-performing loans. RBI has issued guidelines for restructuring of loans to micro and small enterprises borrowers while continuing asset classification as standard, subject to specified conditions. Further, RBI through its guideline on 'Resolution Framework for COVID-19-related Stress' dated August 6, 2020, has provided a prudential framework to implement a resolution plan in respect of eligible corporate borrowers and personal loans, while classifying such exposures as standard, subject to specified conditions.

In accordance with the RBI circular dated April 17, 2020, the moratorium granted to certain borrowers is excluded from the determination of number of days past-due/out-of-order status for the purpose of asset classification. The moratorium granted to the borrowers is not accounted as restructuring of loan.

The following table sets forth, at the dates indicated, information regarding asset classification of the Bank's gross non-performing assets (net of write-offs, interest suspense and derivative income reversals).

₹ in billion

Particulars	March 31, 2021	March 31, 2022
Non-performing assets		
Sub-standard assets	₹ 128.09	**₹ 85.32**
Doubtful assets	237.92	**181.48**
Loss assets	47.72	**72.40**
Total non-performing assets[1]	**₹ 413.73**	**₹ 339.20**

1. Include advances, lease receivables and credit substitutes like debentures and bonds. Excludes preference shares.

2. All amounts have been rounded off to the nearest ₹ 10.0 million.

MANAGEMENT DISCUSSION & ANALYSIS

The following table sets forth, at the dates indicated, information regarding the Bank's non-performing assets (NPAs).

₹ in billion, except percentages

Year ended	Gross NPA[1]	Net NPA	Net customer assets	% of net NPA to net customer assets[2]
March 31, 2019	₹ 462.92	₹ 135.77	₹ 6,580.34	2.06%
March 31, 2020	₹ 414.09	₹ 101.14	₹ 7,166.74	1.41%
March 31, 2021	₹ 413.73	₹ 91.80	₹ 8,025.90	1.14%
March 31, 2022	**₹ 339.20**	**₹ 69.61**	**₹ 9,160.87**	**0.76%**

1. *Net of write-offs, interest suspense and derivatives income reversal.*
2. *Include advances, lease receivables and credit substitutes like debentures and bonds. Excludes preference shares.*
3. *All amounts have been rounded off to the nearest ₹ 10.0 million.*

The following table sets forth, for the periods indicated, the composition of gross non-performing assets (net of write-offs) by industry sector.

₹ in billion, except percentages

Particulars	March 31, 2021		March 31, 2022	
	Amount	%	Amount	%
Retail finance[1]	₹ 119.31	28.8%	**₹ 80.72**	**23.8%**
Construction	56.28	13.6	**55.50**	**16.4**
Rural retail	25.94	6.3	**37.08**	**10.9**
Power	46.07	11.1	**31.67**	**9.3**
Crude petroleum/refining and petrochemicals	27.61	6.7	**26.69**	**7.9**
Electronics and engineering	17.75	4.3	**16.93**	**5.0**
Road, ports, telecom, urban development and other infrastructure	21.81	5.3	**14.49**	**4.3**
Services – non-finance	17.42	4.2	**14.13**	**4.2**
Mining	8.09	2.0	**10.93**	**3.2**
Wholesale/retail trade	7.72	1.9	**6.37**	**1.9**
Iron/steel and products	8.12	2.0	**6.16**	**1.8**
Shipping	5.86	1.4	**4.18**	**1.2**
Food and beverages	4.82	1.2	**3.49**	**1.0**
Chemical and fertilisers	3.63	0.9	**3.26**	**1.0**
Other industries[2]	43.30	10.5	**27.60**	**8.1**
Total	**₹ 413.73**	**100.0%**	**₹ 339.20**	**100.0%**

1. *Includes home loans, automobile loans, commercial business loans, dealer financing, personal loans, credit cards and loans against securities.*
2. *Other industries primarily include textile, metal and metal products, manufacturing products, services-finance, cement, gems and jewellery, drugs and pharmaceuticals, FMCG, automobiles and developer financing.*
3. *All amounts have been rounded off to the nearest ₹ 10.0 million.*

MANAGEMENT DISCUSSION & ANALYSIS

In fiscal 2021, the Indian economy was impacted by Covid-19 pandemic with contraction in industrial and services output across small and large businesses. The nation-wide lock down in April-May 2020 substantially impacted economic activity. The easing of lock-down measures subsequently led to a gradual improvement in economic activity and progress towards normalcy. For the banking sector, these developments resulted in regulatory measures like moratorium on payment of dues and standstill in asset classification to mitigate the economic consequences on borrowers. There was an increase in additions to NPAs in fiscal 2021. The impact of Covid-19 pandemic continues as a second wave since the latter part of March 2021, has resulted in re-imposition of localised/regional lock-down measures in various parts of the country. A prolonged period of economic weakness caused by the second wave of the pandemic and uncertainty regarding normalization could continue to impact banking sector and result in higher addition to NPAs.

The gross additions to NPAs were ₹ 161.23 billion in fiscal 2021 and increased to ₹ 192.91 billion in fiscal 2022. In fiscal 2022, the Bank recovered/upgraded non-performing assets amounting to ₹ 163.63 billion, wrote-off non-performing assets amounting to ₹ 99.46 billion and sold non-performing assets amounting to ₹ 4.35 billion. As a result, gross NPAs (net of write-offs) of the Bank decreased from ₹ 413.73 billion at March 31, 2021 to ₹ 339.20 billion at March 31, 2022.

Net NPAs decreased from ₹ 91.80 billion at March 31, 2021 to ₹ 69.61 billion at March 31, 2022. The ratio of net NPAs to net customer assets decreased from 1.14% at March 31, 2021 to 0.76% at March 31, 2022.

At March 31, 2022, gross non-performing loans in the retail portfolio were 1.76% of gross retail loans compared to 3.09% at March 31, 2021 and net non-performing loans in the retail portfolio were 0.74% of net retail loans compared to 1.33% at March 31, 2021. The provision coverage ratio at March 31, 2022 was 79.2% as compared to 77.7% at March 31, 2021.

The total non-fund based outstanding to borrowers classified as non-performing was ₹ 36.40 billion at March 31, 2022 (March 31, 2021: ₹ 44.05 billion). The Bank held a provision of ₹ 20.51 billion at March 31, 2022 (March 31, 2021: ₹ 14.92 billion) against these non-fund based outstanding.

The gross outstanding loans to borrowers whose facilities have been restructured increased from ₹ 32.69 billion at March 31, 2021 to ₹ 82.67 billion at March 31, 2022. The net outstanding loans to borrowers whose facilities have been restructured increased from ₹ 31.79 billion at March 31, 2021 to ₹ 79.84 billion at March 31, 2022. Additionally, Bank holds provision of ₹ 22.60 billion on restructured accounts. The aggregate non-fund based outstanding to borrowers whose loans were restructured was ₹ 5.65 billion at March 31, 2022 (March 31, 2021: ₹ 4.38 billion).

At March 31, 2022, the outstanding loans and non-fund facilities to borrowers in the corporate and small and medium enterprises portfolio rated BB and below were ₹ 108.08 billion which includes the outstanding loans and non-funded facilities under resolution amounting to ₹ 23.89 billion.

SEGMENT INFORMATION

RBI in its guidelines on "segmental reporting" has stipulated specified business segments and their definitions, for the purposes of public disclosures on business information for banks in India.

The standalone segmental report for fiscal 2022, based on the segments identified and defined by RBI, has been presented as follows:

- Retail Banking includes exposures of the Bank, which satisfy the four qualifying criteria of 'regulatory retail portfolio' as stipulated by RBI guidelines on the Basel III framework.
- Wholesale Banking includes all advances to trusts, partnership firms, companies and statutory bodies, by the Bank which are not included in the Retail Banking segment, as per RBI guidelines for the Bank.
- Treasury includes the entire investment portfolio of the Bank.
- Other Banking includes leasing operations and other items not attributable to any particular business segment of the Bank.
- Unallocated includes items such as income tax paid in advance net of provision for tax, deferred tax and provisions to the extent reckoned at entity level.

Framework for transfer pricing

All liabilities are transfer priced to a central treasury unit, which pools all funds and lends to the business units at appropriate rates based on the relevant maturity of assets being funded after adjusting for regulatory reserve requirement and directed lending requirements.

MANAGEMENT DISCUSSION & ANALYSIS

Retail banking segment

The profit before tax of the segment increased by 47.3% from ₹ 77.40 billion in fiscal 2021 to ₹ 114.00 billion in fiscal 2022 primarily due to an increase in non-interest income and net interest income and reduction in provisions, offset, in part, by an increase in operating expenditure.

Net interest income increased by 16.0% from ₹ 223.46 billion in fiscal 2021 to ₹ 259.12 billion in fiscal 2022 primarily due to growth in the average loan portfolio.

Non-interest income increased by 23.5% from ₹ 84.44 billion in fiscal 2021 to ₹ 104.30 billion in fiscal 2022 primarily due to an increase in fees from the credit card portfolio and transaction banking fees. Fee income for fiscal 2021 had been significantly impacted due to lower borrowing and investment activity by customers and lower consumer spends because of the pandemic.

Non-interest expenses increased by 21.0% from ₹ 160.85 billion in fiscal 2021 to ₹ 194.66 billion in fiscal 2022 primarily due to an increase in employee expenses, technology related expenses, direct marketing agency expenses and advertisement and sales promotion expenses.

The provisions (net of write-back) decreased from ₹ 69.65 billion in fiscal 2021 to ₹ 54.74 billion in fiscal 2022 primarily due to higher upgrades from non-performing loans resulting in lower provisioning requirement, offset, in part, by provision made on loans restructured under the Resolution Framework.

Wholesale banking segment

The profit before tax of the segment increased from ₹ 58.20 billion in fiscal 2021 to ₹ 90.53 billion in fiscal 2022 primarily due to a decrease in provisions and an increase in net interest income and non-interest income, offset, in part, by an increase in operating expenditures.

Net interest income increased by 14.0% from ₹ 110.69 billion in fiscal 2021 to ₹ 126.16 billion in fiscal 2022 primarily due to a growth in average loan portfolio.

Non-interest income increased by 32.2% from ₹ 36.00 billion in fiscal 2021 to ₹ 47.58 billion in fiscal 2022 primarily due to an increase in income from lending linked fees, commercial banking fees and foreign exchange and derivatives products.

Non-interest expenses increased by 27.3% from ₹ 43.50 billion in fiscal 2021 to ₹55.36 billion in fiscal 2022 primarily due to an increase in employee expenses and technology related expenses.

Provisions decreased by 38.1% from ₹ 44.99 billion in fiscal 2021 to ₹ 27.86 billion in fiscal 2022. This decline was primarily due to higher upgrades and recoveries.

Treasury segment

The profit before tax of the segment decreased from ₹ 110.80 billion in fiscal 2021 to ₹ 98.20 billion in fiscal 2022 primarily due to a decrease in non-interest income, offset, in part, by an increase in net interest income.

Non-interest income decreased from ₹ 68.48 billion in fiscal 2021 to ₹ 32.46 billion in fiscal 2022. In fiscal 2021, the Bank made a gain of ₹ 36.70 billion on sale of equity shares of ICICI General, ICICI Life and ICICI Securities. There was a gain on government securities and other fixed income positions of ₹ 1.65 billion in fiscal 2022 as compared to ₹ 14.58 billion in fiscal 2021. In fiscal 2021, the gain was higher primarily due to a decrease in yield on government securities resulting in higher opportunities for gains.

Non-interest expenses increased by 55.8% from ₹ 9.86 billion in fiscal 2021 to ₹ 15.36 billion in fiscal 2022 primarily due to an increase in premium paid towards purchase of priority sector lending certificates.

There was a provision of ₹ 3.79 billion in fiscal 2022 as compared to a write-back of ₹ 1.48 billion in fiscal 2021.

Other banking segment

Profit before tax of the other banking segment increased from ₹ 2.93 billion in fiscal 2021 to ₹ 3.11 billion in fiscal 2022 primarily due to a decrease in provisions.

Unallocated

In fiscal 2022, the Bank wrote-back Covid-19 related provision amounting to ₹ 10.50 billion (made Covid-19 provision of ₹ 47.50 billion in fiscal 2021) and has made additional contingency provision, on a prudent basis, of ₹10.25 billion on loan portfolio. The contingency provision including Covid-19 related provision was not allocated to any segment and included in unallocated.

CONSOLIDATED FINANCIALS AS PER INDIAN GAAP

The consolidated profit after tax increased from ₹ 183.84 billion in fiscal 2021 to ₹ 251.10 billion in fiscal 2022 primarily due to an increase in the profit of ICICI Bank, ICICI Securities, ICICI Prudential Asset Management Company and ICICI Bank Canada, offset, in part, by decrease in profit of ICICI Life, ICICI Securities Primary Dealership and ICICI General.

MANAGEMENT DISCUSSION & ANALYSIS

The consolidated assets of the Bank and its subsidiaries and other consolidating entities increased from ₹ 15,738.12 billion at March 31, 2021 to ₹ 17,526.37 billion at March 31, 2022. Consolidated advances increased from ₹ 7,918.01 billion at March 31, 2021 to ₹ 9,203.08 billion at March 31, 2022.

In accordance with the Scheme of Arrangement (Scheme) between ICICI Lombard General Insurance Company Limited (ICICI General) and Bharti AXA General Insurance Company Limited (Bharti AXA), as approved by Insurance Regulatory and Development Authority of India (IRDAI) on September 3, 2021, assets and liabilities of Bharti AXA's general insurance business vested with ICICI General on the Appointed Date of April 1, 2020. Subsequent to issuance of equity shares to Bharti AXA shareholders, the Bank's shareholding in ICICI General reduced to below 50.0%. Accordingly, the Bank has accounted its investment in ICICI General as an associate under Accounting Standard – 23 – "Accounting for Investments in Associates in Consolidated Financial Statements" from April 1, 2021.

At March 31, 2022, the Bank's consolidated Tier-1 capital adequacy ratio was 18.02% as against the requirement of 9.70% and consolidated total capital adequacy ratio was 18.87% as against the requirement of 11.70%.

ICICI PRUDENTIAL ASSET MANAGEMENT COMPANY (ICICI PRUDENTIAL AMC)

As per Indian GAAP, the profit after tax of ICICI Prudential AMC increased from ₹ 11.79 billion in fiscal 2021 to ₹ 14.36 billion in fiscal 2022 primarily due to an increase in fee income, offset, in part, by an increase in operating expenses.

ICICI SECURITIES

As per Indian GAAP, the consolidated profit after tax of ICICI Securities increased from ₹ 10.94 billion in fiscal 2021 to ₹ 13.98 billion in fiscal 2022 primarily due to an increase in fee income and net interest income, offset, in part, by an increase in operating expenses.

ICICI LOMBARD GENERAL INSURANCE COMPANY (ICICI GENERAL)

The Gross Domestic Premium Income of ICICI General increased by 28.4% year-on-year from ₹ 140.03 billion in fiscal 2021 to ₹ 179.77 billion in fiscal 2022. The profit after tax decreased from ₹ 14.73 billion in fiscal 2021 to ₹ 12.71 billion in fiscal 2022.

ICICI PRUDENTIAL LIFE INSURANCE COMPANY (ICICI LIFE)

The Annualised Premium Equivalent of ICICI Life increased by 19.7% from ₹ 64.62 billion for fiscal 2021 to ₹ 77.33 billion for fiscal 2022. The Value of New Business (VNB) increased by 33.4% from ₹ 16.21 billion for fiscal 2021 to ₹ 21.63 billion for fiscal 2022. The VNB margin increased from 25.1% for fiscal 2021 to 28.0% in fiscal 2022. The total premium earned increased by 4.8% from ₹ 357.33 billion in fiscal 2021 to ₹ 374.58 billion in fiscal 2022. The total assets under management increased from ₹ 2,142.18 billion at March 31, 2021 to ₹ 2,404.92 billion at March 31, 2022.

Net premium earned increased by 3.9% from ₹ 349.73 billion in fiscal 2021 to ₹ 363.21 billion in fiscal 2022. The profit after tax decreased from ₹ 9.60 billion in fiscal 2021 to ₹ 7.54 billion in fiscal 2022 primarily due to higher claims incurred including Covid-19 related claims.

ICICI SECURITIES PRIMARY DEALERSHIP (I-SEC PD)

As per Indian GAAP, the profit after tax of I-Sec PD decreased from ₹ 6.47 billion in fiscal 2021 to ₹ 3.30 billion in fiscal 2022 primarily due to lower trading gains.

ICICI BANK CANADA

The core operating profit of ICICI Bank Canada increased from CAD 21.3 million in fiscal 2021 to CAD 26.2 million in fiscal 2022 primarily due to a decrease in operating expenses and increase in fee income. The profit after tax of ICICI Bank Canada increased from CAD 20.0 million (₹ 1.13 billion) in fiscal 2021 to CAD 29.2 million (₹ 1.74 billion) in fiscal 2022 primarily due to an increase in core operating profit.

The total assets decreased from CAD 5.96 billion at March 31, 2021 to CAD 5.74 billion at March 31, 2022. Loans and advances decreased from CAD 5.08 billion at March 31, 2021 to CAD 4.98 billion at March 31, 2022. The net impairment ratio decreased from 0.02% at March 31, 2021 to 0.01% at March 31, 2022. ICICI Bank Canada had a total capital adequacy ratio of 17.2% at March 31, 2022 as compared to 24.1% at March 31, 2021. During fiscal 2022, ICICI Bank Canada had repatriated equity share capital of CAD 220.0 million to the Bank.

ICICI HOME FINANCE COMPANY (ICICI HFC)

As per Indian GAAP, profit after tax increased from ₹ 0.81 billion in fiscal 2021 to ₹ 0.93 billion in fiscal 2022 primarily due to an increase in core operating profit, offset,

MANAGEMENT DISCUSSION & ANALYSIS

in part, by an increase in provisions. The core operating profit increased primarily due to an increase in net interest income and fee income, offset, in part, by an increase in operating expenses.

Net NPAs decreased from ₹ 5.59 billion at March 31, 2021 to ₹ 5.16 billion at March 31, 2022.

ICICI BANK UK PLC (ICICI BANK UK)

The core operating profit of ICICI Bank UK decreased from USD 21.8 million in fiscal 2021 to USD 11.7 million in fiscal 2022 primarily due to a decrease in net interest income and increase in operating expenses, offset, in part, by an increase in other income. Profit after tax of ICICI Bank UK decreased from USD 14.8 million (₹ 1.10 billion) in fiscal 2021 to USD 10.9 million (₹ 0.81 billion) in fiscal 2022 primarily due to lower core operating profit, offset, in part, by a decrease in impairment provisions.

Total assets decreased from USD 2.96 billion at March 31, 2021 to USD 2.24 billion at March 31, 2022. Net advances decreased from USD 1.57 billion at March 31, 2021 to USD 1.32 billion at March 31, 2022. The net impairment ratio decreased from 2.2% at March 31, 2021 to 2.0% at March 31, 2022. ICICI Bank UK had a total capital adequacy ratio of 23.0% at March 31, 2022 compared to 28.3% at March 31, 2021. During fiscal 2022, ICICI Bank UK had repatriated equity share capital of USD 200.0 million to the Bank.

ICICI VENTURE FUNDS MANAGEMENT COMPANY (ICICI VENTURE)

The profit after tax of ICICI Venture decreased from ₹ 40.1 million in fiscal 2021 to ₹ 2.2 million in fiscal 2022 primarily due to lower income from venture capital funds, offset, in part, by lower administrative expenses.

The following table sets forth, for the periods and at the dates indicated, the profit/(loss) and total assets of our principal subsidiaries/associates as per Indian GAAP.

₹ in billion

Company	Profit after tax		Total assets[2]	
	Fiscal 2021	Fiscal 2022	At March 31, 2021	At March 31, 2022
ICICI Prudential Asset Management Company Limited	₹ 11.79	**₹ 14.36**	₹ 18.52	**₹ 21.48**
ICICI Securities Limited (consolidated)	10.94	**13.98**	80.58	**135.20**
ICICI Lombard General Insurance Company Limited[3]	14.73	**12.71**	392.59	**508.48[4]**
ICICI Prudential Life Insurance Company Limited	9.60	**7.54**	2,170.35	**2,441.54**
ICICI Securities Primary Dealership Limited	6.47	**3.30**	193.32	**202.30**
ICICI Bank Canada	1.13	**1.74**	346.59	**348.35**
ICICI Home Finance Company Limited	0.81	**0.93**	153.99	**157.58**
ICICI Bank UK PLC	1.10	**0.81**	217.51	**170.77**
ICICI Venture Funds Management Company Limited	₹ 0.04	**₹ 0.00**	₹ 2.91	**₹ 2.84**

1. *0.00 represents insignificant amount.*
2. *Total assets are as per classification used in the consolidated financial statements and hence the total assets as per subsidiary's financial statements may differ.*
3. *Effective April 1, 2021, ICICI Lombard General Insurance Company Limited has been accounted as an associate under Accounting Standard – 23 – "Accounting for Investments in Associates in Consolidated Financial Statements".*
4. *Represents total assets as per financial statements of ICICI Lombard General Insurance Company Limited.*
5. *See also "Financials- Statement pursuant to Section 129 of the Companies Act, 2013".*
6. *All amounts have been rounded off to the nearest ₹ 10.0 million.*

KEY FINANCIAL INDICATORS: LAST 10 YEARS

(₹ in billion, except per share data and percentages)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total deposits	2,926.14	3,319.14	3,615.63	4,214.26	4,900.39	5,609.75	6,529.20	7,709.69	9,325.22	**10,645.72**
Total advances	2,902.49	3,387.03	3,875.22	4,352.64	4,642.32	5,123.95	5,866.47	6,452.90	7,337.29	**8,590.20**
Equity capital & reserves	667.06	732.13	804.29	897.36	999.51	1,051.59	1,083.68	1,165.04	1,475.09	**1,705.12**
Total assets	5,367.95	5,946.42	6,461.29	7,206.95	7,717.91	8,791.89	9,644.59	10,983.65	12,304.33	**14,112.98**
Total capital adequacy ratio	18.7%[1]	17.7%[2]	17.0%[2]	16.6%[2]	17.4%[2]	18.4%[2]	16.9%[2]	16.1%[2]	19.1%[2]	**19.2%[2]**
Core operating profit	127.04	155.77	180.27	198.03	179.10	189.39	220.72	268.08	313.51	**383.47**
Net interest income	138.66	164.75	190.40	212.24	217.37	230.26	270.15	332.67	389.89	**474.66**
Net interest margin	3.11%	3.33%	3.48%	3.49%	3.25%	3.23%	3.42%	3.73%	3.69%	**3.96%**
Profit after tax	83.25	98.10	111.75	97.26	98.01	67.77	33.63	79.31	161.93	**233.39**
Earnings per share (Basic)[3,4]	13.13	15.45	17.56	15.23	15.31	10.56	5.23	12.28	24.01	**33.66**
Earnings per share (Diluted)[3,4]	13.08	15.39	17.39	15.14	15.25	10.46	5.17	12.08	23.67	**32.98**
Return on average equity	12.9%	13.7%	14.3%	11.3%	10.3%	6.6%	3.2%	7.1%	12.2%	**14.8%**
Dividend per share[3,5]	4.00	4.60	5.00	5.00	2.50	1.50	1.00	-	2.00	**5.00**

1. *Total capital adequacy ratio has been calculated as per Basel II framework.*
2. *Total capital adequacy ratio has been calculated as per Basel III framework.*
3. *During the year ended March 31, 2015, the shareholders of the Bank approved the sub-division of one equity share of ₹ 10 into five equity shares having a face value of ₹ 2 each. Per share information of prior periods also reflects the effect of sub-division.*
4. *During the year ended March 31, 2018, the Bank issued bonus shares in the proportion of 1:10, i.e. 1 (One) bonus equity share of ₹ 2 each for every 10 (Ten) fully paid-up equity shares held (including shares underlying ADS). Per share information of prior periods also reflects the effect of bonus issue.*
5. *RBI through its circular 'Declaration of dividends by banks (Revised)' dated April 17, 2020, had directed that banks shall not make any dividend payment on equity shares from the profits pertaining to the financial year ended March 31, 2020. Accordingly, the Bank did not pay any dividend for FY2020.*

INDEPENDENT AUDITOR'S REPORT

To the Members of
ICICI Bank Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of ICICI Bank Limited ("the Bank"), which comprise the Standalone Balance Sheet as at 31 March 2022 and the Standalone Profit and Loss account, and Standalone Cash Flow Statement for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information ("the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Banking Regulations Act, 1949 as well as the Companies Act, 2013 ("the Act") in the manner so required for Banking Companies and are in conformity with accounting principles generally accepted in India and give a true and fair view of the state of affairs of the Bank as at 31 March 2022, and its profit, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Bank 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 standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended 31 March 2022. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
1) Identification and provisioning of non-performing advances (NPA): Total Loans and Advances (Net of Provision) as at 31 March 2022: ₹ 8,590,204,390 (in '000s) Provision for NPA as at 31 March 2022: ₹ 263,638,822 (in '000s) *(Refer Schedule 9, Schedule 17(3) and Schedule 18(17))*	
The Reserve Bank of India's ("RBI") guidelines on Income recognition and asset classification ("IRAC") prescribe the prudential norms for identification and classification of non-performing assets ("NPA") and the minimum provision required for such assets. The Bank is required to have Board approved policy as per IRAC guidelines for NPA identification and provision. The provision on NPA is estimated based on ageing and classification of NPAs, recovery estimates, nature of loan product, value of security and other qualitative factors and is subject to the minimum provisioning norms specified by RBI and approved policy of the Bank in this regard.	Our audit procedures with respect to this matter included: Tested the design and operating effectiveness of key controls (including application controls) over approval, recording, monitoring and recovery of loans, monitoring overdue / stressed accounts, identification of NPA, provision for NPA and valuation of security and collateral. Further obtained an understanding of the contingency provision carried by the Bank and verified the underlying assumptions used by the Bank for such estimate. Testing of application controls include testing of automated controls, reports and system reconciliations.

INDEPENDENT AUDITOR'S REPORT *(Contd.)*

<table>
<tr><th>Key Audit Matter</th><th>How our audit addressed the Key Audit Matter</th></tr>
<tr><td>The Bank is also required to apply its judgement to determine the identification and provision required against NPAs by applying quantitative as well as qualitative factors. The risk of identification of NPAs is affected by factors like stress and liquidity concerns in certain sectors.

Additionally, the Bank makes provisions on exposures that are not classified as NPA including advances to certain sectors and identified advances or group advances. These are classified as contingency provisions.

Since the identification of NPAs and provisioning for advances require significant level of estimation and given its significance to the overall audit including possible observation by RBI which could result into disclosure in the financial statements, we have ascertained identification and provisioning for NPAs as a key audit matter.</td><td>Evaluated the governance process and review controls over calculations of provision of non-performing advances, basis of provisioning in accordance with the Board approved policy.

Selected the borrowers based on quantitative and qualitative risk factors for their assessment of appropriate classification as NPA including computation of overdue ageing to assess its correct classification and provision amount as per extant IRAC norms and the Bank policy.

Performed other substantive procedures included and not limited to the following:

➢ Selected samples of performing loans and assessed independently as to whether those should be classified as NPA;

➢ For samples selected, reviewed the collateral valuations, financial statements and other qualitative information

➢ Considered the accounts reported by the Bank and other Banks as Special Mention Accounts ("SMA") in RBI's Central Repository of Information on Large Credits (CRILC) to identify stress.

➢ For selected samples, assessed independently, the accounts that can potentially be classified as NPA and Red flagged accounts.

➢ Performed inquiries with the credit and risk departments to ascertain if there were indicators of stress or an occurrence of an event of default in a particular loan account or any product category which needed to be considered as NPA.

➢ Examined the early warning reports generated by the Bank to identify stressed loan accounts.

➢ Held specific discussions with the management of the Bank on sectors where there is a perceived credit risk and the steps taken to mitigate the risks to identified sectors.

➢ Selected and tested samples for accounts which are restructured under MSME restructuring circular and Resolution Framework for Covid-19 related stress, for their compliance with RBI directions; and

➢ Assessed the adequacy of disclosures against the relevant accounting standards and RBI requirements relating to NPAs.</td></tr>
</table>

INDEPENDENT AUDITOR'S REPORT *(Contd.)*

Key Audit Matter	How our audit addressed the Key Audit Matter

2) Evaluation of Litigations included in contingent liabilities.

(Included under contingent liabilities) (in '000)

Particulars	As at 31 March 2022	As at 31 March 2021
Legal cases	**3,201,365**	3,302,605
Taxes	**79,637,364**	70,465,484
Total Claims against Bank not acknowledged as Debt	**82,838,729**	**73,768,089**

(Refer Schedule 12 I Schedule 17(12) and Schedule 18(36))

Key Audit Matter

The Bank has material open tax litigations including matters under dispute which involve significant judgement to determine the possible outcome of these disputes.

Significant management judgement is needed in determining whether an obligation exists and whether a provision should be recognised as at the reporting date, in accordance with the accounting criteria set under Accounting Standard 29 - Provisions, Contingent Liabilities and Contingent Assets ('AS 29'), or whether it needs to be disclosed as a contingent liability. Further, significant judgements are also involved in measuring such obligations, the most significant of which are:

- Assessment of Liability: Judgement is involved in determination of whether outflow in respect of identified material matters are probable and can be estimated reliably.
- Adequacy of provisions: The appropriateness of assumption and judgements used in estimation of significant provisions; and
- Adequacy of disclosures of provision for liabilities and charges, and contingent liabilities.

The Bank's assessment is supported by the facts of matter, their own judgement, experience, and advises from legal and independent tax consultants wherever considered necessary.

Since the assessment of these open litigations requires significant level of judgement in interpretation of law, we have included this as a key audit matter.

How our audit addressed the Key Audit Matter

Our Audit procedures with respect to this matter included:

Testing the design and operating effectiveness of the Bank's key controls over the estimation, monitoring and disclosure of provisions and contingent liabilities.

Our substantive audit procedures included and were not limited to the following:

- Obtained an understanding of Bank's process for determining tax liabilities, tax provisions and contingent liabilities pertaining to legal and taxation matters;
- Obtained a list of cases /matters in respect of which the litigations were outstanding as at reporting date:
  - For significant legal matters, we sought external confirmations and corroborated with management's documented conclusions on the assessment of outstanding litigations against the Bank;
  - For significant taxation matters, we involved our tax specialists to gain an understanding of status of the litigations including understanding of various orders/ notices received by the Bank and management's grounds of appeals before the relevant appellate authorities.
- Evaluated the merit of the subject matter under consideration with reference to the grounds presented therein and available independent legal / tax advice;
- Agreed underlying tax balances to supporting documentation including correspondence with the Tax authorities; and
- Assessed the disclosures within the standalone financial statements in this regard.

INDEPENDENT AUDITOR'S REPORT *(Contd.)*

Key Audit Matter	How our audit addressed the Key Audit Matter
3) Information Technology ('IT') systems and controls impacting financial controls.	
The Bank has a complex IT architecture to support its day-to-day business operations. High volume of transactions is processed and recorded on single or multiple applications. The reliability and security of IT systems plays a key role in the business operations of the Bank. Since large volume of transactions are processed daily, the IT controls are required to ensure that applications process data as expected and that changes are made in an appropriate manner. Appropriate IT general controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately and consistently for reliable financial reporting. We have identified 'IT systems and controls' as key audit matter because of the high level automation, significant number of systems being used by the management and the complexity of the IT architecture and its impact on the financial reporting system.	Our Audit procedures with respect to this matter included: For testing the IT general controls, application controls and IT dependent manual controls, we involved IT specialists as part of the audit. The team also assisted in testing the accuracy of the information produced by the Bank's IT systems. Obtained a comprehensive understanding of IT applications landscape implemented at the Bank. It was followed by process understanding, mapping of applications to the same and understanding financial risks posed by people-process and technology. Key IT audit procedures includes testing design and operating effectiveness of key controls operating over user access management (which includes user access provisioning, de-provisioning, access review, password configuration review, segregation of duties and privilege access), change management (which include change release in production environment are compliant to the defined procedures and segregation of environment is ensured), program development (which include review of data migration activity), computer operations (which includes testing of key controls pertaining to, backup, Batch processing (including interface testing), incident management and data centre security), System interface controls. This included testing that requests for access to systems were appropriately logged, reviewed, and authorized. Also, entity level controls pertaining to policy and procedure and Business continuity plan assessment due impact of COVID-19 was also part of our audit procedure. In addition to the above, the design and operating effectiveness of certain automated controls, that were considered as key internal system controls over financial reporting were tested. Using various techniques such as inquiry, review of documentation / record / reports, observation, and re-performance. We also tested few controls using negative testing technique. Tested compensating controls and performed alternate procedures, where necessary. In addition, understood where relevant, changes made to the IT landscape during the audit period.

INDEPENDENT AUDITOR'S REPORT *(Contd.)*

Key Audit Matter	How our audit addressed the Key Audit Matter

Valuation of Derivatives

(Included under contingent liabilities) (in '000)

Particulars	As at 31 March 2022	As at 31 March 2021
Notional amounts	**37,056,016,613**	25,062,638,040

(Refer Schedule 12.III, 12.V, 12.VII and 18(14))

Key Audit Matter	How our audit addressed the Key Audit Matter
Derivatives are valued through models with external inputs. The derivatives portfolio of the Bank primarily includes transactions which are carried out on behalf of its clients (and are covered on a back-to-back basis) and transactions to hedge the Bank's interest and foreign currency risk. A significant degree of management judgement is involved in the application of valuation techniques through which the value of the Bank's derivatives is determined. The financial statement risk arises particularly with respect to complex valuation models, valuation parameters, and inputs that are used in determining fair values. Considering the significance of the above matter to the financial statements, significant management estimates and judgements, and auditor attention required to test such estimates and judgements, we have identified this as a key audit matter for current year audit.	Our audit procedures included, but were not limited to, the following: We obtained an understanding, evaluated the design, and tested the operating effectiveness of the key controls over the valuation processes, including: ➢ independent price verification performed by a management expert; and model governance and validation. On a sample basis, we performed an independent reassessment of the valuation of derivatives and evaluated significant models and methodologies used in valuation, to ensure compliance with the relevant RBI regulations, reasonableness of the valuation methodology and the inputs used.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Bank's Board of Directors are responsible for the other information. The other information comprises the information in Basel III - Pillar 3 disclosures (but does not include the standalone financial statements and our auditor's report thereon) which we obtained prior to the date of this auditor's report, and Annual Report, which is expected to be made available to us after that date.

Our opinion on the standalone financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.

INDEPENDENT AUDITOR'S REPORT *(Contd.)*

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Bank's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Bank in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, and provisions of Section 29 of the Banking Regulation Act, 1949 and the circulars and guidelines issued by the RBI from time to time (the "RBI Guidelines"). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act and the RBI Guidelines for safeguarding of the assets of the Bank 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Bank has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT *(Contd.)*

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended 31 March 2022, and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The standalone financial statements of the Bank for the year ended 31 March 2021, were audited by another auditor whose report dated 24 April 2021 expressed an unmodified opinion on those statements.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. The Balance Sheet and the Profit and Loss account have been drawn up in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949 and Section 133 of the Act and relevant rules issued thereunder.
2. As required by sub-section (3) of section 30 of the Banking Regulation Act, 1949, 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 and have found them to be satisfactory;
   b. the transactions of the Bank, which have come to our notice during the course of our audit, have been within the powers of the Bank;
   c. Since the key operations of the Bank are automated with the key applications integrated to the core banking system, the audit is carried out centrally as all the necessary records and data required for the purposes of our audit are available therein. However, during the course of our audit we visited 130 branches.
3. As required by Section 143(3) of the Act, we report that:
   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   b. In our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books;
   c. The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
   d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, and relevant rules thereunder, to the extent they are not inconsistent with the guidelines prescribed by RBI;
   e. On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

INDEPENDENT AUDITOR'S REPORT *(Contd.)*

f. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Bank and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"; and

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

   i. The Bank has disclosed the impact of pending litigations on its financial position in its standalone financial statements (Refer Schedule 12, Schedule 17(12) and Schedule 18(41));

   ii. The Bank 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 Schedule 17(12) and Schedule 18(41));

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

   iv. (1) The Management has represented that, to the best of it's knowledge and belief, 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 Bank to or in any other person(s)/entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary has, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Bank ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

   (2) The Management has represented that, to the best of it's knowledge and belief, no funds have been received by the Bank from any person(s)/entity(ies), including foreign entities ("Funding Parties"), that the Bank has 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; and

   (3) Based on the audit procedures which we have considered reasonable and appropriate in the circumstances and according to the information and explanations provided to us by the Management in this regard, nothing has come to our notice that has caused us to believe that the representations made by the Management under sub-clause (1) and (2) contain any material misstatement.

   v. The Bank has declared and paid dividend during the year which is in compliance with section 123 of the Act and the Banking Regulation Act, 1949.

h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, the Bank is a banking Company as defined under Banking Regulation Act, 1949. Accordingly, the requirements prescribed under Section 197 of the Act do not apply.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Tushar Kurani
Membership No.: 118580
UDIN: 22118580AHQWVC2236

Place: Mumbai
Date: 23 April 2022

For Khimji Kunverji & Co LLP
Chartered Accountants
ICAI Firm Registration No.105146W/W100621

Gautam Shah
Membership No.: 117348
UDIN: 22117348AHQYOK9213

Place: Mumbai
Date: 23 April 2022

ANNEXURE A to the Independent Auditors' report on the Standalone Financial Statements of ICICI Bank Limited for the year ended 31 March 2022

(Referred to in paragraph "3(f)" under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.

Opinion

1. We have audited the internal financial controls with reference to the standalone financial statements of ICICI Bank Limited ('the Bank) as at 31 March 2022 in conjunction with our audit of the standalone financial statements of the Bank for the year ended on that date.

2. In our opinion, the Bank has, in all material respects, an adequate internal financial controls with reference to the standalone financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal controls over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the Guidance Note").

Management's responsibility for Internal Financial Controls

3. The Bank's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Bank 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.

Auditor's responsibility

4. Our responsibility is to express an opinion on the Bank's internal financial controls with reference to the standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ("SA"), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the standalone financial statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

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

6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Bank's internal financial controls with reference to the standalone financial statements.

Meaning of Internal Financial Controls with reference to the Standalone Financial Statements

7. Bank's internal financial controls with reference to the standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Bank's internal financial controls with reference to the standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Bank; (2) provide reasonable assurance that transactions

ANNEXURE A *(Contd.)*

are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Bank are being made only in accordance with authorisations of management and directors of the Bank; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Bank assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements

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

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Tushar Kurani
Membership No.: 118580
UDIN: 22118580AHQWVC2236

Place: Mumbai
Date: 23 April 2022

For Khimji Kunverji & Co LLP
Chartered Accountants
ICAI Firm Registration No.105146W/W100621

Gautam Shah
Membership No.: 117348
UDIN: 22117348AHQYOK9213

Place: Mumbai
Date: 23 April 2022

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

BALANCE SHEET

at March 31, 2022

₹ in '000s

	Schedule	At 31.03.2022	At 31.03.2021
CAPITAL AND LIABILITIES			
Capital	1	**13,899,662**	13,834,104
Employees stock options outstanding		**2,664,141**	31,010
Reserves and surplus	2	**1,688,555,941**	1,461,226,736
Deposits	3	**10,645,716,132**	9,325,221,605
Borrowings	4	**1,072,313,597**	916,309,564
Other liabilities and provisions	5	**689,827,947**	587,703,739
TOTAL CAPITAL AND LIABILITIES		**14,112,977,420**	**12,304,326,758**
ASSETS			
Cash and balances with Reserve Bank of India	6	**601,208,198**	460,311,902
Balances with banks and money at call and short notice	7	**1,077,015,434**	870,970,599
Investments	8	**3,102,410,024**	2,812,865,399
Advances	9	**8,590,204,390**	7,337,290,904
Fixed assets	10	**93,738,159**	88,775,806
Other assets	11	**648,401,215**	734,112,148
TOTAL ASSETS		**14,112,977,420**	**12,304,326,758**
Contingent liabilities	12	**38,676,758,717**	26,486,406,690
Bills for collection		**751,508,328**	546,434,215
Significant accounting policies and notes to accounts	17 & 18		

The Schedules referred to above form an integral part of the Standalone Balance Sheet.

As per our Report of even date.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration no.: 105047W

Tushar Kurani
Partner
Membership no.: 118580

For **Khimji Kunverji & Co LLP**
Chartered Accountants
ICAI Firm Registration no.: 105146W/W100621

Gautam Shah
Partner
Membership no.: 117348

Mumbai
April 23, 2022

For and on behalf of the Board of Directors

Girish Chandra Chaturvedi
Chairman
DIN-00110996

Uday M. Chitale
Director
DIN-00043268

Sandeep Bakhshi
Managing Director & CEO
DIN-00109206

Vishakha Mulye
Executive Director
DIN-00203578

Anup Bagchi
Executive Director
DIN-00105962

Sandeep Batra
Executive Director
DIN-03620913

Rakesh Jha
Group Chief Financial Officer

Ranganath Athreya
Company Secretary

Rajendra Khandelwal
Chief Accountant

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended March 31, 2022

₹ in '000s

	Schedule	Year ended 31.03.2022	Year ended 31.03.2021
I. INCOME			
Interest earned	13	**863,745,452**	791,182,710
Other income	14	**185,175,299**	189,685,274
TOTAL INCOME		**1,048,920,751**	**980,867,984**
II. EXPENDITURE			
Interest expended	15	**389,084,507**	401,288,374
Operating expenses	16	**267,333,160**	215,608,340
Provisions and contingencies (refer note 18.41)		**159,108,177**	202,044,429
TOTAL EXPENDITURE		**815,525,844**	**818,941,143**
III. PROFIT/(LOSS)			
Net profit/(loss) for the year		**233,394,907**	161,926,841
Profit brought forward		**310,090,657**	213,274,679
TOTAL PROFIT/(LOSS)		**543,485,564**	**375,201,520**
IV. APPROPRIATIONS/TRANSFERS			
Transfer to Statutory Reserve		**58,349,000**	40,482,000
Transfer to/(from) Reserve Fund		**-**	(77,638)
Transfer to Capital Reserve		**15,742,037**	1,302,300
Transfer to Capital Redemption Reserve		**-**	-
Transfer to/(from) Investment Reserve Account		**-**	-
Transfer to/(from) Investment Fluctuation Reserve		**3,828,798**	(2,495,799)
Transfer to Revenue and other reserves		**-**	15,000,000
Transfer to Special Reserve		**15,000,000**	10,900,000
Dividend paid during the year		**13,852,335**	-
Balance carried over to balance sheet		**436,713,394**	310,090,657
TOTAL		**543,485,564**	**375,201,520**
Significant accounting policies and notes to accounts	17 & 18		
Earnings per share (refer note 18.1)			
Basic (₹)		**33.66**	24.01
Diluted (₹)		**32.98**	23.67
Face value per share (₹)		**2.00**	2.00

The Schedules referred to above form an integral part of the Standalone Profit and Loss Account.

As per our Report of even date.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration no.: 105047W

Tushar Kurani
Partner
Membership no.: 118580

For **Khimji Kunverji & Co LLP**
Chartered Accountants
ICAI Firm Registration no.: 105146W/W100621

Gautam Shah
Partner
Membership no.: 117348

Mumbai
April 23, 2022

For and on behalf of the Board of Directors

Girish Chandra Chaturvedi
Chairman
DIN-00110996

Uday M. Chitale
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DIN-03620913

Rakesh Jha
Group Chief Financial Officer

Ranganath Athreya
Company Secretary

Rajendra Khandelwal
Chief Accountant

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

CASH FLOW STATEMENT

for the year ended March 31, 2022

₹ in '000s

		Year ended 31.03.2022	Year ended 31.03.2021
Cash flow from/(used in) operating activities			
Profit/(loss) before taxes		**306,088,853**	201,827,176
Adjustments for:			
Depreciation and amortisation		**13,162,116**	12,013,384
Net (appreciation)/depreciation on investments[1]		**19,089,256**	(22,143,504)
Provision in respect of non-performing and other assets		**61,640,412**	107,491,259
General provision for standard assets		**4,492,475**	2,788,318
Provision for contingencies & others (including Covid-19 related provision)		**16,510,217**	53,442,673
Employee Stock Options Expense		**2,642,190**	-
Income from subsidiaries, joint ventures and consolidated entities		**(18,287,906)**	(12,339,950)
(Profit)/loss on sale of fixed assets		**(40,400)**	27,974
	(i)	**405,297,213**	**343,107,330**
Adjustments for:			
(Increase)/decrease in investments		**44,311,642**	240,666,909
(Increase)/decrease in advances		**(1,314,758,223)**	(994,947,362)
Increase/(decrease) in deposits		**1,320,494,527**	1,615,531,659
(Increase)/decrease in other assets		**50,727,916**	10,773,799
Increase/(decrease) in other liabilities and provisions		**81,334,402**	50,820,785
	(ii)	**182,110,264**	**922,845,790**
Refund/(payment) of direct taxes	(iii)	**(36,938,226)**	**(25,019,557)**
Net cash flow from/(used in) operating activities (i)+(ii)+(iii)	(A)	**550,469,251**	**1,240,933,563**
Cash flow from/(used in) investing activities			
Redemption/sale from/(investments in) subsidiaries and/or joint ventures (including application money)		**28,153,800**	37,369,338
Income from subsidiaries, joint ventures and consolidated entities		**18,287,906**	12,339,950
Purchase of fixed assets		**(16,109,856)**	(14,301,487)
Proceeds from sale of fixed assets		**208,665**	56,622
(Purchase)/sale of held-to-maturity securities		**(380,894,998)**	(570,378,440)
Net cash flow from/(used in) investing activities	(B)	**(350,354,483)**	**(534,914,017)**
Cash flow from/(used in) financing activities			
Proceeds from issue of share capital (including ESOPs)		**7,979,764**	154,600,321
Proceeds from long-term borrowings		**252,601,665**	152,089,846
Repayment of long-term borrowings		**(233,144,678)**	(377,290,832)
Net proceeds/(repayment) of short-term borrowings		**135,095,945**	(488,752,518)
Dividend and dividend tax paid		**(13,852,335)**	-
Net cash flow from/(used in) financing activities	(C)	**148,680,361**	**(559,353,183)**
Effect of exchange fluctuation on translation reserve	(D)	**(1,853,998)**	**(6,941,251)**
Net increase/(decrease) in cash and cash equivalents (A) + (B) + (C) + (D)		**346,941,131**	**139,725,112**
Cash and cash equivalents at beginning of the year		**1,331,282,501**	**1,191,557,389**
Cash and cash equivalents at end of the year		**1,678,223,632**	**1,331,282,501**

1. For the year ended March 31, 2021, includes gain on sale of a part of equity investment in ICICI Lombard General Insurance Company Limited, ICICI Prudential Life Insurance Company Limited and ICICI Securities Limited.

2. Cash and cash equivalents include cash in hand, balances with RBI, balances with other banks and money at call and short notice.

As per our Report of even date.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration no.: 105047W

Tushar Kurani
Partner
Membership no.: 118580

For **Khimji Kunverji & Co LLP**
Chartered Accountants
ICAI Firm Registration no.: 105146W/W100621

Gautam Shah
Partner
Membership no.: 117348

Mumbai
April 23, 2022

For and on behalf of the Board of Directors

Girish Chandra Chaturvedi
Chairman
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Rakesh Jha
Group Chief Financial Officer

Ranganath Athreya
Company Secretary

Rajendra Khandelwal
Chief Accountant

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Balance Sheet

₹ in '000s

	At 31.03.2022	At 31.03.2021
SCHEDULE 1 - CAPITAL		
Authorised capital		
12,500,000,000 equity shares of ₹ 2 each (March 31, 2021: 12,500,000,000 equity shares of ₹ 2 each)	**25,000,000**	**25,000,000**
Equity share capital		
Issued, subscribed and paid-up capital		
6,915,992,387 equity shares of ₹ 2 each (March 31, 2021: 6,472,765,203 equity shares)	**13,831,985**	12,945,530
Add: 32,778,988 equity shares of ₹ 2 each (March 31, 2021: 443,227,184 equity shares) issued during the year[1]	**65,558**	886,455
	13,897,543	**13,831,985**
Add: Forfeited equity shares[2]	**2,119**	2,119
TOTAL CAPITAL	**13,899,662**	**13,834,104**

1. *Represents equity shares issued pursuant to exercise of employee stock options. (March 31, 2021: 418,994,413 equity shares issued under Qualified Institutions Placement (QIP) and 24,232,771 equity shares issued pursuant to exercise of employee stock options).*
2. *On account of forfeiture of 266,089 equity shares of ₹ 10 each.*

₹ in '000s

	At 31.03.2022	At 31.03.2021
SCHEDULE 2 - RESERVES AND SURPLUS		
I. Statutory reserve		
Opening balance	**297,687,519**	257,205,519
Additions during the year	**58,349,000**	40,482,000
Deductions during the year	**-**	-
Closing balance	**356,036,519**	**297,687,519**
II. Special reserve		
Opening balance	**113,840,000**	102,940,000
Additions during the year	**15,000,000**	10,900,000
Deductions during the year	**-**	-
Closing balance	**128,840,000**	**113,840,000**
III. Securities premium		
Opening balance	**488,330,632**	334,612,918
Additions during the year[1]	**7,923,265**	154,419,403
Deductions during the year[2]	**-**	(701,689)
Closing balance	**496,253,897**	**488,330,632**
IV. Investment reserve account		
Opening balance	**-**	-
Additions during the year	**-**	-
Deductions during the year	**-**	-
Closing balance	**-**	**-**
V. Investment fluctuation reserve[3]		
Opening balance	**16,886,201**	19,382,000
Additions during the year	**3,828,798**	-
Deductions during the year	**-**	(2,495,799)
Closing balance	**20,714,999**	**16,886,201**

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Standalone Balance Sheet *(Contd.)*

₹ in '000s

	At 31.03.2022	At 31.03.2021
VI. Capital reserve		
Opening balance	**133,798,425**	132,496,125
Additions during the year[4,5]	**15,742,037**	1,302,300
Deductions during the year	**-**	-
Closing balance	**149,540,462**	**133,798,425**
VII. Capital redemption reserve		
Opening balance	**3,500,000**	3,500,000
Additions during the year	**-**	-
Deductions during the year	**-**	-
Closing balance	**3,500,000**	**3,500,000**
VIII. Foreign currency translation reserve		
Opening balance	**9,586,959**	16,528,210
Additions during the year	**-**	-
Deductions during the year	**(1,853,998)**	(6,941,251)
Closing balance	**7,732,961**	**9,586,959**
IX. Revaluation reserve		
Opening balance	**30,935,908**	31,148,705
Additions during the year[6]	**1,724,938**	461,869
Deductions during the year[7]	**(704,253)**	(674,666)
Closing balance	**31,956,593**	**30,935,908**
X. Reserve fund		
Opening balance	**-**	77,638
Additions during the year[7]	**-**	-
Deductions during the year[7]	**-**	(77,638)
Closing balance	**-**	**-**
XI. Revenue and other reserves		
Opening balance	**56,570,435**	40,895,769
Additions during the year	**696,681**	15,674,666
Deductions during the year	**-**	-
Closing balance	**57,267,116**	**56,570,435**
XII. Balance in profit and loss account[5,8]	**436,713,394**	**310,090,657**
TOTAL RESERVES AND SURPLUS	**1,688,555,941**	**1,461,226,736**

1. *Includes amount on account of exercise of employee stock options. At March 31, 2021, includes amount on account of equity shares issued under QIP and exercise of employee stock options.*
2. *Represents amount utilised towards direct expenses relating to the issuance of equity shares under QIP.*
3. *Represents amount transferred to Investment Fluctuation Reserve (IFR) on net profit on sale of AFS and HFT investments during the period. The amount not less than the lower of net profit on sale of AFS and HFT category investments during the period or net profit for the period less mandatory appropriations is required to be transferred to IFR, until the amount of IFR is at least 2% of the HFT and AFS portfolio.*
4. *Represents appropriations made for profit on sale of investments in held-to-maturity category, net of taxes and transfer to Statutory Reserve and profit on sale of land and buildings, net of taxes and transfer to Statutory Reserve.*
5. *The Bank had shifted certain securities from held-to-maturity category to available-for-sale category on May 3, 2017. RBI through its order dated May 03, 2021 has directed the Bank to appropriate the net profit made on sale of these investments during FY2018 to Capital Reserve. Accordingly, an amount of ₹ 15,091.1 million was transferred from Balance in Profit and Loss account to Capital Reserve during FY2022.*
6. *Represents gain on revaluation of premises carried out by the Bank.*
7. *Includes amount transferred from Revaluation Reserve to General Reserve on account of incremental depreciation charge on revaluation, revaluation surplus on premises sold or loss on revaluation on account of certain assets which were held for sale.*
8. *At March 31, 2021, balance in Reserve Fund created by Sri Lanka Branch was transferred to Balance in Profit and Loss Account due to its closure.*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Standalone Balance Sheet *(Contd.)*

₹ in '000s

				At 31.03.2022	At 31.03.2021
SCHEDULE 3 - DEPOSITS					
A.	**I.**	Demand deposits			
		i)	From banks	**79,700,410**	114,792,811
		ii)	From others	**1,505,096,359**	1,246,908,460
	II.	Savings bank deposits		**3,599,568,969**	2,954,533,008
	III.	Term deposits			
		i)	From banks	**71,532,495**	96,198,935
		ii)	From others	**5,389,817,899**	4,912,788,391
TOTAL DEPOSITS				**10,645,716,132**	**9,325,221,605**
B.	**I.**	Deposits of branches in India		**10,547,609,016**	9,248,880,616
	II.	Deposits of branches outside India		**98,107,116**	76,340,989
TOTAL DEPOSITS				**10,645,716,132**	**9,325,221,605**

₹ in '000s

				At 31.03.2022	At 31.03.2021
SCHEDULE 4 - BORROWINGS					
I.	**Borrowings in India**				
	i)	Reserve Bank of India[1]		**-**	1,000,000
	ii)	Other banks		**-**	6,999
	iii)	Other institutions and agencies			
		a)	Government of India	**-**	-
		b)	Financial institutions[2]	**187,168,771**	216,069,065
	iv)	Borrowings in the form of bonds and debentures (excluding subordinated debt)		**391,495,007**	197,867,850
	v)	Application money-bonds		**-**	-
	vi)	Capital instruments			
		a)	Innovative Perpetual Debt Instruments (IPDI) (qualifying as additional Tier 1 capital)	**66,950,000**	101,200,000
		b)	Hybrid debt capital instruments issued as bonds/debentures (qualifying as Tier 2 capital)	**-**	-
		c)	Unsecured redeemable debentures/bonds (subordinated debt included in Tier 2 capital)	**71,556,981**	71,258,998
TOTAL BORROWINGS IN INDIA				**717,170,759**	**587,402,912**
II.	**Borrowings outside India**				
	i)	Capital instruments		**-**	-
	ii)	Bonds and notes		**170,411,911**	171,698,692
	iii)	Other borrowings		**184,730,927**	157,207,960
TOTAL BORROWINGS OUTSIDE INDIA				**355,142,838**	**328,906,652**
TOTAL BORROWINGS				**1,072,313,597**	**916,309,564**

1. *Represents borrowings made under Liquidity Adjustment Facility (LAF).*
2. *Includes borrowings made under repo and refinance.*
3. *Secured borrowings in I and II above amount to Nil (March 31, 2021: Nil) except borrowings of ₹ 4,913.3 million (March 31, 2021: ₹ 4,999.1 million) under market repurchase transactions (including tri-party repo) with banks and financial institutions and transactions under liquidity adjustment facility and marginal standing facility.*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Standalone Balance Sheet *(Contd.)*

₹ in '000s

		At 31.03.2022	At 31.03.2021
SCHEDULE 5 - OTHER LIABILITIES AND PROVISIONS			
I.	Bills payable	**129,495,726**	123,870,614
II.	Inter-office adjustments (net)	**4,418,106**	3,262,618
III.	Interest accrued	**24,632,882**	21,389,174
IV.	Sundry creditors	**144,731,299**	121,848,376
V.	General provision for standard assets (refer note 18.19)	**40,942,883**	36,342,824
VI.	Others (including provisions)[1,2]	**345,607,051**	280,990,133
TOTAL OTHER LIABILITIES AND PROVISIONS		**689,827,947**	**587,703,739**

1. Includes contingency provision amounting to ₹ 74,500.0 million (March 31, 2021: ₹ 74,750.0 million), including Covid-19 related provision of ₹ 64,250.0 million (March 31, 2021: ₹ 74,750.0 million).

2. Includes specific provision for standard loans amounting to ₹ 30,203.0 million (March 31, 2021: ₹ 7,791.5 million).

₹ in '000s

		At 31.03.2022	At 31.03.2021
SCHEDULE 6 - CASH AND BALANCES WITH RESERVE BANK OF INDIA			
I.	Cash in hand (including foreign currency notes)	**71,208,342**	70,309,617
II.	Balances with Reserve Bank of India in current accounts	**529,999,856**	390,002,285
TOTAL CASH AND BALANCES WITH RESERVE BANK OF INDIA		**601,208,198**	**460,311,902**

₹ in '000s

				At 31.03.2022	At 31.03.2021
SCHEDULE 7 - BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE					
I.	**In India**				
	i)	Balances with banks			
		a)	In current accounts	**324,146**	526,416
		b)	In other deposit accounts	**5,321,404**	15,224
	ii)	Money at call and short notice			
		a)	With banks[1]	**494,020,000**	352,190,000
		b)	With other institutions[2]	**-**	145,670
TOTAL				**499,665,550**	**352,877,310**
II.	**Outside India**				
	i)	In current accounts		**302,607,893**	263,159,331
	ii)	In other deposit accounts		**179,630,804**	198,990,362
	iii)	Money at call and short notice		**95,111,187**	55,943,596
TOTAL				**577,349,884**	**518,093,289**
TOTAL BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE				**1,077,015,434**	**870,970,599**

1. Includes lending under Liquidity Adjustment Facility (LAF).

2. Includes lending under reverse repo.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Standalone Balance Sheet *(Contd.)*

₹ in '000s

	At 31.03.2022	At 31.03.2021
SCHEDULE 8 - INVESTMENTS		
I. Investments in India [net of provisions]		
i) Government securities	**2,563,877,338**	2,136,207,918
ii) Other approved securities	**-**	-
iii) Shares (includes equity and preference shares)	**24,135,943**	28,220,174
iv) Debentures and bonds (including commercial paper and certificate of deposits)	**225,803,491**	270,018,106
v) Subsidiaries and/or joint ventures[1]	**66,264,177**	60,738,869
vi) Others (mutual fund units, pass through certificates, security receipts, and other related investments)	**71,922,592**	111,822,514
TOTAL INVESTMENTS IN INDIA	**2,952,003,541**	**2,607,007,581**
II. Investments outside India [net of provisions]		
i) Government securities	**107,340,857**	151,622,342
ii) Subsidiaries and/or joint ventures abroad (includes equity and preference shares)	**19,698,901**	36,826,862
iii) Others (equity shares, bonds and certificate of deposits)	**23,366,725**	17,408,614
TOTAL INVESTMENTS OUTSIDE INDIA	**150,406,483**	**205,857,818**
TOTAL INVESTMENTS	**3,102,410,024**	**2,812,865,399**
A. Investments in India		
Gross value of investments	**3,002,256,404**	2,655,692,360
Less: Aggregate of provision/depreciation/(appreciation)	**50,252,863**	48,684,779
Net investments	**2,952,003,541**	**2,607,007,581**
B. Investments outside India		
Gross value of investments	**151,569,301**	206,964,172
Less: Aggregate of provision/depreciation/(appreciation)	**1,162,818**	1,106,354
Net investments	**150,406,483**	**205,857,818**
TOTAL INVESTMENTS	**3,102,410,024**	**2,812,865,399**

1. *During the year ended March 31, 2021, the Bank sold a part of its equity investment in ICICI Lombard General Insurance Company Limited, ICICI Prudential Life Insurance Company Limited and ICICI Securities Limited.*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Standalone Balance Sheet *(Contd.)*

₹ in '000s

					At 31.03.2022	At 31.03.2021
SCHEDULE 9 - ADVANCES [net of provisions]						
A.	i)	Bills purchased and discounted[1]			**475,480,187**	335,109,843
	ii)	Cash credits, overdrafts and loans repayable on demand			**2,279,069,891**	1,846,093,909
	iii)	Term loans			**5,835,654,312**	5,156,087,152
TOTAL ADVANCES					**8,590,204,390**	**7,337,290,904**
B.	i)	Secured by tangible assets (includes advances against book debts)[2]			**6,136,277,576**	5,302,794,936
	ii)	Covered by bank/government guarantees			**178,653,112**	106,820,866
	iii)	Unsecured			**2,275,273,702**	1,927,675,102
TOTAL ADVANCES					**8,590,204,390**	**7,337,290,904**
C.	**I.**	**Advances in India**				
		i)	Priority sector		**2,491,680,887**	2,031,797,475
		ii)	Public sector		**483,782,406**	451,897,529
		iii)	Banks		**432,346**	264,743
		iv)	Others		**5,201,460,769**	4,477,427,682
TOTAL ADVANCES IN INDIA					**8,177,356,408**	**6,961,387,429**
	II.	**Advances outside India**				
		i)	Due from banks		**-**	2,773,789
		ii)	Due from others			
			a)	Bills purchased and discounted	**173,178,388**	78,351,968
			b)	Syndicated and term loans	**85,793,092**	168,266,427
			c)	Others	**153,876,502**	126,511,291
TOTAL ADVANCES OUTSIDE INDIA					**412,847,982**	**375,903,475**
TOTAL ADVANCES					**8,590,204,390**	**7,337,290,904**

1. Net of bills re-discounted amounting to Nil (March 31, 2021: Nil).

2. Includes advances against book debts amounting to ₹ 666,112.1 million (March 31, 2021: ₹ 588,321.5 million).

FINANCIAL STATEMENTS OF ICICI BANK LIMITED
SCHEDULES
forming part of the Standalone Balance Sheet *(Contd.)*

₹ in '000s

		At 31.03.2022	At 31.03.2021
SCHEDULE 10 - FIXED ASSETS			
I.	**Premises**		
	Gross block		
	At cost at March 31 of preceding year	**78,890,743**	77,468,304
	Additions during the year[1]	**2,993,921**	1,656,933
	Deductions during the year	**(397,723)**	(234,494)
	Closing balance	**81,486,941**	**78,890,743**
	Depreciation		
	At March 31 of preceding year	**18,421,307**	16,668,165
	Charge during the year[2]	**2,038,226**	1,974,520
	Deductions during the year	**(279,524)**	(221,378)
	Total depreciation	**20,180,009**	**18,421,307**
	Net block	**61,306,932**	**60,469,436**
II.	**Other fixed assets (including furniture and fixtures)**		
	Gross block		
	At cost at March 31 of preceding year	**78,861,437**	68,735,008
	Additions during the year	**13,724,162**	13,185,789
	Deductions during the year	**(3,813,161)**	(3,059,360)
	Closing balance	**88,772,438**	**78,861,437**
	Depreciation		
	At March 31 of preceding year	**53,842,117**	48,172,061
	Charge during the year	**9,484,874**	8,609,517
	Deductions during the year	**(3,731,120)**	(2,939,461)
	Total depreciation	**59,595,871**	**53,842,117**
	Net block	**29,176,567**	**25,019,320**
III.	**Lease assets**		
	Gross block		
	At cost at March 31 of preceding year	**17,735,222**	17,054,049
	Additions during the year	**155,524**	681,173
	Deductions during the year	**-**	-
	Closing balance[3]	**17,890,746**	**17,735,222**
	Depreciation		
	At March 31 of preceding year	**14,448,172**	14,314,282
	Charge during the year	**187,914**	133,890
	Deductions during the year	**-**	-
	Total depreciation, accumulated lease adjustment and provisions	**14,636,086**	**14,448,172**
	Net block	**3,254,660**	**3,287,050**
TOTAL FIXED ASSETS		**93,738,159**	**88,775,806**

1. *Includes revaluation gain amounting to ₹ 1,724.9 million (March 31, 2021: ₹ 461.9 million) on account of revaluation carried out by the Bank.*
2. *Includes depreciation charge on account of revaluation amounting to ₹ 696.7 million for the year ended March 31, 2022 (year ended March 31, 2021: ₹ 674.7 million).*
3. *Includes assets taken on lease amounting to ₹ 1,176.1 million (March 31, 2021: ₹ 1,020.6 million).*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED
SCHEDULES
forming part of the Standalone Balance Sheet *(Contd.)*

₹ in '000s

	At 31.03.2022	At 31.03.2021
SCHEDULE 11 - OTHER ASSETS		
I. Inter-office adjustments (net)	**-**	-
II. Interest accrued	**88,248,164**	86,278,179
III. Tax paid in advance/tax deducted at source (net)	**21,463,118**	46,381,798
IV. Stationery and stamps	**3,451**	4,665
V. Non-banking assets acquired in satisfaction of claims[1,2]	**-**	-
VI. Advances for capital assets	**3,680,645**	2,907,943
VII. Deposits	**35,163,419**	24,025,670
VIII. Deferred tax assets (net) (refer note 18.43)	**77,732,740**	87,444,731
IX. Deposits in Rural Infrastructure and Development Fund	**264,194,161**	311,777,207
X. Others	**157,915,517**	175,291,955
TOTAL OTHER ASSETS	**648,401,215**	**734,112,148**

1. *During the year ended March 31, 2022, the Bank has not acquired any assets (year ended March 31, 2021: Nil) in satisfaction of claims under debt-asset swap transactions. Assets amounting to ₹ 563.6 million were sold during the year ended March 31, 2022 (year ended March 31, 2021: ₹ 942.4 million).*
2. *Net of provision amounting to ₹ 29,011.8 million (March 31, 2021: ₹ 29,575.4 million).*

₹ in '000s

	At 31.03.2022	At 31.03.2021
SCHEDULE 12 - CONTINGENT LIABILITIES		
I. Claims against the Bank not acknowledged as debts	**82,838,729**	73,768,089
II. Liability for partly paid investments	**12,455**	12,455
III. Liability on account of outstanding forward exchange contracts[1]	**10,645,244,026**	8,152,789,862
IV. Guarantees given on behalf of constituents		
a) In India	**882,110,255**	816,769,649
b) Outside India	**155,637,359**	178,245,678
V. Acceptances, endorsements and other obligations	**462,814,238**	324,236,366
VI. Currency swaps[1]	**498,337,575**	481,715,704
VII. Interest rate swaps, currency options and interest rate futures[1]	**25,912,435,012**	16,428,132,474
VIII. Other items for which the Bank is contingently liable	**37,329,068**	30,736,413
TOTAL CONTINGENT LIABILITIES	**38,676,758,717**	**26,486,406,690**

1. *Represents notional amount.*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Profit and Loss Account

₹ in '000s

		Year ended 31.03.2022	Year ended 31.03.2021
SCHEDULE 13 - INTEREST EARNED			
I.	Interest/discount on advances/bills	**638,335,578**	572,888,123
II.	Income on investments	**164,092,693**	165,397,817
III.	Interest on balances with Reserve Bank of India and other inter-bank funds	**15,608,305**	16,319,050
IV.	Others[1,2]	**45,708,876**	36,577,720
TOTAL INTEREST EARNED		**863,745,452**	**791,182,710**

1. *Includes interest on income tax refunds amounting to ₹ 2,434.2 million (March 31, 2021: ₹ 2,569.3 million).*
2. *Includes interest and amortisation of premium on non-trading interest rate swaps and foreign currency swaps.*

₹ in '000s

		Year ended 31.03.2022	Year ended 31.03.2021
SCHEDULE 14 - OTHER INCOME			
I.	Commission, exchange and brokerage	**126,396,696**	104,867,542
II.	Profit/(loss) on sale of investments (net)[1]	**7,043,249**	53,302,497
III.	Profit/(loss) on revaluation of investments (net)	**(17,653)**	(1,564,373)
IV.	Profit/(loss) on sale of land, buildings and other assets (net)[2]	**40,400**	(27,974)
V.	Profit/(loss) on exchange/derivative transactions (net)	**29,634,217**	19,170,981
VI.	Income earned by way of dividends, etc. from subsidiary companies and/or joint ventures abroad/in India	**18,287,906**	12,339,950
VII.	Miscellaneous income (including lease income)	**3,790,484**	1,596,652
TOTAL OTHER INCOME		**185,175,299**	**189,685,274**

1. *For the year ended March 31, 2021, includes gain on sale of a part of equity investment in ICICI Lombard General Insurance Company Limited, ICICI Prudential Life Insurance Company Limited and ICICI Securities Limited.*
2. *Includes profit/(loss) on sale of assets given on lease.*

₹ in '000s

		Year ended 31.03.2022	Year ended 31.03.2021
SCHEDULE 15 - INTEREST EXPENDED			
I.	Interest on deposits	**333,001,545**	332,563,139
II.	Interest on Reserve Bank of India/inter-bank borrowings	**909,329**	6,762,168
III.	Others (including interest on borrowings of erstwhile ICICI Limited)	**55,173,633**	61,963,067
TOTAL INTEREST EXPENDED		**389,084,507**	**401,288,374**

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Profit and Loss Account *(Contd.)*

₹ in '000s

		Year ended 31.03.2022	Year ended 31.03.2021
SCHEDULE 16 - OPERATING EXPENSES			
I.	Payments to and provisions for employees[1]	**96,727,472**	80,917,790
II.	Rent, taxes and lighting[2]	**12,410,538**	11,598,363
III.	Printing and stationery	**2,058,744**	1,813,495
IV.	Advertisement and publicity	**10,073,452**	6,172,743
V.	Depreciation on Bank's property	**11,523,100**	10,584,038
VI.	Depreciation (including lease equalisation) on leased assets	**187,914**	133,877
VII.	Directors' fees, allowances and expenses	**45,484**	38,157
VIII.	Auditors' fees and expenses	**52,962**	94,195
IX.	Law charges	**1,150,521**	974,632
X.	Postages, courier, telephones, etc.	**5,725,178**	4,253,640
XI.	Repairs and maintenance	**24,649,279**	19,507,374
XII.	Insurance	**12,944,781**	11,030,824
XIII.	Direct marketing agency expenses	**22,568,493**	16,820,872
XIV.	Other expenditure[3]	**67,215,242**	51,668,340
TOTAL OPERATING EXPENSES		**267,333,160**	**215,608,340**

1. *For the year ended March 31, 2022, includes impact of ₹ 2,642.2 million due to change in accounting policy from intrinsic value method to fair value method for all stock options granted after March 31, 2021 under the Bank's Employee Stock Option Scheme.*
2. *Includes lease expense amounting to ₹ 9,860.8 million (March 31, 2021: ₹ 9,044.8 million).*
3. *Includes expenses on purchase of Priority Sector Lending Certificates (PSLC) amounting to ₹ 13,206.1 million (March 31, 2021: ₹ 7,813.8 million).*
4. *Net of recoveries from group companies towards shared services.*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts

SCHEDULE 17

SIGNIFICANT ACCOUNTING POLICIES

Overview

ICICI Bank Limited (ICICI Bank or the Bank), incorporated in Vadodara, India is a publicly held banking company engaged in providing a wide range of banking and financial services including commercial banking and treasury operations. ICICI Bank is a banking company governed by the Banking Regulation Act, 1949. The Bank also has overseas branches in Bahrain, China, Dubai, Hong Kong, Singapore, South Africa, United States of America and Offshore Banking units.

Basis of preparation

The financial statements have been prepared in accordance with requirements prescribed under the Third Schedule of the Banking Regulation Act, 1949. The accounting and reporting policies of ICICI Bank used in the preparation of these financial statements conform to Generally Accepted Accounting Principles in India (Indian GAAP), the guidelines issued by Reserve Bank of India (RBI) from time to time and the Accounting Standards notified under Section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 to the extent applicable and practices generally prevalent in the banking industry in India. The Bank follows the historical cost convention and the accrual method of accounting, except in the case of interest and other income on non-performing assets (NPAs) where it is recognised upon realisation.

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that are considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. The impact of any revision in these estimates is recognised prospectively from the period of change.

SIGNIFICANT ACCOUNTING POLICIES

1. Revenue recognition

a) Interest income is recognised in the profit and loss account as it accrues, including for cases where moratorium has been extended for payments of principal and/or interest as per RBI guideline dated March 27, 2020, except in the case of non-performing assets (NPAs) where it is recognised upon realisation, as per the income recognition and asset classification norms of RBI.

b) Income on discounted instruments is recognised over the tenure of the instrument on a constant yield basis.

c) Dividend income is accounted on accrual basis when the right to receive the dividend is established.

d) Loan processing fee is accounted for upfront when it becomes due.

e) Project appraisal/structuring fee is accounted for on the completion of the agreed service.

f) Arranger fee is accounted for as income when a significant portion of the arrangement is completed and right to receive is established.

g) Commission received on guarantees and letters of credit issued is amortised on a straight-line basis over the period of the guarantee/letters of credit.

h) The annual/renewal fee on credit cards, debit cards and prepaid cards are amortised on a straight line basis over one year.

i) Fees paid/received for priority sector lending certificates (PSLC) is amortised on straight-line basis over the period of the certificate.

j) All other fees are accounted for as and when they become due where the Bank is reasonably certain of ultimate collection.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

2. Investments

Investments are accounted for in accordance with the extant RBI guidelines on investment classification and valuation.

The Bank follows trade date method of accounting for purchase and sale of investments, except for government of India and state government securities where settlement date method of accounting is followed in accordance with RBI guidelines.

Classification:

All investments are classified into 'Held to Maturity' (HTM), 'Available for Sale' (AFS) and 'Held for Trading' (HFT) on the date of purchase as per the extant RBI guidelines on investment classification and valuation. Reclassifications, if any, in any category are accounted for as per RBI guidelines. Under each classification, the investments are further categorised as (a) government securities, (b) other approved securities, (c) shares, (d) bonds and debentures, (e) subsidiaries and joint ventures and (f) others.

Investments that are held principally for resale within 90 days from the date of purchase are classified as HFT securities. Investments which the Bank intends to hold till maturity are classified as HTM securities. Investments which are not classified in either of the above categories are classified under AFS securities. Investments in the equity of subsidiaries/joint ventures are classified under HTM or AFS categories.

Cost of acquisition:

Costs, including brokerage and commission pertaining to investments paid at the time of acquisition and broken period interest (the amount of interest from the previous interest payment date till the date of purchase of instruments) on debt instruments, are charged to the profit and loss account.

Valuation:

Securities are valued scrip-wise. Depreciation/appreciation on securities, other than those acquired by way of conversion of outstanding loans, is aggregated for each category. Net appreciation in each category under each investment classification, if any, being unrealised, is ignored, while net depreciation is provided for. The depreciation on securities acquired by way of conversion of outstanding loans is fully provided for. Non-performing investments are identified based on the RBI guidelines.

HTM securities are carried at their acquisition cost or at amortised cost, if acquired at a premium over the face value. Any premium over the face value of fixed rate and floating rate securities acquired is amortised over the remaining period to maturity on a constant yield basis and straight line basis respectively.

AFS and HFT securities are valued periodically as per RBI guidelines. Any premium over the face value of fixed rate and floating rate investments in government securities, classified as AFS, is amortised over the remaining period to maturity on constant yield basis and straight line basis respectively. Quoted investments are valued based on the closing quotes on the recognised stock exchanges or prices declared by Primary Dealers Association of India (PDAI) jointly with Fixed Income Money Market and Derivatives Association (FIMMDA)/Financial Benchmark India Private Limited (FBIL), periodically.

The market/fair value of unquoted government securities which are in nature of Statutory Liquidity Ratio (SLR) securities included in the 'Available for Sale' and 'Held for Trading' categories is as per the rates published by FBIL. The valuation of other unquoted fixed income securities, including Pass Through Certificates, wherever linked to the Yield-to-Maturity (YTM) rates, is computed with a mark-up (reflecting associated credit risk) over the YTM rates for government securities published by FIMMDA. The sovereign foreign securities and non-INR India linked bonds are valued on the basis of prices published by the sovereign regulator or counterparty quotes.

Treasury bills, commercial papers and certificate of deposits being discounted instruments, are valued at carrying cost.

The units of mutual funds are valued at the latest repurchase price/net asset value declared by the mutual fund. Unquoted equity shares are valued at the break-up value, if the latest balance sheet is available, or at ₹1, as per RBI guidelines.

At the end of each reporting period, security receipts issued by the asset reconstruction companies are valued in accordance with the guidelines applicable to such instruments, prescribed by RBI from time to time. Accordingly, in cases where the cash flows from security receipts issued by the asset reconstruction companies are limited to the actual realisation of the financial assets assigned to the instruments in the concerned scheme, the Bank reckons the net asset value obtained from the asset reconstruction company from time to time, for valuation of such investments at each reporting period end. The Bank makes additional provisions on the security receipts based on the remaining period for the resolution period to end. The security receipts which are outstanding and not redeemed as at the end of the resolution period are treated as loss assets and are fully provided for.

The Bank assesses investments in subsidiaries for any other than temporary diminution in value and appropriate provisions are made.

Disposal:

Gain/loss on sale of investments is recognised in the profit and loss Account. Cost of investments is computed based on the First-In-First-Out (FIFO) method. The profit from sale of investment under HTM category, net of taxes and transfer to statutory reserve is transferred to “Capital Reserve” in accordance with the RBI Guidelines.

Short sale:

The Bank undertakes short sale transactions in dated central government securities in accordance with RBI guidelines. The short positions are categorised under HFT category and are marked to market. The mark-to-market loss is charged to profit and loss account and gain, if any, is ignored as per RBI guidelines.

Repurchase transactions:

Market repurchase, reverse repurchase and transactions with RBI under Liquidity Adjustment Facility (LAF) are accounted for as borrowing and lending transactions in accordance with the extant RBI guidelines.

3. Provision/write-offs on loans and other credit facilities

Classification:

The Bank classifies its loans and investments, including at overseas branches and overdues arising from crystallised derivative contracts, into performing and NPAs in accordance with RBI guidelines. Loans and advances held at the overseas branches that are identified as impaired as per host country regulations but which are standard as per the extant RBI guidelines are classified as NPAs to the extent of amount outstanding in the respective host country. In accordance with the RBI circular dated April 17, 2020, the moratorium granted to certain borrowers is excluded from the determination of number of days past-due/out-of-order status for the purpose of asset classification. Further, NPAs are classified into sub-standard, doubtful and loss assets based on the criteria stipulated by RBI. Interest on non-performing advances is transferred to an interest suspense account and not recognised in profit and loss account until received.

The Bank considers an account as restructured, where for economic or legal reasons relating to the borrower’s financial difficulty, the Bank grants concessions to the borrower, that the Bank would not otherwise consider. The moratorium granted to the borrowers based on RBI guidelines is not accounted as restructuring of loan. The RBI guidelines on ‘Resolution Framework for COVID-19-related Stress’ provide a prudential framework for resolution plan of certain loans. The borrowers where resolution plan was implemented under these guidelines are classified as standard restructured.

Non-performing and restructured loans are upgraded to standard as per the extant RBI guidelines or host country regulations, as applicable.

Provisioning:

In the case of corporate loans and advances, provisions are made for sub-standard and doubtful assets at rates prescribed by RBI. Loss assets and the unsecured portion of doubtful assets are fully provided. For impaired loans and advances held in overseas branches, which are performing as per RBI guidelines, provisions are made as per the host country regulations. For loans and advances held in overseas branches, which are NPAs both as per the RBI guidelines and host country regulations, provisions are made at the higher of the provisions required under RBI guidelines and host country regulations. Provisions on homogeneous non-performing retail loans and advances, subject to minimum provisioning requirements of RBI, are made on the basis of the ageing of the loan. The specific provisions on non-performing retail loans and advances held by the Bank are higher than the minimum regulatory requirements.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

In respect of non-retail loans reported as fraud to RBI the entire amount, is provided for over a period not exceeding four quarters starting from the quarter in which fraud has been detected. In respect of non-retail loans where there has been delay in reporting the fraud to the RBI or which are classified as loss accounts, the entire amount is provided immediately. In case of fraud in retail accounts, the entire amount is provided immediately. In respect of borrowers classified as non-cooperative borrowers or willful defaulters, the Bank makes accelerated provisions as per RBI guidelines.

The Bank holds specific provisions against non-performing loans and advances and against certain performing loans and advances in accordance with RBI directions, including RBI direction for provision on accounts referred to the National Company Law Tribunal (NCLT) under the Insolvency and Bankruptcy Code, 2016.

The Bank makes provision on restructured loans subject to minimum requirements as per RBI guidelines. Provision due to diminution in the fair value of restructured/rescheduled loans and advances is made in accordance with the applicable RBI guidelines.

In terms of RBI guidelines, the NPAs are written-off in accordance with the Bank's policy. Amounts recovered against bad debts written-off are recognised in the profit and loss account.

The Bank maintains general provision on performing loans and advances in accordance with the RBI guidelines, including provisions on loans to borrowers having unhedged foreign currency exposure, provisions on loans to specific borrowers in specific stressed sectors, provision on exposures to step-down subsidiaries of Indian companies and provision on incremental exposure to borrowers identified as per RBI's large exposure framework. For performing loans and advances in overseas branches, the general provision is made at higher of aggregate provision required as per host country regulations and RBI requirement.

In addition to the provisions required to be held according to the asset classification status, provisions are held for individual country exposures including indirect country risk (other than for home country exposure). The countries are categorised into seven risk categories namely insignificant, low, moderately low, moderate, moderately high, high and very high, and provisioning is made on exposures exceeding 180 days on a graded scale ranging from 0.25% to 25%. For exposures with contractual maturity of less than 180 days, provision is required to be held at 25% of the rates applicable to exposures exceeding 180 days. The indirect exposure is reckoned at 50% of the exposure. If the Bank's net funded exposure in respect of a country is less than 1% of its total assets, no provision is required on such country exposure.

The Bank makes additional provisions as per RBI guidelines for the cases where viable resolution plan has not been implemented within the timelines prescribed by the RBI, from the date of default. These additional provisions are written-back on satisfying the conditions for reversal as per RBI guidelines.

The Bank, on prudent basis, has made Covid-19 related provision on certain borrowers, including those who had taken moratorium at any time during FY2021 under the extant RBI guidelines. This provision is included as contingency provision in the books. The Bank also makes additional contingency provision on certain standard assets. The contingency provision is included in 'Other Liabilities and Provisions'.

The Bank has a Board approved policy for making floating provision, which is in addition to the specific and general provisions made by the Bank. The floating provision is utilised, with the approval of Board and RBI, in case of contingencies which do not arise in the normal course of business and are exceptional and non-recurring in nature and for making specific provision for impaired loans as per the requirement if extant RBI guidelines or any regulatory guidance/instructions. The floating provision is netted-off from advances.

Depreciation/provision on non-performing investments is made based on the RBI guidelines.

4. Transfer and servicing of assets

The Bank transfers commercial and consumer loans through securitisation transactions. The transferred loans are de-recognised and gains/losses are accounted for, only if the Bank surrenders the right to benefits specified in the underlying securitised loan contract. Recourse and servicing obligations are accounted for net of provisions.

In accordance with the RBI guidelines for securitisation of standard assets, with effect from February 1, 2006, the profit/premium arising from securitisation is amortised over the life of the securities issued or to be issued by the special purpose vehicle to which the assets are sold. With effect from May 7, 2012, the RBI guidelines require the profit/premium arising from securitisation to be amortised based on the method prescribed in the guidelines. As per the RBI guidelines issued on September 24, 2021, gain realised at the time of securitisation of loans is accounted through profit and loss account on completion of transaction. The Bank accounts for any loss arising from securitisation immediately at the time of sale.

The unrealised gains, associated with expected future margin income is recognised in profit and loss account on receipt of cash, after absorbing losses, if any.

Net income arising from sale of loan assets through direct assignment with recourse obligation is amortised over the life of underlying assets sold and net income from sale of loan assets through direct assignment, without any recourse obligation, is recognised at the time of sale. Net loss arising on account of direct assignment of loan assets is recognised at the time of sale. As per the RBI guidelines issued on September 24, 2021, any loss or realised gain from sale of loan assets through direct assignment is accounted through profit and loss account on completion of transaction.

The acquired loans is carried at acquisition cost. In case premium is paid on a loan acquired, premium is amortised over the loan tenure.

In accordance with RBI guidelines, in case of non-performing loans sold to Asset Reconstruction Companies (ARCs), the Bank reverses the excess provision in profit and loss account in the year in which amounts are received. Any shortfall of sale value over the net book value on sale of such assets is recognised by the Bank in the year in which the loan is sold.

5. Fixed assets

Fixed assets, other than premises, are carried at cost less accumulated depreciation and impairment, if any. Premises are carried at revalued amount, being fair value at the date of revaluation less accumulated depreciation. Cost includes freight, duties, taxes and incidental expenses related to the acquisition and installation of the asset.

Depreciation is charged over the estimated useful life of fixed assets on a straight-line basis. Assets purchased/sold during the year are depreciated on a pro-rata basis for the actual number of days the asset has been capitalised. Assets individually costing upto ₹ 5,000/- are depreciated fully in the year of acquisition.

In case of revalued/impaired assets, depreciation is provided over the remaining useful life of the assets with reference to revised asset values. In case of premises, which are carried at revalued amounts, the depreciation on the excess of revalued amount over historical cost is transferred from Revaluation Reserve to General Reserve annually. The profit on sale of premises is appropriated to Capital Reserve, net of transfer to Statutory Reserve and taxes, in accordance with RBI guidelines.

The useful lives of the groups of fixed assets are given below.

Asset	**Useful life**
Premises owned by the Bank	60 years
Leased assets and improvements to leasehold premises	60 years or lease period whichever is lower
ATMs[1]	5-8 years
Plant and machinery[1] (including office equipment)	5-10 years
Electric installations and equipments	10-15 years
Computers	3 years
Servers and network equipment[1]	4-10 years
Furniture and fixtures[1]	5-10 years
Motor vehicles[1]	5 years
Others (including software)[1,2]	3-4 years

1. *The useful life of fixed assets is based on historical experience of the Bank, which is different from the useful life as prescribed in Schedule II to the Companies Act, 2013.*
2. *Excludes software which are procured based on licensing arrangements and depreciated over the period of license.*
3. *Assets at residences of Bank's employees are depreciated over the estimated useful life of 5 years.*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

Non-banking assets

Non-banking assets (NBAs) acquired in satisfaction of claims are valued at the market value on a distress sale basis or value of loan, whichever is lower. Further, the Bank creates provision on these assets as per the extant RBI guidelines or specific RBI directions.

6. Translation of foreign currency items

Foreign currency income and expenditure items of domestic operations are translated at the exchange rates prevailing on the date of the transaction. Income and expenditure items of integral foreign operations (representative offices) are translated at daily closing rates, and income and expenditure items of non-integral foreign operations (foreign branches and offshore banking units) are translated at quarterly average closing rates.

Monetary foreign currency assets and liabilities of domestic and integral foreign operations are translated at closing exchange rates notified by Foreign Exchange Dealers' Association of India (FEDAI) relevant to the balance sheet date and the resulting gains/losses are recognised in the profit and loss account.

Both monetary and non-monetary foreign currency assets and liabilities of non-integral foreign operations are translated at relevant closing exchange rates notified by FEDAI at the balance sheet date and the resulting gains/losses from exchange differences are accumulated in the foreign currency translation reserve until the disposal of the net investment in the non-integral foreign operations. Pursuant to RBI guideline, the Bank does not recognise the cumulative/proportionate amount of such exchange differences as income or expenses, which relate to repatriation of accumulated retained earnings from overseas operations, in the profit and loss account.

Contingent liabilities on account of guarantees, endorsements and other obligations denominated in foreign currencies are disclosed at the closing exchange rates notified by FEDAI relevant to the balance sheet date.

7. Foreign exchange and derivative contracts

The forward exchange contracts that are not intended for trading and are entered into to establish the amount of reporting currency required or available at the settlement date of a transaction are effectively valued at closing spot rate. The premium or discount arising on inception of such forward exchange contracts is amortised over the life of the contract as interest income/expense. All other outstanding forward exchange contracts are revalued based on the exchange rates notified by FEDAI for specified maturities and at interpolated rates for contracts of interim maturities. The contracts of longer maturities where exchange rates are not notified by FEDAI are revalued based on the forward exchange rates implied by the swap curves in respective currencies. The resultant gains or losses are recognised in the profit and loss account.

The swap contracts entered to hedge on-balance sheet assets and liabilities are structured such that they bear an opposite and offsetting impact with the underlying on-balance sheet items. The impact of such derivative instruments is correlated with the movement of underlying assets and liabilities and accounted pursuant to the principles of hedge accounting. The Bank identifies the hedged item (asset or liability) at the inception of the transaction itself. Hedge effectiveness is ascertained at the time of the inception of the hedge and periodically thereafter. Based on RBI circular issued on June 26, 2019, the accounting of hedge relationships established after June 26, 2019 is in accordance with the Guidance note on Accounting for Derivative Contracts issued by ICAI. The swaps under hedge relationships established prior to that date are accounted for on an accrual basis and are not marked to market unless their underlying transaction is marked-to-market. Gains or losses arising from hedge ineffectiveness, if any, are recognised in the profit and loss Account.

The derivative contracts entered into for trading purposes are marked-to-market and the resulting gain or loss is accounted for in the profit and loss account. Pursuant to RBI guidelines, any receivables under derivative contracts which remain overdue for more than 90 days and mark-to-market gains on other derivative contracts with the same counter-parties are reversed through profit and loss account.

8. Employee Stock Option Scheme (ESOS)

The Employees Stock Option Scheme (the Scheme) provides for grant of options on the Bank's equity shares to wholetime directors and employees of the Bank and its subsidiaries. The options granted vest in a graded manner and may be exercised within a specified period.

Till March 31, 2021, the Bank recognised cost of stock options granted under Employee Stock Option Scheme, using intrinsic value method. Under Intrinsic value method, options cost is measured as the excess, if any, of the fair market price of the underlying stock over the exercise price on the grant date. The fair market price is the closing price on the stock exchange with highest trading volume of the underlying shares, immediately prior to the grant date.

Pursuant to RBI clarification dated August 30, 2021, the cost of stock options granted after March 31, 2021 is recognised based on fair value method. The cost of stock options granted up to March 31, 2021 continues to be recognised on intrinsic value method. The Bank uses Black-Scholes model to fair value the options on the grant date and the inputs used in the valuation model include assumptions such as the expected life of the share option, volatility, risk free rate and dividend yield.

The cost of stock options is recognised in the profit and loss account over the vesting period.

9. Employee Benefits

Gratuity

The Bank pays gratuity, a defined benefit plan, to employees who retire or resign after a minimum prescribed period of continuous service and in case of employees at overseas locations as per the rules in force in the respective countries. The Bank makes contribution to recognised trust which administers the funds on its own account or through insurance companies.

Actuarial valuation of the gratuity liability is determined by an independent actuary appointed by the Bank. 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 the profit and loss account.

Superannuation Fund and National Pension Scheme

The Bank has a superannuation fund, a defined contribution plan, which is administered by trustees and managed by insurance companies. The Bank contributes 15.0% of the total annual basic salary for certain employees to superannuation funds. Further, the Bank contributes upto 10.0% of the total basic salary of certain employees to National Pension Scheme (NPS), a defined contribution plan, which is managed and administered by pension fund management companies. The employees are given an option to receive the amount in cash in lieu of such contributions along with their monthly salary during their employment.

The amounts so contributed/paid by the Bank to the superannuation fund and NPS or to employees during the year are recognised in the profit and loss account. The Bank has no liability towards future benefits under superannuation fund and national pension scheme other than its annual contribution.

Pension

The Bank provides for pension, a defined benefit plan, covering eligible employees of erstwhile Bank of Madura, erstwhile Sangli Bank and erstwhile Bank of Rajasthan. The Bank makes contribution to a trust which administers the funds on its own account or through insurance companies. The plan provides for pension payment including dearness relief on a monthly basis to these employees on their retirement based on the respective employee’s years of service with the Bank and applicable salary.

Actuarial valuation of the pension liability is determined by an independent actuary appointed by the Bank. Actuarial valuation of pension liability is calculated 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 the profit and loss account.

Employees covered by the pension plan are not eligible for employer’s contribution under the provident fund plan.

Provident Fund

The Bank is statutorily required to maintain a provident fund, a defined benefit plan, as a part of retirement benefits to its employees. Each employee contributes a certain percentage of his or her basic salary and the Bank contributes an equal amount for eligible employees. The Bank makes contribution as required by The Employees’ Provident Funds

FINANCIAL STATEMENTS OF ICICI BANK LIMITED
SCHEDULES
forming part of the Accounts *(Contd.)*

and Miscellaneous Provisions Act, 1952 to Employees' Pension Scheme administered by the Regional Provident Fund Commissioner. The Bank makes balance contributions to a fund administered by trustees. The funds are invested according to the rules prescribed by the Government of India. The Bank recognises such contribution as an expense in the year in which it is incurred.

Interest payable on provident fund should not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952. Actuarial valuation for the interest obligation on the provident fund balances is determined by an actuary appointed by the Bank.

The actuarial gains or losses arising during the year are recognised in the profit and loss account.

The overseas branches of the Bank and its eligible employees contribute a certain percentage of their salary towards respective government schemes as per local regulatory guidelines. The contribution made by the overseas branches is recognised in profit and loss account at the time of contribution.

Compensated absences

The Bank provides for compensated absence based on actuarial valuation conducted by an independent actuary.

10. Income Taxes

Income tax expense is the aggregate amount of current tax and deferred tax expense incurred by the Bank. The current tax expense and deferred tax expense is determined in accordance with the provisions of the Income Tax Act, 1961 and as per Accounting Standard 22 - Accounting for Taxes on Income respectively. Deferred tax adjustments comprise changes in the deferred tax assets or liabilities during the year and change in tax rate.

Deferred tax assets and liabilities are recognised by considering the impact of timing differences between taxable income and accounting income for the current year, and carry forward losses. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The impact of changes in deferred tax assets and liabilities is recognised in the profit and loss account.

Deferred tax assets are recognised and re-assessed at each reporting date, based upon management's judgement as to whether their realisation is considered as reasonably certain. However, in case of unabsorbed depreciation or carried forward loss, deferred tax assets will be recognised only if there is virtual certainty of realisation of such assets.

11. Impairment of Assets

The Bank follows revaluation model of accounting for its premises and the recoverable amount of the revalued assets is considered to be close to its revalued amount. Accordingly, separate assessment for impairment of premises is not required.

For assets other than premises, the Bank assesses at each balance sheet date whether there is any indication that an asset may be impaired. Impairment loss, if any, is provided in the profit and loss account to the extent the carrying amount of assets exceeds their estimated recoverable amount.

12. Provisions, contingent liabilities and contingent assets

The Bank estimates the probability of any loss that might be incurred on outcome of contingencies on the basis of information available up to the date on which the financial statements are prepared. A provision is recognised when an enterprise 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. Provisions are determined based on management estimates of amounts required to settle the obligation at the balance sheet date, supplemented by experience of similar transactions. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates. 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 in the financial statements. In case of remote possibility neither provision nor disclosure is made in the financial statements. The Bank does not account for or disclose contingent assets, if any.

The Bank estimates the probability of redemption of customer loyalty reward points using an actuarial method by employing an independent actuary and accordingly makes provision for these reward points. Actuarial valuation is determined based on certain assumptions regarding mortality rate, discount rate, cancellation rate and redemption rate.

13. Earnings per share (EPS)

Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding for the year.

Diluted earnings per share reflect the potential dilution that could occur if contracts to issue equity shares were exercised or converted during the year. Diluted earnings per equity share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

14. Share issue expenses

Share issue expenses are deducted from Share Premium Account in terms of Section 52 of the Companies Act, 2013.

15. Bullion transaction

The Bank deals in bullion business on a consignment basis. The bullion is priced to the customers based on the price quoted by the supplier. The difference between price recovered from customers and cost of bullion is accounted for as commission at the time of sales to the customers. The Bank also deals in bullion on a borrowing and lending basis and the interest expense/income is accounted on accrual basis.

16. Lease transactions

Lease payments, including cost escalations, for assets taken on operating lease are recognised as an expense in the profit and loss account over the lease term on straight line basis. The leases of property, plant and equipment, where substantially all of the risks and rewards of ownership are transferred to the Bank are classified as finance lease. Minimum lease payments under finance lease are apportioned between the finance costs and outstanding liability.

17. Cash and cash equivalents

Cash and cash equivalents include cash in hand, balances with RBI, balances with other banks and money at call and short notice.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

SCHEDULE 18

NOTES FORMING PART OF THE ACCOUNTS

The following disclosures have been made taking into account the requirements of Accounting Standards (ASs) and Reserve Bank of India (RBI) guidelines.

1. Earnings per share

Basic and diluted earnings per equity share are computed in accordance with AS 20 – Earnings per share. Basic earnings per equity share is computed by dividing net profit/ (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed using the weighted average number of equity shares and weighted average number of dilutive potential equity shares outstanding during the year.

The following table sets forth, for the periods indicated, the computation of earnings per share.

₹ in million, except per share data

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net profit/(loss) attributable to equity share holders	**233,394.9**	161,926.8
Nominal value per share (₹)	**2.00**	2.00
Basic earnings per share (₹)	**33.66**	24.01
Effect of potential equity shares (₹)	**(0.68)**	(0.34)
Diluted earnings per share (₹)[1]	**32.98**	23.67
Reconciliation between weighted shares used in computation of basic and diluted earnings per share		
Basic weighted average number of equity shares outstanding	**6,933,652,636**	6,743,363,854
Add: Effect of potential equity shares	**142,291,212**	98,497,002
Diluted weighted average number of equity shares outstanding	**7,075,943,848**	6,841,860,856

1. The dilutive impact is due to options granted to employees by the Bank.

2. Business/information ratios

The following table sets forth, for the periods indicated, the business/information ratios.

Sr. No.	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
1.	Interest income to working funds[1]	**6.83%**	6.95%
2.	Non-interest income to working funds[1]	**1.46%**	1.67%
3.	Cost of deposits	**3.53%**	4.12%
4.	Net interest margin[2]	**3.96%**	3.69%
5.	Operating profit to working funds[1,3]	**3.10%**	3.20%
6.	Return on assets[4]	**1.84%**	1.42%
7.	Net profit/(loss) per employee[5] (₹ in million)	**2.3**	1.7
8.	Business (average deposits plus average advances) per employee[5,6] (₹ in million)	**166.9**	149.2

1. *For the purpose of computing the ratio, working funds represent the monthly average of total assets computed for reporting dates of Form X submitted to RBI under Section 27 of the Banking Regulation Act, 1949.*
2. *Net interest income/Average earning assets. Net interest income is the difference of interest income and interest expense. Average earning assets are average of daily balance of interest earning assets.*
3. *Operating profit is profit for the year before provisions and contingencies.*
4. *For the purpose of computing the ratio, assets represent the monthly average of total assets computed for reporting dates of Form X submitted to RBI under Section 27 of the Banking Regulation Act, 1949.*
5. *Computed based on average number of employees which include sales executives, employees on fixed term contracts and interns.*
6. *The average deposits and the average advances represent the simple average of the figures reported in Form A to RBI under Section 42(2) of the Reserve Bank of India Act, 1934.*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

3. Capital adequacy ratio

The Bank is subject to the Basel III capital adequacy guidelines stipulated by RBI with effect from April 1, 2013. As per the guidelines, the Tier-1 capital is made up of Common Equity Tier-1 (CET1) and Additional Tier-1.

At March 31, 2022, Basel III guidelines require the Bank to maintain a minimum Capital to Risk-Weighted Assets Ratio (CRAR) of 11.70% with minimum CET1 CRAR of 8.20% and minimum Tier-1 CRAR of 9.70%. The minimum total CRAR, Tier-1 CRAR and CET1 CRAR requirement include capital conservation buffer of 2.50% and additional capital requirement of 0.20% on account of the Bank being designated as Domestic Systemically Important Bank.

The following table sets forth, for the periods indicated, computation of capital adequacy as per Basel III framework.

₹ in million, except percentages

Particulars	At March 31, 2022	At March 31, 2021
Common Equity Tier 1 capital (CET 1)	**1,555,000.1**	1,319,399.0
Additional Tier 1 capital	**66,206.5**	99,316.9
Tier 1 capital (i + ii)	**1,621,206.6**	1,418,715.9
Tier 2 capital	**71,923.7**	82,753.9
Total capital (Tier 1+Tier 2)	**1,693,130.3**	1,501,469.8
Total Risk Weighted Assets (RWAs)	**8,835,909.9**	7,854,102.5
CET1 CRAR (%)	**17.60%**	16.80%
Tier-1 CRAR (%)	**18.35%**	18.06%
Tier-2 CRAR (%)	**0.81%**	1.06%
Total CRAR (%)	**19.16%**	19.12%
Leverage Ratio	**9.95%**	10.08%
Percentage of the shareholding of		
1. Government of India	**0.19%**	0.34%
Amount of equity capital raised[1]	**-**	150,000.0
Amount of non-equity Tier-1 capital raised during the year, of which:		
1. Perpetual Non-Cumulative Preference Shares	**-**	-
2. Perpetual Debt Instruments	**-**	-
Amount of Tier-2 capital raised; of which		
1. Debt Capital Instruments	**-**	-
2. Preference Share Capital Instruments [Perpetual Cumulative Preference Shares (PCPS)/Redeemable Non-Cumulative Preference Shares (RNCPS)/Redeemable Cumulative Preference Shares (RCPS)]	**-**	-

1. Additionally ₹ 7,988.8 million raised pursuant to exercise of employee stock options during the year ended March 31, 2022 (year ended March 31, 2021: ₹ 5,306.3 million).

4. Liquidity coverage ratio

The Basel Committee on Banking Supervision (BCBS) had introduced the liquidity coverage ratio (LCR) in order to ensure that a bank has an adequate stock of unencumbered high quality liquid assets (HQLA) to survive a significant liquidity stress lasting for a period of 30 days. LCR is defined as a ratio of HQLA to the total net cash outflows estimated for the next 30 calendar days. As per the RBI guidelines, the minimum LCR required to be maintained by banks effective from January 1, 2019 is 100.0%. In order to accommodate the burden on banks' cash flows on account of the Covid-19 pandemic, RBI permitted banks to maintain LCR at 80.0% from April 17, 2020, 90.0% from October 1, 2020 and 100.0% from April 1, 2021.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

The following tables set forth, for the periods indicated, the quarterly average of unweighted and weighted values of the LCR of the Bank. The quarterly average LCR is computed based on simple average of daily observations during the quarter. Number of observations used in computing quarterly LCR for three months ended March 31, 2022 was 60 days (three months ended December 31, 2021 : 62 days; three months ended September 30, 2021: 63 days; three months ended June 30, 2021: 58 days and three months ended March 31, 2021: 62 days).

₹ in million

Sr. No.	Particulars	Three months ended March 31, 2022		Three months ended March 31, 2021		Three months ended December 31, 2021		Three months ended September 30, 2021		Three months ended June 30, 2021	
		Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)
High quality liquid assets											
1.	Total high quality liquid assets	**N.A.**	**3,197,273.3**	N.A.	2,767,443.6	N.A.	3,178,414.6	N.A.	2,930,294.6	N.A.	2,757,026.6
Cash outflows											
2.	Retail deposits and deposits from small business customers, of which:	**5,997,380.50**	**501,662.30**	5,392,909.3	447,802.9	5,896,963.6	492,691.6	5,738,793.6	478,394.3	5,561,303.1	462,539.2
	(i) Stable deposits	**1,961,515.9**	**98,075.8**	1,829,760.4	91,488.0	1,940,095.0	97,004.7	1,909,701.6	95,485.1	1,871,823.5	93,591.2
	(ii) Less stable deposits	**4,035,864.6**	**403,586.5**	3,563,148.9	356,314.9	3,956,868.6	395,686.9	3,829,092.0	382,909.2	3,689,479.6	368,948.0
3.	Unsecured wholesale funding, of which:	**3,447,305.6**	**1,837,823.3**	2,817,200.6	1,515,039.4	3,336,813.8	1,826,898.8	3,038,780.6	1,664,399.4	2,913,348.9	1,592,160.7
	(i) Operational deposits (all counterparties)	**-**	**-**	-	-	-	-	-	-	-	-
	(ii) Non-operational deposits (all counterparties)	**3,404,074.0**	**1,794,591.7**	2,801,735.1	1,499,573.9	3,297,540.1	1,787,625.1	3,002,470.7	1,628,089.5	2,896,712.9	1,575,524.7
	(iii) Unsecured debt	**43,231.6**	**43,231.6**	15,465.5	15,465.5	39,273.7	39,273.7	36,309.9	36,309.9	16,636.0	16,636.0
4.	Secured wholesale funding	**N.A.**	**-**	N.A.	-	N.A.	-	N.A.	-	N.A.	-
5.	Additional requirements, of which:	**356,267.6**	**116,575.6**	343,754.5	134,921.8	396,031.8	119,600.9	367,006.3	126,005.2	347,138.8	147,144.7
	(i) Outflows related to derivative exposures and other collateral requirements	**80,771.1**	**80,771.1**	104,742.9	104,742.9	73,551.1	73,551.1	92,013.3	92,013.3	118,715.4	118,715.4
	(ii) Outflows related to loss of funding on debt products	**112.0**	**112.0**	155.2	155.2	101.6	101.6	106.1	106.1	96.8	96.8
	(iii) Credit and liquidity Facilities	**275,384.5**	**35,692.5**	238,856.4	30,023.7	322,379.1	45,948.2	274,886.9	33,885.8	228,326.6	28,332.5
6.	Other contractual funding obligations	**259,807.6**	**259,807.6**	219,033.2	219,033.2	244,673.0	244,673.0	206,957.7	206,957.7	188,883.5	188,883.5
7.	Other contingent funding obligations	**3,983,615.4**	**173,467.7**	3,255,895.0	138,972.9	3,953,776.5	172,569.5	3,725,351.5	161,628.8	3,535,954.6	152,513.9
8.	**Total cash outflows**	**N.A.**	**2,889,336.5**	**N.A.**	**2,455,770.2**	**N.A.**	**2,856,433.8**	**N.A.**	**2,637,385.4**	**N.A.**	**2,543,242.0**
9.	Secured lending (e.g. reverse repos)	**609,516.5**	**5.8**	360,134.0	9.0	547,545.9	6.3	284,843.2	9.2	135,453.2	9.8
10.	Inflows from fully performing exposures	**514,644.8**	**388,691.5**	520,370.5	397,448.1	473,054.5	358,547.1	508,136.3	388,737.7	463,230.1	362,857.3
11.	Other cash inflows	**92,512.6**	**61,628.7**	80,450.7	54,760.8	78,015.9	49,925.4	77,576.1	51,116.3	82,549.0	57,225.8
12.	**Total cash inflows**	**1,216,673.9**	**450,326.0**	**960,955.2**	**452,217.9**	**1,098,616.3**	**408,478.8**	**870,555.6**	**439,863.2**	**681,232.3**	**420,092.9**
13.	**Total HQLA**	**N.A.**	**3,197,273.3**	**N.A.**	**2,767,443.6**	**N.A.**	**3,178,414.6**	**N.A.**	**2,930,294.6**	**N.A.**	**2,757,026.6**
14.	Total net cash outflows (8)-(12)	**N.A.**	**2,439,010.5**	N.A.	2,003,552.3	N.A.	2,447,955.0	N.A.	2,197,522.2	N.A.	2,123,149.1
15.	**Liquidity coverage ratio (%)**	**N.A.**	**131.09%**	**N.A.**	**138.13%**	**N.A.**	**129.84%**	**N.A.**	**133.35%**	**N.A.**	**129.86%**

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

Liquidity of the Bank is managed by the Asset Liability Management Group (ALMG) under the central oversight of the Asset Liability Management Committee (ALCO). For the domestic operations of the Bank, ALMG-India is responsible for the overall management of liquidity. For the overseas branches of the Bank, a decentralised approach is followed for day-to-day liquidity management, while a centralised approach is followed for long-term funding in co-ordination with Head Office. Liquidity in the overseas branches is maintained taking into consideration both host country and the RBI regulations.

The Bank during the three months ended March 31, 2022 maintained average HQLA (after haircut) of ₹ 3,197,273.3 million (March 31, 2021: ₹ 2,767,443.6 million) against the average HQLA requirement of ₹ 2,439,010.5 million (March 31, 2021: ₹ 1,803,197.1 million) for the minimum LCR requirement of 100% (March 31, 2021: 90.0%). HQLA primarily includes government securities in excess of minimum statutory liquidity ratio (SLR) and to the extent allowed under marginal standing facility (MSF) and facility to avail liquidity for LCR (FALLCR) of ₹ 2,790,136.8 million (March 31, 2021: ₹ 2,320,760.1 million).

As per the RBI guidelines, the carve-out from SLR under FALLCR is 15.0% of Net Demand and Time Liabilities (NDTL); for Marginal Standing Facility (MSF), it was 3.0% of NDTL till December 31, 2021 and was changed to 2.0% of NDTL from January 1, 2022. Additionally, cash, balance in excess of cash reserve requirement with RBI and balances with central banks at our overseas branches locations amounted to ₹ 263,064.3 million (March 31, 2021: ₹ 241,664.2 million). Further, average level 2 assets, primarily consisting of AA- and above rated corporate bonds and commercial papers, amounted to ₹ 76,569.7 million (March 31, 2021: ₹ 83,472.8 million).

At March 31, 2022, top liability products/instruments and their percentage contribution to the total liabilities of the Bank were term deposits of 38.67% (March 31, 2021: 40.71%), savings account deposits of 25.49% (March 31, 2021: 24.01%), current account deposits of 11.22% (March 31, 2021: 11.07%) and bond borrowings of 4.96% (March 31, 2021: 4.41%). Top 20 depositors comprised 5.26% of the total deposits of the Bank at March 31, 2022 (March 31, 2021: 5.38%). Further, the total borrowings mobilised from significant counterparties (from whom the funds borrowed were more than 1.00% of the Bank's total liabilities) were 2.37% of the total liabilities of the Bank at March 31, 2022 (March 31, 2021: 1.43%).

The weighted cash outflows are primarily driven by unsecured wholesale funding which includes non-operational deposits and unsecured debt. During the three months ended March 31,2022, unsecured wholesale funding contributed 63.61% (March 31, 2021: 61.69%) of the total weighted cash outflows. The non-operational deposits include term deposits with premature withdrawal facility. Retail deposits including deposits from small business customers and other contingent funding obligations constituted 17.36% (March 31, 2021: 18.23%) and 6.00% (March 31, 2021: 5.66%) of the total weighted cash outflows, respectively. The other contingent funding obligations primarily included bank guarantees (BGs) and letters of credit (LCs) issued on behalf of the Bank's clients.

In view of the margin rules for non-centrally cleared derivative transactions issued by the Basel Committee on Banking Supervision and discussion paper issued by the RBI, certain derivative transactions would be subject to margining and consequent collateral exchange would be as governed by Credit Support Annex (CSA). The Bank has entered into CSAs which would require maintenance of collateral. The Bank considers the increased liquidity requirement on account of valuation changes in the transactions settled through Qualified Central Counterparties (QCCP) in India including the Clearing Corporation of India (CCIL) and other exchange houses as well as for transactions covered under CSAs. The potential outflows on account of such transactions have been considered based on the look-back approach prescribed in the RBI guidelines.

The average LCR of the Bank for the three months ended March 31, 2022 was 131.09% (March 31, 2021: 138.13%). During the year ended March 31, 2022, other than Indian Rupee, USD was the only significant foreign currency which constituted more than 5.00% of the balance sheet size of the Bank. The average LCR of the Bank for USD currency, computed based on daily LCR values, was 256.23% for the three months ended March 31, 2022 (March 31, 2021: 333.26%).

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

5. Information about business and geographical segments

Business Segments

Pursuant to the guidelines issued by RBI on AS 17 - Segment Reporting, the following business segments have been reported.

- **Retail Banking** includes exposures which satisfy the four criteria of orientation, product, granularity and low value of individual exposures for retail exposures laid down in Basel Committee on Banking Supervision (BCBS) document 'International Convergence of Capital Measurement and Capital Standards: A Revised Framework'. This segment also includes income from credit cards, debit cards, third party product distribution and the associated costs.
- **Wholesale Banking** includes all advances to trusts, partnership firms, companies and statutory bodies, which are not included under Retail Banking.
- **Treasury** includes the entire investment and derivative portfolio of the Bank.
- **Other Banking** includes leasing operations and other items not attributable to any particular business segment.
- **Unallocated** includes items such as tax paid in advance net of provision, deferred tax and provisions to the extent reckoned at the entity level.

Income, expenses, assets and liabilities are either specifically identified with individual segments or are allocated to segments on a systematic basis.

All liabilities are transfer priced to a central treasury unit, which pools all funds and lends to the business units at appropriate rates based on the relevant maturity of assets being funded after adjusting for regulatory reserve requirements.

The transfer pricing mechanism of the Bank is periodically reviewed. The segment results are determined based on the transfer pricing mechanism prevailing for the respective reporting periods.

The following tables set forth, for the periods indicated, the business segment results on this basis.

₹ in million

Sr. No.	Particulars	For the year ended March 31, 2022				
		Retail Banking	**Wholesale Banking**	**Treasury**	**Other Banking Business**	**Total**
1.	Revenue	**846,392.2**	**399,714.9**	**675,041.1**	**13,139.0**	**1,934,287.2**
2.	Less: Inter-segment revenue					**885,366.4**
3.	Total revenue (1)-(2)					**1,048,920.8**
4.	**Segment results**	**114,003.9**	**90,529.3**	**98,202.2**	**3,103.5**	**305,838.9**
5.	Unallocated expenses					**(250.0)**
6.	Operating profit (4)-(5)					**306,088.9**
7.	Income tax expenses (including deferred tax credit)					**72,694.0**
8.	**Net profit/(loss) (6)-(7)**					**233,394.9**
9.	Segment assets	**4,876,519.3**	**3,790,918.0**	**5,181,297.0**	**165,047.3**	**4,013,781.6**
10.	Unallocated assets					**99,195.8**
11.	**Total assets (9)+(10)**					**14,112,977.4**
12.	Segment liabilities	**7,918,942.5**	**3,213,907.0**	**2,895,745.3**[1]	**22,028.0**	**14,050,622.8**
13.	Unallocated liabilities					**62,354.6**
14.	**Total liabilities (12)+(13)**					**14,112,977.4**
15.	Capital expenditure	**9,901.7**	**4,453.3**	**623.1**	**170.6**	**15,148.7**
16.	Depreciation	**8,068.8**	**3,130.8**	**399.6**	**111.8**	**11,711.0**

1. Includes share capital and reserves and surplus.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED
SCHEDULES
forming part of the Accounts *(Contd.)*

₹ in million

Sr. No.	Particulars	For the year ended March 31, 2021				
		Retail Banking	Wholesale Banking	Treasury	Other Banking Business	Total
1.	Revenue	756,692.9	371,945.2	668,735.9	14,890.3	1,812,264.3
2.	Less: Inter-segment revenue					831,396.3
3.	Total revenue (1)-(2)					980,868.0
4.	**Segment results**	**77,399.7**	**58,199.5**	**110,803.7**	**2,924.3**	**249,327.2**
5.	Unallocated expenses					47,500.0
6.	Operating profit (4)-(5)					201,827.2
7.	Income tax expenses (including deferred tax credit)					39,900.4
8.	**Net profit/(loss) (6)-(7)**					**161,926.8**
9.	Segment assets	4,124,986.5	3,259,375.0	4,597,998.9	188,139.9	12,170,500.3
10.	Unallocated assets					133,826.5
11.	**Total assets (9)+(10)**					**12,304,326.8**
12.	Segment liabilities	6,869,207.9	2,821,639.2	2,475,854.0[1]	75,021.1	12,241,722.2
13.	Unallocated liabilities					62,604.6
14.	**Total liabilities (12)+(13)**					**12,304,326.8**
15.	Capital expenditure	9,228.1	4,745.0	866.6	222.3	15,062.0
16.	Depreciation	7,249.4	2,859.8	481.0	127.7	10,717.9

1. Includes share capital and reserves and surplus.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

Geographical segments

The Bank reports its operations under the following geographical segments.

- **Domestic operations** comprise branches in India.
- **Foreign operations** comprise branches outside India and offshore banking units in India.

The following tables set forth, for the periods indicated, geographical segment results.

₹ in million

Revenues	Year ended March 31, 2022	Year ended March 31, 2021
Domestic operations	**1,030,521.2**	963,482.4
Foreign operations	**18,399.6**	17,385.6
Total	**1,048,920.8**	**980,868.0**

₹ in million

Assets	At March 31, 2022	At March 31, 2021
Domestic operations	**13,147,975.3**	11,312,467.2
Foreign operations	**865,806.3**	858,033.1
Total	**14,013,781.6**	**12,170,500.3**

1. Segment assets do not include tax paid in advance/tax deducted at source (net) and deferred tax assets (net).

The following table sets forth, for the periods indicated, capital expenditure and depreciation thereon for the geographical segments.

₹ in million

Particulars	Capital expenditure incurred during		Depreciation provided during	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Domestic operations	**15,089.7**	14,948.5	**11,633.6**	10,633.0
Foreign operations	**59.0**	113.5	**77.4**	84.9
Total	**15,148.7**	**15,062.0**	**11,711.0**	**10,717.9**

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

6. Maturity pattern

The following table sets forth, the maturity pattern of assets and liabilities of the Bank at March 31, 2022.

₹ in million

Maturity buckets	Loans & Advances[1]	Investment securities[1]	Deposits[1]	Borrowings[1]	Total foreign currency assets[2]	Total foreign currency liabilities[2]
Day 1	**10,023.7**	**1,023,151.0**	**162,162.4**	**758.0**	**395,980.6**	**6,728.2**
2 to 7 days	**79,283.8**	**83,798.1**	**607,138.7**	**9,668.5**	**177,666.4**	**14,922.0**
8 to 14 days	**93,192.1**	**67,604.5**	**235,678.2**	**11,180.3**	**128,950.4**	**19,335.6**
15 to 30 days	**194,044.8**	**68,387.2**	**185,586.0**	**7,968.7**	**62,348.0**	**22,612.3**
31 days to 2 months	**377,596.2**	**44,084.5**	**258,346.3**	**68,339.1**	**138,111.6**	**77,095.6**
2 to 3 months	**440,510.6**	**44,274.6**	**250,332.6**	**31,920.8**	**128,634.4**	**42,766.8**
3 to 6 months	**662,714.9**	**90,264.3**	**375,680.6**	**139,027.8**	**149,013.3**	**132,171.2**
6 months to 1 year	**900,298.5**	**168,371.2**	**560,255.7**	**77,967.0**	**64,919.5**	**42,368.4**
1 to 3 years	**2,349,247.5**	**318,754.2**	**1,254,163.9**	**316,029.9**	**51,242.0**	**122,288.6**
3 to 5 years	**1,618,921.1**	**539,761.1**	**3,389,943.1**	**155,341.3**	**15,862.0**	**77,514.1**
Above 5 years	**1,864,371.2**	**653,959.3**	**3,366,428.6**	**254,112.2**	**55,769.6**	**49,228.9**
Total	**8,590,204.4**	**3,102,410.0**	**10,645,716.1**	**1,072,313.6**	**1,368,497.8**	**607,031.7**

1. Includes foreign currency balances.

2. Excludes off-balance sheet assets and liabilities.

The following table sets forth, the maturity pattern of assets and liabilities of the Bank at March 31, 2021.

₹ in million

Maturity buckets	Loans & Advances[1]	Investment securities[1]	Deposits[1]	Borrowings[1]	Total foreign currency assets[2]	Total foreign currency liabilities[2]
Day 1	11,625.4	923,302.8	155,016.2	1,176.4	416,573.0	5,209.2
2 to 7 days	64,049.3	79,752.3	662,866.8	6,429.9	179,976.7	9,616.6
8 to 14 days	95,261.8	53,445.9	243,908.6	11,627.5	52,342.0	48,587.3
15 to 30 days	138,736.2	62,359.9	182,399.2	8,334.7	63,326.9	17,081.5
31 days to 2 months	295,311.6	50,560.3	227,386.8	8,173.9	93,017.8	13,975.1
2 to 3 months	332,684.1	52,067.9	205,901.2	13,527.3	63,173.6	25,236.4
3 to 6 months	634,526.1	106,729.7	397,960.0	43,023.9	142,099.4	76,162.7
6 months to 1 year	820,003.2	146,590.9	554,556.5	91,673.0	54,733.3	77,807.0
1 to 3 years	2,128,346.6	309,172.9	943,199.5	382,981.3	84,860.6	205,856.5
3 to 5 years	1,343,088.9	444,417.0	2,873,145.6	222,109.0	46,764.3	115,081.9
Above 5 years	1,473,657.7	584,465.8	2,878,881.2	127,252.7	72,127.3	44,573.8
Total	**7,337,290.9**	**2,812,865.4**	**9,325,221.6**	**916,309.6**	**1,268,994.9**	**639,188.0**

1. Includes foreign currency balances.

2. Excludes off-balance sheet assets and liabilities.

The estimates and assumptions used by the Bank for classification of assets and liabilities under the different maturity buckets are based on the returns submitted to RBI for the relevant periods.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

7. Employee Stock Option Scheme (ESOS)

In terms of the ESOS, as amended, the maximum number of options granted to any eligible employee in a financial year shall not exceed 0.05% of the issued equity shares of the Bank at the time of grant of the options and aggregate of all such options granted to the eligible employees shall not exceed 10.0% of the aggregate number of the issued equity shares of the Bank on the date(s) of the grant of options in line with SEBI Regulations. Under the stock option scheme, eligible employees are entitled to apply for equity shares. In April 2016, exercise period was modified 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. In June 2017, exercise period was further modified to not exceed 10 years from the date of vesting of options as may be determined by the Board Governance, Remuneration & Nomination Committee to be applicable for future grants. In May 2018, exercise period was further modified to not exceed 5 years from the date of vesting of options as may be determined by the Board Governance, Remuneration & Nomination Committee to be applicable for future grants.

Options granted after March 2014 vest in a graded manner over a three-year period with 30%, 30% and 40% of the grant vesting in each year, commencing from the end of 12 months from the date of grant other than certain options granted in April 2014 which vested to the extent of 50% on April 30, 2017 and the balance on April 30, 2018 and option granted in September 2015 which vested to the extent of 50% on April 30, 2018 and balance 50% vested on April 30, 2019. Options granted in January 2018 vested at the end of four years from the date of grant. Certain options granted in May 2018, vested to the extent of 50% on May 2021 and balance 50% would vest on May 2022.

Options granted prior to March 2014 except mentioned below, vested in a graded manner over a four-year period, with 20%, 20%, 30% and 30% of the grants vesting in each year, commencing from the end of 12 months from the date of grant. Options granted in April 2009 vested in a graded manner over a five-year period with 20%, 20%, 30% and 30% of grant vesting each year, commencing from the end of 24 months from the date of grant. Options granted in September 2011 vested in a graded manner over a five-year period with 15%, 20%, 20% and 45% of grant vesting each year, commencing from the end of 24 months from the date of the grant.

The exercise price of the Bank's options, except mentioned below, is the last closing price on the stock exchange, which recorded highest trading volume preceding the date of grant of options. In February 2011, the Bank granted 16,692,500 options to eligible employees and whole-time Directors of the Bank and certain of its subsidiaries at an exercise price of ₹ 175.82. This exercise price was the average closing price on the stock exchange during the six months ended October 28, 2010. Of these options granted, 50% vested on April 30, 2014 and the balance 50% vested on April 30, 2015.

The weighted average fair value, based on Black-Scholes model, of options granted during the year ended March 31, 2022 was ₹ 227.75 (year ended March 31, 2021: ₹ 125.44).

The following table sets forth, for the periods indicated, the key assumptions used to estimate the fair value of options granted.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Risk-free interest rate	**5.34% to 6.53%**	4.83% to 5.74%
Expected term	**3.55 to 5.55 years**	3.45 to 5.45 years
Expected volatility	**35.38% to 39.41%**	35.19% to 37.31%
Expected dividend yield	**0.18% to 0.30%**	0.26% to 0.30%

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. Expected exercise behavior is estimated based on the historical stock option exercise pattern of the Bank. Expected volatility during the estimated expected term of the option is based on historical volatility determined based on observed market prices of the Bank's publicly traded equity shares. Expected dividends during the estimated expected term of the option are based on recent dividend activity.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED
SCHEDULES
forming part of the Accounts *(Contd.)*

The following table sets forth, for the periods indicated, the summary of the status of the Bank's stock option plan.

₹ except number of options

Particulars	Stock options outstanding			
	Year ended March 31, 2022		Year ended March 31, 2021	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding at the beginning of the year	**246,590,972**	**276.14**	238,286,573	261.89
Add: Granted during the year	**25,550,350**	**570.43**	33,417,700	337.73
Less: Lapsed during the year, net of re-issuance	**2,164,335**	**444.41**	880,530	336.57
Less: Exercised during the year	**32,778,988**	**243.44**	24,232,771	218.81
Outstanding at the end of the year	**237,197,999**	**310.82**	246,590,972	276.14
Options exercisable	**177,170,739**	**264.69**	177,136,942	247.45

The following table sets forth, the summary of stock options outstanding at March 31, 2022.

Range of exercise price (₹ per share)	Number of shares arising out of options	Weighted average exercise price (₹ per share)	Weighted average remaining contractual life (Number of years)
60-199	**11,245,113**	**160.69**	**2.52**
200-399	**171,000,375**	**267.10**	**5.30**
400-599	**54,887,211**	**477.26**	**5.11**
600-799	**46,300**	**737.63**	**6.63**
800-899	**19,000**	**810.25**	**6.92**

The following table sets forth, the summary of stock options outstanding at March 31, 2021.

Range of exercise price (₹ per share)	Number of shares arising out of options	Weighted average exercise price (₹ per share)	Weighted average remaining contractual life (Number of years)
60-199	17,387,907	161.44	3.12
200-399	196,441,616	265.27	6.21
400-599	32,761,449	402.17	5.22

The options were exercised regularly throughout the period and weighted average share price as per National Stock Exchange price volume data during the year ended March 31, 2022 was ₹ 703.14 (year ended March 31, 2021: ₹ 437.92).

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

8. Subordinated debt

During the year ended March 31, 2022 the Bank did not raise (March 31, 2021: Nil) subordinated debt bonds qualifying for Additional Tier-1 capital.

9. Repurchase transactions

The following tables set forth for the periods indicated, the details of securities sold and purchased under repo and reverse repo transactions respectively including transactions under Liquidity Adjustment Facility (LAF) and Marginal Standing Facility (MSF).

₹ in million

Sr. No.	Particulars	Minimum outstanding balance during the	Maximum outstanding balance during the	Daily average outstanding balance during the	Outstanding balance at March 31, 2022
		Year ended March 31, 2022			
Securities sold under Repo, LAF and MSF					
i)	Government Securities	**-**	**429,969.4**	**109,949.5**	**5,000.0**
ii)	Corporate Debt Securities	**-**	**-**	**-**	**-**
iii)	Any other securities	**-**	**-**	**-**	**-**
Securities purchased under Reverse Repo and LAF					
i)	Government Securities	**-**	**932,200.0**	**398,949.8**	**494,020.0**
ii)	Corporate Debt Securities	**-**	**2,000.0**	**60.3**	**-**
iii)	Any other securities	**-**	**-**	**-**	**-**

1. Amounts reported are based on face value of securities under Repo and Reverse repo.
2. Amounts reported are based on lending/borrowing amount under tri-party repo, LAF and MSF.

₹ in million

Sr. No.	Particulars	Minimum outstanding balance during the	Maximum outstanding balance during the	Daily average outstanding balance during the	Outstanding balance at March 31, 2021
		Year ended March 31, 2021			
Securities sold under Repo, LAF and MSF					
i)	Government Securities	-	535,934.0	336,865.4	4,831.6
ii)	Corporate Debt Securities	-	1,756.2	380.2	-
iii)	Any other securities	-	-	-	-
Securities purchased under Reverse Repo and LAF					
i)	Government Securities	41,890.0	750,500.0	457,958.6	352,340.0
ii)	Corporate Debt Securities	-	2,000.0	52.1	-
iii)	Any other securities	-	-	-	-

1. Amounts reported are based on face value of securities under Repo and Reverse repo.
2. Amounts reported are based on lending/borrowing amount under under tri-party repo, LAF and MSF.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

10. Composition of investments

The following table sets forth, the composition of investments of the Bank at March 31, 2022.

₹ in million

	Investments in India							Investments outside India				
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others	Total Investments outside India	Total Investments
Held to Maturity												
Gross	1,991,567.9	-	54.7	1,802.6	48,937.6	3,546.8	2,045,909.6	-	19,698.9	1,135.5	20,834.4	2,066,744.0
Less: Provision for non-performing investments (NPI)	29.2	-	54.7	-	-	-	83.9	-	-	-	-	83.9
Net	1,991,538.7	-	-	1,802.6	48,937.6	3,546.8	2,045,825.7	-	19,698.9	1,135.5	20,834.4	2,066,660.1
Available for Sale												
Gross	554,103.9	-	54,640.9	191,499.4	17,326.5	81,021.4	898,592.1	17,164.6	-	21,852.5	39,017.1	937,609.2
Less: Provision for depreciation and NPI	-	-	30,691.7	5,462.5	-	13,989.3	50,143.5	-	-	1,114.4	1,114.4	51,257.9
Net	554,103.9	-	23,949.2	186,036.9	17,326.5	67,032.1	848,448.6	17,164.6	-	20,738.1	37,902.7	886,351.3
Held for Trading												
Gross	18,260.2	-	186.7	37,964.0	-	1,343.7	57,754.6	90,176.3	-	1,541.6	91,717.9	149,472.5
Less: Provision for depreciation and NPI	25.4	-	-	-	-	-	25.4	-	-	48.5	48.5	73.9
Net	18,234.8	-	186.7	37,964.0	-	1,343.7	57,729.2	90,176.3	-	1,493.1	91,669.4	149,398.6
Total Investments	2,563,932.0	-	54,882.3	231,266.0	66,264.1	85,911.9	3,002,256.3	107,340.9	19,698.9	24,529.6	151,569.4	3,153,825.7
Less: Provision for non-performing investments	29.2	-	54.7	-	-	-	83.9	-	-	-	-	83.9
Less: Provision for depreciation and NPI	25.4	-	30,691.7	5,462.5	-	13,989.3	50,168.9	-	-	1,162.9	1,162.9	51,331.8
Net	2,563,877.4	-	24,135.9	225,803.5	66,264.1	71,922.6	2,952,003.5	107,340.9	19,698.9	23,366.7	150,406.5	3,102,410.0

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

The following table sets forth the composition of Investments of the Bank at March 31, 2021.

₹ in million

	Investments in India							Investments outside India				
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others	Total Investments outside India	Total Investments
Held to Maturity												
Gross	1,705,665.1	-	54.7	14,262.0	48,937.6	2,778.6	1,771,698.0	-	36,826.9	1,541.8	38,368.7	1,810,066.7
Less: Provision for non-performing investments (NPI)	29.2	-	54.7	-	-	-	83.9	-	-	-	-	83.9
Net	1,705,635.9	-	-	14,262.0	48,937.6	2,778.6	1,771,614.1	-	36,826.9	1,541.8	38,368.7	1,809,982.8
Available for Sale												
Gross	418,077.7	-	64,445.3	246,553.8	11,801.3	115,539.9	856,418.0	1,753.7	-	16,973.2	18,726.9	875,144.9
Less: Provision for depreciation and NPI	-	-	36,544.3	5,387.9	-	6,644.9	48,577.1	-	-	1,106.4	1,106.4	49,683.5
Net	418,077.7	-	27,901.0	241,165.9	11,801.3	108,895.0	807,840.9	1,753.7	-	15,866.8	17,620.5	825,461.4
Held for Trading												
Gross	12,515.8	-	319.2	14,592.5	-	148.9	27,576.4	149,868.6	-	-	149,868.6	177,445.0
Less: Provision for depreciation and NPI	21.5	-	--	2.3	-	-	23.8	-	-	-	-	23.8
Net	12,494.3	-	319.2	14,590.2	-	148.9	27,552.6	149,868.6	-	-	149,868.6	177,421.2
Total Investments	2,136,258.6	-	64,819.2	275,408.3	60,738.9	118,467.4	2,655,692.4	151,622.3	36,826.9	18,515.0	206,964.2	2,862,656.6
Less: Provision for non-performing investments	29.2	-	54.7	-	-	-	83.9	-	-	-	-	83.9
Less: Provision for depreciation and NPI	21.5	-	36,544.3	5,390.2	-	6,644.9	48,600.9	-	-	1,106.4	1,106.4	49,707.3
Net	**2,136,207.9**	**-**	**28,220.2**	**270,018.1**	**60,738.9**	**111,822.5**	**2,607,007.6**	**151,622.3**	**36,826.9**	**17,408.6**	**205,857.8**	**2,812,865.4**

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

11. Movement of provisions for depreciation on investments and Investment Fluctuation Reserve

The following table sets forth, for the period indicated, the movement of provisions for depreciation on investments and Investment Fluctuation Reserve of the Bank.

₹ in million, except percentage

Sr. No.	Particulars	At March 31, 2022	At March 31, 2021
A.	**Movement of provisions held towards depreciation on investments**		
	i) Opening balance	**49,791.2**	58,029.4
	ii) Add: Provisions made during the year	**7,633.3**	5,630.4
	iii) Less: Write-off/write-back of excess provisions during the year	**(6,008.8)**	(13,868.6)
	iv) Closing balance	**51,415.7**	49,791.2
B.	**Movement of Investment Fluctuation Reserve**		
	i) Opening balance	**16,886.2**	19,382.0
	ii) Add: Amount transferred during the year	**3,828.8**	-
	iii) Less: Drawdown	**-**	(2,495.8)
	iv) Closing balance	**20,715.0**	16,886.2
C.	**Closing balance in IFR as a percentage of closing balance of investments in AFS and HFT/Current category**	**2.00%**	2.00%

12. Investment in securities, other than government and other approved securities (Non-SLR investments)

i) Issuer composition of investments in securities, other than government and other approved securities

The following table sets forth, the issuer composition of investments of the Bank in securities, other than government and other approved securities at March 31, 2022.

₹ in million

Sr. No.	Issuer	Amount	Extent of private placement	Extent of 'below investment grade' securities	Extent of 'unrated' securities[2,4]	Extent of 'unlisted' securities[2,4]
			(a)	(b)	(c)	(d)
1.	PSUs	**10,242.6**	**3,577.2**	**-**	**-**	**-**
2.	FIs	**70,954.3**	**39,157.1**	**804.0**	**181.8**	**-**
3.	Banks	**42,146.6**	**30,396.2**	**10,932.6**	**-**	**2,251.0**
4.	Private corporates	**184,022.2**	**138,165.4**	**-**	**690.4**	**10,375.7**
5.	Subsidiaries/Joint ventures	**85,963.1**	**5,525.3**	**-**	**-**	**-**
6.	Others[3,4]	**196,565.0**	**87,733.5**	**22,033.2**[5]	**-**	**-**
7.	Provision held towards depreciation	**(51,361.1)**	**N.A.**	**N.A.**	**N.A.**	**N.A.**
	Total	**538,532.7**	**304,554.7**	**33,769.8**	**872.2**	**12,626.7**

1. Amounts reported under columns (a), (b), (c) and (d) above are not mutually exclusive.

2. Excludes equity shares, units of equity-oriented mutual fund, units of venture capital fund, pass through certificates, security receipts, commercial papers, certificates of deposit, non-convertible debentures (NCDs) with original or initial maturity up to one year issued by corporate (including NBFC), unlisted convertible debentures and securities acquired by way of conversion of debt.

3. Includes investments in non-Indian government securities by overseas branches amounting to ₹ 104,390.9 million.

4. Excludes investments in non-SLR government of India securities amounting to ₹ 94.5 million.

5. Represents security receipts.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

The following table sets forth, the issuer composition of investments of the Bank in securities, other than government and other approved securities at March 31, 2021.

₹ in million

Sr. No.	Issuer	Amount	Extent of private placement	Extent of 'below investment grade' securities	Extent of 'unrated' securities[2,4]	Extent of 'unlisted' securities[2,4]
			(a)	(b)	(c)	(d)
1.	PSUs	20,866.4	19,277.5	-	-	16,710.0
2.	FIs	130,279.4	75,684.4	817.9	181.8	-
3.	Banks	35,261.4	14,752.2	4,744.8	-	2,171.4
4.	Private corporates	170,179.6	74,283.9	4,361.0	1,644.8	10,475.8
5.	Subsidiaries/Joint ventures	97,565.8	-	-	-	-
6.	Others[3,5]	272,245.3	120,474.1	30,551.3[4]	-	6,642.3
7.	Provision held towards depreciation	(49,740.5)	N.A.	N.A.	N.A.	N.A.
	Total	**676,657.4**	**304,472.1**	**40,475.0**	**1,826.6**	**35,999.5**

1. *Amounts reported under columns (a), (b), (c) and (d) above are not mutually exclusive.*
2. *Excludes equity shares, units of equity-oriented mutual fund, units of venture capital fund, pass through certificates, security receipts, commercial papers, certificates of deposit, non-convertible debentures (NCDs) with original or initial maturity up to one year issued by corporate (including NBFC), unlisted convertible debentures and securities acquired by way of conversion of debt.*
3. *Excludes investments in non-SLR government of India securities amounting to ₹ 108.0 million.*
4. *Includes security receipts of ₹ 23,902.0 million and PTCs of ₹ 6,642.3 million.*
5. *Includes investments in non-Indian government securities by overseas branches amounting to ₹ 151,622.3 million.*

ii) Non-performing investments in securities, other than government and other approved securities

The following table sets forth, for the periods indicated, the movement in gross non-performing investments in securities, other than government and other approved securities.

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening balance	**44,236.9**	51,069.4
Additions during the year	**400.8**	7,393.6
Reduction during the year	**(3,746.1)**	(14,226.1)
Closing balance	**40,891.6**	44,236.9
Total provision held	**34,655.8**	**40,399.0**

13. Sales and transfers of securities to/from Held to Maturity (HTM) category

During the year ended March 31, 2022 and year ended March 31, 2021, the value of sales/transfers of securities to/from HTM category did not exceed 5.0% of the book value of investments held in HTM category at the beginning of the year. Sales and transfers of securities to/from HTM category does not include one-time transfer of securities, direct sales from HTM for bringing down SLR holdings consequent to a downward revision in SLR requirements by RBI, sales to RBI under open market operation auctions and government securities acquisition programme, repurchase of government securities by Government of India and state development loans by concerned state government under buyback or switch operations and additional shifting of securities explicitly permitted by RBI.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

14. Derivatives

The Bank is a major participant in the financial derivatives market. The Bank deals in derivatives for balance sheet management, proprietary trading and market making purposes whereby the Bank offers derivative products to its customers, enabling them to hedge their risks.

Dealing in derivatives is carried out by identified groups in the treasury of the Bank based on the purpose of the transaction. Derivative transactions are entered into by the treasury front office. Treasury Control and Service Group (TCSG) conducts an independent check of the transactions entered into by the front office and also undertakes activities such as confirmation, settlement, accounting, risk monitoring and reporting and ensures compliance with various internal and regulatory guidelines.

The market making and the proprietary trading activities in derivatives are governed by the Investment policy and Derivative policy of the Bank, which lays down the position limits, stop loss limits as well as other risk limits. The Risk Management Group (RMG) lays down the methodology for computation and monitoring of risk. The Risk Committee of the Board (RCB) reviews the Bank's risk management policy in relation to various risks including credit and recovery policy, investment policy, derivative policy, asset liability management (ALM) policy and operational risk management policy. The RCB comprises independent directors and the Managing Director & CEO.

The Bank measures and monitors risk of its derivatives portfolio using such risk metrics as Value at Risk (VaR), stop loss limits and relevant greeks for options. Risk reporting on derivatives forms an integral part of the management information system.

The use of derivatives for hedging purposes is governed by the hedge policy approved by ALCO. Subject to prevailing RBI guidelines, the Bank deals in derivatives for hedging fixed rate, floating rate or foreign currency assets/liabilities. Transactions for hedging and market making purposes are recorded separately. For hedge transactions, the Bank 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.

Based on RBI circular issued on June 26, 2019, the accounting of hedge relationships established after June 26, 2019 is in accordance with the Guidance note on Accounting for Derivative Contracts issued by ICAI. The swaps under hedge relationships established prior to that date are accounted for on an accrual basis and are not marked to market unless their underlying transaction is marked-to-market. Gains or losses arising from hedge ineffectiveness, if any, are recognised in the profit and loss Account. The premium or discount arising on inception of forward exchange contracts, not intended for trading purpose, is amortised over the life of the contract as interest income/expense.

Over the counter (OTC) derivative transactions are covered under International Swaps and Derivatives Association (ISDA) master agreements with the respective counter parties. The exposure on account of derivative transactions is computed as per RBI guidelines.

The Board of Directors has authorised the ALCO to review and approve matters, as applicable, pertaining to the LIBOR transition to alternate risk free rates. A LIBOR Working Group has been constituted which reviews the progress on the international front, and the work carried out alongside Indian Banking Association (IBA). An update on the activities on the LIBOR transition and the proceedings of the Working Group are presented quarterly to the ALCO. The necessary changes were implemented in the treasury system of the Bank to handle the transition of existing trades to the alternate risk free rates. The transition was carried out for the LIBORs (GBP, JPY, EUR, CHF) that ceased on December 31, 2021. USD LIBORs are expected to cease at the end of June 2023. There is sufficient liquidity in market for USD LIBOR linked trades. The Bank does not expect material valuation risk arising out of non-alignment of fallback provisions of commercially linked positions i.e., trading deals and on the existing hedge deals of the Bank.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

The following tables set forth, for the periods indicated, the details of derivative positions.

₹ in million

Sr. No.	Particulars	At March 31, 2022		At March 31, 2021	
		Currency derivative[1]	Interest rate derivative[2]	Currency derivative[1]	Interest rate derivative[2]
1.	Derivatives (Notional principal amount)				
	a) For hedging	**-**	**256,843.9**	-	163,798.0
	b) For trading	**1,200,607.0**	**24,953,321.7**	1,102,082.5	15,643,967.7
2.	Marked to market positions (net)[3]	**(1,168.5)**	**(62.3)**	7,002.3	(10,197.8)
	a) Asset (+)	**25,319.0**	**47,374.3**	21,967.6	47,823.8
	b) Liability (-)	**(26,487.5)**	**(47,436.6)**	(14,965.3)	(58,021.6)
3.	Credit exposure[4]	**88,160.4**	**254,103.7**	83,923.2	187,715.7
4.	Likely impact of one percentage change in interest rate (100*PV01)[5]				
	a) On hedging derivatives[6]	**-**	**6,289.6**	-	6,268.8
	b) On trading derivatives	**2,551.3**	**6,129.0**	2,790.7	3,187.5
5.	Maximum and minimum of 100*PV01 observed during the period				
	a) On hedging[6]				
	Maximum	**-**	**6,454.8**	-	9,025.6
	Minimum	**-**	**5,073.9**	-	6,227.2
	b) On trading				
	Maximum	**2,916.3**	**7,949.6**	3,372.1	5,284.2
	Minimum	**2,440.3**	**1,170.2**	2,194.1	1,531.9

1. *Exchange traded and OTC options, cross currency interest rate swaps and currency futures are included in currency derivatives.*
2. *OTC Interest rate options, Interest rate swaps, forward rate agreements, swaptions and exchange traded interest rate derivatives are included in interest rate derivatives.*
3. *For trading portfolio including accrued interest.*
4. *Includes accrued interest and has been computed based on current exposure method.*
5. *Amounts given are absolute values on a net basis, excluding options.*
6. *The swap contracts entered into for hedging purpose would have an opposite and off-setting impact with the underlying on-balance sheet items.*

The following tables set forth, for the periods indicated, the details of forex contracts.

₹ in million

Sr. No.	Particulars	At March 31, 2022		At March 31, 2021	
		Trading	Non-trading	Trading	Non-trading
1.	Forex contracts (Notional principal amount)	**9,657,484.9**	**987,759.1**	7,080,505.5	1,072,284.3
2.	Marked to market positions (net)	**(6,931.4)**	**1,265.1**	4,022.0	7,049.0
	a) Asset (+)	**18,946.4**	**1,733.1**	26,752.1	7,854.7
	b) Liability (-)	**(25,877.8)**	**(468.0)**	(22,730.1)	(805.7)
3.	Credit exposure[1]	**258,106.9**	**25,818.5**	205,195.1	35,598.4
4.	Likely impact of one percentage change in interest rate (100*PV01)[2]	**42.3**	**39.8**	66.1	94.1

1. *Computed based on current exposure method.*
2. *Amounts given are absolute values on a net basis.*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

As per the Master circular on Basel III Capital Regulations issued by RBI on July 1, 2015 on capital adequacy computation, 'Banks in India shall adopt the comprehensive approach, which allows fuller offset of collateral against exposures, by effectively reducing the exposure amount by the value ascribed to the collateral'. Therefore, counterparty exposure has been fully off-set against the collateral received from the counterparty and the excess collateral posted over the net MTM payable is reckoned as exposure. Since, the collateral received is counterparty-wise and not product-wise, the derivative exposure reported above has not been adjusted for the collateral received/posted. At March 31, 2022, collateral utilised against the exposure was ₹ 7,762.9 million (March 31, 2021: ₹ 7,385.2 million), excess collateral posted over the exposure was ₹ 1,959.5 million (March 31, 2021: ₹ 743.7 million) and the net credit exposure on forex and derivatives, subsequent to collateral netting, was ₹ 620,386.1 million (March 31, 2021: ₹ 505,790.8 million).

The net overnight open position (NOOP) at March 31, 2022 (as per last NOOP value reported to RBI for the year ended March 31, 2022) was ₹ 6,202.9 million (March 31, 2021: ₹ 4,200.2 million).

The Bank has no exposure in credit derivative instruments (funded and non-funded) including credit default swaps (CDS) and principal protected structures at March 31, 2022 (March 31, 2021: Nil).

15. Exchange traded interest rate derivatives and currency derivatives

Exchange traded interest rate derivatives

The following table sets forth, for the periods indicated, the details of exchange traded interest rate derivatives.

₹ in million

Sr. No.	Particulars	At March 31, 2022	At March 31, 2021
1.	Notional principal amount of exchange traded interest rate derivatives undertaken during the year - 10 year Government Security Notional Bond	**4,539.2**	64,748.8
2.	Notional principal amount of exchange traded interest rate derivatives outstanding - 10 year Government Security Notional Bond	**-**	20.0
3.	Notional principal amount of exchange traded interest rate derivatives outstanding and not 'highly effective'	**N.A.**	N.A.
4.	Mark-to-market value of exchange traded interest rate derivatives outstanding and not 'highly effective'	**N.A.**	N.A.

Exchange traded currency derivatives

The following table sets forth, for the periods indicated, the details of exchange traded currency derivatives.

₹ in million

Sr. No.	Particulars	At March 31, 2022	At March 31, 2021
1.	Notional principal amount of exchange traded currency derivatives undertaken during the year	**2,806,476.4**	3,515,146.1
2.	Notional principal amount of exchange traded currency derivatives options outstanding	**62,910.2**	60,651.2
3.	Notional principal amount of exchange traded currency derivatives outstanding and not 'highly effective'	**N.A.**	N.A.
4.	Mark-to-market value of exchange traded currency derivatives outstanding and not 'highly effective'	**N.A.**	N.A.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

16. Forward rate agreement (FRA)/Interest rate swaps (IRS)/Cross currency swaps (CCS)

The Bank enters into FRA, IRS and CCS contracts for balance sheet management and market making purposes whereby the Bank offers derivative products to its customers to enable them to hedge their interest rate risk and currency risk within the prevalent regulatory guidelines.

A FRA is a financial contract between two parties to exchange interest payments for 'notional principal' amount on settlement date, for a specified period from start date to maturity date. Accordingly, on the settlement date cash payments based on contract rate and the settlement rate, which is the agreed bench-mark/reference rate prevailing on the settlement date, are made by the parties to one another. The benchmark used in the FRA contracts of the Bank is London Inter-Bank Offered Rate (LIBOR) of various currencies.

An IRS is a financial contract between two parties exchanging or swapping a stream of interest payments for a 'notional principal' amount on multiple occasions during a specified period. The Bank deals in interest rate benchmarks like Mumbai Inter-Bank Offered Rate (MIBOR), Indian Government Securities Benchmark Rate (INBMK), Mumbai Inter-Bank Forward Offer Rate (MIFOR) and LIBOR of various currencies.

A CCS is a financial contract between two parties exchanging interest payments and principal, wherein interest payments and principal in one currency would be exchanged for interest payments and principal in another currency.

These contracts are subject to the risks of changes in market interest rates and currency rates as well as the settlement risk with the counterparties.

The following table sets forth, for the periods indicated, the details of the FRA/IRS.

₹ in million

Sr. No.	Particulars	At March 31, 2022	At March 31, 2021
1.	Notional principal of FRA/IRS	**25,184,685.1**	15,749,369.2
2.	Losses which would be incurred if all counter parties failed to fulfil their obligations under the agreement[1]	**47,632.0**	48,230.0
3.	Collateral required by the Bank upon entering into FRA/IRS	**-**	-
4.	Concentration of credit risk[2]	**3,414.2**	2,066.6
5.	Fair value of FRA/IRS[3]	**(1,418.3)**	(2,917.5)

1. *For trading portfolio both mark-to-market and accrued interest have been considered and for hedging portfolio only accrued interest has been considered.*
2. *Credit risk concentration is measured as the highest net receivable under these contracts from a particular counter party.*
3. *Fair value represents mark- to-market including accrued interest.*

The following table sets forth, for the periods indicated, the details of the CCS.

₹ in million

Sr. No.	Particulars	At March 31, 2022	At March 31, 2021
1.	Notional principal of CCS[1]	**498,337.6**	481,715.7
2.	Losses which would be incurred if all counter parties failed to fulfil their obligations under the agreement[2]	**21,767.1**	19,157.0
3.	Collateral required by the Bank upon entering into CCS	**-**	-
4.	Concentration of credit risk[3]	**10,402.8**	8,033.9
5.	Fair value of CCS[4]	**2,672.3**	9,126.1

1. *CCS includes cross currency interest rate swaps and currency swaps.*
2. *For trading portfolio both mark-to-market and accrued interest have been considered and for hedging portfolio only accrued interest has been considered.*
3. *Credit risk concentration is measured as the highest net receivable under these contracts from a particular counter party.*
4. *Fair value represents mark-to-market including accrued interest*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

The following tables set forth, for the periods indicated, the nature and terms of FRA and IRS.

Hedging

₹ in million

Benchmark	Type	At March 31, 2022		At March 31, 2021	
		Notional principal	No. of deals	Notional principal	No. of deals
JPY LIBOR	Fixed receivable v/s floating payable	**-**	**-**	6,611.5	1
MIBOR	Fixed receivable v/s floating payable	**93,890.0**	**13**	-	-
USD LIBOR	Fixed receivable v/s floating payable	**162,953.9**	**19**	157,186.5	19
Total		**256,843.9**	**32**	**163,798.0**	**20**

Trading

₹ in million

Benchmark	Type	At March 31, 2022		At March 31, 2021	
		Notional principal	No. of deals	Notional principal	No. of deals
AUD LIBOR	Floating receivable v/s fixed payable	**510.7**	**1**	501.3	1
AUD LIBOR	Fixed receivable v/s floating payable	**266.7**	**6**	532.5	17
Bond Yield	Sell FRA	**13,587.9**	**27**	-	-
CAD CDOR	Fixed receivable v/s floating payable	**793.9**	**1**	874.4	1
CAD CDOR	Floating receivable v/s fixed payable	**807.8**	**2**	887.8	2
EUR ESTR	Floating receivable v/s fixed payable	**7,840.9**	**3**	-	-
EUR ESTR	Fixed receivable v/s floating payable	**7,040.8**	**3**	-	-
EURIBOR	Fixed receivable v/s floating payable	**11,827.3**	**30**	14,570.4	39
EURIBOR	Floating receivable v/s fixed payable	**13,727.9**	**21**	15,034.6	24
EURIBOR	Floating receivable v/s floating payable	**-**	**-**	429.4	1
GBP LIBOR	Fixed receivable v/s floating payable	**7,086.2**	**13**	8,422.9	17
GBP LIBOR	Floating receivable v/s fixed payable	**7,498.9**	**15**	9,208.8	20
INBMK	Floating receivable v/s fixed payable	**1,000.0**	**1**	1,000.0	1
INBMK	Fixed receivable v/s floating payable	**1,000.0**	**1**	1,000.0	1
JPY LIBOR	Fixed receivable v/s floating payable	**6,898.9**	**9**	6,046.4	9
JPY LIBOR	Floating receivable v/s fixed payable	**5,283.0**	**6**	5,990.0	7
MIBOR	Floating receivable v/s fixed payable	**11,014,588.4**	**16,789**	5,967,573.3	7,629
MIBOR	Fixed receivable v/s floating payable	**11,018,340.0**	**16,676**	6,036,070.1	9,441
MIFOR	Floating receivable v/s fixed payable	**423,358.0**	**429**	860,800.0	1,061
MIFOR	Fixed receivable v/s floating payable	**532,286.6**	**749**	917,855.0	1,506
T-BILL	Floating receivable v/s fixed payable	**26,239.0**	**9**	-	-
T-BILL	Fixed receivable v/s floating payable	**10,139.8**	**2**	-	-
USD LIBOR	Fixed receivable v/s floating payable	**601,931.2**	**577**	704,400.4	672
USD LIBOR	Floating receivable v/s fixed payable	**809,797.5**	**734**	852,030.1	753
USD LIBOR	Floating receivable v/s floating payable	**171,935.3**	**44**	174,735.5	52
USD SOFR	Fixed receivable v/s floating payable	**98,044.4**	**54.0**	3,655.5	1
USD SOFR	Floating receivable v/s fixed payable	**129,871.2**	**79.0**	731.1	1
USD SOFR	Floating receivable v/s floating payable	**760.0**	**1.0**	-	-
Others	Fixed receivable v/s fixed payable	**5,379.1**	**5**	3,221.6	4
Total		**24,927,841.4**	**36,287**	**15,585,571.1**	**21,260**

FINANCIAL STATEMENTS OF ICICI BANK LIMITED
SCHEDULES
forming part of the Accounts *(Contd.)*

The following tables set forth, for the periods indicated, the nature and terms of CCS.

Trading

₹ in million

Benchmark	Type	At March 31, 2022		At March 31, 2021	
		Notional principal	No. of deals	Notional principal	No. of deals
EURIBOR	Fixed receivable v/s floating payable	**5,351.3**	**25.0**	5,025.7	23
EURIBOR V/s USD LIBOR	Floating receivable v/s floating payable	**17,378.2**	**8.0**	6,998.7	6
EURIBOR V/s USD LIBOR	Floating payable v/s floating receivable	**18,421.3**	**9.0**	11,712.1	12
EURIBOR V/s USD LIBOR	Fixed receivable v/s Floating payable	**879.3**	**1**	-	-
GBP LIBOR V/s USD LIBOR	Floating receivable v/s floating payable	**1,720.6**	**3**	2,952.3	5
GBP LIBOR V/s USD LIBOR	Floating payable v/s floating receivable	**2,349.2**	**5**	3,321.3	6
GBP SONIA v/s USD SOFR	Floating receivable v/s Floating payable	**536.1**	**1**	-	-
JPY LIBOR	Floating receivable v/s fixed payable	**-**	**-**	343.0	1
JPY LIBOR	Fixed receivable v/s floating payable	**-**	**-**	134.9	1
JPY LIBOR V/s USD LIBOR	Floating receivable v/s floating payable	**568.5**	**2**	7,976.6	8
JPY LIBOR V/s USD LIBOR	Floating payable v/s floating receivable	**276.3**	**2**	317.8	2
MIFOR v/s USD LIBOR	Floating receivable v/s floating payable	**4,626.3**	**3**	4,626.3	3
SGD SOR V/s USD LIBOR	Floating receivable v/s floating payable	**454.8**	**1**	438.7	1
SGD SOR V/s USD LIBOR	Floating payable v/s floating receivable	**151.6**	**1**	365.6	2
USD LIBOR	Fixed receivable v/s floating payable	**169,718.5**	**140**	159,880.7	195
USD LIBOR	Floating receivable v/s fixed payable	**93,076.2**	**79**	95,861.9	86
USD SOFR	Fixed payable v/s floating receivable	**750.0**	**1**	-	-
Others	Fixed receivable v/s fixed payable	**182,079.5**	**193**	181,760.1	189
Total		**498,337.7**	**474**	**481,715.7**	**540**

1. Benchmark indicates floating leg of the fixed v/s floating CCS.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

17. Classification of advances and provisions held

The following table sets forth, the classification of advances and provisions held at March 31, 2022.

₹ in million

	Standard	Non-Performing				Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
Gross Standard Advances and NPAs						
Opening Balance	7,247,016.0	127,338.7	235,111.8	45,963.7	408,414.2	7,655,430.2
Add: Additions during the year					192,910.1	
Less: Reductions during the year*					(268,375.1)	
Closing balance	8,523,814.1	85,308.8	177,027.7	70,612.7	332,949.2	8,856,763.4
*Reductions in Gross NPAs due to:						
i) Upgradation					(104,438.2)	
ii) Recoveries (excluding recoveries from upgraded accounts)					(62,459.0)	
iii) Technical/ Prudential Write-offs					(91,597.9)	
iv) Write-offs other than those under (iii) above					(9,880.0)	
Provisions (excluding Floating Provisions)						
Opening balance of provisions held	901.7	56,319.6	214,952.4	45,963.7	317,235.7	318,137.4
Add: Fresh provisions made during the year					121,883.3	
Less: Excess provision reversed/ Write-off loans					(175,482.1)	
Closing balance of provisions held	2,920.2	39,040.1	153,984.1	70,612.7	263,636.9	266,557.1
Net NPAs						
Opening Balance		71,017.2	20,159.4	-	91,176.6	
Add: Fresh additions during the year					98,586.3	
Less: Reductions during the year					(120,452.5)	
Closing Balance		46,266.8	23,043.6	-	69,310.4	
Floating Provisions						1.9
Opening Balance						-
Add: Additional provisions made during the year						-
Less: Amount drawn down during the year						-
Closing balance of floating provisions						1.9
Technical write-offs and the recoveries made thereon						
Opening balance of Technical/ Prudential written-off accounts						416,422.5
Add: Technical/ Prudential write-offs during the year						98,396.9
Less: Recoveries made from previously technical/ prudential written-off accounts during the year						(9,794.7)
Less: Sacrifice made from previously technical/prudential written-off accounts during the year						(28,445.6)
Closing balance						476,579.1

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

The following table sets forth, the classification of advances and provisions held at March 31, 2021.

₹ in million

	Standard	Non-Performing				Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
Gross Standard Advances and NPAs						
Opening Balance	6,354,612.4	62,507.7	303,184.6	42,598.6	408,290.9	6,762,903.3
Add: Additions during the year					160,482.2	
Less: Reductions during the year*					(160,358.9)	
Closing balance	7,247,016.0	127,338.7	235,111.8	45,963.7	408,414.2	7,655,430.2
*Reductions in Gross NPAs due to:						
i) Upgradation					(17,546.2)	
ii) Recoveries (excluding recoveries from upgraded accounts)					(47,746.4)	
iii) Technical/ Prudential Write-offs					(91,414.9)	
iv) Write-offs other than those under (iii) above					(3,651.4)	
Provisions (excluding Floating Provisions)						
Opening balance of provisions held	945.1	19,740.3	246,717.8	42,598.6	309,056.7	310,001.8
Add: Fresh provisions made during the year					133,515.3	
Less: Excess provision reversed/ Write-off loans					(125,336.2)	
Closing balance of provisions held	901.7	56,319.6	214,952.4	45,963.7	317,235.7	318,137.4
Net NPAs						
Opening Balance		42,765.6	56,466.8	-	99,232.4	
Add: Fresh additions during the year					80,171.9	
Less: Reductions during the year					(88,227.7)	
Closing Balance		71,017.2	20,159.4	-	91,176.6	
Floating Provisions						
Opening Balance						1.9
Add: Additional provisions made during the year						-
Less: Amount drawn down during the year						-
Closing balance of floating provisions						1.9
Technical write-offs and the recoveries made thereon						
Opening balance of Technical/ Prudential written-off accounts						341,378.5
Add: Technical/ Prudential write-offs during the year						82,688.5
Less: Recoveries made from previously technical/ prudential written-off accounts during the year						(1,682.3)
Less: Sacrifice made from previously technical/prudential written-off accounts during the year						(5,962.2)
Closing balance						416,422.5

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

Following table sets forth, for the period indicated, NPA ratios of the Bank.

Particulars	At March 31, 2022	At March 31, 2021
Gross NPA to Gross Advances	**3.76%**	5.33%
Net NPA to Net Advances	**0.81%**	1.24%
Provision coverage ratio	**79.18%**	77.68%

Further, in accordance with RBI guidelines, the loans and advances held at the overseas branches that are identified as impaired as per host country regulations for reasons other than record of recovery, but which are standard as per the extant RBI guidelines, are classified as NPAs to the extent of amount outstanding in the host country. At March 31, 2022, the Bank classified certain loans as NPAs at overseas branches amounting to ₹ 4,547.6 million (at March 31, 2021: Nil) as per the requirement of these guidelines and made a provision of ₹ 3,975.6 million (year ended March 31, 2021: Nil) on these loans.

18. Divergence in asset classification and provisioning for NPAs

In terms of the RBI circular no. //DBR.BP.BC.No.32/21.04.018/2018-19 dated April 1, 2019, banks are required to disclose the divergences in asset classification and provisioning consequent to RBI's annual supervisory process in their notes to accounts to the financial statements, wherever either (a) the additional provisioning requirements assessed by RBI exceed 10% of the reported net profits before provisions and contingencies or (b) the additional gross NPAs identified by RBI exceed 15% of the published incremental 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 RBI's supervisory process for the year ended March 31, 2021 and for the year ended March 31, 2020.

19. General provision on standard assets

The general provision on standard assets held by the Bank at March 31, 2022 was ₹ 40,942.9 million (March 31, 2021: ₹ 35,842.8 million). The Bank made general provision on standard assets amounting to ₹ 4,492.5 million during the year ended March 31, 2022 (year ended March 31, 2021: ₹ 2,288.3 million) as per applicable RBI guidelines.

RBI, through its circular dated January 15, 2014 had advised banks to create incremental provision on standard loans and advances to entities with unhedged foreign currency exposure (UFCE). The Bank assesses the UFCEs of the borrowers through its credit appraisal and internal ratings process. The Bank also undertakes review of UFCE for large exposures on annual basis.

The Bank held provision amounting to ₹ 3,100.0 million (March 31, 2021: ₹ 2,620.0 million) on advances to entities with UFCE at March 31, 2022. During the year ended March 31, 2022, the Bank made provision amounting to ₹ 480.0 million on advances to entities with UFCE (year ended March 31, 2021: ₹ 120.0 million). The Bank held incremental capital of ₹ 9,360.0 million at March 31, 2022 on advances to borrowers with UFCE (March 31, 2021: ₹ 8,860.0 million).

The Bank makes additional general provision on stressed sectors of the economy, as per RBI guidelines and as per the Board approved policy. During the year ended March 31, 2022, there was a write-back of provision amounting to ₹ 233.3 million (year ended March 31, 2021: ₹ 756.7 million). At March 31, 2022, the Bank held provision amounting to ₹ 1,350.0 million (March 31, 2021: ₹ 1,583.3 million).

During the year ended March 31, 2022, the Bank made provision amounting to ₹ 147.4 million (year ended March 31, 2021: ₹ 205.9 million) towards advances to overseas step-down subsidiaries of Indian corporates. The Bank held provision amounting to ₹ 909.7 million at March 31, 2022 (March 31, 2021: ₹ 762.2 million).

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

RBI, through its circular dated August 25, 2016, required banks to make additional provision from the year ended March 31, 2019 on incremental exposure of the banking system in excess of normally permitted lending limit (NPLL) on borrowers classified as specified borrower. During the year ended March 31, 2022, there was a write-back of provision amounting to ₹ 68.6 million (year ended March 31, 2021: made provision of ₹ 248.5 million) on these specified borrowers. The Bank held provision amounting to ₹ 261.4 million at March 31, 2022 (March 31, 2021: ₹ 330.0 million).

20. Priority Sector Lending Certificates (PSLCs)

The following table sets forth, for the periods indicated, details of PSLCs purchased and sold by the Bank.

₹ in million

Category	Year ended March 31, 2022		Year ended March 31, 2021	
	Bought	Sold	Bought	Sold
General	**-**	**655,300.0**	-	311,055.0
Agriculture	**673,065.0**	**-**	357,740.0	-
Micro enterprise	**42,060.0**	**359,100.0**	-	106,840.0
Total	**715,125.0**	**1,014,400.0**	**357,740.0**	**417,895.0**

21. Sale and acquisition of loans

a) Details of loan not in default sold/acquired by the Bank as per Master Direction - Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021.

1. The following table sets forth, for the period indicated, details of loans not in default sold/acquired under assignment:

₹ in million

Particulars	Year ended March 31, 2022	
	Loans acquired	Loans sold
Amount of loan	**45,127.9**	**4,386.9**
Weighted average residual maturity (in years)	**5.30**	**3.74**
Weighted average holding period of the originator (in years)	**1.64**	**2.08**
Retention of beneficial economic interest by the originator	**89,219.6**	**7,745.3**
Tangible security coverage (times)	**1.20**	**1.20**

1. In addition, the Bank acquired unfunded loans amounting to ₹ 2,840.0 million and sold un-funded loans amounting to ₹ 1,250.0 million through novation.

2. In addition, the Bank acquired loans amounting to ₹ 2,192.4 million through risk participation in the secondary market.

2. The following table sets forth, for the period indicated, rating-wise distribution of the loans sold/acquired under assignment:

₹ in million

Rating	Year ended March 31, 2022	
	Loans acquired	Loans sold
IND A+	**-**	**493.8**
CARE A-	**-**	**998.3**
CRISIL A	**-**	**1,000.0**
Moody's B1	**1,136.9**	**-**
CRISIL AA+	**-**	**1,894.8**

1. Excluding retail and other unrated loans.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED
SCHEDULES
forming part of the Accounts *(Contd.)*

b) Details of stressed loans sold/acquired by the Bank.

1. The following table sets forth, for the period indicated, details of stressed loans classified as NPA sold by the Bank.

₹ in million, except number of accounts

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	To ARCs	To permitted transferees	To ARCs	To permitted transferees
Number of accounts	**4**	**3**	2	2
Aggregate principal outstanding of loans transferred[2]	**3,302.1**	**1,046.5**	60.5	817.9
Weighted average residual tenor of the loans transferred[3]	**-**	**-**	-	-
Net book value of loans transferred (at the time of transfer)[4]	**244.8**	**188.6**	11.3	473.7
Aggregate consideration	**1,966.3**	**1,164.1**	81.0	521.0
Additional consideration realised in respect of accounts transferred in earlier years	**-**	**-**	-	-

1. *Excess provision reversed to profit and loss account on account of sale of NPAs to ARCs was, ₹ 1,721.5 million and to permitted transferees was ₹ 975.5 million (year ended March 31, 2021: ARCs ₹ 69.7 million and permitted transferees ₹ 75.3 million).*
2. *Net of write-off.*
3. *For NPAs, the Bank issues loan recall notice and initiates legal proceedings for recovery, due to which the weighted average residual tenor is not applicable.*
4. *Net of write-off and provisions.*

2. The Bank has not sold/acquired loan classified as Special Mention Account (SMA) during the year ended March 31, 2022.

3. The Bank has not acquired non-performing loans during the year ended March 31, 2022.

4. The following table sets forth, for the period indicated, rating-wise distribution of SRs held by the bank.

₹ in million

Rating	NAV estimate %	At March 31, 2022
RR1	Above 100%	**6,798.9**
RR2	Above 75% upto 100%	**-**
RR3	Above 50% upto 75%	**4,680.4**
RR4	Above 25% upto 50%	**4,538.6**
RR5	Upto 25%	**2,009.7**
	Total	**18,027.6**

1. *Amount represents net of provisions.*
2. *Additionally, the Bank holds marked-to-market loss of ₹ 3,660.4 million and additional provision of ₹ 6,293.3 million at March 31, 2022.*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

22. Securitisation

Following table sets forth details of securitisation of standard assets of the Bank as per Master Direction – Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 for the year ended March 31, 2022.

₹ in million

Sr. No.	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
1.	Number of SPVs sponsored by the bank for securitisation transactions during the year	-	-
2.	Total a) No. and b) amount of securitised loans as per books of the SPVs sponsored by the bank during the year	-	-
3.	Total amount of exposures retained by the Bank to comply with Minimum Retention Requirement (MRR) during the year		
	a) Off-balance sheet exposures		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	• First loss	-	-
	• Others	-	-
4.	Amount of exposure to securitisation transactions other than MRR during the year		
	Off-balance sheet exposures		
	a) Exposure to own securitisation		
	• First loss	-	-
	• Others	-	-
	b) Exposure to third party securitisation		
	• First loss	-	-
	• Others	269.3	709.5
	On-balance sheet exposures		
	a) Exposure to own securitisation		
	• First loss	-	-
	• Others	-	-
	b) Exposure to third party securitisation		
	• First loss	-	-
	• Others	-	-
5.	Sale consideration received for the securitised assets and gain/ loss on sale on account of securitisation[1]	-	(64.2)
6.	Outstanding amount of services provided by way of:		
	• credit enhancement[2]	4,064.9	4,950.1
	• liquidity support	209.7	209.6
	• post-securitisation asset servicing	-	-
7.	Performance of facilities provided		

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

₹ in million

Sr. No.	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
	a) First loss credit facility		
	• Amount paid (0.01%)[4]	-[3]	-[3]
	• Repayment received (0.01%)[4]	-[3]	-[3]
	• Outstanding amount	734.9	734.9
	b) Second loss credit facility		
	• Amount paid	-	-
	• Repayment received	-	-
	• Outstanding amount[2]	3,330.0	4,215.2
	c) Liquidity facility		
	• Amount paid (0.02%)[4,5]	-[3]	3.1
	• Repayment received (0.08%)[4,5]	0.2	3.5
	• Outstanding amount	209.7	209.6
8.	Average default rate of portfolios observed at the year end		
	a) MBS deals (cumulative in %)	1.5	1.5
	b) ABS deals (cumulative in %)	-	-
9.	Amount and number of additional/top up loan given on same underlying loans.		
	a) MBS deals		
	• Gross Amount	75.8	88.2
	• Count	115	123
	b) ABS deals		
	• Gross Amount	-	-
	• Count		-
10.	Investor complaints		
	(a) Directly/Indirectly received and;	-	-
	(b) Complaints outstanding	-	-

1. *Includes gain/(loss) on deal closures, gain amortised during the year and expenses relating to utilisation of credit enhancement for all the outstanding deals.*
2. *Includes outstanding credit enhancement in the form of guarantees for third party originated securitisation transactions amounting to ₹ 2,639.0 million (for the year ended March 31, 2021: ₹ 3,524.2 million)*
3. *Insignificant amount*
4. *Percentage has been derived based on opening outstanding balance of the facility.*
5. *For the year ended March 31, 2021, amount paid: 1.47% and repayment received: 1.68%*

23. Accounts restructured under Micro, Small and Medium Enterprises (MSME) sector

The following table sets forth, for the periods indicated, the details of accounts restructured under MSME sector under RBI guidelines issued in January 2019.

₹ in million, except number of accounts

At March 31, 2022		At March 31, 2021	
Number of accounts restructured	Amount outstanding	Number of accounts restructured	Amount outstanding
2,500	**28,181.8**	746	10,325.1

FINANCIAL STATEMENTS OF ICICI BANK LIMITED
SCHEDULES
forming part of the Accounts *(Contd.)*

24. Resolution of stressed assets

During the year ended March 31, 2022, the Bank implemented resolution plan for five borrower amounting to ₹ 10,365.3 million (March 31, 2021: three borrowers for ₹ 6,553.2 million) under the prudential framework for stressed assets issued by RBI on June 7, 2019.

25. Resolution Framework for Covid-19 related Stress

I. The following table sets forth, details of resolution plans implemented under the Resolution Framework for Covid-19 related stress of individuals and small borrowers as per RBI circular dated May 5, 2021 (Resolution Framework 2.0):

₹ in million, except number of accounts

	For the six months ended March 31, 2022				
Type of borrower	**Exposure to accounts classified as Standard consequent to implementation of resolution plan – at September 30, 2021 (A)[1]**	**Of (A), aggregate debt that slipped into NPA during six month ended March 31, 2022[2]**	**Of (A) amount written off during six month ended March 31, 2022**	**Of (A) amount paid by the borrowers during six month ended March 31, 2022[3]**	**Exposure to accounts classified as Standard consequent to implementation of resolution plan at March 31, 2022**
Personal Loans[4]	43,275.3	6,382.4	232.3	5,738.1	31,154.8
Corporate persons	29,001.8	-	-	11,964.8	17,037.0
Of which MSMEs	-	-	-	-	-
Others	8,634.2	1,456.3	17.4	(499.4)	7,677.3
Total	**80,911.3**	**7,838.7**	**249.7**	**17,203.5**	**55,869.1**

** As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016*

1. *Includes cases where request received till September 30, 2021 and implemented subsequently.*
2. *Includes cases which have been written off during the period.*
3. *Net of increase in exposure during the period.*
4. *Includes various categories of retail loans.*

26. Concentration of Deposits, Advances, Exposures and NPAs

(I) Concentration of deposits, advances, exposures and NPAs

₹ in million

Concentration of deposits	**At March 31, 2022**	**At March 31, 2021**
Total deposits of 20 largest depositors	**560,155.0**	501,242.3
Deposits of 20 largest depositors as a percentage of total deposits of the Bank	**5.26%**	5.38%

₹ in million

Concentration of advances[1]	**At March 31, 2022**	**At March 31, 2021**
Total advances to 20 largest borrowers (including banks)	**1,908,174.2**	1,870,624.9
Advances to 20 largest borrowers as a percentage of total advances of the Bank	**11.84%**	13.77%

1. *Represents credit exposure (funded and non-funded) including derivatives exposures as per RBI guidelines on exposure norms.*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED
SCHEDULES
forming part of the Accounts *(Contd.)*

₹ in million

Concentration of exposures[1]	At March 31, 2022	At March 31, 2021
Total exposure to 20 largest borrowers/customers (including banks)	**2,002,175.1**	2,058,661.7
Exposures to 20 largest borrowers/customers as a percentage of total exposure of the Bank	**12.03%**	14.47%

1. Represents credit and investment exposures as per RBI guidelines on exposure norms.

₹ in million

Concentration of NPAs	At March 31, 2022	At March 31, 2021
Total exposure[1] to top 20 NPA accounts	**175,706.5**	178,152.1
Exposure of 20 largest NPA as a percentage of total Gross NPAs	**42.30%**	35.70%

1. Represents credit and investment exposures as per RBI guidelines on exposure norms.

(II) Sector-wise advances

₹ in million, except percentages

Sr. No.	Particulars	At March 31, 2022		
		Outstanding advances	Gross NPAs[1]	% of gross NPAs[1] to total advances in that sector
A.	**Priority sector**			
1.	Agriculture and allied activities	**561,419.3**	**29,726.4**	**5.29%**
2.	Advances to industries sector eligible as priority sector lending	**793,249.8**	**9,300.1**	**1.17%**
3.	Services	**459,446.3**	**10,019.6**	**2.18%**
	of which:			
	Transport operators	**169,445.5**	**5,744.2**	**3.39%**
	Wholesale trade	**206,556.7**	**2,425.3**	**1.17%**
4.	Personal loans	**714,700.4**	**18,457.9**	**2.58%**
	of which:			
	Housing	**646,036.4**	**14,715.7**	**2.28%**
	Vehicle loans	**49,115.9**	**2,248.8**	**4.58%**
	Sub-total (A)	**2,528,815.8**	**67,504.0**	**2.67%**
B.	**Non-priority sector**			
1.	Agriculture and allied activities	**-**	**-**	**-**
2.	Advances to industries sector	**1,637,148.8**	**178,096.7**	**10.88%**
	of which:			
	Infrastructure	**484,952.6**	**45,807.8**	**9.45%**
	Basic metal and metal products	**184,023.7**	**5,901.4**	**3.21%**
	Construction	**148,527.6**	**53,447.4**	**35.98%**
	Chemicals and Chemical Products	**133,374.7**	**11,232.3**	**8.42%**
3.	Services	**1,533,962.2**	**40,701.4**	**2.65%**
	of which:			
	Commercial real estate	**453,678.9**	**13,600.2**	**3.00%**
	Wholesale trade	**191,516.6**	**6,645.6**	**3.47%**
	Non-banking financial companies	**478,801.1**	**131.4**	**0.03%**
4.	Personal loans[2]	**3,156,836.6**	**46,647.1**	**1.48%**
	of which:			
	Housing	**1,915,669.7**	**26,188.9**	**1.37%**
	Sub-total (B)	**6,327,947.6**	**265,445.2**	**4.19%**
	Total (A)+(B)	**8,856,763.4**	**332,949.2**	**3.76%**

1. Represents loans and advances.
2. Excludes commercial business loans and dealer funding.
3. Sub-sectors have been disclosed where advances exceed 10% of total advances in that sector at reporting date.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED
SCHEDULES
forming part of the Accounts *(Contd.)*

₹ in million, except percentages

Sr. No.	Particulars	At March 31, 2021		
		Outstanding advances	Gross NPAs[1]	% of gross NPAs[1] to total advances in that sector
A.	**Priority sector**			
1.	Agriculture and allied activities	480,800.5	20,583.1	4.28%
2.	Advances to industries sector eligible as priority sector lending	546,536.4	8,801.7	1.61%
3.	Services	305,603.6	16,078.3	5.26%
	of which:			
	Transport operators	159,482.2	12,229.6	7.67%
	Wholesale trade	95,369.8	2,214.3	2.32%
4.	Personal loans	740,504.6	25,449.8	3.44%
	of which:			
	Housing	614,468.2	16,297.9	2.65%
	Vehicle loans	94,732.5	6,856.8	7.24%
	Sub-total (A)	**2,073,445.1**	**70,912.9**	**3.42%**
B.	**Non-priority sector**			
1.	Agriculture and allied activities	-	-	-
2.	Advances to industries sector	1,593,220.4	211,424.1	13.27%
	of which:			
	Infrastructure	491,261.9	60,460.9	12.31%
	Basic metal and metal products	173,798.4	7,827.9	4.50%
	Chemicals and Chemical Products	151,653.0	14,478.2	9.55%
	Construction	153,547.8	54,262.3	35.34%
3.	Services	1,400,763.5	59,334.5	4.24%
	of which:			
	Commercial real estate	389,985.6	19,479.1	4.99%
	Wholesale trade	209,439.8	7,840.2	3.74%
	Non-banking financial companies	383,460.3	269.4	0.07%
4.	Personal loans[2]	2,588,001.2	66,742.7	2.58%
	of which:			
	Housing	1,500,326.8	31,546.8	2.10%
	Sub-total (B)	**5,581,985.1**	**337,501.3**	**6.05%**
	Total (A)+(B)	**7,655,430.2**	**408,414.2**	**5.33%**

1. *Represents loans and advances.*
2. *Excludes commercial business loans and dealer funding.*
3. *Sub-sectors have been disclosed where advances exceed 10% of total advances in that sector at reporting date.*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED
SCHEDULES
forming part of the Accounts *(Contd.)*

(III) Overseas assets, NPAs[1] and revenue

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Total assets[2]	**865,806.3**	858,033.1
Total NPAs (net)	**6,236.0**	10,972.5
Total revenue[2]	**18,399.6**	17,385.6

1. Represents loans and advances.
2. Represents the total assets and total revenue of foreign operations as reported in Schedule 18 of the financial statements, note no. 5 on information about business and geographical segments.

(IV) Off-balance sheet special purpose vehicles (SPVs) sponsored (which are required to be consolidated as per accounting norms) for the year ended March 31, 2022

1. The following table sets forth, the names of SPVs/trusts sponsored by the Bank/subsidiaries which are consolidated.

Sr. No.	Name of the SPV sponsored[1]
A.	**Domestic**
	1. ICICI Strategic Investments Fund[2]
	2. India Advantage Fund-III[2]
	3. India Advantage Fund-IV[2]
B.	**Overseas**
	None

1. SPVs/Trusts which are consolidated and set-up/sponsored by the Bank/subsidiaries of the Bank.
2. The nature of business of the above entities is venture capital fund.

2. The following table sets forth, the names of SPVs/trusts which are not sponsored by the Bank/subsidiaries and are consolidated.

Sr. No.	Name of the SPV
A.	**Domestic**
	None
B.	**Overseas**
	None

27. Intra-group exposure

The following table sets forth, for the periods indicated, the details of intra-group exposure.

₹ in million

Sr. No.	Particulars	At March 31, 2022	At March 31, 2021
1.	Total amount of intra-group exposures	**169,408.4**	143,907.8
2.	Total amount of top 20 intra-group exposures	**169,408.0**	143,907.6
3.	Percentage of intra-group exposure to total exposures of the Bank on borrowers/customers	**1.02%**	1.01%
4.	Details of breach of limits on intra-group exposures and regulatory action thereon, if any	**Nil**	Nil

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

28. Exposure to sensitive sectors

The Bank has exposure to sectors, which are sensitive to asset price fluctuations. The sensitive sectors include capital markets and real estate.

The following table sets forth, for the periods indicated, the position of exposure to capital market sector.

₹ in million

Sr. No.	Particulars	At March 31, 2022	At March 31, 2021
1.	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	**46,902.8**	50,255.7
2.	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	**1,545.2**	1,823.5
3.	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	**22,361.0**	22,338.1
4.	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	**-**	1,133.0
5.	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stock brokers and market makers	**123,510.6**	109,546.4
6.	Loans sanctioned to corporate 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	**-**	-
7.	Bridge loans to companies against expected equity flows/issues	**-**	-
8.	Underwriting commitments taken up by the Bank in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	**-**	-
9.	Financing to stockbrokers for margin trading	**-**	-
10.	All exposures to venture capital funds (both registered and unregistered)	**10,181.7**	9,413.0
11.	Others	**-**	**-**
	Total exposure to capital market[1]	**204,501.3**	**194,509.7**

1. *At March 31, 2022, excludes investment in equity shares of ₹ 21,779.6 million (March 31, 2021: ₹ 22,619.2 million) exempted from the regulatory ceiling, out of which investments of ₹ 3,054.6 million (March 31, 2021: ₹ 3,449.9 million) were acquired due to conversion of debt to equity during restructuring process under RBI circular dated June 7, 2019 on "Prudential Framework for Resolution of Stressed Assets" and investments of ₹ 17,116.6 million (March 31, 2021: ₹ 17,566.1 million) were acquired under other resolution schemes of RBI.*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

The following table sets forth, for the periods indicated, the summary of exposure to real estate sector.

₹ in million

Sr. No.	Particulars	At March 31, 2022	At March 31, 2021
I.	**Direct exposure**	**3,641,419.7**	**2,976,380.4**
	1. Residential mortgages	**2,897,232.4**	2,355,904.4
	of which: individual housing loans eligible for priority sector advances	**397,578.1**	350,236.7
	2. Commercial real estate[1]	**713,574.3**	587,702.3
	3. Investments in Mortgage Backed Securities (MBS) and other securitised exposure	**30,613.0**	32,773.7
	a. Residential	**26,310.2**	28,270.4
	b. Commercial real estate	**4,302.8**	4,503.3
II.	**Indirect exposure**	**162,163.3**	**246,635.7**
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	**162,163.3**	246,635.7
	Total exposure to real estate sector	**3,803,583.0**	**3,223,016.1**

1. *Commercial real estate exposure includes loans to individuals against non-residential premises, loans given to land and building developers for construction, corporate loans for development of special economic zone, loans to borrowers where servicing of loans is from a real estate activity and exposures to mutual funds/venture capital funds/private equity funds investing primarily in the real estate companies.*

29. Factoring business

At March 31, 2022, the outstanding receivables acquired by the Bank under factoring business were ₹ 39,289.5 million (March 31, 2021: ₹ 31,268.6 million) which are reported under 'Bills purchased and discounted' in Schedule 9 – Advances of the balance sheet.

30. Risk category-wise country exposure

As per the extant RBI guidelines, the country exposure of the Bank is categorised into various risk categories listed in the following table. The funded country exposure (net) of the Bank as a percentage of total funded assets for United States of America was 3.53% (March 31, 2021: 4.07%), and for United Kingdom was 1.22% (March 31, 2021: 1.28%). As the net funded exposure to United States of America and United Kingdom at March 31, 2022, exceeded 1.00% of total funded assets (March 31, 2021: United States of America and United Kingdom), the Bank held a provision of ₹ 580.0 million on country exposure at March 31, 2022 (March 31, 2021: ₹ 565.0 million) based on RBI guidelines.

The following table sets forth, for the periods indicated, the details of exposure (net) and provision held by the bank.

₹ in million

Risk category	Exposure (net) at March 31, 2022	Provision held at March 31, 2022	Exposure (net) at March 31, 2021	Provision held at March 31, 2021
Insignificant	**1,109,785.2**	**580.0**	1,066,722.8	565.0
Low	**319,041.5**	**-**	300,160.1	-
Moderately Low	**3,540.2**	**-**	15,470.6	-
Moderate	**13,686.9**	**-**	16,142.0	-
Moderately High	**134.7**	**-**	1.6	-
High	**-**	**-**	-	-
Very High	**-**	**-**	-	-
Total	**1,446,188.5**	**580.0**	**1,398,497.1**	**565.0**

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

31. Unsecured advances against intangible assets

The Bank has not made advances against intangible collaterals of the borrowers, which are classified as 'Unsecured' in the financial statements at March 31, 2022 (March 31, 2021: Nil).

32. Revaluation of fixed assets

The Bank follows the revaluation model for its premises (land and buildings) other than improvements to leasehold property as per AS 10 – 'Property, Plant and Equipment'. As per the Bank's policy, annual revaluation is carried out through external valuers, using methodologies such as direct sales comparison method and income capitalisation method and the incremental amount has been taken to revaluation reserve. The revalued amount at March 31, 2022 was ₹ 57,269.6 million (March 31, 2021: ₹ 56,451.6 million) as compared to the historical cost less accumulated depreciation of ₹ 25,313.0 million (March 31, 2021: ₹ 25,515.7 million).

The revaluation reserve is not available for distribution of dividend.

33. Fixed Assets

The following table sets forth, for the periods indicated, the movement in software acquired by the Bank, as included in fixed assets.

₹ in million

Particulars	At March 31, 2022	At March 31, 2021
At cost at March 31 of preceding year	**25,543.0**	19,879.4
Additions during the year	**3,922.1**	6,014.7
Deductions during the year	**(308.1)**	(351.2)
Depreciation to date	**(21,220.3)**	(18,447.1)
Net block	**7,936.7**	7,095.8

34. Debt assets swap transactions

During the year ended March 31, 2022, the Bank did not acquire any non-banking assets under debt-asset swap transactions (year ended March 31, 2021: Nil).

During the year ended March 31, 2022, the Bank sold non-banking assets having a book value of ₹ 563.6 million (year ended March 31, 2021: ₹ 942.4 million), which were fully provided, at a sale consideration of ₹ 430.5 million (year ended March 31, 2021: ₹ 1,263.0 million).

The net book value of non-banking assets acquired in satisfaction of claims by the Bank outstanding at March 31, 2022 amounted to Nil (March 31, 2021: Nil), net of provision held of ₹ 29,011.8 million (March 31, 2021: ₹ 29,575.4 million).

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

35. Lease

I. Assets taken under operating lease

Operating leases primarily comprise office premises which are renewable at the option of the Bank.

(i) The following table sets forth, for the periods indicated, the details of liability for premises taken on non-cancellable operating leases.

₹ in million

Particulars	At March 31, 2022	At March 31, 2021
Not later than one year	**102.7**	141.6
Later than one year and not later than five years	**67.3**	52.1
Later than five years	**9.9**	9.9
Total	**179.9**	**203.6**

(ii) Total of non-cancellable lease payments recognised in the profit and loss account for the year ended March 31, 2022 is ₹ 283.6 million (year ended March 31, 2021: ₹ 301.9 million).

II. Assets taken under finance lease

The following table sets forth, for the periods indicated, the details of assets taken on finance leases.

₹ in million

Particulars	At March 31, 2022	At March 31, 2021
A. Total Minimum lease payments outstanding		
Not later than one year	**269.2**	241.2
Later than one year and not later than five years	**792.3**	806.1
Later than five years	**76.4**	138.7
Total	**1,137.9**	**1,186.0**
B. Interest cost payable		
Not later than one year	**92.5**	97.4
Later than one year and not later than five years	**146.8**	186.2
Later than five years	**3.8**	9.2
Total	**243.1**	**292.8**
C. Present value of minimum lease payments payable(A-B)		
Not later than one year	**176.7**	143.7
Later than one year and not later than five years	**645.5**	619.9
Later than five years	**72.6**	129.6
Total	**894.8**	**893.2**

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

36. Description of contingent liabilities

The following table describes the nature of contingent liabilities of the Bank.

Sr. No.	Contingent liability	Brief Description
1.	Claims against the Bank, not acknowledged as debts	This item represents demands made in certain tax and legal matters against the Bank in the normal course of business and customer claims arising in fraud cases. In accordance with the Bank's accounting policy and AS 29, the Bank has reviewed and classified these items as possible obligations based on legal opinion/judicial precedents/assessment by the Bank.
2.	Liability for partly paid investments	This item represents amounts remaining unpaid towards liability for partly paid investments. These payment obligations of the Bank do not have any profit/loss impact.
3.	Liability on account of outstanding forward exchange contracts	The Bank enters into foreign exchange contracts in the normal course of its business, to exchange currencies at a pre-fixed price at a future date. This item represents the notional principal amount of such contracts, which are derivative instruments. With respect to the transactions entered into with its customers, the Bank generally enters into off-setting transactions in the inter-bank market. This results in generation of a higher number of outstanding transactions, and hence a large value of gross notional principal of the portfolio, while the net market risk is lower.
4.	Guarantees given on behalf of constituents, acceptances, endorsements and other obligations	This item represents the guarantees and documentary credits issued by the Bank in favour of third parties on behalf of its customers, as part of its trade finance banking activities with a view to augment the customers' credit standing. Through these instruments, the Bank undertakes to make payments for its customers' obligations, either directly or in case the customers fail to fulfill their financial or performance obligations.
5.	Currency swaps, interest rate swaps, currency options and interest rate futures	This item represents the notional principal amount of various derivative instruments which the Bank undertakes in its normal course of business. The Bank offers these products to its customers to enable them to transfer, modify or reduce their foreign exchange and interest rate risks. The Bank also undertakes these contracts to manage its own interest rate and foreign exchange positions. With respect to the transactions entered into with its customers, the Bank generally enters into off-setting transactions in the inter-bank market. This results in generation of a higher number of outstanding transactions, and hence a large value of gross notional principal of the portfolio, while the net market risk is lower.
6.	Other items for which the Bank is contingently liable	Other items for which the Bank is contingently liable primarily include the amount of government securities bought/sold and remaining to be settled on the date of financial statements. This also includes amount transferred to RBI under the Depositor Education and Awareness Fund (DEAF), commitment towards contribution to venture fund, the amount that the Bank is obligated to pay under capital contracts and letter of undertaking and indemnity letters. Capital contracts are job orders of a capital nature which have been committed.

37. Insurance business

The following table sets forth, for the periods indicated, the break-up of income derived from insurance business.

₹ in million

Sr. No.	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
1.	Income from selling life insurance policies	**5,775.8**	6,363.9
2.	Income from selling non-life insurance policies	**901.9**	1,152.3

FINANCIAL STATEMENTS OF ICICI BANK LIMITED
SCHEDULES
forming part of the Accounts *(Contd.)*

38. Marketing & Distribution

The following table sets forth, for the periods indicated, income received from marketing and distribution function.

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Income received in respect of the marketing and distribution	**4,721.6**	3,341.6

1. Includes referral fees, commission and fees received on distribution/cross selling of various products including mutual funds.

39. Employee benefits

Pension

The following tables set forth, for the periods indicated, movement of the present value of the defined benefit obligation, fair value of plan assets and other details for pension benefits.

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening obligations	**20,265.6**	**19,914.3**
Service cost	**204.6**	237.2
Interest cost	**1,145.3**	1,173.9
Actuarial (gain)/loss	**(546.5)**	1,256.2
Liabilities extinguished on settlement	**(2,289.8)**	(2,198.1)
Benefits paid	**(118.2)**	(117.9)
Obligations at the end of year	**18,661.0**	**20,265.6**
Opening plan assets, at fair value	**21,162.2**	**16,972.1**
Expected return on plan assets	**1,620.7**	1,350.8
Actuarial gain/(loss)	**(331.9)**	521.9
Assets distributed on settlement	**(2,544.2)**	(2,442.3)
Contributions	**54.7**	4,877.6
Benefits paid	**(118.2)**	(117.9)
Closing plan assets, at fair value	**19,843.3**	**21,162.2**
Fair value of plan assets at the end of the year	**19,843.3**	21,162.2
Present value of the defined benefit obligations at the end of the year	**(18,661.0)**	(20,265.6)
Amount not recognised as an asset (limit in Para 59(b) of AS 15 on 'employee benefits')	**(401.9)**	(304.8)
Asset/(liability)	**780.4**	**591.8**
Cost[1]		
Service cost	**204.6**	237.2
Interest cost	**1,145.3**	1,173.9
Expected return on plan assets	**(1,620.7)**	(1,350.8)
Actuarial (gain)/loss	**(214.6)**	734.3
Curtailments & settlements (gain)/loss	**254.4**	244.2
Effect of the limit in para 59(b) of AS 15 on 'employee benefits'	**97.1**	304.8
Net cost	**(133.9)**	**1,343.6**
Actual return on plan assets	**1,288.8**	1,872.7
Expected employer's contribution next year	**2,000.0**	2,000.0
Investment details of plan assets		
Government of India securities	**46.69%**	50.15%
Corporate bonds	**46.45%**	44.81%
Equity securities in listed companies	**6.46%**	5.04%
Others	**0.40%**	-

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Assumptions		
Discount rate	**6.30%**	5.75%
Salary escalation rate:		
On Basic pay	**1.50%**	1.50%
On Dearness relief	**7.00%**	7.00%
Estimated rate of return on plan assets	**7.50%**	7.50%

1. Included in line item 'Payments to and provision for employees' of Schedule-16 Operating expenses.

Estimated rate of return on plan assets is based on the expected average long-term rate of return on investments of the Fund during the estimated term of the obligations.

Experience adjustment

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2018
Plan assets	**19,843.3**	21,162.2	16,972.1	15,438.8	16,303.7
Defined benefit obligations	**(18,661.0)**	(20,265.6)	(19,914.3)	(16,540.3)	(15,391.1)
Amount not recognised as an asset (limit in para 59(b) of AS 15 on 'employee benefits')	**(401.9)**	(304.8)	-	-	(310.1)
Surplus/(deficit)	**780.4**	591.8	(2,942.2)	(1,101.5)	602.5
Experience adjustment on plan assets	**(331.9)**	521.9	741.1	(125.9)	(449.6)
Experience adjustment on plan liabilities	**809.0**	613.4	2,186.1	1,038.6	290.1

Gratuity

The following tables set forth, for the periods indicated, movement of the present value of the defined benefit obligation, fair value of plan assets and other details for gratuity benefits.

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening obligations	**12,842.8**	**11,938.7**
Add: Adjustment for exchange fluctuation on opening obligations	**6.0**	(6.5)
Adjusted opening obligations	**12,848.8**	**11,932.2**
Service cost	**1,294.5**	1,265.4
Interest cost	**875.8**	818.3
Actuarial (gain)/loss	**(112.0)**	(414.4)
Past service cost	**-**	(6.8)
Liability transferred from/to other companies	**1.9**	4.9
Benefits paid	**(1,319.0)**	(756.8)
Obligations at the end of the year	**13,590.0**	**12,842.8**
Opening plan assets, at fair value	**12,934.8**	**10,877.1**
Expected return on plan assets	**945.7**	842.4

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Actuarial gain/(loss)	**(64.9)**	720.2
Contributions	**1,078.9**	1,247.0
Asset transferred from/to other companies	**1.9**	4.9
Benefits paid	**(1,319.0)**	(756.8)
Closing plan assets, at fair value	**13,577.4**	**12,934.8**
Fair value of plan assets at the end of the year	**13,577.4**	12,934.8
Present value of the defined benefit obligations at the end of the year	**(13,590.0)**	(12,842.8)
Amount not recognised as an asset (limit in Para 59(b) of AS 15 on 'employee benefits')	**-**	-
Asset/(liability)	**(12.6)**	**92.0**
Cost[1]		
Service cost	**1,294.5**	1,265.4
Interest cost	**875.8**	818.3
Expected return on plan assets	**(945.7)**	(842.4)
Actuarial (gain)/loss	**(47.1)**	(1,134.6)
Past service cost	**-**	(6.8)
Exchange fluctuation loss/(gain)	**6.0**	(6.5)
Effect of the limit in para 59(b) of AS 15 on 'employee benefits'	**-**	-
Net cost	**1,183.6**	**93.4**
Actual return on plan assets	**880.7**	1,562.6
Expected employer's contribution next year	**800.0**	800.0
Investment details of plan assets		
Insurer managed funds	**-**	-
Government of India securities	**29.29%**	36.52%
Corporate bonds	**47.96%**	45.49%
Equity	**20.65%**	14.22%
Others	**2.10%**	3.77%
Assumptions		
Discount rate	**6.85%**	6.55%
Salary escalation rate	**7.00%**	7.00%
Estimated rate of return on plan assets	**7.50%**	7.50%

1. Included in line item 'Payments to and provision for employees' of Schedule-16 Operating expenses.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

Estimated rate of return on plan assets is based on the expected average long-term rate of return on investments of the Fund during the estimated term of the obligations.

Experience adjustment

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2018
Plan assets	**13,577.4**	12,934.8	10,877.1	9,821.2	8,979.9
Defined benefit obligations	**(13,590.0)**	(12,842.8)	(11,938.7)	(10,114.4)	(9,087.7)
Amount not recognised as an asset (limit in para 59(b) of AS 15 on 'employee benefits')	**-**	-	-	-	-
Surplus/(deficit)	**(12.6)**	92.0	(1,061.6)	(293.2)	(107.8)
Experience adjustment on plan assets	**(64.9)**	720.2	(125.0)	(60.3)	(115.9)
Experience adjustment on plan liabilities	**368.0**	(484.5)	181.3	118.4	162.0

The estimates of future salary increases, considered in actuarial valuation, take into consideration inflation, seniority, promotion and other relevant factors.

Provident Fund (PF)

As there is no liability towards interest rate guarantee on exempt provident fund on the basis of actuarial valuation, the Bank has not made any provision for the year ended March 31, 2022 (year ended March 31, 2021: Nil).

The following tables set forth, for the periods indicated, movement of the present value of the defined benefit obligation, fair value of plan assets and other details for provident fund.

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening obligations	**39,349.2**	**33,424.3**
Service cost	**1,972.5**	1,656.3
Interest cost	**2,620.3**	2,210.2
Actuarial (gain)/loss	**(150.8)**	1,467.8
Employees contribution	**3,558.4**	3,379.4
Liability transferred from/to other companies	**588.8**	397.9
Benefits paid	**(4,809.7)**	(3,186.7)
Obligations at end of the year	**43,128.7**	**39,349.2**
Opening plan assets	**39,349.2**	**33,424.3**
Expected return on plan assets	**3,434.2**	3,147.4
Actuarial gain/(loss)	**246.2**	530.5
Employer contributions	**1,972.5**	1,656.4
Employees contributions	**3,558.4**	3,379.4
Asset transferred from/to other companies	**588.8**	397.9
Benefits paid	**(4,809.7)**	(3,186.7)
Closing plan assets	**44,339.6**	**39,349.2**
Plan assets at the end of the year	**44,339.6**	39,349.2
Present value of the defined benefit obligations at the end of the year	**(43,128.7)**	(39,349.2)
Amount not recognised as asset (limit in Para 59(b) of AS-15 on 'employee benefits')[1]	**(1,210.9)**	-
Asset/(liability)	**-**	**-**

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cost[2]		
Service cost	**1,972.5**	1,656.3
Interest cost	**2,620.3**	2,210.2
Expected return on plan assets	**(3,434.2)**	(3,147.4)
Actuarial (gain)/loss	**(397.0)**	937.3
Effect of the limit in Para 59(b)[1]	**1,210.9**	-
Net cost	**1,972.5**	**1,656.4**
Actual return on plan assets	**3,680.4**	3,677.9
Expected employer's contribution next year	**2,110.6**	1,772.3
Investment details of plan assets		
Government of India securities	**53.53%**	49.41%
Corporate bonds	**36.18%**	41.98%
Special deposit scheme	**1.22%**	1.37%
Others	**9.07%**	7.23%
Assumption		
Discount rate	**6.85%**	6.55%
Expected rate of return on assets	**8.25%**	8.59%
Discount rate for the remaining term to maturity of investments	**6.85%**	6.50%
Average historic yield on the investment	**8.25%**	8.54%
Guaranteed rate of return	**8.10%**	8.50%

1. *Pursuant to revised Guidance Note 29 on "Valuation of Interest Rate Guaranatees on Exempt Provident Funds under AS15 (Revised)" issued by the Institute of Actuaries of India on February 16, 2022, plan assets held by the PF Trust have been fair valued. The amount represents the fair value gain on plan assets.*
2. *Included in line item 'Payments to and provision for employees' of Schedule-16 Operating expenses.*

Experience adjustment

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2018
Plan assets	**44,339.6**	39,349.2	33,424.3	28,757.5	25,524.4
Defined benefit obligations	**(43,128.7)**	(39,349.2)	(33,424.3)	(28,757.5)	(25,524.4)
Amount not recognised as an asset (limit in para 59(b) of AS 15 on 'employee benefits')[1]	**(1,210.9)**	-	-	-	-
Surplus/(deficit)	**-**	-	-	-	-
Experience adjustment on plan assets	**246.3**	530.5	(626.7)	11.8	(35.6)
Experience adjustment on plan liabilities	**(812.5)**	1,467.8	(171.5)	402.6	412.4

1. *Pursuant to revised Guidance Note 29 on "Valuation of Interest Rate Guaranatees on Exempt Provident Funds under AS15 (Revised)" issued by the Institute of Actuaries of India on February 16, 2022, plan assets held by the PF Trust have been fair valued. The amount represents the fair value gain on plan assets.*

The Bank has contributed ₹ 3,224.9 million to provident fund for the year ended March 31, 2022 (year ended March 31, 2021: ₹ 2,882.6 million), which includes compulsory contribution made towards employee pension scheme under Employees Provident Fund and Miscellaneous Provisions Act, 1952.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

Superannuation Fund

The Bank has contributed ₹ 255.9 million for the year ended March 31, 2022 (year ended March 31, 2021: ₹ 233.9 million) to Superannuation Fund for employees who had opted for the scheme.

National Pension Scheme (NPS)

The Bank has contributed ₹ 224.8 million for the period ended March 31, 2022 (year ended March 31, 2021: ₹ 182.7 million) to NPS for employees who had opted for the scheme.

Compensated absence

The following table sets forth, for the periods indicated, movement in provision for compensated absence.

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Total actuarial liability	**3,081.6**	3,052.7
Cost[1]	**752.2**	993.1
Assumptions		
Discount rate	**6.85%**	6.55%
Salary escalation rate	**7.00%**	7.00%

1. Included in line item 'Payments to and provision for employees' of Schedule-16 Operating expenses.

40. Movement in provision for credit cards/debit cards/savings accounts and direct marketing agents reward points

The following table sets forth, for the periods indicated, movement in provision for credit cards/debit cards/savings accounts reward points.

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening provision for reward points	**2,612.6**	2,435.1
Provision for reward points made during the year	**7,877.7**	4,035.5
Utilisation/write-back of provision for reward points	**(7,212.0)**	(3,858.0)
Closing provision for reward points[1]	**3,278.3**	2,612.6

1. The closing provision is based on the actuarial valuation of accumulated credit cards/debit cards/savings accounts reward points.

The following table sets forth, for the periods indicated, movement in provision for reward points to direct marketing agents.

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening provision for reward points	**172.2**	134.5
Provision for reward points made during the year	**214.5**	152.4
Utilisation/write-back of provision for reward points	**(138.7)**	(114.7)
Closing provision for reward points	**248.0**	172.2

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

41. Provisions and contingencies

The following table sets forth, for the periods indicated, the break-up of provisions and contingencies included in profit and loss account.

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Provisions for depreciation of investments	**3,771.1**	(1,578.2)
Provision towards non-performing and other assets[1]	**61,640.4**	107,991.3
Provision towards income tax		
1. Current	**62,976.8**	46,656.6
2. Deferred	**9,717.2**	(6,756.2)
Other provisions and contingencies[2,3,4]	**21,002.7**	55,730.9
Total provisions and contingencies	**159,108.2**	**202,044.4**

1. *Includes provision towards NPA amounting to ₹ 37,077.5 million (March 31, 2021: ₹ 103,640.6 million).*
2. *Net of write-back of Covid-19 related provision amounting to ₹ 10,500.0 million during the year ended March 31, 2022 (March 31, 2021: net Covid-19 related provision made amounting to ₹ 47,500.0 million).*
3. *Includes contingency provision made amounting to ₹ 10,250.0 million on a prudent basis during the year ended March 31, 2022.*
4. *Includes general provision made towards standard assets, provision on fixed assets acquired under debt-asset swap and non-fund based facilities.*

The Bank 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 AS 29 on 'Provisions, Contingent Liabilities and Contingent Assets', the Bank 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 or the amount of loss cannot be reasonably estimated, a disclosure to this effect is made as contingent liabilities in the financial statements. The Bank does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

The following table sets forth, for the periods indicated, the movement in provision for legal and fraud cases, operational risk and other contingencies.

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening provision	**27,527.9**	19,350.4
Movement during the year (net)	**16,463.4**	8,177.5
Closing provision	**43,991.3**	27,527.9

1. *Excludes provision towards sundry expenses.*

42. Provision for income tax

The provision for income tax (including deferred tax) for the year ended March 31, 2022 amounted to ₹ 72,693.9 million (March 31, 2021: ₹ 39,900.3 million).

The Bank has a comprehensive system of maintenance of information and documents required by transfer pricing legislation under section 92-92F of the Income Tax Act, 1961. The Bank is of the opinion that all transactions with international related parties and specified transactions with domestic related parties are primarily at arm's length so that the above legislation does not have material impact on the financial statements.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

43. Deferred tax

At March 31, 2022, the Bank has recorded net deferred tax assets of ₹ 77,732.7 million (March 31, 2021: ₹ 87,444.7 million), which have been included in other assets.

The following table sets forth, for the periods indicated, the break-up of deferred tax assets and liabilities into major items.

₹ in million

Particulars	At March 31, 2022	At March 31, 2021
Deferred tax assets		
Provision for bad and doubtful debts	**104,563.5**	110,355.7
Others	**8,911.3**	8,567.6
Total deferred tax assets	**113,474.8**	**118,923.3**
Deferred tax liabilities		
Special reserve deduction	**30,284.3**	26,674.0
Depreciation on fixed assets	**4,043.8**	3,641.0
Interest on refund of taxes[2]	**168.4**	115.3
Foreign currency translation reserve[2]	**1,245.6**	1,048.3
Others	**-**	-
Total deferred tax liabilities	**35,742.1**	**31,478.6**
Total net deferred tax assets/(liabilities)	**77,732.7**	**87,444.7**

1. *Tax rate of 25.168% is adopted based on Finance Act, 2020.*
2. *These items are considered in accordance with the requirements of Income Computation and Disclosure Standards (ICDS).*

44. Details of provisioning pertaining to fraud accounts

The following table sets forth, for the periods indicated, the details of provisioning pertaining to fraud accounts.

₹ in million, except number of frauds

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Number of frauds reported	**5,678**	1,549
Amount involved in frauds	**31,000.5**	118,386.4
Provision made[1]	**3,730.3**	26,693.4
Unamortised provision debited from balance in profit and loss account under 'Reserves and Surplus'	**-**	-

1. *Excludes amount written off and interest reversal.*

45. Proposed dividend on equity shares

The Board of Directors at its meeting held on April 23, 2022 has recommended a dividend of ₹ 5 per equity share for the year ended March 31, 2022 (year ended March 31, 2021: ₹ 2 per equity share). The declaration and payment of dividend is subject to requisite approvals.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

46. Related party transactions

The Bank has transactions with its related parties comprising subsidiaries, associates/joint ventures/other related entities, key management personnel and relatives of key management personnel.

I. *Related parties*

Subsidiaries, associates/joint ventures/other related entities

Sr. No.	Name of the entity	Nature of relationship
1.	ICICI Bank Canada	Subsidiary
2.	ICICI Bank UK PLC	Subsidiary
3.	ICICI Home Finance Company Limited	Subsidiary
4.	ICICI International Limited	Subsidiary
5.	ICICI Investment Management Company Limited	Subsidiary
6.	ICICI Prudential Asset Management Company Limited	Subsidiary
7.	ICICI Prudential Life Insurance Company Limited	Subsidiary
8.	ICICI Prudential Pension Funds Management Company Limited	Subsidiary
9.	ICICI Prudential Trust Limited	Subsidiary
10.	ICICI Securities Holdings Inc.	Subsidiary
11.	ICICI Securities Inc.	Subsidiary
12.	ICICI Securities Limited	Subsidiary
13.	ICICI Securities Primary Dealership Limited	Subsidiary
14.	ICICI Trusteeship Services Limited	Subsidiary
15.	ICICI Venture Funds Management Company Limited	Subsidiary
16.	Arteria Technologies Private Limited	Associate
17.	India Advantage Fund-III	Associate
18.	India Advantage Fund-IV	Associate
19.	India Infradebt Limited	Associate
20.	ICICI Lombard General Insurance Company Limited	Associate
21.	ICICI Merchant Services Private Limited	Associate
22.	I-Process Services (India) Private Limited	Associate
23.	NIIT Institute of Finance, Banking and Insurance Training Limited	Associate
24.	ICICI Strategic Investments Fund	Consolidated as per AS 21
25.	Comm Trade Services Limited	Other related entity
26.	ICICI Foundation for Inclusive Growth	Other related entity
27.	Cheryl Advisory Private Limited (w.e.f. Q3-2021)	Other related entity

1. From April 1, 2021, ICICI Lombard General Insurance Company Limited ceased to be a subsidiary and became an associate of the Bank.

Key management personnel

Sr. No.	Name of the Key management personnel	Relatives of the Key management personnel
1.	Mr. Sandeep Bakhshi	• Ms. Mona Bakhshi • Mr. Shivam Bakhshi • Ms. Esha Bakhshi • Ms. Minal Bakhshi • Mr. Sameer Bakhshi • Mr. Ritwik Thakurta • Mr. Ashwin Pradhan • Ms. Radhika Bakhshi

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

Sr. No.	Name of the Key management personnel	Relatives of the Key management personnel
2.	Ms. Vishakha Mulye	• Mr. Vivek Mulye • Ms. Vriddhi Mulye • Mr. Vighnesh Mulye • Dr. Gauresh Palekar • Ms. Shalaka Gadekar • Dr. Nivedita Palekar
3.	Mr. Anup Bagchi	• Ms. Mitul Bagchi • Mr. Aditya Bagchi • Mr. Shishir Bagchi • Mr. Arun Bagchi • Late Mr. Animesh Bagchi
4.	Mr. Sandeep Batra (w.e.f. December 23, 2020)	• Mr. Pranav Batra • Ms. Arushi Batra • Mr. Vivek Batra • Ms. Veena Batra

II. *Transactions with related parties*

The following table sets forth, for the periods indicated, the significant transactions between the Bank and its related parties.

₹ in million

Items	Year ended March 31, 2022	Year ended March 31, 2021
Interest income	**779.4**	**964.8**
Subsidiaries	**279.3**	401.9
Associates/joint ventures/others	**494.1**	553.7
Key management personnel	**6.0**	9.2
Fee, commission and other income	**8,715.7**	**9,208.5**
Subsidiaries	**7,550.1**	9,089.6
Associates/joint ventures/others	**1,165.6**	118.9
Key management personnel	**0.0**	0.0
Relatives of key management personnel	**0.0**	0.0
Commission income on guarantees issued	**27.8**	**29.1**
Subsidiaries	**24.9**	28.9
Associates/joint ventures/others	**2.9**	0.2
Income from custodial services	**4.6**	**18.3**
Subsidiaries	**4.2**	17.2
Associates/joint ventures/others	**0.4**	1.1
Gain/(loss) on forex and derivative transactions (net)[2]	**45.5**	**1,472.1**
Subsidiaries	**8.9**	1,472.1
Associates/joint ventures/others	**36.6**	-
Dividend income	**18,287.9**	**12,446.4**
Subsidiaries	**16,294.6**	12,339.9
Associates/joint ventures/others	**1,993.3**	106.5
Insurance claims received	**865.9**	**315.8**
Subsidiaries	**719.5**	315.8

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

₹ in million

Items	Year ended March 31, 2022	Year ended March 31, 2021
Associates/joint ventures/others	**146.4**	-
Recovery of lease of premises, common corporate and facilities expenses	**2,194.3**	**1,683.3**
Subsidiaries	**1,874.1**	1,631.8
Associates/joint ventures/others	**320.2**	51.5
Payment of lease of premises, common corporate and facilities expenses	**82.1**	**156.4**
Subsidiaries	**82.1**	156.4
Recovery for secondment of employees (net)	**28.8**	**17.8**
Subsidiaries	**12.9**	7.1
Associates/joint ventures/others	**15.9**	10.7
Reimbursement of expenses from related parties	**84.9**	**1.7**
Subsidiaries	**1.9**	1.7
Associates/joint ventures/others	**83.0**	-
Interest expense	**116.4**	**143.5**
Subsidiaries	**81.4**	99.0
Associates/joint ventures/others	**28.8**	38.4
Key management personnel	**4.8**	5.6
Relatives of key management personnel	**1.4**	0.5
Remuneration to wholetime directors[3]	**262.3**	**126.0**
Key management personnel	**262.3**	126.0
Reimbursement of expenses to related parties	**2,613.4**	**989.7**
Subsidiaries	**374.2**	191.4
Associates/joint ventures/others	**2,239.2**	798.3
Insurance premium paid	**10,189.9**	**8,899.9**
Subsidiaries	**7,537.2**	8,899.9
Associates/joint ventures/others	**2,652.7**	-
Brokerage, fee and other expenses	**12,941.5**	**11,503.3**
Subsidiaries	**647.3**	906.2
Associates/joint ventures/others	**12,294.2**	10,597.1
Dividend paid	**2.4**	**-**
Key management personnel	**2.4**	-
Relatives of key management personnel	**0.0**	-
Purchase of investments	**8,821.6**	**32,742.4**
Subsidiaries	**8,821.6**	32,742.4
Investments in the securities issued by related parties	**2,706.8**	**-**
Subsidiaries	**2,706.8**	-
Sale of investments	**20,477.8**	**16,692.8**
Subsidiaries	**18,967.1**	16,692.8
Associates/joint ventures/others	**1,510.7**	-
Redemption/buyback of investments	**28,683.6**	**213.2**
Subsidiaries	**28,153.6**	-

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

₹ in million

Items	Year ended March 31, 2022	Year ended March 31, 2021
Associates/joint ventures/others	**530.0**	213.2
Purchase of loans	**7,296.5**	**8,071.2**
Subsidiaries	**7,296.5**	8,071.2
Purchase of unfunded risk participation	**861.1**	**-**
Subsidiaries	**861.1**	-
Purchase of fixed assets	**4.8**	**6.9**
Subsidiaries	**-**	0.3
Associates/joint ventures/others	**4.8**	6.6
Sale of fixed assets	**-**	**0.4**
Subsidiaries	**-**	0.4

1. *0.0 represents insignificant amount.*
2. *The Bank undertakes derivative transactions with its subsidiaries, associates, joint ventures and other related entities. The Bank manages its foreign exchange and interest rate risks arising from these transactions by covering them in the market. While the Bank, within its overall position limits covers these transactions in the market, the above amounts represent only the transactions with its subsidiaries, associates, joint ventures and other related entities and not the offsetting/covering transactions.*
3. *Excludes the perquisite value on employee stock options exercised and includes performance bonus paid during the period.*

III. Material transactions with related parties

The following table sets forth, for the periods indicated, the material transactions between the Bank and its related parties. A specific related party transaction is disclosed as a material related party transaction wherever it exceeds 10% of all related party transactions in that category.

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest income		
1. India Infradebt Limited	**488.7**	549.4
2. ICICI Home Finance Company Limited	**241.4**	335.8
Fee, commission and other income		
1. ICICI Prudential Life Insurance Company Limited	**5,892.2**	6,458.0
2. ICICI Securities Limited	**1,185.1**	904.8
3. ICICI Lombard General Insurance Company Limited	**1,032.5**	1,269.7
Commission income on guarantees issued		
1. ICICI Bank UK PLC	**24.1**	28.1
2. ICICI Merchant Services Private Limited	**2.9**	0.1
Income from custodial services		
1. ICICI Prudential Asset Management Company Limited	**2.0**	14.9
2. ICICI Securities Primary Dealership Limited	**1.8**	1.7
Gain/(loss) on forex and derivative transactions (net)[2]		
1. ICICI Home Finance Company Limited	**74.2**	1,059.4
2. ICICI Lombard General Insurance Company Limited	**36.6**	40.9
3. ICICI Securities Primary Dealership Limited	**(45.0)**	377.0
4. ICICI Bank Canada	**(22.7)**	(1.4)

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

₹ in million

Particulars		Year ended March 31, 2022	Year ended March 31, 2021
Dividend income			
1.	ICICI Prudential Asset Management Company Limited	**6,139.8**	4,240.2
2.	ICICI Securities Limited	**5,980.9**	3,712.9
3.	ICICI Lombard General Insurance Company Limited	**1,886.8**	943.4
4.	ICICI Securities Primary Dealership Limited	**1,813.5**	3,189.0
Insurance claims received			
1.	ICICI Prudential Life Insurance Company Limited	**719.5**	264.5
2.	ICICI Lombard General Insurance Company Limited	**146.4**	51.3
Recovery of lease of premises, common corporate and facilities expenses			
1.	ICICI Bank UK PLC	**473.2**	315.7
2.	ICICI Prudential Life Insurance Company Limited	**369.2**	351.4
3.	ICICI Securities Limited	**333.9**	299.6
4.	ICICI Bank Canada	**286.6**	217.3
5.	ICICI Lombard General Insurance Company Limited	**281.5**	265.4
Payment of lease of premises, common corporate and facilities expenses			
1.	ICICI Venture Funds Management Company Limited	**41.8**	76.9
2.	ICICI Investment Management Company Limited	**23.9**	17.8
3.	ICICI Home Finance Company Limited	**12.9**	53.9
Recovery for secondment of employees (net)			
1.	I-Process Services (India) Private Limited	**15.9**	10.6
2.	ICICI Venture Funds Management Company Limited	**6.9**	0.8
3.	ICICI Securities Limited	**5.0**	6.7
Reimbursement of expenses from related parties			
1.	ICICI Lombard General Insurance Company Limited	**83.0**	-
2.	ICICI Prudential Life Insurance Company Limited	**1.7**	1.7
Interest expense			
1.	ICICI Securities Limited	**71.8**	84.9
2.	ICICI Merchant Services Private Limited	**8.3**	14.5
Remuneration to wholetime directors[3]			
1.	Mr. Sandeep Bakhshi	**70.5**	3.8[4]
2.	Ms. Vishakha Mulye	**63.6**	54.6
3.	Mr. Anup Bagchi	**66.3**	52.9
4.	Mr. Sandeep Batra	**61.9**	14.7
Reimbursement of expenses to related parties			
1.	ICICI Foundation for Inclusive Growth	**2,239.2**	798.3
2.	ICICI Home Finance Company Limited	**353.8**	145.6
Insurance premium paid			
1.	ICICI Prudential Life Insurance Company Limited	**7,537.2**	6,476.2
2.	ICICI Lombard General Insurance Company Limited	**2,652.7**	2,423.7
Brokerage, fee and other expenses			
1.	I-Process Services (India) Private Limited	**8,450.3**	6,402.6
2.	ICICI Merchant Services Private Limited	**3,787.6**	4,169.1

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Dividend paid		
1. Mr. Sandeep Bakhshi	**0.4**	-
2. Ms. Vishakha Mulye	**1.8**	-
3. Mr. Sandeep Batra	**0.2**	-
Purchase of investments		
1. ICICI Securities Primary Dealership Limited	**7,945.8**	28,230.9
Investments in the securities issued by related parties		
1. ICICI Home Finance Company Limited	**2,706.8**	-
Sale of investments		
1. ICICI Prudential Life Insurance Company Limited	**11,543.5**	10,988.6
2. ICICI Securities Primary Dealership Limited	**7,319.8**	3,803.6
Redemption/buyback of investments		
1. ICICI Bank UK PLC	**14,846.0**	-
2. ICICI Bank Canada	**13,307.6**	-
3. ICICI Strategic Investment Fund	**530.0**	133.0
4. India Advantage Fund - III	**-**	48.1
5. India Advantage Fund - IV	**-**	32.1
Purchase of loans		
1. ICICI Home Finance Company Limited	**6,766.5**	8,071.2
Purchase of unfunded risk participation		
1. ICICI Bank UK PLC	**861.1**	-
Purchase of fixed assets		
1. ICICI Lombard General Insurance Company Limited	**3.1**	-
2. Arteria Technologies Private Limited	**1.7**	6.6
Sale of fixed assets		
1. ICICI Home Finance Company Limited	**-**	0.4

1. *0.0 represents insignificant amount.*
2. *The Bank undertakes derivative transactions with its subsidiaries, associates, joint ventures and other related entities. The Bank manages its foreign exchange and interest rate risks arising from these transactions by covering them in the market. While the Bank, within its overall position limits covers these transactions in the market, the above amounts represent only the transactions with its subsidiaries, associates, joint ventures and other related entities and not the offsetting/covering transactions.*
3. *Excludes the perquisite value on employee stock options exercised and includes performance bonus paid during the period.*
4. *Mr. Sandeep Bakhshi, Managing Director & CEO voluntarily relinquished his fixed compensation of basic, supplementary allowances and retirals for the year ended March 31, 2021 and was paid honorarium fee of ₹ 1/- for the year ended March 31, 2021. Represents allowances and perquisites for the year.*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED
SCHEDULES
forming part of the Accounts *(Contd.)*

IV. Related party outstanding balances

The following table sets forth, for the periods indicated, the balances payable to/receivable from related parties.

₹ in million

Items	At March 31, 2022	At March 31, 2021
Deposits with the Bank	**23,987.7**	**28,611.7**
Subsidiaries	**20,405.8**	25,833.3
Associates/joint ventures/others	**3,424.7**	2,552.7
Key management personnel	**125.1**	156.4
Relatives of key management personnel	**32.1**	69.3
Investments of related parties in the Bank	**50.2**	**3.4**
Subsidiaries	**45.7**	-
Key management personnel	**2.0**	3.4
Relatives of key management personnel	**2.5**	0.0
Payables[2]	**3,591.0**	**2,763.1**
Subsidiaries	**108.3**	26.8
Associates/joint ventures/others	**3,482.6**	2,736.2
Key management personnel	**0.0**	0.1
Relatives of key management personnel	**0.1**	0.0
Deposits by the Bank	**628.9**	**682.7**
Subsidiaries	**628.9**	682.7
Investments of the Bank	**93,105.0**	**108,296.0**
Subsidiaries	**68,623.0**	97,565.7
Associates/joint ventures/others	**24,482.0**	10,730.3
Advances by the Bank	**4,767.3**	**2,689.4**
Subsidiaries	**4,500.2**	2,400.2
Associates/joint ventures/others	**127.7**	42.8
Key management personnel	**139.1**	246.2
Relatives of key management personnel	**0.3**	0.2
Receivables[2]	**2,836.8**	**2,947.9**
Subsidiaries	**1,116.0**	2,631.8
Associates/joint ventures/others	**1,720.8**	316.1
Guarantees/letters of credit/indemnity given by the Bank	**6,701.4**	**11,892.7**
Subsidiaries	**6,642.4**	11,842.0
Associates/joint ventures/others	**59.0**	50.7
Guarantees/letters of credit/indemnity issued by related parties	**9,615.0**	**9,416.6**
Subsidiaries	**9,615.0**	9,416.6
Swaps/forward contracts (notional amount)	**55,104.5**	**199,881.6**
Subsidiaries	**55,104.5**	199,881.6
Unfunded risk participation	**879.3**	**842.2**
Subsidiaries	**879.3**	842.2

1. *0.0 represents insignificant amount.*
2. *Excludes mark-to-market on outstanding derivative transactions.*
3. *At March 31, 2022, 19,437,200 (March 31, 2021: 20,047,800) employee stock options for key management personnel were outstanding. Excludes stock options granted to key management personnel, which are pending regulatory approvals.*
4. *During the year ended March 31, 2022, 1,921,500 (year ended March 31, 2021: 1,188,000) employee stock options with total exercise price of ₹ 394.2 million (year ended March 31, 2021: ₹ 228.8 million) were exercised by the key management personnel.*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

V. *Related party maximum balances*

The following table sets forth, for the periods indicated, the maximum balances payable to/receivable from related parties.

₹ in million

Items	Year ended March 31, 2022	Year ended March 31, 2021
Deposits with the Bank	**44,081.7**	**47,441.4**
Subsidiaries	**36,999.2**	36,178.8
Associates/joint ventures/others	**6,637.2**	10,918.7
Key management personnel	**277.4**	238.1
Relatives of key management personnel	**167.9**	105.8
Investments of related parties in the Bank[2]	**51.1**	**3.7**
Subsidiaries	**45.7**	-
Key management personnel	**2.9**	3.7
Relatives of key management personnel	**2.5**	0.0
Payables[2,3]	**5,055.3**	**2,910.9**
Subsidiaries	**150.5**	26.8
Associates/joint ventures/others	**4,904.6**	2,884.0
Key management personnel	**0.1**	0.1
Relatives of key management personnel	**0.1**	0.0
Deposits made by the Bank	**3,274.3**	**6,472.8**
Subsidiaries	**3,274.3**	6,472.8
Call/term money lent by the Bank	**8,200.0**	**10,000.0**
Subsidiaries	**8,200.0**	10,000.0
Investments of the Bank	**125,624.0**	**113,132.2**
Subsidiaries	**97,565.7**	98,028.5
Associates/joint ventures/others	**28,058.3**	15,103.7
Advances by the Bank	**12,458.0**	**24,733.7**
Subsidiaries	**12,003.8**	24,426.1
Associates/joint ventures/others	**183.1**	59.4
Key management personnel	**269.2**	246.9
Relatives of key management personnel	**1.9**	1.3
Receivables[2,3]	**5,676.0**	**3,568.9**
Subsidiaries	**3,499.9**	3,052.7
Associates/joint ventures/others	**2,176.1**	516.2
Guarantees/letters of credit/indemnity given by the Bank	**12,048.4**	**12,776.1**
Subsidiaries	**11,988.1**	12,724.3
Associates/joint ventures/others	**60.3**	51.8
Guarantees/letters of credit/indemnity issued by related parties[2]	**11,422.4**	**9,416.6**
Subsidiaries	**11,422.4**	9,416.6
Swaps/forward contracts (notional amount)	**222,791.6**	**545,163.5**
Subsidiaries	**222,791.6**	545,163.5
Unfunded risk participation[2]	**879.3**	**2,244.7**
Subsidiaries	**879.3**	2,244.7

1. *0.0 represents insignificant amount.*
2. *Maximum balance is determined based on comparison of the total outstanding balances at each quarter end during the financial year.*
3. *Excludes mark-to-market on outstanding derivative transactions.*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

VI. Letters of comfort

The Bank has issued letters of comfort on behalf of its banking subsidiary ICICI Bank UK PLC to Financial Services Authority, UK (now split into two separate regulatory authorities, the Prudential Regulation Authority and the Financial Conduct Authority) to confirm that the Bank intends to financially support ICICI Bank UK PLC in ensuring that it meets all of its financial obligations as they fall due.

The Bank has issued an undertaking on behalf of ICICI Securities Inc. Singapore for Singapore dollar 10.0 million (currently equivalent to ₹ 559.7 million) (March 31, 2021: ₹ 543.5 million) to the Monetary Authority of Singapore (MAS) and has executed indemnity agreements on behalf of ICICI Bank Canada to its independent directors for a sum not exceeding Canadian dollar 2.5 million each (currently equivalent to ₹ 151.2 million), aggregating to Canadian dollar 12.5 million (currently equivalent to ₹ 756.0 million) (March 31, 2021: ₹ 725.3 million). The aggregate amount of ₹ 1,315.7 million at March 31, 2022 (March 31, 2021: ₹ 1,268.8 million) is included in the contingent liabilities.

The Bank has issued an undertaking on behalf of ICICI Lombard General Insurance Company Limited to the Insurance Regulatory and Development Authority of India in relation to the demerger of the general insurance business of Bharati AXA General Insurance Company Limited and transferring the same into ICICI Lombard General Insurance Company Limited through a scheme of arrangement.

The letters of indemnity are issued to IDBI Trusteeship Services Ltd (trustee of ICICI Strategic Investment Fund) on behalf of ICICI Strategic Investment Fund to indemnify against any potential liabilities.

The letters of comfort in the nature of letters of awareness that were outstanding at March 31, 2022 issued by the Bank on behalf of its subsidiaries in respect of their borrowings made or proposed to be made, aggregated to ₹ 16,226.7 million (March 31, 2021: ₹ 22,215.5 million).

In addition to the above, the Bank has also issued letters of comfort in the nature of letters of awareness on behalf of its subsidiaries for other incidental business purposes. These letters of awareness are in the nature of factual statements or confirmation of facts and do not create any financial impact on the Bank.

47. Details of amount transferred to The Depositor Education and Awareness Fund (the Fund) of RBI

The following table sets forth, for the periods indicated, the movement in amount transferred to the Fund.

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening balance	**12,184.0**	10,352.8
Add: Amounts transferred during the year	**2,371.7**	1,940.5
Less: Amounts reimbursed by the Fund towards claims during the year	**(156.9)**	(109.3)
Closing balance	**14,398.8**	12,184.0

48. Details of payment of DICGC insurance premium

The following table sets forth, for the periods indicated, the payment of insurance premium and arrears.

₹ in million

Sr. No.	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
1.	Payment of DICGC Insurance Premium[1]	**11,166.2**	9,285.7
2.	Arrears in payment of DICGC premium	**-**	-

1. Excludes goods and service tax.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

49. Small and micro enterprises

The following table sets forth, for the periods indicated, details relating to enterprises covered under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.

₹ in million

Sr. No.	Particulars	At March 31, 2022		At March 31, 2021	
		Principal	Interest	Principal	Interest
1.	The Principal amount and the interest due thereon remaining unpaid to any supplier	**-**	**-**	-	-
2.	The amount of interest paid by the buyer in terms of Section 16, along with the amount of the payment made to the supplier beyond the due date	**-**	**-**	-	-
3.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under MSMED Act, 2006	**N.A.**	**0.4**	N.A.	0.4
4.	The amount of interest accrued and remaining unpaid	**N.A.**	**0.4**	N.A.	0.4
5.	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 disallowed as a deductible expenditure under Section 23	**N.A.**	**-**	N.A.	-

50. Penalties/fines imposed by RBI and other banking regulatory bodies

The penalties amounting to ₹ 33.0 million (year ended March 31, 2021: Nil) were imposed by RBI during the year ended March 31, 2022. One penalty of ₹ 30.0 million was related to shifting of certain investment from held-to-maturity category to available-for-sale category in May 2017 and the other penalty of ₹ 3.0 million was on account of non-compliance with directions issued by RBI on levy of penal charges on non-maintenance of minimum balance in savings bank accounts dated November 20, 2014.

51. Disclosure on Remuneration

Compensation Policy and practices

(A) Qualitative Disclosures

a) Information relating to the bodies that oversee remuneration.

- **Name, composition and mandate of the main body overseeing remuneration**

  The Board Governance, Remuneration and Nomination Committee (BGRNC/ Committee) is the body which oversees the remuneration aspects. The functions of the Committee include recommending appointments of Directors to the Board, identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommending to the Board their appointment and removal, formulate a criteria for the evaluation of the performance of the whole time/ independent Directors and the Board and to extend or continue the term of appointment of independent Directors on the basis of the report of performance evaluation of independent Directors, recommending to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel, Material Risk takers (MRTs) and other employees, recommending to the Board the remuneration (including performance bonus, share-linked instruments and perquisites) to wholetime Directors (WTDs) and senior management, approving the policy for and quantum of variable pay payable to members of the staff including senior management key managerial personnel, material risk takers and formulating the criteria for determining qualifications, positive attributes and independence of a Director, framing policies on Board diversity, framing guidelines for the Employee Stock Option Scheme (ESOS) and deciding on the grant of the Bank's stock options to employees and WTDs of the Bank and its subsidiary companies.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

- **External consultants whose advice has been sought, the body by which they were commissioned, and in what areas of the remuneration process**

  During the year ended March 31, 2022, the Bank employed the services of a reputed consulting firm for market benchmarking in the area of compensation, including executive compensation.

- **Scope of the Bank's remuneration policy (eg. by regions, business lines), including the extent to which it is applicable to foreign subsidiaries and branches**

  The Compensation Policy of the Bank, as last amended by the BGRNC through resolution dated July 12, 2021 and the Board at its meeting held on July 15, 2021 covers all employees of the Bank, including those in overseas branches of the Bank. In addition to the Bank's Compensation Policy guidelines, the overseas branches also adhere to relevant local regulations.

- **Type of employees covered and number of such employees**

  All employees of the Bank are governed by the Compensation Policy. The total number of permanent employees of the Bank at March 31, 2022 was 103,010.

b) Design and structure of remuneration processes

- **Key features and objectives of remuneration policy**

  The Bank has under the guidance of the Board and the BGRNC, followed compensation practices intended to drive performance within the framework of prudent risk management. This approach has been incorporated in the Compensation Policy, the key elements of which are given below.

  - o **Effective governance of compensation**: The BGRNC has oversight over compensation. The Committee defines Key Performance Indicators (KPIs) for WTDs and equivalent positions and the organisational performance norms for variable pay based on the financial and strategic plan approved by the Board. The KPIs include both quantitative and qualitative aspects defined with sub parameters. The BGRNC assesses organisational performance and based on its assessment, it makes recommendations to the Board regarding compensation for WTDs, senior management and equivalent positions and variable pay for employees, including senior management and key management personnel.

  - o **Alignment of compensation philosophy with prudent risk taking**: The Bank seeks to achieve a prudent mix of fixed and variable pay, with a higher proportion of variable pay at senior levels and no guaranteed bonuses. Compensation is sought to be aligned to both financial and non-financial indicators of performance including aspects like risk management, other assurance areas and customer service. The Bank's employee stock option scheme aims at aligning compensation to long-term performance through stock option grants that vest over a period of time. Compensation of staff in audit, compliance and risk control functions is independent of the business areas they oversee and depends on their performance assessment.

- **Changes, if any, made by the remuneration committee in the firm's remuneration policy during the past year, and if so, an overview of any changes that were made**

  During the year ended March 31, 2022, the Bank's Compensation Policy was reviewed and amended by the BGRNC and Board on April 21, 2021 to align with the revised RBI circular on 'Guidelines on Compensation of Whole Time Directors/ Chief Executive Officers/ Material Risk Takers and Control Function staff' dated November 4, 2019.

  The policy was amended through BGRNC resolution dated July 12, 2021 which was approved by the Board at its meeting held on July 15, 2021 in order to align the rules of deferred cash bonus payment, incase of demise or permanent disability of an employee, with the Employee Stock Option Scheme and to align the policy with the RBI Circular dated April 26, 2021 on 'Corporate Governance in Banks - Appointment of Directors and Constitution of Committees of the Board'.

- **Process followed by the Bank to ensure that the risk and compliance employees are remunerated independently of the businesses they oversee**

  The compensation of staff engaged in control functions like Audit, Risk and Compliance depends on their performance, which is based on achievement of the key goals of their respective functions. They are not assessed on business targets.

c) **Ways in which current and future risks are taken into account in the remuneration processes.**

- **Key risks that the Bank takes into account when implementing remuneration measures**

  The Board approves the Enterprise Risk Management framework for the Bank. The business activities of the Bank are undertaken within this framework. The risk framework includes the Bank's risk appetite and the limits framework. The Bank's KPIs which are applicable to WTDs & equivalent positions as well as employees (excluding control functions), incorporate relevant risk management related aspects. For example, in addition to performance indicators in areas such as risk calibrated core operating profit (profit before provisions and tax excluding treasury income), performance indicators include aspects such as asset quality. The BGRNC takes into consideration all the above aspects while assessing organisational and individual performance and making compensation-related recommendations to the Board.

- **Nature and type of key measures used to take account of these risks, including risk difficult to measure**

  The annual Key Performance Indicators and performance evaluation incorporate both qualitative and quantitative aspects including asset quality and provisioning, risk management framework, stakeholder relationships, customer service and leadership development.

- **Ways in which these measures affect remuneration**

  Every year, the financial plan/targets are formulated in conjunction with a risk framework with limit structures for various areas of risk/lines of business, within which the Bank operates. To ensure effective alignment of compensation with prudent risk taking, the BGRNC takes into account adherence to the risk framework in conjunction with which the financial plan/targets have been formulated. The Bank's KPIs which are applicable to WTDs and equivalent positions as well as employees (excluding control functions), incorporate relevant risk management related aspects. For example, in addition to risk calibrated core operating profit, performance indicators also include aspects such as asset quality. The BGRNC takes into consideration all the above aspects while assessing organisational performance and making compensation-related recommendations to the Board.

- **The nature and type of these measures that have changed over the past year and reasons for the changes, as well as the impact of changes on remuneration.**

  The nature and type of these measures have not changed over the past year and hence, there is no impact on remuneration.

d) **Ways in which the Bank seeks to link performance during a performance measurement period with levels of remuneration**

- **Main performance metrics for Bank, top level business lines and individuals**

  The main performance metrics include risk calibrated core operating profit (profit before provisions and tax, excluding treasury income), asset quality metrics (such as provisions in absolute terms and as a percentage of core operating profit), regulatory compliance, risk management processes, stakeholder relationships, customer service and leadership development.

- **Methodology followed whereby individual remuneration is linked to the Bank-wide and individual performance**

  The BGRNC takes into consideration above mentioned aspects while assessing performance and making compensation-related recommendations to the Board regarding the performance assessment of WTDs and equivalent positions.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

- **The measures that the Bank will in general implement to adjust remuneration in the event that performance metrics are weak, including the Bank's criteria for determining 'weak' performance metrics**

  The Bank's Compensation Policy outlines the measures the Bank will implement in the event of a reasonable evidence of deterioration in financial performance. Should such an event occur in the manner outlined in the policy, the BGRNC may decide to apply malus/clawback on none, part or all of the relevant variable compensation

e) **Ways in which the Bank seeks to adjust remuneration to take account of the longer term performance**

- **The Bank's policy on deferral and vesting of variable remuneration and, if the fraction of variable remuneration that is deferred differs across employees or groups of employees, a description of the factors that determine the fraction and their relative importance**

  The variable compensation is in the form of share-linked instruments (including stock options) or cash or a mix of cash and share-linked instruments (including stock options). The quantum of variable pay for an employee does not exceed a certain percentage (as stipulated in the compensation policy) of the total fixed pay in a year. The proportion of variable pay to total compensation is higher at senior levels and lower at junior levels. At least 50% of the compensation is variable for WTDs, CEO and MRTs as a design. However, they can earn lesser variable pay based on various performance criteria. For WTDs, CEO and MRTs, a minimum of 60% of the total variable pay is under deferral arrangement (deferment). Additionally, at least 50% of the cash component of the variable pay is under deferment. If the cash component is under ₹ 2.5 million, the deferment is not applicable.

- **The Bank's policy and criteria for adjusting deferred remuneration before vesting and (if permitted by national law) after vesting through claw back arrangements**

  The deferred portion of variable pay pertaining to the assessment year or previous year/s (as defined in the policy) is subject to malus, under which the Bank prevents vesting of all or part or none of the unvested variable pay in the event of the assessed divergence in the Bank's provisioning for NPAs or in the event of a reasonable evidence of deterioration in financial performance or in the event of gross misconduct and/or other acts as mentioned in the policy. In such cases (other than assessed divergence), variable pay already paid out may also be subjected to clawback arrangements, as defined in the compensation policy.

f) **Different forms of variable remuneration that the Bank utilises and the rationale for using these different forms**

- **Forms of variable remuneration offered. A discussion of the use of different forms of variable remuneration and, if the mix of different forms of variable remuneration differs across employees or group of employees, a description of the factors that determine the mix and their relative importance**

  The variable compensation is in the form of employee stock options or cash or a mix of cash and stock options. The Bank pays performance linked retention pay (PLRP) to its front-line staff and junior management. PLRP aims to reward front line and junior managers, mainly on the basis of skill maturity attained through experience and continuity in role which is a key differentiator for customer service. The Bank pays performance bonus and stock options to relevant employees in its middle and senior management. The variable pay payout schedules are sensitive to the time horizon of risks as defined in the policy.

  The Bank ensures higher proportion of variable pay at senior levels and lower variable pay for front-line staff and junior management levels.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

(B) Quantitative disclosures

The following table sets forth, for the period indicated, the details of quantitative disclosure for remuneration of WTDs (including MD & CEO) and other Material Risk Takers.

₹ in million, except numbers

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
1.	Number of meetings held by the BGRNC during the financial year	**4**	6
	Remuneration paid to its members during the financial year (sitting fees)	**0.8**	1.2
2.	Number of employees having received a variable remuneration award during the financial year[1]	**50**	49
3.	Number and total amount of sign-on/joining bonus made during the financial year	**-**	
4.	Details of severance pay, in addition to accrued benefits, if any	**-**	-
5.	Breakdown of amount of remuneration awards for the financial year		
	Fixed[2]	**1,216.3**	1,041.0
	Variable[3]	**426.1**	165.3
	- Deferred	**211.1**	-
	- Non-deferred	**215.0**	165.3
	Share-linked instruments[3] (nos.)	**5,977,650.0**	9,127,500.0
	- Deferred (nos.)	**5,977,650.0**	9,127,500.0
	- Non-deferred (nos.)	**-**	-
6.	Total amount of deferred remuneration paid out during the year		
	- Bonus	**-**	-
	- Share-linked instruments[4] (nos.)	**9,529,100**	9,370,230
7.	Total amount of outstanding deferred remuneration		
	Cash	**211.1**	N.A.
	Shares (nos)	**-**	-
	Shares-linked instruments[5] (nos.)	**16,098,240**	19,889,730
	Other	**-**	-
8.	Total amount of outstanding deferred remuneration and retained remuneration exposed to ex-post explicit and/or implicit adjustments		
	- Bonus	**211.1**	-
	- Share-linked instruments (nos.)	**12,187,480**	9,127,500
9.	Total amount of reductions during the year due to ex-post explicit adjustments[6]	**N.A.**	N.A.
10.	Total amount of reductions during the year due to ex-post implicit adjustments	**N.A.**	N.A.
11.	Number of MRTs identified	**48**	47
12.	Number of cases where malus has been exercised	**-**	
	Number of cases where clawback has been exercised[6]	**-**	-
	Number of cases where malus and clawback have been exercised	**-**	-

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

₹ in million, except numbers

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
13. The mean pay for the bank as a whole (excluding sub-staff) and the deviation of the pay of each of its WTDs from the mean pay		
Mean pay of the bank[7]	**755,429**	704,035
Deviation - MD&CEO	**59,094,291**	3,455,855
Deviation - WTD1	**54,049,788**	50,085,768
Deviation - WTD2	**54,788,776**	47,547,650
Deviation - WTD3	**51,573,500**	46,536,300

1. *Includes MD & CEO, WTDs and other Material Risk Takers (MRTs) based on the revised criteria given by RBI in its guideline dated November 4, 2019. Also includes WTDs transferred to group companies and who were paid bonus or stock options granted/vested during the year. Variable remuneration includes cash bonus and stock options based on the revised criteria given by RBI in its guideline dated November 4, 2019 that are paid/ granted/ vested during the year.*
2. *Fixed pay includes basic salary, supplementary allowances, superannuation, contribution to provident fund, gratuity fund and value of perquisites. The value of perquisite is calculated as cost to the Bank.The salaries for separated MRTs have been considered for the period they were in service with the Bank.*
3. *Variable and share-linked instruments represent amounts/ options awarded for the year ended March 31, 2020 and March 31, 2021 respectively as per RBI approvals wherever applicable.*
4. *Includes options of WTDs who were transferred to group companies.*
5. *Includes outstanding options of WTDs who were transferred to group companies.*
6. *Excludes ₹ 74.1 million (year ended March 31, 2021 : ₹ 74.1 million) variable pay to the former MD & CEO for past years which has been directed for claw-back in respect of which the Bank has filed a recovery suit against the former MD & CEO.*
7. *Mean pay is computed on annualised fixed pay that includes basic salary, supplementary allowances, superannuation, contribution to provident fund, gratuity fund and value of perquisites. The value of perquisite is calculated as cost to the Bank.*
8. *For FY2021, MD & CEO voluntarily relinquished his fixed compensation of basic, supplementary allowances and retirals and was paid honorarium fee of ₹1/-. MRTs of the Bank including Executive Directors voluntarily opted for a 10% salary reduction effective May 1, 2020 in the basic salary, retirals and supplementary allowances. For FY2022, the remuneration for MD & CEO and Executive Directors are pending approvals. Hence, for FY2022 also, remuneration paid/approved in FY2021 has been considered.*

Payment of compensation in the form of profit related commission to the non-executive directors

The Bank pursuant to RBI circular dated April 26, 2021, has discontinued paying profit related commission to non-executive/independent directors from April 1, 2021 and instead fixed remuneration is paid for the year ended March 31, 2022 (March 31, 2021 : ₹ 7.0 million profit related commission paid to non-executive directors).

52. Corporate Social Responsibility

The gross amount required to be spent by the Bank on Corporate Social Responsibility (CSR) related activities during the year ended March 31, 2022 was ₹ 2,617.2 million (March 31, 2021: ₹ 1,845.3 million).

The following table sets forth, for the periods indicated, the amount spent by the Bank on CSR related activities.

₹ in million

Sr. No.	Particulars	Year ended March 31, 2022			Year ended March 31, 2021		
		In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
1.	Construction/acquisition of any asset	**-**	**-**	**-**	-	-	-
2.	On purposes other than (1) above[1]	**2,641.3**	**24.9**	**2,666.2**	1,885.8	119.2	2,005.0

1. *CSR activities were in the areas of Covid-19 relief, urban livelihood, rural livelihood, social and environmental projects, rainwater harvesting, rural development, creating social awareness, waste management, healthcare, promoting education and providing drinking water facilities*

FINANCIAL STATEMENTS OF ICICI BANK LIMITED
SCHEDULES
forming part of the Accounts *(Contd.)*

As required under the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, surplus of ₹ 139.9 million, arising out of CSR activities during the year ended March 31, 2022 has been transferred to unspent CSR Account.

The following table sets forth, for the periods indicated, the details of related party transactions pertaining to CSR related activities.

₹ in million

Sr. No.	Related Party	Year ended March 31, 2022	Year ended March 31, 2021
1.	ICICI Foundation	**2,239.2**	798.3
	Total	**2,239.2**	**798.3**

The following table sets forth, for the periods indicated, the details of movement in provision pertaining to CSR related activities.

₹ in million

Related Party	Year ended March 31, 2022	Year ended March 31, 2021
Opening balance of provision	**119.2**	294.6
Add: Provision for expenses during the year	**24.9**	119.2
Less: payment out of opening balance	**119.2**	294.6
Closing balance	**24.9**	119.2

53. Disclosure of customer complaints

The following table sets forth, for the periods indicated, the movement of complaints received by the Bank from its customers.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
No. of complaints pending at the beginning of the year	**30,096**	28,549
No. of complaints received during the year	**409,670**	482,213
No. of complaints disposed during the year	**429,365**	480,666
Of which, number of complaints rejected by the Bank	**164,458**	135,531
No. of complaints pending at the end of the year	**10,401**	30,096

1. Complaints do not include complaints redressed by the Bank within one working day.

The following table sets forth, for the periods indicated, the details of maintainable complaints received.

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
i)	Number of maintainable complaints received by the Bank from Office of Banking Ombudsmans (OBOs)[1]	**12,174**	20,843
	Of (i), number of complaints resolved in favour of the Bank by Banking Ombudsmans (BOs)	**5,566**	7,585
	Of (i), number of complaints resolved through conciliation/ mediation/advisories issued by BOs[2]	**6,608**	13,258
	Of (i), number of complaints resolved after passing of Awards by BOs against the Bank	**-**	-
ii)	Number of Awards unimplemented within the stipulated time (other than those appealed)	**-**	-

1. Maintainable complaints are as per data received from RBI.
2. For year ended March 31, 2022, 361 complaints (March 31, 2021: 500 complaints) were resolved based on advisories received from BOs.
3. For year ended March 31, 2021, as per amendment received from RBI, the maintainable complaints received have been changed from 15,579 to 20,843; complaints resolved in favour of the Bank changed from 5,139 to 7,585 and complaints resolved through conciliation/mediation/advisories issued by BOs changed from 10,440 to 13,258. Accordingly, numbers for the year ended March 31, 2021 are revised.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Accounts *(Contd.)*

The following table sets forth top five grounds of complaints received by the Bank from customers for the year ended March 31, 2022.

Grounds of complaints	No. of complaints pending at the beginning of the year	No. of complaints received during the year	% increase/ decrease in the no. of complaints received over previous year	No. of complaints pending at the end of the year	Of 5, No. of complaints pending beyond 30 days
1	2	3	4	5	6
ATM/Debit Cards	**11,760**	**153,340**	**(37.2%)**	**3,655**	**742**
Credit Cards	**10,107**	**137,857**	**12.5%**	**3,312**	**525**
Internet/Mobile/ Electronic Banking	**6,877**	**42,091**	**0.0%**	**2,018**	**130**
Loans and advances	**268**	**15,817**	**7.9%**	**270**	**2**
Account opening/ difficulty in operation of accounts	**257**	**10,614**	**(3.3%)**	**144**	**0**
Others	**827**	**49,951**	**4.4%**	**1,002**	**64**
Total	**30,096**	**409,670**	**(15.0%)**	**10,401**	**1,463**

The following table sets forth top five grounds of complaints received by the Bank from customers for the year ended March 31, 2021

Grounds of complaints	No. of complaints pending at the beginning of the year	No. of complaints received during the year	% increase/ decrease in the no. of complaints received over previous year	No. of complaints pending at the end of the year	Of 5, No. of complaints pending beyond 30 days
1	2	3	4	5	6
ATM/Debit Cards	12,266	244,097	(20.0%)	11,760	4,173
Credit Cards	9,026	122,519	7.0%	10,107	2,612
Internet/Mobile/ Electronic Banking	5,165	42,104	33.3%	6,877	3,863
Loans and advances	290	14,664	56.8%	268	6
Account opening/ difficulty in operation of accounts	215	10,978	30.6%	257	0
Others	1,587	47,851	21.2%	827	74
Total	**28,549**	**482,213**	**(5.2%)**	**30,096**	**10,728**

54. Drawdown from reserves

As per the section 52 (2) (c) of the Companies Act 2013, securities premium account may be utilised for writing off the expenses/commission paid/discount allowed on, any issue of shares or debentures by a company. Further, as per RBI DBOD mailbox clarification dated October 9, 2007 on ‘Prudential Norms - Utilisation of Share Premium Account’, banks can utilise share premium account for meeting the direct expenses relating to the issue of shares.

During the year ended March 31, 2022, the Bank has not utilised any amount (year ended March 31, 2021: ₹ 701.7 million) from securities premium for meeting the direct expenses relating to the issuance of equity shares.

55. Investor Education and Protection Fund

The unclaimed dividend amount, due for transfer to the Investor Education and Protection Fund (IEPF) during the year ended March 31, 2022 and March 31, 2021, has been transferred without any delay.

FINANCIAL STATEMENTS OF ICICI BANK LIMITED
SCHEDULES
forming part of the Accounts *(Contd.)*

56. Impact of Covid-19 on the performance of the Bank

During the year ended March 31, 2021, the Covid-19 pandemic resulted in a nation-wide lockdown in April-May 2020 which substantially impacted economic activity. The subsequent easing of lockdown measures led to gradual improvement in economic activity and progress towards normalcy from the second half of financial year 2021. In the year ended March 31, 2022, India witnessed two more waves of the Covid-19 pandemic and the re-imposition of localised/regional lock-down measures in certain parts of the country.

Currently, while the number of new Covid-19 cases have reduced significantly and the Government of India has withdrawn most of the Covid-19 related restrictions, the future trajectory of the pandemic may have an impact on the results of the Bank and the Group.

57. Implementation of IFRS converged Indian Accounting Standards

In January 2016, the Ministry of Corporate Affairs issued the roadmap for implementation of new Indian Accounting Standards (Ind AS), converged with International Financial Reporting Standards (IFRS), for scheduled commercial banks, insurance companies and non-banking financial companies (NBFCs). However, currently the implementation of Ind AS for banks has been deferred by RBI till further notice pending the consideration of some recommended legislative amendments by the Government of India. The Bank is in an advanced stage of preparedness for implementation of Ind AS, as and when these are made applicable to the Indian banks. Further, there may be new regulatory guidelines and clarifications in some critical areas of Ind AS application, which the Bank will need to suitably incorporate in its implementation.

58. Disclosure on lending and borrowing activities under Rule 11(e) of the Companies (Audit and Auditors) Rules, 2014

The Bank, as part of its normal banking business, grants loans and advances, makes investment, provides guarantees to and accept deposits and borrowings from its customers, other entities and persons. These transactions are part of Bank's normal banking business, which is conducted ensuring adherence to all regulatory requirements.

Other than the transactions described above, 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 Bank to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Bank (Ultimate Beneficiaries). The Bank has also not received any fund from any parties (Funding Party) with the understanding that the Bank shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

59. Comparative Figures

Figures of the previous year have been re-grouped to conform to the current year presentation.

Signatures to Schedules 1 to 18

As per our Report of even date.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration no.: 105047W

Tushar Kurani
Partner
Membership no.: 118580

For **Khimji Kunverji & Co LLP**
Chartered Accountants
ICAI Firm Registration no.: 105146W/W100621

Gautam Shah
Partner
Membership no.: 117348

Mumbai
April 23, 2022

For and on behalf of the Board of Directors

Girish Chandra Chaturvedi
Chairman
DIN-00110996

Uday M. Chitale
Director
DIN-00043268

Sandeep Bakhshi
Managing Director & CEO
DIN-00109206

Vishakha Mulye
Executive Director
DIN-00203578

Anup Bagchi
Executive Director
DIN-00105962

Sandeep Batra
Executive Director
DIN-03620913

Rakesh Jha
Group Chief Financial Officer

Ranganath Athreya
Company Secretary

Rajendra Khandelwal
Chief Accountant

INDEPENDENT AUDITOR'S REPORT

To the Members of
ICICI Bank Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of ICICI Bank Limited ("the Holding Company" or "the Bank"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and its associates, which comprise the consolidated balance sheet as at 31 March 2022 and the consolidated profit and loss account, the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and the other financial information of subsidiaries, and associates, the aforesaid Consolidated Financial Statements give the information required by the Banking Regulation Act, 1949, as well as the Companies Act, 2013 ("the Act") , in the manner so required for Banking Companies and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act of the consolidated state of affairs of the Group and its associates as at 31 March 2022, of its consolidated profit, and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates 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 Consolidated Financial Statements under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained along with the consideration of audit reports of the other auditors referred to in the "Other Matters" paragraph below is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, and based on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries and associates, as referred to in paragraph 10 below, were of most significance in our audit of the Consolidated Financial Statements of the current year. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT *(Contd.)*

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How the matter was addressed in our audit
a. Identification and provisioning of non-performing advances (NPA): Total Loans and Advances (Net of Provision) as at 31 March 2022: ₹ 9,203,081,390 (in '000s) Provision for NPA as at 31 March 2022: ₹ 269,105,264 (in '000s) of which Total Loans and Advances (Net of Provision) as at 31 March 2022: ₹ 8,590,204,390 (in '000s)* & Provision for NPA as at 31 March 2022: ₹ 263,638,822 (in '000s)* relates to Bank. *(Refer Schedule 9, Schedule 17(14))* ** the amounts relating to the Bank are before consolidation adjustments including intercompany eliminations, if any.*	
The Reserve Bank of India's ("RBI") guidelines on Income recognition and asset classification ("IRAC") prescribe the prudential norms for identification and classification of non-performing assets ("NPA") and the minimum provision required for such assets. The Bank is required to have Board approved policy as per IRAC guidelines for NPA identification and provision. The provision on NPA is estimated based on ageing and classification of NPAs, recovery estimates, nature of loan product, value of security and other qualitative factors and is subject to the minimum provisioning norms specified by RBI and approved policy of the Bank in this regard. The Bank is also required to apply its judgement to determine the identification and provision required against NPAs by applying quantitative as well as qualitative factors. The risk of identification of NPAs is affected by factors like stress and liquidity concerns in certain sectors. Additionally, the Bank makes provisions on exposures that are not classified as NPA including advances to certain sectors and identified advances or group advances. These are classified as contingency provisions. Since the identification of NPAs and provisioning for advances require significant level of estimation and given its significance to the overall audit including possible observation by RBI which could result into disclosure in the financial statements, we have ascertained identification and provisioning for NPAs as a key audit matter.	Our audit procedures with respect to this matter included: Tested the design and operating effectiveness of key controls (including application controls) over approval, recording, monitoring and recovery of loans, monitoring overdue / stressed accounts, identification of NPA, provision for NPA and valuation of security and collateral. Further obtained an understanding of the contingency provision carried by the Bank and verified the underlying assumptions used by the Bank for such estimate. Testing of application controls include testing of automated controls, reports and system reconciliations. Evaluated the governance process and review controls over calculations of provision of non-performing advances, basis of provisioning in accordance with the Board approved policy. Selected the borrowers based on quantitative and qualitative risk factors for their assessment of appropriate classification as NPA including computation of overdue ageing to assess its correct classification and provision amount as per extant IRAC norms and the Bank policy. Performed other substantive procedures included and not limited to the following: ➢ Selected samples of performing loans and assessed independently as to whether those should be classified as NPA. ➢ For samples selected, reviewed the collateral valuations, financial statements and other qualitative information. ➢ Considered the accounts reported by the Bank and other Banks as Special Mention Accounts ("SMA") in RBI's Central Repository of Information on Large Credits (CRILC) to identify stress. ➢ For selected samples, assessed independently, the accounts that can potentially be classified as NPA and Red flagged accounts.

INDEPENDENT AUDITOR'S REPORT *(Contd.)*

Key Audit Matter	How the matter was addressed in our audit
	➢ Performed inquiries with the credit and risk departments to ascertain if there were indicators of stress or an occurrence of an event of default in a particular loan account or any product category which needed to be considered as NPA. ➢ Examined the early warning reports generated by the Bank to identify stressed loan accounts. ➢ Held specific discussions with the management of the Bank on sectors where there is a perceived credit risk and the steps taken to mitigate the risks to identified sectors. ➢ Selected and tested samples for accounts which are restructured under MSME restructuring circular and Resolution Framework for COVID-19 related stress, for their compliance with RBI directions; and ➢ Assessed the adequacy of disclosures against the relevant accounting standards and RBI requirements relating to NPAs.

b. Evaluation of Litigations included in Contingent Liabilities:

As at 31 March 2022, the Group has reported 'Claims against the Group not acknowledged as debts' of ₹ 89,527,688 (in '000s) (31 March 2021 – ₹ 88,166,723 (in '000s)), of which the following relate to the Bank:

(Included under contingent liabilities) (in '000)

Particulars	As at 31 March 2022	As at 31 March 2021
Legal Cases	**3,201,365**	3,302,605
Taxes	**79,637,364**	70,465,484
Total Claims against Bank not acknowledged as Debt	**82,838,729**	**73,768,089**

(Refer Schedule 12 and Schedule 17(11))

Key Audit Matter	How the matter was addressed in our audit
The Bank has material open tax litigations including matters under dispute which involve significant judgement to determine the possible outcome of these disputes. Significant management judgement is needed in determining whether an obligation exists and whether a provision should be recognised as at the reporting date, in accordance with the accounting criteria set under Accounting Standard 29 - Provisions, Contingent Liabilities and Contingent Assets ('AS 29'), or whether it needs to be disclosed as a contingent liability. Further, significant judgements are also involved in measuring such obligations, the most significant of which are:	Our Audit procedures with respect to this matter included: Testing the design and operating effectiveness of the Bank's key controls over the estimation, monitoring and disclosure of provisions and contingent liabilities. Our substantive audit procedures included and were not limited to the following: ➢ Obtained an understanding of Bank's process for determining tax liabilities, tax provisions and contingent liabilities pertaining to legal and taxation matters;

INDEPENDENT AUDITOR'S REPORT *(Contd.)*

<table>
<tr><th>Key Audit Matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td>➢ Assessment of Liability: Judgement is involved in determination of whether outflow in respect of identified material matters are probable and can be estimated reliably.

➢ Adequacy of provisions: The appropriateness of assumption and judgements used in estimation of significant provisions; and

➢ Adequacy of disclosures of provision for liabilities and charges, and contingent liabilities.

The Bank's assessment is supported by the facts of matter, their own judgement, experience, and advises from legal and independent tax consultants wherever considered necessary.

Since the assessment of these open litigations requires significant level of judgement in interpretation of law, we have included this as a key audit matter.</td><td>➢ Obtained a list of cases /matters in respect of which the litigations were outstanding as at reporting date:

• For significant legal matters, we sought external confirmations and corroborated with management's documented conclusions on the assessment of outstanding litigations against the Bank;

• For significant taxation matters, we involved our tax specialists to gain an understanding of status of the litigations including understanding of various orders/ notices received by the Bank and management's grounds of appeals before the relevant appellate authorities.

➢ Evaluated the merit of the subject matter under consideration with reference to the grounds presented therein and available independent legal / tax advice;

➢ Agreed underlying tax balances to supporting documentation including correspondence with the Tax authorities; and

➢ Assessed the disclosures within the standalone financial statements in this regard.</td></tr>
<tr><td colspan="2">c. Information Technology ('IT') systems and controls impacting financial controls.</td></tr>
<tr><td>The Bank has a complex IT architecture to support its day-to-day business operations. High volume of transactions is processed and recorded on single or multiple applications.

The reliability and security of IT systems plays a key role in the business operations of the Bank. Since large volume of transactions are processed daily, the IT controls are required to ensure that applications process data as expected and that changes are made in an appropriate manner.

Appropriate IT general controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately and consistently for reliable financial reporting.

We have identified 'IT systems and controls' as key audit matter because of the high level automation, significant number of systems being used by the management and the complexity of the IT architecture and its impact on the financial reporting system.</td><td>Our Audit procedures with respect to this matter included:

For testing the IT general controls, application controls and IT dependent manual controls, we involved IT specialists as part of the audit. The team also assisted in testing the accuracy of the information produced by the Bank's IT systems.

Obtained a comprehensive understanding of IT applications landscape implemented at the Bank. It was followed by process understanding, mapping of applications to the same and understanding financial risks posed by people-process and technology.

Key IT audit procedures includes testing design and operating effectiveness of key controls operating over user access management (which includes user access provisioning, de-provisioning, access review, password configuration review, segregation of duties and privilege access), change management (which include change release in production environment are compliant to the defined procedures and segregation of environment is ensured), program development (which include review of data migration activity), computer operations (which includes testing of key controls pertaining to, backup,</td></tr>
</table>

INDEPENDENT AUDITOR'S REPORT *(Contd.)*

Key Audit Matter	How the matter was addressed in our audit
	Batch processing (including interface testing), incident management and data centre security), System interface controls. This included testing that requests for access to systems were appropriately logged, reviewed, and authorized. Also, entity level controls pertaining to policy and procedure and Business continuity plan assessment due impact of COVID-19 was also part of our audit procedure. In addition to the above, the design and operating effectiveness of certain automated controls, that were considered as key internal system controls over financial reporting were tested. Using various techniques such as inquiry, review of documentation / record / reports, observation, and re-performance. We also tested few controls using negative testing technique. Tested compensating controls and performed alternate procedures, where necessary. In addition, understood where relevant, changes made to the IT landscape during the audit period.

d. Valuation of Derivatives:

As at 31 March 2022, the Group has reported notional value of derivatives of ₹ 43,893,514,404 (in '000) (31 March 2021 – ₹ 28,765,529,351 (in '000s)), of which the following relate to the Bank:

(Included under contingent liabilities) (in '000)

Particulars	As at 31 March 2022	As at 31 March 2021
Notional amounts *	**37,056,016,613**	25,062,638,040

(Refer Schedule 12.III, 12.VI, 12.VII and Schedule 17(17))

** the amounts relating to the Bank are before consolidation adjustments including intercompany eliminations, if any.*

Key Audit Matter	How the matter was addressed in our audit
Derivatives are valued through models with external inputs. The derivatives portfolio of the Bank primarily includes transactions which are carried out on behalf of its clients (and are covered on a back-to-back basis) and transactions to hedge the Bank's interest and foreign currency risk. A significant degree of management judgement is involved in the application of valuation techniques through which the value of the Bank's derivatives is determined. The financial statement risk arises particularly with respect to complex valuation models, valuation parameters, and inputs that are used in determining fair values. Considering the significance of the above matter to the financial statements, significant management estimates and judgements, and auditor attention required to test such estimates and judgements, we have identified this as a key audit matter for current year audit.	Our audit procedures included, but were not limited to, the following: We obtained an understanding, evaluated the design, and tested the operating effectiveness of the key controls over the valuation processes, including: ➢ independent price verification performed by a management expert; and model governance and validation. On a sample basis, we performed an independent reassessment of the valuation of derivatives and evaluated significant models and methodologies used in valuation, to ensure compliance with the relevant RBI regulations, reasonableness of the valuation methodology and the inputs used.

INDEPENDENT AUDITOR'S REPORT *(Contd.)*

The joint auditors of ICICI Prudential Life Insurance Company Limited, vide their audit report dated 16 April 2022, have expressed an unmodified opinion on the financial statements. Based on consideration of their report, we have determined the matters described below to be the key audit matters to be communicated in our report:

<table>
<tr><th>Key Audit Matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td colspan="2">a. Information Technology (IT) systems relating to ICICI Prudential Life Insurance Company Limited</td></tr>
<tr><td>The Company is highly dependent on information technology systems and controls to process and record large volume of transactions, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated.

Further, IT systems are accessible to employees on a remote basis which could result in increasing challenges around the data protection.

Due to the pervasive nature, complexity and importance of the impact of the IT systems and related control environment on the Company's financial statements, testing of such IT systems and related control environment has been identified as a key audit matter for the current year audit.</td><td>Involvement of IT specialists in assessment of the IT systems and controls over financial reporting, which included carrying out the following key audit procedures:
➢ Understood General IT Controls (GITC) over key financial accounting and reporting systems (referred to as "in-scope systems") which covered access controls, program/ system changes, program development and computer operations i.e. job processing, data/ system backup and incident management;
➢ Understood the IT infrastructure i.e. operating systems and databases and related data security controls in remote working scenario due to COVID-19;
➢ Tested controls over IT infrastructure covering user access including privilege users and system changes;
➢ Evaluated design and operating effectiveness for in-scope systems and application controls which covered segregation of duties, system interfaces, completeness and accuracy of data feeds and system reconciliation controls;
➢ Evaluated policies and strategies adopted by the Company in relation to operational security of key information infrastructure, data and client information management and monitoring and crisis management; and
➢ Assessed whether controls have remained unchanged during the year or were changed after considering controls around change management process.</td></tr>
<tr><td colspan="2">b. Valuation and Impairment determination of Investments relating to ICICI Prudential Life Insurance Company Limited (31 March 2022: ₹ 2,381,077,786 (in '000s) (31 March 2021 : ₹ 2,122,118,584 (in '000s))
(Refer Schedule 8, Schedule 17(13))
* the amounts relating to ICICI Prudential Life Insurance Company Limited are before consolidation adjustments including intercompany eliminations, if any.</td></tr>
<tr><td>The Company's investment portfolio consists of Policyholders investments (unit linked and non-linked) and Shareholders investments. Total investment portfolio represents 97 percent of the Company's total assets as at 31 March 2022.</td><td>Carried out the following key audit procedures:
➢ Understood the Company's process and tested the controls on the valuation of investments;</td></tr>
</table>

INDEPENDENT AUDITOR'S REPORT *(Contd.)*

Key Audit Matter	How the matter was addressed in our audit
Investments are valued in accordance with the provisions of the Insurance Act, the IRDA Financial Statements Regulations, orders/ directions/ circulars issued by IRDAI and / or policies as approved by the Board of Directors of the Company (collectively the "Accounting Policy"). Investments in unit linked portfolio of ₹ 1,508,663,021 (in '000s) are valued based on observable inputs as per their accounting policy and gains/losses are recognized in Revenue account. These unit linked portfolio investments do not represent higher risk of material misstatement however, are considered to be a key audit matter due to their materiality to the standalone financial statements. Investments in non-linked and shareholders portfolio of ₹ 872,414,765 (in '000s) are valued as per their accounting policy, based on which: ➢ The unrealized gains/ losses arising due to changes in fair value of listed equity shares and mutual fund units are recorded in the "Fair Value Change Account" in the Balance Sheet; and ➢ Debt securities and unlisted equity shares are valued at historical cost. Further, investments in the non-linked and shareholders portfolio are assessed for impairment as per the Company's investment policy which involves significant management judgement. There is increased economic stress on account of external factors, including the COVID – 19 pandemic, which may impact the determination of impairment of these investments. Accordingly, valuation of investments (including impairment assessment) was considered to be one of the areas which required significant auditor attention and was one of the matter of most significance in the standalone financial statements.	➢ Tested the design, implementation and operating effectiveness of key controls over the valuation process, including the Company's assessment and approval of assumptions used for valuation, including key authorization and data input controls thereof; ➢ Assessed valuation methodologies with reference to the Accounting Policy and the Company's Board approved valuation policy; ➢ For selected samples of listed investments, performed independent price checks using external quoted prices and by agreeing the inputs which were used in the Company's valuation techniques to external data; ➢ For selected samples of cost measured investments, tested Company's assessment of impairment and evaluated whether the same was in accordance with the Company's impairment policy; and ➢ Evaluated how the Company has factored the impact of economic stress including COVID - 19 disruptions in investment valuation process (including impairment assessment).

INDEPENDENT AUDITOR'S REPORT *(Contd.)*

The joint auditors of ICICI Lombard General Insurance Company Limited, vide their audit report dated 21 April 2022, have expressed an unmodified opinion on the financial statements. Based on consideration of their report, we have determined the matters described below to be key audit matters to be communicated in our report:

Key Audit Matter	How the matter was addressed in our audit
a. Information Technology (IT) systems relating to ICICI Lombard General Insurance Company Limited	
The company is highly dependent on its complex IT architecture comprising hardware, software, multiple applications, automated interfaces and controls in systems for recording, storing and reporting financial transactions. Large volume of transactions that are processed on daily basis as part of its operations, which impacts key financial accounting and reporting items such as premium income, claims, commission expenses and investments among others. There exists a risk that, gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated. The controls implemented by the entity in its IT environment determine the integrity, accuracy, completeness, and the validity of the data that is processed by the applications and is ultimately used for financial reporting. These controls contribute to mitigating risk of potential misstatements caused by fraud or errors. Our audit approach relies on automated controls and therefore procedures are designed to test control over IT systems, segregation of duties, interface and system application controls over key financial accounting and reporting systems.	Key audit procedures included but were not limited to the following: Obtained an understanding of the entity's IT related control environment. Furthermore, conducted a risk assessment and identified IT applications, databases and operating systems that are relevant for the Company's financial reporting. For the key IT systems relevant to reporting of financial information, areas of audit focus included access, program change management, automated transaction and interface controls. In particular: ➢ Obtained an understanding of the entity's IT environment and key changes if any during the audit period that may be relevant to the audit. ➢ On sample basis tested the design, implementation and operating effectiveness of the General IT controls over the key IT systems that are critical to financial reporting. This included evaluation of entity's controls to ensure segregation of duties and appropriate access rights. ➢ Controls over changes to software applications were evaluated to verify whether the changes were approved, tested in an environment that was segregated from operation and moved to production by appropriate users. ➢ Evaluated the design and tested the operating effectiveness of critical & key automated controls within various business processes. This included testing the integrity of system interfaces, the completeness and accuracy of data feeds, system reconciliation controls and automated calculations. ➢ Reviewed the Information System Audit Reports to assess the impact of observations and management's response if any on financial reporting. Results of the tests has provided audit evidence which have been used to draw conclusions including reporting.

INDEPENDENT AUDITOR'S REPORT *(Contd.)*

<table>
<tr><th>Key Audit Matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td colspan="2">b. Investments of ICICI Lombard General Insurance Company Limited</td></tr>
<tr><td>The Company's investments represent 76.3% of the assets as at 31 March 2022 which are to be valued in accordance with accounting policy framed as per the extant regulatory guidelines.

The valuation of all investments should be as per the investment policy framed by the Company which in turn should be in line with IRDAI Investment Regulations and Preparation of Financial Statement Regulations. The valuation methodology specified in the regulation is to be used for each class of investment.

The Company has a policy framework for Valuation and impairment of Investments. The Company performs an impairment review of its investments periodically and recognizes impairment charge when the investments meet the trigger/s for impairment provision as per the criteria set out in the investment policy of the Company. Further, the assessment of impairment involves significant management judgment.

The classification and valuation of these investments was considered one of the matters of material significance in the financial statements due to the materiality of the total value of investments to the financial statements.</td><td>Audit procedures on Investments included the following:

➢ Understood Management's process and controls to ensure proper classification and valuation of Investment.

➢ Verified and obtained appropriate external confirmation for availability and ownership rights related to these investments.

➢ Tested the design, implementation, management oversight and operating effectiveness of key controls over the classification and valuation process of investments.

➢ Test-checked valuation of different class of investments to assess appropriateness of the valuation methodologies with reference to IRDAI Investment Regulations along with Company's own investment policy.

➢ Examining the rating downgrades by credit rating agencies and assessing the risk of impairments to various investments.

➢ Reviewed the Company's impairment policy and assessed the adequacy of its impairment charge on investments outstanding at the year end.

Based on procedures above, found the company's impairment, valuation and classification of investments in its financial statements in all material respects to be fair.</td></tr>
<tr><td colspan="2">c. Scheme of demerger of Bharti Axa General Insurance Limited's insurance business ("Insurance Undertaking") to ICICI Lombard General Insurance Company Limited

(Refer Schedule 18(16))</td></tr>
<tr><td>During the year, Scheme of Demerger between the company and Bharati Axa General Insurance Limited (Bharti Axa), whereby, the Insurance undertaking of Bharti Axa is demerged and merged with the Company from the Appointed Date i.e. 1 April 2020 had received various regulatory approvals with effective date of 8 September 2021.</td><td>Obtained an understanding of the accounting treatment proposed by the management and appraised it by past precedents and applicable regulatory provisions along with treatment as prescribed in the Scheme of Demerger. Audit procedures include following:

➢ Reviewed of annual financial statement of demerged undertaking for year ended 31 March 2021 as certified by an independent accountant of demerged undertaking.</td></tr>
</table>

INDEPENDENT AUDITOR'S REPORT *(Contd.)*

Key Audit Matter	How the matter was addressed in our audit
The necessary accounting entries to record the transaction have been recorded during the year as required under the applicable accounting standards.	➢ Reviewed proposed accounting entries and disclosures made in the notes to accounts and tied various amounts with underlying financial information of demerged undertaking. ➢ Read the transaction documents, including approved Scheme of Demerger and identified pertinent terms relevant to the accounting and disclosure requirement for the transaction. Assessed and confirmed the accounting and disclosure treatment of the Scheme and its compliance with Accounting Standard 14: Accounting for Amalgamations (AS-14). ➢ Read the minutes of meeting of Board of Directors, its Committees, and Members of the Company. ➢ Considered changes in the internal financial controls on accounts of use of applications / systems of demerged undertaking. Results of the tests has provided audit evidence which have been used to draw conclusions including reporting.

Other Information

5. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Basel III – Pillar 3 disclosures (but does not include the consolidated financial statements and our auditor's report thereon) which we obtained prior to the date of this auditor's report, and Annual Report, which is expected to be made available to us after that date.

   Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done / audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

6. The Holding Company's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act, that give a true and fair view of the consolidated state of affairs, consolidated profit and consolidated cash flows of the Group [including its associates] in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act and provisions of section 29 of the Banking Regulation Act, 1949 and circulars and guidelines and directions issued by Reserve Bank of India ('RBI') from time to time (the "RBI Guidelines"). The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible

INDEPENDENT AUDITOR'S REPORT *(Contd.)*

for maintenance of adequate accounting records in accordance with the provisions of the Act and the RBI Guidelines, for safeguarding of the assets of the Group and of its associates 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 Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Consolidated Financial Statements by the Management and directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

   - Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to the Consolidated Financial Statements and the operating effectiveness of such controls.
   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
   - 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 Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
   - Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITOR'S REPORT *(Contd.)*

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

  We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

  From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the financial year ended 31 March 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

8. The joint statutory auditors of ICICI Prudential Life Insurance Company Limited ('ICICI Life'), vide their audit report dated 16 April 2022 have expressed an unmodified opinion and have reported in the 'Other Matter' section that 'The actuarial valuation of liabilities for life policies in force and policies in respect of which premium has been discontinued but liability exists as at 31 March 2022 is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at 31 March 2022 has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the Authority. Accordingly, the joint auditors have relied upon the Appointed Actuary's certificate in this regard for forming their opinion on the valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists in the standalone financial statements of the Company'. Our opinion is not modified in respect of this matter based on the opinion expressed by the joint statutory auditors of ICICI Life.

9. The joint statutory auditors of ICICI Lombard General Insurance Company Limited ('ICICI General'), vide their audit report dated 21 April 2022, have expressed an unmodified opinion and have reported in the 'Other Matter' section that, 'The actuarial valuation of liabilities in respect of Incurred But Not Reported ('IBNR'), Incurred But Not Enough Reported ('IBNER') and the Premium Deficiency Reserve ('PDR') is the responsibility of the Company's Appointed Actuary (the 'Appointed Actuary'). The actuarial valuation of these liabilities, that are estimated using statistical methods as at 31 March 2022 has been duly certified by the Appointed Actuary and in his opinion, the assumptions considered by him for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with IRDAI. The joint auditors have relied upon the Appointed Actuary's certificate in this regard for forming their opinion on the valuation of liabilities for outstanding claims reserves and the PDR contained in the standalone financial statements of the Company'. Our opinion is not modified in respect of this matter based on the opinion expressed by the joint statutory auditors of ICICI General.

10. We did not audit the financial Statement of fifteen subsidiaries, whose financial statements reflect total assets of ₹ 3,132,762,705 (in '000s) (before consolidation adjustments) as at 31 March 2022, total revenue of ₹ 546,158,224 (in '000s) (before consolidation adjustments), total net profit after tax of ₹ 41,541,106 (in '000s) (before consolidation

INDEPENDENT AUDITOR'S REPORT *(Contd.)*

adjustments) and total net cash flows of ₹ 11,735,662 (in '000s) respectively for the year ended 31 March 2022, which have been audited by their respective independent auditors. The consolidated financial Statement includes the Group's share of net profit of ₹ 6,103,826 (in '000s) (before consolidation adjustments) for year ended 31 March 2022 in respect of three associates whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors.

11. We did not audit the financial Statement of one subsidiary, whose financial statements reflect total assets of ₹ 348,345,450 (in '000s) (before consolidation adjustments) as at 31 March 2022, total revenue of ₹ 9,524,709 (in '000s) (before consolidation adjustments), total net profit after tax of ₹ 1,737,334 (in '000s) (before consolidation adjustments) and total net cashflows of ₹ 1,939,942 (in '000s) for the year ended 31 March 2022. The Statement also includes the Group's share of net profit of ₹ 1,440,453 (in '000s) (before consolidation adjustments) for the year ended 31 March 2022 in respect of five associates whose financial statements have not been audited. These financial statements / financial information are unaudited and have been furnished to us by the management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates and our report in terms of section 143(3) of the Act in so far as it relates to the aforesaid subsidiaries and associates, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

    Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the management.

12. The consolidated financial statements of the Bank for the year ended 31 March 2021, were audited by another auditor whose report dated 24 April 2021 expressed an unmodified opinion on those statements. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

13. The consolidated balance sheet and the profit and loss account have been drawn up in accordance with the provisions of section 29 of the Banking Regulation Act, 1949 and section 133 of the Act.

14. Further, as required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries and associates, we report, to the extent applicable, that:

    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

    c. The consolidated balance sheet, the consolidated profit and loss account, and the consolidated statement cash flow dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

    d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act and relevant rules thereunder, to the extent they are not inconsistent with the guidelines prescribed by RBI.

INDEPENDENT AUDITOR'S REPORT *(Contd.)*

e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies incorporated in India, none of the directors of the Group companies, its associate companies incorporated in India are disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of internal financial controls with reference to Consolidated Financial Statements of the Holding Company, its subsidiary companies, associate companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

15. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of audit reports of other auditors on separate financial statements of such subsidiaries, associates, as noted in the 'Other Matters' paragraph:

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2022 on the consolidated financial position of the Group, its associates. (Refer Schedule 12, Schedule 17(11) and Schedule 18(6) to the Consolidated Financial Statements).

b. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts, (Refer Schedule 17(11) and Schedule 18(6) to the Consolidated Financial Statements), in respect of such items as it relates to the Group, and its associates and the Group's share of net profit/loss in respect of its associates.

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies incorporated in India during the year ended 31 March 2022.

d. i. The respective management of the Bank, its subsidiaries and its associates which are incorporated in India, have represented that, to the best of it's knowledge and belief, 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 Holding Company, its subsidiaries and its associates which are incorporated in India 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 Holding Company, its subsidiaries and its associates which are incorporated in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

ii. The respective management of the Bank, its subsidiaries and its associates which are incorporated in India, have represented that to the best of it's knowledge and belief, no funds have been received by the Holding Company, its subsidiaries and its associates which are incorporated from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company, its subsidiaries and its associates which are incorporated 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 and

iii. Based on the audit procedures which we have considered reasonable and appropriate in the circumstances and according to the information and explanations provided to us by the Management in this regard, nothing has come to our notice that has caused us to believe that the representations made by the Management under sub-clause (i) and (ii) contain any material misstatement. Our reporting under sub-clause (i) and (ii) in so far as it relates to such subsidiary companies and associates which are incorporated in India, is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of the matters with respect to our reliance on the work done by and on the reports of the other auditors.

INDEPENDENT AUDITOR'S REPORT *(Contd.)*

e. In our opinion and according to the information and explanations given to us, the dividend declared and / or paid during the year the Group is in compliance with Section 123 of the Act.

f. In our opinion and according to the information and explanation given to us and based on reports of the statutory auditors of such subsidiary companies and associates companies incorporated in India which were not audited by us, the remuneration paid during the current year by the subsidiaries and associate companies incorporated in India to its directors is in accordance with the provisions of and the limits laid down under section 197 read with Schedule V of the Act, except in the case of one subsidiary, ICICI Home Finance Company Limited, where the auditors have reported that the managerial remuneration has exceeded the limits prescribed under section 197 of the Act and is subject to the approval of the shareholders of ICICI Home Finance Limited, by way of a special resolution, which will be sought in the ensuing annual general meeting. Further, for five associates, as referred to in paragraph 11 above, whose financial statements/information have not been audited, in absence of reporting by statutory auditors of such entities with respect to compliance of the provisions of section 197 read with Schedule V of the Act during the year ended 31 March 2022, we are unable to comment on such compliance for the said entities as required to be reported by us under section 197(16) of the Act. Further, since the Holding Company is a banking company, as defined under Banking Regulation Act, 1949, the reporting under section 197(16) in relation to whether the remuneration paid by the Bank is in accordance with the provisions of section 197 of the Act and whether any excess remuneration has been paid in accordance with the aforesaid section, is not applicable.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Tushar Kurani
Membership No.: 118580
UDIN: 22118580AHQXEQ6615

Place: Mumbai
Date: 23 April 2022

For Khimji Kunverji & Co LLP
Chartered Accountants
ICAI Firm Registration No.105146W/W100621

Gautam Shah
Membership No.: 117348
UDIN: 22117348AHQYVX9526

Place: Mumbai
Date: 23 April 2022

ANNEXURE A to the Independent Auditors' report on the Consolidated Financial Statements of ICICI Bank Limited for the year ended 31 March 2022

(Referred to in paragraph "14(f)" under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

1. In conjunction with our audit of the Consolidated Financial Statements of ICICI Bank Limited as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to the Consolidated Financial Statements of ICICI Bank Limited ("the Holding Company") and its subsidiary companies and its associate companies, which are companies incorporated in India, as of that date.

2. In our opinion, the Holding Company, and its subsidiary companies and its associate companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the Guidance Note").

Management's responsibility for Internal Financial Controls

3. The respective Board of Directors of the Holding Company, its subsidiary companies and its associate companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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.

Auditor's responsibility

4. Our responsibility is to express an opinion on the Holding Company, its subsidiaries and its associates, which are companies incorporated in India, internal financial controls with reference to the Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ("SA"), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Consolidated Financial Statements. Those SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.

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

6. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the Consolidated Financial Statements.

Meaning of Internal Financial controls with reference to the Consolidated Financial Statements

7. A company's internal financial controls with reference to the Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the Consolidated Financial Statements 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

ANNEXURE A *(Contd.)*

necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to the Consolidated Financial Statements

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

Other Matters

9. The auditors of ICICI Prudential Life Insurance Company Limited have reported, 'The actuarial valuation of liabilities for life policies in force and policies in respect of which premium has been discontinued but liability exists as at 31 March 2022 has been certified by the Appointed Actuary as per the IRDA Financial Statements Regulations, and has been relied upon by us, as mentioned in "Other Matters" of our audit report on the standalone financial statements for the year ended 31 March 2022. Accordingly, our opinion on the internal financial controls with reference to standalone financial statements does not include reporting on the design and operating effectiveness of the management's internal controls over the valuation and accuracy of the aforesaid actuarial valuation'.

10. The auditors of ICICI Lombard General Insurance Company Limited have reported, 'The actuarial valuation of liabilities in respect of Incurred But Not Reported (the "IBNR"), Incurred But Not Enough Reported (the "IBNER") and Premium Deficiency Reserve (the "PDR") is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities, that are estimated using statistical methods as at 31 March 2022 has been duly certified by the Appointed Actuary and in his opinion, the assumptions considered by him for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI.

    The said actuarial valuations of liabilities for outstanding claims reserves and the PDR have been relied upon by them as mentioned in "Other Matters" paragraph in our Audit Report on the financial statements for the year ended 31 March 2022. Accordingly, our opinion on the internal financial controls with reference to financial reporting does not include reporting on the adequacy and operating effectiveness of the internal financial controls over the valuation and accuracy of the aforesaid actuarial liabilities'.

11. Our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, its subsidiary companies, and its associate companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies, and associate company, is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of the matters with respect to our reliance on the work done by and on the reports of the other auditors.

12. Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls system with reference to the Consolidated Financial Statements in so far as it relates to ten subsidiary companies and one associate company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and associates incorporated in India.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Tushar Kurani
Membership No.: 118580
UDIN: 22118580AHQXEQ6615

Place: Mumbai
Date: 23 April 2022

For Khimji Kunverji & Co LLP
Chartered Accountants
ICAI Firm Registration No.105146W/W100621

Gautam Shah
Membership No.: 117348
UDIN: 22117348AHQYVX9526

Place: Mumbai
Date: 23 April 2022

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

CONSOLIDATED BALANCE SHEET

at March 31, 2022

₹ in '000s

	Schedule	At 31.03.2022	At 31.03.2021
CAPITAL AND LIABILITIES			
Capital	1	**13,899,662**	13,834,104
Employees stock options outstanding		**2,664,141**	31,010
Reserves and surplus	2	**1,803,961,070**	1,562,009,891
Minority interest	2A	**59,808,935**	95,883,393
Deposits	3	**10,913,657,932**	9,599,400,180
Borrowings	4	**1,616,026,828**	1,438,999,393
Liabilities on policies in force		**2,288,271,963**	2,031,800,413
Other liabilities and provisions	5	**828,083,306**	996,164,062
TOTAL CAPITAL AND LIABILITIES		**17,526,373,837**	**15,738,122,446**
ASSETS			
Cash and balances with Reserve Bank of India	6	**602,287,069**	463,022,049
Balances with banks and money at call and short notice	7	**1,228,972,763**	1,012,683,253
Investments	8	**5,670,977,180**	5,365,786,165
Advances	9	**9,203,081,390**	7,918,013,918
Fixed assets	10	**106,054,107**	108,092,581
Other assets	11	**713,988,010**	869,447,777
Goodwill on consolidation		**1,013,318**	1,076,703
TOTAL ASSETS		**17,526,373,837**	**15,738,122,446**
Contingent liabilities	12	**45,523,411,167**	30,213,442,288
Bills for collection		**752,325,958**	548,463,817
Significant accounting policies and notes to accounts	17 & 18		

The Schedules referred to above form an integral part of the Consolidated Balance Sheet.

As per our Report of even date.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration no.: 105047W

Tushar Kurani
Partner
Membership no.: 118580

For **Khimji Kunverji & Co LLP**
Chartered Accountants
ICAI Firm Registration no.: 105146W/W100621

Gautam Shah
Partner
Membership no.: 117348

Mumbai
April 23, 2022

For and on behalf of the Board of Directors

Girish Chandra Chaturvedi
Chairman
DIN-00110996

Uday M. Chitale
Director
DIN-00043268

Sandeep Bakhshi
Managing Director & CEO
DIN-00109206

Vishakha Mulye
Executive Director
DIN-00203578

Anup Bagchi
Executive Director
DIN-00105962

Sandeep Batra
Executive Director
DIN-03620913

Rakesh Jha
Group Chief Financial Officer

Ranganath Athreya
Company Secretary

Rajendra Khandelwal
Chief Accountant

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the year ended March 31, 2022

₹ in '000s

		Schedule	Year ended 31.03.2022	Year ended 31.03.2021
I.	**INCOME**			
	Interest earned	13	**954,068,654**	891,626,638
	Other income	14	**621,294,514**	720,295,282
	TOTAL INCOME		**1,575,363,168**	**1,611,921,920**
II.	**EXPENDITURE**			
	Interest expended	15	**411,666,711**	426,590,874
	Operating expenses	16	**731,517,275**	762,716,696
	Provisions and contingencies (refer note 18.6)		**174,340,856**	220,417,554
	TOTAL EXPENDITURE		**1,317,524,842**	**1,409,725,124**
III.	**PROFIT/(LOSS)**			
	Net profit for the year (before share in profit of associates and minority interest)		**257,838,326**	202,196,796
	Add: Share of profit in associates		**7,544,279**	1,442,857
	Net profit for the year before minority interest		**265,382,605**	**203,639,653**
	Less: Minority interest		**14,281,645**	19,796,467
	Net profit after minority interest		**251,100,960**	**183,843,186**
	Profit brought forward		**385,155,990**	267,999,958
	TOTAL PROFIT/(LOSS)		**636,256,950**	**451,843,144**
IV.	**APPROPRIATIONS/TRANSFERS**			
	Transfer to Statutory Reserve		**58,349,000**	40,482,000
	Transfer to/(from) Reserve Fund		**-**	(77,638)
	Transfer to Capital Reserve		**15,742,037**	1,302,300
	Transfer to Capital Redemption Reserve		**-**	-
	Transfer to/(from) Investment Reserve Account		**-**	-
	Transfer to/(from) Investment Fluctuation Reserve		**3,828,798**	(2,495,799)
	Transfer to Special Reserve		**15,328,500**	10,943,500
	Transfer to/(from) Revenue and other reserves		**657,420**	16,532,790
	Dividend paid during the year		**13,852,335**	-
	Balance carried over to balance sheet		**528,498,860**	385,155,990
	TOTAL		**636,256,950**	**451,843,144**
Significant accounting policies and notes to accounts		17 & 18		
Earnings per share (refer note 18.1)				
	Basic (₹)		**36.21**	27.26
	Diluted (₹)		**35.44**	26.83
Face value per share (₹)			**2.00**	2.00

The Schedules referred to above form an integral part of the Consolidated Profit and Loss Account.

As per our Report of even date.

For and on behalf of the Board of Directors

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration no.: 105047W

Girish Chandra Chaturvedi
Chairman
DIN-00110996

Uday M. Chitale
Director
DIN-00043268

Sandeep Bakhshi
Managing Director & CEO
DIN-00109206

Tushar Kurani
Partner
Membership no.: 118580

Vishakha Mulye
Executive Director
DIN-00203578

Anup Bagchi
Executive Director
DIN-00105962

Sandeep Batra
Executive Director
DIN-03620913

For **Khimji Kunverji & Co LLP**
Chartered Accountants
ICAI Firm Registration no.: 105146W/W100621

Rakesh Jha
Group Chief Financial Officer

Ranganath Athreya
Company Secretary

Rajendra Khandelwal
Chief Accountant

Gautam Shah
Partner
Membership no.: 117348

Mumbai
April 23, 2022

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2022

₹ in '000s

		Year ended 31.03.2022	Year ended 31.03.2021
Cash flow from/(used in) operating activities			
Profit/(loss) before taxes		**335,675,367**	240,486,799
Adjustments for:			
Depreciation and amortisation		**14,794,572**	14,713,701
Net (appreciation)/depreciation on investments[1]		**18,320,870**	(22,476,697)
Provision in respect of non-performing and other assets		**63,775,215**	110,315,149
General provision for standard assets		**4,065,438**	1,569,050
Provision for contingencies & others (including Covid-19 related provision)		**16,513,472**	53,839,684
(Profit)/loss on sale of fixed assets		**(56,635)**	63,424
Employees stock options expense		**2,669,253**	77,611
	(i)	**455,757,552**	**398,588,721**
Adjustments for:			
(Increase)/decrease in investments		**(166,685,392)**	90,478,662
(Increase)/decrease in advances		**(1,349,047,011)**	(968,932,842)
Increase/(decrease) in deposits		**1,314,257,752**	1,591,555,570
(Increase)/decrease in other assets		**46,655,269**	4,276,368
Increase/(decrease) in other liabilities and provisions		**329,993,864**	302,522,352
	(ii)	**175,174,482**	**1,019,900,110**
Refund/(payment) of direct taxes	(iii)	**(49,817,733)**	**(38,335,863)**
Net cash flow from/(used in) operating activities (i)+(ii)+(iii)	(A)	**581,114,301**	**1,380,152,968**
Cash flow from/(used in) investing activities			
Purchase of fixed assets		**(18,599,746)**	(16,882,058)
Proceeds from sale of fixed assets		**1,174,397**	121,649
(Purchase)/sale of held to maturity securities		**(375,789,070)**	(613,108,700)
Net cash flow from/(used in) investing activities	(B)	**(393,214,419)**	**(629,869,109)**
Cash flow from/(used in) financing activities			
Proceeds from issue of share capital (including ESOPs)		**7,979,764**	154,600,321
Proceeds from long-term borrowings		**356,976,668**	294,215,131
Repayment of long-term borrowings		**(346,030,278)**	(527,734,115)
Net proceeds/(repayment) of short-term borrowings		**169,436,188**	(467,749,038)
Dividend and dividend tax paid		**(13,852,335)**	-
Net cash flow from/(used in) financing activities	(C)	**174,510,007**	**(546,667,701)**
Effect of exchange fluctuation on translation reserve	(D)	**(1,268,443)**	**(6,440,073)**
Net increase/(decrease) in cash and cash equivalents (A)+(B)+(C)+(D)		**361,141,446**	**197,176,085**
Cash and cash equivalents at beginning of the year		**1,475,705,302**	**1,278,529,217**
Less: Reduction due to discontinuation of ICICI Lombard General Insurance Company Limited from consolidation during the year		**(5,586,916)**	**-**
Cash and cash equivalents at end of the year		**1,831,259,832**	**1,475,705,302**

1. *For the year ended March 31, 2021, includes gain on sale of a part of equity investment in ICICI Lombard General Insurance Company Limited, ICICI Prudential Life Insurance Company Limited and ICICI Securities Limited.*
2. *Cash and cash equivalents include cash in hand, balances with RBI, balances with other banks and money at call and short notice.*

As per our Report of even date.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration no.: 105047W

Tushar Kurani
Partner
Membership no.: 118580

For **Khimji Kunverji & Co LLP**
Chartered Accountants
ICAI Firm Registration no.: 105146W/W100621

Gautam Shah
Partner
Membership no.: 117348

Mumbai
April 23, 2022

For and on behalf of the Board of Directors

Girish Chandra Chaturvedi
Chairman
DIN-00110996

Uday M. Chitale
Director
DIN-00043268

Sandeep Bakhshi
Managing Director & CEO
DIN-00109206

Vishakha Mulye
Executive Director
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Anup Bagchi
Executive Director
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Executive Director
DIN-03620913

Rakesh Jha
Group Chief Financial Officer

Ranganath Athreya
Company Secretary

Rajendra Khandelwal
Chief Accountant

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Balance Sheet

₹ in '000s

	At 31.03.2022	At 31.03.2021
SCHEDULE 1 - CAPITAL		
Authorised capital		
12,500,000,000 equity shares of ₹ 2 each (March 31, 2021: 12,500,000,000 equity shares of ₹ 2 each)	**25,000,000**	**25,000,000**
Equity share capital		
Issued, subscribed and paid-up capital		
6,915,992,387 equity shares of ₹ 2 each (March 31, 2021: 6,472,765,203 equity shares)	**13,831,985**	12,945,530
Add: 32,778,988 equity shares of ₹ 2 each (March 31, 2021: 443,227,184 equity shares) issued during the period[1]	**65,558**	886,455
	13,897,543	**13,831,985**
Add: Forfeited equity shares[2]	**2,119**	2,119
TOTAL CAPITAL	**13,899,662**	**13,834,104**

1. *Represents equity shares issued pursuant to exercise of employee stock options. (March 31, 2021: 418,994,413 equity shares issued under Qualified Institutions Placement (QIP) and 24,232,771 equity shares issued pursuant to exercise of employee stock options.*
2. *On account of forfeiture of 266,089 equity shares of ₹ 10 each.*

₹ in '000s

	At 31.03.2022	At 31.03.2021
SCHEDULE 2 - RESERVES AND SURPLUS		
I. Statutory reserve		
Opening balance	**297,687,519**	257,205,519
Additions during the year	**58,349,000**	40,482,000
Deductions during the year	**-**	-
Closing balance	**356,036,519**	**297,687,519**
II. Special reserve		
Opening balance	**118,649,500**	107,706,000
Additions during the year	**15,328,500**	10,943,500
Deductions during the year	**-**	-
Closing balance	**133,978,000**	**118,649,500**
III. Securities premium		
Opening balance	**489,694,731**	335,899,406
Additions during the year[1]	**7,950,327**	154,497,014
Deductions during the year[2]	**-**	(701,689)
Closing balance	**497,645,058**	**489,694,731**
IV. Investment reserve account		
Opening balance	**-**	-
Additions during the year	**-**	-
Deductions during the year	**-**	-
Closing balance	**-**	**-**
V. Investment fluctuation reserve[3]		
Opening balance	**16,886,201**	19,382,000
Additions during the year	**3,828,798**	-
Deductions during the year	**-**	(2,495,799)
Closing balance	**20,714,999**	**16,886,201**
VI. Unrealised investment reserve[4]		
Opening balance	**(56,658)**	(270,042)
Additions during the year	**-**	243,797
Deductions during the year	**(301,983)**	(30,413)
Closing balance	**(358,641)**	**(56,658)**
VII. Capital reserve		
Opening balance	**134,042,316**	132,740,016
Additions during the year[5,6]	**15,742,037**	1,302,300
Deductions during the year	**-**	-
Closing balance[7]	**149,784,353**	**134,042,316**

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Balance Sheet *(Contd.)*

₹ in '000s

	At 31.03.2022	At 31.03.2021
VIII. Capital redemption reserve		
Opening balance	**3,500,000**	3,500,000
Additions during the year	**-**	-
Deductions during the year	**-**	-
Closing balance	**3,500,000**	**3,500,000**
IX. Foreign currency translation reserve		
Opening balance	**13,699,874**	20,139,947
Additions during the year	**599,449**	607,130
Deductions during the year	**(1,867,892)**	(7,047,203)
Closing balance	**12,431,431**	**13,699,874**
X. Revaluation reserve		
Opening balance	**31,252,824**	31,433,597
Additions during the year[8]	**1,742,847**	499,560
Deductions during the year[9]	**(710,696)**	(680,333)
Closing balance	**32,284,975**	**31,252,824**
XI. Reserve fund		
Opening balance	**-**	77,638
Additions during the year[10]	**-**	-
Deductions during the year[10]	**-**	(77,638)
Closing balance	**-**	**-**
XII. Revenue and other reserves		
Opening balance	**71,497,594**	40,804,026
Additions during the year[11, 12]	**20,297,813**	30,834,944
Deductions during the year[12]	**(2,839,545)**	(141,376)
Closing balance[13,14]	**88,955,862**	**71,497,594**
XIII. Balance in profit and loss account[6,10]	**528,498,860**	385,155,990
Deductions during the year[15]	**(19,510,346)**	-
Balance in profit and loss account	**508,988,514**	385,155,990
TOTAL RESERVES AND SURPLUS	**1,803,961,070**	**1,562,009,891**

1. *Includes ₹ 7,923.3 million (year ended March 31, 2021: ₹ 5,257.4 million) on exercise of employee stock options. At March 31, 2021, includes ₹ 149,162.0 million on account of equity shares issued under QIP.*
2. *Represents amount utilised towards direct expenses relating to the issuance of equity shares under QIP.*
3. *Represents amount transferred by the Bank to Investment Fluctuation Reserve (IFR) on net profit on sale of AFS and HFT investments during the period. The amount not less than the lower of net profit on sale of AFS and HFT category investments during the period or net profit for the period less mandatory appropriations is required to be transferred to IFR, until the amount of IFR is at least 2% of the HFT and AFS portfolio.*
4. *Represents unrealised profit/(loss) pertaining to the investments of venture capital funds.*
5. *Includes appropriations made by the Bank for profit on sale of investments in held-to-maturity category, net of taxes and transfer to Statutory Reserve and profit on sale of land and buildings, net of taxes and transfer to Statutory Reserve.*
6. *The Bank had shifted certain securities from held-to-maturity category to available-for-sale category on May 3, 2017. RBI through its order dated May 3, 2021 has directed the Bank to appropriate the net profit made on sale of these investments during FY2018 to Capital Reserve. Accordingly, an amount of ₹ 15,091.1 million was transferred by the Bank from Balance in Profit and Loss account to Capital Reserve during FY2022.*
7. *Includes capital reserve on consolidation amounting to ₹ 79.1 million (March 31, 2021: ₹ 79.1 million).*
8. *Represents gain on revaluation of premises carried out by the Bank and ICICI Home Finance Company Limited.*
9. *Represents amount transferred from Revaluation Reserve to General Reserve on account of incremental depreciation charge on revaluation, revaluation surplus on premises sold and loss on revaluation on account of certain assets which were held for sale.*
10. *At March 31, 2021 balance in reserve fund created by Sri Lanka branch was transferred to balance in profit and loss account due to its closure.*
11. *Includes ₹ 1,543.1 million towards reduction in fair value change account (March 31, 2021: addition amounting to ₹ 5,754.2 million) of ICICI Lombard General Insurance Company Limited.*
12. *Includes ₹ 2,471.4 million towards reduction in fair value change account (March 31, 2021: addition amounting to ₹ 4,808.7 million) of ICICI Prudential Life Insurance Company Limited.*
13. *Includes unrealised profit/(loss), net of tax, of ₹ 206.4 million (March 31, 2021: ₹ 347.1 million) pertaining to the investments in the available-for-sale category of ICICI Bank UK PLC.*
14. *Includes reduction of ₹ 133.1 million in debenture redemption reserve (March 31, 2021: ₹ 143.8 million) of ICICI Lombard General Insurance Company Limited.*
15. *Represents reduction due to discontinuation of ICICI Lombard General Insurance Company from consolidation during the year.*

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Balance Sheet *(Contd.)*

₹ in '000s

	At 31.03.2022	At 31.03.2021
SCHEDULE 2A - MINORITY INTEREST		
Opening minority interest	**95,883,393**	67,947,696
Subsequent increase/(decrease) during the year[1]	**(36,074,458)**	27,935,697
CLOSING MINORITY INTEREST	**59,808,935**	**95,883,393**

1. At March 31, 2022, includes deduction of minority interest relating to ICICI Lombard General Insurance Company Limited amounting to ₹ 39,052.5 million, subsequent to ICICI Lombard General Insurance Company Limited being accounted as an associate.

₹ in '000s

	At 31.03.2022	At 31.03.2021
SCHEDULE 3 - DEPOSITS		
A. I. Demand deposits		
i) From banks	**79,321,836**	114,515,967
ii) From others	**1,554,865,124**	1,278,323,752
II. Savings bank deposits	**3,670,305,566**	3,039,179,239
III. Term deposits		
i) From banks	**71,532,495**	96,198,935
ii) From others	**5,537,632,911**	5,071,182,287
TOTAL DEPOSITS	**10,913,657,932**	**9,599,400,180**
B. I. Deposits of branches in India	**10,527,203,264**	9,223,157,524
II. Deposits of branches/subsidiaries outside India	**386,454,668**	376,242,656
TOTAL DEPOSITS	**10,913,657,932**	**9,599,400,180**

₹ in '000s

	At 31.03.2022	At 31.03.2021
SCHEDULE 4 - BORROWINGS		
I. Borrowings in India		
i) Reserve Bank of India[1]	**-**	1,000,000
ii) Other banks	**50,892,853**	48,045,578
iii) Other institutions and agencies		
a) Government of India	**-**	-
b) Financial institutions[2]	**323,264,820**	378,775,309
iv) Borrowings in the form of		
a) Deposits	**31,004,597**	35,194,448
b) Commercial paper	**90,353,072**	42,187,893
c) Bonds and debentures (excluding subordinated debt)	**430,564,188**	229,521,286
v) Application money-bonds	**-**	-
vi) Capital instruments		
a) Innovative Perpetual Debt Instruments (IPDI) (qualifying as additional Tier 1 capital)	**66,950,000**	101,200,000
b) Hybrid debt capital instruments issued as bonds/debentures (qualifying as Tier 2 capital)	**-**	-
c) Unsecured redeemable debentures/bonds (subordinated debt included in Tier 2 capital)	**93,504,927**	92,707,554
TOTAL BORROWINGS IN INDIA	**1,086,534,457**	**928,632,068**

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Balance Sheet *(Contd.)*

₹ in '000s

	At 31.03.2022	At 31.03.2021
II. Borrowings outside India		
i) Capital instruments		
Unsecured redeemable debentures/bonds (subordinated debt included in Tier 2 capital)	**5,529,406**	5,564,832
ii) Bonds and notes	**181,504,693**	186,163,655
iii) Other borrowings	**342,458,272**	318,638,838
TOTAL BORROWINGS OUTSIDE INDIA	**529,492,371**	**510,367,325**
TOTAL BORROWINGS	**1,616,026,828**	**1,438,999,393**

1. *Represents borrowings made by the Bank under Liquidity Adjustment Facility (LAF).*
2. *Includes borrowings made by the Bank under repo and refinance.*
3. *Secured borrowings in I and II above amounting to ₹ 232,515.3 million (March 31, 2021: ₹ 231,664.8 million) other than the borrowings under collateralised borrowing and lending obligation, market repurchase transactions (including tri-party repo) with banks and financial institutions and transactions under liquidity adjustment facility and marginal standing facility.*

₹ in '000s

	At 31.03.2022	At 31.03.2021
SCHEDULE 5 - OTHER LIABILITIES AND PROVISIONS		
I. Bills payable	**130,686,122**	128,480,835
II. Inter-office adjustments (net)	**4,418,106**	3,262,618
III. Interest accrued	**27,524,211**	24,830,180
IV. Sundry creditors	**206,506,321**	368,178,007
V. General provision for standard assets	**44,586,271**	40,042,593
VI. Others (including provisions)[1,2]	**414,362,275**	431,369,829
TOTAL OTHER LIABILITIES AND PROVISIONS	**828,083,306**	**996,164,062**

1. *Includes contingency provision of the Bank amounting to ₹ 74,500.0 million (March 31, 2021: ₹ 74,750.0 million), including Covid-19 related provision of ₹ 64,250.0 million (March 31, 2021: ₹ 74,750.0 million).*
2. *Includes specific provision for standard loans made by the Bank.*

₹ in '000s

	At 31.03.2022	At 31.03.2021
SCHEDULE 6 - CASH AND BALANCES WITH RESERVE BANK OF INDIA		
I. Cash in hand (including foreign currency notes)	**72,274,785**	71,416,989
II. Balances with Reserve Bank of India in current accounts	**530,012,284**	391,605,060
TOTAL CASH AND BALANCES WITH RESERVE BANK OF INDIA	**602,287,069**	**463,022,049**

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED
SCHEDULES
forming part of the Consolidated Balance Sheet *(Contd.)*

₹ in '000s

	At 31.03.2022	At 31.03.2021
SCHEDULE 7 - BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE		
I. In India		
i) Balances with banks		
a) In current accounts	**2,150,158**	2,921,504
b) In other deposit accounts	**58,739,519**	41,875,163
ii) Money at call and short notice		
a) With banks[1]	**494,020,000**	352,190,000
b) With other institutions[2]	**58,284,515**	38,968,857
TOTAL	**613,194,192**	**435,955,524**
II. Outside India		
i) In current accounts	**332,048,410**	318,835,630
ii) In other deposit accounts	**179,630,804**	199,063,472
iii) Money at call and short notice	**104,099,357**	58,828,627
TOTAL	**615,778,571**	**576,727,729**
TOTAL BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE	**1,228,972,763**	**1,012,683,253**

1. *Includes lending by the Bank under Liquidity Adjustment Facility (LAF).*
2. *Includes lending by the Bank under reverse repo.*

₹ in '000s

	At 31.03.2022	At 31.03.2021
SCHEDULE 8 - INVESTMENTS		
I. Investments in India [net of provisions]		
i) Government securities	**3,255,021,732**	2,847,433,181
ii) Other approved securities	**-**	-
iii) Shares (includes equity and preference shares)	**131,221,761**	170,963,971
iv) Debentures and bonds (including commercial paper and certificate of deposits)	**415,992,085**	564,663,020
v) Assets held to cover linked liabilities of life insurance business	**1,508,663,020**	1,385,491,431
vi) Cost of equity investment in associates[1,2]	**20,040,640**	6,725,850
vii) Others (mutual fund units, pass through certificates, security receipts and other related investments)[3]	**134,270,515**	141,960,832
TOTAL INVESTMENTS IN INDIA	**5,465,209,753**	**5,117,238,285**
II. Investments outside India [net of provisions]		
i) Government securities	**152,078,246**	193,166,090
ii) Others (equity shares, bonds and certificate of deposits)	**53,689,181**	55,381,790
TOTAL INVESTMENTS OUTSIDE INDIA	**205,767,427**	**248,547,880**
TOTAL INVESTMENTS	**5,670,977,180**	**5,365,786,165**

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Balance Sheet *(Contd.)*

₹ in '000s

		At 31.03.2022	At 31.03.2021
A.	**Investments in India**		
	Gross value of investments[4]	**5,486,621,394**	5,126,563,887
	Less: Aggregate of provision/depreciation/(appreciation)	**21,411,641**	9,325,602
	Net investments	**5,465,209,753**	**5,117,238,285**
B.	**Investments outside India**		
	Gross value of investments	**208,954,192**	249,941,929
	Less: Aggregate of provision/depreciation/(appreciation)	**3,186,765**	1,394,049
	Net investments	**205,767,427**	**248,547,880**
TOTAL INVESTMENTS		**5,670,977,180**	**5,365,786,165**

1. *Includes goodwill on consolidation of associates amounting to ₹ 221.9 million (March 31, 2021: ₹ 163.1 million).*
2. *At March 31, 2022 includes cost of investment pertaining to ICICI Lombard General Insurance Company Limited subsequent to ICICI Lombard General Insurance Company Limited being accounted as an associate.*
3. *Includes share in networth of associates as per equity method as prescibed by AS 23.*
4. *Includes net appreciation amounting to ₹ 244,271.4 million (March 31, 2021: ₹ 219,153.1 million) on investments held to cover linked liabilities of life insurance business.*

₹ in '000s

				At 31.03.2022	At 31.03.2021
SCHEDULE 9 - ADVANCES [net of provisions]					
A.	i)	Bills purchased and discounted[1]		**482,956,949**	342,046,090
	ii)	Cash credits, overdrafts and loans repayable on demand		**2,342,314,744**	1,877,224,405
	iii)	Term loans		**6,377,809,697**	5,698,743,423
TOTAL ADVANCES				**9,203,081,390**	**7,918,013,918**
B.	i)	Secured by tangible assets (includes advances against book debts)[2]		**6,701,716,660**	5,823,869,908
	ii)	Covered by bank/government guarantees		**185,673,079**	112,777,379
	iii)	Unsecured		**2,315,691,651**	1,981,366,631
TOTAL ADVANCES				**9,203,081,390**	**7,918,013,918**
C.	**I.**	**Advances in India**			
		i)	Priority sector	**2,491,680,887**	2,031,797,475
		ii)	Public sector	**483,782,406**	451,897,529
		iii)	Banks	**432,346**	264,743
		iv)	Others	**5,417,164,764**	4,646,071,474
TOTAL ADVANCES IN INDIA				**8,393,060,403**	**7,130,031,221**
	II.	**Advances outside India**			
		i)	Due from banks	**7,165,905**	9,923,766
		ii)	Due from others		
			a) Bills purchased and discounted	**175,464,049**	78,351,968
			b) Syndicated and term loans	**235,061,192**	347,539,208
			c) Others	**392,329,841**	352,167,755
TOTAL ADVANCES OUTSIDE INDIA				**810,020,987**	**787,982,697**
TOTAL ADVANCES				**9,203,081,390**	**7,918,013,918**

1. *Net of bills re-discounted amounting to Nil (March 31, 2021: Nil).*
2. *Includes advances against book debts amounting to ₹ 703,802.0 million (March 31, 2021: ₹ 632,355.0 million).*

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Balance Sheet *(Contd.)*

₹ in '000s

	At 31.03.2022	At 31.03.2021
SCHEDULE 10 - FIXED ASSETS		
I. Premises		
Gross block		
At cost at March 31 of preceding year	**95,782,081**	94,289,893
Additions during the year[1]	**3,334,955**	1,891,104
Deductions during the year[3]	**(4,771,209)**	(398,916)
Closing balance	**94,345,827**	**95,782,081**
Depreciation		
At March 31 of preceding year	**21,854,971**	19,790,481
Charge during the year[2]	**2,375,067**	2,347,909
Deductions during the year[3]	**(716,027)**	(283,419)
Total depreciation	**23,514,011**	**21,854,971**
Net block	**70,831,816**	**73,927,110**
II. Other fixed assets (including furniture and fixtures)		
Gross block		
At cost at March 31 of preceding year	**97,137,491**	85,814,990
Additions during the year	**15,252,194**	15,086,502
Deductions during the year[4]	**(13,604,745)**	(3,764,001)
Closing balance	**98,784,940**	**97,137,491**
Depreciation		
At March 31 of preceding year	**66,259,069**	58,967,593
Charge during the year	**10,737,093**	10,918,958
Deductions during the year[4]	**(10,178,853)**	(3,627,482)
Total depreciation	**66,817,309**	**66,259,069**
Net block[4]	**31,967,631**	30,878,422
III. Lease assets		
Gross block		
At cost at March 31 of preceding year	**17,735,221**	17,054,049
Additions during the year	**155,525**	681,172
Deductions during the year	**-**	-
Closing balance[5]	**17,890,746**	**17,735,221**
Depreciation		
At March 31 of preceding year	**14,448,172**	14,314,282
Charge during the year	**187,914**	133,890
Deductions during the year	**-**	-
Total depreciation, accumulated lease adjustment and provisions	**14,636,086**	**14,448,172**
Net block	**3,254,660**	**3,287,049**
TOTAL FIXED ASSETS	**106,054,107**	**108,092,581**

1. *Includes revaluation gain amounting to ₹ 1,742.8 million (March 31, 2021: ₹ 499.6 million) on account of revaluation carried out by the Bank and its housing finance subsidiary.*
2. *Including depreciation charge on account of revaluation of ₹ 703.1 million for the year ended March 31, 2022 (year ended March 31, 2021: ₹ 680.3 million).*
3. *At March 31, 2022, includes premises cost amounting to ₹ 4,100.2 million and accumulated depreciation amounting to ₹ 273.8 million pertaining to ICICI Lombard General Insurance Company Limited subsequent to ICICI Lombard General Insurance Company Limited being accounted as an associate.*
4. *At March 31, 2022, includes other fixed assets cost amounting to ₹ 9,341.4 million and accumulated depreciation amounting to ₹ 5,996.3 million pertaining to ICICI Lombard General Insurance Company Limited subsequent to ICICI Lombard General Insurance Company Limited being accounted as an associate.*
5. *Includes assets taken on lease by the Bank amounting to ₹ 1,176.1 million (March 31, 2021: ₹ 1,020.6 million).*

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Balance Sheet *(Contd.)*

₹ in '000s

		At 31.03.2022	At 31.03.2021
SCHEDULE 11 - OTHER ASSETS			
I.	Inter-office adjustments (net)	**-**	-
II.	Interest accrued	**108,389,915**	110,626,009
III.	Tax paid in advance/tax deducted at source (net)	**26,241,723**	50,249,503
IV.	Stationery and stamps	**337,907**	178,896
V.	Non-banking assets acquired in satisfaction of claims[1,2]	**-**	-
VI.	Advance for capital assets	**4,460,876**	3,426,107
VII.	Deposits	**40,100,556**	28,023,381
VIII.	Deferred tax asset (net) (refer note 18.9)	**79,484,847**	93,350,216
IX.	Deposits in Rural Infrastructure and Development Fund	**264,194,161**	311,777,207
X.	Others	**190,778,025**	271,816,458
TOTAL OTHER ASSETS		**713,988,010**	**869,447,777**

1. *During the year ended March 31, 2022 the Bank has not acquired any assets (year ended March 31, 2021: Nil) in satisfaction of claims under debt-asset swap transactions. Assets amounting to ₹ 563.6 million were sold by the Bank during the year ended March 31, 2022 (year ended March 31, 2021: ₹ 942.4 million).*
2. *Net of provision held by the Bank amounting to ₹ 29,011.8 million (March 31, 2021: ₹ 29,575.4 million).*

₹ in '000s

		At 31.03.2022	At 31.03.2021
SCHEDULE 12 - CONTINGENT LIABILITIES			
I.	Claims against the Group not acknowledged as debts	**89,527,688**	88,166,723
II.	Liability for partly paid investments	**7,009,157**	10,625,388
III.	Liability on account of outstanding forward exchange contracts[1]	**10,757,369,659**	8,303,455,988
IV.	Guarantees given on behalf of constituents		
	a) In India	**877,490,076**	811,429,157
	b) Outside India	**158,594,796**	182,653,703
V.	Acceptances, endorsements and other obligations	**458,778,736**	321,874,588
VI.	Currency swaps[1]	**502,108,785**	485,717,363
VII.	Interest rate swaps, currency options and interest rate futures[1]	**32,634,035,960**	19,976,356,000
VIII.	Other items for which the Group is contingently liable	**38,496,310**	33,163,378
TOTAL CONTINGENT LIABILITIES		**45,523,411,167**	**30,213,442,288**

1. *Represents notional amount.*

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Profit and Loss Account

₹ in '000s

	Year ended 31.03.2022	Year ended 31.03.2021
SCHEDULE 13 - INTEREST EARNED		
I. Interest/discount on advances/bills	**668,865,377**	602,616,872
II. Income on investments (including dividend)	**219,906,420**	232,642,538
III. Interest on balances with Reserve Bank of India and other inter-bank funds	**18,195,960**	18,817,238
IV. Others[1,2]	**47,100,897**	37,549,990
TOTAL INTEREST EARNED	**954,068,654**	**891,626,638**

1. Includes interest on income tax refunds amounting to ₹ 2,434.3 million (March 31, 2021: ₹ 2,569.7 million).

2. Includes interest and amortisation of premium on non-trading interest rate swaps and foreign currency swaps.

₹ in '000s

	Year ended 31.03.2022	Year ended 31.03.2021
SCHEDULE 14 - OTHER INCOME		
I. Commission, exchange and brokerage	**172,883,870**	140,230,546
II. Profit/(loss) on sale of investments (net)[1]	**23,145,295**	81,257,186
III. Profit/(loss) on revaluation of investments (net)	**1,981,586**	(1,433,237)
IV. Profit/(loss) on sale of land, buildings and other assets (net)[2]	**56,635**	(63,424)
V. Profit/(loss) on exchange/derivative transactions (net)	**29,933,143**	19,721,169
VI. Premium and other operating income from insurance business	**389,595,741**	479,230,586
VII. Miscellaneous income (including lease income)	**3,698,244**	1,352,456
TOTAL OTHER INCOME	**621,294,514**	**720,295,282**

1. For the year ended March 31, 2021 includes gain on sale of a part of equity investment in ICICI Lombard General Insurance Company Limited, ICICI Prudential Life Insurance Company Limited and ICICI Securities Limited.

2. Includes profit/(loss) on sale of assets given on lease.

₹ in '000s

	Year ended 31.03.2022	Year ended 31.03.2021
SCHEDULE 15 - INTEREST EXPENDED		
I. Interest on deposits	**336,132,833**	337,196,585
II. Interest on Reserve Bank of India/inter-bank borrowings	**4,402,009**	12,001,131
III. Others (including interest on borrowings of erstwhile ICICI Limited)	**71,131,869**	77,393,158
TOTAL INTEREST EXPENDED	**411,666,711**	**426,590,874**

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Profit and Loss Account *(Contd.)*

₹ in '000s

	Year ended 31.03.2022	Year ended 31.03.2021
SCHEDULE 16 - OPERATING EXPENSES		
I. Payments to and provisions for employees[1]	**123,416,025**	110,509,051
II. Rent, taxes and lighting[2]	**14,085,917**	13,829,516
III. Printing and stationery	**2,232,877**	2,067,614
IV. Advertisement and publicity	**23,313,796**	29,981,392
V. Depreciation on property	**13,112,160**	13,266,867
VI. Depreciation (including lease equalisation) on leased assets	**187,914**	133,877
VII. Directors' fees, allowances and expenses	**123,496**	125,453
VIII. Auditors' fees and expenses	**219,598**	295,992
IX. Law charges	**1,707,140**	2,076,875
X. Postages, courier, telephones, etc.	**7,092,062**	5,884,269
XI. Repairs and maintenance	**26,994,748**	21,785,244
XII. Insurance	**13,025,817**	9,893,192
XIII. Direct marketing agency expenses	**25,697,664**	18,938,669
XIV. Claims and benefits paid pertaining to insurance business	**59,037,802**	98,926,518
XV. Other expenses pertaining to insurance business[3]	**339,724,982**	371,586,730
XVI. Other expenditure[4]	**81,545,277**	63,415,437
TOTAL OPERATING EXPENSES	**731,517,275**	**762,716,696**

1. *For the year ended March 31, 2022, includes impact of ₹ 2,642.2 million for the Bank due to change in accounting policy from intrinsic value method to fair value method for all stock options granted after March 31, 2021 under the Bank's Employee Stock Option Scheme.*
2. *Includes lease expense amounting to ₹ 11,389.0 million (March 31, 2021: ₹ 11,087.3 million).*
3. *Includes commission expenses and reserves for actuarial liabilities (including the investible portion of the premium on the unit-linked policies).*
4. *Includes expenses on purchase of Priority Sector Lending Certificates (PSLC) for the Bank amounting to ₹ 13,206.1 million (March 31, 2021: ₹ 7,813.8 million).*

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts

SCHEDULE 17

SIGNIFICANT ACCOUNTING POLICIES

Overview

ICICI Bank Limited, together with its subsidiaries, joint ventures and associates (collectively, the Group), is a diversified financial services group providing a wide range of banking and financial services including commercial banking, retail banking, project and corporate finance, working capital finance, insurance, venture capital and private equity, investment banking, broking and treasury products and services.

ICICI Bank Limited (the Bank), incorporated in Vadodara, India is a publicly held banking company governed by the Banking Regulation Act, 1949.

Principles of consolidation

The consolidated financial statements include the financials of ICICI Bank, its subsidiaries, associates and joint ventures.

Entities, in which the Bank holds, directly or indirectly, through subsidiaries and other consolidating entities, more than 50.00% of the voting rights or where it exercises control, over the composition of board of directors/governing body, are fully consolidated on a line-by-line basis in accordance with the provisions of AS 21 on 'Consolidated Financial Statements'. Investments in entities where the Bank has the ability to exercise significant influence are accounted for under the equity method of accounting and the pro-rata share of their profit/(loss) is included in the consolidated profit and loss account. Assets, liabilities, income and expenditure of jointly controlled entities are consolidated using the proportionate consolidation method. Under this method, the Bank's share of each of the assets, liabilities, income and expenses of the jointly controlled entity is reported in separate line items in the consolidated financial statements. The Bank does not consolidate entities where the significant influence/control is intended to be temporary or entities which operate under severe long-term restrictions that impair their ability to transfer funds to parent/investing entity or where the objective of control is not to obtain economic benefit from their activities. All significant inter-company accounts and transactions are eliminated on consolidation.

Basis of preparation

The accounting and reporting policies of the Group used in the preparation of the consolidated financial statements conform to Generally Accepted Accounting Principles in India (Indian GAAP), the guidelines issued by the Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), Insurance Regulatory and Development Authority of India (IRDAI), National Housing Bank (NHB) from time to time and the Accounting Standards notified under Section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014, as applicable to relevant companies and practices generally prevalent in the banking industry in India. In the case of the foreign subsidiaries, Generally Accepted Accounting Principles as applicable to the respective foreign subsidiaries are followed. The Group follows the accrual method of accounting except where otherwise stated, and the historical cost convention. In case the accounting policies followed by a subsidiary or joint venture are different from those followed by the Bank, the same have been disclosed in the respective accounting policy. Further, in case of ICICI Lombard General Insurance Company Limited (ICICI General), the accounting policies disclosed are for comparative previous period, till March 31, 2021 as the same was accounted as subsidiary in the consolidated financial statements. From April 1, 2021, ICICI General ceased to be a subsidiary and became associate of the Bank and accordingly has been accounted as per the equity method as prescribed by AS 23 on 'Accounting for investments in Associates in Consolidated Financial Statements.

The preparation of consolidated financial statements requires management to make estimates and assumptions that are considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the consolidated financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in the preparation of the consolidated financial statements are prudent and reasonable. Actual results could differ from these estimates. The impact of any revision in these estimates is recognised prospectively from the period of change.

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

The consolidated financial statements include the results of the following entities in addition to the Bank.

Sr. No.	Name of the entity	Country of incorporation	Nature of relationship	Nature of business	Ownership interest
1.	ICICI Bank UK PLC	United Kingdom	Subsidiary	Banking	100.00%
2.	ICICI Bank Canada	Canada	Subsidiary	Banking	100.00%
3.	ICICI Securities Limited	India	Subsidiary	Securities broking and merchant banking	74.89%
4.	ICICI Securities Holdings Inc.[1]	USA	Subsidiary	Holding company	100.00%
5.	ICICI Securities Inc.[1]	USA	Subsidiary	Securities broking	100.00%
6.	ICICI Securities Primary Dealership Limited	India	Subsidiary	Securities investment, trading and underwriting	100.00%
7.	ICICI Venture Funds Management Company Limited	India	Subsidiary	Private equity/venture capital fund management	100.00%
8.	ICICI Home Finance Company Limited	India	Subsidiary	Housing finance	100.00%
9.	ICICI Trusteeship Services Limited	India	Subsidiary	Trusteeship services	100.00%
10.	ICICI Investment Management Company Limited	India	Subsidiary	Asset management and Investment advisory	100.00%
11.	ICICI International Limited	Mauritius	Subsidiary	Asset management	100.00%
12.	ICICI Prudential Pension Funds Management Company Limited[2]	India	Subsidiary	Pension fund management and Points of Presence	100.00%
13.	ICICI Prudential Life Insurance Company Limited	India	Subsidiary	Life insurance	51.32%
14.	ICICI Prudential Asset Management Company Limited	India	Subsidiary	Asset management	51.00%
15.	ICICI Prudential Trust Limited	India	Subsidiary	Trusteeship services	50.80%
16.	ICICI Strategic Investments Fund	India	Consolidated as per AS 21	Venture capital fund	100.00%
17.	ICICI Lombard General Insurance Company Limited[3,4]	India	Associate	General insurance	48.04%
18.	I-Process Services (India) Private Limited[3]	India	Associate	Services related to back end operations	19.00%
19.	NIIT Institute of Finance Banking and Insurance Training Limited[3]	India	Associate	Education and training in banking, finance and insurance	18.79%
20.	ICICI Merchant Services Private Limited[3]	India	Associate	Merchant acquiring and servicing	19.01%
21.	India Infradebt Limited[3]	India	Associate	Infrastructure finance	42.33%
22.	India Advantage Fund-III[3]	India	Associate	Venture capital fund	24.10%
23.	India Advantage Fund-IV[3]	India	Associate	Venture capital fund	47.14%
24.	Arteria Technologies Private Limited[3]	India	Associate	Software company	19.98%

1. *ICICI Securities Holding Inc. is a wholly owned subsidiary of ICICI Securities Limited. ICICI Securities Inc. is a wholly owned subsidiary of ICICI Securities Holding Inc.*
2. *ICICI Prudential Pension Funds Management Company Limited is a wholly owned subsidiary of ICICI Prudential Life Insurance Company Limited.*
3. *These entities have been accounted as per the equity method as prescribed by AS 23 on 'Accounting for Investments in Associates in Consolidated Financial Statements'.*
4. *From April 1, 2021, ICICI General ceased to be a subsidiary and became an associate of the Bank.*

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

Comm Trade Services Limited has not been consolidated under AS 21, since the investment is temporary in nature. Falcon Tyres Limited, in which the Bank holds 26.39% equity shares has not been accounted as per equity method under AS 23, since the investment is temporary in nature.

SIGNIFICANT ACCOUNTING POLICIES

1. Translation of foreign currency items

The consolidated financial statements of the Group are reported in Indian rupees (₹), the national currency of India. Foreign currency income and expenditure items of domestic operations are translated at the exchange rates prevailing on the date of the transaction. Income and expenditure items of integral foreign operations (representative offices) are translated at daily closing rates, and income and expenditure items of non-integral foreign operations (foreign branches, offshore banking units, foreign subsidiaries) are translated at quarterly average closing rates.

Monetary foreign currency assets and liabilities of domestic and integral foreign operations are translated at closing exchange rates notified by Foreign Exchange Dealers' Association of India (FEDAI) relevant to the balance sheet date and the resulting gains/losses are recognised in the profit and loss account.

Both monetary and non-monetary foreign currency assets and liabilities of non-integral foreign operations are translated at relevant closing exchange rates notified by FEDAI at the balance sheet date and the resulting gains/losses from exchange differences are accumulated in the foreign currency translation reserve until the disposal of the net investment in the non-integral foreign operations. Pursuant to RBI guideline, the Bank does not recognise the cumulative/proportionate amount of such exchange differences as income or expenses, which relate to repatriation of accumulated retained earnings from overseas operations, in the profit and loss account.

Contingent liabilities on account of guarantees, endorsements and other obligations denominated in foreign currencies are disclosed at the closing exchange rates notified by FEDAI relevant to the balance sheet date.

2. Revenue recognition

a) Interest income is recognised in the profit and loss account as it accrues, including for cases where moratorium has been extended for payments of principal and/or interest as per RBI guideline dated March 27, 2020, except in the case of non-performing assets (NPAs) where it is recognised upon realisation, as per the income recognition and asset classification norms of RBI/NHB/other applicable guidelines.

b) Income on discounted instruments is recognised over the tenure of the instrument.

c) Dividend income is accounted on an accrual basis when the right to receive the dividend is established.

d) Loan processing fee is accounted for upfront when it becomes due except in the case of foreign banking subsidiaries, where it is amortised over the period of the loan.

e) Project appraisal/structuring fee is accounted for on the completion of the agreed service.

f) Arranger fee is accounted for as income when a significant portion of the arrangement is completed and right to receive is established.

g) Commission received on guarantees and letters of credit issued is amortised on a straight-line basis over the period of the guarantee/letters of credit.

h) Fund management and portfolio management fees are recognised on an accrual basis.

i) The annual/renewal fee on credit cards,debit cards and prepaid cards are amortised on a straight line basis over one year.

j) All other fees are accounted for as and when they become due where the Group is reasonably certain of ultimate collection.

k) Fees paid/received for priority sector lending certificates (PSLC) is amortised on straight-line basis over the period of the certificate.

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

l) Income from securities brokerage activities is recognised as income on the trade date of the transaction. Brokerage income in relation to public or other issuances of securities is recognised based on mobilisation and terms of agreement with the client.

m) Life insurance premium for non-linked policies is recognised as income when due from policyholders. For unit linked business, premium is recognised when the associated units are created. Premium on lapsed policies is recognised as income when such policies are reinstated. Top-up premiums paid by unit linked policyholders' are considered as single premium and recognised as income when the associated units are created. Income from unit linked policies, which includes fund management charges, policy administration charges, mortality charges and other charges, if any, are recovered from the linked funds in accordance with the terms and conditions of the policy and are recognised when due.

n) In case of general insurance business, premium including reinsurance accepted (net of Goods & Services Tax) other than for long-term (with term more than one year) motor insurance policies for new cars and new two wheelers sold on or after September 1, 2018 is recorded on receipt of complete information, for the policy period at the commencement of risk. For crop insurance, the premium is accounted based on management estimates that are progressively actualised on receipt of information. For installment cases, premium is recorded on installment due dates. Reinstatement premium is recorded as and when such premiums are recovered. Premium earned including reinstatement premium and re-insurance accepted is recognised as income over the period of risk or the contract period based on 1/365 method, whichever is appropriate on a gross basis other than instalment premiums received for group health policies, wherein the instalment premiums are recognised over the balance policy period. Any subsequent revisions to premium as and when they occur are recognised over the remaining period of risk or contract period, as applicable.

   In case of long-term motor insurance policies for new cars and new two wheelers sold on or after September 1, 2018, premium received (net of Goods & Services Tax) for third party liability coverage is recognised equally over the policy period at the commencement of risk on 1/n basis where 'n' denotes the term of the policy in years and premium received for own damage coverage is recognised in accordance with movement of Insured Declared Value (IDV) over the period of risk, on receipt of complete information. Reinstatement premium is recorded as and when such premiums are recovered. Premium allocated for the year is recognised as income earned based on 1/365 method, on a gross basis. Reinstatement premium is allocated on the same basis as the original premium over the balance term of the policy. Any subsequent revisions to premium as and when they occur are recognised on the same basis as the original premium over the balance term of the policy. Adjustments to premium income arising on cancellation of policies are recognised in the period in which the policies are cancelled. Adjustments to premium income for corrections to area covered under crop insurance are recognised in the period in which the information is confirmed by the concerned government/nodal agency. Commission on reinsurance ceded is recognised as income in the period of ceding the risk. Profit commission under reinsurance treaties, wherever applicable, is recognised as income in the year of final determination of profits as confirmed by reinsurers and combined with commission on reinsurance ceded. Sliding scale commission under reinsurance treaties, wherever applicable, is determined at every balance sheet date as per terms of the respective treaties. Any reduction in the previously accrued commission is recognized immediately and any additional accrual is recognised on confirmation from reinsurers. Such commission is combined with commission on reinsurance ceded.

o) In case of life insurance business, reinsurance premium ceded/accepted is accounted in accordance with the terms of the relevant treaties/arrangements with the reinsurer/insurer. Profit commission on reinsurance ceded is netted off against premium ceded on reinsurance.

p) In case of general insurance business, insurance premium on ceding of the risk other than for long-term motor insurance policies for new cars and new two wheelers sold on or after September 1, 2018 is recognised simultaneously along with the insurance premium in accordance with reinsurance arrangements with the reinsurers. In case of long-term motor insurance policies for new cars and new two wheelers sold on or after September 1, 2018, reinsurance premium is recognised on the insurance premium allocated for the year simultaneously along with the recognition of the insurance premium in accordance with the reinsurance arrangements with the reinsurers. Any subsequent revision to premium ceded is recognised in the period of such revision. Adjustment to reinsurance premium arising on cancellation of policies is recognised in the period in which the policies are cancelled. Adjustments to reinsurance premium for corrections to area covered under crop insurance are recognised simultaneously along with related premium income.

q) In the case of general insurance business, premium deficiency is recognised when the sum of expected claim costs and related expenses and maintenance costs exceed the reserve for unexpired risks and is computed at a segmental revenue account level. The premium deficiency is calculated and duly certified by the Appointed Actuary.

3. Stock based compensation

The following entities within the group have granted stock options to their employees:

- ICICI Bank Limited
- ICICI Prudential Life Insurance Company Limited
- ICICI Lombard General Insurance Company Limited
- ICICI Securities Limited

The Employees Stock Option Scheme (the Scheme) of the Bank provides for grant of options on the Bank's equity shares to wholetime directors and employees of the Bank and its subsidiaries. The options granted vest in a graded manner and may be exercised within a specified period.

Till March 31, 2021, the Bank recognised cost of stock options granted under Employee Stock Option Scheme, using intrinsic value method. Under Intrinsic value method, options cost is measured as the excess, if any, of the fair market price of the underlying stock over the exercise price on the grant date.

Pursuant to RBI clarification dated August 30, 2021, the cost of stock options granted after March 31, 2021 is recognised based on fair value method. The cost of stock options granted up to March 31, 2021 continues to be recognised on intrinsic value method. The Bank uses Black-Scholes model to fair value the options on the grant date and the inputs used in the valuation model include assumptions such as the expected life of the share option, volatility, risk free rate and dividend yield.

The cost of stock options is recognised in the profit and loss account over the vesting period.

ICICI Prudential Life Insurance Company, ICICI Lombard General Insurance Company and ICICI Securities Limited have also formulated similar stock option schemes for their employees for grant of equity shares of their respective companies. The intrinsic value method is followed by them to account for their stock-based employee compensation plans. Compensation cost is measured as the excess, if any, of the fair market price of the underlying stock over the exercise price on the grant date and amortised over the vesting period. The fair market price is the closing price on the stock exchange with the highest trading volume of the underlying shares of the Bank, ICICI Prudential Life Insurance Company, ICICI Lombard General Insurance Company Limited and ICICI Securities Limited, immediately prior to the grant date.

The banking subsidiaries namely, ICICI Bank UK and ICICI Bank Canada, account for the cost of the options granted to employees by ICICI Bank using the fair value method as followed by the Bank.

4. Income taxes

Income tax expense is the aggregate amount of current tax and deferred tax expense incurred by the Group. The current tax expense and deferred tax expense is determined in accordance with the provisions of the Income Tax Act, 1961 and as per Accounting Standard 22 - Accounting for Taxes on Income respectively. Deferred tax adjustments comprise changes in the deferred tax assets or liabilities during the year and change in tax rate.

Deferred tax assets and liabilities are recognised by considering the impact of timing differences between taxable income and accounting income for the current year, and carry forward losses. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The impact of changes in the deferred tax assets and liabilities is recognised in the profit and loss account.

Deferred tax assets are recognised and re-assessed at each reporting date, based upon the management's judgement as to whether their realisation is considered as reasonably certain. However, in case of domestic companies, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets.

In the consolidated financial statements, deferred tax assets and liabilities are computed at an individual entity level and aggregated for consolidated reporting.

Minimum Alternate Tax (MAT) credit is recognised as an asset to the extent there is convincing evidence that the Group will pay normal income tax during specified period, i.e., the period for which MAT credit is allowed to be carried forward as per prevailing provisions of the Income Tax Act 1961. In accordance with the recommendation contained in the guidance note issued by ICAI, MAT credit is to be recognised as an asset in the year in which it becomes eligible for set off against normal income tax. The Group reviews MAT credit entitlements at each balance sheet date and writes down the carrying amount to the extent there is no longer convincing evidence to the effect that the Group will pay normal income tax during the specified period.

5. Claims and benefits paid

In the case of general insurance business, claims incurred comprise claims paid, estimated liability for outstanding claims made following a loss occurrence reported and estimated liability for claims incurred but not reported (IBNR) and claims incurred but not enough reported (IBNER). Further, claims incurred also include specific claim settlement costs such as survey/legal fees and other directly attributable costs. Claims (net of amounts receivable from re-insurers/co-insurers) are recognised on the date of intimation based on internal management estimates or on estimates from surveyors/insured in the respective revenue account. Estimated liability for outstanding claims at the balance sheet date is recorded net of claims recoverable from/payable to co-insurers/re-insurers and salvage to the extent there is certainty of realisation and includes provision for solatium fund. Salvaged stock is recognised at estimated net realisable value based on independent valuer's report. Estimated liability for outstanding claim is determined by the management on the basis of ultimate amounts likely to be paid on each claim based on the past experience and in cases where claim payment period exceeds four years based on actuarial valuation. These estimates are progressively revalidated on availability of further information. Claims IBNR represent that amount of claims that may have been incurred during the accounting period but have not been reported or claimed. The claims IBNR provision also includes provision, if any, required for claims that have been incurred but are not enough reported (IBNER). The provision for claims IBNR/claims IBNER is based on an actuarial estimate duly certified by the Appointed/Panel Actuary of the entity. The actuarial estimate is derived in accordance with relevant IRDAI regulations and Guidance Note GN 21 issued by the Institute of Actuaries of India.

In the case of life insurance business, benefits paid comprise policy benefits and claim settlement costs, if any. Death and rider claims are accounted for on receipt of intimation. Survival and maturity benefits are accounted when due. Withdrawals and surrenders under non linked policies are accounted on the receipt of intimation. Claim settlement cost, legal and other fees should also form part of claim cost wherever applicable. Reinsurance claims receivable are accounted for in the period in which the claim is intimated. Repudiated claims and other claims disputed before the judicial authorities are provided for on prudent basis as considered appropriate by the management.

6. Liability for life policies in force

In the case of life insurance business, the liabilities for life policies in force are calculated in accordance with accepted actuarial practice, requirements of Insurance Act, 1938 (amended by Insurance Laws (Amendment) Act, 2015) and regulations notified by the Insurance Regulatory and Development Authority of India and Actuarial Practice Standards of the Institute of Actuaries of India.

7. Reserve for unexpired risk

Reserve for unexpired risk is recognised net of re-insurance ceded and represents premium written that is attributable to, and is to be allocated to succeeding accounting periods. For fire, marine, cargo and miscellaneous business it is calculated on a daily pro-rata basis, except in the case of marine hull business which is computed at 100.00% of net premium written on all unexpired policies at balance sheet date.

8. Actuarial method and valuation

In the case of life insurance business, the actuarial liability on both participating and non-participating policies is calculated using the gross premium method, using assumptions for interest, mortality, morbidity, expense and inflation, and in the case of participating policies, future bonuses together with allowance for taxation and allocation of profits to shareholders. These assumptions are determined as prudent estimates at the date of valuation with allowances for adverse deviations.

The liability for the unexpired portion of the risk for the non-unit liabilities of linked business and attached riders is the higher of liability calculated using discounted cash flows and unearned premium reserves.

The unit liability in respect of linked business has been taken as the value of the units standing to the credit of policyholders, using the Net Asset Value (NAV) prevailing at the valuation date.

An unexpired risk reserve and a reserve in respect of claims incurred but not reported are created, for one year renewable group term insurance.

The interest rates used for valuing the liabilities are in the range of 3.67% to 6.30% per annum (previous year – 3.13% to 5.56% per annum).

Mortality rates used are based on the published "Indian Assured Lives Mortality (2012-2014) Ult." mortality table for assurances and LIC 96-98 table for annuities, adjusted to reflect expected experience while morbidity rates used are based on CIBT 93 table, adjusted for expected experience, or on risk rates supplied by reinsurers.

Expenses are provided for at current levels, in respect of renewal expenses, with no allowance for future improvements but with an allowance for any expected worsening. Per policy renewal expenses for regular premium policies are assumed to inflate at 4.59% per annum (previous year – 4.22%).

9. Acquisition costs for insurance business

Acquisition costs are those costs that vary with and are primarily related to the acquisition of insurance contracts and are expensed in the period in which they are incurred except for commission on long term motor insurance policies for new cars and new two wheelers sold on or after September 1, 2018. In case of long term motor insurance policies for new cars and new two wheelers sold on or after September 1, 2018 commission is expensed at the applicable rates on the premium allocated for the year.

10. Employee benefits

Gratuity

The Group pays gratuity, a defined benefit plan, to employees who retire or resign after a minimum prescribed period of continuous service and in case of employees at overseas locations as per the rules in force in the respective countries. The Group makes contribution to recognised trusts which administer the funds on their own account or through insurance companies.

Actuarial valuation of the gratuity liability is determined by an independent actuary appointed by the Group. 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 the profit and loss account.

Superannuation Fund and National Pension Scheme

The Bank has a superannuation fund, a defined contribution plan, which is administered by trustees and insurance companies. The Bank contributes 15.0% of the total annual basic salary for certain employees to superannuation funds. ICICI Prudential Life Insurance Company, ICICI Prudential Asset Management Company, and ICICI Venture

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

Funds Management Company have accrued for superannuation liability based on a percentage of basic salary payable to eligible employees for the period of service.

The Group contributes upto 10.0% of the total basic salary of certain employees to National Pension Scheme (NPS), a defined contribution plan, which is managed and administered by pension fund management companies. The employees are given an option to receive the amount in cash in lieu of such contributions along with their monthly salary during their employment.

The amounts so contributed/paid by the Group to the superannuation fund and NPS or to employees during the year are recognised in the profit and loss account. The Group has no liability towards future benefits under superannuation fund and national pension scheme other than its annual contribution.

Pension

The Bank provides for pension, a defined benefit plan covering eligible employees of erstwhile Bank of Madura, erstwhile Sangli Bank and erstwhile Bank of Rajasthan. The Bank makes contribution to a trust which administers the funds on its own account or through insurance companies. The plan provides for pension payment including dearness relief on a monthly basis to these employees on their retirement based on the respective employee's years of service with the Bank and applicable salary.

Actuarial valuation of the pension liability is determined by an independent actuary appointed by the Bank. Actuarial valuation of pension liability is calculated 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 the profit and loss account.

Employees covered by the pension plan are not eligible for employer's contribution under the provident fund plan.

Provident fund

The Group is statutorily required to maintain a provident fund, a defined benefit plan, as a part of retirement benefits to its employees. Each employee contributes a certain percentage of his or her basic salary and the Group contributes an equal amount for eligible employees. The Group makes contribution as required by The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 to Employees' Pension Scheme administered by the Regional Provident Fund Commissioner and the balance contributions are transferred to funds administered by trustees. The funds are invested according to the rules prescribed by the Government of India. The Group recognises such contribution as an expense in the year in which it is incurred.

Interest payable on provident fund should not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952. Actuarial valuation for the interest obligation on the provident fund balances is determined by an actuary appointed by the Group.

The actuarial gains or losses arising during the year are recognised in the profit and loss account.

The overseas branches of the Bank and its eligible employees contribute a certain percentage of their salary towards respective government schemes as per local regulatory guidelines. The contribution made by the overseas branches is recognised in profit and loss account at the time of contribution.

Compensated absences

The Group provides for compensated absences based on actuarial valuation conducted by an independent actuary.

11. Provisions, contingent liabilities and contingent assets

The Group estimates the probability of any loss that might be incurred on outcome of contingencies on the basis of information available upto the date on which the consolidated financial statements are prepared. A provision is recognised when an enterprise 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. Provisions are determined based on management estimates of amounts required to settle the obligation at the balance sheet date, supplemented by experience of similar transactions. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates. 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 in the consolidated financial statements. In case of remote possibility, neither provision nor disclosure is made in the consolidated financial statements. The Group does not account for or disclose contingent assets, if any.

The Bank estimates the probability of redemption of customer loyalty reward points using an actuarial method by employing an independent actuary and accordingly makes provision for these reward points. Actuarial valuation is determined based on certain assumptions regarding mortality rate, discount rate, cancellation rate and redemption rate.

12. Cash and cash equivalents

Cash and cash equivalents include cash in hand, balances with RBI, balances with other banks and money at call and short notice.

13. Investments

i) Investments of the Bank are accounted for in accordance with the extant RBI guidelines on investment classification and valuation.

a. The Bank follows trade date method of accounting for purchase and sale of investments, except for government of India and state government securities where settlement date method of accounting is followed in accordance with RBI guidelines.

b. All investments are classified into 'Held to Maturity' (HTM), 'Available for Sale' (AFS) and 'Held for Trading' (HFT) on the date of purchase as per the extant RBI guidelines on investment classification and valuation. Reclassifications, if any, in any category are accounted for as per the RBI guidelines. Under each classification, the investments are further categorised as (a) government securities, (b) other approved securities, (c) shares, (d) bonds and debentures and (e) others.

c. Investments that are held principally for resale within 90 days from the date of purchase are classified as HFT securities. Investments which the Bank intends to hold till maturity are classified as HTM securities. Investments which are not classified in either of the above categories are classified under AFS securities.

d. Costs including brokerage and commission pertaining to investments paid at the time of acquisition and broken period interest (the amount of interest from the previous interest payment date till the date of purchase of instruments) on debt instruments are charged to the profit and loss account.

e. Securities are valued scrip-wise. Depreciation/appreciation on securities, other than those acquired by way of conversion of outstanding loans, is aggregated for each category. Net appreciation in each category under each investment classification, if any, being unrealised, is ignored, while net depreciation is provided for. The depreciation on securities acquired by way of conversion of outstanding loans is fully provided for. Non-performing investments are identified based on the RBI guidelines.

f. HTM securities are carried at their acquisition cost or at amortised cost, if acquired at a premium over the face value. Any premium over the face value of fixed rate and floating rate securities acquired is amortised over the remaining period to maturity on a constant yield basis and straight line basis respectively.

g. AFS and HFT securities are valued periodically as per RBI guidelines. Any premium over the face value of fixed rate and floating rate investments in government securities, classified as AFS, is amortised over the remaining period to maturity on constant yield basis and straight line basis respectively. Quoted investments are valued based on the closing quotes on the recognised stock exchanges or prices declared by Primary Dealers Association of India (PDAI) jointly with Fixed Income Money Market and Derivatives Association (FIMMDA)/Financial Benchmark India Private Limited (FBIL), periodically.

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

h. The market/fair value of unquoted government securities which are in the nature of Statutory Liquidity Ratio (SLR) securities included in the 'AFS' and 'HFT' categories is as per the rates published by FBIL. The valuation of other unquoted fixed income securities, including Pass Through Certificates, wherever linked to the Yield-to-Maturity (YTM) rates, is computed with a mark-up (reflecting associated credit risk) over the YTM rates for government securities published by FIMMDA. The sovereign foreign securities and non-INR India linked bonds are valued on the basis of prices published by the sovereign regulator or counterparty quotes.

i. Treasury bills, commercial papers and certificate of deposits being discounted instruments, are valued at carrying cost.

j. The units of mutual funds are valued at the latest repurchase price/net asset value declared by the mutual fund. Unquoted equity shares are valued at the break-up value, if the latest balance sheet is available, or at ₹1, as per RBI guidelines.

k. At the end of each reporting period, security receipts issued by the asset reconstruction companies are valued in accordance with the guidelines applicable to such instruments, prescribed by RBI from time to time. Accordingly, in cases where the cash flows from security receipts issued by the asset reconstruction companies are limited to the actual realisation of the financial assets assigned to the instruments in the concerned scheme, the Bank reckons the net asset value obtained from the asset reconstruction company from time to time, for valuation of such investments at each reporting period end. The Bank makes additional provisions on the security receipts based on the remaining period to end. The security receipts which are outstanding and not redeemed as at the end of the resolution period are treated as loss assets and are fully provided for.

l. Gain/loss on sale of investments is recognised in the profit and loss Account. Cost of investments is computed based on the First-In-First-Out (FIFO) method. The profit from sale of investment under HTM category, net of taxes and transfer to statutory reserve is transferred to "Capital Reserve" in accordance with the RBI Guidelines.

m. The Bank undertakes short sale transactions in dated central government securities in accordance with RBI guidelines. The short positions are categorised under HFT category and are marked-to-market. The mark-to-market loss is charged to profit and loss account and gain, if any, is ignored as per RBI guidelines.

n. Market repurchase, reverse repurchase and transactions with RBI under Liquidity Adjustment Facility (LAF) are accounted for as borrowing and lending transactions in accordance with the extant RBI guidelines.

ii) The Bank's consolidating venture capital fund carries investments at fair values, with unrealised gains and temporary losses on investments recognised as components of investors' equity and accounted for in the unrealised investment reserve account. The realised gains and losses on investments and units in mutual funds and unrealised gains or losses on revaluation of units in mutual funds are accounted for in the profit and loss account. Provisions are made in respect of accrued income considered doubtful. Such provisions as well as any subsequent recoveries are recorded through the profit and loss account. Subscription to/purchase of investments are accounted at the cost of acquisition inclusive of brokerage, commission and stamp duty.

iii) The Bank's primary dealership and securities broking subsidiaries classify the securities held with the intention of holding for short-term and trading as stock-in-trade which are valued at lower of cost or market value. The securities classified by primary dealership subsidiary as held-to-maturity, as permitted by RBI, are carried at amortised cost. Appropriate provision is made for other than temporary diminution in the value of investments. Commission earned in respect of securities acquired upon devolvement is reduced from the cost of acquisition.

iv) The Bank's housing finance subsidiary classifies its investments as current investments and long-term investments. Investments that are readily realisable and intended to be held for not more than a year are classified as current investments, which are carried at the lower of cost and net realisable value. All other investments are classified as

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED
SCHEDULES
forming part of the Consolidated Accounts *(Contd.)*

long-term investments, which are carried at their acquisition cost or at amortised cost, if acquired at a premium over the face value. Any premium over the face value of the securities acquired is amortised over the remaining period to maturity on a constant yield basis. However, a provision for diminution in value is made to recognise any other than temporary decline in the value of such long-term investments.

v) The Bank's overseas banking subsidiaries account for unrealised gain/loss, net of tax, on investment in 'AFS'/Fair Value Through Other Comprehensive Income' (FVOCI) category directly in their reserves. Further unrealised gain/loss on investment in 'HFT'/Fair Value Through Profit and Loss' (FVTPL) category is accounted directly in the profit and loss account. Investments in 'HTM'/'amortised cost' category are carried at amortised cost.

vi) In the case of life and general insurance businesses, investments are made in accordance with the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015), the IRDA (Investment) Regulations, 2016, and various other circulars/notifications issued by the IRDAI in this context from time to time.

In the case of life insurance business, valuation of investments (other than linked business) is done on the following basis:

a. All debt securities and redeemable preference shares are considered as 'held to maturity' and accordingly stated at historical cost, subject to amortisation of premium or accretion of discount over the period of maturity/holding on a constant yield basis.

b. Listed equity shares and equity exchange traded funds(ETF) are stated at fair value being the last quoted closing price on the National Stock Exchange (NSE) (or BSE, in case the investments are not listed on NSE).

c. Mutual fund units are valued based on the previous day's net asset value.

Unrealised gains/losses arising due to changes in the fair value of listed equity shares and mutual fund units are taken to 'Revenue and other reserves' and 'Liabilities on policies in force' in the balance sheet for Shareholders' fund and Policyholders' fund respectively for life insurance business.

In the case of general insurance business, valuation of investments is done on the following basis:

a. All debt securities including government securities and non-convertible preference shares are considered as 'held to maturity' and accordingly stated at amortised cost determined after amortisation of premium or accretion of discount on a constant yield basis over the holding/maturity period.

b. Listed equities and convertible preference shares at the balance sheet date are stated at fair value, being the last quoted closing price on the NSE and in case these are not listed on NSE, then based on the last quoted closing price on the BSE.

c. Mutual fund investments (other than venture capital fund) are stated at fair value, being the closing net asset value at balance sheet date.

d. Investments other than mentioned above are valued at cost.

Unrealised gains/losses arising due to changes in the fair value of listed equity shares, convertible preference shares and mutual fund units are taken to 'Revenue and other reserves' in the balance sheet for general insurance business.

Insurance subsidiaries assess at each balance sheet date whether there is any indication that any investment may be impaired. If any such indication exists, the carrying value of such investment is reduced to its recoverable amount and the impairment loss is recognised in the revenue(s)/profit and loss account. The previously impaired loss is also reversed on disposal/realisation of securities and results thereon are recognised.

The total proportion of investments for which subsidiaries have applied accounting policies different from the Bank as mentioned above, is approximately 19.93% of the total investments at March 31, 2022.

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

14. Provisions/write-offs on loans and other credit facilities

i) Loans and other credit facilities of the Bank are accounted for in accordance with the extant RBI guidelines as given below:

The Bank classifies its loans and investments, including at overseas branches and overdues arising from crystallised derivative contracts, into performing and NPAs in accordance with RBI guidelines. Loans and advances held at the overseas branches that are identified as impaired as per host country regulations but which are standard as per the extant RBI guidelines, are classified as NPAs to the extent of amount outstanding in the respective host country. In accordance with the RBI circular dated April 17, 2020, the moratorium granted to certain borrowers is excluded from the determination of number of days past-due/out-of-order status for the purpose of asset classification. Further, NPAs are classified into sub-standard, doubtful and loss assets based on the criteria stipulated by RBI. Interest on non-performing advances is transferred to an interest suspense account and not recognised in profit and loss account until received.

The Bank considers an account as restructured, where for economic or legal reasons relating to the borrower's financial difficulty, the Bank grants concessions to the borrower, that the Bank would not otherwise consider. The moratorium granted to the borrowers based on RBI guidelines is not accounted as restructuring of loan. The RBI guidelines on 'Resolution Framework for COVID-19-related Stress' provide a prudential framework for resolution plan of certain loans. The borrowers where resolution plan was implemented under these guidelines are classified as standard restructured.

In the case of corporate loans and advances, provisions are made for sub-standard and doubtful assets at rates prescribed by RBI. Loss assets and the unsecured portion of doubtful assets are fully provided. For impaired loans and advances held in overseas branches, which are performing as per RBI guidelines, provisions are made as per the host country regulations. For loans and advances held in overseas branches, which are NPAs both as per RBI guidelines and host country guidelines, provisions are made at the higher of the provisions required under RBI regulations and host country regulations. Provisions on homogeneous non-performing retail loans and advances, subject to minimum provisioning requirements of RBI, are made on the basis of the ageing of the loan. The specific provisions on non-performing retail loans and advances held by the Bank are higher than the minimum regulatory requirements.

In respect of non-retail loans reported as fraud to RBI, the entire amount is provided for over a period not exceeding four quarters starting from the quarter in which fraud has been detected. In respect of non-retail loans where there has been delay in reporting the fraud to the RBI or which are classified as loss accounts, the entire amount is provided immediately. In case of fraud in retail accounts, the entire amount is provided immediately. In respect of borrowers classified as non-cooperative borrowers or willful defaulters, the Bank makes accelerated provisions as per RBI guidelines.

The Bank holds specific provisions against non-performing loans and advances, and against certain performing loans and advances in accordance with RBI directions, including RBI direction for provision on accounts referred to the National Company Law Tribunal (NCLT) under the Insolvency and Bankruptcy Code, 2016.

The Bank makes provision on restructured loans subject to minimum requirements as per RBI guidelines. Provision due to diminution in the fair value of restructured/rescheduled loans and advances is made in accordance with the applicable RBI guidelines.

Non-performing and restructured loans are upgraded to standard as per the extant RBI guidelines or host country regulations, as applicable.

In terms of RBI guideline, the NPAs are written-off in accordance with the Bank's policy. Amounts recovered against bad debts written-off are recognised in the profit and loss account.

The Bank maintains general provision on performing loans and advances in accordance with the RBI guidelines, including provisions on loans to borrowers having unhedged foreign currency exposure, provisions on loans to specific borrowers in specific stressed sector, provision on exposures to step-down subsidiaries of Indian

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

companies and provision on incremental exposure to borrowers identified as per RBI's large exposure framework. For performing loans and advances in overseas branches, the general provision is made at higher of aggregate provision required as per host country regulations and RBI requirement.

In addition to the provisions required to be held according to the asset classification status, provisions are held for individual country exposures including indirect country risk (other than for home country exposure). The countries are categorised into seven risk categories namely insignificant, low, moderately low, moderate, moderately high, high and very high, and provisioning is made on exposures exceeding 180 days on a graded scale ranging from 0.25% to 25%. For exposures with contractual maturity of less than 180 days, provision is required to be held at 25% of the rates applicable to exposures exceeding 180 days. The indirect exposure is reckoned at 50% of the exposure. If the country exposure (net) of the Bank in respect of each country does not exceed 1% of the total funded assets, no provision is required on such country exposure.

The Bank makes additional provisions as per RBI guidelines for the cases where viable resolution plan has not been implemented within the timelines prescribed by the RBI from the date of default. These additional provisions are written-back on satisfying the conditions for reversal as per RBI guidelines.

The Bank, on prudent basis, has made Covid-19 related provision on certain borrowers, including those who had taken moratorium at any time during FY2021 under the extant RBI guidelines. This provision is included as contingency provision in the books. The Bank also makes additional contingency provision on certain standard assets. The contingency provision is included in 'Other Liabilities and Provisions'.

The Bank has Board approved policy for making floating provision, which is in addition to the specific and general provisions made by the Bank. The floating provision is utilised, with the approval of Board and RBI, in case of contingencies which do not arise in the normal course of business and are exceptional and non-recurring in nature and for making specific provision for impaired loans as per the requirement of extant RBI guidelines or any regulatory guidance/instructions. The floating provision is netted-off from advances.

Depreciation/provision on non-performing investments is made based on the RBI guidelines.

ii) In the case of the Bank's housing finance subsidiary, loans and other credit facilities are classified as per the Master Directions – Non Banking Financial Company – Housing Finance Companies (Reserve Bank) Directions, 2021 issued by Reserve Bank of India ('Master Direction'). Further, NPAs are classified into sub-standard, doubtful and loss assets based on criteria stipulated in the Master Direction. Additional provisions are made against specific non-performing assets over and above what is stated above, if in the opinion of management, increased provisions are necessary. General provision on restructured loans is made as per RBI guidelines.

iii) In the case of the Bank's UK subsidiary, loans are stated net of allowance for credit losses. Loans are classified as impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition on the loan (a loss event) and that loss event (or events) has an impact on the estimated future cash flows of the loans that can be reliably estimated. An allowance for impairment losses is maintained at a level that management considers adequate to absorb identified credit related losses as well as losses that have occurred but have not yet been identified.

iv) The Bank's Canadian subsidiary measures impairment loss on all financial assets using expected credit loss (ECL) model based on a three-stage approach. The ECL for financial assets that are not credit-impaired and for which there is no significant increase in credit risk since origination, is computed using 12-month probability of default (PD), and represents the lifetime cash shortfalls that will result if a default occurs in next 12 months. The ECL for financial assets, that are not credit-impaired but have experienced a significant increase in credit risk since origination, is computed using a life time PD, and represents lifetime cash shortfalls that will result if a default occurs during the expected life of financial assets. A financial asset is considered credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. The allowance for credit losses for impaired financial assets is computed based on individual assessment of expected cash flows from such assets.

The total proportion of loans for which subsidiaries have applied accounting policies different from the Bank as mentioned above, is approximately 6.71% of the total loans at March 31, 2022.

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

15. Transfer and servicing of assets

The Bank transfers commercial and consumer loans through securitisation transactions. The transferred loans are de-recognised and gains/losses are accounted for, only if the Bank surrenders the rights to benefits specified in the underlying securitised loan contract. Recourse and servicing obligations are accounted for net of provisions.

In accordance with the RBI guidelines for securitisation of standard assets, with effect from February 1, 2006, the profit/premium arising from securitisation is amortised over the life of the securities issued or to be issued by the special purpose vehicle to which the assets are sold. With effect from May 7, 2012, the RBI guidelines require the profit/premium arising from securitisation to be amortised based on the method prescribed in the guidelines. As per the RBI guidelines issued on September 24, 2021, gain realised at the time of securitisation of loans is accounted through profit and loss account on completion of transaction. The Bank accounts for any loss arising from securitisation immediately at the time of sale.

The unrealised gains, associated with expected future margin income is recognised in profit and loss account on receipt of cash, after absorbing losses, if any.

Net income arising from sale of loan assets through direct assignment with recourse obligation is amortised over the life of underlying assets sold and net income from sale of loan assets through direct assignment, without any recourse obligation, is recognised at the time of sale. Net loss arising on account of direct assignment of loan assets is recognised at the time of sale. As per the RBI guidelines issued on September 24, 2021, any loss or realised gain from sale of loan assets through direct assignment is accounted through profit and loss account on completion of transaction.

The acquired loans is carried at acquisition cost. In case premium is paid on a loan acquired, premium is amortised over the loan tenure.

In accordance with RBI guidelines, in case of non-performing loans sold to Asset Reconstruction Companies (ARCs), the Bank reverses the excess provision in profit and loss account in the year in which amounts are received. Any shortfall of sale value over the net book value on sale of such assets is recognised by the Bank in the year in which the loan is sold.

The Canadian subsidiary has entered into securitisation arrangements in respect of its originated and purchased mortgages. ICICI Bank Canada either retains substantially all the risk and rewards or retains control over these mortgages, hence these arrangements do not qualify for de-recognition accounting under their local accounting standards. It continues to recognise the mortgages securitised as “Loans and Advances” and the amounts received through securitisation are recognised as “Other borrowings”.

16. Fixed assets

Fixed assets, other than premises of the Bank and its housing finance subsidiary are carried at cost less accumulated depreciation and impairment, if any. In case of the Bank and its housing finance subsidiary, premises are carried at revalued amount, being fair value at the date of revaluation less accumulated depreciation. Cost includes freight, duties, taxes and incidental expenses related to the acquisition and installation of the asset. Depreciation is charged over the estimated useful life of fixed assets on a straight-line basis. The useful life of the groups of fixed assets for domestic group companies is based on past experience and expectation of usage, which for some categories of fixed assets, is different from the useful life as prescribed in Schedule II to the Companies Act, 2013.

Assets purchased/sold during the year are depreciated on a pro-rata basis for the actual number of days the asset has been capitalised.

In case of the Bank, assets individually costing up to ₹ 5,000/- are depreciated fully in the year of acquisition. Further, profit on sale of premises by the Bank is appropriated to capital reserve, net of transfer to Statutory Reserve and taxes, in accordance with RBI guidelines.

In case of revalued/impaired assets, depreciation is provided over the remaining useful life of the assets with reference to revised asset values. In case of premises, which are carried at revalued amounts, the depreciation on the excess of revalued amount over historical cost is transferred from Revaluation Reserve to General Reserve annually.

Non-banking assets

Non-banking assets (NBAs) acquired in satisfaction of claims are valued at the market value on a distress sale basis or value of loan, whichever is lower. Further, the Bank creates provision on these assets as per the extant RBI guidelines or specific RBI directions.

17. Foreign exchange and derivative contracts

The forward exchange contracts that are not intended for trading and are entered into to establish the amount of reporting currency required or available at the settlement date of a transaction are effectively valued at closing spot rate. The premium or discount arising on inception of such forward exchange contracts is amortised over the life of the contract as interest income/expense. All other outstanding forward exchange contracts are revalued based on the exchange rates notified by FEDAI for specified maturities and at interpolated rates for contracts of interim maturities. The contracts of longer maturities where exchange rates are not notified by FEDAI are revalued based on the forward exchange rates implied by the swap curves in respective currencies. The resultant gains or losses are recognised in the profit and loss account.

The swap contracts entered to hedge on-balance sheet assets and liabilities are structured such that they bear an opposite and offsetting impact with the underlying on-balance sheet items. The impact of such derivative instruments is correlated with the movement of underlying assets and liabilities and accounted pursuant to the principles of hedge accounting. The Group identifies the hedged item (asset or liability) at the inception of the transaction itself. Hedge effectiveness is ascertained at the time of the inception of the hedge and periodically thereafter. Based on RBI circular issued on June 26, 2019, the accounting of hedge relationships established after June 26, 2019 is in accordance with the Guidance note on Accounting for Derivative Contracts issued by ICAI. The swaps under hedge relationships established prior to that date are accounted for on an accrual basis and are not marked to market unless their underlying transaction is marked-to-market. Gains or losses arising from hedge ineffectiveness, if any, are recognised in the profit and loss Account except in the case of the Bank’s overseas banking subsidiaries. Gains or losses arising from hedge ineffectiveness, if any, are recognised in the Profit and Loss Account.

In overseas subsidiaries, in case of fair value hedge, the hedging transactions and the hedged items (for the risks being hedged) are measured at fair value with changes recognised in the profit and loss account and in case of cash flow hedges, changes in the fair value of effective portion of the cash flow hedge are taken to ‘Revenue and other reserves’ and ineffective portion, if any, are recognised in the profit and loss account.

The derivative contracts entered into for trading purposes are marked to market and the resulting gain or loss is accounted for in the profit and loss account. Pursuant to RBI guidelines, any receivables under derivative contracts which remain overdue for more than 90 days and mark-to-market gains on other derivative contracts with the same counter-parties are reversed through the profit and loss account.

18. Impairment of assets

The immovable fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An asset is treated as impaired when its carrying amount exceeds its recoverable amount. The impairment is recognised by debiting the profit and loss account and is measured as the amount by which the carrying amount of the impaired assets exceeds their recoverable value. The Bank and its housing finance subsidiary follows revaluation model of accounting for its premises and the recoverable amount of the revalued assets is considered to be close to its revalued amount. Accordingly, separate assessment for impairment of premises is not required.

For assets other than premises, the Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. Impairment loss, if any, is provided in the profit and loss account to the extent the carrying amount of assets exceeds their estimated recoverable amount.

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

19. Lease transactions

Lease payments including cost escalations for assets taken on operating lease are recognised as an expense in the profit and loss account over the lease term on straight line basis. The leases of property, plant and equipment, where substantially all of the risks and rewards of ownership are transferred to the Bank are classified as finance lease. Minimum lease payments under finance lease are apportioned between the finance costs and outstanding liability.

20. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding for the year.

Diluted earnings per share reflect the potential dilution that could occur if contracts to issue equity shares were exercised or converted during the year. Diluted earnings per equity share is computed using the weighted average number of equity shares and dilutive potential equity shares issued by the group outstanding during the year, except where the results are anti-dilutive.

21. Bullion transaction

The Bank deals in bullion business on a consignment basis. The bullion is priced to the customers based on the price quoted by the supplier. The difference between price recovered from customers and cost of bullion is accounted for as commission at the time of sales to the customers. The Bank also deals in bullion on a borrowing and lending basis and the interest expense/income is accounted on accrual basis.

22. Share issue expenses

Share issue expenses are deducted from Share Premium Account in terms of Section 52 of the Companies Act, 2013.

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

SCHEDULE 18

NOTES FORMING PART OF THE ACCOUNTS

The following additional disclosures have been made taking into account the requirements of Accounting Standards (ASs) and Reserve Bank of India (RBI) guidelines in this regard.

1. Earnings per share

Basic and diluted earnings per equity share are computed in accordance with AS 20 - Earnings per share. Basic earnings per equity share is computed by dividing net profit/(loss) after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed using the weighted average number of equity shares and weighted average number of dilutive potential equity shares outstanding during the year.

The following table sets forth, for the periods indicated, the computation of earnings per share.

₹ in million, except per share data

	Year ended March 31, 2022	Year ended March 31, 2021
Net profit/(loss) attributable to equity share holders	**251,101.0**	183,843.2
Nominal value per share (₹)	**2.00**	2.00
Basic earnings per share (₹)	**36.21**	27.26
Effect of potential equity shares (₹)	**(0.77)**	(0.43)
Diluted earnings per share (₹)[1]	**35.44**	26.83
Reconciliation between weighted shares used in computation of basic and diluted earnings per share		
Basic weighted average number of equity shares outstanding	**6,933,652,636**	6,743,363,854
Add: Effect of potential equity shares	**142,291,212**	98,497,002
Diluted weighted average number of equity shares outstanding	**7,075,943,848**	6,841,860,856

1. The dilutive impact is due to options granted to employees by the Group.

2. Related party transactions

The Group has transactions with its related parties comprising associates/other related entities and key management personnel and relatives of key management personnel.

I. Related parties

Associates/other related entities

Sr. No.	Name of the entity	Nature of relationship
1.	ICICI Lombard General Insurance Company Limited[1]	Associate
2.	Arteria Technologies Private Limited	Associate
3.	India Advantage Fund-III	Associate
4.	India Advantage Fund-IV	Associate
5.	India Infradebt Limited	Associate
6.	ICICI Merchant Services Private Limited	Associate
7.	I-Process Services (India) Private Limited	Associate
8.	NIIT Institute of Finance, Banking and Insurance Training Limited	Associate
9.	Comm Trade Services Limited	Other related entity
10.	ICICI Foundation for Inclusive Growth	Other related entity
11.	Cheryl Advisory Private Limited	Other related entity

1. From April 1, 2021, ICICI Lombard General Insurance Company Limited ceased to be a subsidiary and became an associate of the Bank.

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

Key management personnel

Sr. No.	Name of the Key management personnel	Relatives of the Key management personnel
1.	Mr. Sandeep Bakhshi	• Ms. Mona Bakhshi • Mr. Shivam Bakhshi • Ms. Esha Bakhshi • Ms. Minal Bakhshi • Mr. Ashwin Pradhan • Mr. Ritwik Thakurta • Mr. Sameer Bakhshi • Ms. Radhika Bakhshi
2.	Ms. Vishakha Mulye	• Mr. Vivek Mulye • Ms. Vriddhi Mulye • Mr. Vighnesh Mulye • Dr. Gauresh Palekar • Dr. Nivedita Palekar • Ms. Shalaka Gadekar
3.	Mr. Anup Bagchi	• Ms. Mitul Bagchi • Mr. Aditya Bagchi • Mr. Shishir Bagchi • Mr. Arun Bagchi • Late Mr. Animesh Bagchi
4.	Mr. Sandeep Batra (w.e.f. December 23, 2020)	• Mr. Pranav Batra • Ms. Arushi Batra • Mr. Vivek Batra • Ms. Veena Batra (w.e.f. December 23, 2020)

II. *Transactions with related parties*

The following table sets forth, for the periods indicated, the significant transactions between the Group and its related parties.

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest income	**516.9**	**729.1**
Associates/others	**510.9**	719.9
Key management personnel	**6.0**	9.2
Fee, commission and other income	**1,212.7**	**119.8**
Associates/others	**1,211.0**	118.9
Key management personnel	**1.2**	0.6
Relatives of key management personnel	**0.5**	0.3
Commission income on guarantees issued	**2.9**	**0.2**
Associates/others	**2.9**	0.2

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Income from custodial services	**0.1**	**0.1**
Associates/others	**0.1**	0.1
Insurance premium received	**75.8**	**54.1**
Associates/others	**67.1**	16.1
Key management personnel	**3.5**	32.6
Relatives of key management personnel	**5.2**	5.4
Insurance claims received	**146.6**	**-**
Associates/others	**146.6**	-
Gain/(loss) on forex and derivative transactions (net)	**36.6**	**-**
Associates/others	**36.6**	-
Dividend income	**1,993.3**	**106.5**
Associates/others	**1,993.3**	106.5
Recovery of lease of premises, common corporate and facilities expenses	**353.3**	**51.4**
Associates/others	**353.3**	51.4
Payment of lease of premises, common corporate and facilities expenses	**0.8**	**-**
Associates/others	**0.8**	-
Recovery of secondment of employees	**15.9**	**10.6**
Associates/others	**15.9**	10.6
Interest expense	**199.0**	**45.5**
Associates/others	**192.2**	38.4
Key management personnel	**4.8**	5.6
Relatives of key management personnel	**2.0**	1.5
Remuneration to wholetime directors[2]	**267.6**	**132.3**
Key management personnel	**267.6**	132.3
Reimbursement of expenses to the Group	**83.0**	**-**
Associates/others	**83.0**	-
Reimbursement of expenses to related parties	**2,239.2**	**798.3**
Associates/others	**2,239.2**	798.3
Insurance premium paid	**3,222.4**	**-**
Associates/others	**3,222.4**	-
Insurance claims paid	**42.6**	**4.9**
Associates/others	**42.1**	3.9
Key management personnel	**0.5**	0.4
Relatives of key management personnel	**-**	0.6
Brokerage, fee and other expenses	**12,297.3**	**10,652.5**
Associates/others	**12,297.3**	10,652.5
Donation given	**486.4**	**304.0**
Associates/others	**486.4**	304.0
Dividend paid	**2.5**	**4.4**
Key management personnel	**2.5**	1.4
Relatives of key management personnel	**0.0**	3.0
Purchase of investments	**1,766.5**	**-**
Associates/others	**1,766.5**	-

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Investments in the securities issued by related parties	**1,000.0**	**4,250.0**
Associates/others	**1,000.0**	4,250.0
Sale of investments	**8,286.9**	**-**
Associates/others	**8,286.9**	-
Redemption/buyback of investments	**-**	**858.2**
Associates/others	**-**	858.2
Purchase of fixed assets	**4.8**	**6.6**
Associates/others	**4.8**	6.6

1. *0.0 represents insignificant amount.*
2. *Excludes the perquisite value on employee stock options exercised and includes performance bonus paid during the period.*

III. *Material transactions with related parties*

The following table sets forth, for the periods indicated, the material transactions between the Group and its related parties. A specific related party transaction is disclosed as a material related party transaction wherever it exceeds 10% of all related party transactions in that category.

₹ in million

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest income			
1	India Infradebt Limited	**505.4**	715.6
Fee, commission and other income			
1	ICICI Lombard General Insurance Company Limited	**1,066.5**	-
2	ICICI Merchant Services Private Limited	**109.5**	97.3
3	India Infradebt Limited	**33.9**	19.9
Commission income on guarantees issued			
1	ICICI Merchant Services Private Limited	**2.9**	0.1
2	NIIT Institute of Finance, Banking and Insurance Training Limited	**0.0**	0.1
Income from custodial services			
1	India Advantage Fund - III	**0.0**	0.1
2	India Advantage Fund - IV	**0.0**	0.0
Insurance premium received			
1	ICICI Lombard General Insurance Company Limited	**47.9**	-
2	ICICI Foundation for Inclusive Growth	**18.6**	11.8
3	Mr. Sandeep Bakhshi	**0.4**	9.5
4	Mr. Anup Bagchi	**-**	20.0
Insurance claims received			
1	ICICI Lombard General Insurance Company Limited	**146.6**	-
Gain/(loss) on forex and derivative transactions (net)			
1	ICICI Lombard General Insurance Company Limited	**36.6**	-
Dividend income			
1	ICICI Lombard General Insurance Company Limited	**1,886.8**	-
2	India Infradebt Limited	**106.5**	106.5

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED
SCHEDULES
forming part of the Consolidated Accounts *(Contd.)*

₹ in million

Particulars		Year ended March 31, 2022	Year ended March 31, 2021
Recovery of lease of premises, common corporate and facilities expenses			
1	ICICI Lombard General Insurance Company Limited	**314.6**	-
2	ICICI Foundation for Inclusive Growth	**38.7**	51.4
Payment of lease of premises, common corporate and facilities expenses			
1	ICICI Lombard General Insurance Company Limited	**0.8**	-
Recovery of secondment of employees			
1	I-Process Services (India) Private Limited	**15.9**	10.6
Interest expense			
1	ICICI Lombard General Insurance Company Limited	**163.6**	-
2	ICICI Merchant Services Private Limited	**8.3**	14.5
3	Arteria Technologies Private Limited	**7.0**	5.3
4	NIIT Institute of Finance, Banking and Insurance Training Limited	**5.5**	5.5
5	India Infradebt Limited	**0.8**	10.8
Remuneration to wholetime directors[2]			
1	Mr. Sandeep Bakhshi[3]	**73.7**	10.1[4]
2	Ms. Vishakha Mulye	**63.6**	54.6
3	Mr. Anup Bagchi	**66.3**	52.9
4	Mr. Sandeep Batra[3,5]	**64.0**	14.7
Reimbursement of expenses to the Group			
1	ICICI Lombard General Insurance Company Limited	**83.0**	-
Reimbursement of expenses to related parties			
1	ICICI Foundation for Inclusive Growth	**2,239.2**	798.3
Insurance premium paid			
1	ICICI Lombard General Insurance Company Limited	**3,222.4**	-
Insurance claims paid			
1	ICICI Lombard General Insurance Company Limited	**42.1**	-
2	ICICI Foundation for Inclusive Growth	**-**	3.8
3	Dr. Gauresh Palekar	**-**	0.6
Brokerage, fee and other expenses			
1	I-Process Services (India) Private Limited	**8,450.4**	6,402.6
2	ICICI Merchant Services Private Limited	**3,790.0**	4,224.5
Donation given			
1	ICICI Foundation for Inclusive Growth	**486.4**	304.0
Dividend paid			
1	Mr. Sandeep Bakhshi	**0.4**	0.2
2	Ms. Vishakha Mulye	**1.8**	1.1
3	Mr. Anup Bagchi	**0.1**	0.0
4	Mr. Sandeep Batra	**0.2**	-
5	Ms. Esha Bakhshi	**0.0**	0.7
6	Ms. Minal Bakhshi	**0.0**	0.7
7	Mr. Shivam Bakhshi	**0.0**	1.7

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

₹ in million

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Purchase of investments			
1	ICICI Lombard General Insurance Company Limited	**1,766.5**	-
Investments in the securities issued by related parties			
1	India Infradebt Limited	**1,000.0**	4,250.0
Sale of Investments			
1	ICICI Lombard General Insurance Company Limited	**6,776.2**	-
2	India Infradebt Limited	**1,510.7**	-
Redemption/buyback of investments			
1	India Advantage Fund - III	**-**	110.2
2	India Advantage Fund - IV	**-**	147.9
3	India Infradebt Limited	**-**	600.0
Purchase of fixed assets			
1	ICICI Lombard General Insurance Company Limited	**3.1**	-
2	Arteria Technologies Private Limited	**1.7**	6.6

1. *0.0 represents insignificant amount.*
2. *Excludes the perquisite value on employee stock options exercised and includes performance bonus paid during the period.*
3. *Includes remuneration received from ICICI Prudential Life Insurance Company Limited relating to the period of his service with that company.*
4. *Mr. Sandeep Bakhshi, Managing Director & CEO voluntarily relinquished his fixed compensation of basic, supplementary allowances and retirals for the year ended March 31, 2021 and was paid honorarium fee of ₹ 1/- for the year ended March 31, 2021. Includes allowances and perquisites for the year.*
5. *Mr. Sandeep Batra was appointed as executive director with effect from December 23, 2020.*

IV. *Related party outstanding balances*

The following table sets forth, for the periods indicated, the outstanding balances payable to/receivable from related parties.

₹ in million

Items	At March 31, 2022	At March 31, 2021
Deposits with the Group	**3,591.0**	**2,786.9**
Associates/others	**3,424.7**	2,552.7
Key management personnel	**125.1**	156.4
Relatives of key management personnel	**41.2**	77.8
Payables	**3,482.7**	**2,736.3**
Associates/others	**3,482.6**	2,736.2
Key management personnel	**0.0**	0.1
Relatives of key management personnel	**0.1**	0.0
Investments of the Group	**24,773.8**	**12,472.1**
Associates/others	**24,773.8**	12,472.1
Investments of related parties in the Group	**2,104.6**	**13.8**
Associates/others	**2,100.0**	-
Key management personnel	**2.1**	6.8
Relatives of key management personnel	**2.5**	7.0

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

₹ in million

Items	At March 31, 2022	At March 31, 2021
Advances by the Group	**267.1**	**289.2**
Associates/others	**127.7**	42.8
Key management personnel	**139.1**	246.2
Relatives of key management personnel	**0.3**	0.2
Receivables	**1,927.9**	**334.6**
Associates/others	**1,927.9**	334.6
Guarantees issued by the Group	**59.0**	**50.7**
Associates/others	**59.0**	50.7

1. *0.0 represents insignificant amount.*
2. *At March 31, 2022: 19,437,200 (March 31, 2021: 20,047,800) employee stock options of the Bank for key management personnel were outstanding. Excludes stock options granted to key management personnel, which are pending regulatory approvals.*
3. *During the year ended March 31, 2022: 1,921,500 (year ended March 31, 2021: 1,188,000), employee stock options with total exercise price of ₹ 394.2 million (year ended March 31, 2021: ₹ 228.8 million) were exercised by the key management personnel.*
4. *At March 31, 2022: 536,600 (March 31, 2021: 536,600) employee stock options of ICICI Prudential Life Insurance Company Limited to key management personnel were outstanding.*

V. *Related party maximum balances*

The following table sets forth, for the periods indicated, the maximum balances payable to/receivable from related parties.

₹ in million

Items	Year ended March 31, 2022	Year ended March 31, 2021
Deposits with the Group		
Key management personnel	**277.4**	238.1
Relatives of key management personnel	**176.5**	114.2
Payables[2]		
Key management personnel	**0.1**	0.1
Relatives of key management personnel	**0.1**	0.0
Investments of related parties in the Group[2]		
Key management personnel	**3.0**	7.1
Relatives of key management personnel	**2.5**	8.8
Advances by the Group		
Key management personnel	**269.2**	246.9
Relatives of key management personnel	**1.9**	1.3

1. *0.0 represents insignificant amount.*
2. *Maximum balance is determined based on comparison of the total outstanding balances at each quarter end during the financial year.*

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

3. Employee Stock Option Scheme (ESOS)

ICICI Bank:

In terms of the ESOS, as amended, the maximum number of options granted to any eligible employee in a financial year shall not exceed 0.05% of the issued equity shares of the Bank at the time of grant of the options and aggregate of all such options granted to the eligible employees shall not exceed 10% of the aggregate number of the issued equity shares of the Bank on the date(s) of the grant of options in line with SEBI Regulations. Under the stock option scheme, eligible employees are entitled to apply for equity shares. In April 2016, exercise period was modified 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, exercise period was further modified to not exceed 10 years from the date of vesting of options as may be determined by the Board Governance, Remuneration & Nomination Committee to be applicable for future grants. In May 2018, exercise period was further modified to not exceed 5 years from the date of vesting of options as may be determined by the Board Governance, Remuneration & Nomination Committee to be applicable for future grants.

Options granted after March 2014 vest in a graded manner over a three-year period with 30%, 30% and 40% of the grant vesting in each year, commencing from the end of 12 months from the date of grant other than certain options granted in April 2014 which vested to the extent of 50% on April 30, 2017 and the balance on April 30, 2018 and option granted in September 2015 which vested to the extent of 50% on April 30, 2018 and balance 50% vested on April 30, 2019. Options granted in January 2018 vested at the end of four years from the date of grant. Certain options granted in May 2018, vested to the extent of 50% on May 2021 and balance 50% would vest on May 2022.

Options granted prior to March 2014 except mentioned below, vested in a graded manner over a four-year period, with 20%, 20%, 30% and 30% of the grants vesting in each year, commencing from the end of 12 months from the date of grant. Options granted in April 2009 vested in a graded manner over a five-year period with 20%, 20%, 30% and 30% of grant vesting each year, commencing from the end of 24 months from the date of grant. Options granted in September 2011 vested in a graded manner over a five-year period with 15%, 20%, 20% and 45% of grant vesting each year, commencing from the end of 24 months from the date of the grant.

The exercise price of the Bank's options, except mentioned below, is the last closing price on the stock exchange, which recorded highest trading volume preceding the date of grant of options. In February 2011, the Bank granted 16,692,500 options to eligible employees and whole-time Directors of the Bank and certain of its subsidiaries at an exercise price of ₹ 175.82. This exercise price was the average closing price on the stock exchange during the six months ended October 28, 2010. Of these options granted, 50% vested on April 30, 2014 and the balance 50% vested on April 30, 2015.

The weighted average fair value, based on Black-Scholes model, of options granted during the year ended March 31, 2022 was ₹ 227.75 (year ended March 31, 2021: ₹ 125.44).

The following table sets forth, for the periods indicated, the key assumptions used to estimate the fair value of options granted.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Risk-free interest rate	**5.34% to 6.53%**	4.83% to 5.74%
Expected term	**3.55 to 5.55 years**	3.45 to 5.45 years
Expected volatility	**35.38% to 39.41%**	35.19% to 37.31%
Expected dividend yield	**0.18% to 0.30%**	0.26% to 0.30%

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

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED
SCHEDULES
forming part of the Consolidated Accounts *(Contd.)*

exercise behavior of the employees who receive the option. Expected exercise behavior is estimated based on the historical stock option exercise pattern of the Bank. Expected volatility during the estimated expected term of the option is based on historical volatility determined based on observed market prices of the Bank's publicly traded equity shares. Expected dividends during the estimated expected term of the option are based on recent dividend activity.

The following table sets forth, for the periods indicated, the summary of the status of the Bank's stock option plan.

₹ except number of options

Particulars	Stock options outstanding			
	Year ended March 31, 2022		Year ended March 31, 2021	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding at the beginning of the year	**246,590,972**	**276.14**	238,286,573	261.89
Add: Granted during the year	**25,550,350**	**570.43**	33,417,700	337.73
Less: Lapsed during the year, net of re-issuance	**2,164,335**	**444.41**	880,530	336.57
Less: Exercised during the year	**32,778,988**	**243.44**	24,232,771	218.81
Outstanding at the end of the year	**237,197,999**	**310.82**	246,590,972	276.14
Options exercisable	**177,170,739**	**264.69**	177,136,942	247.45

The following table sets forth, the summary of stock options outstanding at March 31, 2022.

Range of exercise price (₹ per share)	Number of shares arising out of options	Weighted average exercise price (₹ per share)	Weighted average remaining contractual life (Number of years)
60-199	**11,245,113**	**160.69**	**2.52**
200-399	**171,000,375**	**267.10**	**5.30**
400-599	**54,887,211**	**477.26**	**5.11**
600-799	**46,300**	**737.63**	**6.63**
800-899	**19,000**	**810.25**	**6.92**

The following table sets forth, the summary of stock options outstanding at March 31, 2021.

Range of exercise price (₹ per share)	Number of shares arising out of options	Weighted average exercise price (₹ per share)	Weighted average remaining contractual life (Number of years)
60-199	17,387,907	161.44	3.12
200-399	196,441,616	265.27	6.21
400-599	32,761,449	402.17	5.22

The options were exercised regularly throughout the period and weighted average share price as per National Stock Exchange price volume data during the year ended March 31, 2022 was ₹ 703.14 (year ended March 31, 2021: ₹ 437.92).

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

ICICI Life:

ICICI Prudential Life Insurance Company has formulated ESOS for their employees. There is no compensation cost for the year ended March 31, 2022 based on the intrinsic value of options.

The following table sets forth, for the periods indicated, a summary of the status of the stock option plan of ICICI Prudential Life Insurance Company.

₹ except number of options

Particulars	Stock options outstanding			
	Year ended March 31, 2022		Year ended March 31, 2021	
	Number of shares	Weighted average exercise price	Number of shares	Weighted average exercise price
Outstanding at the beginning of the year	**17,175,700**	**389.25**	12,361,107	383.64
Add: Granted during the year	**5,061,600**	**453.05**	5,147,200	401.07
Less: Forfeited/lapsed during the year	**735,800**	**412.86**	205,967	366.17
Less: Exercised during the year	**1,316,870**	**381.95**	126,640	359.19
Outstanding at the end of the year	**20,184,630**	**404.87**	17,175,700	389.25
Options exercisable	**7,991,235**	**390.40**	3,298,600	393.85

The following table sets forth, summary of stock options outstanding of ICICI Prudential Life Insurance Company at March 31, 2022.

Range of exercise price (₹ per share)	Number of shares arising out of options	Weighted average exercise price (₹ per share)	Weighted average remaining contractual life (Number of years)
300-399	**10,048,090**	**379.99**	**4.2**
400-499	**10,076,540**	**428.40**	**6.3**
600-699	**60,000**	**620.05**	**6.8**

The following table sets forth, summary of stock options outstanding of ICICI Prudential Life Insurance Company at March 31, 2021.

Range of exercise price (₹ per share)	Number of shares arising out of options	Weighted average exercise price (₹ per share)	Weighted average remaining contractual life (Number of years)
300-399	11,498,800	379.84	5.1
400-499	5,626,900	407.49	6.4
500-599	50,000	501.90	6.9

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

ICICI General:

ICICI Lombard General Insurance Company has formulated ESOS for their employees. There was no compensation cost for the year ended March 31, 2021 based on the intrinsic value of options.

The following table sets forth, for the periods indicated, a summary of the status of the stock option plan of ICICI Lombard General Insurance Company.

₹ except number of options

Particulars	Stock options outstanding	
	Year ended March 31, 2021	
	Number of shares	Weighted average exercise price
Outstanding at the beginning of the year	**4,624,040**	**895.58**
Add: Granted during the year	**2,526,300**	**1,235.15**
Less: Forfeited/lapsed during the year	**17,370**	**1,056.89**
Less: Exercised during the year	**128,240**	**780.10**
Outstanding at the end of the year	**7,004,730**	**1,019.76**
Options exercisable	**1,060,000**	**932.19**

The following table sets forth, summary of stock options outstanding of ICICI Lombard General Insurance Company at March 31, 2021.

Range of exercise price (₹ per share)	Number of shares arising out of options	Weighted average exercise price (₹ per share)	Weighted average remaining contractual life (Number of years)
700 - 799	2,272,220	715.15	2.3
800 - 1100	2,206,210	1,086.50	3.1
1100 - 1300	2,526,300	1,235.15	4.1

ICICI Securities:

ICICI Securities Limited has formulated ESOS for their employees. There is no compensation cost for the year ended March 31, 2022 based on the intrinsic value of options.

The following table sets forth, for the periods indicated, a summary of the status of the stock option plan of ICICI Securities Limited.

₹ except number of options

Particulars	Stock options outstanding			
	Year ended March 31, 2022		Year ended March 31, 2021	
	Number of shares	Weighted average exercise price	Number of shares	Weighted average exercise price
Outstanding at the beginning of the year	**2,528,350**	**295.92**	1,329,300	226.12
Add: Granted during the year	**953,000**	**426.91**	1,337,200	361.34
Less: Forfeited/lapsed during the year	**93,000**	**389.72**	47,350	314.58
Less: Exercised during the year	**449,071**	**250.08**	90,800	227.70
Outstanding at the end of the year	**2,939,279**	**342.43**	2,528,350	295.92
Options exercisable	**2,041,139**	**305.12**	345,250	230.58

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

The following table sets forth, summary of stock options outstanding of ICICI Securities Limited at March 31, 2022.

Range of exercise price (₹ per share)	Number of shares arising out of options	Weighted average exercise price (₹ per share)	Weighted average remaining contractual life (Number of years)
200-249	**790,000**	**221.45**	**5.06**
250-299	**37,730**	**256.55**	**4.55**
300-399	**1,212,149**	**361.00**	**6.10**
400-449	**888,900**	**424.60**	**7.06**
450-499	**4,200**	**468.10**	**6.58**
750-799	**6,300**	**774.60**	**7.30**

The following table sets forth, summary of stock options outstanding of ICICI Securities Limited at March 31, 2021.

Range of exercise price (₹ per share)	Number of shares arising out of options	Weighted average exercise price (₹ per share)	Weighted average remaining contractual life (Number of years)
200-249	1,062,220	221.45	6.07
250-299	160,530	256.55	5.56
349-399	1,301,400	361.00	7.11
449-499	4,200	468.10	7.58

4. Fixed assets

The following table sets forth, for the periods indicated, the movement in software acquired by the Group, as included in fixed assets.

₹ in million

Particulars	At March 31, 2022	At March 31, 2021
At cost at March 31 of preceding year	**35,196.2**	28,942.5
Less: Reduction on account of discontinuation of ICICI Lombard General Insurance Company Limited from consolidation	**(6,470.5)**	-
Adjusted cost at March 31 of preceding year	**28,725.7**	28,942.5
Additions during the year	**4,658.3**	7,015.9
Deductions during the year	**(373.5)**	(762.2)
Depreciation to date	**(24,086.0)**	(25,231.8)
Net block	**8,924.5**	**9,964.4**

5. Assets on lease

5.1 Assets taken under operating lease

Operating leases primarily comprise office premises which are renewable at the option of the Group.

(i) The following table sets forth, for the periods indicated, the details of liability for premises taken on non-cancellable operating leases.

₹ in million

Particulars	At March 31, 2022	At March 31, 2021
Not later than one year	**681.4**	696.8
Later than one year and not later than five years	**1,501.9**	1,274.3
Later than five years	**567.0**	440.9
Total	**2,750.3**	**2,412.0**

The terms of renewal are those normally prevalent in similar agreements and there are no undue restrictions in the agreements.

(ii) Total of non-cancellable lease payments recognised in the profit and loss account for the year is ₹ 993.4 million (Year ended March 31, 2021 ₹ 1,198.2 million).

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED
SCHEDULES
forming part of the Consolidated Accounts *(Contd.)*

5.2 Assets taken under finance lease

The following table sets forth, for the periods indicated, the details of assets taken on finance leases.

₹ in million

Particulars	At March 31, 2022	At March 31, 2021
A. Total Minimum lease payments outstanding		
Not later than one year	**269.2**	241.2
Later than one year and not later than five years	**792.3**	806.1
Later than five years	**76.4**	138.7
Total	**1,137.9**	**1,186.0**
B. Interest cost payable		
Not later than one year	**92.5**	97.4
Later than one year and not later than five years	**146.8**	186.2
Later than five years	**3.8**	9.2
Total	**243.1**	**292.8**
C. Present value of minimum lease payments payable(A-B)		
Not later than one year	**176.7**	143.7
Later than one year and not later than five years	**645.5**	619.9
Later than five years	**72.6**	129.6
Total	**894.8**	**893.2**

5.3 Assets given under finance lease

The following table sets forth, for the periods indicated, the details of finance leases.

₹ in million

Particulars	At March 31, 2022	At March 31, 2021
Future minimum lease receipts		
Present value of lease receipts	**416.5**	723.0
Unmatured finance charges	**13.9**	32.6
Sub total	**430.4**	**755.6**
Less: collective provision	**(0.5)**	(1.2)
Total	**429.9**	**754.4**
Maturity profile of future minimum lease receipts		
- Not later than one year	**237.8**	303.3
- Later than one year and not later than five years	**192.6**	452.3
- Later than five years	**-**	-
Total	**430.4**	**755.6**
Less: collective provision	**(0.5)**	(1.2)
Total	**429.9**	**754.4**

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

Maturity profile of present value of lease rentals

The following table sets forth, for the periods indicated, the details of maturity profile of present value of finance lease receipts.

₹ in million

Particulars	At March 31, 2022	At March 31, 2021
Maturity profile of future present value of finance lease receipts		
- Not later than one year	**229.6**	286.6
- Later than one year and not later than five years	**186.9**	436.4
- Later than five years	**-**	-
Total	**416.5**	**723.0**
Less: collective provision	**(0.5)**	(1.2)
Total	**416.0**	**721.8**

6. Provisions and contingencies

The following table sets forth, for the periods indicated, the break-up of provisions and contingencies included in the profit and loss account.

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Provision for depreciation of investments	**5,412.3**	(1,950.0)
Provision towards non-performing and other assets	**63,775.2**	110,815.2
Provision towards income tax		
- Current	**74,044.5**	62,611.8
- Deferred	**10,529.9**	(5,968.1)
Other provisions and contingencies[1,2,3]	**20,579.0**	54,908.7
Total provisions and contingencies	**174,340.9**	**220,417.6**

1. *Net of write-back of Covid-19 related provision by the Bank amounting to ₹ 10,500.0 million during the year ended March 31, 2022 (March 31, 2021: net Covid-19 related provision made by the Bank amounting to ₹ 47,500.0 million).*
2. *Includes contingency provision made amounting to ₹ 10,250.0 million made by the Bank on a prudent basis during the year ended March 31, 2022.*
3. *Includes general provision made towards standard assets, provision on fixed assets acquired under debt-asset swap and non-fund based facilities.*

The Group 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 Accounting Standard - 29 on 'Provisions, Contingent Liabilities and Contingent Assets', the Group 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 or the amount of loss cannot be reasonably estimated, a disclosure to this effect is made as contingent liabilities in the financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial results. For insurance contracts booked in its life insurance subsidiary, reliance has been placed on the Appointed Actuary for actuarial valuation of 'liabilities for policies in force'. The Appointed Actuary has confirmed that the assumptions used in valuation of liabilities for policies in force are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI.

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED
SCHEDULES
forming part of the Consolidated Accounts *(Contd.)*

7. Staff retirement benefits

Pension

The following tables set forth, for the periods indicated, movement of the present value of the defined benefit obligation, fair value of plan assets and other details for pension benefits.

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening obligations	**20,265.6**	**19,914.3**
Service cost	**204.6**	237.2
Interest cost	**1,145.3**	1,173.9
Actuarial (gain)/loss	**(546.5)**	1,256.2
Liabilities extinguished on settlement	**(2,289.8)**	(2,198.1)
Benefits paid	**(118.2)**	(117.9)
Obligations at the end of year	**18,661.0**	**20,265.6**
Opening plan assets, at fair value	**21,162.2**	**16,972.1**
Expected return on plan assets	**1,620.7**	1,350.8
Actuarial gain/(loss)	**(331.9)**	521.9
Assets distributed on settlement	**(2,544.2)**	(2,442.3)
Contributions	**54.7**	4,877.6
Benefits paid	**(118.2)**	(117.9)
Closing plan assets, at fair value	**19,843.3**	**21,162.2**
Fair value of plan assets at the end of the year	**19,843.3**	21,162.2
Present value of the defined benefit obligations at the end of the year	**(18,661.0)**	(20,265.6)
Amount not recognised as an asset (limit in Para 59(b) of AS 15 on 'employee benefits')	**(401.9)**	(304.8)
Asset/(liability)	**780.4**	**591.8**
Cost[1]		
Service cost	**204.6**	237.2
Interest cost	**1,145.3**	1,173.9
Expected return on plan assets	**(1,620.7)**	(1,350.8)
Actuarial (gain)/loss	**(214.6)**	734.3
Curtailments & settlements (gain)/loss	**254.4**	244.2
Effect of the limit in para 59(b) of AS 15 on 'employee benefits'	**97.1**	304.8
Net cost	**(133.9)**	**1,343.6**
Actual return on plan assets	**1,288.8**	1,872.7
Expected employer's contribution next year	**2,000.0**	2,000.0
Investment details of plan assets		
Government of India securities	**46.69%**	50.15%
Corporate bonds	**46.45%**	44.81%
Equity securities in listed companies	**6.46%**	5.04%
Others	**0.40%**	-
Assumptions		
Discount rate	**6.30%**	5.75%
Salary escalation rate:		
On Basic pay	**1.50%**	1.50%
On Dearness relief	**7.00%**	7.00%
Estimated rate of return on plan assets	**7.50%**	7.50%

1. Included in line item 'Payments to and provision for employees' of Schedule 16- Operating expenses.

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

Estimated rate of return on plan assets is based on the expected average long-term rate of return on investments of the Fund during the estimated term of the obligations.

Experience adjustment

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2018
Plan assets	**19,843.3**	21,162.2	16,972.1	15,438.8	16,303.7
Defined benefit obligations	**(18,661.0)**	(20,265.6)	(19,914.3)	(16,540.3)	(15,391.1)
Amount not recognised as an asset (limit in para 59(b) of AS 15 on 'employee benefits')	**(401.9)**	(304.8)	-	-	(310.1)
Surplus/(deficit)	**780.4**	591.8	(2,942.2)	(1,101.5)	602.5
Experience adjustment on plan assets	**(331.9)**	521.9	741.1	(125.9)	(449.6)
Experience adjustment on plan liabilities	**809.0**	613.4	2,186.1	1,038.6	290.1

Gratuity

The following table sets forth, for the periods indicated, movement of the present value of the defined benefit obligation, fair value of plan assets and other details for gratuity benefits of the Group.

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening obligations	**16,954.5**	**15,743.6**
Add: Adjustment for exchange fluctuation on opening obligation	**6.0**	(6.5)
Less: Reduction on account of discontinuation of ICICI Lombard General Insurance Company Limited from consolidation	**(1,037.6)**	-
Adjusted opening obligations	**15,923.1**	**15,737.1**
Service cost	**1,581.7**	1,669.2
Interest cost	**1,058.8**	1,052.8
Actuarial (gain)/loss	**(114.1)**	(532.3)
Past service cost	**-**	(3.5)
Exchange Difference on foreign plans	**-**	-
Obligations transferred from/to other companies	**(0.1)**	33.4
Benefits paid	**(1,554.3)**	(1,002.2)
Obligations at the end of the year	**16,895.1**	**16,954.5**
Opening plan assets, at fair value	**16,541.6**	**13,636.8**
Less: Reduction on account of discontinuation of ICICI Lombard General Insurance Company Limited from consolidation	**(1,080.6)**	-
Adjusted opening plan assets at fair value	**15,461.0**	-
Expected return on plan assets	**1,116.6**	1,045.5
Actuarial gain/(loss)	**(33.1)**	886.4
Asset distributed on settlement	**1.9**	4.9
Contributions	**1,748.2**	1,942.2
Assets transferred from/to other companies	**(2.0)**	28.0
Benefits paid	**(1,554.3)**	(1,002.2)
Closing plan assets, at fair value	**16,738.3**	**16,541.6**
Fair value of plan assets at the end of the year	**16,738.3**	16,541.6
Present value of the defined benefit obligations at the end of the year	**(16,895.1)**	(16,954.5)

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Unrecognised past service cost	-	-
Amount not recognised as an asset (limit in para 59(b) of AS 15 on 'employee benefits')	-	-
Asset/(liability)	**(156.8)**	**(412.9)**
Cost for the year[1]		
Service cost	**1,581.7**	1,669.2
Interest cost	**1,058.8**	1,052.8
Expected return on plan assets	**(1,116.6)**	(1,045.5)
Actuarial (gain)/loss	**(81.0)**	(1,418.7)
Past service cost	-	(3.5)
Exchange fluctuation loss/(gain)	**6.0**	(6.5)
Net cost	**1,448.9**	**247.8**
Actual return on plan assets	**1,083.4**	1,931.9
Expected employer's contribution next year	**1,030.0**	1,130.1
Investment details of plan assets		
Insurer managed funds	**18.88%**	21.79%
Government of India securities	**23.76%**	28.55%
Corporate bonds	**38.90%**	35.57%
Special Deposit schemes	-	1.75%
Equity	**16.75%**	11.12%
Others	**1.71%**	1.22%
Assumptions		
Discount rate	**5.80%-7.30%**	5.20%-6.90%
Salary escalation rate	**7.00%-10.00%**	7.00%-10.00%
Estimated rate of return on plan assets	**7.00%-8.00%**	7.00%-8.00%

1. Included in line item 'Payments to and provision for employees' of Schedule 16- Operating expenses.

Estimated rate of return on plan assets is based on the expected average long-term rate of return on investments of the Fund during the estimated term of the obligations.

Experience adjustment

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2018
Plan assets	**16,738.3**	16,541.6	13,636.8	12,112.4	10,972.1
Defined benefit obligations	**(16,895.1)**	(16,954.5)	(15,743.6)	(13,317.1)	(11,846.6)
Amount not recognised as an asset (limit in para 59(b) of AS 15 on 'employee benefits')	-	-	-	-	-
Surplus/(deficit)	**(156.8)**	(412.9)	(2,106.8)	(1,204.7)	(874.5)
Experience adjustment on plan assets	**(33.1)**	892.1	(167.4)	(62.0)	(124.7)
Experience adjustment on plan liabilities	**464.7**	(548.2)	253.6	243.7	261.8

The estimates of future salary increases, considered in actuarial valuation, take into consideration inflation, seniority, promotion and other relevant factors.

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

Provident Fund (PF)

The Group has does not have any liability towards interest rate guarantee on exempt provident fund on the basis of actuarial valuation at year ended March 31, 2022 (year ended March 31, 2021: ₹ 2.7 million).

The following tables set forth, for the periods indicated, movement of the present value of the defined benefit obligation, fair value of plan assets and other details for provident fund of the Group.

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening obligations	**45,617.9**	**38,703.4**
Less: Adjustments[1]	**(711.1)**	-
Adjusted opening balance	**44,906.8**	38,703.4
Service cost	**2,202.0**	1,880.5
Interest cost	**2,947.1**	2,537.5
Actuarial (gain)/loss	**(15.9)**	1,690.5
Employees contribution	**4,049.0**	3,892.5
Obligations transferred from/to other companies	**546.1**	406.8
Benefits paid	**(5,223.6)**	(3,493.3)
Obligations at end of the year	**49,411.5**	**45,617.9**
Opening plan assets	**45,615.2**	**38,682.6**
Less: Adjustments[1]	**(708.4)**	-
Adjusted opening balance	**44,906.8**	38,682.6
Expected return on plan assets	**3,761.0**	3,582.2
Actuarial gain/(loss)	**415.0**	663.8
Employer contributions	**2,202.0**	1,880.6
Employees contributions	**4,049.0**	3,892.5
Assets transfer from/to other companies	**546.1**	406.8
Benefits paid	**(5,223.6)**	(3,493.3)
Closing plan assets	**50,656.3**	**45,615.2**
Plan assets at the end of the year	**50,656.3**	45,615.2
Present value of the defined benefit obligations at the end of the year	**(49,411.5)**	(45,617.9)
Amount not recognised as an asset (Limit in para 59(b) of AS-15 on 'employee benefits')[2]	**(1,244.8)**	-
Asset/(liability)	**-**	**(2.7)**
Cost for the year[3]		
Service cost	**2,202.0**	1,880.5
Interest cost	**2,947.1**	2,537.5
Expected return on plan assets	**(3,761.0)**	(3,582.2)
Actuarial (gain)/loss	**(430.9)**	1,026.7
Effect of limit in para 59(b)[2]	**1,244.8**	-
Net cost	**2,202.0**	**1,862.5**
Actual return on plan assets	**4,176.0**	4,246.0
Expected employer's contribution next year	**2,357.2**	2,013.6
Investment details of plan assets		
Government of India securities	**53.56%**	50.06%
Corporate Bonds	**35.56%**	40.78%

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Special deposit scheme	**1.07%**	1.33%
Others	**9.81%**	7.83%
Assumptions		
Discount rate	**6.00%-6.85%**	5.70%-6.55%
Expected rate of return on assets	**7.54%-8.25%**	6.88%-8.59%
Discount rate for the remaining term to maturity of investments	**6.75%-7.15%**	6.30%-6.80%
Average historic yield on the investment	**8.25%-8.87%**	7.93%-8.54%
Guaranteed rate of return	**8.10%-8.10%**	8.50%-8.50%

Experience adjustment

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2018
Plan assets	**50,656.3**	45,615.2	38,682.6	33,282.4	29,587.9
Defined benefit obligations	**(49,411.5)**	(45,617.9)	(38,703.4)	(33,282.4)	(29,587.9)
Amount not recognised as an asset (limit in para 59(b)) AS 15 on 'employee benefits')[2]	**(1,244.8)**	-	-	-	-
Surplus/(deficit)	**-**	(2.7)	(20.8)	-	-
Experience adjustment on plan assets	**415.1**	663.8	(662.0)	13.0	(15.1)
Experience adjustment on plan liabilities	**(684.8)**	1,703.3	(129.9)	447.4	501.6

1. *In case of ICICI Venture Funds Management Company Limited, assets and liabilities of Employee Provident Fund Trust were realised and transferred to Central Provident Fund at March 31, 2022.*
2. *Pursuant to revised Guidance Note 29 on "Valuation of Interest Rate Guarantees on Exempt Provident Funds under AS 15 (Revised)" issued by 'Institute of Actuaries of India on February 16, 2022, plan assets held by PF Trust have been fair valued. The amount represents the fair value gain on plan assets.*
3. *Included in line item 'Payments to and provision for employees' of Schedule 16- Operating expenses.*

The Group has contributed ₹ 4,018.3 million to provident fund including Government of India managed employees provident fund for the year ended March 31, 2022 (year ended March 31, 2021: ₹ 3,918.8 million), which includes compulsory contribution made towards employee pension scheme under Employees Provident Fund and Miscellaneous Provisions Act, 1952.

Superannuation Fund

The Group has contributed ₹ 274.0 million for the year ended March 31, 2022 (year ended March 31, 2021: ₹ 248.7 million) to Superannuation Fund for employees who had opted for the scheme.

National Pension Scheme (NPS)

The Group has contributed ₹ 291.8 million for the year ended March 31, 2022 (March 31, 2021: ₹ 246.0 million) to NPS for employees who had opted for the scheme.

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

Compensated absence

The following table sets forth, for the periods indicated, cost for compensated absence.

₹ in million

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Total actuarial liability	**3,616.9**	4,131.3
Cost[1]	**874.9**	**1,586.6**
Assumptions		
Discount rate	**5.80%-7.30%**	5.20%-6.90%
Salary escalation rate	**7.00%-10.00%**	7.00%-10.00%

1. Included in line item 'Payments to and provision for employees' of schedule- 16 Operating expenses.

8. Provision for income tax

The provision for income tax (including deferred tax) for the year ended March 31, 2022 amounted to ₹ 84,574.4 million (March 31, 2021: ₹ 56,643.7 million).

The Group has a comprehensive system of maintenance of information and documents required by transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961. The management is of the opinion that all transactions with international related parties and specified transactions with domestic related parties are primarily at arm's length so that the above legislation does not have material impact on the financial statements.

9. Deferred tax

At March 31, 2022, the Group has recorded net deferred tax asset of ₹ 79,484.8 million (March 31, 2021: ₹ 93,350.2 million), which has been included in other assets.

The following table sets forth, for the periods indicated, the break-up of deferred tax assets and liabilities into major items.

₹ in million

Particulars	At March 31, 2022	At March 31, 2021
Deferred tax assets		
Provision for bad and doubtful debts	**105,637.7**	111,990.0
Foreign currency translation reserve[1]	**-**	0.0[2]
Others	**11,024.8**	13,938.4
Total deferred tax assets	**116,662.5**	**125,928.4**
Deferred tax liabilities		
Special reserve deduction	**31,118.6**	27,449.2
Foreign currency translation reserve[1]	**1,245.6**	1,048.3
Mark-to-market gains[1]	**278.6**	-
Depreciation on fixed assets	**4,093.8**	3,717.6
Interest on refund of taxes[1]	**168.4**	115.3
Others	**272.7**	247.8
Total deferred tax liabilities	**37,177.7**	**32,578.2**
Total net deferred tax assets/(liabilities)	**79,484.8**	**93,350.2**

1. These items are considered in accordance with the requirements of Income Computation and Disclosure Standards (ICDS).
2. Insignificant amount.

10. Information about business and geographical segments

A. Business Segments

The business segments of the Group have been presented as follows:

i. **Retail banking** includes exposures of the Bank which satisfy the four criteria of orientation, product, granularity and low value of individual exposures for retail exposures laid down in Basel Committee on Banking Supervision document "International Convergence of Capital Measurement and Capital Standards: A Revised Framework". This segment also includes income from credit cards, debit cards, third party product distribution and the associated costs.

ii. **Wholesale banking** includes all advances to trusts, partnership firms, companies and statutory bodies, by the Bank which are not included under Retail banking.

iii. **Treasury** includes the entire investment and derivative portfolio of the Bank and ICICI Strategic Investments Fund.

iv. **Other banking** includes leasing operations and other items not attributable to any particular business segment of the Bank. Further, it includes the Bank's banking subsidiaries i.e. ICICI Bank UK PLC and ICICI Bank Canada.

v. **Life insurance** represents results of ICICI Prudential Life Insurance Company Limited.

vi. **General insurance** represents results of ICICI Lombard General Insurance Company Limited. From April 1, 2021, ICICI Lombard General Insurance Company Limited ceased to be a subsidiary and accordingly general insurance has been discontinued as a business segment from April 1, 2021. From April 1, 2021, the Bank's share in the net profit of ICICI Lombard General Insurance Company Limited is included in "share of profit in associates".

vii. **Others** includes ICICI Home Finance Company Limited, ICICI Venture Funds Management Company Limited, ICICI International Limited, ICICI Securities Primary Dealership Limited, ICICI Securities Limited, ICICI Securities Holdings Inc., ICICI Securities Inc., ICICI Prudential Asset Management Company Limited, ICICI Prudential Trust Limited, ICICI Investment Management Company Limited, ICICI Trusteeship Services Limited and ICICI Prudential Pension Funds Management Company Limited.

viii. **Unallocated** includes items such as tax paid in advance net of provision, deferred tax and provisions to the extent reckoned at the entity level.

Income, expenses, assets and liabilities are either specifically identified with individual segments or are allocated to segments on a systematic basis.

All liabilities of the Bank are transfer priced to a central treasury unit, which pools all funds and lends to the business units at appropriate rates based on the relevant maturity of assets being funded after adjusting for regulatory reserve requirements.

The transfer pricing mechanism of the Bank is periodically reviewed. The segment results are determined based on the transfer pricing mechanism prevailing for the respective reporting periods.

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

The following table sets forth, the business segment results for the year ended March 31, 2022.

₹ in million

Sr. no.	Particulars	Retail banking	Wholesale banking	Treasury	Other banking business	Life insurance	Others	Inter-segment adjustments	Total
1	Revenue	846,392.2	399,714.9	673,210.9	27,784.1	453,402.4	87,332.5	(912,473.8)	1,575,363.2
2	**Segment results[1]**	**114,003.9**	**90,529.3**	**96,744.8**	**6,271.2**	**7,905.6**	**43,499.9**	**(16,792.0)**	**342,162.7**
3	Unallocated expenses								(250.0)
4	Share of profit from associates								7,544.3
5	Operating profit (2) – (3) + (4)[1]								349,957.0
6	Income tax expenses (net)/ (net deferred tax credit)								84,574.4
7	**Net profit[2] (5) – (6)**								**265,382.6**
	Other information								
8	Segment assets	4,876,519.3	3,790,918.0	5,218,960.9	682,866.9	2,440,064.2	516,534.8	(105,216.9)	17,420,647.2
9	Unallocated assets								105,726.6
10	Total assets (8) + (9)								17,526,373.8
11	Segment liabilities	7,918,942.5	3,213,907.0	2,933,413.9[3]	541,143.1[3]	2,441,543.2[3]	520,286.4[3]	(105,216.9)[3]	17,464,019.2
12	Unallocated liabilities								62,354.6
13	Total liabilities (11) + (12)								17,526,373.8
14	Capital expenditure	9,901.7	4,453.3	623.1	345.7	732.3	943.8	-	16,999.9
15	Depreciation	8,068.8	3,130.8	399.6	321.9	669.1	726.3	(16.4)	13,300.1

1. Profit before tax and minority interest.
2. Includes share of net profit of minority shareholders.
3. Includes share capital and reserves and surplus.

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

The following table sets forth, the business segment results for the year ended March 31, 2021.

₹ in million

Sr. no.	Particulars	Retail banking	Wholesale banking	Treasury	Other banking business	Life insurance	General insurance	Others	Inter-segment adjustments	Total
1	Revenue	756,692.9	371,945.3	664,810.9	31,800.6	436,215.9	129,648.3	78,270.3	(857,462.3)	**1,611,921.9**
2	**Segment results[1]**	**77,399.7**	**58,199.5**	**106,155.9**	**5,735.7**	**10,811.8**	**19,539.5**	**40,077.1**	**(11,578.8)**	**306,340.4**
3	Unallocated expenses									**47,500.0**
4	Share of profit from associates									**1,442.9**
5	Operating profit (2) – (3)+(4)[1]									**260,283.3**
6	Income tax expenses (net)/(net deferred tax credit)									**56,643.7**
7	**Net profit[2] (5) – (6)**									**203,639.6**
	Other information									
8	Segment assets	4,124,986.5	3,259,375.0	4,602,320.5	750,682.3	2,169,189.1	389,436.1	445,994.8	(147,461.6)	**15,594,522.7**
9	Unallocated assets									**143,599.7**
10	**Total assets (8) + (9)**									**15,738,122.4**
11	Segment liabilities	6,869,207.9	2,821,639.2	2,480,180.3[3]	639,123.3[3]	2,170,346.2[3]	392,588.7[3]	449,893.8[3]	(147,461.6)[3]	**15,675,517.8**
12	Unallocated liabilities									**62,604.6**
13	**Total liabilities (11) + (12)**									**15,738,122.4**
14	Capital expenditure	9,228.1	4,745.0	866.6	401.2	400.1	773.0	745.2	-	**17,159.2**
15	Depreciation	7,249.4	2,859.8	481.0	323.3	598.0	1,306.0	599.6	(16.4)	**13,400.7**

1. Profit before tax and minority interest.

2. Includes share of net profit of minority shareholders.

3. Includes share capital and reserves and surplus.

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

B. *Geographical segments*

The Group has reported its operations under the following geographical segments.

- **Domestic operations** comprise branches and subsidiaries/joint ventures in India.
- **Foreign operations** comprise branches and subsidiaries/joint ventures outside India and offshore banking units in India.

The Group conducts transactions with its customers on a global basis in accordance with their business requirements, which may span across various geographies.

The following tables set forth, for the periods indicated, the geographical segment results.

₹ in million

Revenue	Year ended March 31, 2022	Year ended March 31, 2021
Domestic operations[1]	**1,550,493.6**	1,579,203.4
Foreign operations	**32,413.9**	34,161.4
Total	**1,582,907.5**	**1,613,364.8**

1. Includes share of profit from associates of ₹ 7,544.3 million (March 31, 2021: ₹ 1,442.9 million).

₹ in million

Assets	At March 31, 2022	At March 31, 2021
Domestic operations	**16,060,154.4**	14,216,048.7
Foreign operations	**1,360,492.8**	1,378,474.0
Total	**17,420,647.2**	**15,594,522.7**

Note: Segment assets do not include tax paid in advance/tax deducted at source (net) and deferred tax assets (net).

The following table sets forth, for the periods indicated, capital expenditure and depreciation thereon for the geographical segments.

₹ in million

	Capital expenditure incurred during the		Depreciation provided during the	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Domestic operations	**16,765.8**	16,866.4	**13,012.5**	13,120.0
Foreign operations	**234.1**	292.8	**287.6**	280.7
Total	**16,999.9**	**17,159.2**	**13,300.1**	**13,400.7**

11. Penalties/fines imposed by banking regulatory bodies

The penalties amounting to ₹ 33.0 million (year ended March 31, 2021: Nil) were imposed by RBI during the year ended March 31, 2022. One penalty of ₹ 30.0 million was related to shifting of certain investment from held-to-maturity category to available-for-sale category in May 2017 and the other penalty of ₹ 3.0 million was on account of non-compliance with directions issued by RBI on levy of penal charges on non-maintenance of minimum balance in savings bank accounts dated November 20, 2014.

No penalty was imposed by overseas banking regulatory bodies during the year ended March 31, 2022 (year ended March 31, 2021: Nil).

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

12. Additional information to consolidated accounts

Additional information to consolidated accounts at March 31, 2022 (Pursuant to Schedule III of the Companies Act, 2013)

₹ in million

Name of the entity	Net assets[1]		Share in profit or loss	
	% of total net assets	Amount	% of total net profit	Amount
Parent				
ICICI Bank Limited	**93.7%**	**1,705,119.7**	**92.9%**	**233,394.9**
Subsidiaries				
Indian				
ICICI Securities Primary Dealership Limited	**0.9%**	**15,897.8**	**1.3%**	**3,301.6**
ICICI Securities Limited	**1.3%**	**24,087.2**	**5.6%**	**13,948.1**
ICICI Home Finance Company Limited	**0.9%**	**17,038.1**	**0.4%**	**934.4**
ICICI Trusteeship Services Limited	**0.0%[2]**	**8.6**	**0.0%[2]**	**0.5**
ICICI Investment Management Company Limited	**0.0%[2]**	**95.8**	**0.0%[2]**	**12.8**
ICICI Venture Funds Management Company Limited	**0.1%**	**2,461.3**	**0.0%[2]**	**2.2**
ICICI Prudential Life Insurance Company Limited	**5.0%**	**91,630.6**	**3.0%**	**7,541.3**
ICICI Prudential Trust Limited	**0.0%[2]**	**17.7**	**0.0%[2]**	**3.7**
ICICI Prudential Asset Management Company Limited	**1.0%**	**18,599.4**	**5.7%**	**14,363.4**
ICICI Prudential Pension Funds Management Company Limited	**0.0%[2]**	**549.2**	**0.0%[2]**	**50.7**
Foreign				
ICICI Bank UK PLC	**1.3%**	**23,940.8**	**0.3%**	**812.2**
ICICI Bank Canada	**1.3%**	**23,436.9**	**0.7%**	**1,737.3**
ICICI International Limited	**0.0%[2]**	**104.1**	**0.0%[2]**	**0.8**
ICICI Securities Holdings Inc.	**0.0%[2]**	**130.8**	**0.0%[2]**	**0.3**
ICICI Securities Inc.	**0.0%[2]**	**303.8**	**0.0%[2]**	**30.0**
Other consolidated entities				
Indian				
ICICI Strategic Investments Fund	**0.0%[2]**	**112.1**	**0.2%**	**535.9**
Foreign				
NIL	**-**	**-**	**-**	**-**
Minority Interests	**(3.3%)**	**(59,808.9)**	**(5.7%)**	**(14,281.6)**
Associates				
Indian				
ICICI Lombard General Insurance Company Limited	**-**	**-**	**2.4%**	**6,106.5**
I-Process Services (India) Private Limited	**-**	**-**	**0.0%[2]**	**34.3**
NIIT Institute of Finance Banking and Insurance Training Limited	**-**	**-**	**0.0%[2]**	**2.3**
ICICI Merchant Services Private Limited	**-**	**-**	**(0.0%)[2]**	**(4.6)**
India Infradebt Limited	**-**	**-**	**0.6%**	**1,396.5**
India Advantage Fund III	**-**	**-**	**(0.0%)[2]**	**(0.2)**
India Advantage Fund IV	**-**	**-**	**(0.0%)[2]**	**(2.4)**
Arteria Technologies Private Limited	**-**	**-**	**0.0%[2]**	**12.0**
Foreign				
NIL	**-**	**-**	**-**	**-**
Joint Ventures				
NIL	**-**	**-**	**-**	**-**
Inter-company adjustments	**(2.2%)**	**(43,200.1)**	**(7.4%)**	**(18,831.9)**
TOTAL	**100.0%**	**1,820,524.9**	**100.0%**	**251,101.0**

1. Total assets minus total liabilities.

2. Insignificant.

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

Additional information to consolidated accounts at March 31, 2021 (Pursuant to Schedule III of the Companies Act, 2013)

₹ in million

Name of the entity	Net assets[1]		Share in profit or loss	
	% of total net assets	Amount	% of total net profit	Amount
Parent				
ICICI Bank Limited	93.6%	1,475,091.9	88.1%	161,926.8
Subsidiaries				
Indian				
ICICI Securities Primary Dealership Limited	0.9%	14,409.7	3.5%	6,473.3
ICICI Securities Limited	1.1%	18,027.0	5.9%	10,933.0
ICICI Home Finance Company Limited	1.0%	16,085.9	0.4%	806.3
ICICI Trusteeship Services Limited	0.0%[2]	8.1	0.0%[2]	0.7
ICICI Investment Management Company Limited	0.0%[2]	83.0	(0.0%)[2]	(11.8)
ICICI Venture Funds Management Company Limited	0.2%	2,459.1	0.0%[2]	40.1
ICICI Prudential Life Insurance Company Limited	5.8%	91,188.6	5.2%	9,601.5
ICICI Lombard General Insurance Company Limited	5.1%	81,156.6	8.0%	14,730.5
ICICI Prudential Trust Limited	0.0%[2]	15.4	0.0%[2]	1.7
ICICI Prudential Asset Management Company Limited	1.0%	16,274.7	6.4%	11,795.0
ICICI Prudential Pension Funds Management Company Limited	0.0%[2]	288.5	(0.0%)[2]	(39.9)
Foreign				
ICICI Bank UK PLC	2.4%	37,047.9	0.6%	1,097.9
ICICI Bank Canada	2.2%	34,795.0	0.6%	1,126.1
ICICI International Limited	0.0%[2]	99.6	(0.0%)[2]	(11.8)
ICICI Securities Holdings Inc.	0.0%[2]	130.4	(0.0%)[2]	(1.3)
ICICI Securities Inc.	0.0%[2]	274.8	0.0%[2]	6.3
Other consolidated entities				
Indian				
ICICI Strategic Investments Fund	0.0%[2]	375.0	0.0%[2]	75.0
Foreign				
NIL	-	-	-	-
Minority interests	**(6.1%)**	**(95,883.4)**	**(10.8%)**	**(19,796.5)**
Associates				
Indian				
I-Process Services (India) Private Limited	-	-	0.0%[2]	11.8
NIIT Institute of Finance Banking and Insurance Training Limited	-	-	0.0%[2]	0.5
ICICI Merchant Services Private Limited	-	-	0.1%	185.8
India Infradebt Limited	-	-	0.7%	1,198.8
India Advantage Fund III	-	-	0.0%[2]	13.8
India Advantage Fund IV	-	-	0.0%[2]	19.3
Arteria Technologies Private Limited	-	-	0.0%[2]	13.0
Foreign				
NIL	-	-	-	-
Joint Ventures				
NIL	-	-	-	-
Inter-company adjustments	**(7.2%)**	**(116,052.8)**	**(8.9%)**	**(16,352.7)**
Total net assets/net profit	**100.0%**	**1,575,875.0**	**100.0%**	**183,843.2**

1. *Total assets minus total liabilities.*
2. *Insignificant.*

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED
SCHEDULES
forming part of the Consolidated Accounts *(Contd.)*

13. Revaluation of fixed assets

The Bank and its housing finance subsidiary follows the revaluation model for their premises (land and buildings) other than improvements to leasehold property as per AS 10 – 'Property, Plant and Equipment'. The Bank had initially revalued its premises at March 31, 2016 and its housing finance subsidiary revalued its premises at March 31, 2017. In accordance with the policy, annual revaluation is carried out through external valuers, using methodologies such as direct sales comparison method and income generation method and the incremental amount has been taken to revaluation reserve. The revalued amount at March 31, 2022 was ₹ 58,090.8 million (March 31, 2021: ₹ 57,271.4 million) as compared to the historical cost less accumulated depreciation of ₹ 25,805.8 million (March 31, 2021: ₹ 26,018.6 million).

The revaluation reserve is not available for distribution of dividend.

14. Proposed dividend on equity shares

The Board of Directors at its meeting held on April 23, 2022 has recommended a dividend of ₹ 5.00 per equity share for the year ended March 31, 2022 (year ended March 31, 2021: ₹ 2.00 per equity share). The declaration and payment of dividend is subject to requisite approvals.

15. Divergence in asset classification and provisioning for NPAs

In terms of the RBI circular no. //DBR.BP.BC.No.32/21.04.018/2018-19 dated April 1, 2019, banks are required to disclose the divergences in asset classification and provisioning consequent to RBI's annual supervisory process in their notes to accounts to the financial statements, wherever either (a) the additional provisioning requirements assessed by RBI exceed 10% of the reported net profits before provisions and contingencies or (b) the additional gross NPAs identified by RBI exceed 15% of the published incremental 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 RBI's supervisory process for the year ended March 31, 2021 and for the year ended March 31, 2020.

16. Demerger of general insurance business of Bharti AXA General Insurance Company Limited into ICICI Lombard General Insurance Company Limited

In August 2020, the Board of Directors of ICICI Lombard General Insurance Company Limited (ICICI General) and Bharti AXA General Insurance Company Limited (Bharti AXA) at their respective meetings approved entering into definitive agreements for demerger of Bharti AXA's general insurance business and transferring the same into ICICI Lombard General Insurance Company through a Scheme of Arrangement (Scheme). The scheme was approved by Insurance Regulatory and Development Authority of India (IRDAI) on September 3, 2021 effective from September 8, 2021.

In accordance with the Scheme, assets and liabilities of Bharti AXA's general insurance business vested with ICICI General on the Appointed Date of April 1, 2020. ICICI General issued two fully paid up equity shares of ₹ 10 each to the shareholders of Bharti AXA for every 115 fully paid up equity shares of ₹ 10 each. Subsequent to issuance of equity shares to Bharti AXA shareholders, the Bank's shareholding in ICICI General reduced to below 50.0%. Due to reduction in the Bank's shareholding below 50.0%, ICICI General ceased to be a subsidiary of the Bank and the Bank has accounted its investment in ICICI General as an associate under Accounting Standard – 23 (AS-23) "Accounting for Investments in Associates" in consolidated financial statement.

In September 2020, the Central Government, on the recommendation of RBI, has issued a notification exempting ICICI Bank from the provisions of Section 19(2) of the Banking Regulation Act, 1949 with respect to shareholding above 30.0% in ICICI Lombard General Insurance Company Limited, for a period of three years.

17. Impact of Covid-19 on the performance of the Group

During the year ended March 31, 2021, the Covid-19 pandemic resulted in a nation-wide lockdown in April-May 2020 which substantially impacted economic activity. The subsequent easing of lockdown measures led to gradual improvement in economic activity and progress towards normalcy from the second half of financial year 2021. In

CONSOLIDATED FINANCIAL STATEMENTS OF ICICI BANK LIMITED

SCHEDULES

forming part of the Consolidated Accounts *(Contd.)*

the year ended March 31, 2022, India witnessed two more waves of the Covid-19 pandemic and the re-imposition of localised/regional lock-down measures in certain parts of the country.

Currently, while the number of new Covid-19 cases have reduced significantly and the Government of India has withdrawn most of the Covid-19 related restrictions, the future trajectory of the pandemic may have an impact on the results of the Bank and the Group.

18. Additional disclosure

18.1 Disclosure on lending and borrowing activities under Rule 11(e) of the Companies (Audit and Auditors) Rules, 2014

The Bank, as part of its normal banking business, grants loans and advances, makes investment, provides guarantees to and accept deposits and borrowings from its customers, other entities and persons. These transactions are part of Bank's normal banking business, which is conducted ensuring adherence to all regulatory requirements.

Other than the transactions described above, 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 Bank and other subsidiaries incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Bank and other subsidiaries incorporated in India (Ultimate Beneficiaries). The Bank and other subsidiaries incorporated in India have also not received any fund from any parties (Funding Party) with the understanding that the Bank and other subsidiaries incorporated in India shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

18.2 Other disclosures

Additional statutory information disclosed in the separate financial statements of the Bank and subsidiaries having no material bearing on the true and fair view on the consolidated financial statements and the information pertaining to the items which are not material have not been disclosed in the consolidated financial statements.

19. Comparative figures

Figures of the previous year have been re-grouped to conform to the current year presentation.

Signatures to Schedules 1 to 18

As per our Report of even date.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration no.: 105047W

Tushar Kurani
Partner
Membership no.: 118580

For **Khimji Kunverji & Co LLP**
Chartered Accountants
ICAI Firm Registration no.: 105146W/W100621

Gautam Shah
Partner
Membership no.: 117348

Mumbai
April 23, 2022

For and on behalf of the Board of Directors

Girish Chandra Chaturvedi
Chairman
DIN-00110996

Uday M. Chitale
Director
DIN-00043268

Sandeep Bakhshi
Managing Director & CEO
DIN-00109206

Vishakha Mulye
Executive Director
DIN-00203578

Anup Bagchi
Executive Director
DIN-00105962

Sandeep Batra
Executive Director
DIN-03620913

Rakesh Jha
Group Chief Financial Officer

Ranganath Athreya
Company Secretary

Rajendra Khandelwal
Chief Accountant

STATEMENT PURSUANT TO SECTION 129 OF COMPANIES ACT, 2013

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURES

Part "A": Subsidiaries

₹ in million

Particulars	ICICI Securities Primary Dealership Limited[2]	ICICI Securities Limited[2]	ICICI Securities Holdings Inc.[1, 2]	ICICI Securities Inc.[1, 2]	ICICI Home Finance Company Limited[2]	ICICI Trusteeship Services Limited	ICICI Investment Management Company Limited	ICICI Venture Funds Management Company Limited	ICICI Prudential Life Insurance Company Limited	ICICI International Limited[3]	ICICI Bank UK PLC[3]	ICICI Bank Canada[4,5]	ICICI Prudential Trust Limited	ICICI Prudential Asset Management Company Limited[2]	ICICI Prudential Pension Funds Management Company Limited[1]
The date since when subsidiary was acquired	September 15, 1993	March 9, 1995	June 12, 2000	June 13, 2000	November 1, 1999	September 1, 1999	March 9, 2000	March 25, 1998	October 1, 2000	February 27, 1998	August 19, 2003	October 13, 2003	August 26, 2005	August 26, 2005	April 22, 2009
Paid-up share capital[6]	1,563.4	1,613.4	728.2	571.7	10,987.5	0.5	100.0	10.0	14,373.1	68.2	16,681.6	27,441.1	1.0	176.5	600.0
Reserves & Surplus	14,334.2	22,478.1	(597.4)	(267.9)	10,063.5	8.1	(4.2)	2,451.7	77,257.5	35.9	7,259.2	8,882.3	16.7	19,997.7	(50.8)
Total assets	202,723.6	136,176.0	131.5	382.5	159,404.8	9.8	155.8	2,855.3	2,444,402.0	117.3	169,924.7	350,213.9	20.2	24,803.2	589.8
Total liabilities (excluding capital and reserves)	186,826.0	112,084.5	0.7	78.7	138,353.8	1.2	60.0	393.6	2,352,771.4	13.2	145,984.0	313,890.5	2.5	4,629.0	40.6
Investments (including investment in subsidiaries)[7]	158,637.4	2,663.0	94.5	Nil	6,004.1	7.7	67.6	1,212.1	2,381,077.8	#	39,506.4	45,444.6	18.3	20,411.0	526.1
Turnover (Gross income from operations)	10,475.3	34,345.6	Nil	185.9	15,906.1	1.9	162.5	351.7	374,580.6	28.5	5,209.0	8,183.7	10.2	26,340.7	95.1
Profit/(loss) before taxation	4,424.8	18,497.8	0.3	29.2	2,122.3	0.7	15.6	16.7	7,905.6	0.8	859.7	2,394.2	4.7	19,290.3	42.2
Provision for taxation	1,137.7	4,702.4	Nil	(0.8)	480.6	0.2	2.8	14.5	364.2	Nil	33.4	640.9	1.0	4,749.4	(8.5)
Profit/(loss) after taxation	3,287.1	13,795.4	0.3	30.0	1,641.7	0.5	12.8	2.2	7,541.3	0.8	826.2	1,753.3	3.7	14,540.9	50.7
Dividend (including corporate dividend tax)[8]	1,813.5	7,984.0	Nil	Nil	Nil	Nil	Nil	Nil	2,873.1	Nil	Nil	226.8	1.4	12,038.7	Nil
% of shareholding	100.00%	74.89%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	51.32%	100.00%	100.00%	100.00%	50.80%	51.00%	100.00%

amount less than 0.1 million

Notes:

1. *ICICI Securities Holdings Inc. is a wholly owned subsidiary of ICICI Securities Limited. ICICI Securities Inc. is a wholly owned subsidiary of ICICI Securities Holdings Inc.*
   ICICI Prudential Pension Funds Management Company Limited is a wholly owned subsidiary of ICICI Prudential Life Insurance Company Limited.
2. *Financial information as per respective entity Ind AS financial statements pursuant to migration to Ind AS by these entities.*
3. *The financial information of ICICI Bank UK PLC and ICICI International Limited has been translated into Indian Rupees at the closing rate at March 31, 2022 of 1 USD = ₹ 75.7925.*
4. *The financial information of ICICI Bank Canada is for the period January 1, 2021 to December 31, 2021, being their financial year.*
5. *The financial information of ICICI Bank Canada has been translated into Indian Rupees at the closing rate at December 31, 2021 of 1 CAD = ₹ 58.4475.*
6. *Paid-up share capital does not include share application money.*
7. *Investments include securities held as stock in trade.*
8. *Represents dividend on equity shares paid during the year.*
9. *Names of subsidiaries which are yet to commence operations : None*
10. *Names of subsidiaries which have been liquidated or sold during the year: None*

STATEMENT PURSUANT TO SECTION 129 OF COMPANIES ACT, 2013

Part "B": Associate companies and joint ventures

₹ in million

	Name of associate companies/joint ventures	ICICI Lombard General Insurance Company Limited[2]	I-Process Services (India) Private Limited	NIIT Institute of Finance Banking and Insurance Training Limited	ICICI Merchant Services Private Limited	India Infradebt Limited	Arteria Technologies Private Limited	Falcon Tyres Limited
1	Latest audited balance sheet date	March 31, 2022	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2016
2	Date on which the Associate or Joint Venture was associated or acquired	July 1, 2001	October 4, 2005	August 7, 2006	December 31, 2009	November 27, 2012	May 29, 2018	December 4, 2014
3	**Shares of associate companies/joint ventures held by ICICI Group at March 31, 2022**							
	Number of equity shares	235,843,806	9,880	1,900,000	75,582,000	367,361,007	999,000	20,445,177
	Amount of investment in associate companies/joint ventures[3]	45,547.7	51.7	33.6	782.2	10,430.1	121.0	Nil
	Extent of holding (%)	48.04%	19.00%	18.79%	19.01%	42.33%	19.98%	26.39%
4	Description of significant influence	Note 5	Note 4	Note 4	Note 4	Note 5	Note 4	Note 5
5	Reason of non-consolidation of the associate/joint venture	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	Note 5
6	Networth attributable to shareholding as per latest audited balance sheet	45,488.9	17.7	24.5	988.6	9,086.8	37.8	N.A.
7	**Profit/(loss) for the year ended March 31, 2022**							
i	Considered in consolidation	6,105.9	34.3	2.3	(4.7)	1,396.5	12.0	N.A.
ii	Not considered in consolidation	6,604.2	144.8	10.3	789.7	1,902.7	52.7	N.A.

Notes:

1 *The above statement has been prepared based on the principles of Accounting Standard (AS) 23 - Accounting for Investments in Associates in Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India (ICAI), and therefore does not include the companies where ICICI Group does not have any significant influence as defined under AS 23, although the group holds more than 20.00% of total share capital in those companies.*

2 *From April 1, 2021, ICICI Lombard General Insurance Company Limited ceased to be a subsidiary and became an associate of the Bank. Accordingly, the Bank has accounted its investment in ICICI Lombard General Insurance Company Limited as an associate under Accounting Standard – 23 – "Accounting for Investments in Associates" in consolidated financial statements.*

3 *Represents carrying value.*

4 *In terms of AS 23, issued by ICAI, ICICI Group is deemed to have significant influence through its voting power and representation on the Board of directors of the investee company.*

5 *In terms of AS 23, issued by ICAI, ICICI Group is deemed to have significant influence due to its holding being more than 20.00% of the voting power in the investee company.*

6 *The investment in Falcon Tyres Limited is temporary in nature.*

7 *Names of associates or joint ventures which are yet to commence operations: None*

8 *Names of associates or joint ventures which have been liquidated or sold during the year: None*

For and on behalf of the Board of Directors

Girish Chandra Chaturvedi
Chairman
DIN-00110996

Uday M. Chitale
Director
DIN-00043268

Sandeep Bakhshi
Managing Director & CEO
DIN-00109206

Vishakha Mulye
Executive Director
DIN-00203578

Anup Bagchi
Executive Director
DIN-00105962

Sandeep Batra
Executive Director
DIN-03620913

Mumbai
April 23, 2022

Rakesh Jha
Group Chief Financial Officer

Ranganath Athreya
Company Secretary

Rajendra Khandelwal
Chief Accountant

BASEL PILLAR 3 DISCLOSURES
at March 31, 2022

Pillar 3 disclosures at March 31, 2022 as per Basel III guidelines of RBI have been disclosed separately on the Bank's website under 'Regulatory Disclosures Section' on the home page.

The link to this section is http://www.icicibank.com/regulatory-disclosure.page.

The section contains the following disclosures:

- Qualitative and quantitative disclosures at March 31, 2022
  - Scope of application
  - Capital adequacy
  - Credit risk
  - Securitisation exposures
  - Market risk
  - Operational risk
  - Interest rate risk in the banking book (IRRBB)
  - Liquidity risk
  - Counterparty credit risk
  - Risk management framework of non-banking group companies
  - Disclosure requirements for remuneration
  - Equities – Disclosure for banking book positions
  - Leverage ratio
- Composition of capital
- Composition of capital - reconciliation requirements
- Main features of regulatory capital instruments
- Full terms and conditions of regulatory capital instruments

GLOSSARY OF TERMS

Average assets	For the purpose of performance analysis, represents averages of daily balances
Average cost of funds	Cost of interest bearing liabilities
Average equity	Quarterly average of equity share capital and reserves and surplus
Average yield	Yield on interest earning assets
Book value per share	Share capital plus reserves and surplus divided by outstanding number of equity shares
Capital (for CRAR)	Capital includes share capital, reserves and surplus (revaluation reserve and foreign currency translation reserve are considered at discounted amount), capital instruments and general provisions as per the RBI Basel III guidelines
Capital to risk weighted assets ratio (CRAR)	Capital (for CRAR) divided by Risk Weighted Assets (RWAs)
Core operating profit	Profit before provisions and contingencies, excluding treasury income
Cost to income	Operating expenses divided by net interest income and non-interest income
Earnings per share	Net profit after tax divided by weighted average number of equity shares outstanding during the year
High quality liquid assets	Stock of liquid assets which can be readily sold at little or no loss of value or used as collateral to obtain funds
Interest spread	Average yield less average cost of funds
Liquidity coverage ratio	Ratio of unencumbered high quality liquid assets to total net cash outflows estimated for the next 30 calendar days
Net interest income	Total interest earned less total interest expended
Net interest margin	Total interest earned less total interest expended divided by average interest earning assets
Operating profit	Profit before provisions and contingencies
Provision coverage ratio	Provision for non-performing advances divided by gross non-performing advances
Provisions to core operating profit	Provisions and contingencies (excluding taxation) divided by core operating profit
Return on average assets	Net profit after tax divided by average assets
Return on average equity	Net profit after tax divided by average equity
Risk weighted assets (RWAs)	RWAs are computed by assigning risk weights as per the RBI Basel III guidelines to various on-balance sheet exposure, off-balance sheet exposures and undrawn exposures

REGISTERED OFFICE	CORPORATE OFFICE
ICICI Bank Tower, Near Chakli Circle, Old Padra Road, Vadodara 390 007 Tel: +91-265-6722286 CIN: L65190GJ1994PLC021012	ICICI Bank Towers, Bandra-Kurla Complex, Mumbai 400 051 Tel: +91-22-40088111

STATUTORY AUDITORS	
M S K A & Associates Chartered Accountants 602, Floor 6, Raheja Titanium, Western Express Highway, Geetanjali Railway Colony, Ram Nagar, Goregaon East, Mumbai 400 063	KKC & Associates LLP Chartered Accountants (formerly Khimji Kunverji & Co LLP) Sunshine Tower, Level 19, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013

REGISTRAR AND TRANSFER AGENTS	
Equity Shares: KFin Technologies Limited (formerly known as KFin Technologies Private Limited) Unit : ICICI Bank Limited, Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serlingampally, Hyderabad 500 032, Telangana	**Bonds/Debentures**: 3i Infotech Limited International Infotech Park, Tower # 5, 3rd Floor, Vashi Railway Station Complex, Vashi, Navi Mumbai 400 703

NOTES

ICICI Bank

The App for Anything. Anyone. Anytime.

Features

- Credit Cards
- PayLater
- FASTag
- Accounts and Deposits
- Pay to Contact
- Loans
- Scan to Pay
- Bill Payments & Recharges

Milestone

6.3 million activations from non-ICICI Bank account holders

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iMobile Pay by ICICI Bank

iMobile Pay screen shown here is a modified representation.
Terms & conditions of ICICI Bank apply.