July 24, 2021

BSE Limited
Listing Department
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, 5th floor
Plot No. C/1, G Block
Bandra-Kurla Complex
Bandra (East)
Mumbai 400 051

Dear Sir/Madam,

**Sub: Earnings call for quarter results ended June 30, 2021**

This is further to our letter dated July 23, 2021 on the captioned subject.

We wish to inform you that we have uploaded the Investor presentation and Opening remarks for the analyst call for Q1-2022 on the website of the Bank and the same can be accessed on the link https://www.icicibank.com/aboutus/qfr.page?#toptitle.

Please take the above information on record.

Yours sincerely,
**For ICICI Bank Limited**

VIVEK RANJAN

VIVEK RANJAN
cn=VIVEK RANJAN, o, ou, email=vivek.r@icicibank.com, c=IN
2021.07.24 19:57:47 +05'30'

**Vivek Ranjan**
**Chief Manager**

# Q1-2022:
# Performance review

July 24, 2021

*Certain statements in this release 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 harbor' 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 inter alia 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.*

# Highlights for Q1-2022

# Key highlights (1/2)

- **22.7% y-o-y growth in core operating profit[1] to ₹ 86.05 bn in Q1-2022**

## Deposit growth

- Average savings account deposits increased by 21.7% y-o-y in Q1-2022
- Average current account deposits increased by 32.4% y-o-y in Q1-2022
- Total deposits increased by 15.5% y-o-y at June 30, 2021

## Loan growth (at June 30, 2021)

- Domestic loans grew by 19.6% y-o-y and 0.3% q-o-q
- Retail loans (excluding business banking) grew by 20.2% y-o-y and 0.7% q-o-q
- Business banking portfolio grew by 53.4% y-o-y and 6.3% q-o-q
- SME portfolio grew by 42.8% y-o-y and decreased by 1.7% q-o-q
- Performing domestic corporate portfolio, excluding the builder portfolio, grew by 14.9% y-o-y and was flat sequentially

1. Profit before provision and taxes, excluding treasury income

# Key highlights (2/2)

## Asset quality

- Gross NPA additions of ₹ 72.31 bn
  - Retail and business banking portfolios: ₹ 67.73 bn, corporate and SME portfolio: ₹ 4.58 bn
- Recoveries and upgrades were ₹ 36.27 bn
- Provisioning policy on NPAs changed in Q1-2022 to make it more conservative, impact of ₹ 11.27 bn on provisions in Q1-2022
- Net NPA ratio was 1.16% at Jun 30, 2021 (Mar 31, 2021: 1.14%)
- Provision coverage was robust at 78.2% at Jun 30, 2021
- Based on the current assessment of the portfolio, write back of Covid-19 provisions of ₹ 10.50 bn made in earlier periods
- Covid-19 related provision of ₹ 64.25 bn held at Jun 30, 2021

- **Profit after tax of ₹ 46.16 bn in Q1-2022 (Q1-2021: ₹ 25.99 bn)**
- **Common Equity Tier 1 ratio of 17.01%[1]**

1. Includes profits for Q1-2022

# Operating performance

# P&L trends: Q1-2022

## Net interest income (NII)

Growth of 17.8% y-o-y to ₹ 109.36 billon

## Net interest margin (%)

3.89 in Q1-2022
(Q4-2021: 3.84, Q1-2021: 3.69)

## Fee income

Growth of 53.0% y-o-y to ₹ 32.19 billon

## Operating expenses

Growth of 29.9% y-o-y to ₹ 60.37 billon

## Core operating profit to average assets

2.88% in Q1-2022
(Q4-2021: 2.95%, Q1-2021: 2.58%)

## Total net provisions

₹ 28.52 billion
(Q1-2021: ₹ 75.94 billion)

# Profit & loss statement

| (₹ billion) | FY2021 | Q1-2021 | Q4-2021 | Q1-2022 | Q1-o-Q1 (%) |
|---|---|---|---|---|---|
| Net interest income[1] | 389.89[2] | 92.80 | 104.31[2] | 109.36 | 17.8% |
| Non-interest income | 139.23 | 23.80 | 41.37 | 37.06 | 55.6% |
| *- Fee income* | *126.59* | *21.04* | *38.15* | *32.19* | *52.9%* |
| *- Dividend income from subsidiaries* | *12.34* | *1.87* | *3.57* | *4.10* | - |
| *- Others* | *0.30* | *0.89* | *(0.35)* | *0.77* | - |
| **Core operating income** | **529.12** | **116.60** | **145.68** | **146.42** | **25.6%** |
| Operating expenses | 215.61 | 46.46 | 60.03 | 60.37 | 29.9% |
| *- Employee expenses* | *80.91* | *21.66* | *20.08* | *23.74* | *9.6%* |
| *- Non-employee expenses* | *134.70* | *24.80* | *39.95* | *36.63* | *47.7%* |
| **Core operating profit** | **313.51** | **70.14** | **85.65** | **86.05** | **22.7%** |

1. Includes interest on income tax refund ₹ 0.14 bn in Q1-2022 (FY2021: ₹ 2.57 bn, Q4-2021:₹ 0.11 bn, Q1-2021: ₹ 0.24 bn)
2. Estimated impact of ₹ 1.75 billion of the required refund of interest on interest and other related amount charged in the moratorium period as per Supreme Court's judgement has been reduced from interest income

# Profit & loss statement

| (₹ billion) | FY2021 | Q1-2021 | Q4-2021 | Q1-2022 | Q1-o-Q1 (%) |
|---|---|---|---|---|---|
| **Core operating profit** | **313.51** | **70.14** | **85.65** | **86.05** | **22.7%** |
| Treasury income | 50.46[1] | 37.63[1] | (0.25) | 2.90 | (92.3)% |
| Operating profit | 363.97 | 107.77 | 85.40 | 88.95 | (17.5)% |
| Net provisions | 162.14[2] | 75.94 | 28.83[2] | 28.52[2] | (62.4)% |
| *- Covid-19 related provisions* | *47.50* | *55.50* | *10.00* | *(10.50)* | - |
| *- Other provisions* | *114.64* | *20.44* | *18.83* | *39.02* | *90.9%* |
| **Profit before tax** | **201.83** | **31.83** | **56.57** | **60.43** | **89.8%** |
| Tax | 39.90 | 5.84 | 12.54 | 14.27 | - |
| **Profit after tax** | **161.93** | **25.99** | **44.03** | **46.16** | **77.6%** |

1. Includes profit of ₹ 30.36 bn in Q1-2021 and ₹ 36.70 bn in FY2021 from sale of shareholding in subsidiaries
2. Net provisions includes the impact of application of more conservative provisioning policy adopted (FY2021: ~₹ 26.00 bn, Q1-2022: ₹ 11.27 bn)

# Key ratios

| Percent | FY 2021 | Q1-2021 | Q4-2021 | Q1-2022 |
|---|---|---|---|---|
| Net interest margin[1,5] | 3.69 | 3.69 | 3.84 | 3.89 |
| Cost of deposits[5] | 4.12 | 4.53 | 3.80 | 3.65 |
| Cost-to-income | 39.7[2] | 37.5[2] | 41.3 | 40.4 |
| Provisions/core operating profit | 36.6[3,4] | 29.1[3] | 22.0[3] | 33.1[4] |
| Provisions/average advances[5] | 1.75[3,4] | 1.30 | 1.09[3] | 1.57[4] |
| Return on average assets[5] | 1.42 | 0.95 | 1.51 | 1.54 |
| Standalone return on equity[5] | 12.2 | 8.9 | 12.3 | 12.3 |
| Weighted average EPS (₹)[5] | 24.0 | 16.1 | 25.8 | 26.8 |
| Book value (₹) | 213.3 | 183.2 | 213.3 | 220.0 |

Yield, cost and margin: slide 55

Consolidated P&L and ratios: slide 56-58

1. Includes interest on income tax refund ₹ 0.14 bn in Q1-2022 (FY2021: ₹ 2.57 bn, Q4-2021:₹ 0.11 bn, Q1-2021: ₹ 0.24 bn)
2. Excludes gain on sale of stake in subsidiaries
3. Excluding Covid-19 related provisions of ₹ 10.00 bn in Q4-2021, Q1-2021: ₹ 55.50 bn, ₹ 47.50 bn in FY2021
4. Provisions include the impact of application of more conservative provisioning policy adopted (FY2021: ~₹ 26.00 bn, Q1-2022: ₹ 11.27 bn)
5. Annualised for all interim periods

# Unconsolidated segment-wise PBT

| Profit before tax (₹ billion) | FY2021 | Q1-2021 | Q4-2021 | Q1-2022 |
|---|---|---|---|---|
| Retail | 77.40 | 27.59 | 22.98 | 3.89 |
| Wholesale | 58.20 | 10.16 | 25.25 | 19.09 |
| Treasury | 110.80 | 48.89 | 18.09 | 26.15 |
| Others | 2.93 | 0.69 | 0.25 | 0.80 |
| Unallocated[1] | (47.50) | (55.50)[1] | (10.00) | 10.50 |
| **Total** | **201.83** | **31.83** | **56.57** | **60.43** |

1. Represents Covid-19 related provision

# Balance sheet growth

# Healthy funding profile

| (₹ billion) | Jun 30, 2020 | Mar 31, 2021 | Jun 30, 2021 | Y-o-Y growth | % share at Jun 30, 2021 |
|---|---|---|---|---|---|
| CASA | 3,406.16 | 4,316.23 | 4,251.01 | 24.8% | 45.9% |
| *- Current* | *957.80* | *1,361.70* | *1,184.92* | *23.7%* | *12.8%* |
| *- Savings* | *2,448.36* | *2,954.53* | *3,066.09* | *25.2%* | *33.1%* |
| Term | *4,610.07* | 5,008.99 | *5,011.22* | *8.7%* | 54.1% |
| **Total deposits** | **8,016.22** | **9,325.22** | **9,262.24** | **15.5%** | **100.0%** |

| | Q1-2021 | Q4-2021 | Q1-2022 | | |
|---|---|---|---|---|---|
| Average CASA ratio | 41.0% | 42.5% | 43.7% | - | - |
| Cost of deposits | 4.53% | 3.80% | 3.65% | - | - |

- 32.4% y-o-y growth in average CA and 21.7% y-o-y growth in average SA in Q1-2022

Balance sheet-liabilities: slide 59-60

Consolidated balance sheet: slide 61

Extensive franchise: slide 62

# Loan portfolio

| (₹ billion) | Jun 30, 2020 | Mar 31, 2021 | Jun 30, 2021 | Y-o-Y growth | % share at Jun 30, 2021[4] |
|---|---|---|---|---|---|
| Retail | 3,787.04 | 4,518.93 | 4,551.92 | 20.2% | 61.4% |
| Business banking | 258.72 | 373.27 | 396.76 | 53.4% | 5.4% |
| SME[1] | 208.57 | 302.84 | 297.78 | 42.8% | 4.0% |
| Corporate and others | 1,587.54 | 1,766.35 | 1,768.53 | 11.4% | 23.8% |
| BRDS/IBPC[2] | - | - | (30.00) | - | - |
| Total domestic book | 5,841.87 | 6,961.39 | 6,984.99 | 19.6% | 94.6% |
| Overseas book[3] | 470.27 | 375.90 | 400.99 | (14.7)% | 5.4% |
| **Total advances** | **6,312.15** | **7,337.29** | **7,385.98** | **17.2%** | **100.0%** |

- Including non-fund based outstanding, the share of retail portfolio was 50.4% of the total portfolio at Jun 30, 2021
- Performing domestic corporate portfolio, excluding the builder portfolio grew by 14.9% y-o-y and was flat sequentially

Balance sheet-assets: slides 63-64

Portfolio composition: slide 65

1. SME portfolio includes borrowers with turnover less than ₹ 2.50 billion
2. Loans securitised under bill rediscounting scheme/Interbank participatory certificate
3. Includes impact of exchange rate movement
4. Proportions are gross of loans securitised under BRDS/IBPC

# Retail portfolio

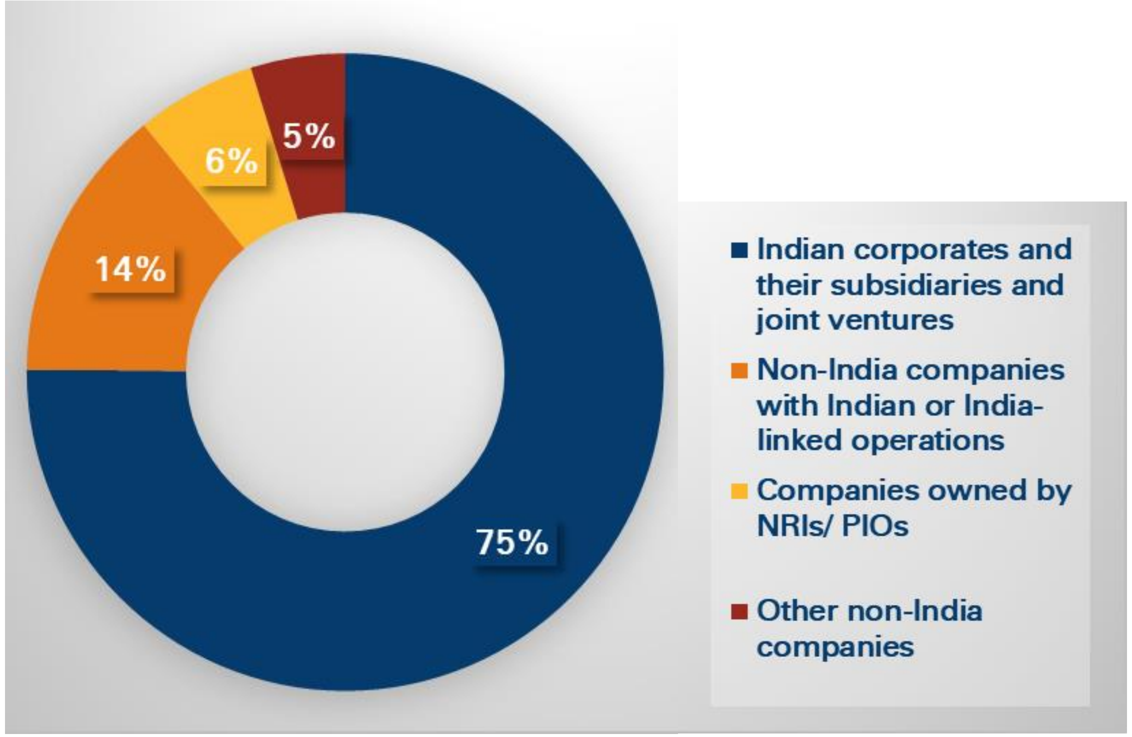
| (₹ billion) | Jun 30, 2020 | Mar 31, 2021 | Jun 30, 2021 | Y-o-Y growth | % share at Jun 30, 2021 |
|---|---|---|---|---|---|
| Mortgages | 2,011.11 | 2,436.54 | 2,493.87 | 24.0% | 54.8% |
| Vehicle loans | 575.32 | 641.54 | 624.82 | 8.6% | 13.7% |
| *- Auto finance* | *313.41* | *362.39* | *360.53* | *15.0%* | *7.9%* |
| *- Commercial vehicle and equipment* | *247.96* | *265.16* | *251.56* | *1.5%* | *5.5%* |
| *- Two wheeler loans* | *13.96* | *13.99* | *12.74* | *(8.8)%* | *0.3%* |
| Rural loans | 571.77 | 721.58 | 710.00 | 24.2% | 15.6% |
| Personal loans | 439.80 | 493.45 | 494.70 | 12.5% | 10.9% |
| Credit cards | 147.29 | 173.11 | 171.56 | 16.5% | 3.8% |
| Others | 41.75 | 52.71 | 56.96 | 36.4% | 1.3% |
| *- Dealer funding loans* | *26.95* | *36.73* | *40.22* | *49.2%* | *0.9%* |
| *- Loan against shares and others* | *14.80* | *15.98* | *16.74* | *13.2%* | *0.4%* |
| **Total retail loans[1]** | **3,787.04** | **4,518.93** | **4,551.92** | **20.2%** | **100.0%** |

- Till July 17, 2021 the Bank disbursed ~ ₹132 bn under ECLGS 1.0 scheme, ~ ₹ 17 bn under ECLGS 2.0 scheme and ~ ₹ 1 bn under ECLGS 3.0 scheme

1. Includes buyouts of ₹ 67.03 billion at Jun 30, 2021 (At Mar 31, 2021: 70.57 billion)

# Portfolio of overseas branches

**Total outstanding[1] at Jun 30, 2021: USD 3.91 billion**




The overseas non-India linked corporate portfolio reduced by 58.8% year-on-year or about USD 1.39 billion and 21.6% sequentially or about USD 267 million at June 30, 2021

*Progressively exiting exposures that are not linked to India, in a planned manner*

1. Corporate fund and non-fund outstanding of overseas branches, net of cash/bank/insurance backed lending

# Growing digital platforms

# iMobile Pay : Universal Fintech App

- Scan to Pay, Pay to Contact
- Any Bank Card payment
- Personal Finance Mgmt
- Invest, Insure & Tax
- Loans
- Offers & Shopping
- Bill Payment & Recharge

**One app for All Banks | Seamless Journeys | Hyper Personalization**

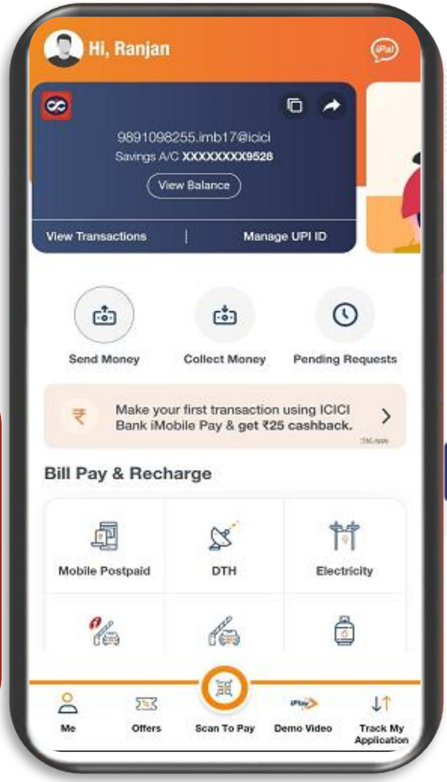

**iMobile 2.0**
**One App Strategy**
Products & Services | INSTA Banking


**iMobile 1.0**
**India's First Banking App**
Basic Banking | Digitized Processes

# iMobile Pay – Built for all, Built for scale

**Launched for non-ICICI Bank customers since Dec 2020**

- Open savings a/c
- Scan to pay




- Pay to any UPI ID of contact
- Bill pay & recharges
- Apply for credit card and loans
- PayLater

- Open architecture
- Journey: mobile number led
- Cross-sell opportunities

*2.5 mn+ activations from non-ICICI Bank customers*

*7x* ↑ *in average daily volume[1];*
*8x* *in value of transactions[1]*

Mobile banking transactions avg ticket size *2x* of industry[2]

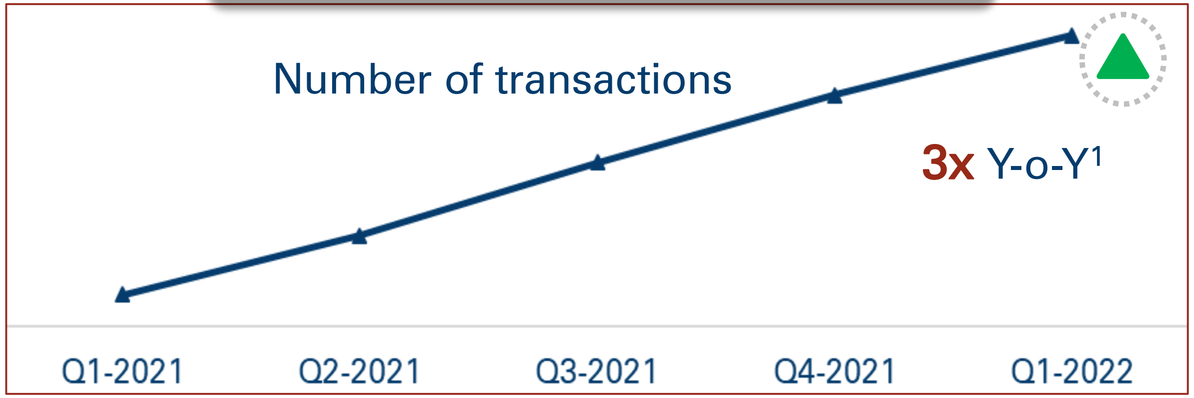
*74%* customers active digitally[3];

*25%* ↑ in website traffic[4];
*2x* in non-ICICI customer traffic[4]

1. Of non-ICICI Bank account holders (June 2021 over Mar 2021)
2. For May 2021; as per RBI definition, includes individual and corporate payments initiated, processed and authorised using mobile device
3. One month active existing ICICI Bank account holders in Jun 2021
4. June 2021 over June 2020

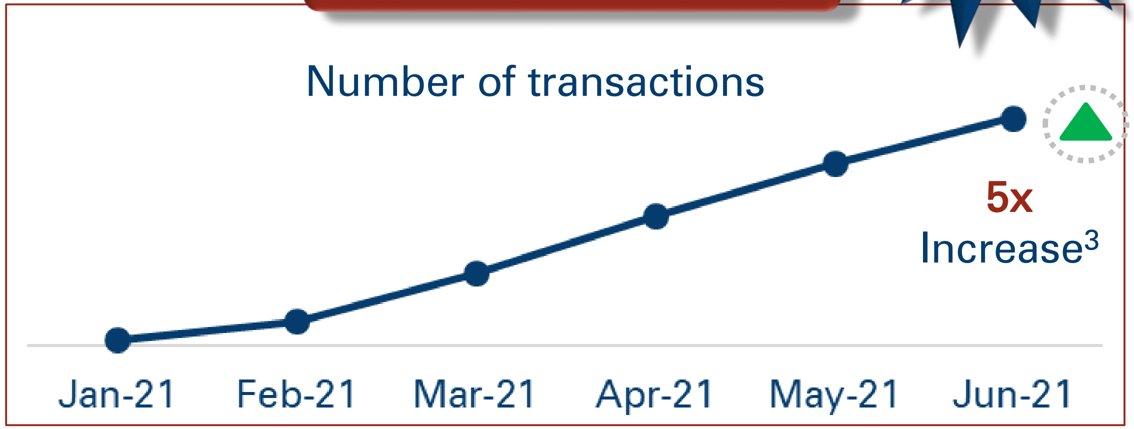
# Seamless payment features driving growth

## UPI -iMobile Pay

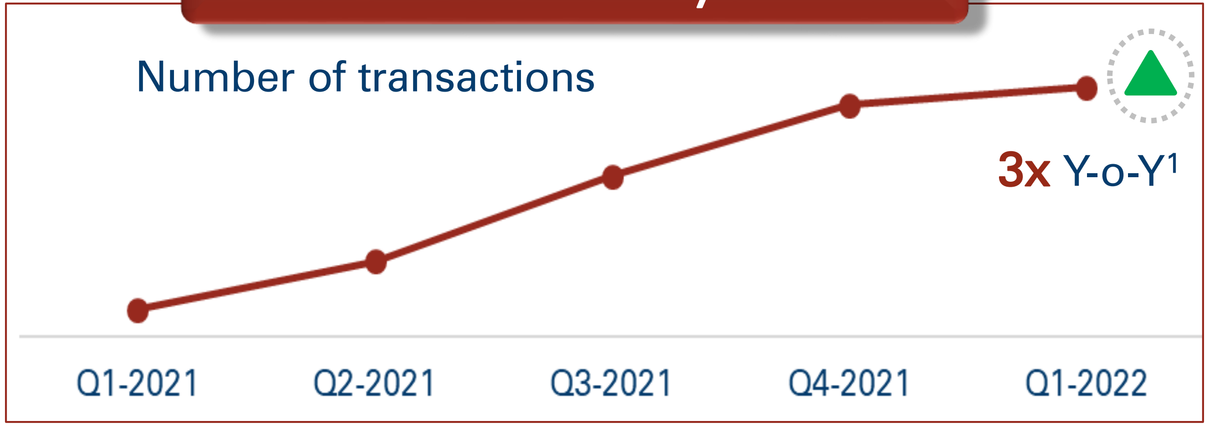



## Pay to contact

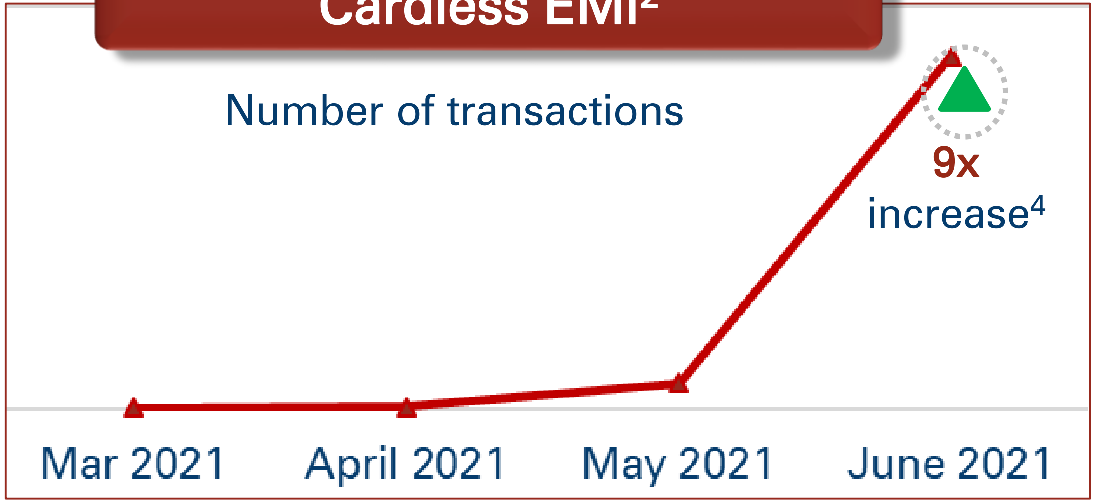
Industry first




## Scan to Pay

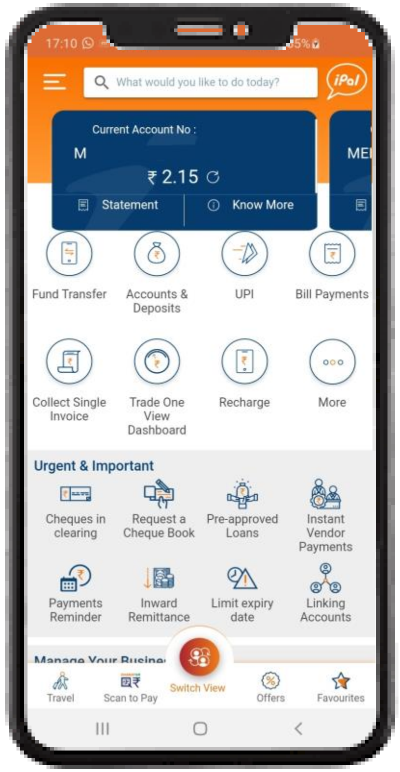



## Cardless EMI[2]




1. Q1-2022 over Q1-2021
2. Includes E-Commerce and net banking cardless EMI transactions
3. Q1-2022 over Q4-2021
4. June 2021 over May 2021

# InstaBIZ: 200+ business banking services




| | | | |
|---|---|---|---|
| PAYMENTS | Express payments | Scan n Pay | Bill Pay on BBPS |
| CREDIT | FD OD | Loan tracker | Pre-approved offers |
| MERCHANT SERVICES | Dedicated one view | Digital collections | Instant settlement |
| OTHERS | FasTAG issue / recharge | Hotel & travel booking | CA & card services |

*1 mn+ active customers*

**2.4x y-o-y** — Growth in value of financial transactions in Q1-2022

**88%** — Payments on digital channels[1]

**2.1x** — Balances of digitally active customers over digitally inactive customers in June 2021

1. InstaBIZ & corporate internet banking in June 2021

# Digital platforms and solutions for corporates

## Robust digital platforms

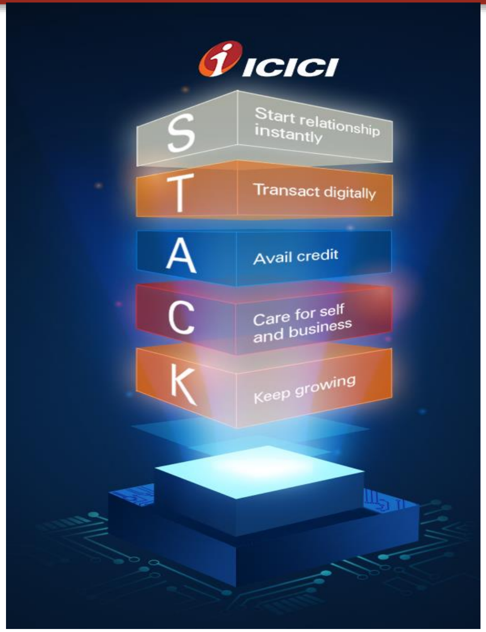
**Web and mobile**
- Corporate internet banking
- Trade Online
- FX Online

**Embedded**
- Host-to-Host connectivity
- API suite

## Digital propositions

- Trade & supply chain
- Payments & collections
- Capital market & lending
- FX solutions

## STACK for corporates

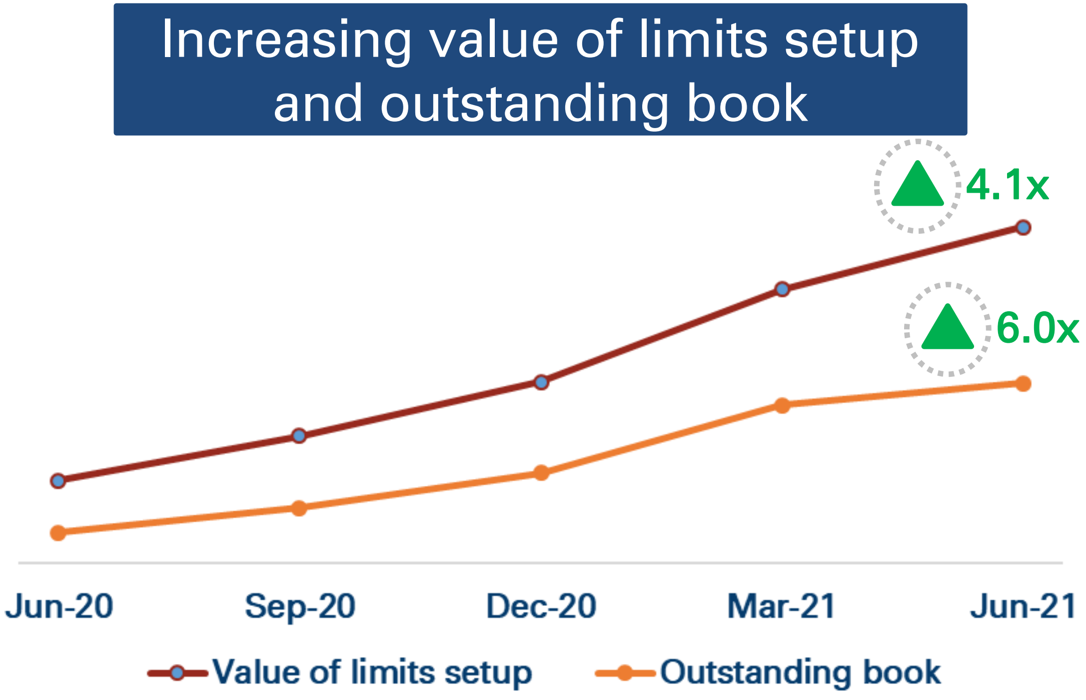


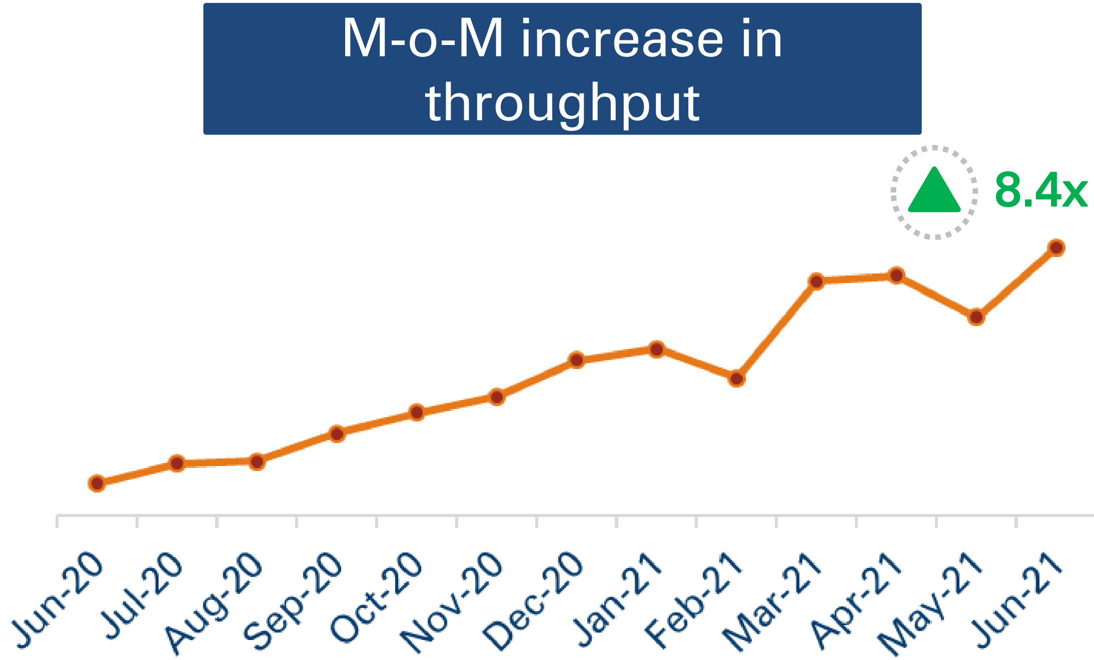

**API solutions**

| 1.5X | 2.5X |
|---|---|
| Increase in throughput[1] | Increase in volume[1] |

1. Q1-2022 over Q1-2021

# Supply chain ecosystem solutions driving growth



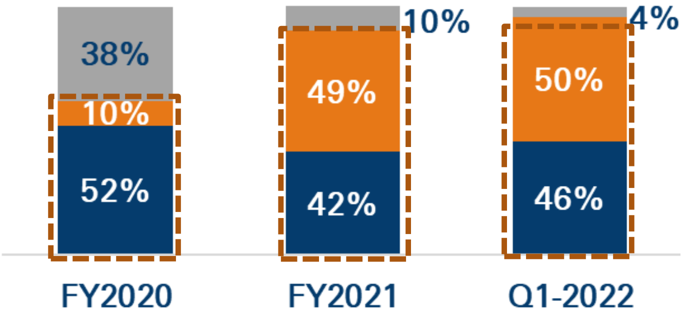




- API based transaction
- Algorithm driven supply chain solutions
- Onboarded 160+ corporates in the country

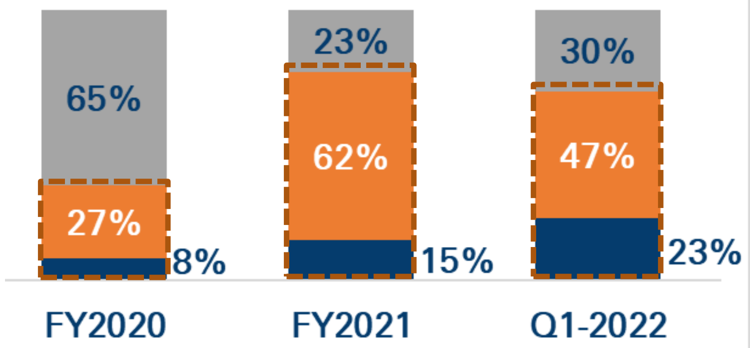
ICICI Bank CorpConnect | ICICI Bank DigitalLite

# Digital sourcing in Q1-2022

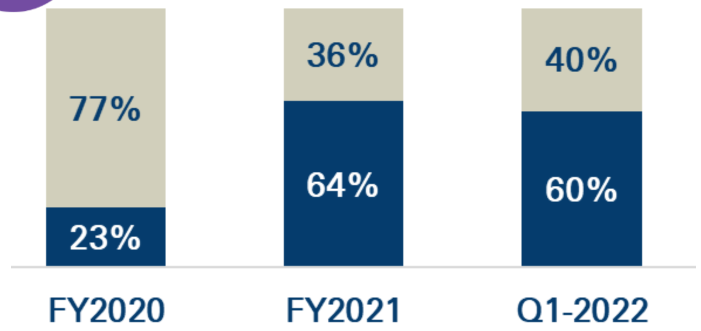
## Personal loan disbursements (by volume)



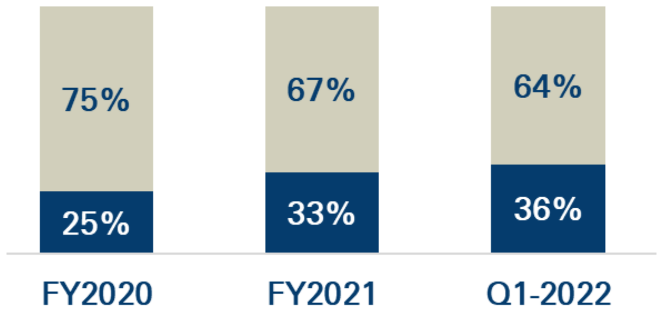

## Credit cards (by volume)



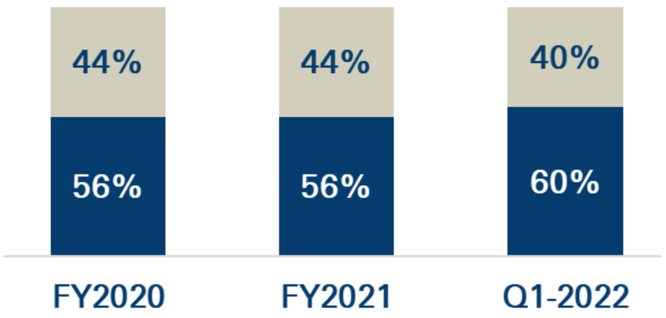

## SIPs initiated (by volume)



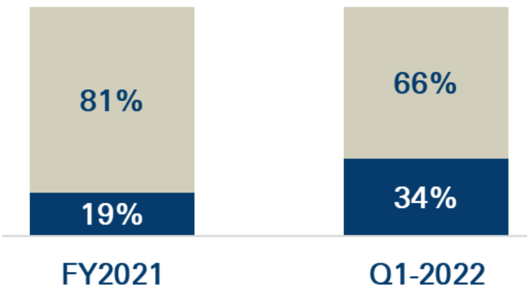

## Term life insurance policies sold online




## Fixed deposits (by volume)




## Mortgages (Number of sanctions)



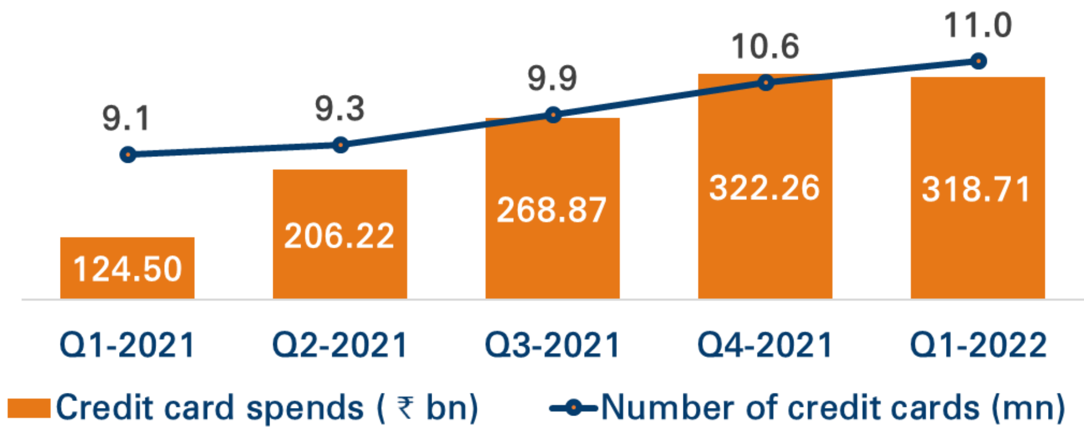

- Non-digital
- Digitally processed & physically assisted
- Insta (fully self-serviced)

*~95,000 customers onboarded across various products using video KYC in June 2021*

# Digital payments: credit and debit cards

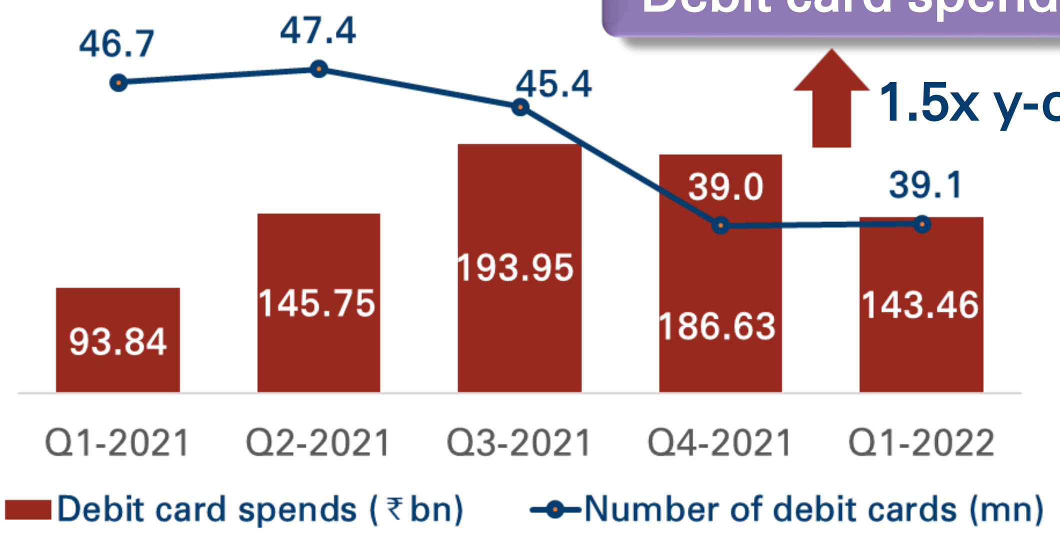
## Credit card spends

2.6x y-o-y

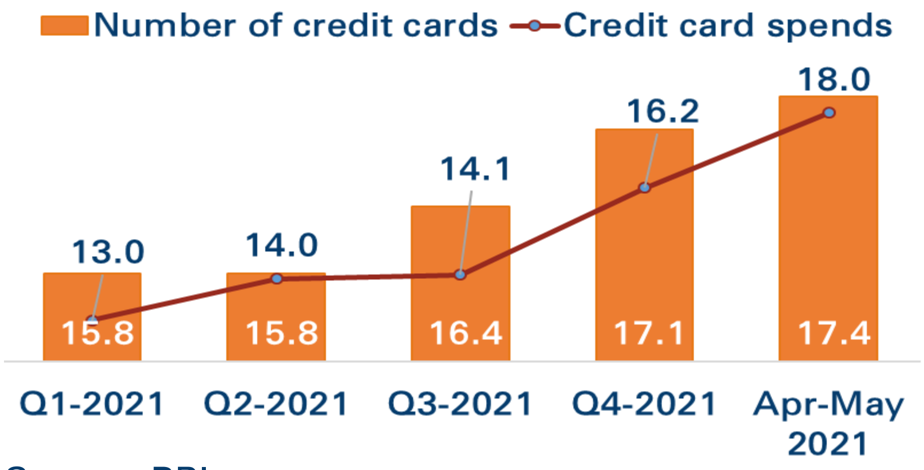



## Debit card spends

1.5x y-o-y




## Increasing market share[1] (%)




## Partnerships

*Fastest co-branded credit card to cross the milestone of issuing 2 mn cards*

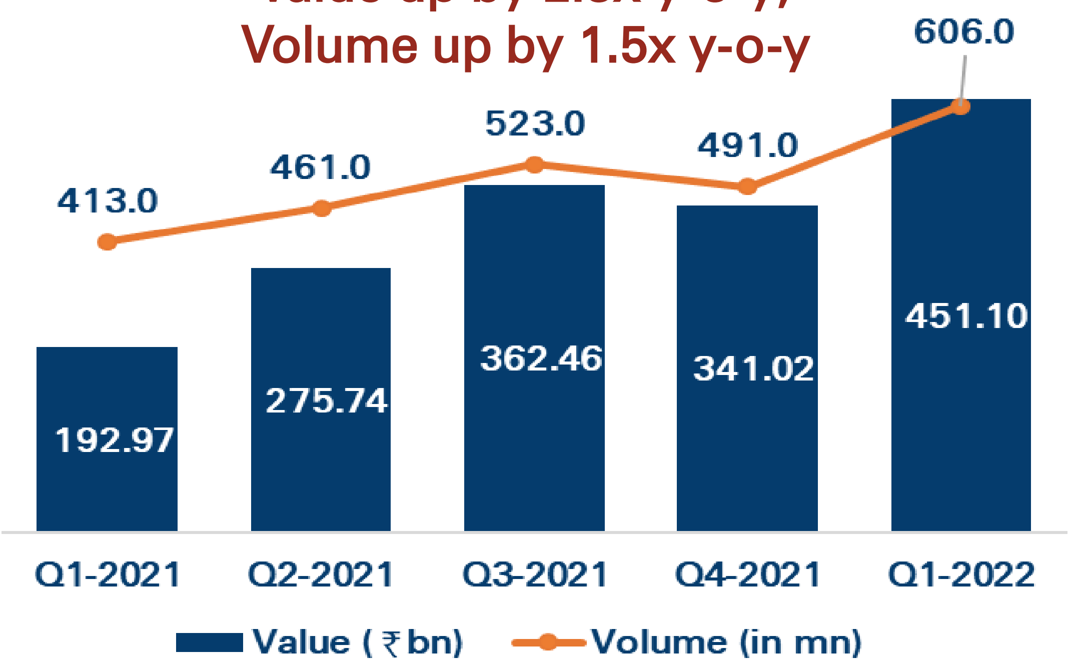

Introducing ICICI Bank HPCL Super Saver Credit Card


1. Source: RBI

# Digital payments

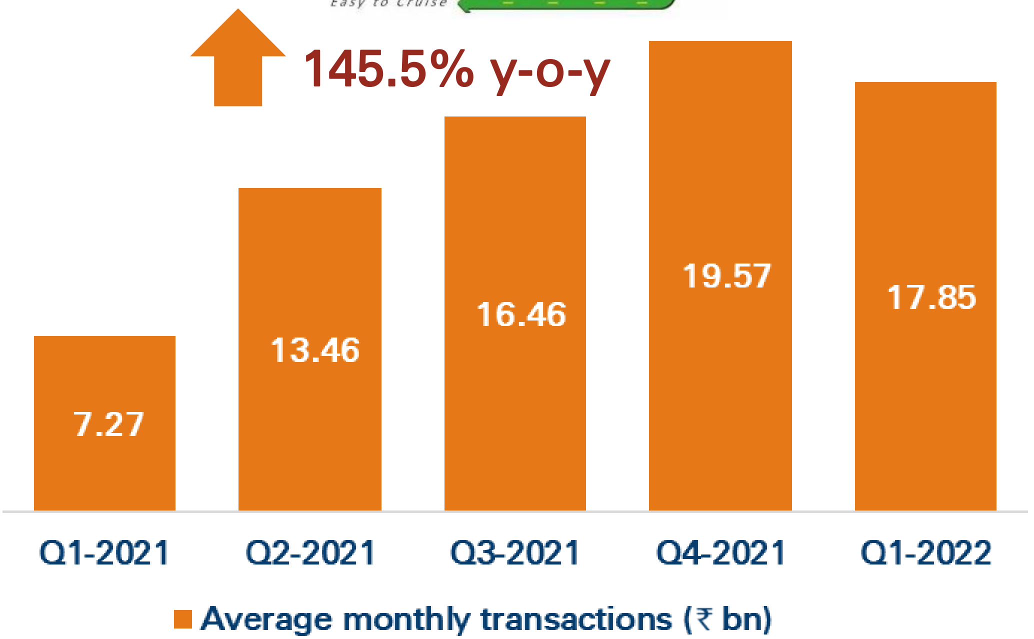
## UPI: P2M[1] transactions

Value up by 2.3x y-o-y;
Volume up by 1.5x y-o-y




Market share by volume was 17% in June 2021; ranked 3rd in the industry

## Electronic toll collections




Market share by value was 36% in Q1-2022; ranked 1st in the industry

**Over 90%** of savings account transactions[2] through digital channels[3]

1. Payments to merchants
2. Financial and non-financial
3. Includes internet, mobile, POS, touch banking, phone banking and debit cards e-commerce transactions

# Merchant Stack: Digital solution for merchant ecosystem


- **Super Merchant account:** zero balance, swipe based benefits
- Instant account opening & acquiring

- Digital POS solutions through **Eazypay** (POS, UPI, Cards, etc.)
  - PG: Eazypay Pro , POS: Eazypay Platinum
- Connected banking: integrate business & banking
- Merchant module in InstaBIZ

- Express credit: Instant settlement
- Merchant lending score card

- Digital store management
- Loyalty program

EazySupply | EazyBilling | EazyStore

**Promotional Campaign**

Linker Store – Create your own online store at Zero cost | KiranaLinker.in | NOWFLOATS – More than just a regular website.

Instant onboarding → Instant settlement → Instant cashback

eazypay ICICI Bank

| Monthly spends[1] | QAB[2] of active merchants[1] |
|---|---|
| 3.6x y-o-y | 4.7x |

1. Y-o-Y growth in June 2021
2. Quarterly average balances (June 2021 over June 2020)

# #2025: Architecting for tomorrow

*Creating an enterprise architecture framework spanning digital platforms, data and analytics, micro services based architecture, cloud computing and other emerging technologies*

**Delivering delightful customer experiences**

Customised, digitized, simplified

**Deep understanding of customers**

Profiles, life-stage, ecosystems

**Digitally native customer engagements**

Leading business to the digital core

**Resilient and flexible backbone**

Scalable, next Gen, agile

# Asset quality trends

# NPA trends

| (₹ billion) | Jun 30, 2020 | Mar 31, 2021 | Jun 30, 2021 |
|---|---|---|---|
| Gross NPAs[1] | 403.86 | 413.73 | 431.48 |
| Less: cumulative provisions | 317.11 | 321.93 | 338.42 |
| **Net NPAs[1]** | **86.75** | **91.80** | **93.06** |
| Gross NPA ratio[1] | 5.46% | 4.96% | 5.15% |
| Net NPA ratio[1] | 1.23% | 1.14% | 1.16% |
| **Provision coverage ratio** | **78.6%** | **77.7%** | **78.2%** |
| Non-fund o/s to NPAs | 48.29 | 44.05 | 41.01 |
| Provisions on non-fund o/s to NPAs | 13.98 | 14.92 | 16.55 |

- Net investment in security receipts of ARCs was ₹ 17.13 billion at Jun 30, 2021 (Mar 31, 2021: ₹ 17.29 billion, June 30, 2020: ₹ 18.88 billion)
- Net standard restructured loans were ₹ 46.72 billion at Jun 30, 2021 (Mar 31, 2021: ₹ 31.79 billion, June 30, 2020: ₹ 2.94 billion)

1. Based on customer assets

Retail and business banking NPAs: slide 66

# NPA movement[1]

| ₹ in billion | FY2021 | Q1-2021 | Q4-2021 | Q1-2022 |
|---|---|---|---|---|
| Opening gross NPA | 414.09 | 414.09 | 348.60 | 413.73 |
| Add: gross additions (1) | 161.23 | 11.60 | 118.18[2] | 72.31 |
| *- Retail and business banking* | *128.25* | *6.02* | *99.56* | *67.73*[3] |
| *- Corporate and SME* | *32.98* | *5.58* | *18.62* | *4.58* |
| Less: recoveries, upgrades and others (2) | 64.63 | 7.57 | 25.60 | 36.27 |
| *- Retail and business banking* | *27.97* | *4.17* | *8.20* | *22.64* |
| *- Corporate and SME* | *36.66* | *3.40* | *17.40* | *13.63* |
| Net additions (1)-(2) | 96.60 | 4.03 | 92.58 | 36.04 |
| Less: write-offs | 96.08 | 14.26 | 27.45 | 15.89 |
| : sale of NPAs | 0.88 | - | - | 2.40 |
| **Closing gross NPAs** | **413.73** | **403.86** | **413.73** | **431.48** |

- In the retail and business banking gross NPA additions, excluding rural, compared to FY2021, the proportion of mortgages was similar, commercial vehicles and equipment was higher and personal loans and credit cards was lower in Q1-2022

1. Based on customer assets
2. Includes proforma NPAs of ₹ 82.80 bn at Dec 31, 2020, net of recoveries of ₹ 19.85 bn. Excluding proforma NPAs and net of recoveries, gross NPA additions were ₹ 55.23 (retail and business banking portfolio: ₹ 43.55 bn, corporate and SME portfolio: ₹ 11.68 bn)
3. Includes additions of ₹ 9.61 bn from kisan credit card portfolio and ₹ 11.30 bn from jewel loan portfolio

# Resolution under RBI frameworks

Excluding NPAs, the total fund based outstanding to all borrowers, under resolution as per the various frameworks was ₹ 48.64 billion or about 0.7% of the total loan portfolio at June 30, 2021 (March 31, 2021: ₹ 39.27 billion)

- ₹ 21.80 billion was from the retail and business banking portfolio; restructuring primarily from the secured portfolio
- ₹ 26.84 billion was from the corporate and SME loan portfolio
- The Bank holds provisions of ₹ 8.99 billion, which is higher than the requirement as per RBI guidelines

# Standard asset and other provisions

| (₹ billion) | Jun 30, 2020 | Sep 30, 2020 | Dec 31, 2020 | Mar 31, 2021 | Jun 30, 2021 |
|---|---|---|---|---|---|
| Covid-19 related contingency provisions | - | 4.97[1] | 35.09[1] | - | - |
| Covid-19 related other provisions | 82.75 | 82.75 | 64.75 | 74.75 | 64.25 |
| Provision on non-fund based o/s to NPAs | 13.98 | 14.37 | 13.97 | 14.92 | 16.55 |
| General provisions on standard assets and other provisions | 46.95 | 45.22 | 50.20 | 51.77 | 58.01 |
| **Total** | **143.68** | **147.31** | **164.01** | **141.44** | **138.81** |

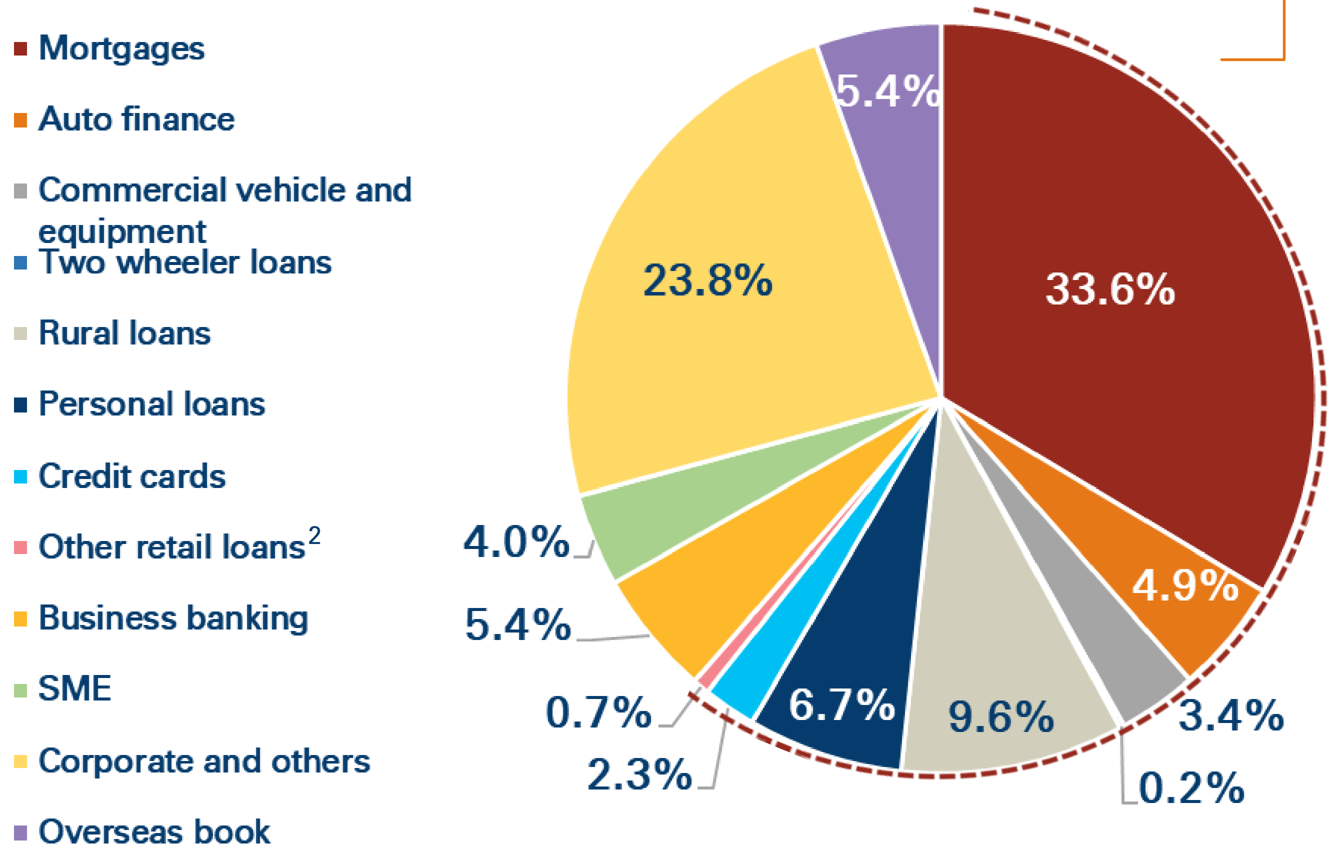
| | | | | | |
|---|---|---|---|---|---|
| **Total as a % of net advances** | **2.3%** | **2.3%** | **2.3%** | **1.9%** | **1.9%** |

1. Represents provisions on borrower accounts not classified as non-performing pursuant to the Supreme Court's interim order

# Loan portfolio information

# Diversified and granular loan book

## Breakup of loan portfolio[1] at June 30, 2021




61.4% of total loans are retail[3]

*Retail portfolio largely secured and built on proprietary data and analytics in addition to bureau checks and well-priced in relation to risk*

*Focus on granular exposures and higher rated corporates; provide full suite of banking products to corporate clients and their ecosystems*

1. Proportions are gross of loans securitised under BRDS/IBPC
2. Includes dealer funding, loan against shares and others
3. Including non-fund based outstanding, the share of retail portfolio was 50.4% of the total portfolio at June 30, 2021

# Rating-wise total loan book

| Rating category[1,2] | Mar 31, 2018 | Mar 31, 2019 | Mar 31, 2020 | Mar 31, 2021 | Jun 30, 2021 |
|---|---|---|---|---|---|
| AA- and above | 42.4% | 45.1% | 44.4% | 50.3% | 50.5% |
| A+, A, A- | 20.1% | 22.0% | 25.8% | 23.0% | 22.8% |
| **A- and above** | **62.5%** | **67.1%** | **70.2%** | **73.2%** | **73.3%** |
| BBB+,BBB, BBB- | 27.5% | 28.2% | 26.6% | 23.8% | 23.6% |
| BB and below | 4.0% | 2.2% | 1.4% | 1.5% | 1.5% |
| Non-performing loans | 5.4% | 2.3% | 1.5% | 1.2% | 1.3% |
| Unrated | 0.6% | 0.2% | 0.3% | 0.3% | 0.3% |
| **Total** | **100.0%** | **100.0%** | **100.0%** | **100.0%** | **100.0%** |
| **Total net advances (₹ billion)** | **5,124** | **5,866** | **6,453** | **7,337** | **7,386** |

1. Based on internal ratings
2. For retail loans, ratings have been undertaken at the product level

# Corporate and SME: BB and below

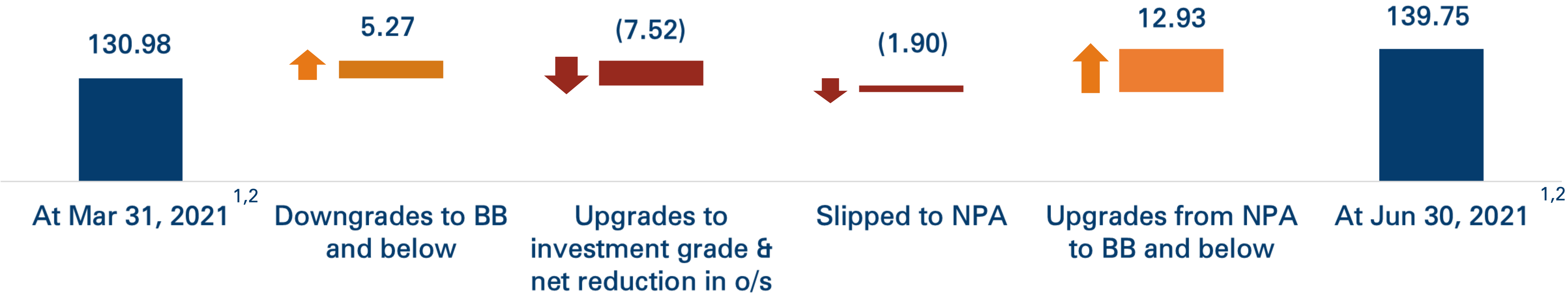
| ₹ billion | Jun 30, 2020 | Mar 31, 2021 | Jun 30, 2021 |
|---|---|---|---|
| **BB and below outstanding[1]** | **122.81** | **130.98** | **139.75** |
| - Fund and non-fund o/s to restructured loans | 1.68 | 14.05 | 32.69 |
| - Borrowers under flexible structuring and S4A[2] | 14.60 | 7.99 | 8.13 |
| - Other borrowers with o/s greater than ₹ 1.00 bn[2] | 70.69 | 71.17 | 64.31 |
| - Other borrowers with o/s less than ₹ 1.00 bn[2] | 35.84 | 37.76 | 34.62 |

- Other than three accounts, one each in construction, power and telecom sectors, the maximum single borrower outstanding in the BB and below portfolio was less than ₹ 6.00 billion at June 30, 2021
- At June 30, 2021, total provisions held on BB and below portfolio were ₹ 9.76 billion (Mar 31, 2021: ₹ 3.32 billion)

1. Excludes banks, investments and fund and non-fund based outstanding to NPAs
2. Fund-based and non-fund based outstanding
3. S4A: Sustainable Structuring of Stressed Assets

# Movement in Corporate & SME BB and below: Q1-2022

(₹ billion)




1. Fund-based and non-fund based outstanding
2. Excludes banks, investments and fund and non-fund based outstanding to NPAs

# Mortgage portfolio

Total mortgage portfolio includes home loans ~70%, top-up loans given to existing home loan customers 6%, office premises loans ~5% and loan against property ~19%

**Home loans** are geographically well diversified, built on fundamental premises of cashflow assessment of underlying borrower + meeting the legal and technical standards of the Bank for the property being mortgaged

**Loan against property** portfolio has conservative loan to value ratios, lending based on cash flows of business/individuals with limited reliance on the value of collateral; valuation of the property is carried out internally.

**Pre-approved ICICI Bank customers can avail instant sanction letters** on retail internet banking platform, iMobile or Express Home loans in a convenient and frictionless manner; about 34% of mortgage sanctions were end-to-end digital in Q1-2022


**Express Home loans**, a user friendly digital platform to get a digital provisional sanction letter; facility is available to both new to bank and existing bank customers

| ~70% | ~ ₹ 3.3 mn | ~60% | ~40% |
|---|---|---|---|
| mortgage customers have liability relationship with the Bank | Average ticket size of home loan | Average loan-to-value ratio of home loan | Average loan-to-value ratio of loan against property |

# Vehicle loans

## Auto finance

Auto loan comprises 86% new vehicles and 14% used vehicles

**Launched instant dealer disbursement in Q1-2022,** pre-approved customers can select the car model/dealer and authorise disbursement of loans directly to dealers through RIB[1]; thereby **reducing physical intervention and improves TAT**

**Digital initiatives** taken to smoothen activities like car research, online filling of loan application form and avail instant sanctions

**~64%** Customers have a liability relationship with the Bank

## Commercial business

Second wave of the pandemic and mobility restrictions impacted this business in Apr and May. **Easing of restrictions saw some pickup in the business in June**

Joint programs/schemes and strategic tie-ups with major OEMs

**~3%**
Contribution of top 20 customers in the commercial vehicle portfolio

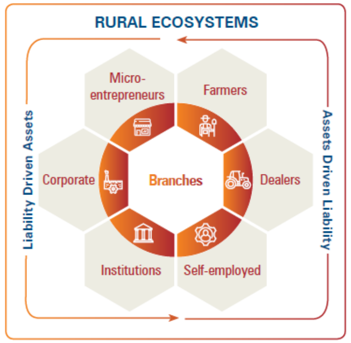
**~65%**
Customers with long vintage, well seasoned and have witnessed multiple business cycles

1. Retail internet banking

# Rural and personal loan and credit card portfolio

## Rural loans

Gold loans and kisan credit cards comprise 3% each of the total loan book. **Jewel loan is a fully secured product, the loss given default in this portfolio is negligible.** Overall micro finance loans are negligible




**Leverage opportunities for growth in identified ecosystems** such as agriculture, dealers, self-employed, corporates, institutions and micro-entrepreneurs

**Tied up with fintech start-ups that support Aadhaar enabled transactions** to make financial services more accessible and affordable for rural customers

## Personal loans and credit cards

**46% of personal loan disbursements** by volume were **done end-to-end digitally** in Q1-2022 compared to 42% in FY2021

**Credit card spends** declined in April and May, **increased to March levels in June**, driven by spends in categories like consumer durables, utilities, education and insurance

**~70%**
Portfolio to existing customers

**~85%**
Portfolio comprises of salaried individuals

**~70%**
Of salaried customers from well rated corporates, MNCs, and government entities

# SME and business banking portfolio

Growth driven by **leveraging distribution network** and **digital platforms** such as InstaBIZ and Trade Online


Focus on parameterised and programme based lending, granularity, collateral and robust monitoring; well diversified portfolio across sectors and geographies

**Primary collateral** in the business banking portfolio in the form of **charge on current assets** and backed by self-occupied residential or commercial or industrial property

| ~ ₹ 100 million | ₹ 10-15 mn | > 95% |
|---|---|---|
| average ticket size of the incremental sanctions in SME | Average ticket size of business banking loan | Of business banking book fully collateralized with a collateral cover of >100% |

# Exposure to power sector

| (₹ billion) | Jun 30, 2020 | Mar 31, 2021 | Jun 30, 2021 | Share at Jun 30, 2021 (%) |
|---|---|---|---|---|
| Borrowers classified as NPA/proforma NPA or part of BB and below portfolio[1] | 86.83 | 82.21 | 80.59 | 20.9% |
| Other borrowers | 267.63 | 276.39 | 305.26 | 79.1% |
| Total | 354.46 | 356.59 | 385.85 | 100.0% |

- Of the other borrowers aggregating ₹ 305.26 billion, excluding exposure to State Electricity Boards, ~86% was rated A- and above

Sector-wise exposures: slide 67

1. Including loans restructured or under a RBI resolution scheme

# NBFCs, HFCs and builder portfolio

| Outstanding (₹ billion) | Jun 30, 2020 | Mar 31, 2021 | Jun 30, 2021 |
|---|---|---|---|
| NBFCs[1] | 300.65 | 486.47 | 503.97 |
| HFCs[1] | 140.97 | 158.62 | 89.70 |
| Builder portfolio (construction finance, lease rental discounting, term loans and working capital loans) | 218.48 | 226.71 | 230.05 |

- Proportion of the NBFC and HFC portfolio internally rated BB and below or non-performing at Jun 30, 2021 was less than 1%
- About 13% of the builder portfolio at Jun 30, 2021 was either internally rated BB and below or classified as non-performing

1. Includes loans, investment and non-fund based outstanding

# Reduction in concentration risk

| Details | Mar 31, 2018 | Mar 31, 2019 | Mar 31, 2020 | Mar 31, 2021 | Jun 30, 2021 |
|---|---|---|---|---|---|
| Exposure to top 20 borrowers[1] as a % of total exposure | 12.5% | 10.8% | 11.0% | 12.1% | 11.7% |
| Exposure to top 10 groups as a % of total exposure | 14.3% | 13.6% | 12.1% | 11.6% | 11.1% |

- Hard limit on borrower groups based on turnover and track record, lower than the regulatory limits
- All top 20 borrowers as of Jun 30, 2021 are rated A- and above internally

1. Excludes banks

# Capital

# Strong capital position

| | Mar 31, 2021 | | Jun 30, 2021[1] | |
|---|---|---|---|---|
| | (₹ billion) | % | (₹ billion) | % |
| Total capital | 1,501.50 | 19.12% | 1,503.00 | 18.71% |
| - Tier I | 1,418.75 | 18.06% | 1420.51 | 17.68% |
| *- of which: CET1* | *1,319.43* | *16.80%* | *1,321.89* | *16.45%* |
| - Tier II | 82.75 | 1.06% | 82.49 | 1.03% |
| Risk weighted assets | 7,854.03 | | 8,036.26 | |
| *- On balance sheet* | *7,037.51* | | *7.235.06* | |
| *- Off balance sheet* | *816.52* | | *801.20* | |

- Including profits for Q1-2022, CET1 ratio was 17.01%, Tier I ratio was 18.24% and total capital adequacy ratio was 19.27% at June 30, 2021
- Capital adequacy ratios well above the minimum regulatory requirement of CET1 ratio of 7.58%, Tier I ratio of 9.08% and total capital adequacy ratio of 11.08%

Consolidated capital adequacy: slide 68

1. Excluding profits for Q1-2022

# Subsidiaries

# Profit after tax of subsidiaries

| Profit after tax (₹ billion) | FY2021 | Q1-2021 | Q4-2021 | Q1-2022 |
|---|---|---|---|---|
| ICICI Prudential Life Insurance | 9.60 | 2.88 | 0.64 | (1.86) |
| ICICI Lombard General Insurance | 14.73 | 3.98 | 3.46 | 1.52 |
| ICICI Prudential Asset Management[1] | 12.45 | 2.57 | 3.48 | 3.80 |
| ICICI Securities (Consolidated)[1] | 10.68 | 1.93 | 3.29 | 3.11 |
| ICICI Securities Primary Dealership[1,2] | 5.70 | 3.46 | 0.66 | 1.24 |
| ICICI Home Finance[1] | 0.22 | 0.01 | 0.15 | 0.17 |
| ICICI Venture | 0.04 | 0.26 | (0.12) | 0.01 |
| ICICI Bank UK (USD million) | 14.8 | 5.0 | 2.8 | 2.9 |
| ICICI Bank Canada (CAD million) | 20.0 | 4.8 | 5.1 | 5.0 |

Details on subsidiaries: slides 66-71

1. As per Ind AS
2. Represents total comprehensive income

# Insurance subsidiaries

## ICICI Prudential Life Insurance

- VNB[1] grew by 78.1% y-o-y to ₹ 3.58 billion in Q1-2022; VNB margins increased from 25.1% in FY2021 to 29.4% in Q1-2022
- New business premium grew by 70.6% y-o-y to ₹ 25.59 billion in Q1-2022
- Total APE[2] grew by 48.1% y-o-y to ₹ 12.19 billion in Q1-2022
- Protection APE[2] was ₹ 2.70 billion and accounted for 22.1% of total APE in Q1-2022
- Annuity new business premium grew by 159.3% y-o-y to ₹ 5.59 billion in Q1-2022
- There was a loss of ₹ 1.86 billion in Q1-2022; incurred Covid-19 related claims, net of reinsurance, of ₹ 5.00 billion in Q1-2022
- At June 30, 2021, ICICI Life held provisions of ₹ 4.98 billion for future Covid-19 related claims, including incurred but not reported claims (March 31, 2021: ₹ 3.32 billion)

## ICICI Lombard General Insurance

- GDPI[3] grew by 13.0% y-o-y to ₹ 37.33 billion in Q1-2022
- Combined ratio was 121.3% in Q1-2022 (Q1-2021: 99.7%) primarily on account of the Covid-19 pandemic

1. Value of New Business
2. Annualised premium equivalent
3. Gross Direct Premium Income

# Environmental, Social and Governance (ESG) initiatives

# ESG at ICICI Bank

## Environment

*The Bank is committed to conduct its business responsibly and promote sustainable environmental practices*

- 84 KWp of renewable capacity added at Bank's premises in Q1-2022; total onsite renewable capacity of about 3.0 MWp at June 30, 2021
- Implementing IGBC Green Interiors standards to transform some of the existing branches
- Plans to adopt Internet of Things based remote management of energy consumption at branches

## Social

*Efforts of the Bank along with ICICI Foundation to fight Covid-19 continues across the country*

- ~80% of the employees have received at least one dose of vaccination against Covid-19
- Supporting efforts to strengthen health infrastructure for use during pandemic and beyond
- SHG lending empowering rural women; credit provided to 8.1 million women through over 6 lakh SHGs as on June 30, 2021

## Governance

*Being responsible and transparent in the business, continuously strive to create value for all stakeholders*

- Majority independent Board to oversee critical areas and functions of executive management
- Separation of Board's supervisory role from the executive management
- Regular reviews by the Board and its Committees to assess the challenges posed by the pandemic and the Bank's response

Thank you

# Additional financial information

# Yield, cost and margin

| Movement in yield, costs & margins (Percent)[1] | FY2021 | Q1-2021 | Q4-2021 | Q1-2022 |
|---|---|---|---|---|
| Yield on total interest-earning assets[2] | 7.49 | 7.93 | 7.31 | 7.25 |
| *- Yield on advances* | *8.76* | *9.30* | *8.45* | *8.26* |
| Cost of funds | 4.25 | 4.61 | 3.95 | 3.82 |
| *- Cost of deposits* | *4.12* | *4.53* | *3.80* | *3.65* |
| Net interest margin[2] | 3.69 | 3.69 | 3.84 | 3.89 |
| *- Domestic* | *3.84* | *3.91* | *3.94* | *3.99* |
| *- Overseas* | *0.34* | *0.33* | *0.44* | *0.27* |

◀ slide 10

1. Annualised for all interim periods
2. Includes interest on income tax refund ₹ 0.14 bn in Q1-2022 (FY2021: ₹ 2.57 bn, Q4-2021:₹ 0.11 bn, Q1-2021: ₹ 0.24 bn)

# Consolidated profit & loss statement

| (₹ billion) | FY2021 | Q1-2021 | Q4-2021 | Q1-2022 | Q1-o-Q1 growth |
|---|---|---|---|---|---|
| Net interest income | 465.04 | 110.76 | 123.45 | 130.23 | 17.6% |
| Non-interest income | 721.74 | 155.16 | 213.22 | 157.55 | 1.5% |
| *- Fee income* | *161.95* | *28.73* | *48.62* | *43.17* | *50.3%* |
| *- Premium income* | *479.23* | *85.25* | *152.16* | *100.19* | *17.5%* |
| *- Other income* | *80.56*[1] | *41.18*[2] | *12.44* | *14.19* | *(65.5)%* |
| **Total income** | **1,186.78** | **265.92** | **336.67** | **287.78** | **8.2%** |
| Operating expenses | 762.72 | 143.00 | 237.34 | 191.61 | 34.0% |
| **Operating profit** | **424.06** | **122.92** | **99.33** | **96.17** | **(21.8)%** |

1. Includes profit of ₹ 32.97 billion in FY2021 from sale of shareholding in subsidiaries
2. Includes profit of ₹ 27.16 billion from sale of 1.5% shareholding in ICICI Life and 4.0% sale of shareholding in ICICI General

# Consolidated profit & loss statement

| (₹ billion) | FY2021 | Q1-2021 | Q4-2021 | Q1-2022 | Q1-o-Q1 growth |
|---|---|---|---|---|---|
| **Operating profit** | **424.06** | **122.92** | **99.33** | **96.17** | **(21.8)%** |
| Covid-19 related provisions[1] | 47.50 | 55.50 | 10.00 | (10.50) | - |
| Other provisions | 116.28 | 21.55 | 19.23 | 39.89 | 85.1% |
| **Profit before tax** | **260.28** | **45.87** | **70.10** | **66.78** | **45.6%** |
| Tax | 56.64 | 10.00 | 16.79 | 17.02 | 70.2% |
| Minority interest | 19.80 | 4.69 | 4.45 | 2.29 | (51.2)% |
| **Profit after tax** | **183.84** | **31.18** | **48.86** | **47.47** | **52.2%** |

1. Represents Covid-19 provisions made by ICICI Bank

# Key ratios (consolidated)

| Percent | FY2021 | Q1-2021 | Q4-2021 | Q1-2022 |
|---|---|---|---|---|
| Return on equity[1] | 13.0 | 10.0 | 12.8 | 11.9 |
| Weighted average EPS[1] (₹) | 27.3 | 19.3 | 28.7 | 27.5 |
| Book value (₹) | 228 | 195 | 228 | 235 |

slide 10

1. Annualised for all interim periods

# Balance sheet: liabilities

| (₹ billion) | Jun 30, 2020 | Mar 31, 2021 | Jun 30, 2021 |
|---|---|---|---|
| Net worth | 1,186.19 | 1,475.09 | 1,523.76 |
| *- Equity capital* | *12.95* | *13.83* | *13.85* |
| *- Reserves* | *1,173.24* | *1,461.26* | *1,509.91* |
| Deposits | 8,016.22 | 9,325.22 | 9,262.24 |
| *- Current* | *957.80* | *1,361.70* | *1,184.92* |
| *- Savings* | *2,448.36* | *2,954.53* | *3,066.09* |
| *- Term* | *4,610.07* | *5,008.99* | *5,011.22* |
| Borrowings[1] | 1,649.18 | 916.31 | 891.31 |
| Other liabilities | 534.54 | 587.71 | 529.23 |
| **Total liabilities** | **11,386.13** | **12,304.33** | **12,206.54** |

- Credit/deposit ratio of 76.0% on the domestic balance sheet at Jun 30, 2021 (Mar 31, 2021: 75.3%)

1. Including impact of rupee depreciation

# Composition of borrowings

| (₹ billion) | Jun 30, 2020 | Mar 31, 2021 | Jun 30, 2021 |
|---|---|---|---|
| Domestic | 1,124.52 | 616.88 | 611.73 |
| *- Capital instruments* | *193.41* | *172.46* | *172.57* |
| *- Other borrowings* | *931.11* | *444.42* | *439.16* |
| *- Long term infrastructure bonds* | *194.92* | *194.67* | *221.39* |
| Overseas borrowings[1] | 524.66 | 299.43 | 279.58 |
| **Total borrowings** | **1,649.18** | **916.31** | **891.31** |

slide 13

1. Including impact of rupee depreciation

# Consolidated balance sheet

| (₹ billion) | Jun 30, 2020 | Mar 31, 2021 | Jun 30, 2021 |
|---|---|---|---|
| Cash & bank balances | 1,331.72 | 1,475.71 | 1,209.49 |
| Investments | 5,197.93 | 5,365.79 | 5,569.74 |
| Advances | 6,926.17 | 7,918.01 | 7,984.99 |
| Fixed & other assets | 979.94 | 978.61 | 963.50 |
| **Total assets** | **14,435.76** | **15,738.12** | **15,727.72** |
| Net worth | 1,261.48 | 1,575.88 | 1,625.84 |
| Minority interest | 78.63 | 95.88 | 95.14 |
| Deposits | 8,336.29 | 9,599.40 | 9,549.00 |
| Borrowings | 2,220.54 | 1,439.00 | 1,371.71 |
| Liabilities on policies in force | 1,618.07 | 2,031.80 | 2,128.17 |
| Other liabilities | 920.75 | 996.16 | 957.86 |
| **Total liabilities** | **14,435.76** | **15,738.12** | **15,727.72** |

slide 13

# Extensive franchise

| Branches | Mar 31, 2018 | Mar 31, 2019 | Mar 31, 2020 | Mar 31, 2021 | Jun 30, 2021 | % share at Jun 30, 2021 |
|---|---|---|---|---|---|---|
| Metro | 1,443 | 1,438 | 1,585 | 1,542 | 1,544 | 29% |
| Urban | 991 | 991 | 1,067 | 1,063 | 1,061 | 20% |
| Semi urban | 1,449 | 1,453 | 1,546 | 1,537 | 1,537 | 29% |
| Rural | 984 | 992 | 1,126 | 1,124 | 1,126 | 21% |
| **Total branches** | **4,867** | **4,874** | **5,324** | **5,266** | **5,268** | **100%** |
| **Total ATMs** | **14,367** | **14,987** | **15,688** | **14,136** | **14,141** | **-** |

slide 13

# Balance sheet: assets

| (₹ billion) | Jun 30, 2020 | Mar 31, 2021 | Jun 30, 2021 |
|---|---|---|---|
| Cash & bank balances | 1,212.51 | 1,331.28 | 1,058.64 |
| Investments | 3,018.50 | 2,812.87 | 2,948.49 |
| *- SLR investments* | *2,258.36* | *2,136.10* | *2,278.28* |
| *- Equity investment in subsidiaries* | *97.63* | *97.57* | *97.57* |
| Advances | 6,312.15 | 7,337.29 | 7,385.98 |
| Fixed & other assets | 842.96 | 822.89 | 813.43 |
| *- RIDF [1] and related* | *282.18* | *311.78* | *305.07* |
| **Total assets** | **11,386.13** | **12,304.33** | **12,206.54** |

- Floating rate loan book was ~71% of total domestic loans at Jun 30, 2021; of which ~38% is linked to MCLR and ~54% is linked to repo rate/T-bills

1. Rural Infrastructure Development Fund

# Equity investment in subsidiaries

| (₹ billion) | Jun 30, 2020 | Mar 31, 2021 | Jun 30, 2021 |
|---|---|---|---|
| ICICI Prudential Life Insurance | 32.75 | 32.75 | 32.75 |
| ICICI Bank Canada | 18.74 | 18.74 | 18.74 |
| ICICI Bank UK | 18.05 | 18.05 | 18.05 |
| ICICI Lombard General Insurance | 13.31 | 13.31 | 13.31 |
| ICICI Home Finance | 11.12 | 11.12 | 11.12 |
| ICICI Securities Limited | 1.28 | 1.22 | 1.22 |
| ICICI Securities Primary Dealership | 1.58 | 1.58 | 1.58 |
| ICICI AMC | 0.61 | 0.61 | 0.61 |
| ICICI Venture Funds Mgmt | 0.05 | 0.05 | 0.05 |
| Others | 0.14 | 0.14 | 0.14 |
| **Total** | **97.63** | **97.57** | **97.57** |

slide 14

# Portfolio composition

| | Jun 30, 2020 | Mar 31, 2021 | Jun 30, 2021 |
|---|---|---|---|
| Domestic | 86.5% | 90.0% | 89.7% |
| International | 13.5% | 10.0% | 10.3% |
| Total consolidated advances (₹ billion) | 6,926 | 7,918 | 7,985 |

slide 14

# Retail and business banking NPAs

| ₹ in billion | Jun 30, 2020 | Mar 31, 2021 | Jun 30, 2021 |
|---|---|---|---|
| Gross retail and business banking NPAs | 83.71 | 151.30 | 189.90 |
| *- as a % of gross advances* | *2.04%* | *3.04%* | *3.75%* |
| Net retail and business banking NPAs | 30.40 | 62.63 | 71.51 |
| *- as a % of net advances* | *0.75%* | *1.28%* | *1.45%* |

slide 27

# Sector-wise exposures

| Top 10 sectors[1]: % of total exposure of the Bank | Mar 31, 2018 | Mar 31, 2019 | Mar 31, 2020 | Mar 31, 2021 | Jun 30, 2021 |
|---|---|---|---|---|---|
| Retail finance[2] | 32.1% | 35.1% | 37.1% | 39.3% | 40.5% |
| Services – finance | 7.0% | 7.3% | 8.4% | 9.9% | 9.5% |
| Banks | 8.4% | 7.9% | 6.4% | 7.9% | 7.2% |
| Crude petroleum/refining & petrochemicals | 5.6% | 5.7% | 5.9% | 4.9% | 4.9% |
| Electronics & engineering | 6.8% | 6.7% | 6.1% | 4.5% | 4.5% |
| Road, port, telecom, urban development & other infra | 4.2% | 4.6% | 4.3% | 3.5% | 3.8% |
| *of which: Telecom* | *1.5%* | *2.0%* | *1.7%* | *1.6%* | *1.6%* |
| Wholesale/retail trade | 3.0% | 3.3% | 3.9% | 3.4% | 3.2% |
| Services - non finance | 3.4% | 3.2% | 3.0% | 2.8% | 2.8% |
| Power | 4.6% | 3.3% | 3.1% | 2.5% | 2.7% |
| Construction | 3.2% | 3.0% | 2.6% | 2.3% | 2.2% |
| **Total (₹ billion)** | **10,265** | **11,207** | **12,446** | **14,223** | **14,441** |

slide 43

1. Top 10 based on position at Jun 30, 2021
2. From June 30, 2021, the Bank has started reporting business banking portfolio separately from retail finance and into the respective sectors. Previous period numbers have been re-classified

# Consolidated capital adequacy

| Basel III (%) | Mar 31, 2021 | Jun 30, 2021[1] |
|---|---|---|
| Total capital | 18.87% | 18.43% |
| - Tier I | 17.81% | 17.40% |
| *- of which: CET 1* | *16.66%* | *16.29%* |
| - Tier II | 1.06% | 1.03% |

- Including profits for Q1-2022, CET1 ratio was 16.83%, Tier I ratio was 17.95% and total capital adequacy ratio was 18.98% at Jun 30, 2021

slide 47

1. Excludes profit for Q1-2022

# Insurance subsidiaries

| ICICI Life (₹ billion) | FY2021 | Q1-2021 | Q4-2021 | Q1-2022 |
|---|---|---|---|---|
| Annualised premium equivalent | 64.62 | 8.23 | 25.09 | 12.19 |
| *- Of which: protection* | *10.46* | *2.14* | *3.44* | *2.70* |
| Total premium | 357.33 | 57.47 | 121.01 | 68.70 |
| Assets under management | 2,142.18 | 1,700.06 | 2,142.18 | 2,231.71 |
| Expense ratio[1] | 14.8% | 14.8% | 15.3% | 20.1% |

| ICICI General (₹ billion) | FY2021 | Q1-2021 | Q4-2021 | Q1-2022 |
|---|---|---|---|---|
| Gross written premium | 143.20 | 33.94 | 35.60 | 38.08 |
| Combined ratio | 99.8% | 99.7% | 101.8% | 121.3% |
| Return on average equity[2] | 21.7% | 25.1% | 18.8% | 8.1% |

1. All expenses (including commission) / (Total premium – 90% of single premium)
2. Annualised for all interim periods

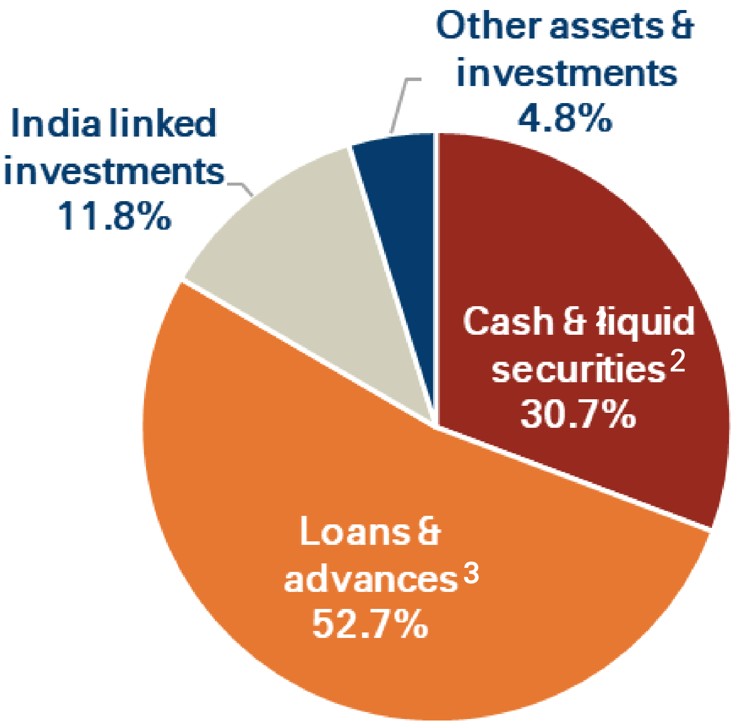
# ICICI Bank UK

| (USD million) | FY2021 | Q1-2021 | Q4-2021 | Q1-2022 |
|---|---|---|---|---|
| Net interest income | 50.9 | 13.5 | 11.5 | 10.5 |
| Operating profit | 25.9 | 4.6 | 6.8 | 3.8 |
| Loans and advances | 1,574.5 | 1,983.8 | 1,574.5 | 1,544.1 |
| Deposits | 1,957.5 | 2,256.6 | 1,957.5 | 1,873.7 |
| *- Retail term deposits* | *466.7* | *589.3* | *466.7* | *428.6* |
| Capital adequacy ratio | 28.3% | 19.5% | 28.3% | 30.2% |
| *- Tier I* | *23.8%* | *16.0%* | *23.8%* | *25.4%* |

- Net impaired loans were USD 33.6 million at Jun 30, 2021 compared to USD 34.5 million at Mar 31, 2021 and USD 82.4 million at Jun 30, 2020

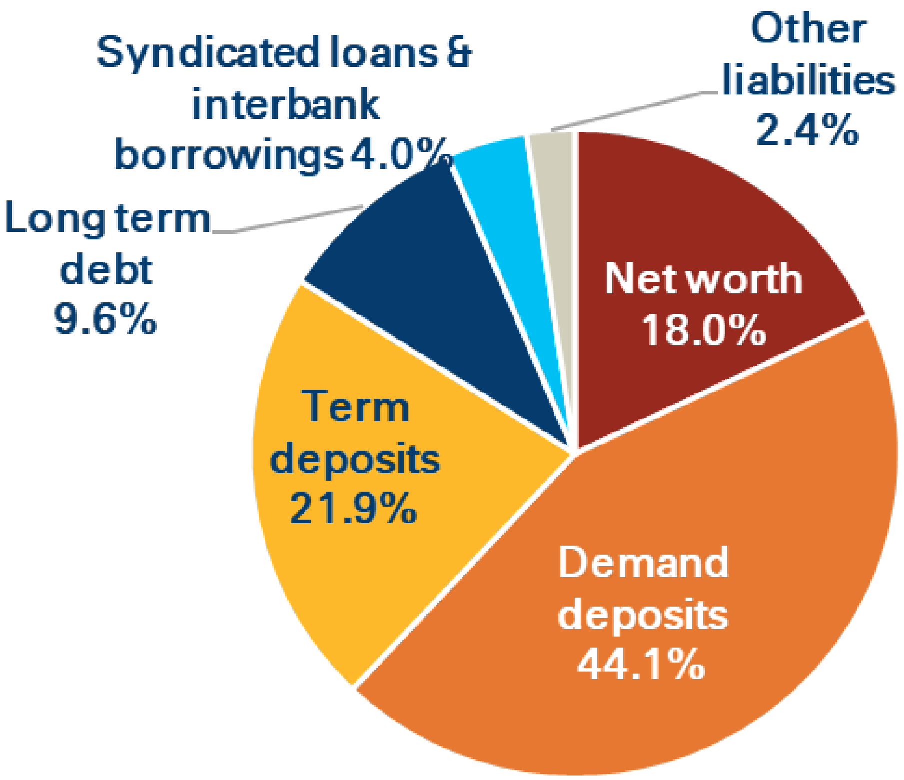
# ICICI Bank UK[1]

## Asset profile




Total assets: USD 2.84 bn

## Liability profile




Total liabilities: USD 2.84 bn

1. At Jun 30, 2021
2. Includes cash & advances to banks and T Bills
3. Includes securities re-classified to loans & advances

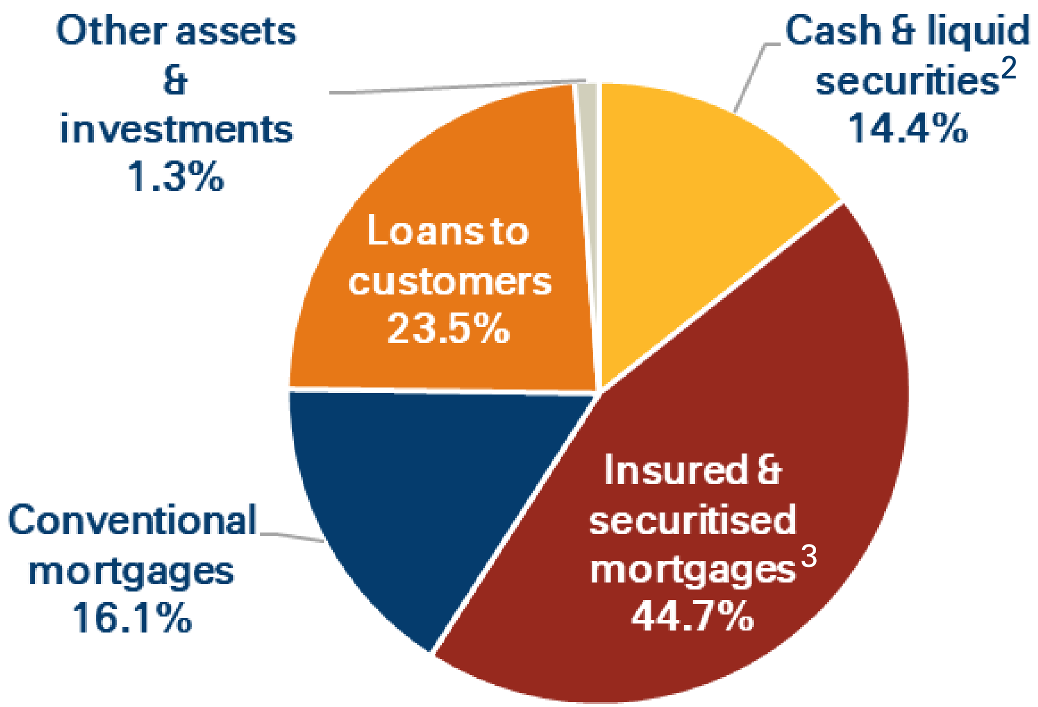
# ICICI Bank Canada

| (CAD million) | FY2021 | Q1-2021 | Q4-2021 | Q1-2022 |
|---|---|---|---|---|
| Net interest income | 46.3 | 14.1 | 10.1 | 9.9 |
| Operating profit | 13.7 | 8.3 | 6.2 | 8.6 |
| Loans and advances | 5,086.7 | 5,604.2 | 5,086.7 | 5,018.9 |
| *- Residential mortgages* | *3,627.3* | *3,674.9* | *3,627.3* | *3,619.4* |
| Deposits | 2,716.4 | 3,024.4 | 2,716.4 | 2,783.6 |
| Capital adequacy ratio | 24.1% | 20.2% | 24.1% | 24.8% |
| *- Tier I* | *23.3%* | *19.4%* | *23.3%* | *24.0%* |

- Net impaired loans at Jun 30, 2021 were CAD 0.5 million compared to CAD 1.1 million at Mar 31, 2021 and CAD 18.4 million at Jun 30, 2020

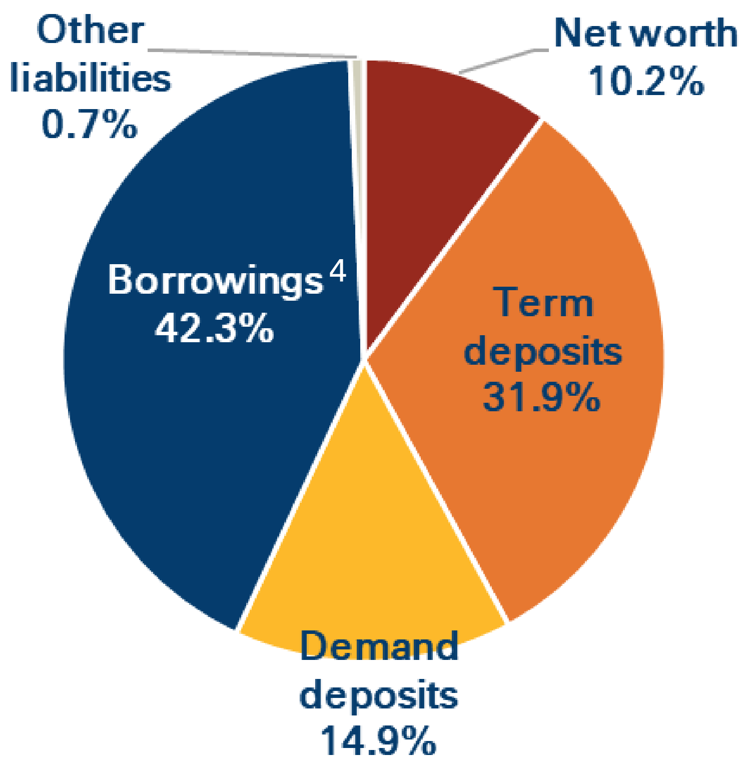
# ICICI Bank Canada[1]

**Asset profile**




**Total assets: CAD 5.95 bn**

**Liability profile**




**Total liabilities: CAD 5.95 bn**

1. At Jun 30, 2021
2. Includes cash & placements with banks and government securities
3. Insured mortgages include CAD 2,462.07 million at Jun 30, 2021 (Mar 31, 2021: CAD 2,572.33 million) of securitised mortgages
4. As per IFRS, proceeds of CAD 2,430.9 million at Jun 30, 2021 (Mar 31, 2021: CAD 2,541.7 million) on securitisation of residential mortgages are considered a part of borrowings

# ICICI Home Finance[1]

| (₹ billion) | Mar 31, 2021 | Jun 30, 2021 |
|---|---|---|
| Loans and advances | 137.58 | 133.06 |
| Gross impaired loans (stage 3)[2] | 9.39 | 11.83 |
| Net impaired loans (stage 3) | 7.14 | 9.17 |
| Capital adequacy ratio | 20.94% | 20.05% |

- At Jun 30, 2021, loans amounting to ₹ 5.79 billion were under resolution as per the framework announced by RBI in August 2020 and May 2021; provisions held on these accounts amounted to ₹ 0.65 billion, which is higher than as advised by RBI or loss allowance as per ECL method

slide 46

1. As per Ind AS
2. Includes commercial real estate loans of ₹ 2.38 billion at Jun 30, 2021 (Mar 31, 2021: ₹ 2.40 billion)

# Analyst call on July 24, 2021: opening remarks

*Certain statements in this release 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 harbor' 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 inter alia 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.*

*This release does not constitute an offer of securities.*

## Mr. Bakhshi's opening remarks

Good evening to all of you and welcome to the ICICI Bank Earnings Call to discuss the results for Q1 of FY2022. Joining us today on this call are Vishakha, Anup, Sandeep Batra, Rakesh and Anindya.

We hope that you are safe and in good health. The second wave of the Covid-19 pandemic was more severe compared to the first wave in terms of cases and fatalities, and a wider geographic reach. As banking is classified as an essential service, most of our branches were open even during the months of April and May when containment measures were in place in various parts of the country. Our colleagues have shown resilience and strength and continued to serve our customers, even in this challenging environment when a number of our colleagues were themselves impacted by the virus. We are happy to share that now about 80% of the Bank's employees have received at least one dose of vaccination against Covid-19. We would like to thank the medical and health workers and other essential workers for their tireless efforts in this fight against Covid-19.

With the decline in the numbers of Covid-19 cases since June, there has been a gradual easing of restrictions across various states. The Ultra Frequency Index, comprising several high frequency indicators tracked by the Bank's Economic Research Group, which declined from 107.9 in March to 70.9 in May has improved to 99.6 in the first week of July. High frequency indicators such as power demand, e-way bill generation and the unemployment rate have shown significant improvement in June. Vehicle registrations have also improved in June compared to April and May. Going forward the pace of normalisation in economic activities will depend on the trajectory of the pandemic, the level of containment measures in place and the pace and effectiveness of vaccination.

At ICICI Bank, we continue to steadily grow our franchise and maintain our strong balance sheet.

1. **Growth in the core operating profit in a risk-calibrated manner through the focused pursuit of target market segments**

   Our aim is to achieve risk-calibrated growth in core operating profit through a 360-degree customer centric approach, tapping opportunities across ecosystems, leveraging internal synergies, building partnerships and decongesting processes. The core operating profit increased by 22.7% year-on-year to 86.05 billion Rupees in Q1 of 2022. The profit after tax grew by 77.6% year-on-year to 46.16 billion Rupees in Q1 of 2022.

## 2. Further enhancing our strong deposit franchise

Total deposits grew by 15.5% year-on-year to 9.3 trillion Rupees at June 30, 2021. During the quarter, average current account deposits increased by 32.4% year-on-year and average savings account deposits by 21.7% year-on-year. Term deposits grew by 8.7% year-on-year. The liquidity coverage ratio for the quarter was 130%, reflecting continued significant surplus liquidity. Our cost of deposits continues to be among the lowest in the system. Our digital platforms and solutions, presence in various ecosystems and process decongestion initiatives have played an important role in the growth of our deposit franchise.

## 3. Growing our loan portfolio in a granular manner with a focus on risk and reward

Retail disbursements moderated in April and May due to the containment measures in place across various parts of the country. With the gradual easing of restrictions, disbursements picked up in June and July. Credit card spends declined in April and May but improved to March levels in June, driven by spends in categories like consumer durables, utilities, education and insurance. The retail loan portfolio, excluding business banking, grew by 20.2% year-on-year and was flat sequentially at June 30, 2021.

Credit summations in the overdraft accounts of business banking and SME customers also picked up in June and July after declining in April and May. Our business banking and SME franchises continue to grow on the back of digital offerings and platforms like InstaBIZ and Trade Online. The business banking and SME portfolios grew by 53.4% and 42.8% year-on-year respectively. The business banking portfolio grew by 6.3% sequentially and the SME portfolio saw a marginal sequential decline.

The growth of the domestic corporate portfolio was 11.4% year-on-year. The growth in performing domestic corporate portfolio, excluding the builder portfolio, was about 15% year-on-year at June 30, 2021. Overall, the domestic loan portfolio grew by 19.6% year-on-year and was flat sequentially. The non-India linked overseas corporate portfolio, declined year-on-year and sequentially, in line with the approach which we have articulated earlier.

## 4. Leveraging digital across our business

Our open architecture based digital platforms provide end-to-end seamless digital journeys and personalized solutions to customers and enable more effective data-driven cross-sell and up-sell. These platforms also enable us to reach out to non-ICICI Bank account holders. We have shared some details in slides 17 to 28 of the investor presentation.

We have seen significant increase in adoption of our mobile banking app, iMobile Pay, with over 2.5 million activations by non-ICICI Bank account holders since its launch six months ago. The transactions by non-ICICI Bank account holders in terms of value and volume have grown by eight times and seven times, respectively, in June 2021 compared to March 2021.

The financial transactions on our digital platform for businesses, InstaBIZ, and our supply chain platform have grown steadily in the past few quarters. The increasing adoption of our digital platforms and growth in the value and volume of transactions supports growth in CASA deposits and provides a rich base for analytics and cross-sell. The value of financial transactions through InstaBIZ more than doubled year-on-year in Q1 of 2022. The value of transactions through supply chain platforms grew by more than 8 times year-on-year in June 2021.

We have taken a number of initiatives to offer a convenient and frictionless experience to customers by digitising the credit underwriting process, with instant loan approvals. The proportion of end-to-end digital sanctions and disbursements across various products has been increasing steadily. About 34% of our total mortgage sanctions by volume were end-to-end digital in Q1 of 2022 compared to 19% FY2021. About 46% of personal loan disbursements by volume were end-to-end digital in Q1 of 2022 compared to 42% in FY2021. Of the total asset and liability accounts opened as well as third party products sold during June, about 40% was end-to-end digital. About 95,000 customers were onboarded using video KYC in June 2021.

We continue to strengthen our position in the digital payments ecosystem by building seamless user journeys, facilitating higher transaction throughputs and driving repeat transactions. Our strategy is to participate both directly through our own platforms and partner with third party players in the P2P and P2M space of the UPI ecosystem. We are seeing high customer engagement through repeat usage of features like Pay to Contact, Scan to Pay and bill payments on iMobile Pay. The volume of transactions through 'Pay to Contact' has grown by over five times in Q1 of 2022 over Q4 of 2021. The value of UPI P2M transactions more than doubled year-on-year and grew by over 30.0% sequentially in Q1 of 2022.

We have recently launched a digital platform called Merchant Stack, which offers an array of banking and value-added services to retailers, online businesses and large e-commerce firms such as digital current account opening, instant overdraft facilities based on point-of-sale transactions and instant settlement of point-of-sale transactions, among others. We also introduced ICICI STACK for Corporates which is a comprehensive set of digital banking solutions for corporates and their entire ecosystem of promoters, employees, dealers, and vendors. These solutions enable corporates to seamlessly meet all banking requirements of their ecosystems in a frictionless manner.

We continue to invest in technology to enhance our offerings to customers as well as the scalability, flexibility and resilience of our technology architecture. We actively monitor and improve our technology infrastructure to minimise disruptions in services to our customers. As a part of our #2025 technology strategy, we are creating an enterprise architecture framework spanning digital platforms, data and analytics, micro services based architecture, cloud computing and other emerging technologies.

## 5. Protecting the balance sheet from potential risks

The measures imposed by authorities in various parts of the country to contain the spread of the second wave of the pandemic had a significant impact on collections and recoveries in April and May. We sought to adopt a sensitive approach to the difficulties faced by our customers and prioritised their health and safety as well as that of our employees. Unlike last year, regulatory dispensations such as moratorium were not available to borrowers this time. This has led to an increase in overdues and gross NPA additions in Q1 of 2022 for the banking system, including us. The gross NPA additions during the quarter were 72.31 billion Rupees, of which 67.73 billion Rupees was from the retail and business banking portfolio. The retail and business banking gross NPA additions included additions of 11.30 billion Rupees from the jewel loan portfolio. Jewel loan is a fully secured product and the loss given default in this portfolio is negligible. In order to be sensitive to the difficulties faced by customers and give them time for repayment, we have delayed sending the auction notices to customers in default. We expect near complete recoveries from this portfolio in the coming quarters.

As mentioned in our previous earnings calls, our aim is to be proactive in provisioning with the objective of ensuring that the balance sheet is robust at all times. We have further strengthened our provisioning policies on NPAs during this quarter. The provisions during the quarter were higher by 11.27 billion Rupees due to this more conservative approach. The provision coverage ratio on NPAs was 78.2% at June 30, 2021.

Based on its current assessment of the portfolio, the Bank has written back 10.50 billion Rupees of Covid-19 related provisions created in earlier periods. As of June 30, 2021, the Bank held Covid-19 provisions of 64.25 billion Rupees which are about 0.9% of our total loans.

The overdues in the performing portfolio across various segments were either marginally higher than pre-Covid levels or at pre-Covid levels at the end of March 2021. These increased in April and May due to the second wave of the pandemic and related restrictions. With the easing of restrictions and pickup in economic activity in June, the overdues across various segments of the performing portfolio have declined. We expect further improvement in collections and decline in overdues in the coming quarters.

In the absence of regulatory measures such as moratorium, the gross NPA formation due to the recent wave of Covid-19 is being upfronted in the first half of the current fiscal for the system, including us. Based on our current expectations of economic activity and portfolio trends, we expect our gross NPA additions to be lower in Q2 of 2022 and decline more meaningfully in the second half of fiscal 2022. There would also be some additions to the loans under resolution as per the various frameworks announced by RBI.

We have a robust provision coverage ratio on NPAs and in addition we hold Covid-19 related provisions of 64.25 billion Rupees, or about 0.9% of our total loans, to address potential future credit losses arising out of the pandemic and its economic impact. The performance of the portfolio and the strength of the balance sheet give us significant comfort.

## 6. Maintaining a strong capital base

The capital position of the Bank continued to be strong with a CET-1 ratio of 17.01% at June 30, 2021, including profits for the quarter. Further, the market value of the Bank's investments in listed subsidiaries is about 1 trillion Rupees.

Looking ahead, we see many opportunities to grow the core operating profit in a risk-calibrated manner. We will calibrate our growth in the near term based on the operating environment and the future trajectory of the Covid-19 pandemic. We will continue to focus on creating holistic value propositions for our customers and capturing opportunities across customer ecosystems, leveraging internal synergies, building partnerships and simplifying processes. We have a wide physical distribution network and our best-in-class digital platforms provide seamless onboarding and transacting experience for our customers. We have opened eight ecosystem branches that house multi-functional teams required to nurture relationships and bring the entire bouquet of services of the Bank to the corporates and their ecosystem. We will continue to make investments in technology, people, distribution and building our brand. We are guided by our philosophy of "Fair to Customer, Fair to Bank" emphasising the need to deliver fair value to customers while creating value for shareholders. We will continue to focus on delivering consistent and predictable returns to our shareholders.

With these opening remarks, I will now hand the call over to Rakesh.

**Rakesh's opening remarks**

Thank you, Sandeep. I will talk about balance sheet growth, credit quality, P&L details, capital adequacy, portfolio trends and performance of subsidiaries.

**A. Balance sheet growth**

The overall loan portfolio grew by 17.0% year-on-year at June 30, 2021. The domestic loan portfolio grew by 19.6% year-on-year and 0.3% sequentially at June 30, 2021. Up to the last quarter, we used to report business banking as a part of the retail portfolio. From this quarter, we are excluding it from the retail portfolio and reporting it separately. The retail portfolio grew by 20.2% year-on-year and 0.7% sequentially. Within the retail portfolio, the mortgage loan portfolio grew by 24.0% year-on-year, rural loans by 24.2%, commercial vehicle and equipment loans by 1.5% and the auto loan portfolio by 15.0%. Growth in the personal loan and credit card portfolio was 13.5% year-on-year. This portfolio was 666.26 billion Rupees or 9.0% of the overall loan book at June 30, 2021.

The business banking portfolio grew by 53.4% year-on-year and 6.3% sequentially at June 30, 2021. The SME business comprising borrowers with a turnover of less than 2.5 billion Rupees grew by 42.8% year-on-year and decreased by 1.7% sequentially to 297.78 billion Rupees at June 30, 2021.

The growth of the domestic corporate portfolio was 11.4% year-on-year. The growth in performing domestic corporate portfolio, excluding the builder portfolio, was about 15% year-on-year at June 30, 2021 driven by disbursements to higher rated corporates and PSUs across various sectors to meet their working capital and capital expenditure requirements.

The overseas loan portfolio declined by 14.7% year-on-year and increased by 6.7% sequentially at June 30, 2021. The sequential increase in the overseas loan portfolio was primarily due to increase in the India-linked trade finance book. The overseas loan portfolio was 5.4% of the overall loan book at June 30, 2021. The non-India linked corporate portfolio reduced by 58.8% or about 1.4 billion US Dollars year-on-year and 21.6% or about 270 million US Dollars sequentially, at June 30, 2021. We have provided the breakup of our overseas corporate portfolio on slide 16 of the investor presentation.

Coming to the funding side: We continue to focus on growing the daily average CASA balances and retail term deposits. Average savings account deposits increased by 21.7% year-on-year and average current account deposits increased by 32.4% year-on-year during the quarter. There could be some impact on the sequential growth in current account deposits in the next quarter due to the implementation of RBI's guideline on opening of current accounts by banks. Total term deposits grew by 8.7% year-on-year to 5.0 trillion Rupees at June 30, 2021.

## B. Credit quality

The gross NPA additions were 72.31 billion Rupees in the current quarter compared to 55.23 billion Rupees on a proforma basis in Q4 of 2021. Recoveries and upgrades from NPAs, excluding write-offs and sale, were 36.27 billion rupees which was about 50.0% of the gross NPA additions during the quarter. The gross NPA additions from the retail and business banking portfolio were 67.73 billion Rupees in the current quarter compared to 43.55 billion Rupees on a proforma basis in Q4 of 2021. The retail and business banking gross NPA additions included additions of 9.61 billion Rupees from the kisan credit card portfolio and 11.30 billion Rupees from the jewel loan portfolio. As Sandeep mentioned earlier, we expect near complete recoveries from the jewel loan portfolio in the coming quarters. We typically see gross NPA additions from kisan credit card portfolio in the first and third quarter of the fiscal year. The gross NPA additions from the kisan credit card portfolio were relatively low last year due to moratorium extended to the borrowers from March to August. The kisan credit card portfolio and jewel loan portfolio were about 3% each of our total loan portfolio at June 30, 2021. In the retail and business banking gross NPA additions, excluding rural, the proportion of mortgages was similar to FY2021, commercial vehicle and equipment loans was higher and personal loans and credit cards was lower.

The gross NPA additions from the corporate and SME portfolio were 4.58 billion Rupees in the current quarter compared to 11.68 billion Rupees on a proforma basis in Q4 of 2021. Proforma corporate and SME NPA additions in the previous quarter included one account in the construction sector which was rated BB and below at December 31 and was classified as non-performing during Q4 and upgraded in the same quarter post the implementation by all lenders of a resolution plan as per RBI’s framework.

Recoveries and upgrades from NPAs, excluding write-offs and sale, were 36.27 billion Rupees. There were recoveries and upgrades of 22.64 billion Rupees from the retail and business banking portfolio and 13.63 billion Rupees from the corporate and SME portfolio. The recoveries and upgrades in the corporate and SME portfolio during Q1 of 2022 mainly represent a few accounts which were upgraded post the implementation of a resolution plan as per RBI’s framework, by all lenders. The gross NPAs written-off during the quarter were 15.89 billion Rupees. The Bank sold gross NPAs amounting to 2.40 billion Rupees in Q1 of 2022 on a cash basis. The gross NPAs sold during the quarter were entirely from the corporate and SME portfolio.

The net non-performing assets were 93.06 billion Rupees at June 30, 2021 compared to 91.80 billion Rupees at March 31, 2021. The gross NPA ratio was 5.15% at June 30, 2021 compared to 4.96% at March 31, 2021. The net NPA ratio was 1.16% at June 30, 2021 compared to 1.14% at March 31, 2021. The non-fund based outstanding to borrowers classified as non-performing was 41.01 billion Rupees as of June 30, 2021 compared to 44.05 billion Rupees at March 31, 2021. The Bank holds provisions amounting to 16.55 billion Rupees as of June 30, 2021 on this non-fund based outstanding.

The total fund based outstanding to all standard borrowers, under resolution as per various guidelines was 48.64 billion Rupees or about 0.7% of the total loan portfolio at June 30, 2021 compared to 39.27 billion Rupees at March 31, 2021. Of the total fund based outstanding at June 30, 2021, 21.80 billion Rupees was from the retail and business banking portfolio and 26.84 billion Rupees was from the corporate and SME portfolio. The Bank holds provisions of 8.99 billion Rupees against these borrowers, which is in excess of the requirement as per RBI guidelines.

The overdues across various portfolios increased in April and May due to the reasons which Sandeep highlighted earlier. With the easing of restrictions from June, collections and recoveries have improved and overdues have declined. We had mentioned in our previous quarter's earnings call, that overdues in the performing portfolio across retail EMI products and credit cards, SME and business banking portfolio were either marginally higher or at pre-Covid levels at March 31, 2021. The percentage of overdues in the performing portfolio across most of these segments at June-end was similar to or lower than December 2020 levels. Less than 1% of the performing domestic corporate portfolio was overdue at June-end. As Sandeep mentioned, we expect further improvement in collections and decline in overdues in the coming quarters.

## C. P&L Details

Net interest income increased by 17.8% year-on-year to 109.36 billion Rupees. Interest on income tax refund was 0.14 billion Rupees this quarter compared to 0.11 billion Rupees in the previous quarter and 0.24 billion Rupees in Q1 of last year. The net interest margin was at 3.89% in Q1 of 2022 compared to 3.84% in the previous quarter and 3.69% in Q1 of last year. The impact of interest on income tax refund and interest collections from NPAs was about 2 basis points this quarter compared to about 4 basis points in the previous quarter and in Q1 of last year. The domestic NIM was at 3.99% this quarter compared to 3.94% in Q4 and 3.91% in Q1 last year. International margins were at 0.27%. The cost of deposits was 3.65% in Q1 compared to 3.80% in Q4.

Non-interest income, excluding treasury income, grew by 55.7% year-on-year to 37.06 billion Rupees in Q1 of 2022 primarily due to base effect.

- Fee income increased by 53.0% year-on-year to 32.19 billion Rupees in Q1. Fees from retail, business banking and SME customers grew by 65.4% year-on-year and constituted about 76% of the total fees in Q1 of 2022. Total fee income declined by 15.6% sequentially reflecting the decline in investment and borrowing activity by customers during the quarter.

- Dividend income from subsidiaries was 4.10 billion Rupees in Q1 of 2022 compared to 1.87 billion Rupees in Q1 of last year. Dividend income in Q1 of this year includes final dividend from ICICI Prudential Life Insurance.

On Costs: The Bank's operating expenses increased by 29.9% year-on-year in Q1. The employee expenses increased by 9.6% year-on-year and by 18.2% sequentially. The Bank had slightly over 100,000 employees at June 30, 2021. Non-employee expenses increased by 47.7% year-on-year in Q1 of 2022 primarily due to base effect. The non-employee expenses declined by 8.3% sequentially due to lower business volumes during the quarter, partly offset by, technology related expenses.

The core operating profit increased by 22.7% year-on-year to 86.05 billion Rupees in Q1 of 2022.

There was a treasury gain of 2.90 billion Rupees in Q1 compared to a loss of 0.25 billion Rupees in Q4 and a gain of 37.63 billion Rupees in Q1 of the previous year. Treasury gains in Q1 of previous year included gains of 30.36 billion Rupees from sale of stake in ICICI Life and ICICI General.

The total net provisions during the quarter were 28.52 billion Rupees. We have further strengthened our provisioning policies on NPAs during this quarter. The provisions during the quarter were higher by 11.27 billion Rupees due to this more conservative approach.

During the quarter, the Bank wrote back 10.50 billion Rupees of Covid-19 related provisions created in earlier periods. This was based on the updated position of various portfolios underlying these provisions, after taking into account the NPAs already accounted for and specific provisions held against the same, as well as potential future credit losses arising out of the pandemic and its economic impact.

The provisioning coverage on NPAs continued to be robust at 78.2% as of June 30, 2021. In addition, we continue to hold Covid-19 related provisions of 64.25 billion Rupees, which is about 0.9% of loans. We are confident that these provisions will completely cushion the balance sheet from the potential credit losses which may arise due to the pandemic. The performance of the portfolio and the strength of the balance sheet give us significant comfort.

The profit before tax grew by 89.8% year-on-year to 60.43 billion Rupees in Q1 of 2022 compared to 31.83 billion Rupees in Q1 of last year. The tax expense was 14.27 billion Rupees in Q1 of 2022 compared to 5.84 billion Rupees in the corresponding quarter last year. The profit after tax grew by 77.6% year-on-year to 46.16 billion Rupees in Q1 this year compared to 25.99 billion Rupees in Q1 of last year.

The consolidated profit after tax was 47.47 billion Rupees this quarter compared to 48.86 billion Rupees in Q4 and 31.18 billion Rupees in Q1 last year.

## D. Capital

The CET1 ratio, including profits for Q1 of 2022 was 17.01% at June 30, 2021 compared to 16.80% at March 31, 2021. The Tier 1 ratio was 18.24% and the total capital adequacy ratio was 19.27% at June 30, 2021.

## E. Portfolio information

We have been growing our loan portfolio in a granular manner with a focus on risk and reward. Our retail portfolio has been built based on proprietary data and analytics in addition to bureau checks, utilising the existing customer database for sourcing in key retail asset products through cross sell and up-sell and pricing in relation to the risk. Our strong deposit franchise enables us to offer competitive pricing to the selected customer segments. As Sandeep mentioned, disbursements across key retail products declined in April and May. However, these recovered in June and trends in July also appear promising. We continuously monitor the performance at a sub-segment level and recalibrate the customer selection and underwriting norms in view of the current operating environment so as to leverage the demand while operating within our risk appetite. The Bank had calibrated its credit filters and underwriting norms following the outbreak of the Covid-19 pandemic last year. With the gradual unlock and subsequent recovery observed, some rollback of the measures were carried out. The Bank reviewed the same in view of the second wave of Covid-19 and considering the measures already place, no significant further action was deemed necessary. However, due to the evolving environment, policy rationalization measures are being continuously taken as per our analysis of various micro segments.

We have given further information on our retail and business banking portfolio in slides 34 to 45 of our investor presentation.

The loan and non-fund based outstanding to corporate and SME borrowers rated BB and below (excluding fund and non-fund based outstanding to NPAs) was 139.75 billion Rupees at June 30, 2021 compared to 130.98 billion Rupees at March 31, 2021, details of which are given on slide 37 of the investor presentation. Other than three accounts, one each in construction, power and telecom sectors, the maximum single borrower outstanding in the BB and below portfolio was less than 6 billion Rupees at June 30, 2021. At June 30, 2021, we held provisions of 9.76 billion Rupees on the BB and below portfolio compared to 3.32 billion Rupees at March 31, 2021.

On slide 38 of the presentation, we have provided the movement in our BB and below portfolio during Q1 of 2022. The increase during the quarter primarily reflects a few accounts which were upgraded post the implementation of a resolution plan as per RBI's framework.

Except for fund based outstanding of project under implementation accounts in the commercial real estate sector amounting to about 3 billion

Rupees, all corporate and SME borrowers under resolution were rated below investment grade at June 30, 2021
The builder portfolio including construction finance, lease rental discounting, term loans and working capital loans was 230.05 billion Rupees at June 30, 2021 or 3% of our total loan portfolio. As mentioned in our previous calls, our portfolio is granular in nature with the larger exposures being to well-established builders. About 13% of our builder portfolio at June 30, 2021 was either rated BB and below internally or was classified as non-performing.

The total outstanding to NBFCs and HFCs was 593.67 billion Rupees at June 30, 2021 compared to 645.09 billion Rupees at March 31, 2021. The total outstanding loans to NBFCs and HFCs were about 7% of our advances at June 30, 2021. The details are given on slide 44 of the investor presentation. Our exposure is largely to well-rated entities with PSUs, long vintage, entities owned by banks and well-established corporate groups. The proportion of the NBFC and HFC portfolio internally rated BB and below or non-performing is less than 1%.

## F. Subsidiaries

The details of the financial performance of subsidiaries is covered in slides 49-50 and 69-74 in the investor presentation.

Value of new business of ICICI Life grew by 78.1% year-on-year to 3.58 billion Rupees in Q1 of 2022. The new business premium grew by 70.6%

year-on-year to 25.59 billion Rupees in the current quarter. The new business margin increased from 24.4% in Q1 of last year to 29.4% in Q1 of current year. The annualized premium equivalent grew by 48.1% year-on-year to 12.19 billion Rupees in Q1 of 2022. The protection based annualised premium equivalent was 2.70 billion Rupees and accounted for 22.1% of the total annualised premium equivalent in Q1 of 2022. ICICI Life had a net loss of 1.86 billion Rupees in Q1 of this year compared to a profit after tax of 2.88 billion Rupees in Q1 of last year. During Q1 of 2022, ICICI Life had claims on account of Covid-19, net of reinsurance, amounting to 5.00 billion Rupees. Further, at June 30, 2021, ICICI Life held provision of 4.98 billion Rupees for future Covid-19 related claims, including incurred but not reported claims, compared to 3.32 billion Rupees at March 31, 2021.

Gross Direct Premium Income of ICICI General increased by 13.0% year-on-year to 37.33 billion Rupees in Q1 of this year compared to 33.02 billion Rupees in Q1 last year. The combined ratio was 121.3% in current quarter compared to 99.7% in Q1 last year primarily on account of the Covid-19 pandemic. The profit after tax was 1.52 billion Rupees this quarter compared to 3.98 billion Rupees in Q1 last year.

The profit after tax of ICICI AMC was 3.80 billion Rupees in the current quarter compared to 2.57 billion Rupees in Q1 of last year.

The profit after tax of ICICI Securities, on a consolidated basis, was 3.11 billion Rupees in the current quarter compared to 1.93 billion Rupees in Q1 of last year.

ICICI Bank Canada had a profit after tax of 5.0 million Canadian dollars in the current quarter which was at a similar level compared Q1 of last year and 5.1 million Canadian dollars in Q4 of 2021. The loan book of ICICI Bank Canada at June 30, 2021 declined by 10.4% year-on-year and 1.3% sequentially.

ICICI Bank UK had a profit after tax of 2.9 million US dollars this quarter compared to 5.0 million US dollars in Q1 of last year and 2.8 million US dollars in Q4 of 2021. The loan book of ICICI Bank UK at June 30, 2021 declined by 22.2% year-on-year and 1.9% sequentially.

As per IndAS, ICICI Home Finance had a profit after tax of 0.17 billion Rupees in the current quarter compared to 0.01 billion Rupees in Q1 of last year.

With this we conclude our opening remarks and we will now be happy to take your questions.