

ICICI HOME FINANCE COMPANY LIMITED

19TH ANNUAL REPORT AND ACCOUNTS 2017-2018

Directors

Anup Bagchi, *Chairman*
Anita Pai
N. R. Narayanan
Dileep C. Choksi
Subramaniam Santhanakrishnan
Sankaran Santhanakrishnan
Anirudh Kamani, *Managing Director & CEO*

Chief Financial Officer
Vikrant Gandhi

Company Secretary
Pratap Salian

Auditors
B S R & Co. LLP
Chartered Accountants

Registered & Corporate Office

ICICI Bank Towers,
Bandra-Kurla Complex,
Bandra (East),
Mumbai - 400051

Corporate Office

RPG Tower, Andheri - Kurla Road, J. B. Nagar,
Andheri (East), Mumbai - 400059

directors' report

to the members

On behalf of the Board of Directors, it is our pleasure to present the 19th Annual Report along with the Audited Financial Statement of Accounts for the year ended March 31, 2018.

FINANCIAL HIGHLIGHTS

The financial performance for fiscal 2018 is summarised in the following table:

	(₹ million)		
	Fiscal 2017	Fiscal 2018	% change
Net interest income and other income	3,625.9	2,922.3	(19)%
Operating expenses	880.3	936.7	6%
Provisions and contingencies	(37.1)	936.2	-
Profit before tax	2,782.7	1,119.4	(60)%
Profit after tax	1,832.6	642.5	(65)%

The profit before tax for the year ended March 31, 2018 is ₹ 1,119.4 million (previous year ₹ 2,782.7 million) after general provision on standard assets and provision, write-off of non-performing assets of ₹ 936.2 million (previous year provision reversal of ₹ 37.1 million) and operating expenses of ₹ 936.7 million (previous year ₹ 880.3 million).

The profit after tax for the year ended March 31, 2018 is ₹ 642.5 million (previous year ₹ 1,832.6 million). The profit available for appropriation is ₹ 856.1 million (previous year ₹ 1,863.3 million). Appropriations from current year profit are summarised below.

	(₹ in million)	
	Fiscal 2017	Fiscal 2018
Special Reserve created and maintained in terms of Section 29 C of National Housing Bank Act, 1987	367.0	206.0
Dividend		
Equity Shares (Dividend including tax)	1,287.7	595.8
Proposed final dividend on equity share capital: Nil (previous year Nil) including tax	-	-
Balance carried forward to next year	213.6	54.3

DIVIDENDS

The Company paid interim dividend of 3.15% (excluding dividend distribution tax) amounting to ₹ 345.6 million on paid up share capital of ₹ 10,987.5 million in fiscal 2018 (fiscal 2017: 9.70%; ₹ 1,065.8 million). Further, the Company has not declared any final dividend for fiscal 2018 (fiscal 2017: 1.36%; ₹ 149.4 million).

OPERATIONAL REVIEW

We have consciously been slow in new acquisitions on the Corporate Realty Finance (CRF) portfolio given the market trends in the segment. Supported by organic growth in retail mortgages business, the total loan assets of the Company grew to ₹ 96,459.1 million at March 31, 2018. The Company continues to stay committed and focused on partnering the developers and end consumers at all stages of the real estate value chain.

INTERNAL CONTROL AND ITS ADEQUACY

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

PERSONNEL

All the employees of the Company are on deputation from ICICI Bank. The Company has 332 employees at March 31, 2018.

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 Annexure 5 and Annexure 5A.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company from the end of the fiscal 2018 and the date of the report.

DISCLOSURES AS PER THE HOUSING FINANCE COMPANIES (NHB) DIRECTIONS, 2010 (AS AMENDED FROM TIME TO TIME)

PUBLIC DEPOSITS

As required by National Housing Bank, the details of public deposits unclaimed at March 31, 2018, are given below:

- The total number of accounts of public deposit which have not been claimed by the depositors after the date on which the deposit became due for re-payment: 1,367
- The total amounts due (including interest) under such accounts remaining unclaimed beyond the dates referred to in clause (i) as aforesaid: ₹ 139.5 million

The total amount of interest due on such unclaimed or unpaid deposits amounted to ₹ 18.4 million at March 31, 2018.

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

In addition, the Company has raised deposits worth ₹ 504.7 million during fiscal 2018. The Company's Fixed Deposits programme has received the highest credit ratings of 'MAAA' by ICRA and 'CARE AAA (FD)' by CARE.

DISCLOSURE UNDER HOUSING FINANCE COMPANIES ISSUANCE OF NON-CONVERTIBLE DEBENTURES ON PRIVATE PLACEMENT BASIS (NHB) DIRECTIONS, 2014

- The total number of non-convertible debentures which have not been claimed by the investors or not paid by the Company after the date on which the non-convertible debentures became due for redemption: Nil
- The total amount in respect of such debentures remaining unclaimed or unpaid beyond the date of such debentures became due for redemption: Nil

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of the Companies Act, 2013, the Company has already filed the necessary form and uploaded the details of unpaid and unclaimed amounts lying with the Company, as on the date of last AGM (i.e. May 26, 2017) with the Ministry of Corporate Affairs.

The matured deposits with the Company which were unclaimed for more than 7 years from the date of maturity of ₹ 12.0 million for fiscal 2018 have been transferred to IEPF as required by the Companies Act, 2013.

DETAILS OF DEBENTURE TRUSTEES

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

- Name: IDBI Trusteeship Services Limited**
Address and contact details: Asian Building, Ground Floor, 17, R, Kamani Marg, Ballard Estate, Mumbai - 400001. Tel No. 022-40807008
- Name: Axis Trustee Services Limited**
Address and contact details: Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400025.
Tel. No.: 022-62260054 Fax No.: 022-43253000

ANNUAL RETURN

An extract of the annual return as required under Section 92 (3) of the Companies Act, 2013 in Form No. MGT-9 is attached as Annexure 1.

RELATED PARTY TRANSACTIONS

The particulars of contracts or arrangement with related parties pursuant to Section 188 (1) of the Companies Act, 2013 along with the justification for entering into the contracts or arrangements is given in Annexure 2.

DETAILS OF BOARD MEETINGS

During the year, five Board meetings were held and attendance details of Board members is given below.

	Number of Board Meetings Held	Number of Board Meetings Attended
Anup Bagchi	5	5
Anup Kumar Saha ¹	5	1
Rohit Salhotra ²	5	4
S. Santhanakrishnan	5	5
Dileep Choksi	5	5
CA S. Santhanakrishnan	5	4 ³
Anita Pai	5	5
N. R. Narayanan ⁴	5	4
Anirudh Kamani ⁵	5	1

The Board has appointed N. R. Narayanan as an additional director of the Company effective July 13, 2017 and Anirudh Kamani as an additional director and Managing Director & CEO of the Company effective November 1, 2017.

S. Santhanakrishnan, Dileep Choksi and CA S. Santhanakrishnan are independent Directors on the Board of the Company. In the opinion of the Board and as confirmed by these Directors, they fulfil the conditions specified in section 149 of the Companies Act, 2013 and the Rules made thereunder about their status as independent directors. Independent directors are not liable to retire by rotation and terms of appointment of independent directors will be governed by the provisions of the Companies Act, 2013.

1. Anup Kumar Saha ceased to be Director w.e.f. July 7, 2017.
2. Rohit Salhotra ceased to be Director and Managing Director & CEO w.e.f. October 31, 2017.
3. CA S. Santhanakrishnan has attended four out of five Board meetings during the year held on April 18, 2017, September 26, 2017, October 25, 2017 and January 18, 2018 and the Board meeting held on July 19, 2017 was attended by him through Teleconference.
4. N. R. Narayanan was appointed as an additional Director w.e.f. July 13, 2017.
5. Anirudh Kamani was appointed as an additional Director and Managing Director & CEO w.e.f. November 1, 2017.

COMMITTEES OF BOARD

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

a. Audit and Risk Management Committee (ARMC)

Sl.No.	Name	Chairman/ Members
1	Dileep Choksi	Chairman
2	S. Santhanakrishnan	Member
3	Anup Bagchi	Member

During the year, four meetings of the Committee were held on April 18, 2017, July 19, 2017, October 25, 2017 and January 18, 2018.

b. Nomination & Remuneration Committee

Sl.No.	Name	Chairman/ Members
1	Dileep Choksi	Chairman
2	S. Santhanakrishnan	Member
3	Anup Bagchi	Member

During the year, three meetings of the Committee were held on April 18, 2017, October 25, 2017 and January 18, 2018.

c. Corporate Social Responsibility Committee

Sl.No.	Name	Chairman/ Members
1	Anita Pai	Chairperson
2	Dileep Choksi	Member
3	S. Santhanakrishnan	Member
4	CA S. Santhanakrishnan	Member

During the year, two meetings of the Committee were held on April 18, 2017 and July 19, 2017.

d. Stakeholders Relationship Committee

Sl.No.	Name	Chairman/ Members
1	N R Narayanan ¹	Chairman
2	CA S. Santhanakrishnan	Member
3	Managing Director & CEO	Member

No Committee meeting held during fiscal 2018, as there were no complaints or pending grievances from the institutional lenders & bond holders of the Company.

1. N. R. Narayanan was appointed as Chairman of the Committee effective July 19, 2017.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and Rules thereunder, S. Santhanakrishnan, Dileep Choksi and CA S. Santhanakrishnan have been appointed as independent directors for a period of 5 years. They will hold office as an independent directors of the Company up to March 31, 2019, March 31, 2019 and October 15, 2019 respectively.

Pursuant to the powers conferred under article 129 of the Articles of Association of Company, ICICI Bank Ltd. through its letter dated July 7, 2017 had withdrawn the nomination of Anup Kumar Saha as a Director and nominated N. R. Narayanan through its letter dated July 13, 2017. Accordingly, the Board approved the cessation of Anup Kumar Saha as Director of the Company effective July 7, 2017 and appointed N. R. Narayanan as an Additional Director of the Company effective July 13, 2017. Further, ICICI Bank Ltd. through its letter dated October 24, 2017 had withdrawn the nomination of Rohit Salhotra as a Director and Managing Director & CEO effective close of business hours on October 31, 2017 and deputed Anirudh Kamani, Senior General Manager of the Bank to the Company and nominated him as a Director and Managing Director & CEO of the Company effective November 1, 2017. Accordingly, the Board approved the cessation of Rohit Salhotra as Director and Managing Director & CEO effective close of business hours on October 31, 2017 and appointed Anirudh Kamani as an Additional Director and Managing Director & CEO of the Company effective November 1, 2017. N. R. Narayanan and Anirudh Kamani will hold office of director up to the ensuing AGM and are eligible to offer themselves for re-appointment as directors of the Company.

The Company has received notice as required under Section 160 of the Companies Act, 2013 from a member, signifying his intention to propose the candidature of N. R. Narayanan and Anirudh Kamani for their appointment as directors on the Board at the ensuing AGM of the Company.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Anita Pai, Director retire by rotation at the forthcoming Annual General Meeting and being eligible, offer herself for reappointment.

Pursuant to the provisions of Section 203 of the Companies Act, 2013 Anirudh Kamani (Managing Director & Chief Executive Officer), Vikrant Gandhi (Chief Financial Officer)¹ and Pratap Salian (Company Secretary) are Key Managerial Personnel of the Company.

1. The Board of Directors appointed Vikrant Gandhi as Chief Financial Officer of the Company effective February 5, 2018.

APPOINTMENT AND REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

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

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

The wholtime directors should have sufficient tenure to enable them to deliver on the Company's long term business strategy.

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

Additionally, the independent directors of the Company are paid a profit related commission of ₹ 750,000 each per annum effective fiscal 2016. The payment would be subject to the provisions of the Companies Act, 2013 and availability of net profits at the end of each fiscal.

The non-executive/independent director would be entitled to reimbursement of expenses for attending Board/Committee meetings, official visits and participation in various forums on behalf of the Company and any other expenses as may be approved by the Board.

The Company is a 100% subsidiary of ICICI Bank. Currently, all employees of the Company are on deputation from ICICI Bank and the compensation policy of the Bank to the extent applicable would be applicable to the Company.

BOARD EVALUATION

The Company has adopted a framework for annual evaluation of the Board, Individual directors and Board Level Committees as per the provisions of the Companies Act, 2013. In terms of the framework adopted by the Company, the independent directors evaluate performances of the Board as a whole, non-independent directors and Board Level Committees of the Company. The Board members evaluate the

directors' report

performances of the independent directors. The separate meeting of independent directors without the attendance of non-independent directors and the management team was held during the year as per the provisions of Schedule IV of the Companies Act, 2013.

VIGIL MECHANISM

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

The purpose of the Whistleblower Policy is to enable a person who observes an unethical practice (whether or not a violation of law) to approach the management including Chairperson of the ARMC without necessarily informing his supervisors and without revealing his identity, if he chooses to do so. The Whistleblower Policy governs reporting and investigation of allegations of suspected improper activities.

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

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

There were no complaints reported during the year under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has partnered ICICI Foundation for Inclusive Growth to support the cause of elementary education, primary health, sustainable livelihood and skill development. The Company has a CSR policy approved by the Board and the CSR budget and activities are overseen by the CSR Committee.

Detailed report on CSR activities/initiatives is enclosed as Annexure 3.

RISK MANAGEMENT FRAMEWORK

The Company is exposed to various kinds of risks like credit risk, market risk, liquidity risk and operational risk arising out of business operations which include mortgage lending, liability management etc. In order to mitigate these risks a broad risk management framework approved by the Board and under the supervision of ARMC of the Company is in place, with an objective to ensure that the Company has in place policies and procedures to manage these. The Company laid down appropriate systems to facilitate reporting pertaining to key risks to the Board of Directors, Board Committees and the senior management.

Credit risk is managed and controlled through the existing risk analysis, measurement, monitoring and reporting systems. A detailed framework on credit risk management is implemented through various policies, manuals and guidelines, which includes core and centralised risk evaluation process related to security, rating, lending terms and conditions as appropriate to the borrower and risk profile of related transactions.

HFCs are susceptible to market-related risks such as liquidity risk, interest rate risk and funding risk. Liquidity risk arises when there is an asset-liability mismatch caused by the difference in the maturity profile of the assets and liabilities. This risk may arise from the unexpected increases in the cost of funding an asset portfolio at the appropriate maturity and the risk of being unable to liquidate a position in a timely manner at a reasonable price. HFCs are exposed to liquidity risk in view of the fact that the assets generated by HFCs are at tenor band of 7 to 8 years against liability tenor of 3 to 5 years.

We have an average tenor of 7 to 8 years on our asset book, while the liabilities contracted are of an average tenor of 2 to 3 years. We actively monitor liquidity position through liquidity contingency plan and stress testing to ensure that it can meet all the requirements of lenders while being able to consider investment opportunities as they arise. Such risk management is assigned to the Asset Liability Committee (ALCO) to monitor these risks on an ongoing basis. The ALCO, comprising of Senior Management team, lays down policies and quantitative limits. We seek diverse sources of finance to facilitate flexibility in meeting funding requirements. Our operations are principally funded by borrowings from capital markets, banks and financial institutions.

Market risk of the treasury investments of ICICI HFC is governed by the Investment Policy and Risk Management Policy. The Investment Policy has established limits for various risk metrics, which help to control the market risk. It describes investment functions, incorporating various limits approved for investment, in line with regulations of National Housing Bank (NHB) Act, 1987 & Housing Finance Company (HFC) Directions, 2010.

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

The Operational Risk Management function identifies operational risks in various products as well as processes and monitors the operational losses incurred by the Company.

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

The Board is satisfied with the overall risk management framework and regular monitoring of all major risk areas within the Company.

ARM'S LENGTH PRINCIPLES

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

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

STATUTORY AUDITOR

Pursuant to Section 139 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 and as recommended by the Audit & Risk Management Committee and the Board of Directors, the shareholders of the Company have appointed B S R & Co. LLP, Chartered Accountants, Firm Registration number 101248W/W-100022, as statutory auditors of the Company to hold office from the conclusion of Eighteenth AGM till the conclusion of Twenty-Third AGM of the Company, subject to ratification of their appointment at every Annual General Meeting (AGM).

The auditors have indicated their willingness to continue as statutory auditors of the Company and provided the certificate that they meet the eligibility criteria as required under Companies Act, 2013. Accordingly, ratification of appointment of Statutory Auditors is being sought from the members of the Company at the ensuing AGM. The members are also requested to authorise the Board of the Company for fixing remuneration of the Statutory Auditors for fiscal 2019.

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

SECRETARIAL AUDIT

In terms of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Alwyn Jay & Co, a firm of Practicing Company Secretaries has been appointed as Secretarial Auditors of the Company. The secretarial audit report does not contain any qualification. The report of the Secretarial Auditors is enclosed as Annexure 4 to this report.

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENT

The Company being housing finance company registered with National Housing Bank (NHB), the provision of Section 186 of the Companies Act, 2013 relating to the loans, guarantee or investment are not applicable to the Company.

ADDITIONAL INFORMATION

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

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year, the total foreign exchange used was Nil (previous year Nil) and the total foreign exchange earned was Nil (previous year Nil).

CHANGE OF NATURE OF BUSINESS

There have been no changes in the nature of the business of the Company during the year under review. However, the Company has ventured into financing against securities and consumer durables in fiscal 2018.

SUBSIDIARIES

The Company does not have any existing subsidiary and no new subsidiaries were formed during the year under review.

SIGNIFICANT AND MATERIAL ORDERS

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

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, Directors confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the fiscal 2018 and of the profit and loss of the Company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis;
- (e) The directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

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

ACKNOWLEDGEMENT

The Directors thank National Housing Bank, other statutory authorities and the bankers and lenders of the Company for their continued support.

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

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

ANUP BAGCHI
Chairman

Place: Mumbai
Date: May 28, 2018

**FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN OF THE FINANCIAL
YEAR ENDED ON MARCH 31, 2018**

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) **CIN** - U65922MH1999PLC120106
- ii) **Registration Date** – 28/5/1999
- iii) **Name of the Company** – ICICI Home Finance Company Limited
- iv) **Category / Sub-Category of the Company** – Company having Share Capital
- v) **Address of the Registered Office and contact details** –
ICICI Home Finance Company Limited,
ICICI Bank Towers, Bandra-Kurla Complex, Bandra (East), Mumbai 400051, India.
Tel No.: 022-40093480 Fax No.: 022-40093408
Email: investors.relations@icicifhc.com
- vi) **Whether listed Company** - Yes
- vii) **Name, Address and contact details of Registrar & Transfer Agents (RTA)** –
3i Infotech Ltd,
Tower #5, 3rd to 6th Floor, International Infotech Park, Vashi,
Navi Mumbai-400703. Tel: 022-67928000
Datamatics Business Solutions Limited
(Formerly known as Datamatics Financial Services Limited)
Plot No. B-5, Part B Crosslane, MIDC, Andheri (East), Mumbai 400093
Tel No.: 022-66712196 Fax No.: 022-66712209

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
(i) Category-wise Share Holding

Category of shareholders	No. of Shares held at the beginning of the fiscal				No. of Shares held at the end of the fiscal				% Change during the fiscal
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individuals/HUF	-	-	-	-	-	-	-	-	-
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.*	900	200	1,100	0%	900	200	1,100	0%	-
(e) Banks / FI	1,098,748,900	-	1,098,748,900	100%	1,098,748,900	-	1,098,748,900	100%	-
(i) Any Other.	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	1,098,749,800	200	1,098,750,000	100%	1,098,749,800	200	1,098,750,000	100%	
(2) Foreign									
(a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b) Other - Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other.	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-									
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	1,098,749,800	200	1,098,750,000	100%	1,098,749,800	200	1,098,750,000	100%	
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Banks / FI	-	-	-	-	-	-	-	-	-
(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIs	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-									
2. Non-Institutions									
(a) Bodies Corp.									
(i) Indian	-	-	-	-	-	-	-	-	-
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
(c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-									
Total Public Shareholding (B)=(B)(1)+(B)(2)									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	1,098,749,800	200	1,098,750,000	100%	1,098,749,800	200	1,098,750,000	100%	

*Beneficial interest on the above shares are held by the Promoter, ICICI Bank Limited

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sl. No.	Name and Description of main Products/Services	NIC Code of the Product/Service	% to Total Turnover of the Company
1.	The Company's main business is financing by way of loans for the purchase or construction of residential houses, commercial real estate and certain other purposes, in India. All other activities of the Company revolve around the main business.	64192	95%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of Shares Held	Applicable Section
1.	ICICI Bank Limited (Holding Company & its nominees)	L65190GJ1994PLC021012	Holding Company	100%	2(46)

(ii) Shareholding of Promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the fiscal			Shareholding at the end of the fiscal			% Change during the fiscal
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	
1.	ICICI Bank Limited (Holding Company & its nominees)	1,098,748,900	100%	-	1,098,748,900	100%	-	-

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No	Particulars	Shareholding at the beginning of the fiscal		Cumulative Shareholding during the fiscal	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the fiscal	1,098,748,900	100%	1,098,748,900	100%
	Date wise Increase / Decrease in Promoters Shareholding during the fiscal specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the fiscal	1,098,748,900	100%	1,098,748,900	100%

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the top 10 Shareholders	Shareholding at the beginning of the fiscal		Cumulative Shareholding at the end of the fiscal	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	ICICI Securities Limited*	600	0.00%	600	0.00%
2	ICICI Lombard General Insurance Company Limited*	100	0.00%	100	0.00%
3	ICICI Investment Management Company Limited*	100	0.00%	100	0.00%
4	ICICI Trusteeship Services Limited*	100	0.00%	100	0.00%
5	ICICI Venture Funds Management Company Limited*	100	0.00%	100	0.00%
6	ICICI Securities Primary Dealership Limited*	100	0.00%	100	0.00%

*Beneficial interest on the above shares are held by the Promoter, ICICI Bank Limited

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the fiscal		Cumulative Shareholding during the fiscal	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the fiscal	-	-	-	-
	Date wise increase / decrease in Shareholding during the fiscal specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the fiscal	-	-	-	-

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ In million)

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Fixed Deposits	Total Indebtedness
Indebtedness at the beginning of the fiscal				
i) Principal Amount	11,770.0	58,639.3	3,067.0	73,476.3
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	595.1	1,508.0	212.7	2,316.0
Total (i+ii+iii)	12,365.1	60,147.3	3,279.7	75,792.3
Change in indebtedness during the fiscal				
• Addition	-	56,802.5	825.2	57,627.7
• Reduction	(2,970.0)	(45,747.9)	(1,455.2)	(50,173.1)
Net Change	(2,970.0)	11,054.6	(630.0)	7,454.6
Indebtedness at the end of the fiscal				
i) Principal Amount	8,800.0	69,694.0	2,437.0	80,931.0
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	244.0	2,109.0	222.5	2,575.5
Total (i+ii+iii)	9,044.0	71,803.0	2,659.5	83,506.5

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No	Particulars of Remuneration	Name MD/WTD/Manager		Total Amount (₹)
		Rohit Salhotra (w.e.f. May 2, 2012 to October 31, 2017) (₹)	Anirudh Kamani (w.e.f. November 1, 2017) (₹)	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961: (i) Salary and Allowances for Fiscal 2018 * (ii) Bonus Paid in Fiscal 2018 (b) Value of perquisites u/s 17(2) Income Tax Act, 1961: (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961:	6,021,544 1,976,760 415,253 -	7,342,973 - 1,408,576 -	13,364,517 1,976,760 1,823,829 -
2.	Perquisite on Employee Stock Option exercised in Fiscal 2018, w.r.t Options granted upto 10 years prior to date of exercise	13,321,596	15,444,140	28,765,736
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify	- - -	- - -	- - -
5.	Others (HRA)	-	175,355	175,355
	Total (1a(i) + a(ii) + b) + (5) Total Remuneration paid in Fiscal 2018 (excludes Perquisites on Stock Options exercised in Fiscal 2018 as mentioned in (2))	8,413,557	8,926,904	17,340,461
	Ceiling as per section 197 of the Companies Act, 2013	92,027,231		

* Please note that Salary and Allowances is net of HRA exemption claimed under Section 10(13A) of Income Tax Act, 1961, which is reported under the head 'others'.

B. Remuneration to other directors:

(₹ In million)

Particulars of Remuneration	Name of Directors						Total Amount
	CA S. Santhanakrishnan	Dileep Choksi	S. Santhanakrishnan	Anup Bagchi	Anita Pai	N. R. Narayanan	
1. Independent Directors							
• Fee for attending board / Committee meetings	0.4	0.7	0.7	-	-	-	1.8
• Commission	0.8	0.8	0.8	-	-	-	2.4
• Others, please specify	-	-	-	-	-	-	-
Total (1)	1.2	1.5	1.5	-	-	-	4.2
2. Other Non-Executive Directors							
• Fee for attending board / committee meetings	-	-	-	-	-	-	-
• Commission	-	-	-	-	-	-	-
• Others, please specify	-	-	-	-	-	-	-
Total (2)	-	-	-	-	-	-	-
Total = (1+2)	1.2	1.5	1.5	-	-	-	4.2
Total Managerial Remuneration	1.2	1.5	1.5	-	-	-	4.2
Overall Ceiling	As per Companies Act, 2013						

* During the year, Anup Kumar Saha ceased to be director of the Company and he has not been paid any remuneration.

C. Remuneration to Key Managerial Personnel Other than MD/ Manager/ WTD:

Sl. No.	Particulars of Remuneration	Key Managerial Personal			Total (₹)
		Pankaj Jain (CFO) (w.e.f. April 21, 2014 to February 04, 2018) (₹)	Vikrant Gandhi (CFO) (w.e.f. February 05, 2018) (₹)	Pratap Salian (CS) (₹)	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961: (i) Salary and Allowances for Fiscal 2018* (ii) Bonus Paid in Fiscal 2018 (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961: (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961:	4,584,726 1,755,936 554,930 -	1,018,498 - 251,363 -	1,732,560 232,176 35,636 -	7,335,784 1,988,112 841,929 -
2.	Perquisite on Employee Stock Option exercised in Fiscal 2018, w.r.t Options granted upto 10 years prior to date of exercise	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify	- - -	- - -	- - -	- - -
5.	Others (HRA & LTA)	870,744	-	59,462	930,206
	Total (1a(i) + a(ii) + b) + (5) Total Remuneration paid in Fiscal 2018 (excludes Perquisites on Stock Options exercised in Fiscal 2018 as mentioned in (2))	7,766,336	1,269,861	2,059,834	11,096,031

* Please note that Salary and Allowances is net of HRA and LTA exemption claimed under Section 10(13A) and Section 10(5) of Income Tax Act, 1961 respectively, which is reported under the head 'others'.

directors' report



VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding Fees Imposed	Authority [RD/ NCLT/COURT]	Appeal Made, if Any (Give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Annexure 2

Related party transactions

The details of material related party transactions at arm's length principles for the year ended March 31, 2018 on an aggregate basis is given below:

Sr. No.	Nature of Contracts/ Transactions	Name of the Related Party	Nature of Relationship	Duration of Contracts	Salient terms of Contracts/ Transactions	₹ in million
-	-	-	-	-	-	-

Sd/-
ANIRUDH KAMANI
Managing Director & CEO

Annexure 3

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES/ INITIATIVES

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs

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

The CSR Policy of the Company sets the framework guiding the Company's CSR activities. It outlines the governance structure, operating framework, monitoring mechanism, and CSR activities that would be undertaken. The CSR committee is the governing body that articulates the scope of CSR activities and ensures compliance with the CSR policy. The Company's CSR activities are largely focused in the areas of education, health, skill development and financial inclusion and other activities as the Company may choose to select in fulfilling its CSR objectives.

The CSR policy was approved by the Committee in October 2014, and put up on the Company website http://www.icicihfc.com/pdf/CSR_policy_hfc.pdf

2. The Composition of the CSR Committee

The Company's CSR Committee comprises three independent directors and a non-executive director, and is chaired by the non-executive director. The composition of the Committee is set out below.

Sl. No.	Name	Chairman/ Members
1	Anita Pai	Chairperson
2	Dileep Choksi	Member
3	S. Santhanakrishnan	Member
4	CA S. Santhanakrishnan	Member

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

3. Average net profit of the Company for last three fiscals

The average net profit of the Company for the last three fiscals calculated as specified by the Companies Act, 2013 is ₹ 2,882.9 million.

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)

The prescribed CSR expenditure requirement for fiscal 2018 is ₹ 57.7 million.

5. Details of CSR spent during the fiscal

(a) Total amount to be spent for the fiscal;

Total amount spent towards CSR during fiscal 2018 was ₹ 57.7 million.

(b) Amount unspent, if any;

The required amount was fully spent.

(c) Manner in which the amount spent during the fiscal year is detailed below:

1	2	3	4	5	6	7	8
Sr. No	CSR Project/ Activity Identified	Sector in which the Project is Covered	Projects/Programmes 1. Local area/others- 2. Specify the state /district (Name of the District/s, State/s where Project/Programme was Undertaken)	Amount Outlay (Budget) Project/ Programme wise	Amount Spent on the Project/ Programme Sub-heads: 1. Direct Expenditure on Project/ Programme, 2. Overheads:	Cumulative Spend upto to the Reporting Period	Amount Spent: Direct/ Through Implementing Agency
1	Projects of ICICI Foundation for Inclusive Growth	Promoting sustainable livelihood through vocational skill development projects, promoting education	<ul style="list-style-type: none"> 24 vocational skill training centres located in Bengaluru, Bhubaneswar, Chennai, Coimbatore, Delhi, Durg, Guwahati, Hyderabad, Indore, Jaipur, Karnal, Kochi, Kolkata, Lucknow, Mohali, Mumbai, Mysore, Nagpur, Narsobawadi, Patna, Pune, Trichy, Vadodara and Vijayawada. Vocational training in locally relevant skills at ICICI Digital Villages across the country. Elementary education projects in Chhattisgarh. 	₹ 57.7 million	₹ 57.7 million	₹ 242.8 million	Amount spent through ICICI Foundation for Inclusive Growth.

6. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

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

Sd/-
Anirudh Kamani
Managing Director & CEO

Sd/
Anita Pai
CSR Committee Chairman

Annexure 4
FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

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

To
The Members,
ICICI Home Finance Company Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ICICI Home Finance Company Limited (CIN: U65922MH1999PLC120106) (hereinafter called "the Company").

The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts and statutory compliances and expressing our opinion thereon.

Based on the verification of the Company's statutory registers, books, papers, minute books, forms and returns filed and other records maintained by the Company and the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 complied with the statutory provisions listed hereunder and also that the Company has followed proper Board-processes and have required compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (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 for compliance in respect of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, as applicable;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), as applicable:
 - 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, 1992 till May 14, 2015 and thereafter 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, 2009;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - Not Applicable;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

- f) The Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993;
- g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - Not applicable as the Company is not registered as Registrar to issue and Share Transfer Agent during the financial year under review;
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable as the Company has not bought back / proposed to buy-back any of its securities during the financial year under review.
- (vi) Other specific business/industry related laws applicable to the Company - The Company has complied with the provisions of the National Housing Bank Act, 1987 and notifications, and other directions pertaining to Housing Finance Companies issued by the National Housing Bank and the Housing Finance Companies (NHB) Directions, 2010. Further, the Company has complied with the IRDA (Registration of Corporate Agents) Regulations, 2015 issued by the Insurance Regulatory Development Authority and the applicable general laws, rules, regulations and guidelines.

We have also examined compliance of the following to the extent applicable:

- (a) the Secretarial Standards with regards to Meeting of Board of Directors (SS-1) and General Meeting (SS-2) issued by the Institute of Company Secretaries of India; and
- (b) SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, with respect to the Company's listing of Non-Convertible Debentures.

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

We further report that –

- (a) the Board of Directors of the Company is duly constituted with proper balance of Non-Executive and Independent Directors;
- (b) 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;
- (c) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting; and
- (d) The minutes of the Board meetings and Committee Meetings have not identified any dissent by members of the Board /Committee of the Board, respectively hence we have no reason to believe that the decisions by the Board were not approved by all the directors present.

We further report that there are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. As informed, the Company has responded appropriately to communication received from various statutory /

regulatory authorities including initiating actions for corrective measures, wherever found necessary.

We further report that during the audit period the following specific events /actions having major bearing on Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards etc.:

- Approval of Shareholders was obtained for issue of Unsecured Redeemable Senior Bonds in the nature of Debentures (NCDs) of an amount not exceeding ₹ 21.00 billion under section 42 & 71 of the Companies Act, 2013 by passing Special Resolution at the Annual General Meeting held on 26th May, 2017.
- Allotment of 1,700 nos. of Unsecured Redeemable Senior Bonds in the nature of Debentures (NCDs) of face value of ₹ 500,000/- each aggregating to ₹ 850.0 million on private placement basis on 27th June, 2017.
- Allotment of 3,500 nos. of Unsecured Redeemable Senior Bonds in the nature of Debentures (NCDs) of face value of ₹ 500,000/- each aggregating to ₹ 1.75 billion on private placement basis on 31st July, 2017.
- Allotment of 3,600 nos. of Unsecured Redeemable Senior Bonds in the nature of Debentures (NCDs) of face value of ₹ 500,000/- each aggregating to ₹ 1.80 billion on private placement basis on 30th August, 2017.

- Allotment of 2,000 nos. of Unsecured Redeemable Senior Bonds in the nature of Debentures (NCDs) of face value of ₹ 500,000/- each aggregating to ₹ 1.00 billion on private placement basis on 1st February, 2018.
- Allotment of 3,000 nos. of Unsecured Redeemable Senior Bonds in the nature of Debentures (NCDs) of face value of ₹ 500,000/- each aggregating to ₹ 1.50 billion on private placement basis on 12th February, 2018.
- Allotment of 1,000 nos. of Unsecured Redeemable Senior Bonds in the nature of Debentures (NCDs) of face value of ₹ 500,000/- each aggregating to ₹ 500.0 million on private placement basis on 26th February, 2018.
- Allotment of 7,300 nos. of Unsecured Redeemable Senior Bonds in the nature of Debentures (NCDs) of face value of ₹ 500,000/- each aggregating to ₹ 3.65 billion on private placement basis on 20th March, 2018.

ALWYN JAY & CO,

Place: Mumbai
Date: April 16, 2018

Sd/-
[Vijay Sonone FCS.7301]
Certificate of Practice No. 7991

Annexure 5

Statement of Particulars of employees pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sl. No.	Name	Designation / Nature of Duties	Gross Remuneration (Without ESOP) Received [₹]	Qualification	Experience in years	Age in years	Date of Commencement of Employment	Last Employment held
1	2	3	4	5	6	7	8	9
1	Rohit Salhotra	MD/CEO (w.e.f. May 2, 2012 to October 31, 2017)	8,916,622	PGDM, BE	29	52	November 21, 2006	ICICI Bank
2	Anirudh Kamani	MD/CEO (w.e.f. November 1, 2017)	9,567,077	CA	28	49	February 1, 2005	ICICI Bank
3	Pankaj Jain	CFO (w.e.f. April 21, 2014 to February 4, 2018)	8,507,386	MMS-FT	23	47	October 3, 2000	ICICI Bank
4	Vikrant Gandhi	CFO (w.e.f. February 5, 2018)	1,416,749	CA	21	45	November 17, 2008	ICICI Bank
5	Ashish Kakkar	CHRO (w.e.f. November 1, 2017)	6,352,391	PGDM-PM & HRD-FT	20	45	December 1, 2016	ICICI Bank
6	Nilesh Deshpande	COO (w.e.f. February 1, 2018)	1,369,047	B.Com	25	43	December 21, 2001	ICICI Bank

Notes:

- All appointments are / were non-contractual.
- Remuneration as shown above comprises of Salary, Leave Salary, Bonus, Gratuity where paid, Leave Travel Assistance, Medical Benefit, House Rent Allowance, Perquisites and Company's Contribution to Provident Fund and Superannuation Fund.
- None of the above employees is related to any Director of the Company.

Annexure 5A

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.

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

The ratio of remuneration of the MD & CEO to the median remuneration of employees is around 26:1.

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

The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary ranges from 5% to 7%.

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

The median remuneration of employees in the fiscal has increased by 6%.

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

The number of permanent employees on rolls of the Company is 332 at March 31, 2018.

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

The average percentile increase made in the salaries of total employees other than the Key Managerial Personnel for fiscal 2018 is around 9%, while the average increase in the remuneration of the Key Managerial Personnel is in the range of 5% to 7%.

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

Yes

management's discussion and analysis

BUSINESS ENVIRONMENT

The mortgage market continues to grow, particularly in tier III & IV cities, driven primarily by consumption demand. This has led to increased focus by most lenders and builders on these markets. Demand and supply in these markets is also balanced leading to stable prices.

The demand for home equity and commercial loans against property are on the rise with borrowers seeking to leverage on such assets. The real estate prices have remained flat to negative the past few years. Further, increased activity of all banks & financial institutions in the housing finance domain has resulted in higher Balance Transfer (BT) cases, resulting in increased pressure on asset book growth and consequently on portfolio yield.

Going forward the management is optimistic of increased traction in real estate volumes with higher "end-user" participation, as against a significant presence of the investor segment earlier. Expectations of a good monsoon are expected to improve market sentiment and resultant volumes going forward. Additionally, notification of Real Estate Regulatory Agency (RERA) & its adoption by states would also drive market specific demand, given enhanced customer confidence.

The Credit Linked Subsidy Scheme (CLSS) under the Pradhan Mantri Awas Yojana will continue to be a primary driver in the affordable housing segment. The scheme will continue to increase the propensity to purchase homes over leasing. On the supply side, we expect the number of transactions in Economically Weaker Section (EWS), Lower Income Group (LIG) and Middle Income Group (MIG) segment from ₹ 5 Lacs to ₹ 45 Lacs homes to go up significantly and most new launches of projects will be targeted at these customers.

Our Company continues to focus on the emerging markets & underserved customer segments which provide a reasonable growth opportunity. We will continue to invest in distribution and build organisational capabilities to offer mortgage related products and services in these markets.

While growth continues to be muted in the mid and premium segment, the affordable segment is expected to continue reporting demand uptick. The affordable segment is now under 'Infrastructure' status and with an increased coverage in terms of size per flat the segment will continue reporting high growth in semi urban and Tier II & Tier III markets.

Another lever to economic development, credit to MSME segment is expected to grow manifold backed by differentiated offering, customised credit assessment and large unmet demand. With revised 'turnover' based definition of MSME, GST compliance and formalisation, the lending opportunities will broaden. Within the MSME segment, demand for LAP would be higher to meet financing needs for growth and working capital.

The MSME and affordable segments will require strengthened valuations procedures, robust prediction of cash flows and end use assessment. Asset quality for these segments would need to be monitored on a continuous basis.

FINANCIAL HIGHLIGHTS

Profit after tax decreased from ₹ 1.83 billion in fiscal 2017 to ₹ 0.64 billion in fiscal 2018. The performance highlights for fiscal 2018 are given below.

- Net interest income decreased from ₹ 2.97 billion in fiscal 2017 to ₹ 2.60 billion in fiscal 2018 primarily due to a decrease in net interest margin (NIM). NIM decreased by 50 basis points from 3.28% in fiscal 2017 to 2.78% in fiscal 2018 primarily due to reversal of interest income on non-performing assets and a decrease in yield on interest-earning assets, offset, in part, by a decrease in cost of funds. The yield on interest earning assets decreased by 110 basis points from 10.93% in fiscal 2017 to 9.83% in fiscal 2018. Cost of funds decreased primarily due to a decrease in cost of borrowings.
- Fee income primarily includes processing fee income from retail and corporate loan business, such as loans servicing charges, fee income from third party referrals, fee income from property search and advisory business. Fee income decreased from ₹ 0.62 billion in fiscal 2017 to ₹ 0.32 billion in fiscal 2018, primarily due to a decrease in fees earned by valuation services and property

services, offset, in part, by an increase in retail and referral fees. Fee earned by valuation services decreased from ₹ 0.31 billion in fiscal 2017 to ₹ 0.01 billion in fiscal 2018 primarily due to income from valuation services which was mainly earned from services provided to ICICI Bank. The employees who were providing this service have been transferred to the Bank.

- Other income primarily includes rent income from property. Other income increased from ₹ 0.04 billion in fiscal 2017 to ₹ 0.07 billion in fiscal 2018.
- Operating expenses primarily includes employee benefits expenses and other administrative expenses. Staff cost decreased from ₹ 0.35 billion in fiscal 2017 to ₹ 0.34 billion in fiscal 2018. Other operating expenses primarily includes rent, rates and taxes, repairs and maintenance, direct marketing and sourcing business expenses, collection expenses and depreciation on assets. Other operating expenses increased from ₹ 0.54 billion in fiscal 2017 to ₹ 0.59 billion in fiscal 2018.
- Provisions increased from a write-back of ₹ 0.04 billion in fiscal 2017 to a provision of ₹ 0.94 billion in fiscal 2018 primarily due to an increase in provision on CRF loans and provision towards diminution in the value of equity shares of ARCIL.
- The Company transferred ₹ 0.21 billion to Special Reserve in fiscal 2018 in accordance with Section 29C of National Housing Bank Act, 1987. Transfer to Special Reserve amounted to ₹ 0.37 billion in fiscal 2017.
- The Company paid Interim dividend of 3.15% (excluding dividend distribution tax) amounting to ₹ 0.35 billion on paid up share capital of ₹ 10.99 billion in fiscal 2018 (fiscal 2017: 9.70% ; ₹ 1.07 billion). Further, the Company has not declared any final dividend in fiscal 2018 (fiscal 2017: 1.36% ; ₹ 0.15 billion). Balance carried forward to the next year amounted to ₹ 0.05 billion in fiscal 2018 (fiscal 2017: ₹ 0.21 billion).
- Total assets increased from ₹ 94.27 billion at March 31, 2017 to ₹ 102.27 billion at March 31, 2018.
- Loans and advances increased from ₹ 89.73 billion at March 31, 2017 to ₹ 96.46 billion at March 31, 2018. Gross non-performing loans (NPA) increased from ₹ 1.55 billion at March 31, 2017 to ₹ 3.32 billion at March 31, 2018. Gross NPA ratio increased from 1.73% at March 31, 2017 to 3.44% at March 31, 2018. Net NPA ratio increased from 0.75% at March 31, 2017 to 2.14% at March 31, 2018.
- Investments increased from ₹ 1.48 billion at March 31, 2017 to ₹ 2.82 billion at March 31, 2018.
- Total borrowings increased from ₹ 74.19 billion at March 31, 2017 to ₹ 81.81 billion at March 31, 2018.
- The capital adequacy ratio was 23.84% at March 31, 2018 compared to 26.96% at March 31, 2017 against NHB requirement of 12.00% and tier-1 capital adequacy ratio was 22.44% at March 31, 2018 compared to 24.61% at March 31, 2017.

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

	Fiscal 2017	Fiscal 2018
Return on average equity (%) ¹	11.5	4.0
Return on average assets (%) ²	2.0	0.7
Earnings per share (Basic & Diluted) (₹)	1.67	0.58
Net interest margin (%)	3.3	2.8
Fee / Income (%)	17.1	10.5
Cost / Income (%) ³	24.3	31.3

- Return on average equity is the ratio of the net profit after tax to average equity share capital and reserves.
- Return on average assets is the ratio of net profit after tax to average assets.
- Cost represents operating expense. Income represents net interest income and non-interest income.

independent auditor's report



to the members of ICICI Home Finance Company Limited

Report on the audit of the financial statements

We have audited the accompanying financial statements of ICICI Home Finance Company Limited (the "Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and summary of the significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the financial statements in accordance with the Standards on Auditing prescribed under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We are also responsible to 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2018, and its profit and its cash flows for the year ended on that date.

Other matter

The comparative financial information of the Company for the year ended 31 March 2017 as included in these financial statements have been audited by the predecessor auditor who had audited the financial statements for the year ended 31 March 2017. The report of the predecessor auditor on the comparative financial information dated 18 April 2017 expressed an unmodified opinion. Our opinion is not modified in respect of this matter.

Report on other legal and regulatory requirements

- As required by the Companies (Auditor's Report) Order, 2016 (the "Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in "Annexure A", a statement on the matters specified in paragraph 3 and 4 of the Order.
- As required by Section 143 (3) of the Act, we report that:
 - 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;
 - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under Section 133 of the Act;
 - On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
 - With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
 - 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:
 - the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 31 to the financial statements;
 - the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and
 - the disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However, amounts as appearing in the audited financial statements for the year ended 31 March 2017 have been disclosed.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mumbai
19 April 2018

Venkataramanan Vishwanath
Partner
Membership No: 113156

annexure A to the auditor's report

Annexure A to the Independent Auditor's Report of even date on the financial statements of ICICI Home Finance Company Limited

The Annexure referred to in the Independent Auditor's Report to the members of ICICI Home Finance Company Limited (the "Company") on the financial statements for the year ended 31 March 2018, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all the fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in fixed assets are held in the name of the Company.
- ii. The Company's business does not involve holding of any inventories. Accordingly, clause 3(ii) of the Order is not applicable to the Company.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 (the "Act"). Accordingly, clause 3(iii) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made investments or provided guarantees and securities under Section 185 and 186 of the Act. Accordingly, para 3(iv) of the Order is not applicable.
- v. According to the information and explanation given to us, in the opinion of management of the Company, since the Company is a housing finance company, directives issued by Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act, and the rules framed thereunder, are not applicable to the Company. Further, in our opinion and according to the information and explanations given to us, the provisions of The Housing Finance Companies (NHB) Directions, 2010, as amended have been complied with. We are informed by management of the Company that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any other court or any other Tribunal.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any services rendered by the Company. Accordingly, clause 3(vi) of the Order is not applicable to the Company.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, service tax, goods and service tax, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities though there has been one delay in deposit of service tax. As explained to us, the Company did not have any dues on account of duty of customs, duty of excise, sales tax and value added tax.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, service tax, goods and service tax, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, the following amounts of income tax dues have not been deposited by the Company on account of disputes:

Name of the statute	Nature of dues	Amount (₹ in million)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax demands raised against the Company	59.91	Financial Year ("FY") 2004-2005	Assessing Officer, Mumbai
Income Tax Act, 1961	Income Tax demands raised against the Company	27.44	FY 2007-2008	Assessing Officer, Mumbai

Name of the statute	Nature of dues	Amount (₹ in million)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax demands raised against the Company	13.68	FY 2008-2009	Income Tax Appellate Tribunal, Mumbai
Income Tax Act, 1961	Income Tax demands raised against the Company	114.81	FY 2010-2011	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax demands raised against the Company	200.43	FY 2011-2012	Commissioner of Income Tax (Appeals)

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowing from financial institutions, banks, or debenture holders during the year. During the year, the Company did not have any loans or borrowing from the Government.
- ix. In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised. The Company has not raised money by way of initial public offer or further public offer during the year.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during year.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(xiv) of the Order is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable.
- xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **BSR & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mumbai
19 April 2018

Venkataramanan Vishwanath
Partner
Membership No: 113156

annexure B to the Independent auditor's report



Annexure - B to the Independent Auditor's Report of even date on the financial statements of ICICI Home Finance Company Limited

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

We have audited the internal financial controls over financial reporting of ICICI Home Finance Company Limited (the "Company") as of 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

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

Auditor's responsibility

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

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

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

Meaning of internal financial controls over financial reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitations of internal financial controls over financial reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mumbai
19 April 2018

Venkataramanan Vishwanath
Partner
Membership No: 113156

cash flow statement



for the year ended March 31, 2018

Particulars	(₹ in million)	
	Year ended March 31, 2018	Year ended March 31, 2017
A Cash flow from operating activities:		
Profit before taxation and exceptional items	1,119.4	2,782.7
Adjustments for:		
Depreciation / amortisation	23.3	23.3
Amortisation of premium on investments	2.9	4.6
Provision for gratuity and other staff benefits	12.6	(13.3)
Write back against standard assets	(12.6)	(29.7)
Loss / (Gain) on sale of fixed assets / written off*	0.0	0.0
Provision for NPA and others	392.1	(7.4)
Provision towards investment in equity shares	232.7	-
Provision towards investment in SRs	324.0	-
(Profit) / Loss on sale of government securities and long term investments	-	(1.1)
Interest expense on borrowings	6,214.5	6,607.8
Interest income on loans	(9,116.9)	(9,686.4)
Interest received on investments	(34.1)	(63.5)
Loss on revaluation of fixed assets	-	0.3
Dividend income	(38.3)	(92.6)
Profit on sale of mutual fund units	(6.2)	(24.7)
Operating profit before working capital changes	(886.6)	(500.0)
Adjustments for increase or decrease in:		
(Increase) / Decrease in Trade receivables	(22.0)	116.2
(Increase) / Decrease in Other assets	(71.5)	10.0
(Decrease) / Increase in Trade payables	44.9	(142.9)
(Decrease) / Increase in Other liabilities	(66.8)	(294.7)
(Decrease) / Increase in Provisions	100.3	(18.9)
Loans given (net movement)	(6,732.7)	(2,506.7)
Interest expenses paid	(6,085.6)	(6,568.7)
Interest income received	9,103.6	9,676.1
Cash generated from Operations	(4,616.4)	(229.6)
Income taxes paid (net)	(709.7)	(760.9)
Net cash used in operating activities - A	(5,326.1)	(990.5)
B Cash Flow from investing activities:		
Purchase of fixed assets (including capital work in progress)	(12.7)	(12.5)
Proceeds from sale of fixed assets	1.0	-
Purchase of investments	(2,278.9)	(5.8)
Proceeds from sale of investments	50.0	740.8
Profit on sale of government securities and long term investments	-	1.1
Purchase of mutual fund units	(11,344.4)	(29,327.9)
Proceeds from sale of mutual fund units	11,350.6	29,352.6
Dividend income	38.3	92.6
Interest received on investments	34.1	63.5
Fixed deposits matured	-	200.0
Net cash (used in) / generated from investing activities - B	(2,162.0)	1,104.4
C Cash flow from financing activities:		
Dividend and dividend distribution tax paid	(595.8)	(1,282.8)
Proceeds from borrowings	263,271.3	240,007.5
Repayment of borrowings	(255,652.0)	(240,295.4)
Net cash generated from / (used in) financing activities - C	7,023.5	(1,570.7)
Net decrease in cash and cash equivalents (A+B+C)	(464.6)	(1,456.8)
Cash and cash equivalents as at beginning of the year	1,615.4	3,072.2
Cash and Cash equivalents as at end of the year	1,150.8	1,615.4
Notes:		
1. Cash and cash equivalents consists of:		
A. Bank balances		
1) Current accounts (including bank deposits with original maturity less than 3 months)	60.8	405.4
B. Investments in mutual fund units	210.0	420.0
C. Investment redemption receivable	880.0	790.0
	1,150.8	1,615.4
2. The above cash flow statement has been prepared under the 'Indirect Method' as set out in Accounting Standard - 3 on "Cash Flow Statements"		

*Amount is less than ₹ 0.1 million for the years ended March 31, 2018 and March 31, 2017

As per our report of even date

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

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

ANUP BAGCHI
Chairman

ANIRUDH KAMANI
Managing Director & CEO

VENKATARAMANAN VISHWANATH
Partner
Membership No: 113156

VIKRANT GANDHI
Chief Financial Officer

Place: Mumbai
Dated: April 19, 2018

PRATAP SALIAN
Company Secretary

NOTES FORMING PART OF ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES

1. Corporate information

ICICI Home Finance Company Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is registered with the National Housing Bank (NHB), and is governed by the provisions of the Housing Finance Companies (NHB) Directions, 2010, as amended and other directions, regulations and circulars issued by NHB. The Company is engaged in providing financial assistance for specified interest & maturity to any person/persons for the purpose of acquiring, constructing, erecting, improving, extending, altering, repairing, renovating, developing any house, flats or buildings or any form of real estate or any part or portion thereof. The Company also provides financial assistance to any person for specified purpose against the security of any immovable property. The Company is also engaged in providing advisory, consultancy, broking in property service, sourcing and servicing home loans, loan against securities, financing against consumer durables.

2. Basis of preparation

The financial statements of the Company have been prepared to comply in all material respects with the Accounting Standards specified under section 133 of the Companies Act, 2013, the guidelines issued by NHB and other accounting principles generally accepted in India. The financial statements have been prepared on an accrual basis under the historical cost convention.

2.1 Significant accounting policies

a) Presentation and disclosure of financial statements

The Company prepare its financial statements as per Schedule III of the Companies Act, 2013 applicable for preparation and presentation of the financial statements. The term 'Operating cycle' is defined as the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. In the Company, normal operating cycle cannot be identified hence it is assumed to have duration of 12 months as per Schedule III notified under Companies Act, 2013. The Company considers 12 months as its operating cycle.

b) Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c) Revenue recognition

Income from loan

Repayment of Housing Loans is by way of Equated Monthly Installments (EMI) comprising of principal and interest. Interest income on EMI/Pre-EMI cases on housing loan is accounted for on accrual basis as per NHB guidelines. Loan origination income i.e. processing fees and other charges collected upfront, are recognised on origination of the loan. Interest on non-performing assets is recognised only on realisation as per the guidelines issued by the NHB.

Income from Investment

Interest on Government Securities and Bank deposits are recognised on a time proportionate basis. Dividend is accounted on an accrual basis when the right to receive the dividend is established.

Fee Income

Fee income is recognised in accordance with principles laid down in accounting standard 9 'Revenue Recognition'. Property Service Fees are recognised to the extent of invoice raised on the customer, when right to receive payment is established. Mortgage Valuation Fees are recognised on accrual basis.

d) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value.

Long-term investments 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, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

e) Provisions / write-offs on loans and other credit facilities

- i) Loans and other credit facilities are classified as per the National Housing Bank (NHB) guidelines, into performing and non-performing assets. Further non-performing assets are classified into sub-standard, doubtful and loss assets and provision made based on criteria stipulated by NHB guidelines. Additional provisions are made against specific non-performing assets over and above stated in NHB guidelines, if in the opinion of management, such provisions are necessary.
- ii) The Company maintains general provisions to cover potential credit losses, which are inherent in any loan portfolio but not identified in accordance with NHB Guidelines. For standard assets, additional general provisions are determined having regard to overall portfolio quality, asset growth, economic conditions and other risk factors.

f) Property, plant and equipment and intangible assets

Property, Plant and Equipment (PPE), other than premises, are carried at cost less accumulated depreciation and impairment, if any. Freehold Land and Office Buildings 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.

Intangible Assets comprising of software are stated at cost of acquisition, including any cost attributable for bringing the same to its working condition, less accumulated amortisation. Any expenses on such software for support and maintenance payable periodically are charged to the Statement of Profit and Loss.

g) Depreciation and amortisation

Depreciation on tangible assets is charged on Straight Line Method based on economic useful life as per limits specified in Part 'C' to Schedule II of the Companies Act, 2013 and in accordance with Accounting Standards issued by ICAI.

Particulars	Useful life as per Schedule II	Depreciation rate
Office Buildings on Freehold Land	60 Years	1.67%
Improvements to Leasehold Property	3 Years	33.33%
Furniture and Fixtures	10 Years	10.00%
Office Equipments	5 Years	20.00%
Computers	3 Years	33.33%
Software	4 Years	25.00%

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

h) Retirement and Other Employee Benefits

- i) The Company is statutorily required to maintain a provident fund as part of retirement benefits to its employees. Each employee contributes a certain percentage of his or her basic salary and the Company contributes an equal amount for such employees. The Company 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. The Company makes balance contributions to a fund administered by trustees. The funds are invested according to the rules prescribed by the Government of India.
- ii) Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit Method. Current and Non-Current obligation have been bifurcated as per actuarial valuation.
- iii) Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. The Company provides for leave encashment benefits, which is a defined benefit obligation, based on actuarial valuation conducted by an independent actuary. Current and Non-Current obligation have been bifurcated as per actuarial valuation report.
- iv) Actuarial gains/losses are immediately recognised in the Statement of Profit and Loss and are not deferred.

i) Taxation

Tax expense comprises of current and deferred tax.

Current Tax

Current income tax is measured at the expected amount to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

Deferred Tax

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences between the accounting income as per the Company's financial statements and the taxable income for the year.

Deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future, however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets thereon are recognised only if there is virtual certainty of realisation of such assets.

Deferred tax assets are reviewed at the each balance sheet date and appropriately adjusted to reflect the amount that is reasonably/virtually certain to be realised.

j) Transfer and servicing of financial assets

The Company transfers loans to bankruptcy remote Special Purpose Vehicles through securitisation transactions. The transferred loans are derecognised from the books of the Company and gains / losses are recorded, only if the Company surrenders the rights to benefits specified in the loan contract. Credit provisions and servicing obligations are debited separately to the Statement of Profit and Loss. Retained beneficial interest in the loan is measured by allocating the carrying values of the loans between the assets sold and retained interest, based on the relative fair value measured at the date of securitisation. The carrying value of the retained beneficial interest is estimated at each reporting period based on the forecasted cash flows from the assets securitised after adjusting for projected delinquencies, prepayments etc. The resultant gains/ losses, if any, are recorded in the Statement of Profit and Loss.

k) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares). For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all potential dilutive equity shares.

l) Accounting for swaps

The Company is into the business of home loans and sanctions loans primarily at a floating rate of interest. The Company borrows funds from the market through Commercial Papers, Debentures/Bonds and Fixed Deposits that are at a fixed rate of interest and Term Loans that are at a fixed/floating rate of interest. The floating rate asset book and fixed rate liability book expose the balance sheet of the Company to interest rate risk. In order to offset / mitigate the interest rate risk that the Company is exposed to, the Company enters into derivative contracts such as interest rate swaps to hedge balance sheet liabilities which are structured such that they bear an opposite and offsetting impact with the underlying balance sheet items. The impact of such derivative instruments are correlated with the movements of the underlying liabilities. Hedge derivative transactions are accounted for pursuant to the principles of hedge accounting based on Guidance Note on Accounting for Derivative Contracts issued by ICAI. Interest differential on swaps received/paid is adjusted from/to interest expenses. The related amount receivable from and payable to the swap counter parties is included in the Other Assets or Other Liabilities in the Balance Sheet. In case the hedge is ineffective, derivative instrument is fair valued, and resultant Mark To Market (MTM) gains / losses are accounted in the Statement of Profit and Loss.

m) Impairment

i) The carrying amounts of assets are reviewed at the balance sheet date for any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of

an asset exceeds its recoverable amount. The recoverable amount is the higher of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

ii) After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

n) Provisions and Contingencies

A provision is recognised when an enterprise has a present obligation as a result of 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 not discounted to its present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at the balance sheet date and adjusted to reflect the current management estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements. Contingent assets are neither recognised nor disclosed.

o) Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

p) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with bank. Cash equivalents includes liquid investments in mutual fund units of short term debt instruments that are readily convertible into cash at its NAV and subject to an insignificant risk of changes in value.

q) Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

The difference between the discounted amount mobilised and redemption value of Commercial Papers/ Zero Coupon Bond/ NCD is apportioned on time basis over the life of instrument and charged as interest expense in the Statement of Profit and Loss.

r) Accounting for proposed dividend

As per the requirements of AS 4 (pre-revised), the Company used to create a liability for dividend proposed / declared after the balance sheet date if dividend related to periods covered by the financial statements, however as per AS 4 (Revised), the Company cannot create a liability for such dividend proposed / declared after the balance sheet date. Accordingly, for the year ended March 31, 2017, it had an impact of ₹ 179.9 million where surplus in the Statement of Profit and Loss would have been lower by ₹ 179.9 million and current provision would have been higher by ₹ 179.9 million (including dividend distribution tax of ₹ 30.4 million). Accordingly, the Company had disclosed dividend proposed by board of directors after the balance sheet date in the notes. (Refer Note 3(i))

3. Share Capital

Particulars	₹ in million	
	At March 31, 2018	At March 31, 2017
Authorised shares		
2,385,000,000 Equity shares of ₹ 10 each (March 2017 - 2,385,000,000)	23,850.0	23,850.0
15,000,000 Preference shares of ₹ 10 each (March 2017 - 15,000,000)	150.0	150.0
Total authorised shares	24,000.0	24,000.0
Issued, subscribed and paid up shares		
1,098,750,000 Equity shares of ₹ 10 each fully paid up (March 2017 - 1,098,750,000)	10,987.5	10,987.5
Total Issued, subscribed and paid up shares	10,987.5	10,987.5

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year.

Equity Shares

Particulars	At March 31, 2018		At March 31, 2017	
	No.	(₹ million)	No.	(₹ million)
At the beginning of the year	1,098,750,000	10,987.5	1,098,750,000	10,987.5
Issued during the period	-	-	-	-
Outstanding at the end of the year	1,098,750,000	10,987.5	1,098,750,000	10,987.5

Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended March 31, 2018, the amount of per share dividend distributed to equity shareholder is ₹ 0.451 (excluding dividend distribution tax) (March 31, 2017 - ₹ 0.970).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Details of shareholders holding more than 5% shares in the Company

Particulars	At March 31, 2018			At March 31, 2017		
	No.	(₹ million)	% holding in the class	No.	(₹ million)	% holding in the class
Equity shares of ₹ 10 each fully paid						
ICICI Bank Limited (Holding Company & its nominees)	1,098,750,000	10,987.5	100.0%	1,098,750,000	10,987.5	100.0%

4. Reserves and surplus

Particulars	At	
	March 31, 2018	March 31, 2017
(₹ in million)		
(i) General reserve		
As per last balance sheet	249.3	249.3
Add: Transferred from statement of profit and loss	-	-
Add: Transferred from Revaluation Reserve (As per Para 44 of AS 10)*	0.0	0.0
Less: Utilised for DTL creation (Refer note (b) below)	-	-
Closing balance	249.3	249.3
(ii) Statutory Reserve (As per Section 29C of National Housing Bank Act, 1987) (refer note (a) below)		
Opening Balance	4,391.6	4,024.6
Additions during the year	206.0	367.0
Appropriation during the year	-	-
Closing balance	4,597.6	4,391.6
(iii) Revaluation Reserve		
Opening Balance	229.7	-
Additions during the year	14.8	229.7
Less: Transfer to General Reserve (As per Para 44 of AS 10)*	(0.0)	(0.0)
Appropriation during the year	-	-
Closing balance	244.5	229.7
(iv) Surplus in the Statement of Profit and Loss		
Opening balance	213.6	30.7
Add: Net profit for the year	642.5	1,832.6
Less: Dividend including dividend distribution tax (Refer Note 3(i))	(595.8)	(1,282.7)
Less: Transfer to Statutory Reserve	(206.0)	(367.0)
Less: Transfer to General Reserve	-	-
Less: Utilised for DTL creation (Refer note (b) below)	-	-
Closing balance	54.3	213.6
Total Reserves & Surplus	5,145.7	5,084.2

*Amount transferred from Revaluation Reserve to General Reserve is less than ₹ 0.1 million in the years ended March 31, 2018 and March 31, 2017

(a) Details of Statutory Reserves

Particulars	At	
	March 31, 2018	March 31, 2017
(₹ in million)		
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of National Housing Bank Act, 1987	1,682.8	1,550.4
b) Amount of Special Reserve u/s 36(1) (viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve under section 29C of the National Housing Bank Act, 1987	2,708.8	2,474.2
c) Total	4,391.6	4,024.6
Addition / Appropriation / Withdrawal during the year		
Add: a) Amount transferred u/s 29C of the National Housing Bank Act, 1987	0.1	132.4
b) Amount of Special Reserve u/s 36(1) (viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve under section 29C of the National Housing Bank Act, 1987	205.9	234.6
Less: a) Amount appropriated from the Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	-	-
b) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 which has been taken into account for the purpose of provisions u/s 29C of the National Housing Bank Act, 1987	-	-
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	1,682.9	1,682.8
b) Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve under section 29C of the National Housing Bank Act, 1987	2,914.7	2,708.8
c) Total	4,597.6	4,391.6

Note: (a) The Special Reserve created as per Section 29C of the National Housing Bank Act, 1987, qualifies for deduction as specified u/s 36 (1) (viii) of the Income Tax Act, 1961 and accordingly, the Company has been availing tax benefits for such transfers.

(b) There has been no draw down from reserves during the year ended March 31, 2018 (March 2017 - ₹ Nil).

5. Long-Term Borrowings

Particulars	At			
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
(₹ in million)				
	Non - Current portion		Current Maturities	
[A] Secured				
a) Non-Convertible Debentures / Bonds (Refer note i below)	4,000.0	8,800.0	4,800.0	1,480.0
b) Zero Coupon Debentures / Bonds (Refer note ii below)	-	-	-	1,490.0
Add: Premium accrued on redemption (net of unamortised discount)	-	-	-	293.7
Total[A]	4,000.0	8,800.0	4,800.0	3,263.7
Amount disclosed under head "other current liabilities" (refer Note 10)	-	-	(4,800.0)	(3,263.7)
Net Amount	4,000.0	8,800.0	-	-
[B] Unsecured				
(a) Debenture / Bonds (refer note iii below)				
• Debentures / Bond - private placement	11,790.0	12,990.0	12,250.0	3,200.0
• Debentures / Bond - private placement (from related parties)	-	1,000.0	1,000.0	-
• Debenture / Bond - subordinate debt private placement	2,070.0	2,573.0	503.0	-
• Debenture / Bonds - ZCB	1,010.0	4,760.0	3,750.0	700.0

Particulars	(₹ in million)			
	Non - Current portion		Current Maturities	
	At March 31, 2018	At March 31, 2017	At March 31, 2018	At March 31, 2017
Add: Premium accrued on redemption (net of unamortised discount)	196.6	595.1	842.1	112.8
	1,206.6	5,355.1	4,592.1	812.8
Total (a)	15,066.6	21,918.1	18,345.1	4,012.8
(b) Term loans (refer note iii below)				
Loan from National Housing Bank	815.9	912.1	72.1	96.7
Loans from banks	23,395.1	11,443.9	5,139.4	6,942.2
Total (b)	24,211.0	12,356.0	5,211.5	7,038.9
(c) Deposits (refer note v below)				
Fixed deposits including unclaimed fixed deposits	1,323.6	2,001.2	976.8	779.9
Total (c)	1,323.6	2,001.2	976.8	779.9
(d) Loans and advances from related parties (refer note iii and vii below)				
Loans from holding company – other loans	-	3,096.0	3,096.0	1,376.0
Total (d)	-	3,096.0	3,096.0	1,376.0
Total [B=a+b+c+d]	40,601.2	39,371.3	27,629.4	13,207.6
Amount disclosed under head "other current liabilities"(ref Note 10)	-	-	(27,629.4)	(13,207.6)
Net amount	40,601.2	39,371.3	-	-
Total = [A] + [B]	44,601.2	48,171.3	-	-

i. The Non convertible debentures (NCD) / Bonds are issued with fixed coupon rate and redeemable at par. The NCD / Bonds to the extent of ₹ 8,800.0 million (March 2017 - ₹ 8,800.0 million) are secured by charge on the immovable property and negative lien on the assets of the Company. The NCD / Bonds to the extent of ₹ Nil (March 2017 - ₹ 3,263.7 million) are secured by a pari passu charge on immovable property and hypothecation of loan receivable for upto 1.05 times the value of the NCD / Bonds outstanding.

The details of secured NCD / bonds are as under:

Description	(₹ in million)				
	Date of Allotment	Date of Redemption	Rate of Interest	At March 31, 2018	At March 31, 2017
Non Current:					
a)					
4,000 NCD's of ₹ 1,000,000 each	25-Nov-09	25-Nov-19	9.29%	4,000.0	4,000.0
3,000 NCD's of ₹ 1,000,000 each	18-Mar-09	18-Mar-19	10.75%	-	3,000.0
1,800 NCD's of ₹ 1,000,000 each	23-Sep-08	23-Sep-18	11.35%	-	1,800.0
Total (a)				4,000.0	8,800.0
Current:					
b)					
3,000 NCD's of ₹ 1,000,000 each	18-Mar-09	18-Mar-19	10.75%	3,000.0	-
1,800 NCD's of ₹ 1,000,000 each	23-Sep-08	23-Sep-18	11.35%	1,800.0	-
Total (b)				4,800.0	-
Total (a+b)				8,800.0	8,800.0
c)					
1,000 NCD's of ₹ 500,000 each	13-Nov-14	15-Nov-17	8.80%	-	500.0
1,600 NCD's of ₹ 500,000 each	31-Oct-14	30-Oct-17	9.05%	-	800.0
360 NCD's of ₹ 500,000 each	31-Oct-14	3-Oct-17	9.05%	-	180.0
Total (c)				-	1,480.0
Total (Non Current+Current)				8,800.0	10,280.0

ii. Zero Coupon Bonds (ZCB): These bonds are issued at par and redeemable at premium. The ZCB are secured by way of a pari passu charge on immovable property and hypothecation of loan receivable for upto 1.05 times the value of the bonds outstanding.

The details of secured ZCB are as under:

Description	(₹ in million)				
	Date of Allotment	Date of Redemption	Rate of Interest (XIRR)	At March 31, 2018	At March 31, 2017
Current:					
1,580 ZCB of ₹ 500,000 each	27-Feb-15	5-Mar-18	8.68%	-	790.0
1,000 ZCB of ₹ 500,000 each	27-Feb-15	26-Feb-18	8.68%	-	500.0
400 ZCB of ₹ 500,000 each	27-Feb-15	18-Apr-17	8.70%	-	200.0
Total				-	1,490.0
Add: Premium accrued on redemption (net of unamortised discount)				-	293.7
Total				-	1,783.7

The details of unsecured NCD / bonds are as under:

Description	(₹ in million)				
	Date of Allotment	Date of Redemption	Rate of Interest	At March 31, 2018	At March 31, 2017
Non Current:					
a)					
990 NCD's of ₹ 1,000,000 each	25-Nov-09	25-Nov-19	9.29%	990.0	990.0
2070 NCD's of ₹ 1,000,000 each	24-Apr-09	24-Apr-19	9.75%	2,070.0	2,070.0
503 NCD's of ₹ 1,000,000 each	23-May-08	23-May-18	9.90%	-	503.0
Total (a)				3,060.0	3,563.0
b)					
4,200 NCD's of ₹ 500,000 each	20-Mar-18	27-May-21	8.22%	2,100.0	-
3,100 NCD's of ₹ 500,000 each	20-Mar-18	30-Apr-21	8.22%	1,550.0	-
3,600 NCD's of ₹ 500,000 each	30-Aug-17	28-Aug-20	7.36%	1,800.0	-
1,000 NCD's of ₹ 500,000 each	21-Jul-16	21-Jul-20	8.36%	500.0	500.0
1,700 NCD's of ₹ 500,000 each	27-Jun-17	26-Jun-20	7.50%	850.0	-
1,000 NCD's of ₹ 500,000 each	20-Jun-16	19-Jun-20	8.53%	500.0	500.0
1,000 NCD's of ₹ 500,000 each	26-Feb-18	26-Feb-20	8.10%	500.0	-
3,000 NCD's of ₹ 500,000 each	12-Feb-18	12-Aug-19	8.05%	1,500.0	-
2,000 NCD's of ₹ 500,000 each	1-Feb-18	25-Jun-19	8.00%	1,000.0	-
1,000 NCD's of ₹ 500,000 each	23-Mar-16	23-May-19	8.77%	500.0	500.0
7,000 NCD's of ₹ 500,000 each	24-Jun-15	15-Mar-19	8.69%	-	3,500.0
500 NCD's of ₹ 500,000 each	23-Mar-16	21-Dec-18	8.77%	-	250.0
5,200 NCD's of ₹ 500,000 each	23-Feb-17	23-Oct-18	7.65%	-	2,600.0
2,000 NCD's of ₹ 500,000 each	14-Mar-17	14-Sep-18	7.48%	-	1,000.0
5,500 NCD's of ₹ 500,000 each	16-Aug-16	16-Aug-18	8.00%	-	2,750.0
2,500 NCD's of ₹ 500,000 each	27-Jul-16	27-Jul-18	8.25%	-	1,250.0
300 NCD's of ₹ 500,000 each	20-Jun-16	20-Jun-18	8.53%	-	150.0
Total (b)				10,800.0	13,000.0
Total (a+b)				13,860.0	16,563.0

Description	Date of Allotment	Date of Redemption	Rate of Interest	At	
				March 31, 2018	At March 31, 2017
(₹ in million)					
Current:					
c)					
503 NCD's of ₹ 1,000,000 each	23-May-08	23-May-18	9.90%	503.0	-
Total (c)				503.0	-
d)					
7,000 NCD's of ₹ 500,000 each	24-Jun-15	15-Mar-19	8.69%	3,500.0	-
500 NCD's of ₹ 500,000 each	23-Mar-16	21-Dec-18	8.77%	250.0	-
3,500 NCD's of ₹ 500,000 each	31-Jul-17	21-Dec-18	7.17%	1,750.0	-
5,200 NCD's of ₹ 500,000 each	23-Feb-17	23-Oct-18	7.65%	2,600.0	-
2,000 NCD's of ₹ 500,000 each	14-Mar-17	14-Sep-18	7.48%	1,000.0	-
5,500 NCD's of ₹ 500,000 each	16-Aug-16	16-Aug-18	8.00%	2,750.0	-
2,500 NCD's of ₹ 500,000 each	27-Jul-16	27-Jul-18	8.25%	1,250.0	-
300 NCD's of ₹ 500,000 each	20-Jun-16	20-Jun-18	8.53%	150.0	-
1,000 NCD's of ₹ 500,000 each	23-Dec-15	22-Dec-17	8.38%	-	500.0
2,000 NCD's of ₹ 500,000 each	6-Nov-15	7-Sep-17	8.33%	-	1,000.0
3,400 NCD's of ₹ 500,000 each	6-Nov-15	9-Jun-17	8.33%	-	1,700.0
Total (d)				13,250.0	3,200.0
Total (c+d)				13,753.0	3,200.0
Total (Non Current+Current)				27,613.0	19,763.0

The details of unsecured ZCB are as under:

Description	Date of Allotment	Date of Redemption	Rate of Interest (XIRR)	At	
				March 31, 2018	At March 31, 2017
(₹ in million)					
Non Current:					
a)					
1,500 ZCB of ₹ 500,000 each	23-Mar-16	15-May-19	8.77%	896.1	823.9
520 ZCB of ₹ 500,000 each	23-Mar-16	15-Apr-19	8.77%	310.5	285.5
720 ZCB of ₹ 500,000 each	8-Dec-15	17-Dec-18	8.35%	-	403.0
200 ZCB of ₹ 500,000 each	8-Dec-15	7-Dec-18	8.35%	-	111.9
420 ZCB of ₹ 500,000 each	27-Nov-15	7-Dec-18	8.35%	-	235.6
700 ZCB of ₹ 500,000 each	8-Dec-15	30-Nov-18	8.35%	-	391.7
500 ZCB of ₹ 500,000 each	6-Nov-15	15-Oct-18	8.33%	-	281.6
1,140 ZCB of ₹ 500,000 each	28-Sep-15	27-Sep-18	8.65%	-	651.1
820 ZCB of ₹ 500,000 each	28-Sep-15	13-Sep-18	8.65%	-	468.2
2,000 ZCB of ₹ 500,000 each	24-Jun-15	22-Jun-18	8.69%	-	1,167.8
1,000 ZCB of ₹ 500,000 each	20-Jun-16	20-Jun-18	8.53%	-	534.7
Total (a)				1,206.6	5,355.1
Current:					
b)					
720 ZCB of ₹ 500,000 each	8-Dec-15	17-Dec-18	8.35%	435.6	-
200 ZCB of ₹ 500,000 each	8-Dec-15	7-Dec-18	8.35%	121.0	-
420 ZCB of ₹ 500,000 each	27-Nov-15	7-Dec-18	8.35%	254.7	-
700 ZCB of ₹ 500,000 each	8-Dec-15	30-Nov-18	8.35%	423.4	-
500 ZCB of ₹ 500,000 each	6-Nov-15	15-Oct-18	8.33%	304.2	-
1,140 ZCB of ₹ 500,000 each	28-Sep-15	27-Sep-18	8.65%	704.7	-
820 ZCB of ₹ 500,000 each	28-Sep-15	13-Sep-18	8.65%	506.8	-
2,000 ZCB of ₹ 500,000 each	24-Jun-15	22-Jun-18	8.69%	1,262.5	-
1,000 ZCB of ₹ 500,000 each	20-Jun-16	20-Jun-18	8.53%	579.2	-
900 ZCB of ₹ 500,000 each	24-Jun-15	24-Jul-17	8.69%	-	522.6
500 ZCB of ₹ 500,000 each	24-Jun-15	23-Jun-17	8.69%	-	290.2
Total (b)				4,592.1	812.8
Total (Non Current+Current)				5,798.7	6,167.9

iii. Terms of redemption of unsecured bonds/debentures and repayment terms of term loans are as under:

Maturities	(₹ in million)				
	0-1 year	1-3 years	3-5 years	5 years and above	Total
Rates of Interest					
(a) Unsecured bonds/debenture					
6.50% to 7.99%	5,350.0	2,650.0	-	-	8,000.0
	(-)	(3,600.0)	(-)	(-)	(3,600.0)
8.00% to 9.50%	12,492.1	6,696.6	3,650.0	-	22,838.7
	(4,012.8)	(14,745.1)	(1,000.0)	(-)	(19,757.9)
9.51% to 11.00%	503.0	2,070.0	-	-	2,573.0
	(-)	(2,573.0)	(-)	(-)	(2,573.0)
Total (a)	18,345.1	11,416.6	3,650.0	-	33,411.7
	(4,012.8)	(20,918.1)	(1,000.0)	(-)	(25,930.9)
(b) Term loans* (including loan from holding company)					
6.50% to 7.99%	1,684.1	3,508.5	1,413.2	263.6	6,869.4
	(33.9)	(67.8)	(67.8)	(305.1)	(474.6)
8.00% to 9.50%	6,623.4	13,008.0	5,746.5	271.2	25,649.1
	(7,631.0)	(10,341.4)	(3,619.9)	(300.0)	(21,892.3)
9.51% to 11.00%	-	-	-	-	-
	(750.0)	(750.0)	(-)	(-)	(1,500.0)
Total (b)	8,307.5	16,516.5	7,159.7	534.8	32,518.5
	(8,414.9)	(11,159.2)	(3,687.7)	(605.1)	(23,866.9)

*Figures in bracket pertain to March 31, 2017

Term loans include loan from National Housing Bank of ₹ 888.0 million (March 2017 - ₹ 1,008.8 million)

iv. Rating assigned by Credit Rating Agencies and migration of rating during the year

Instrument	CARE	ICRA
Senior Bonds and Subordinated Bonds	AAA	AAA
Fixed Deposit	AAA (FD)	MAAA
Commercial Paper	A1+	A1+
Long Term Fund based facilities	-	AAA

Note 1: In addition to the debt instrument wise specific credit ratings, the Company has been assigned the Issuer Rating of "Ir AAA" by ICRA for its general creditworthiness and which is not specific to any particular debt instrument.

Note 2: There has been no migration of rating during the year.

v. Fixed deposits include deposits from corporates ₹ 255.4 million (March 2017 - ₹ 325.8 million) and deposits from public ₹ 2,045.0 million (March 2017 - ₹ 2,455.3 million) and carry rate of interest in the range of 6.90% to 9.35% p.a. and having a tenure of 15 to 60 months from the date of acceptance of deposits. Fixed deposits includes unclaimed fixed deposits from corporates ₹ 2.0 million (March 2017 - ₹ 5.3 million) and deposits from public includes ₹ 121.1 million (March 2017 - ₹ 151.8 million). Fixed deposits accepted from Directors and their relatives are ₹ Nil (March 2017 - ₹ Nil). Floating charge has been created on Government Securities (for statutory liquidity ratio (SLR) purpose) as per NHB Directions.

Concentration of Public Deposits

Particulars	(₹ in million)	
	At March 31, 2018	At March 31, 2017
Total Deposits of twenty largest depositors	1,162.7	1,282.0
Percentage of Deposits of twenty largest depositors to Total Deposits	43.4%	39.9%

vi. Loans from related parties carry rate of interest of 8.35% p.a. and tenure of 104 months from the date of issue and unsecured bonds from related parties carry rate of interest of 7.48% p.a. and tenure of 18 months from the date of issue.

vii. The funds raised by the Company are primarily utilised for core business purposes i.e. mortgage retail finance and construction finance in addition to repayment to existing lenders of the Company.

6. Other Long Term Liabilities

Particulars	At	
	March 31, 2018	March 31, 2017
(a) Trade payables	—	—
(b) Others		
Interest accrued but not due on borrowings – cumulative fixed deposits	104.8	106.5
Total(b)	104.8	106.5
Total(a+b)	104.8	106.5

7. Provisions

Particulars	At			
	Long Term		Short Term	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
(a) Provision for employee benefits				
Provision for Gratuity (Refer note 21(i) - Balance Sheet)	-	1.2	-	-
Provision for leave encashment (Refer note 21(i) - Balance Sheet)	11.3	9.1	3.6	3.9
Provision for bonus	-	-	45.4	33.5
Total (a)	11.3	10.3	49.0	37.4
(b) Others				
Provision against standard assets	400.6	413.8	65.0	64.3
Provision for sub standard assets - Housing loans	260.9	41.1	-	-
Provision for sub standard assets - Other loans	55.8	42.0	-	-
Provision for doubtful assets - Housing loans	104.5	47.0	-	-
Provision for doubtful assets - Other loans	82.9	109.7	-	-
Provision for loss assets - Housing loans	259.4	240.5	-	-
Provision for loss assets - Other loans	514.4	411.2	-	-
Provision for others	16.6	28.0	-	-
Provision for 1% subsidy on EMI	3.4	5.0	-	-
Total (b)	1,698.5	1,338.3	65.0	64.3
Total (a+b)	1,709.8	1,348.6	114.0	101.7

8. Short Term Borrowing

Particulars	At	
	March 31, 2018	March 31, 2017
Unsecured		
(a) Fixed deposit	136.6	285.8
(b) Commercial paper	3,250.0	7,250.0
Less: Unamortised interest	(37.3)	(130.8)
	3,212.7	7,119.2
(c) Bank Overdraft*		
(i) From other banks	350.4	500.0
(ii) From holding company (including cheques issued but not presented)	1,202.1	1,799.5
Total(a+b+c)	4,901.9	9,704.5
(i) Fixed deposits includes deposits from corporates ₹ 9.2 million (March 2017 - ₹ 22.6 million) and deposits from public ₹ 127.4 million (March 2017 - ₹ 263.2 million) and carries interest in the range of 7.05% to 7.55% p.a. with tenure of 12 months from the date of acceptance of deposits. Fixed deposits accepted from Directors and their relatives are ₹ Nil (March 2017 - ₹ Nil).		
(ii) Commercial paper carries interest in the range of 6.80% to 7.70% p.a. and tenure of 90 to 326 days repayable in bullet payment.		

9. Trade Payables

Particulars	At	
	March 31, 2018	March 31, 2017
Trade payables		
(a) Total outstanding dues of Micro and Small Enterprises (Refer Note 9(i) below)	5.6	0.2
(b) Total outstanding dues to creditors other than Micro and Small Enterprises	126.8	87.2
Total(a+b)	132.4	87.4

(i) Details of dues to Micro and Small Enterprises as per Micro Small and Medium Enterprises Development Act, 2006

The information as required to be disclosed under the Micro Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The amount of principal and interest outstanding during the year is given below:

Particulars	At	
	March 31, 2018	March 31, 2017
The principal amount and the interest due thereon (Interest - March 31, 2018 ₹ Nil, March 31, 2017 ₹ Nil) remaining unpaid to any supplier as at the end of each accounting year	5.6	0.2
The amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-

The Company has not received any claims against interest outstanding due to any vendors registered under Micro Small and Medium Enterprise Development Act, 2006.

10. Other Current Liabilities

Particulars	At	
	March 31, 2018	March 31, 2017
(a) Current maturities of long term debt (Refer Note 5)		
Secured	4,800.0	3,263.7
Unsecured	27,506.3	13,050.6
	32,306.3	16,314.3
(b) Interest accrued but not due on borrowings	1,450.9	1,310.1
(c) Unclaimed matured deposits and interest accrued thereon (Refer Note 5)	141.5	185.7
(d) Other payable		
(i) Provision for tax (Net of advance tax)	14.8	75.2
(ii) Statutory dues	8.8	2.3
(iii) Other liabilities	269.2	308.6
	292.8	386.1
Total (a+b+c+d)	34,191.5	18,196.1

11. Property, Plant & Equipments

(₹ in million)

Particulars	Gross Block				Depreciation / Amortisation				Net Block	
	At April 01, 2017	Additions	Deductions	At March 31, 2018	At April 01, 2017	For the period	Adjustments/ deductions	At March 31, 2018	At March 31, 2018	At March 31, 2017
(i) Tangible assets:										
Free Hold Land	0.4	-	-	0.4	-	-	-	-	0.4	0.4
Office building	853.0	14.8	-	867.8	74.8	14.9	-	89.7	778.1	778.1
Improvement to lease hold property	2.7	-	-	2.7	1.9	0.6	-	2.6	0.1	0.8
Computers	28.1	4.6	8.8	23.9	24.1	2.7	7.8	19.0	4.9	4.0
Office equipments*	17.3	2.5	0.0	19.8	4.8	3.6	0.0	8.4	11.4	12.6
Furniture & fixtures*	4.0	0.6	0.0	4.6	1.0	0.4	0.0	1.4	3.2	3.0
Total	905.5	22.5	8.8	919.2	106.6	22.2	7.8	121.1	798.1	798.9
Previous year (March 31, 2017)	662.7	243.8	1.0	905.5	87.3	20.0	0.7	106.6	798.9	
(ii) Intangible assets:										
Software	38.2	5.0	-	43.2	37.1	1.1	-	38.2	5.0	1.1
Total	38.2	5.0	-	43.2	37.1	1.1	-	38.2	5.0	1.1
Previous year (March 31, 2017)	38.2	-	-	38.2	33.8	3.3	-	37.1	1.1	

*Amount of deduction is less than ₹ 0.1 million for the year ended March 31, 2018

- The Company has Capital work in progress of ₹ 0.1 million (March 2017 - ₹ 0.1 million).
- A negative charge on the Gross block of office building amounting to ₹ 23.8 million (March 2017 - ₹ 23.8 million) and pari passu charge on Free Hold land has been created on secured bonds.
- The Company follows the revaluation model as per AS 10 – Property, Plant and Equipment for its Free Hold Land & Office Building. The Company has revalued its Free Hold Land & Office Building at March 31, 2018. The revalued amount of the Free Hold Land & Office Building was ₹ 0.4 million and ₹ 778.1 million respectively as compared to the historical cost less accumulated depreciation of ₹ 0.4 million and ₹ 763.3 million respectively on the date of revaluation, and accordingly revaluation surplus on Office Building of ₹ 14.8 million was credited to Revaluation Reserve. The valuation was carried out by external valuers using methods applicable to the valuation of premises such as direct comparison method.

12. Investments

(₹ in million)

Particulars	Non-Current Portion				Current maturities			
	At March 31, 2018	At March 31, 2017	At March 31, 2018	At March 31, 2017	At March 31, 2018	At March 31, 2017	At March 31, 2018	At March 31, 2017
Non-trade investments (valued at cost unless otherwise stated)								
Investment in government securities - (Quoted)*								
7.99% GOI-2017 (Face Value - ₹ Nil, March 2017 - ₹ 100.0 million)	-	-	-	100.1				
8.35% GOI-2022 (Face Value - ₹ 50.0 million, March 2017 - ₹ 50.0 million)	52.1	52.5	-	-				
7.99% GOI-2017 (Face Value - ₹ Nil, March 2017 - ₹ 50.0 million)	-	-	-	50.1				
8.35% GOI-2022 (Face Value - ₹ 100.0 million, March 2017 - ₹ 100.0 million)	104.8	105.8	-	-				
7.99% GOI-2017 (Face Value - ₹ Nil, March 2017 - ₹ 100.0 million)	-	-	-	100.3				
8.68% JKSDL-2018 (Face Value - ₹ 100.0 million, March 2017 - ₹ 100.0 million)	-	101.1	100.1	-				
7.07% PUN-2020 (Face Value - ₹ 200.0 million, March 2017 - ₹ Nil)	200.0	-	-	-				
	356.9	259.4	100.1	250.6				
Investment in equity shares - (Unquoted)								
7,340,000 (March 2017 - 7,340,000) Equity shares of Asset Reconstruction Company (India) Limited of face value - ₹ 10 each fully paid-up	513.8	513.8	-	-				
Less: Provision towards investment	(232.7)	-	-	-				
	281.1	513.8	-	-				
3,000,000 (March 2017 - 3,000,000) Equity shares of India Infra Debt Limited of face value - ₹ 10 each fully paid-up	30.0	30.0	-	-				
	311.1	543.8	-	-				

Particulars	Non-Current Portion		Current maturities	
	At March 31, 2018	At March 31, 2017	At March 31, 2018	At March 31, 2017
Investment in Mutual Funds - Liquid Investments (Market value of Mutual Fund ₹ 210.4 million (March 2017 - ₹ 420.2 million))	-	-	210.0	420.0
			210.0	420.0
Amount disclosed under head "Cash & Cash equivalents" (Refer Note 17 A(a))	-	-	(210.0)	(420.0)
			-	-
Investments in Security Receipts (SRs) - (Unquoted)				
2,278,923 (March 2017 - Nil) SRs of Suraksha ARC-014 Trust of face value - ₹ 1,000 each full paid-up	2,278.9	-	-	-
Less: Provision towards interest capitalisation	(119.0)	-	-	-
Net Book Value	2,159.9	-	-	-
Less: Provision towards SRs as per RBI Guidelines (Refer note (i) below)	(324.0)	-	-	-
	1,835.9	-	-	-
Other Investments - (Unquoted)				
649.24 (March 2017 - 649.24) units of Emerging India Fund of face value ₹ 10,000 each at par	6.5	6.5	-	-
	6.5	6.5	-	-
Total	2,510.4	809.7	100.1	250.6
Aggregate amount of quoted investments	356.9	259.4	100.1	250.6
Market value of quoted investments	354.4	262.2	100.4	251.3
Aggregate amount of unquoted investments	2,153.5	550.3	-	-

*Floating charge has been created on Government Securities (for statutory liquidity ratio (SLR) purpose) and includes securities, which are in excess of the minimum SLR requirement as per NHB Directions.

The Company has created a provision of ₹ 232.7 million on investment in equity shares of Asset Reconstruction Company (India) Limited, as the management believes there is a diminution, other than temporary, in the value of such investments (March 2017 - ₹ Nil).

The details of investment in mutual funds are as under:

Particulars	(₹ in million)			
	No. of Units		Amount at	
	At March 31, 2018	At March 31, 2017	At March 31, 2018	At March 31, 2017
ICICI Prudential Money Market Fund - Direct Plan (Growth)	-	889,050.5	-	200.0
Birla Sun Life Cash Plus - Direct Plan (Growth)	358,655.6	842,306.4	100.0	220.0
Kotak Floater Short Term - Direct Plan (Growth)	24,584.1	-	70.0	-
Reliance Liquid Fund - Cash Plan - Direct Plan (Growth)	9,450.5	-	40.0	-
Total	392,690.2	1,731,356.9	210.0	420.0

The details of investment in Security Receipts are as under:

Particulars	(₹ in million)		
	SRs issued within the past 5 years	SRs issued more than 5 years ago but within the past 8 years	SRs issued more than 8 years ago
Gross Book Value	2,278.9	-	-
Less: Provision towards interest capitalisation	(119.0)	-	-
Net Book Value	2,159.9	-	-
Less: Provision towards SRs as per RBI Guidelines (Refer note (i) below)	(324.0)	-	-
	1,835.9	-	-

- (i) The Company has sold certain assets to an Asset Reconstruction Company (ARC). For the purpose of the valuation of the underlying security receipts issued by the underlying trusts managed by the ARC, the SRs have been valued in accordance with RBI Circular RBI/2015-16/101/DBR.No.BP.BC.2/21.04.048/2015-16 dated July 01, 2015. Accordingly, the Company has recorded investment in SRs at ₹ 2,159.9 million (net of cash received ₹ 380.2 million), being lower of Net Book Value (₹ 2,159.9 million) and redemption value of the SRs (₹ 2,278.9 million) at the balance sheet date. Also, the Company has recognised a provision of ₹ 324.0 million on the above, in accordance with RBI Circular RBI/2016-17/56/DBR.No.BP.BC.9/21.04.048/2016-17 dated September 01, 2016.

Additional disclosure as per NHB Notification-No.-NHB.HFC.CG-DIR.1-MD&CEO-2016 dated February 9, 2017 is as under:

Particulars	(₹ in million)	
	At March 31, 2018	At March 31, 2017
Value of Investments		
(i) Gross value of Investments	3,496.2	1,480.3
(a) In India (includes Investment in Mutual Funds ₹ 210.0 million (March 2017 - ₹ 420.0 million) (Refer Note 17)	3,496.2	1,480.3
(b) Outside India	-	-
(ii) Provisions for Depreciation	(675.6)	-
(a) In India	(675.6)	-
(b) Outside India	-	-
(iii) Net value of Investments	2,820.6	1,480.3
(a) In India	2,820.6	1,480.3
(b) Outside India	-	-
Movement of provisions held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	675.6	-
(iii) Less: Write-off / Written-back of excess provisions during the year	-	-
(iv) Closing balance	675.6	-

13. Deferred Tax (net)

The composition of deferred tax assets and liabilities into major items is given below:

Particulars	(₹ in million)	
	At March 31, 2018	At March 31, 2017
(i) Deferred tax assets on account of:		
Provision for NPAs, Standard assets	576.5	474.0
Employee Retirement benefits	5.2	4.5
Others	150.7	37.6
	732.4	516.1
(ii) Deferred tax liability on account of:		
Special Reserve created as per section 29C of National Housing Bank Act, 1987 and claimed as deduction u/s 36 (1) (viii) of Income Tax Act, 1961	(1,018.5)	(940.7)
Depreciation	(92.4)	(87.1)
	(1,110.9)	(1,027.8)
Net deferred tax asset / (liability)	(378.5)	(511.7)

14. Loans and Advances

Particulars	(₹ in million)			
	Long term		Short term	
	At March 31, 2018	At March 31, 2017	At March 31, 2018	At March 31, 2017
a. Security Deposits				
Unsecured, considered good	4.3	4.7	-	-
Doubtful	2.9	0.6	-	-
Less: Provisions for doubtful deposits	(2.9)	(0.6)	-	-
	4.3	4.7	-	-
b. Loans & other credit facilities				
Housing Loans	52,016.3	48,773.1	4,390.1	5,957.2
Loan against property, Corporate realty finance and other loans	36,206.7	32,270.5	3,846.0	2,725.5
	88,223.0	81,043.6	8,236.1	8,682.7
Secured, considered good	84,904.7	79,490.3	8,224.1	8,682.7
Unsecured, considered good	0.5	-	12.0	-
Secured, considered doubtful (Non performing assets as per NHB guidelines)	3,317.8	1,553.3	-	-
	88,223.0	81,043.6	8,236.1	8,682.7
c. Advance tax (net of provision for taxation)	474.8	435.4	-	-
d. Others	-	-	40.3	21.5
Total:- (a+b+c+d)	88,702.1	81,483.7	8,276.4	8,704.2

Additional disclosure as per NHB Notification-No.-NHB.HFC.CG-DIR.1-MD&CEO-2016 dated February 9, 2017 is as under:

i) Break up of Loan & Advances and Provisions thereon

Particulars	(₹ in million)			
	Housing		Non-Housing	
	At March 31, 2018	At March 31, 2017	At March 31, 2018	At March 31, 2017
Standard Assets				
a) Total Outstanding Amount	54,519.7	54,446.5	39,228.6	34,320.3
b) Provisions made	242.9	266.5	222.6	211.6
Sub-Standard Assets				
a) Total Outstanding Amount	1,728.0	273.8	369.9	280.1
b) Provisions made	261.0	41.1	55.8	42.0
Doubtful Assets – Category-I				
a) Total Outstanding Amount	170.9	95.3	144.6	93.1
b) Provisions made	63.2	31.3	50.5	29.3
Doubtful Assets – Category-II				
a) Total Outstanding Amount	70.3	24.3	60.4	135.0
b) Provisions made	41.2	15.7	32.4	80.4
Doubtful Assets – Category-III				
a) Total Outstanding Amount	-	-	-	-
b) Provisions made	-	-	-	-

Particulars	(₹ in million)			
	Housing		Non-Housing	
	At March 31, 2018	At March 31, 2017	At March 31, 2018	At March 31, 2017
Loss Assets				
a) Total Outstanding Amount	259.4	240.5	514.4	411.2
b) Provisions made	259.4	240.5	514.4	411.2
TOTAL				
a) Total Outstanding Amount*	56,748.2	55,080.4	40,317.9	35,239.7
b) Provisions made	867.7	595.1	875.8	774.5

*The total outstanding amount above includes interest accrued but not due on loans amounting to ₹ 607.1 million (March 2017 - ₹ 593.8 million) (Refer Note 16 - Other Assets)

ii) Details of Financial Assets sold to Reconstruction Company for Asset Reconstruction

Particulars	(₹ in million)	
	At March 31, 2018	At March 31, 2017
(i) No. of accounts	3	-
(ii) Aggregate value (net of provisions) of accounts sold to ARC	2,680.1	-
(iii) Aggregate consideration	2,680.1	-
(iv) Additional consideration realised in respect of accounts transferred in earlier years	-	-
(v) Aggregate gain / (loss) over net book value	-	-

iii) Concentration of Loans & Advances

Particulars	(₹ in million)	
	At March 31, 2018	At March 31, 2017
Total Loans & Advances to twenty largest borrowers	8,998.5	12,855.9
Percentage of Loans & Advances of twenty largest borrowers to total advances	9.3%	14.2%

iv) Concentration of all Exposure (including off-balance sheet exposure)

Particulars	(₹ in million)	
	At March 31, 2018	At March 31, 2017
Total Exposure to twenty largest borrowers / customers	9,664.4	13,365.3
Percentage of Exposures of twenty largest borrowers / customers to total exposure on borrowers / customers	9.5%	14.3%

v) Concentration of NPAs

Particulars	(₹ in million)	
	At March 31, 2018	At March 31, 2017
Total exposure to top ten NPA accounts	1,666.2	239.1

vi) Sector-wise NPAs

Sector (Percentage of NPAs to Total Advances in that sector)	(₹ in million)	
	At March 31, 2018	At March 31, 2017
A. Housing Loans:		
1. Individuals	1.4%	1.3%
2. Builders/Project Loans	27.0%	-
3. Corporates	6.8%	5.5%
4. Others	-	-
B. Non-Housing Loans:		
1. Individuals	3.0%	3.1%
2. Builders/Project Loans	-	-
3. Corporates	3.1%	3.1%
4. Others	-	-

vii) Movement of NPAs

Particulars	(₹ in million)	
	At March 31, 2018	At March 31, 2017
(I) Net NPAs to Net Advances (%)	2.13%	0.74%
(II) Movement of NPAs (Gross)		
a) Opening balance	1,553.3	1,415.7
b) Additions during the year	5,116.7	512.5
c) Reductions during the year	(3,352.1)	(374.9)
d) Closing balance	3,317.8	1,553.3
(III) Movement of Net NPAs		
a) Opening balance	661.9	521.3
b) Additions during the year	4,165.7	435.5
c) Reductions during the year	(2,787.6)	(294.9)
d) Closing balance	2,039.9	661.9
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	891.4	894.4
b) Provisions made during the year	951.0	77.0
c) Write-off/write-back of excess provisions	(564.5)	(80.0)
d) Closing balance	1,277.9	891.4

Notes:

- Loans given by the Company are secured by the underlying property or security, except unsecured loans as disclosed in Note 14(b).
- Loan and other credit facilities include loan of ₹ 812.0 million (March 2017 - ₹ Nil) which is secured by way of capital market exposure.
- The Company has not sponsored any SPVs during the current and previous year, and there is no outstanding amount of securitised assets as a result of any such sponsorships.
- The Company has not entered into any Assignment transactions in the current and previous year.
- The Company has not purchased / sold non-performing financial assets from other HFCs in the current and previous year.
- There is no financing of the parent company's products during the current year and previous year.
- The Company has not exceeded the Single Borrower Limit and Group Borrower Limit as set by NHB.

15. Trade Receivable

Particulars	(₹ in million)	
	At March 31, 2018	At March 31, 2017
Other receivable		
Trade Receivables - Unsecured, considered good less than six months	26.1	4.1
Less: Provisions for doubtful trade receivables	-	-
Total	26.1	4.1

Trade receivable includes ₹ 15.6 million (March 2017 ₹ 3.0 million) from related parties

16. Other Assets

Particulars	(₹ in million)			
	Non - Current		Current	
	At March 31, 2018	At March 31, 2017	At March 31, 2018	At March 31, 2017
(i) Advances recoverable				
Unsecured, considered good	-	-	7.2	8.5
Doubtful	0.1	0.1	-	-
Less: Provisions for doubtful advances	(0.1)	(0.1)	-	-
	-	-	7.2	8.5

Particulars	(₹ in million)					
	Non - Current			Current		
	At March 31, 2018	At March 31, 2017	At March 31, 2018	At March 31, 2017	At March 31, 2018	At March 31, 2017
(ii) Interest accrued but not due on loans	-	-	607.1	593.8		
(iii) Interest accrued on Fixed Deposits*	-	-	0.0	-		
(iv) Interest accrued on Government securities	-	-	11.4	12.3		
(v) Bank deposits with original maturity for more than 12 months	2.5	-	-	-		
(vi) Gratuity asset	4.9	-	-	-		
(vii) Others	45.6	-	19.5	17.1		
Total	53.0	-	645.2	631.7		

*Amount is less than ₹ 0.1 million for the year ended March 31, 2018

17. Cash and Bank Balances

Particulars	(₹ in million)		
	Current portion		
	At March 31, 2018	At March 31, 2017	At March 31, 2017
A. Cash & cash equivalents			
a. Investments in mutual funds (Liquid Plan) (Refer Note 12)	210.0	420.0	
b. Investments redemption receivable	880.0	790.0	
c. Balances with banks	60.8	405.4	
Total (A)	1,150.8	1,615.4	
B. Other bank balances	-	-	
Total (B)	-	-	
Total (A) + (B)	1,150.8	1,615.4	

18. Revenue from operations

Particulars	(₹ in million)	
	Year ended March 31, 2018	Year ended March 31, 2017
Interest income on loans	9,116.9	9,686.4
Other operating income		
Fee income (Refer note (a) below)	374.7	348.7
Other interest income received (Includes ₹ Nil (March 2017 - ₹ 0.8 million) in respect of investments held as current investments)	34.1	63.5
Profit on sale of liquid mutual fund units on current investment	6.2	24.7
Profit on sale of GOI securities (Includes ₹ Nil (March 2017 - ₹ Nil) in respect of investments held as current investments)	-	1.1
Dividend income on current investment	37.4	92.6
Total	9,569.3	10,617.0

Note (a) Pursuant to NHB Circular NHB (ND)/DRS/Policy Circular No. 71/2014-15 dated April 22, 2015, fee income includes ₹ 36.1 million (March 2017 - ₹ 24.2 million) towards insurance agency business.

19. Other Income

Particulars	(₹ in million)	
	Year ended March 31, 2018	Year ended March 31, 2017
Dividend income (Equity Shares)	0.9	-
Rent income	43.2	40.5
Miscellaneous income	30.9	0.8
Total	75.0	41.3

20. Finance Cost

Particulars	(₹ in million)	
	Year ended March 31, 2018	Year ended March 31, 2017
(a) Interest expense on:		
Loans (Refer Note (i) below)	2,137.3	2,377.2
Commercial paper (Discount charges)	541.9	475.4
Fixed Deposits	231.1	261.7
Bonds	3,304.2	3,493.5
	6,214.5	6,607.8
(b) Other charges		
Brokerage on fixed deposits	1.7	13.1
Bank charges	2.7	1.0
Other financial charges	44.1	38.1
	48.5	52.2
Total (a + b)	6,263.0	6,660.0

(i) Interest expense (net) includes ₹ (41.6) million (March 2017 - ₹ (4.1) million) under Loans from banks being interest expenses / (income) booked on the Interest Rate Swaps (IRS). The notional principal of hedge IRS is ₹ 5,500.0 million (March 2017 - ₹ 5,500.0 million). During the year, the Company has entered into Interest Rate Swap (IRS) transactions amounting to ₹ Nil (March 2017 - ₹ Nil).

Disclosure on Risk Exposure in Interest Rate Swap

Particulars	(₹ in million)	
	Year ended March 31, 2018	Year ended March 31, 2017
(i) The notional principal of swap agreements	5,500.0	5,500.0
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii) Collateral required by the HFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swap \$	-	-
(v) The fair value of the swap book #	30.8	64.4

Note: Nature and terms of the swaps including information on credit and market risk and the accounting policies adopted for recording the swaps

\$ Examples of concentration could be exposures to particular industries or swaps with highly geared companies.

If the swaps are linked to specific assets, liabilities, or commitments, the fair value would be the estimated amount that the HFC would receive or pay to terminate the swap agreements as on the balance sheet date.

Particulars	(₹ in million)	
	Year ended March 31, 2018	Year ended March 31, 2017
(i) Derivatives (Notional Principal Amount)	5,500.0	5,500.0
(ii) Marked to Market Positions	30.8	64.4
(a) Assets (+)	30.8	64.4
(b) Liability (-)	-	-
(iii) Credit Exposure	-	-
(iv) Unhedged Exposures	-	-

Reporting on derivatives forms an integral part of the management information system. The use of derivatives for hedging purposes is governed by the derivatives policy approved by Asset Liability Management Committee (ALCO). The Company identifies the hedged item (asset or liability) at the inception of the hedge itself. The effectiveness is assessed at the time of inception of the hedge and periodically thereafter. Hedging is primarily undertaken to offset the fluctuations in the fair value of a hedged item and hence effectiveness of any hedge is determined by comparing the fluctuation in the fair value of the hedged item with that of the hedging instrument used. To test the hedge effectiveness of the swap transaction, the floating leg is valued basis INBMK rates while the fixed leg is valued basis constant spread method.

Dealing in derivatives is carried out by identified groups in the treasury of the Company based on the purpose of the transaction. Derivative transactions are entered into by the treasury front office. Risk Management Group and Operations 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.

Currency Derivatives

The Company does not have any Currency Derivatives in the current and previous year.

Forward Rate Agreement (FRA)

The Company has not entered into any Forward Rate Agreement in the current and previous year.

Exchange Traded Interest Rate (IR) Derivative

The Company does not have any Exchange Traded Interest Rate Derivatives in the current and previous year.

21. Employee Benefit Expenses

Particulars	Year ended	
	March 31, 2018	March 31, 2017
Salaries, wages and bonus	315.9	323.7
Contribution to gratuity, provident fund and other funds	20.5	19.9
Staff welfare expenses	6.1	7.5
Total	342.5	351.1

(i) The Company has been providing for gratuity and leave encashment based on actuarial valuation as per the Accounting Standard on Accounting for Retirement Benefits (AS-15 revised). Accordingly, the Company has provided for gratuity and leave encashment based on actuarial valuation done as per Projected Unit Credit Method and Projected Accrued Benefit Method respectively.

The Company has a defined benefit gratuity plan. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The Company has also provided leave benefits to the employees. These benefits are unfunded.

The following tables summaries the components of net benefit expense recognised in the statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet for the respective plans.

Statement of Profit and Loss:

Net employee benefits expenses (recognised in employee cost):

Particulars	Year ended	
	March 31, 2018	March 31, 2017
Current service cost	5.4	6.6
Interest on defined benefit obligation	3.0	3.8
Expected return on plan assets	(3.0)	(3.1)
Net actuarial (gains) / losses recognised in the year	(1.3)	(2.3)
Effect of the limit in Para 59(b)	-	-
Net employee benefits expenses	4.1	5.0
Actual return on plan assets	3.3	3.0

Balance Sheet:

Details of provision for gratuity and leave encashment:

Particulars	Gratuity (₹ in million)		Leave Encashment (₹ in million)	
	At March 31, 2018	At March 31, 2017	At March 31, 2018	At March 31, 2017
Present value of funded obligations	53.6	40.9	15.0*	13.0*
Fair value of plan assets	(58.5)	(39.7)	-	-
Amount not recognised as an Asset (Limit in Para 59 (b))	-	-	-	-
Net liability / (asset)	(4.9)	1.2	15.0	13.0
Less: Unrecognised past service cost	-	-	-	-
Liability / (Asset)	(4.9)	1.2	15.0	13.0

* Includes short term leave encashment provision of ₹ 3.6 million (March 2017 - ₹ 3.8 million)

Changes in the present value of the defined benefit obligation are as follows:

Particulars	Year ended	
	March 31, 2018	March 31, 2017
Opening defined benefit obligation	40.9	43.8
Interest cost	3.0	3.7
Current service cost	5.4	6.5
Benefits paid	(8.4)	(2.8)
Actuarial (gains) / losses on obligation	(1.0)	(2.3)
Liabilities assumed on acquisition / (Settled on divestiture)	13.6	(8.0)
Closing defined benefit obligation	53.6	40.9

Changes in the fair value of plan assets are as follows:

Particulars	Year ended	
	March 31, 2018	March 31, 2017
Opening fair value of plan assets	39.7	41.0
Expected return on plan assets	3.0	3.0
Contributions by employer	10.2	6.6
Benefits paid	(8.4)	(2.8)
Actuarial gains / (losses)	0.3	(0.1)
Assets acquired on acquisition / (Distributed on divestiture)	13.6	(8.0)
Closing fair value of plan assets	58.5	39.7
Expected employer's contribution next year	-	-

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	At	
	March 31, 2018	March 31, 2017
Investments with insurer managed funds	100%	100%

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	Gratuity (%)		Leave Encashment (%)	
	At March 31, 2018	At March 31, 2017	At March 31, 2018	At March 31, 2017
Discount rate	7.60%	6.75%	7.60%	6.75%
Expected rate of return on assets	8.00%	8.00%	-	-
Increase in compensation cost	7.00%	7.00%	7.00%	7.00%

Discount rate:

The discount rate is based on the prevailing market yields of Indian government securities at the balance sheet date for the estimated term of the obligations.

Expected rate of return on plan assets:

This is based on Actuary expectation of the average long-term rate of return expected on investments of the fund during the estimated term of the obligations.

Salary escalation rate:

The estimate of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Retirement age:

The employees of the Company are assumed to retire at the age of 58 years.

Leaving service:

Rates of leaving service at specimen ages are as shown below:

Age (Years)	Rate
21 - 24	39%
25 - 29	24%
30 - 34	14%
35 - 44	10%
45 and 57	5%

Disability:

Leaving service due to disability is included in the provision made for all causes of leaving service.

EXPERIENCE ADJUSTMENTS

(₹ in million)					
Particulars	At March 31, 2018	At March 31, 2017	At March 31, 2016	At March 31, 2015	At March 31, 2014
Defined benefit obligation	53.6	40.9	43.8	39.4	27.4
Plan assets	58.5	39.7	41.0	36.2	33.4
Surplus / (deficit)	4.9	(1.2)	(2.8)	(3.2)	6.0
Experience adjustments on plan liabilities	2.4	(5.5)	(1.2)	2.0	0.9
Experience adjustments on plan assets	0.3	(0.0)	2.4	1.2	(0.8)

Leave Encashment

(₹ in million)		
Particulars	At March 31, 2018	At March 31, 2017
Defined benefit obligation*	15.0	13.0
Experience adjustments on plan liabilities	Not determined	Not determined

* Includes short term leave encashment provision of ₹ 3.6 million (March 2017 - ₹ 3.8 million)

22. Establishment and Other Expenses

(₹ in million)		
Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Advertisement and sales promotion	11.5	5.7
Customer acquisition cost	235.4	196.4
Professional and legal charges	378.5	305.8
Rent	30.2	24.3
Communication	5.1	4.6
Travelling and conveyance	20.6	25.7
Loss on sale of fixed assets / written off*	0.0	0.0
Printing and stationery	6.4	5.2
Audit fees (Refer note 22(i) below)	6.8	6.8
Insurance	9.3	11.2
Electricity	12.1	12.8
Rates & taxes	69.6	54.5
Repairs and maintenance – Building	19.9	16.3
Repairs and maintenance – IT Software & Others	43.8	64.1
Office expenses	13.0	9.8
Directors sitting fees	1.8	2.1
CSR expenditures (Refer note 22(iii) below)	57.7	59.5
Directors commission	2.3	2.3
Computer consumable	2.2	1.1
Loss on revaluation of fixed assets	-	0.3
Channel partner expenses (property services)	42.3	86.6
Miscellaneous expenses	10.9	9.7
Total	979.4	904.8

*Amount is less than ₹ 0.1 million for the years ended March 31, 2018 and March 31, 2017

(i) Auditor's remuneration (excluding service tax):

(₹ in million)		
Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Statutory audit fees	4.3	3.5
Tax audit fees	0.4	0.4
Certification and other charges	2.1	2.9
Total	6.8	6.8

(ii) The Company has recovered the following common expenses (as per the sharing arrangement) from the holding company:

(₹ in million)		
Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Rent & electricity	6.9	11.5
Rates and taxes	2.1	3.8
Repairs and maintenance – others	9.5	6.0
Miscellaneous expenses	1.1	5.2
	19.5	26.5
Goods & Service Tax / Service tax	3.5	4.0
Total	23.1	30.5

Note: Expenses recovery from the holding company is recognised as per the sharing arrangement

(iii) The details of amounts spent towards CSR are as under:

a) Gross amount required to be spent by the Company during the year		57.7
b) Amount spent during the year on:	In cash	Yet to be paid in cash
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above*	57.7	-
Total	57.7	-

*The Company has partnered ICICI Foundation for Inclusive Growth to support the cause of elementary education, primary health, sustainable livelihood and skill development.

23. Provision / write offs (net)

(₹ in million)		
Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss	Year ended March 31, 2018	Year ended March 31, 2017
1. Provisions towards investment in SRs	324.0	-
2. Provision towards NPA	386.5	(2.9)
3. Provision for Standard Assets	(12.6)	(29.7)
- HL to Individuals	16.1	15.8
- HL to Others	(0.3)	(0.0)
- Teaser Loans	(1.1)	(11.0)
- CRE-RH Loans	(117.9)	(19.7)
- CRE - Other Loans	65.2	(30.5)
- Other Loans	25.4	15.7
4. Other Provisions	238.3	(4.5)
Total*	936.2	(37.1)
- Provision made towards Income Tax**	610.0	828.0

*Refer item IV of Statement of Profit & Loss (Provision / write offs - Net)

**Refer item X of Statement of Profit & Loss (Tax expenses - Current tax)

24. Earnings Per Share

The computation of earning per share is given below:

(₹ in million)		
Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Basic and Diluted		
Weighted average number of equity shares outstanding during the period ended March 31, 2018 (Nos.)	1,098,750,000	1,098,750,000
Net profit (net of preference dividend and the dividend tax)	642.5	1,832.6
Basic earnings per share (₹)	0.58	1.67

25. Segment Information

The Company is engaged in the business of providing loans for purchase, construction, repairs and renovation etc., of houses / flats to individuals, corporate bodies, builders, co-operative housing societies and provides housing business related services i.e. property advisory & research services and Legal & technical valuation services and also Company has its operations within India. There being only one 'business segment' and 'geographical segment', the segment information is not provided.

26. Related Party Disclosure

Names of related parties and related party relationship as per Accounting Standard – AS 18.

Sr. No.	Name of the Related Party	Nature of Relationship
1	ICICI Bank Limited	Holding Company
2	ICICI Securities Limited	Fellow Subsidiary/ Fellow Entity
3	ICICI Securities Primary Dealership Limited	Fellow Subsidiary/ Fellow Entity
4	ICICI Prudential Life Insurance Company Limited	Fellow Subsidiary/ Fellow Entity
5	ICICI Lombard General Insurance Company Limited	Fellow Subsidiary/ Fellow Entity
6	ICICI Securities Inc.	Fellow Subsidiary/ Fellow Entity

Sr. No.	Name of the Related Party	Nature of Relationship
7	ICICI Securities Holdings Inc.	Fellow Subsidiary/ Fellow Entity
8	ICICI Venture Funds Management Company Limited	Fellow Subsidiary/ Fellow Entity
9	ICICI Trusteeship Services Limited	Fellow Subsidiary/ Fellow Entity
10	ICICI Investment Management Company Limited	Fellow Subsidiary/ Fellow Entity
11	ICICI International Limited	Fellow Subsidiary/ Fellow Entity
12	ICICI Bank UK PLC	Fellow Subsidiary/ Fellow Entity
13	ICICI Bank Canada	Fellow Subsidiary/ Fellow Entity
14	ICICI Strategic Investments Fund	Fellow Subsidiary/ Fellow Entity
15	ICICI Prudential Asset Management Company Limited	Fellow Subsidiary/ Fellow Entity
16	ICICI Prudential Trust Limited	Fellow Subsidiary/ Fellow Entity
17	ICICI Prudential Pension Funds Management Company Limited	Fellow Subsidiary/ Fellow Entity
18	Rohit Salhotra, Managing Director and CEO (Up to October 31, 2017)	Key Management Personnel
19	Anirudh Kamani, Managing Director and CEO (w.e.f. November 1, 2017)	Key Management Personnel

The following are the details of transactions with related parties: (₹ in million)

Particulars	Holding Company	Fellow Subsidiary / Associate Company	Key Management Personnel	Total
ASSETS				
Bank balance (Including fixed deposit and interest accrued thereon)	47.6 (402.5)	- (-)	- (-)	47.6 (402.5)
Fee receivable	- (1.4)	15.6 (1.7)	- (-)	15.6 (3.1)
Other receivable	50.7 (26.4)	- (-)	- (-)	50.7 (26.4)
MTM gain on swap deals	30.8 (-)	- (-)	- (-)	30.8 (-)
LIABILITIES				
Equity share capital	10,987.5 (10,987.5)	- (-)	- (-)	10,987.5 (10,987.5)
Loan	3,096.0 (4,472.0)	- (-)	- (-)	3,096.0 (4,472.0)
Fee payable	5.7 (6.9)	0.3 (5.9)	- (-)	6.0 (12.8)
Bonds	- (-)	1,000.0 (1,000.0)	- (-)	1,000.0 (1,000.0)
Bank overdraft	1,202.1 (266.6)	- (-)	- (-)	1,202.1 (266.6)
Book overdraft	70.2 (1,551.8)	- (-)	- (-)	70.2 (1,551.8)
Accrued interest on bond	- (-)	40.8 (3.7)	- (-)	40.8 (3.7)
Amount payable (including on account of expenses)	37.9 (27.3)	5.9 (5.9)	- (-)	43.8 (33.2)
INCOME				
Valuation fee	(0.2) (343.6)	- (-)	- (-)	(0.2) (343.6)
PSG fee	3.5 (3.4)	- (-)	- (-)	3.5 (3.4)

The following are the details of transactions with related parties: (₹ in million)

Particulars	Holding Company	Fellow Subsidiary / Associate Company	Key Management Personnel	Total
Other fee income	-	36.1	-	36.1
Interest on fixed deposit*	(-)	(24.2)	(-)	(24.2)
Interest on fixed deposit*	0.0	-	-	0.0
Interest on fixed deposit*	(0.8)	(-)	(-)	(0.8)
Servicing fee	0.1	-	-	0.1
Servicing fee	(0.1)	(-)	(-)	(0.1)
Rent received	43.2	-	-	43.2
Rent received	(40.5)	(-)	(-)	(40.5)
Expense recovery	19.5	-	-	19.5
Expense recovery	(26.5)	(-)	(-)	(26.5)
MTM gain on swap Deals	30.8	-	-	30.8
MTM gain on swap Deals	(-)	(-)	(-)	(-)
EXPENDITURE				
Interest & other finance expenses	328.0 (554.1)	74.8 (3.1)	- (-)	402.8 (557.3)
DMA commission	20.1 (15.2)	1.9 (5.7)	- (-)	22.1 (20.8)
Collection cost	233.3 (178.3)	- (-)	- (-)	233.3 (178.3)
Travel cost	20.4 (25.1)	- (-)	- (-)	20.4 (25.1)
IT Infrastructure cost (shared expenses)	48.0 (68.1)	- (-)	- (-)	48.0 (68.1)
Fee Expenses	18.2 (24.1)	0.3 (23.0)	- (-)	18.5 (47.1)
Remuneration to KMP's	- (-)	- (-)	18.5 (10.5)	18.5 (10.5)
Insurance premium	- (-)	9.3 (11.3)	- (-)	9.3 (11.3)
Rent paid	4.3 (4.2)	19.6 (18.6)	- (-)	23.9 (22.8)
Servicing fee	4.8 (6.2)	- (-)	- (-)	4.8 (6.2)
Miscellaneous	75.5 (72.9)	0.2 (0.3)	- (-)	75.7 (73.2)
OTHERS				
Swap (notional principal)	5,500.0 (5,500.0)	- (-)	- (-)	5,500.0 (5,500.0)
Letter of comfort (utilised)	12,363.0 (12,363.0)	- (-)	- (-)	12,363.0 (12,363.0)
Guarantee	2.5 (-)	- (-)	- (-)	2.5 (-)
Bank loan repaid during the period	1,376.0 (1,376.0)	- (-)	- (-)	1,376.0 (1,376.0)
FD placed during the period	- (750.0)	- (-)	- (-)	- (750.0)
Sale of fixed assets	1.1 (-)	- (-)	- (-)	1.1 (-)
Sale of bond	- (-)	250.0 (50.0)	- (-)	250.0 (50.0)
Equity dividend	495.0 (1,065.8)	- (-)	- (-)	495.0 (1,065.8)

*Figures in bracket pertain to March 31, 2017

*Amount is less than ₹ 0.1 million for the year ended March 31, 2018

Related party transaction which are in excess of 10% of the total related party transactions of similar nature are given below:

(₹ in million)			
Particulars	Name of the Related Party	At	At
		March 31, 2018	March 31, 2017
Bank balance (Including fixed deposit and interest accrued thereon)	ICICI Bank Limited	47.6	402.5
Fee receivable	ICICI Bank Limited	-	1.4
	ICICI Lombard General Insurance Company Limited	14.6	1.7
Other receivable	ICICI Bank Limited	50.7	26.4
MTM gain on swap deals	ICICI Bank Limited	30.8	-
LIABILITIES			
Equity share capital	ICICI Bank Limited	10,987.5	10,987.5
Loan from holding company	ICICI Bank Limited	3,096.0	4,472.0
Bonds	ICICI Prudential Life Insurance Company Limited	1,000.0	1,000.0
Bank overdraft	ICICI Bank Limited	1,202.1	266.6
Book overdraft	ICICI Bank Limited	70.2	1,551.8
Accrued interest on bond	ICICI Prudential Life Insurance Company Limited	40.8	3.7
Fee Payable	ICICI Bank Limited	5.7	6.9
	ICICI Securities Limited	-	5.9
Amount payable (including on account of expenses)	ICICI Bank Limited	37.9	27.3
	ICICI Lombard General Insurance Company Limited	5.9	5.5
INCOME			
PSG fee	ICICI Bank Limited	3.5	3.4
Valuation fee	ICICI Bank Limited	(0.2)	343.6
MTM Gain on swap Deals	ICICI Bank Limited	30.8	-
Other fee income	ICICI Lombard General Insurance Company Limited	24.5	22.2
	ICICI Prudential Life Insurance Company Limited	11.6	-
Interest on fixed deposit*	ICICI Bank Limited	0.0	0.8
Rent received	ICICI Bank Limited	43.2	40.5
Expense recovery	ICICI Bank Limited	19.5	26.5
Servicing fee	ICICI Bank Limited	0.1	0.1

Figures in bracket pertain to March 31, 2017

*Amount is less than ₹ 0.1 million for the year ended March 31, 2018

(₹ in million)			
Particulars	Name of the Related Party	At	At
		March 31, 2018	March 31, 2017
EXPENDITURE			
Interest & other finance expenses	ICICI Bank Limited	328.0	556.3

(₹ in million)			
Particulars	Name of the Related Party	At	At
		March 31, 2018	March 31, 2017
	ICICI Prudential Life Insurance Company Limited	74.8	-
DMA commission	ICICI Bank Limited	20.1	13.0
Fee expenses	ICICI Bank Limited	18.2	24.1
	ICICI Securities Limited	-	23.0
Insurance premium	ICICI Lombard General Insurance Company Limited	9.3	11.3
Rent paid	ICICI Bank Limited	4.3	4.2
	ICICI Lombard General Insurance Company Limited	17.2	16.5
	ICICI Prudential Life Insurance Company Limited	2.4	-
Servicing fee	ICICI Bank Limited	4.8	6.2
Collection cost	ICICI Bank Limited	233.3	178.3
Travel cost	ICICI Bank Limited	20.4	25.1
IT Infrastructure cost (shared expenses)	ICICI Bank Limited	48.0	68.1
Remuneration to KMP's	Rohit Salhotra (Up to October 31, 2017)	8.9	10.5
	Anirudh Kamani (w.e.f. November 1, 2017)	9.6	-
Miscellaneous	ICICI Bank Limited	75.5	72.9
OTHERS			
Swap (notional principal)	ICICI Bank Limited	5,500.0	5,500.0
Letter of comfort (utilised)	ICICI Bank Limited	12,363.0	12,363.0
Guarantee	ICICI Bank Limited	2.5	-
Bank loan repaid during the period	ICICI Bank Limited	1,376.0	1,376.0
FD placed during the period	ICICI Bank Limited	-	750.0
Sale of assets	ICICI Bank Limited	1.1	-
Sale of bond	ICICI Securities Primary Dealership Limited	250.0	50.0
Equity dividend	ICICI Bank Limited	495.0	1,065.8

27. Additional disclosures as per NHB circular no. NHB/ND/DRS/PoI-No. 35/2010-2011 dated October 11, 2010, NHB Notification-No.-NHB.HFC.CG-DIR.1-MD&CEO-2016 dated February 9, 2017 and MCA Notification No. GSR 308(E) [F.NO.17/62/2015-CL-V-(VOL.I)], dated March 30, 2017 are as under:

(i) Capital to Risk Assets Ratio (CRAR)

Sr. No.	Items	Year ended	Year ended
		March 31, 2018	March 31, 2017
1)	CRAR %	23.84%	26.96%
2)	CRAR - Tier I capital %	22.44%	24.61%
3)	CRAR - Tier II capital %	1.40%	2.35%
4)	Amount of subordinated debt raised as Tier-II Capital	-	-
5)	Amount raised by issue of Perpetual Debt Instruments	-	-

(ii) Exposure to Real estate sector

Particulars	(₹ in million)	
	Year ended March 31, 2018	Year ended March 31, 2017
a) Direct exposure		
i) Residential mortgages		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. (Individual Housing Loans up to ₹ 15 Lakhs – March 2018 - ₹ 18,670.2 million, March 2017 - ₹ 16,881.0 million)	78,967.9	69,345.4
ii) Commercial real estate		
Lending fully secured by mortgages on commercial real estates (office buildings, retail space multipurpose commercial premises, multi family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development & construction etc). Exposure would also include non-fund based (NFB) limits.	16,666.8	20,380.9
iii) Investments in mortgage backed securities (MBS) & other securitised exposures		
a) Residential	-	-
b) Commercial real estate	-	-
iv) Others (These contains exposures not covered above)	-	-
b) Indirect exposure		
Fund based & non fund based exposures on National Housing Bank (NHB) & Housing Finance Companies (HFCs)	-	-

(iii) Exposure to Capital Market

Particulars	(₹ in million)	
	Year ended March 31, 2018	Year ended March 31, 2017
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	543.8	543.8
(ii) advances against shares / bonds /debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	1,104.2	-
(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) bridge loans to companies against expected equity flows / issues;	-	-
(viii) All exposures to Venture Capital Funds (both registered and unregistered)	6.5	6.5
Total Exposure to Capital Market	1,654.5	550.3

(iv) Asset Liability Management

Maturity pattern of certain types of items of Assets & Liabilities*

	(₹ in million)										Total
	1 Day to 30-31 Days (one month)	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 Year	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years to 7 Years	Over 7 Years to 10 Years	Over 10 Years	
Liabilities											
Borrowings from banks	1,836.1	284.3	739.9	1,419.4	5,580.3	16,516.5	7,159.6	140.5	210.8	183.5	34,070.9
Market borrowing	997.8	1,494.1	2,731.7	8,495.2	12,638.9	15,416.6	3,650.0	-	-	-	45,424.3
Fixed Deposit	123.5	164.4	243.8	301.2	157.4	1,128.6	195.1	-	-	-	2,314.0
	2,957.4	1,942.8	3,715.4	10,215.8	18,376.6	33,061.7	11,004.7	140.5	210.8	183.5	81,809.2
Assets											
Advances	1,274.5	1,255.3	1,140.8	4,281.9	12,537.5	16,850.5	15,261.1	13,323.5	13,529.8	17,004.2	96,459.1
Investments	262.1	100.1	-	-	-	206.5	104.8	1,835.9	-	311.1	2,820.5
	1,536.6	1,355.4	1,140.8	4,281.9	12,537.5	17,057.0	15,365.9	15,159.4	13,529.8	17,315.3	99,279.6

* Classification of assets and liabilities under different maturity buckets is based on the same estimates and assumption as used by the Company for compiling the return submitted to NHB.

(v) Customers Complaints

Particulars	At	
	March 31, 2018	March 31, 2017
a) No. of complaints pending at the beginning of the year	-	3
b) No. of complaints received during the year	318	330
c) No. of complaints redressed during the year	305	333
d) No. of complaints pending at the end of the year	13	-

The Company has Customer Grievance Redressal Mechanism (CGRM) for convenience of customers to register their complaints and for the Company to monitor and redress them.

(vi) The Company does not have any Overseas Assets.

(vii) The Company has paid ₹ Nil as penalty to NHB and other regulators during the year ended March 31, 2018 (March 2017 - ₹ Nil).

(viii) The Company is registered with the following other financial sector regulators:

- a) National Housing Bank
- b) Insurance Regulatory & Development Authority of India.

(ix) Details of Specified Bank Notes (SBN) held and transacted by the Company during the period 8/11/2016 to 30/12/2016

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 8.11.2016	-	-	-
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	-	-

In the ordinary course of business, loan customers of the Company have directly deposited cash as part of their Loan repayments in the collection accounts of the Company through various bank branches of its Banks, aggregating to ₹ 83.0 million during the period November 8, 2016 to December 30, 2016, the denominationwise details of which are currently not available with the Company. Such amount is accounted against the customer's regular loan obligations and not included in the above.

28. Impairment of assets: As per management, Accounting Standard (AS 28) would not apply to financial assets such as loans and advances as the same have been covered by provisions in accordance with guidelines on prudential norms issued by NHB.

29. The Company has ₹ Nil foreign currency exposures at March 31, 2018 (March 2017 - ₹ Nil).

30. The Company has income tax matters pending assessment for various years of ₹ 8,410.0 million (March 2017 - ₹ 7,800.0 million). The Company has paid

advance tax (net of such provision) of ₹ 460.0 million (March 2017 - ₹ 360.2 million) (Refer Note 10(d)(i) and 14(c)). Further, in case of pending legal matters, the Company has additional provision of ₹ 6.4 million (March 2017 - ₹ 5.5 million).

31. Contingent liabilities and commitments not provided for:

(a) Contingent liabilities

The Company is involved in various litigations, the outcome of which are possible and probable at March 31, 2018. In respect of obligations which are possible, the contingent liabilities are as follows:

- (i) Income tax matters in appeal - ₹ 416.3 million (March 2017 - ₹ 416.3 million)
- (ii) Service tax matters in appeal - ₹ Nil (March 2017 - ₹ 0.7 million)
- (iii) The contingent liability on account of claims filed against the company not acknowledged as debt is ₹ 8.8 million (March 2017 - ₹ 11.2 million).

As per management, the company has good chances of winning the cases, accordingly, no provision for any liability has been made in the financial statements.

(b) Commitments

- (i) Estimated amount of contracts remaining to be executed on capital account - ₹ 11.1 million (March 2017 - ₹ 1.9 million) (Net of advances - ₹ 11.0 million, March 2017 - ₹ 1.8 million)
- (ii) Commitment towards part disbursement and non-disbursed sanctions amount to ₹ 1,839.5 million (March 2017 - ₹ 1,529.5 million) and ₹ 2,456.6 million (March 2017 - ₹ 1,321.0 million) respectively.

32. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification / disclosure.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

VENKATARAMANAN VISHWANATH
Partner
Membership No: 113156

Place: Mumbai
Dated: April 19, 2018

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

ANUP BAGCHI
Chairman

VIKRANT GANDHI
Chief Financial Officer

PRATAP SALIAN
Company Secretary

ANIRUDH KAMANI
Managing Director & CEO