ICICI Bank

January 30, 2021

BSE Limited
Listing Department
Phiroze Jeejeebhoy Towers,
1st floor
Dalal Street
Mumbai 400 001

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

Dear Sirs,

Sub: Board Meeting held on January 30, 2021

This has reference to our earlier letter on the captioned subject filed today.

There was a typographical error in the statement made in the press release under the section of digital initiatives. The statement "The Bank has seen about 500,000 million activations of iMobile Pay from non-ICICI Bank customers since it was launched two months ago" should be read as "The Bank has seen about 500,000 activations of iMobile Pay from non-ICICI Bank customers since it was launched two months ago".

Please take the same on record.

Yours faithfully,
For ICICI Bank Limited

Vivek Ranjan

Vivek Ranjan
Chief Manager

ICICI Bank Limited
ICICI Bank Towers,
Bandra-Kurla Complex,
Mumbai 400 051, India.

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ICICI Bank Limited
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News Release **January 30, 2021**

Performance Review: Quarter ended December 31, 2020

- **Profit after tax grew by 19% year-on-year to ₹ 4,940 crore (US$ 676 million) in the quarter ended December 31, 2020 (Q3-2021) compared to ₹ 4,146 crore (US$ 567 million) in the quarter ended December 31, 2019 (Q3-2020)**
- **Core operating profit (profit before provisions and tax, excluding treasury income) grew by 15% year-on-year to ₹ 8,054 crore (US$ 1.1 billion) in Q3-2021**
- **Total deposits grew by 22% year-on-year to ₹ 874,348 crore (US$ 119.7 billion) at December 31, 2020**
  - **19% growth in average current and savings account (CASA) deposits in Q3-2021; average CASA ratio was 41.8% in Q3-2021**
  - **Term deposits grew by 26% year-on-year at December 31, 2020**
- **Domestic loans grew by 13% year-on-year at December 31, 2020**
  - **Retail loans grew by 15% year-on-year**
- **Net non-performing asset (NPA) ratio was 0.63% at December 31, 2020; on a proforma basis, including loans not classified as non-performing pursuant to the Supreme Court's interim order and contingency provisions for the same, the net NPA ratio would have been 1.26% compared to 1.12% at September 30, 2020 and 1.41% at March 31, 2020**
  - **Provision coverage ratio on a proforma basis was 77.6% at December 31, 2020**
- **At December 31, 2020, the Bank held aggregate Covid-19 related provision of ₹ 9,984 crore (US$ 1.4 billion), including contingency provision for proforma NPAs amounting to ₹ 3,509 crore (US$ 480 million) for loans not classified as non-performing pursuant to the Supreme Court's interim order**
- **Total capital adequacy ratio of 19.51% and Tier-1 capital adequacy ratio of 18.12% on a standalone basis at December 31, 2020 (including profits for the nine months ended December 31, 2020)**

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The Board of Directors of ICICI Bank Limited (NSE: ICICIBANK, BSE: 532174, NYSE: IBN) at its meeting held at Mumbai today, approved the standalone and consolidated accounts of the Bank for the quarter ended December 31, 2020. The statutory auditors have conducted a limited review and have issued an unmodified report on the standalone and consolidated financial statements for the quarter ended December 31, 2020.

Profit & loss account

- The core operating profit (profit before provisions and tax, excluding treasury income) increased by 15% year-on-year to ₹ 8,054 crore (US$ 1.1 billion) in Q3-2021 from ₹ 7,017 crore (US$ 960 million) in Q3-2020
- Net interest income (NII) increased by 16% year-on-year to ₹ 9,912 crore (US$ 1.4 billion) in Q3-2021 from ₹ 8,545 crore (US$ 1.2 billion) in Q3-2020
- The net interest margin was 3.67% in Q3-2021 compared to 3.57% in the quarter ended September 30, 2020 (Q2-2021) and 3.77% in Q3-2020
- Non-interest income, excluding treasury income, was ₹ 3,921 crore (US$ 537 million) in Q3-2021 compared to ₹ 4,043 crore (US$ 553 million) in Q3-2020
- Fee income was ₹ 3,601 crore (US$ 493 million) in Q3-2021 compared to ₹ 3,596 crore (US$ 492 million) in Q3-2020. Fee income increased sequentially by 15% in Q3-2021 over Q2-2021 reflecting the increase in customer spending, borrowing and investment activity. Retail fees constituted 78% of total fees in Q3-2021
- Treasury income was ₹ 766 crore (US$ 105 million) in Q3-2021 compared to ₹ 531 crore (US$ 73 million) in Q3-2020. During Q3-2021, the Bank sold 2.2% shareholding in ICICI Securities for compliance with minimum public shareholding norms resulting in a gain of ₹ 329 crore (US$ 45 million)
- Provisions (excluding provision for tax) were ₹ 2,742 crore (US$ 375 million) in Q3-2021 compared to ₹ 2,083 crore (US$ 285 million) in Q3-2020. During Q3-2021, the Bank made contingency provision amounting to ₹ 3,012 crore (US$ 412 million) for borrower accounts not classified as non-performing pursuant to the interim order of the Supreme Court. The Bank utilised ₹ 1,800 crore (US$ 246 million) of Covid-19 related provisions made in the earlier periods
- During Q3-2021, the Bank has changed its provisioning policy on non-performing assets to make it more conservative. The contingency provision made on a prudent basis for loans overdue for more than 90 days at December 31, 2020 but not classified as non-performing pursuant to the Supreme Court's interim order, also reflects the revised policy. The change in policy resulted in higher provision on advances

amounting to ₹ 2,096 crore (US$ 287 million) during Q3-2021 for aligning provisions on the outstanding loans to the revised policy

- At December 31, 2020, the Bank held aggregate Covid-19 related provision of ₹ 9,984 crore (US$ 1.4 billion), including contingency provision for proforma NPAs amounting to ₹ 3,509 crore (US$ 480 million) for loans not classified as non-performing
- The profit before tax grew by 11% year-on-year to ₹ 6,078 crore (US$ 832 million) in Q3-2021 from ₹ 5,465 crore (US$ 748 million) in Q3-2020
- On a standalone basis, the profit after tax grew by 19% year-on-year to ₹ 4,940 crore (US$ 676 million) in Q3-2021 compared to ₹ 4,146 crore (US$ 567 million) in Q3-2020

Operating review

The continued pickup in economic activity and tailwinds from the festive season combined with the Bank's digital initiatives and extensive franchise reflected in an increase in disbursements across retail products during Q3-2021. Mortgage disbursements increased further in Q3-2021 over Q2-2021 and reached an all-time monthly high in December driven by the Bank's efforts to offer a convenient and frictionless experience to customers by digitising the entire underwriting process, with instant loan approvals. Disbursements of auto loans continued to increase from the September levels and crossed pre-Covid levels in December. Credit card spends also reached pre-Covid levels in December led by increased spends in categories such as health & wellness, electronics and e-commerce.

Credit growth

The retail loan portfolio grew by 15% year-on-year and 7% sequentially at December 31, 2020. Retail loans comprised 65.6% of the total loan portfolio at December 31, 2020. Including non-fund outstanding, retail was 54.1% of the total portfolio at December 31, 2020. Growth in the performing domestic corporate portfolio was about 10% year-on-year driven by disbursements to higher rated corporates to meet their working capital and capital expenditure requirements. While various sectors and multiple corporate clients contributed to this growth, some focus segments were highly rated PSUs and large established corporate groups. The domestic advances grew by 13% year-on-year and 7% sequentially at December 31, 2020. Total advances increased by 10% year-on-year to ₹ 699,017 crore (US$ 95.7 billion) at December 31, 2020 from ₹ 635,654 crore (US$ 87.0 billion) at December 31, 2019.

Deposit growth

Total deposits increased by 22% year-on-year to ₹ 874,348 crore (US$ 119.7 billion) at December 31, 2020. Average current account deposits increased by 27% year-on-year in Q3-2021. Average savings account deposits increased by 16% year-on-year in Q3-2021. Total term deposits increased by 26% year-on-year to ₹ 478,932 crore (US$ 65.5 billion) at December 31, 2020.

The Bank had a network of 5,267 branches and 14,655 ATMs at December 31, 2020.

Digital initiatives and transactions

During Q3-2021, the Bank expanded its state-of-the-art mobile banking app, iMobile, to iMobile Pay which offers payment and banking services to customers of any bank. iMobile Pay can be used for making payments using Unified Payments Interface (UPI) and also offers instant banking services such as opening savings account, investments, loans and credit cards among others. The Bank has seen about 500,000 activations of iMobile Pay from non-ICICI Bank customers since it was launched two months ago. The Bank launched 'ICICI Bank Mine', India's first comprehensive banking programme for millennial customers. It offers an instant savings account, a feature driven iMobile application, investment guidance to suit the needs of millennials, curated credit and debit card, and instant personal loans & overdrafts. The Bank incroduced a facility called 'ICICI Bank Cardless EMI' which enables pre-approved customers to buy their favourite gadgets or home appliances using their mobile phone and Permanent Account Number (PAN) instead of physical wallet or cards. They can also convert the high-value transactions into easy, no-cost monthly instalments by simply using their registered mobile number and PAN on the Point of Sale (PoS) machine at the retail outlets.

The Bank launched an online platform called 'Infinite India' for foreign companies looking to establish or expand business in the country. The platform offers not only banking solutions but also value-added services such as incorporation of a business entity, corporate filings, licenses and registrations to foreign companies or MNCs coming to India.

Digital channels like internet, mobile banking, PoS and others accounted for over 90% of the savings account transactions in the nine months ended December 31, 2020 (9M-2021). The volume of mobile banking transactions increased by 60% year-on-year in Q3-2021. The value of merchant acquiring transactions on UPI increased by 286% year-on-year in Q3-2021. The Bank is a market leader in electronic toll collections through FASTag. The electronic toll collections for the Bank grew by 85% year-on-year in Q3-2021. The Bank had a market share of 37% by value in December 2020. The Bank has issued about 1.4 million Amazon Pay credit cards since its launch in 2018. In the process, the Amazon Pay credit card has become fastest co-branded card in the country to cross the milestone of 1 million, in less than 20 months of its launch.

Asset quality

During the quarter, the gross additions to NPAs were ₹ 471 crore (US$ 64 million). Recoveries and upgrades, excluding write-offs, from non-performing loans were ₹ 1,776 crore (US$ 243 million) in Q3-2021. The net NPA ratio was 0.63% at December 31, 2020. Loans amounting to ₹ 8,280 crore (US$ 1.1 billion), compared to ₹ 1,410 crore (US$ 193 million) at September 30, 2020, were not classified as non-performing at December 31, 2020 pursuant to the Supreme Court's interim order. On a proforma basis, , the net NPA ratio was 1.26% at December 31, 2020 compared to 1.12% at September 30, 2020. The provision coverage ratio on a proforma basis was robust at 77.6% at December 31, 2020. Excluding proforma NPAs, the total fund based outstanding to all borrowers under resolution was ₹ 2,546 crore (US$ 348 million), or about 0.4% of the total loan portfolio, at December 31, 2020. The fund-based and non-fund based outstanding to borrowers rated BB and below (excluding non-performing assets and loans included in the proforma NPA disclosures) was ₹ 18,061 crore (US$ 2.5 billion) at December 31, 2020 compared to ₹ 16,167 crore (US$ 2.2 billion) at September 30, 2020.

Capital adequacy

The Bank's total capital adequacy at December 31, 2020, including profits for 9M-2021, was 19.51% and Tier-1 capital adequacy was 18.12% compared to the minimum regulatory requirements of 11.08% and 9.08% respectively.

Consolidated results

The consolidated profit after tax was ₹ 5,498 crore (US$ 752 million) in Q3-2021 compared to ₹ 4,882 crore (US$ 668 million) in Q2-2021 and ₹ 4,670 crore (US$ 639 million) in Q3-2020. The consolidated return on equity was 14.6% in Q3-2021.

Consolidated assets grew by 16% year-on-year to ₹ 1,519,353 crore (US$ 207.9 billion) at December 31, 2020 from ₹ 1,304,911 crore (US$ 178.6 billion) at December 31, 2019.

Subsidiaries

Profit after tax of ICICI Prudential Life Insurance (ICICI Life) was ₹ 306 crore (US$ 42 million) in Q3-2021 compared to ₹ 302 crore (US$ 41 million) in Q3-2020 . Value of New Business (VNB) of ICICI Life grew by 0.5% year-on-year to ₹ 428 crore (US$ 59 million) in Q3-2021. The new business premium increased by 14% year-on-year to ₹ 3,443 crore (US$ 471 million) in Q3-2021 from ₹ 3,021 crore (US$ 413 million) in Q3-2020. The new business margin increased from 21.7% in FY2020 to 26.0% in 9M-2021. Protection based annualised premium equivalent was ₹ 257 crore (US$ 35 million) in Q3-2021 compared to ₹ 267 crore (US$ 37 million) in Q3-2020. The protection based annualised premium equivalent accounted for 17.8% of the total annualised premium equivalent in 9M-2021.

The profit after tax of ICICI Lombard General Insurance Company (ICICI General) grew by 7% year-on-year to ₹ 314 crore (US$ 43 million) in Q3-2021 from ₹ 294 crore (US$ 40 million) in Q3-2020. The Gross Direct Premium Income (GDPI) of ICICI General grew by 9% to ₹ 4,034 crore (US$ 552 million) in Q3-2021 compared to ₹ 3,693 crore (US$ 505 million) in Q3-2020. The combined ratio improved to 97.9% in Q3-2021 compared to 98.7% in Q3-2020.

The profit after tax of ICICI Securities, on a consolidated basis, as per Ind AS, was ₹ 267 crore (US$ 37 million) in Q3-2021 compared to ₹ 137 crore (US$ 19 million) in Q3-2020.

The profit after tax of ICICI Prudential Asset Management Company (ICICI AMC), as per Ind AS, grew by 17% year-on-year to ₹ 358 crore (US$ 49 million) in Q3-2021 compared to ₹ 305 crore (US$ 42 million) in Q3-2020.

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Summary Profit and Loss Statement (as per standalone Indian GAAP accounts)

₹ crore

	FY 2020	Q3-2020	9M-2020	Q2-2021	Q3-2021	9M-2021
	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
Net interest income	**33,267**	**8,545**	**24,340**	**9,366**	**9,912**	**28,558**
Non-interest income	**15,156**	**4,043**	**11,143**	**3,486**	**3,921**	**9,786**
- Fee income	*13,711*	*3,596*	*10,112*	*3,139*	*3,601*	*8,844*
- Dividend income from subsidiaries	*1,273*	*367*	*935*	*334*	*356*	*877*
- Other income	*172*	*80*	*96*	*13*	*(36)*	*65*
Less:						
Operating expense	21,615	5,571	15,823	5,133	5,779	15,558
***Core operating profit*[1]**	***26,808***	***7,017***	***19,660***	***7,719***	***8,054***	***22,786***
- Treasury income	*1,293*	*531*	*1,051*	*542*[2]	*766*[2]	*5,071*[2]
Operating profit	**28,101**	**7,548**	**20,711**	**8,261**	**8,820**	**27,857**
Less:						
Net provision[4]	14,053	2,083	8,086	2,995	2,742[3]	13,331[3]
Covid-19 related contingency provisions[5]	-	-	-	*497*	*3,012*	*3,509*
Covid-19 related other provisions	*2,725*	-	-	-	*(1,800)*	*3,750*
Other provisions	*11,328*	*2,083*	*8,086*	*2,498*	*1,530*	*6,072*
Profit before tax	**14,048**	**5,465**	**12,625**	**5,266**	**6,078**	**14,526**
Less:						
Provision for taxes	6,117[6]	1,319	5,916[6]	1,015	1,138	2,736
Profit after tax	**7,931**	**4,146**	**6,709**	**4,251**	**4,940**	**11,790**

1. *Excluding treasury income*
2. *Includes profit on sale of shareholding in subsidiaries of ₹ 329 crore (US$ 45 million) in Q3-2021, ₹ 305 crore (US$ 42 million) in Q2-2021 and ₹ 3,670 crore (US$ 502 million) in 9M-2021*
3. *During Q3-2021, the Bank has changed its provisioning policy on non-performing assets to make it more conservative. The contingency provision made on a prudent basis for loans overdue for more than 90 days at December 31, 2020 but not classified as non-performing pursuant to the Supreme Court's interim order, also reflects the revised policy. The change in policy resulted in higher provision on advances amounting to ₹ 2,096 crore (US$ 287 million) during Q3-2021 and 9M-2021 for aligning provisions on the outstanding loans to the revised policy*

4. *The Covid-19 pandemic has impacted most economies and banking systems globally, including India. The nation-wide lockdown for the first two months of FY2021 substantially impacted economic activity, which has subsequently seen an improvement following the easing of lockdown measures and progress towards normalcy. For the banking sector, these developments resulted in lower demand for loans and fee-based services; various relief measures for borrowers impacted by the economic disruption, including moratorium on payment of dues and standstill in asset classification; and higher provisioning in expectation of higher additions to non-performing loans following the cessation of moratorium and asset classification standstill. In addition to Covid-19 related provision of ₹ 2,725 crore (US$ 373 million) made in FY2020, during the six months ended September 30, 2020 (H1-2021), the Bank made Covid-19 related provision of ₹ 5,550 crore (US$ 760 million) and contingency provision of ₹ 497 crore (US$ 68 million) for borrower accounts not classified as non-performing pursuant to the Supreme Court's interim order. During Q3-2021, the Bank made contingency provision amounting to ₹ 3,012 crore (US$ 412 million) for borrower accounts not classified as non-performing pursuant to the interim order of the Supreme Court and utilised ₹ 1,800 crore (US$ 246 million) of Covid-19 related provisions made in the earlier periods. At December 31, 2020, the Bank held aggregate Covid-19 related provision of ₹ 9,984 crore (US$ 1.4 billion), including contingency provision for proforma NPAs amounting to ₹ 3,509 crore (US$ 480 million).*
5. *Represents provisions for borrower accounts not classified as non-performing as of December 31, 2020 pursuant to the Supreme Court's interim order.*
6. *Includes one-time additional charge due to re-measurement of accumulated deferred tax assets at the revised marginal tax rate*
7. *Prior period numbers have been re-arranged wherever necessary*

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Summary Balance Sheet

₹ crore

	31-Dec-19	31-Mar-20	30-Sep-20	31-Dec-20
	Unaudited	Audited	Unaudited	Unaudited
Capital and Liabilities				
Capital	1,294	1,295	1,379[1]	1,381
Employee stock options outstanding	4	3	3	3
Reserves and surplus	113,703	115,206	136,269[1]	141,384
Deposits	716,345	770,969	832,936	874,348
Borrowings (includes subordinated debt)	137,375	162,897	136,427	111,608
Other liabilities	38,347	47,995	55,956	64,493
Total capital and liabilities	**1,007,068**	**1,098,365**	**1,162,971**	**1,193,217**
Assets				
Cash and balances with Reserve Bank of India	36,215	35,284	30,538	29,406
Balances with banks and money at call and short notice	34,222	83,872	106,054	104,864
Investments	227,480	249,531	289,623	275,261
Advances	635,654	645,290	652,608	699,017
Fixed assets	8,088	8,410	8,707	8,717
Other assets	65,409	75,978	75,441	75,952
Total assets	**1,007,068**	**1,098,365**	**1,162,971**	**1,193,217**

1. *During Q2-2021, the Bank issued 418,994,413 equity shares of face value of ₹ 2 each at a price of ₹ 358 per equity share including a premium of ₹ 356 per equity share, aggregating to ₹ 15,000 crore (US$ 2.0 billion) through Qualified Institutions Placement*
2. *Prior period figures have been re-grouped/re-arranged where necessary*

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

This release does not constitute an offer of securities.

For further press queries please email Sujit Ganguli / Kausik Datta at sujit.ganguli@icicibank.com / datta.kausik@icicibank.com or corporate.communications@icicibank.com

For investor queries please email Anindya Banerjee at anindya.banerjee@icicibank.com or Aashwij Mallya at aashwij.mallya@icicibank.com or ir@icicibank.com.
1 crore = 10.0 million

US$ amounts represent convenience translations at US$1= ₹ 73.07