

# ICICI to return to retail loans with a bang

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**Mumbai:** Is the Videocon loan controversy forcing ICICI Bank to do what it knows best – retail loans? The focus on corporate loans, specially infrastructure ones, has eaten into the bank's profitability and impaired its asset quality, forcing it to focus on smaller retail loans.

If it was not for a tax write-back of Rs 220 crore and a one-time gain of Rs 3,300 crore the bank would have struggled to report a profit for the quarter ended March 31, 2018.

Despite these two gains, the net profit of the bank for the fourth quarter ended was down 50% over to the corresponding period last year to Rs 1,020 crore.

Interestingly Chanda Kochhar, managing director and chief executive officer, ICICI Bank, has given a two-year horizon till 2020 for implementing the de-risking strategy.

During this period, the



Chanda Kochhar

bank will preserve its retail deposit franchise and digital banking initiatives, change its loan mix while growing its balance-sheet.

By 2020, the retail loans will be over 60% of the bank's total loan book.

The bank is also planning to bring down its exposure in corporate groups well below the regulatory requirements. Already, the bank has brought down its exposure limits to the top ten borrowers to 14.3% at the end of March 2018 from 20.3% in 2014. **Turn to p3**