

October 16, 2023

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051

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

Dear Sir/Madam,

Sub: Investor Presentation and Performance Note

Ref: NSE Symbol - ISEC & BSE Scrip Code - 541179

This is further to our letter dated October 10, 2023 regarding the earnings call scheduled to be held on October 16, 2023.

Please find enclosed herewith the investor presentation and Performance Note for the quarter and half year ended September 30, 2023.

Kindly note that the audio recording and transcript of the earnings call will be uploaded on the Company's website at www.icicisecurities.com within the prescribed regulatory timelines.

Thanking you,

Yours faithfully,
For ICICI Securities Limited

Rupesh Jadhav
Chief Manager

Encl.: As above

Member of National Stock Exchange of India Ltd, BSE Ltd and Multi Commodity Exchange of India Ltd.
SEBI Registration: INZ000183631
CIN No.: L67120MH1995PLC086241

ICICI Securities Limited
Registered Office:
ICICI Venture House
Appasaheb Marathe Marg,
Prabhadevi, Mumbai - 400025, India
Tel. (91 22) 6807 7100
Fax (91 22) 6807 7803

Corporate Office :
Shree Sawan Knowledge Park, Plot No. D-507,
T.T.C. Ind. Area, M.I.D.C, Turbhe, Navi Mumbai - 400 705
Tel.: (91 22) 6807 7100
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Name of Compliance Officer (Broking Operations) : Ms. Mamta Shetty
Email Address: complianceofficer@icicisecurities.com / Tel. (91 22) 4070 1000
Website Address: www.icicisecurities.com / www.icicidirect.com





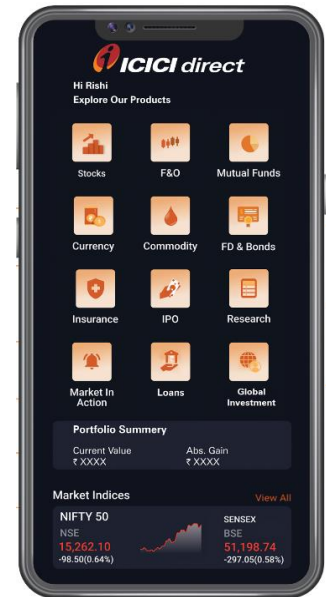
Performance update

Q2-FY2024

October 16, 2023

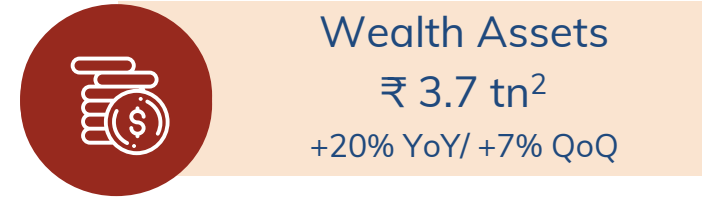
Agenda

- ISEC Quarterly Update
- Appendix
 - Quarterly Business Performance
 - ISEC Franchise



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Q2FY24 Performance Snapshot



1. Assets of our clients including equity demat assets maintained with ICICI Bank and excluding promoter holding, as on September,30 2023
2. Assets of our clients with more than INR 10 mn AUM at individual level including equity demat assets maintained with ICICI Bank and excluding promoter holding, as on September, 30 2023
3. For Q2 FY24
4. Dividend per share For H1FY24

Q2FY24 Performance: Key Highlights

1

Revenue growth across business segments

2

Gained/ Held Market share in most revenue generating parameters

3

Traction in identified focus areas to propel growth



Q2FY24 Performance

Revenue growth across business segments

Equity Business

- Equity revenue grew by 51% YoY and 50% QoQ, contributes 27% of total revenue
- Market share gains continued during the quarter

Derivative Business

- Derivative revenue grew by 43% YoY and 28% QoQ, contributes 12% of total revenue
- Improvement in underlying parameters of orders, clients, ADTO and lots

Distribution Business

- Distribution revenue grew by 13% YoY and 11% QoQ, contributes 14% of total revenue
- MF and other distribution revenue grew by 14% YoY and 27% YoY respectively
- Distributed loans worth ₹ 14.6 Bn in Q2FY24, up 66% YoY and 25% QoQ

Allied Revenue

- Allied revenue grew by 47% YoY and 41% QoQ, contributes 26% of total revenue
- MTF book grew by 44% YoY as we maintained our leadership position



Q2FY24 Performance: Market Share

Gained/ Held Market share in most revenue generating parameters

	Q2FY23		Q2FY24
Retail Cash Market Share	10.6%	↑	12.8*%
Retail Derivative Market Share	3.7%	↔	3.7%
Commodity Market Share ¹	5.5%	↑	7.8%
Mutual Fund AUM Market Share	1.7%	↔	1.7%

We continue to maintain leadership position in MTF with a Market Share of ~22%

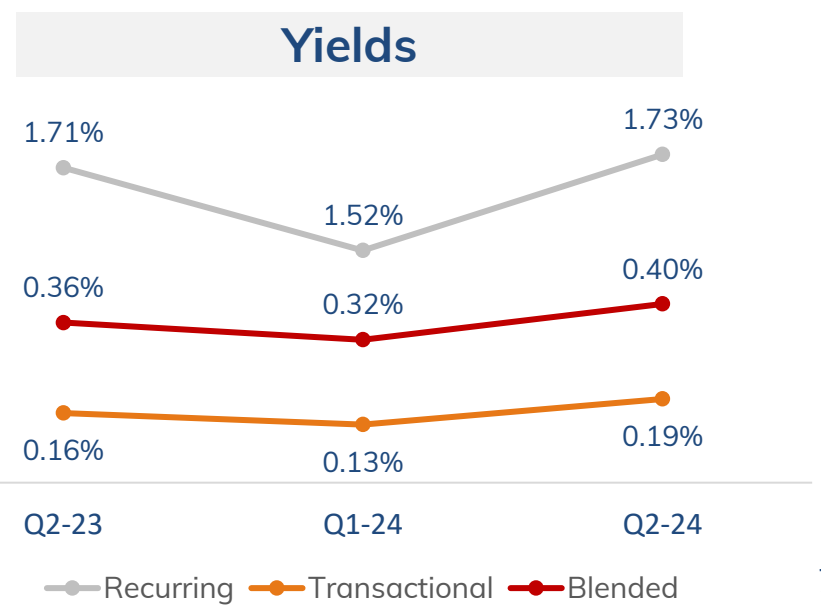
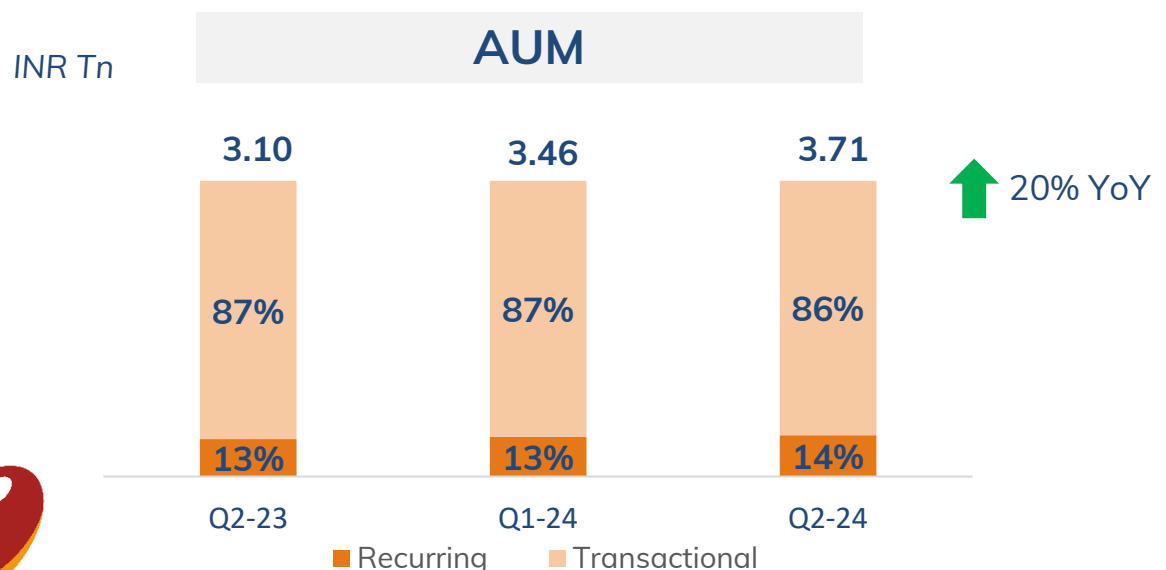
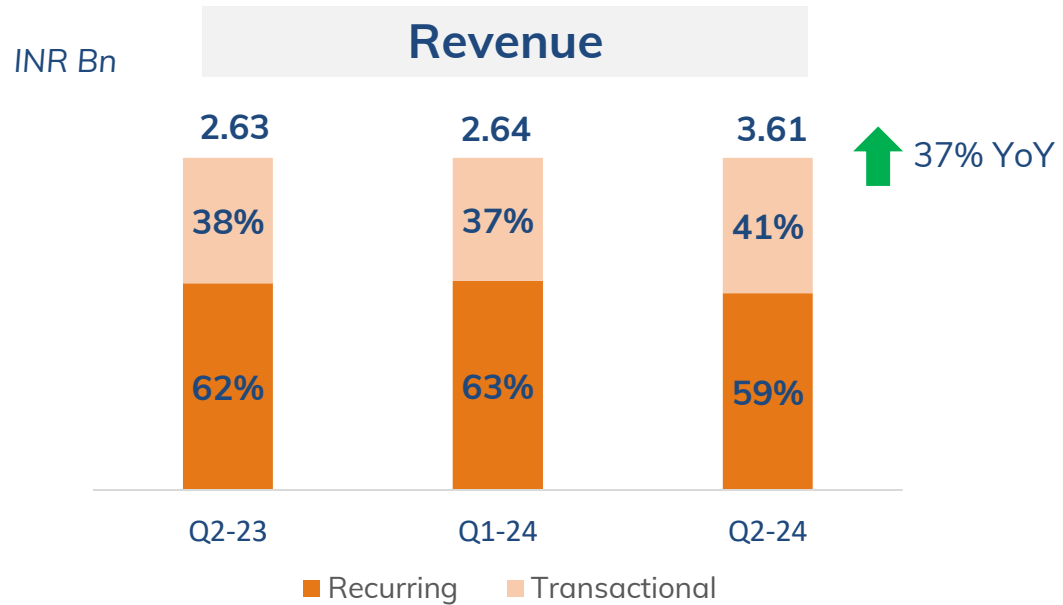


**Based on the revised disclosures by NSE for retail individual category in the equity segment from April'23. The market share so computed is therefore not comparable with the market share for Q2FY23 computed using earlier disclosures for others category*

¹ Excluding FII, DII and Proprietary

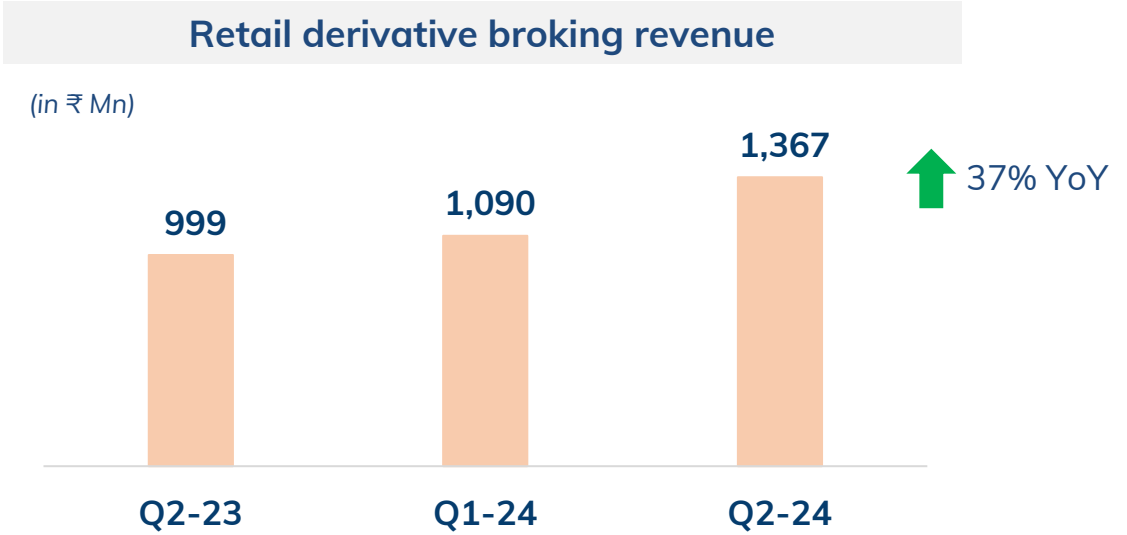
Q2FY24 Performance: Wealth Management

- Total clients stands at 91,000+; added ~7,000 clients during the quarter
- Total AUM at ~ ₹ 3.7 tn, grew 20% on YoY and 7% on QoQ basis
- Total Revenue at ~ ₹ 3.6 bn, grew 37% both on YoY and QoQ basis
- Cost/Net Income at 44% in Q2FY24, v/s 40% in Q2FY23



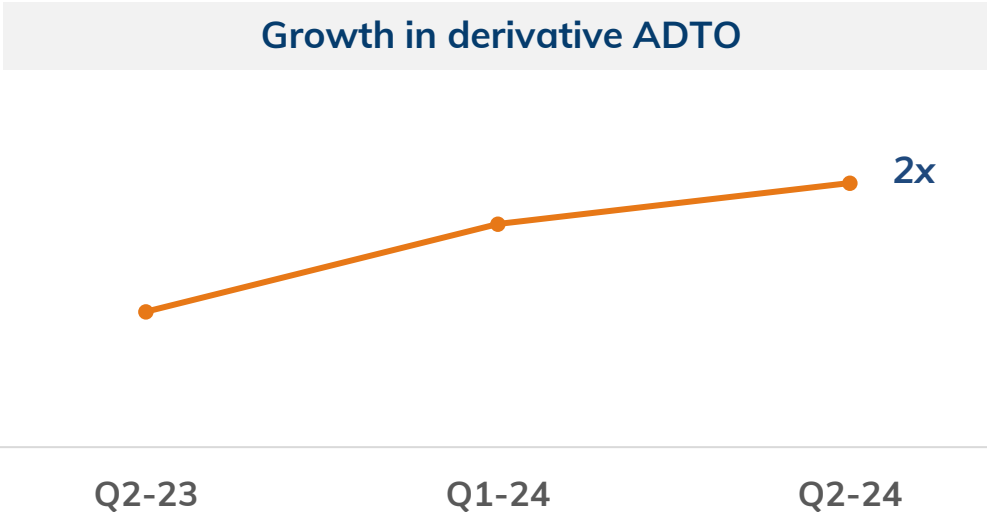
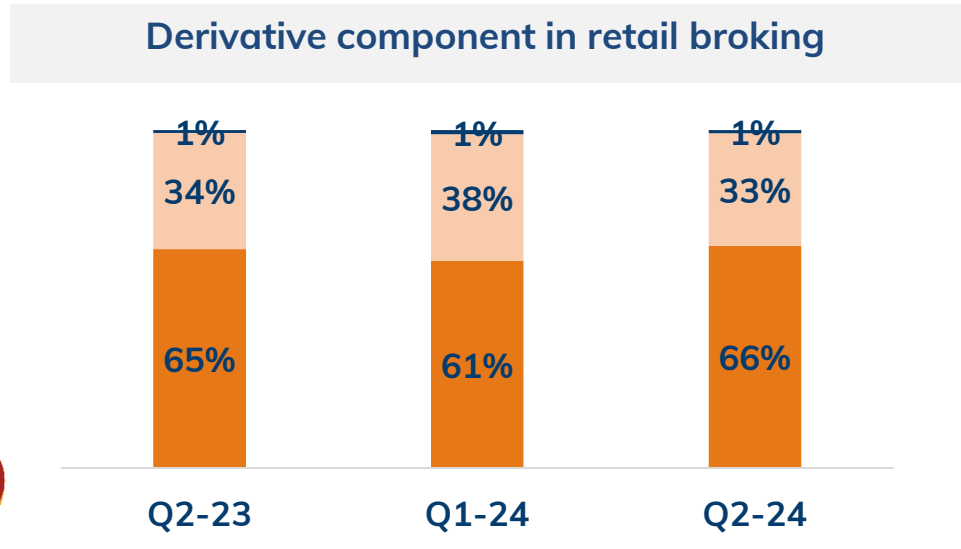
* Cost / Net Income: Cost = (Employee benefit expenses + operating expense + Depreciation, amortization and impairment + Other expenses + Impairment on financial instruments), Net Income = Gross Revenue - Finance Cost - Fees & Commission Expenses

Q2FY24 Performance: Derivatives



In Q2FY24, the underlying parameters continued growth momentum with;

- F&O orders grew by 39% YoY
- F&O lots grew by 113% YoY
- F&O customers grew by 22% YoY

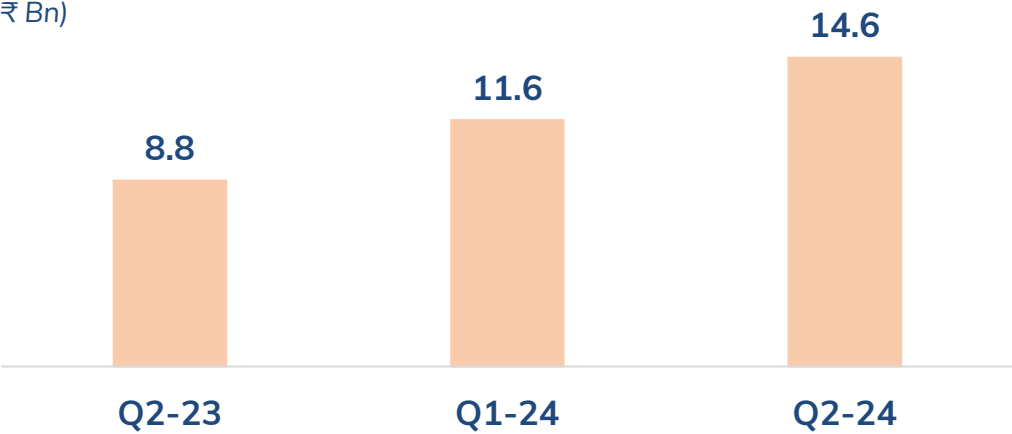


*Others include Commodity and Currency

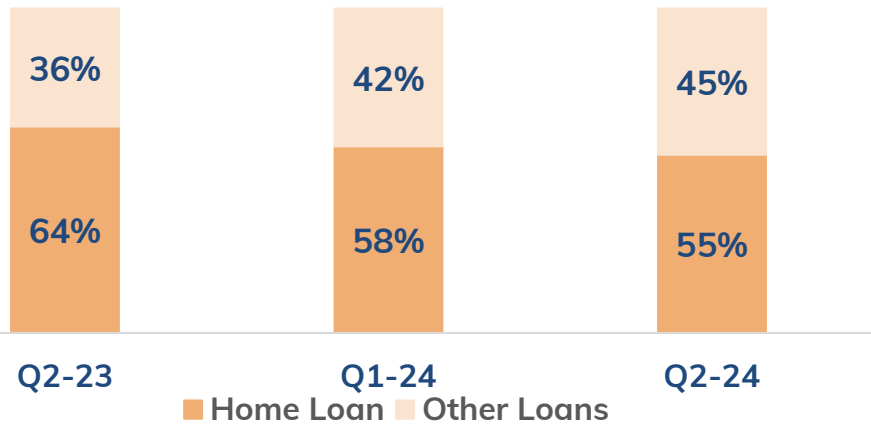
Q2FY24 Performance: Loans

Consistent growth in total loans distributed

(in ₹ Bn)



Increasing proportion of other loans



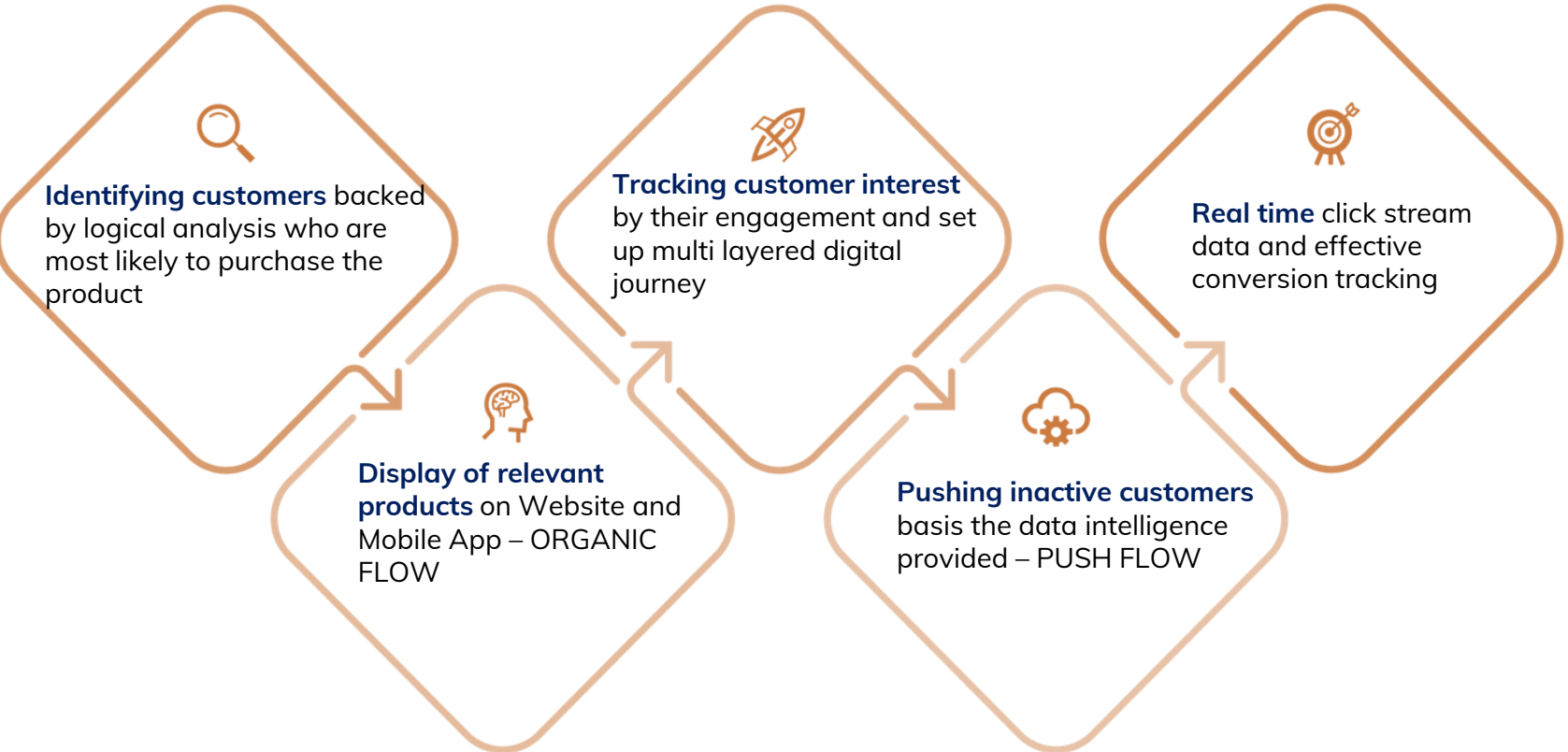
- Loans worth ₹ 14.6 Bn distributed in Q2FY24, up 66% YoY

PILLARS OF GROWTH

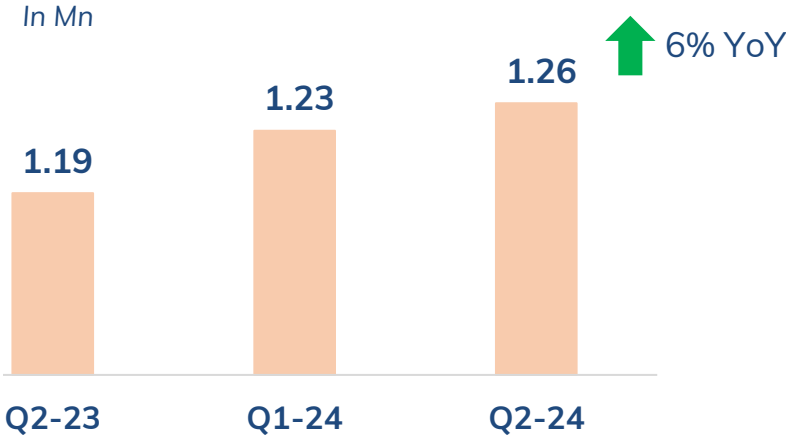
- Multiple loan offerings with partnerships
 - Home loan
 - Personal Loan
 - Loans against Securities
 - Credit Cards, etc.
- Existing customer base of 9 Mn+ customers
- Digitization and decongestion of processes
- Targeted offering through data analytics

Q2FY24 Performance: Personalisation

Synergy between analytics data model and engagement

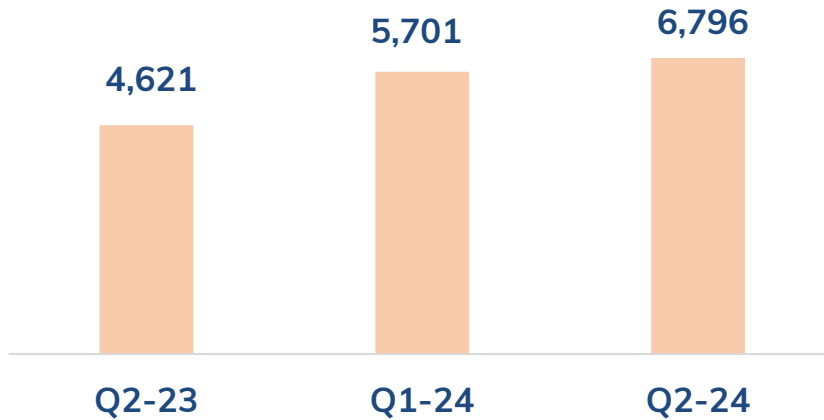


Improving cross sell demonstrated from increasing number of client with 2 or more products, leading to revenue diversification

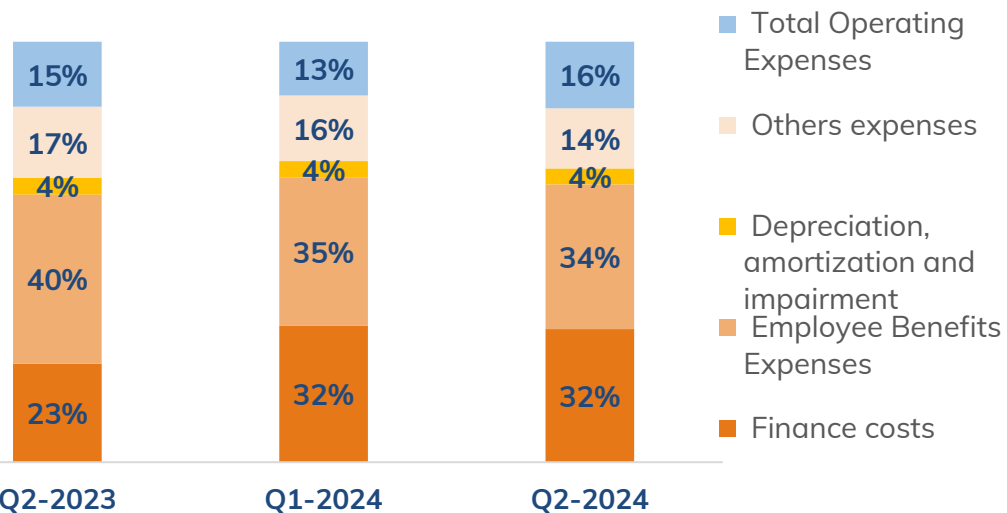


Q2FY24 Performance: Cost

Total Cost (₹ Mn)



Increasing Proportion of Finance Cost



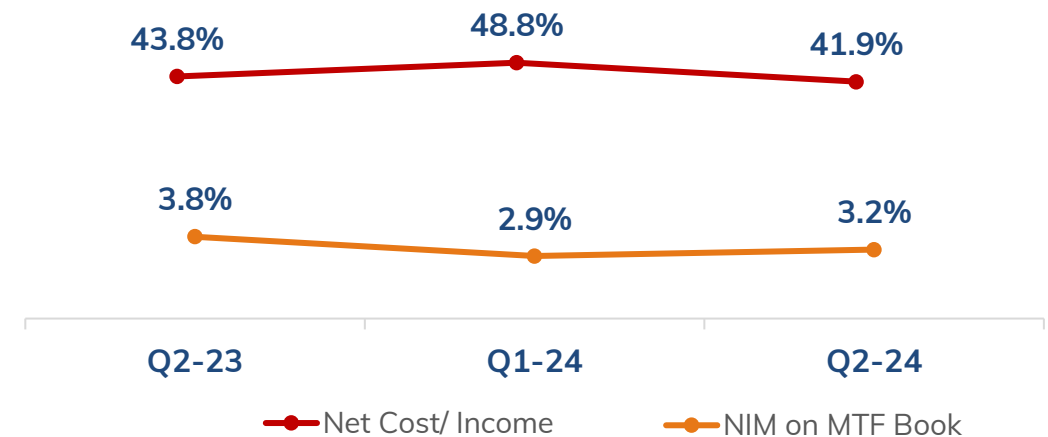
* Cost / Net Income: Cost = (Employee benefit expenses + operating expense + Depreciation, amortization and impairment + Other expenses + Impairment on financial instruments), Net Income = Gross Revenue – Finance Cost – Fees & Commission Expenses

On Cost,

- We saw decline in our net cost to income for the quarter as it was down to 41.9% in Q2FY24
- We continue to spend on franchise enhancing technology to harness growth opportunities

On NIMs, we continue to witness stability, with an improvement of ~30bps QoQ at 3.2% for Q2FY24, due to improving lending rates

Net Cost/ Income and MTF Book NIM



Due to substantial scale up of our MTF book, we have transitioned to Cost/Net Income as per industry standards and accordingly have also disclosed NIMs on MTF book. For earlier disclosure, you can refer our disclosure excel

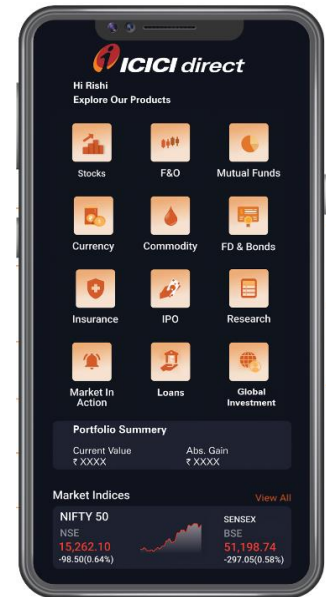
Growing consistently as a franchise with...

- Revenue growth across key business segments
- Focus on acquisition of quality clients to improve stickiness
- Market share improvement in revenue generating parameters across segments
- Continued diversification of product width
- Focusing on enhancing customer experience and personalization of products
- Investment in franchise enhancing technology to harness growth opportunities



Agenda

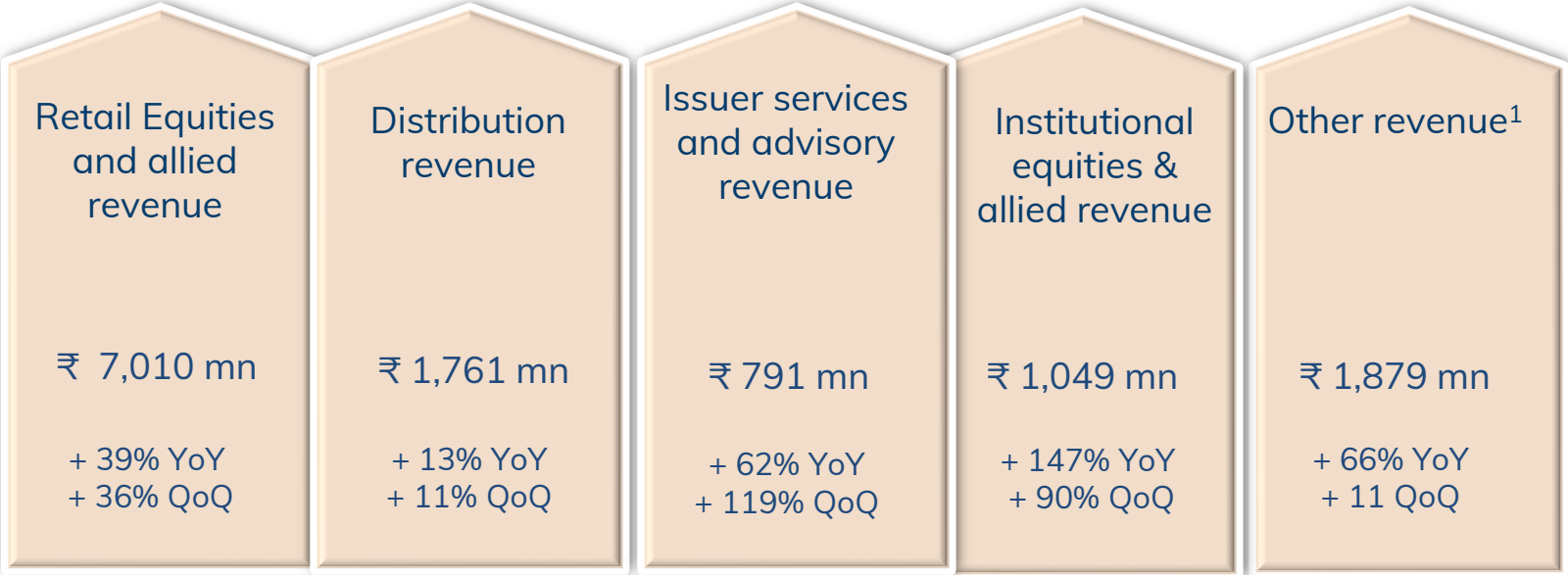
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Q2FY24 Business Performance

Business segment wise Revenue Breakup



Private Wealth Management

₹ 3,708 mn + 20% YoY
+ 7% QoQ

- Revenue grew 34% QoQ and 44% YoY at ₹ 12,490 mn led by growth in broking income with cash and derivative segment gaining momentum and growth in Investment banking segment
- Retail equities & allied revenue grew 36% QoQ and 39% YoY due to increase in cash volumes and growth in equity allied business
- Distribution revenue grew by 11% QoQ and 13% YoY led by increasing Mutual fund distribution business
- Issuer services and advisory income grew by 119% QoQ and 62% YoY
- PAT grew 56% QoQ and 41% YoY at 4,236 mn

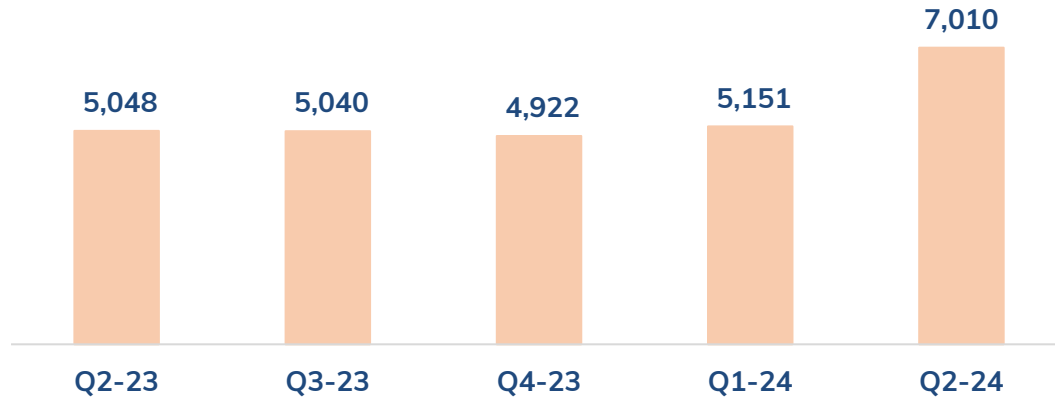


YoY: Q2-FY2024 vs Q2-FY2023; QoQ: Q2-FY2024 vs Q1-FY2024
1. Includes Investment & trading, interest revenue from FDs as margin with exchanges and other revenue

Q2FY24 Business Performance : Retail Equities Business

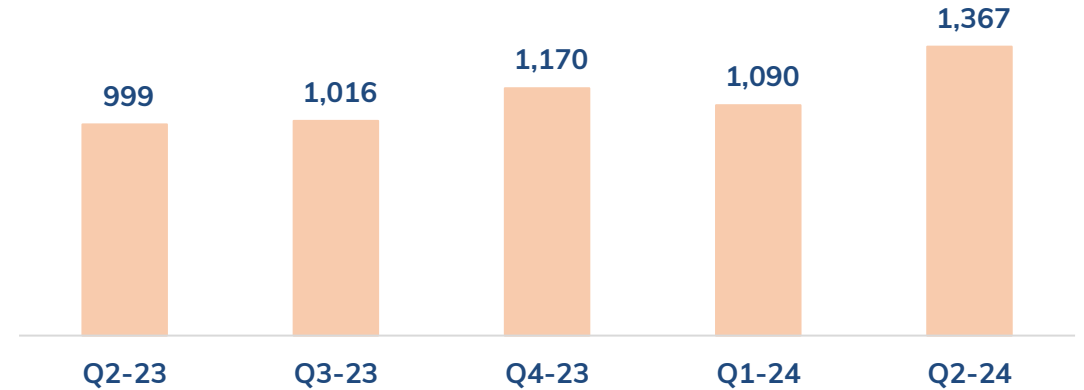
Increasing Retail equities and allied Revenue grew by 39% YoY

(in ₹ Mn)

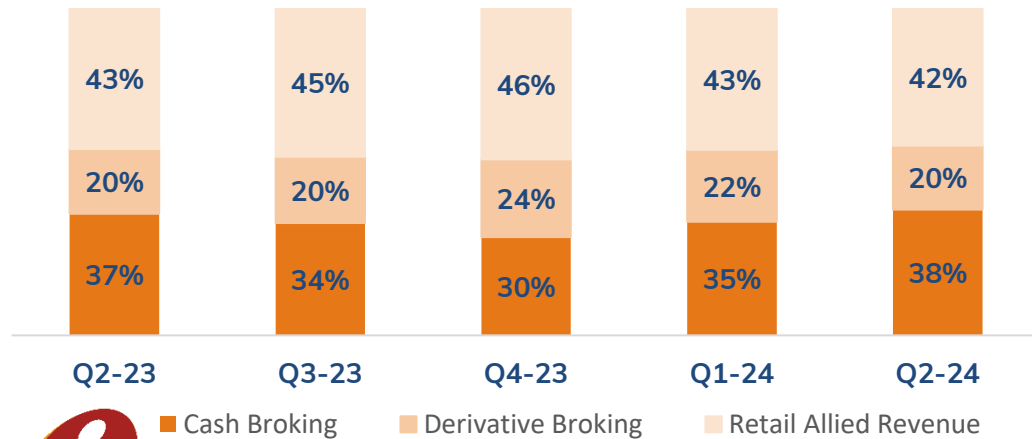


Derivative broking revenue grew by 37% YoY

(in ₹ Mn)

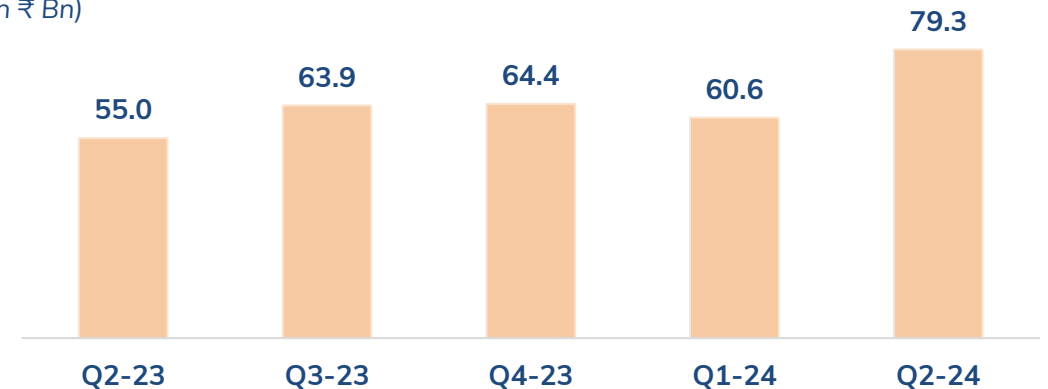


Diversification in Equity Revenue with reducing component of cyclical component, i.e. cash broking



MTF book grew 44% YoY; leader with market share at ~22%

(in ₹ Bn)

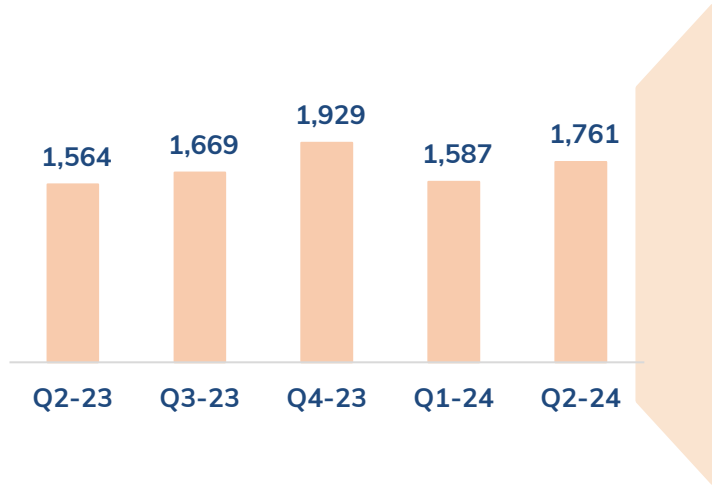


■ Cash Broking
 ■ Derivative Broking
 ■ Retail Allied Revenue

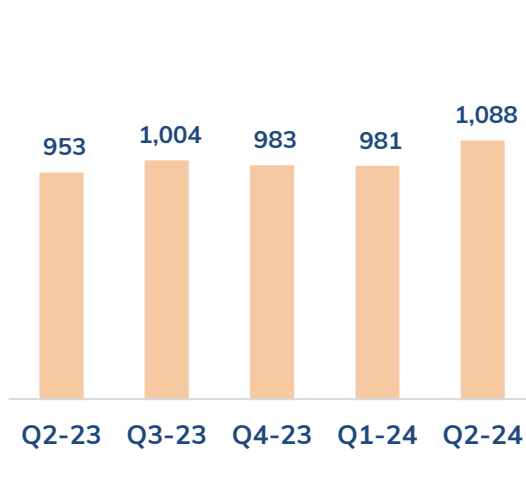
Continued focus on Texturization to reduce proportion of cyclical components

Q2FY24 Business Performance: Distribution Business

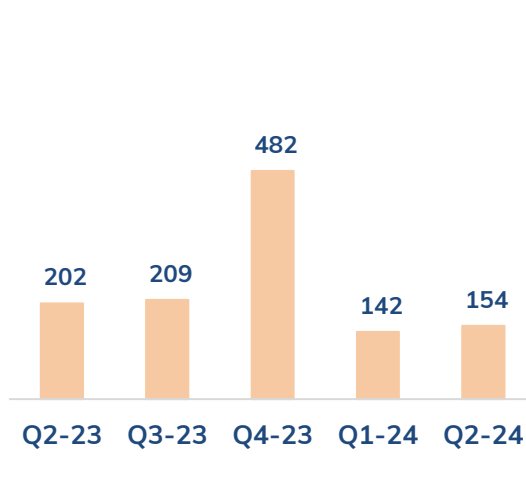
Distribution Revenue (in ₹ Mn)



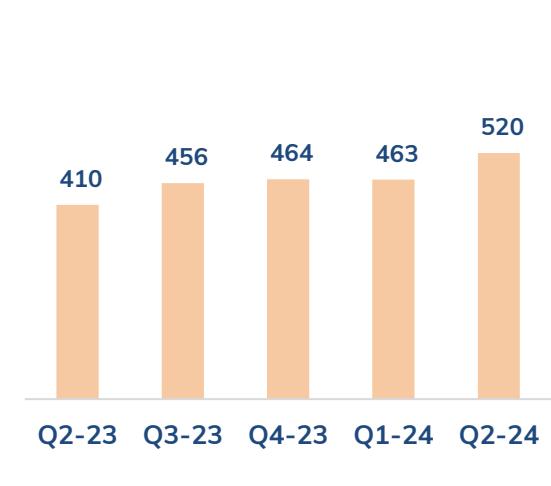
Mutual Fund (in ₹ Mn)



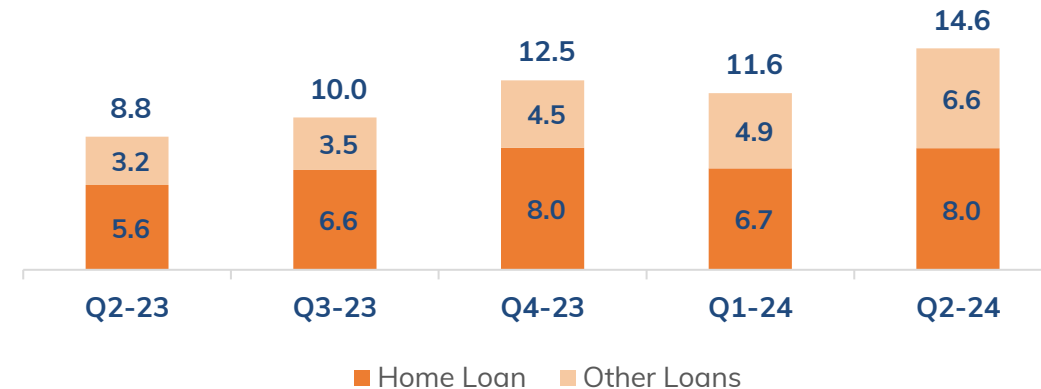
Life Insurance (in ₹ Mn)



Other Distribution (in ₹ Mn)



Scaling up of Loans Disbursement (in ₹ Bn)



- Distribution revenue at ₹ 1,761 mn, up 13% YoY and 11% QoQ led by the increasing Mutual fund distribution revenue
- MF AUM and SIP market share stood at 1.7% and 2.9% in Q2FY24

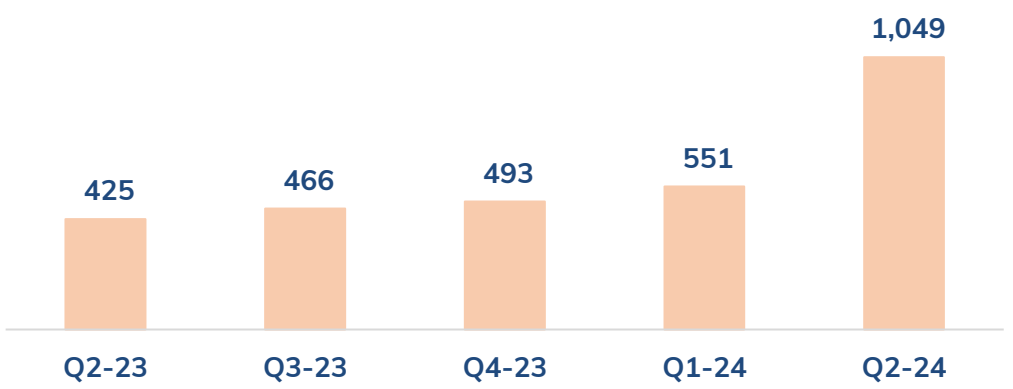


Q2FY24 Business Performance : Institutional Business

Institutional equities revenue was up 147% YoY & 90% QoQ

- The growth is attributable to momentum gain in Cash ADTOs and Block deals
- Franchise consolidated its position among the top domestic institutions
- Strengthening FII franchise by entering into partnerships

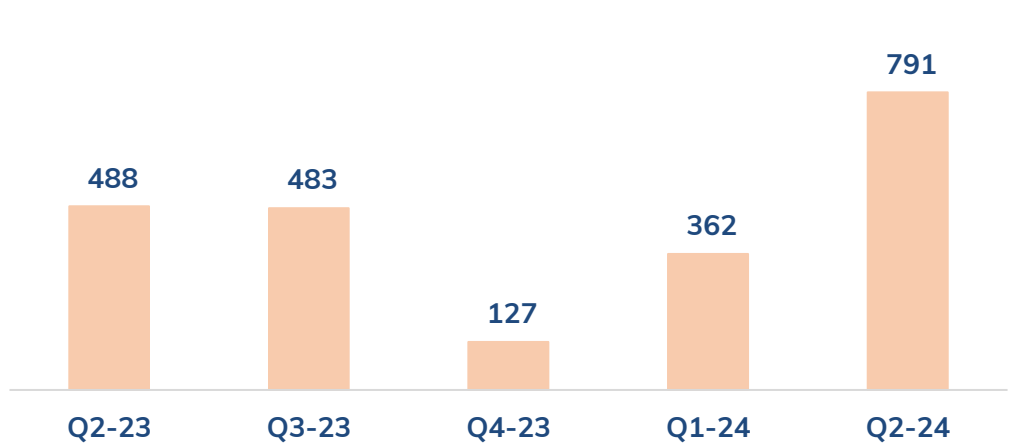
Institutional equities and allied Revenue (in ₹ Mn)



Issuer Services & Advisory revenue was up 62% YoY & 119% QoQ

- YoY growth in revenue generation due to increasing deals
- Strong IPO¹ pipeline, 37 deals amounting over ₹ 693 bn; in addition mandate of 18 deals where amount is yet to be decided
- Continued focus on building non-IPO revenue

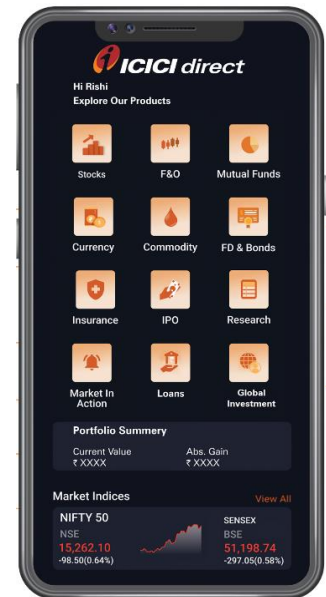
Issuer services and advisory (in ₹ Mn)



¹ IPO:IPO/FPO/InvIT/REIT

Agenda

- ISEC Quarterly Update
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 - Quarterly Business Performance
 - **ISEC Franchise**



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ISEC Franchise: Pivots of Transformation

E-Broker Inception – FY19

Strategy

Product Focused Approach

Diversified Customer Base

Dependent on ICICI Bank for customer sourcing

Increased Product Offerings

Significantly dependent on Retail and Institutional Equity

Technology, Analytics & Culture

Physical Process & onboarding
“Build in-house” approach

Wealth- Tech FY20 – FY23

Customer 360 Degree Approach

Open Architecture Sourcing

Embracing opportunity in savings & investments, distribution of loans & insurance

Digital acquisition & Online process
Agile Approach
Hyper-Personalization

KEY OUTCOMES

- Franchise with significant scale and size
- Meaningful market share across segments
- Scale up of Wealth Franchise
- Growth in Assets
- Consistent Earnings
- Scale up of Wealth Franchise



ISEC Franchise :Significant scale and size

Total Client Assets
₹2.4 tn¹ → ₹5.9 tn¹
25% CAGR (FY19 – FY23)

Wealth Client Assets
₹1 tn² → ₹3.2 tn²
34% CAGR (FY19 – FY23)

Client Base
4.4 mn → 9.1 mn
20% CAGR (FY19 – FY23)

Revenue
₹17.3 bn → ₹34.3 bn
19% CAGR (FY19 – FY23)

Profit After Tax
₹4.9 bn → ₹11.2 bn
23% CAGR (FY19 – FY23)

Return on Equity
42%
For FY23

Client Acquisition
0.5mn → 1.6 mn
38% CAGR (FY19 – FY23)

NPS Score³
20.8% → 42.7%

Dividend
₹9.4 → ₹19.0
Over 50% Consistent Payout

- India's trusted brand for financial services from the house of ICICI
- Business in Transformation: E-Broker to Wealth-tech Platform
- One of the Largest Wealth Franchise in the country
- Meaningful market share across segments
- Leading and Established Institutional Franchise
- Responsible Franchise committed to purposeful ESG Agenda

Sustained Financial Performance and Shareholding Returns



1. Assets of our clients including equity demat assets maintained with ICICI Bank and excluding promoter holding, as on Mar, 31 2023 and Mar, 31 2019

2. Assets of our clients with more than INR 10 mn AUM at individual level including equity demat assets maintained with ICICI Bank and excluding promoter holding, as on Mar, 31 2023 and Mar, 31 2019

3. For Q4 FY19 and Q4 FY23

ISEC Franchise: Meaningful market share across segments

12.8%

Retail equity

21.9%

Leadership position in MTF

3.7%

Retail derivative

7.8¹%

Commodity

8.1%

Sovereign Gold Bond

5.7%

NSE Active

2.4%

Incremental Demat Account

1.7%

Mutual Fund AUM

2.9%

SIP

12.6%*

ETF Market Share

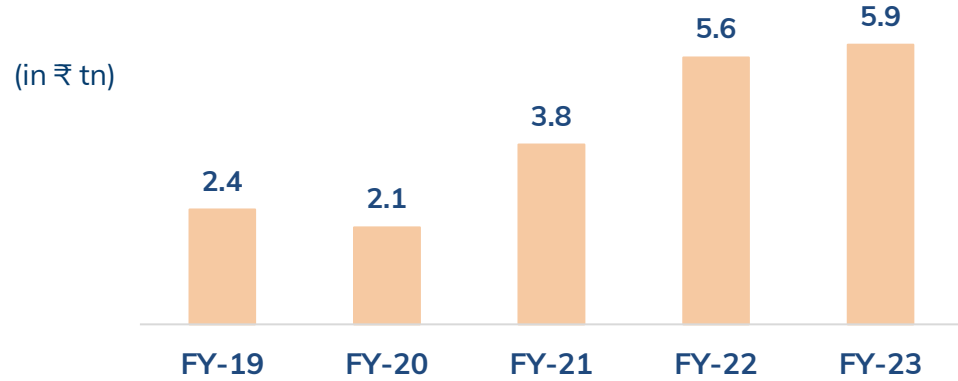
As of Q2FY24

¹ Excluding FII, DII and Prop

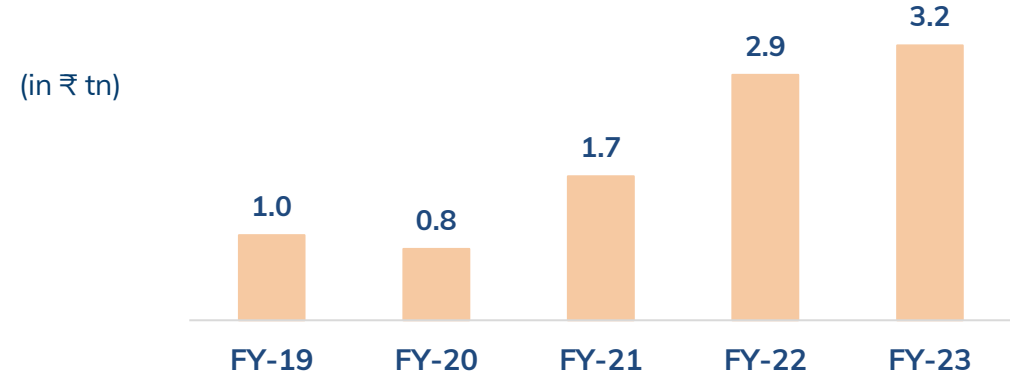
* As of Q1FY24

ISEC Franchise: Customer Assets

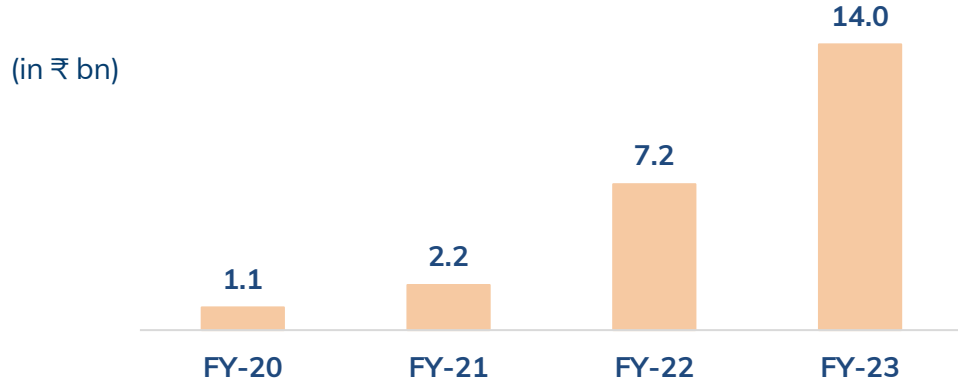
Consistent increase in Total Assets over long term ¹



Leading wealth manager in the country with steady increase in Wealth AUM²

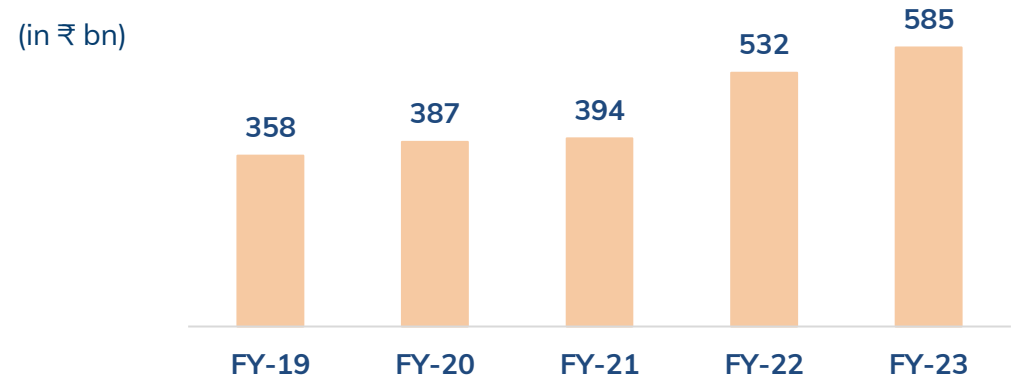


ISEC PMS Scaling Up



PMS was launched in FY20

Growing MF Assets demonstrating strong distribution franchise³

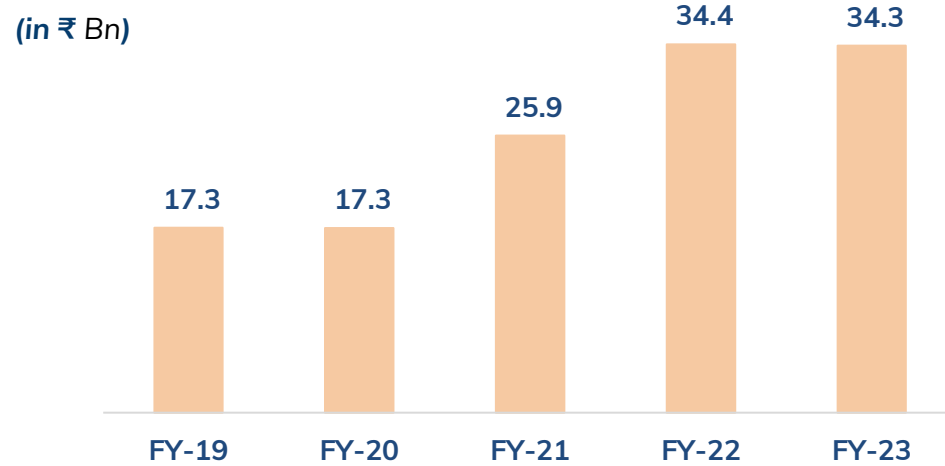


₹ 5.9 trillion Client Assets

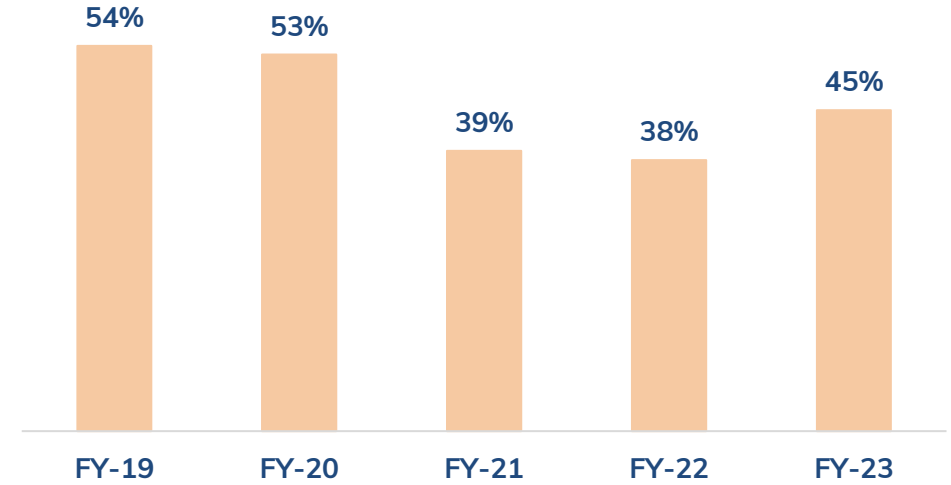
1. Assets of our clients including equity demat assets maintained with ICICI Bank and excluding promoter holding
2. Assets of our clients with more than INR 10 mn AUM at individual level including equity demat assets maintained with ICICI Bank and excluding promoter holding, as on Mar, 31 2023
3. AUM including direct

ISEC Franchise: Growth in Earnings

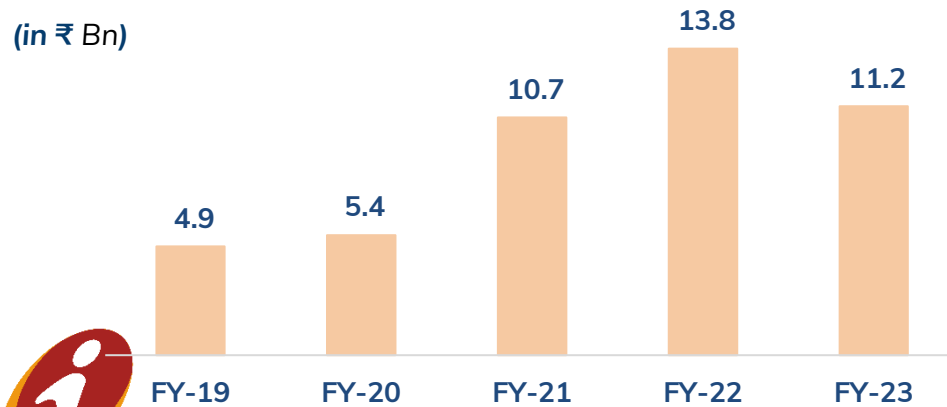
Stable revenue despite multiple headwinds



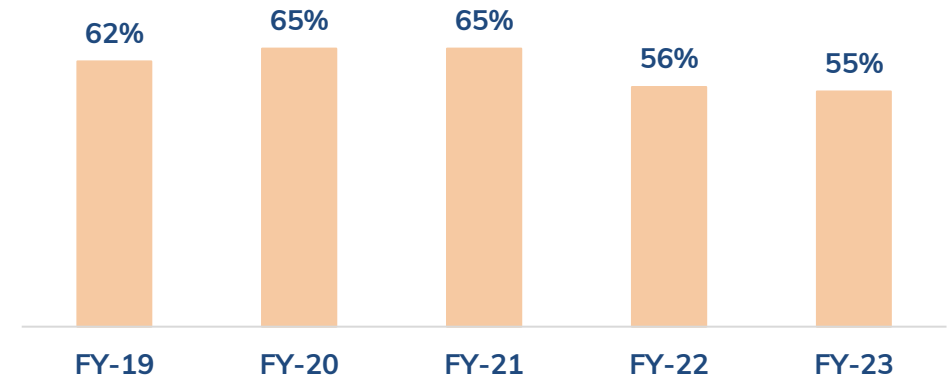
Cost / Net Income



Decline in PAT as company is investing in key areas to harness future opportunity



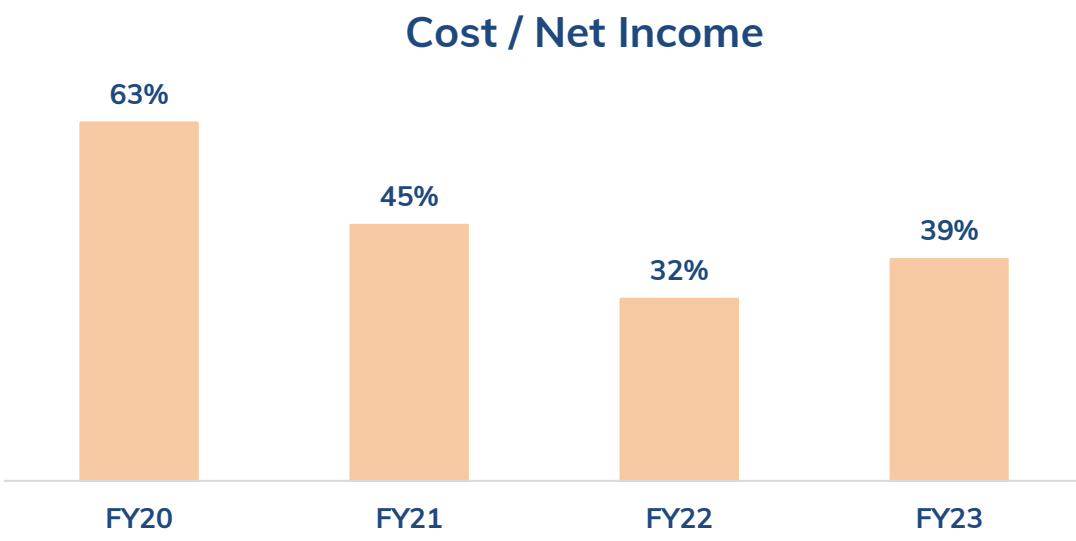
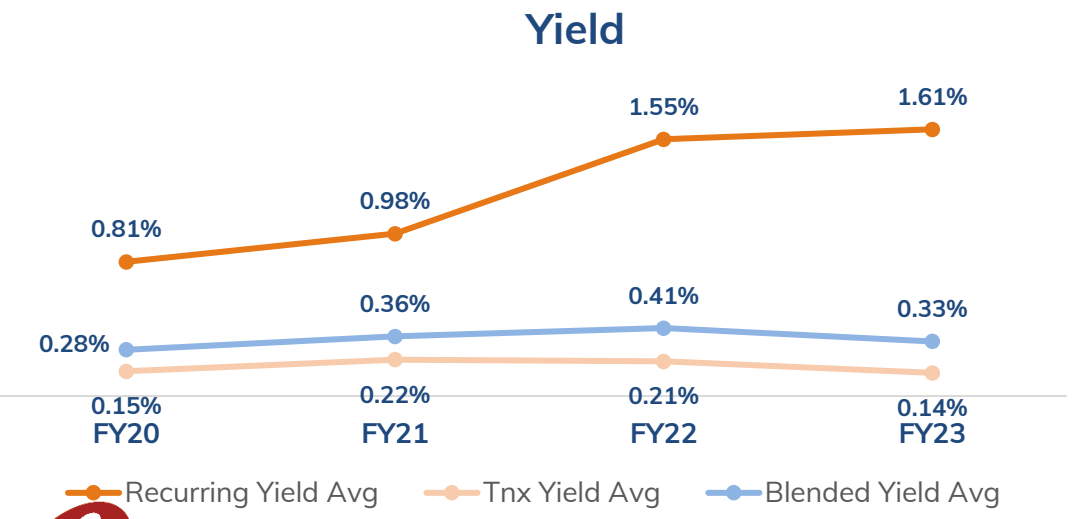
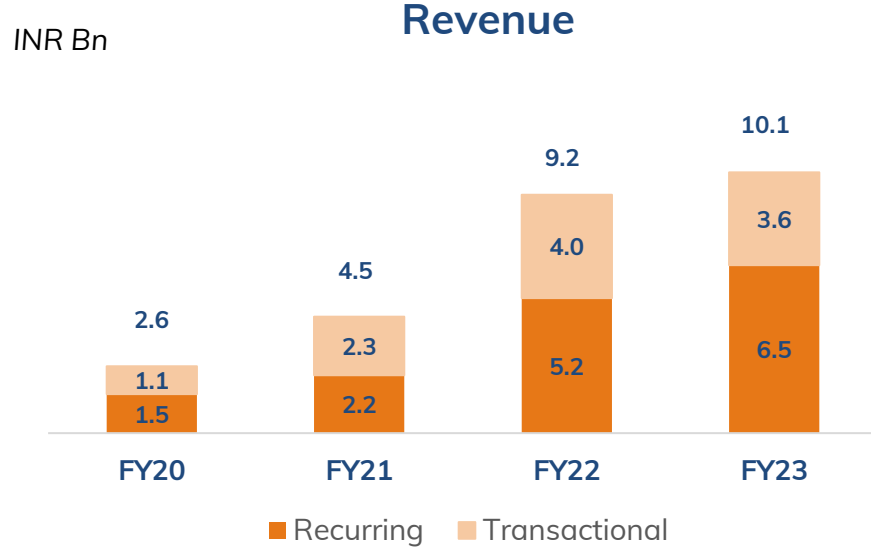
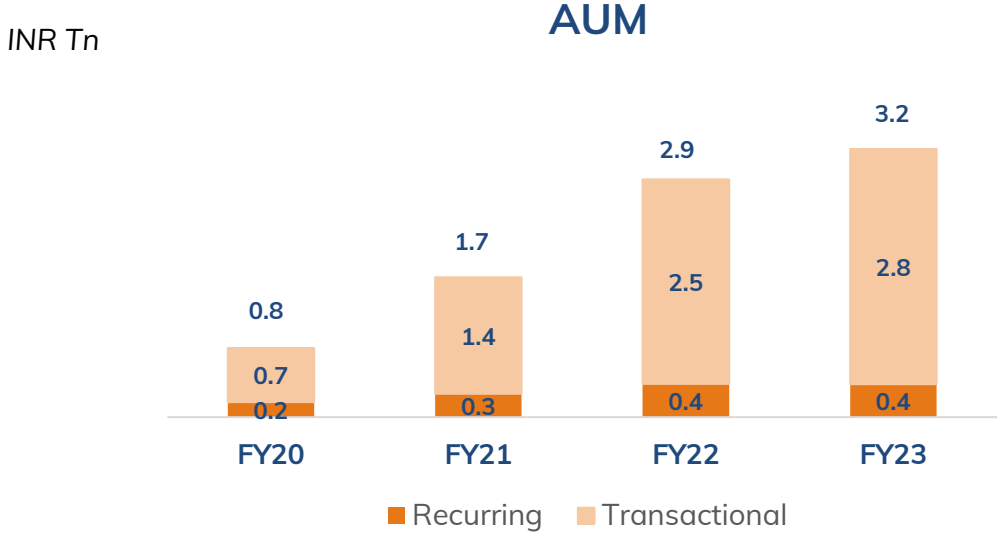
Consistent Dividend Payout of > 50%



*Cost / Net Income: Cost = (Employee benefit expenses + operating expense + Depreciation, amortization and impairment + Other expenses + Impairment on financial instruments), Net Income = Gross Revenue – Finance Cost – Fees & Commission Expenses

Due to substantial scale up of our MTF book, we have transitioned to Cost/Net Income as per industry standards and accordingly have also disclosed NIMs on MTF book. For earlier disclosure, you can refer our disclosure excel

ISEC Franchise: Consistently performing wealth segment



*Cost / Net Income: Cost = (Employee benefit expenses + operating expense + Depreciation, amortization and impairment + Other expenses + Impairment on financial instruments), Net Income = Gross Revenue - Finance Cost - Fees & Commission Expenses

Leading Institutional Franchise

ISSUER ADVISORY AND SERVICES



Leading Investment Bank

- IPOs, FPOs, REITs & InVITs
- Transactions worth INR ~5.6 Tn
- Part of every 2nd IPO launched



Experienced Deal Team

- Strong sector team with experience across sectors
- Strong deal pipeline across advisory and IPO



Strong Research & Institutional Reach

- Institutional Investor reach through Sales & Research team



Bloomberg | Quint

First Indian Lead Manager to Top Equity Table



Source: Prime Database



Best Private Bank in India 2022

ASIAMONEY

Best Securities House in India 2021 & 2022

Largest M&A Deal Maker in 2020 & 2021

Advised on over 161+ transactions since April 2020

IPO/FPO
REIT/InVIT

62
Issues

~ INR 19,02,266 Mn

M&A &
Private
Equity

14
Transactions

~ INR 1,150,030 Mn

Rights Issue
& Structured
Finance

19
Issue

~INR 862,534 Mn

QIPs/OFS/
Pref.

45
Issues

~INR 1,175,169 Mn

Open Offer/
Buyback/
Delisting

14
Transactions

~INR 388,226 Mn

Block
Transactions

20+
Blocks

~INR 200,000 Mn

INSTITUTIONAL BROKING HOUSE

RESEARCH & STRATEGY

- 30+ sectors: 89 of top 100 cos covered
- Large team: 30+ professionals

SALES

- Bandwidth across US, EU/UK, APAC & India
- 12 member team catering to 200+ DII's & 150+ FPIs

TRADING

- Services across Cash, Derivatives, DMA
- Chinese wall between DMA & Cash
- Among the leaders in market share for DII's & FPI's

CORPORATE ACCESS

- CXO level reach with 500+ corporates
- Yearly conferences in APAC, US
- Flagship Bengaluru Day, Financials, ESG & sectorial conferences in India

Strategy Update: Progress vis-à-vis aspiration

Pivoted from a product centric approach to a more focused customer centric approach

	2021	2023	2025 Aspirations
Assets	₹3.8 Tn	₹5.9 tn	₹10 tn
Cost / Net Income *	39%	45%	<35%
Diversification	Texturized equity and augmented non equity	Broking revenue < 40% Allied revenue > 20% Distribution revenue > 20%	3/4 categories contributing significantly to revenue streams
Customer Acquisition	5%	7%	>10% mkt share



* Net Cost / Net Income: Cost = (Employee benefit expenses + operating expense + Depreciation, amortization and impairment + Other expenses + Impairment on financial instruments), Net Income = Gross Revenue – Finance Cost – Fees & Commission Expenses

Responsible Franchise committed to a purposeful ESG Agenda

- Board approved ESG framework articulating our approach of conducting ESG related aspects [\(link\)](#).
- Executive level ESG Forum comprising of cross functional heads
- Enhanced ESG disclosure in our ESG and BRSR Reports

BUSINESS ETHICS & GOVERNANCE

- Segregation of Board and Executive Management
- 50% independent directors on board, 100% independent directors in audit committee
- Imbibing strong ethical culture in the organization through comprehensive policies on Code of Conduct and Business Ethics, AML, POSH amongst others

DATA PROTECTION

- Information Security Management Policy and Cyber Security & Cyber Resilience Policy in place to protect against cyber-attacks, threats & vulnerabilities
- Personal Data Protection Standard to increase employee awareness of data protection, acceptable data handling practices

POSITIVE IMPACT CSR & SUSTAINABLE DEVELOPMENT

- Sustainable livelihood
- Health Care Services
- Contribution to Incubators for support to Startups and R&D
- Towards a more inclusive society
- Environmental conservation

HUMAN CAPITAL

- Human rights policy
- Diversity, Equity and Inclusion Policy
- Training, Development and Mentoring



Committed to creating a meaningful and positive impact

ESG Snapshot

ENVIRONMENTAL FOOTPRINT

- Target to reduce energy consumption by 20%, Paper Consumption by 35% & Travel by 35% over FY25 over FY19 baseline
- Total of Scope 1 & 2 emission reduced by 46% over FY19 baseline
- Gold Certification from the US Green Building Council for our new Prabhadevi location

HUMAN CAPITAL

- 4728 permanent employees
- 27% females in new hires
- Average training hours increased to 61 per employee/annum
- Articulated formal value proposition 'PLEDGE' for employees



CORPORATE SOCIAL RESPONSIBILITY

- 1.2 Lac + Lives impacted
- 10 start-ups supported through CSR activities
- 6.7 lakh litres of drinking water treated daily
- 53 lakh litres of waste water treated for reuse
- Received the 'Golden Peacock Award for Corporate Social Responsibility, in BFSI Sector' for FY2022 by Institute of Directors, India

RESPONSIBLE INVESTMENT

- Integrated ESG risks when making proprietary investments
 - Refrain from investing into certain sensitive sectors
- Sustainable development of Financial and Capital markets through ESG based MF offering



Awards and Recognitions



Best private bank - India
Finance Asia Country Awards, 2022



Best IPO & Best QIP The Asset Triple A
Country Awards for Sustainable Finance
2022



ETBFSI.com Excellence Award for '**Best initiative in
Technology Orientation for ICICIdirect Markets app**



MCX Leading Bank Broker Award
FY2021-22



Elets NBFC100 Leader Excellence Award –
**Most Innovative Technology Project for
Markets App**



Asia Money 2022 - **Best Analysts for Metals
and Mining, Telecom, and Utilities**



Euromoney Market Leader Award – 2022 for **Highly
Regarded Market Leader for Investment Banking in
India – 2022**



**'Digital Wealth Manager of the year-
India'** By 'The Asset Triple A Digital
Awards 2022'



**'National CSR Award in Financial Services
Sector'** By 'Global Safety Summit Awards'



1. Assets of our clients including equity demat assets maintained with ICICI Bank and excluding promoter holding
2. Yield generated on all the assets of our clients (assets include their holding value across all product categories e.g. demat holding of equity shares, home loan, FD, mutual fund, PMS etc.)

Eminent and Experienced Board



Mr. Vinod Kumar Dhall
Chairman
Independent Director



Mr. Ashvin Parekh
Independent Director



Mr. Subrata Mukherjee
Independent Director



Ms. Vijayalakshmi Iyer
Independent Director



Dr. Gopichand Katragadda
Independent Director



Mr. Prasanna Balachander
Non-Executive Director



Mr. Rakesh Jha
Non-Executive Director



Mr. Vijay Chandok
MD & CEO



Mr. Ajay Saraf
Executive Director

- 9 eminent professionals as Directors with varied backgrounds, pioneers in respective fields
- Well structured performance evaluation process for its Directors including MD & CEO
- 5 Mandatory Committees and 14 Non-mandatory Committees with specialized functions including Risk Management Committee & CSR Committee



P&L summary : Consolidated

(` in mn)

	Q2-FY2023	Q1-FY2024	Q2-FY2024	% Y-o-Y	% Q-o-Q
Revenue	8,656	9,344	12,490	44%	34%
Finance Cost	1,082	1,846	2,151	99%	16%
Net Revenue	7,574	7,498	10,339	37%	38%
Operating Expenses	715	729	1,074	50%	47%
Employee benefits expenses	1,857	2,012	2,339	26%	16%
Other expenses	966	1,113	1,233	28%	11%
Total expenses	3,538	3,854	4,646	31%	21%
Profit before tax	4,036	3,644	5,694	41%	56%
Tax	1,032	935	1,457	41%	56%
Profit after tax	3,004	2,708	4,236	41%	56%
Other Comprehensive Income (OCI)	37	(51)	18	-	-
Total Comprehensive Income (TCI)	3,041	2,658	4,255	40%	60%



Period: Y-o-Y: Q2-FY2024 vs Q2-FY2023 ; Q-o-Q: Q2-FY2024 vs Q1-FY2024

Balance sheet: Assets

(` in mn)

ASSETS	At Mar 31, 2023	At Sept 30, 2023
Financial assets (A)	1,50,278	2,01,257
Cash/Bank and cash equivalents	67,908	91,880
Securities for trade & Derivatives financial instrument	9,163	3,469
Receivables	7,734	3,934
Loans	64,199	98,098
Investments	77	103
Other financial assets	1,197	3,773
Non-financial assets (B)	5,410	6,333
Deferred tax assets (net)	374	362
Right-of-use assets	969	995
Fixed assets, CWIP & Intangible assets	1,917	2,875
Current tax assets & other non financial assets	2,150	2,101
Assets (A+B)	1,55,688	2,07,590



Balance sheet: Equity and Liabilities

(` in mn)

EQUITY AND LIABILITIES	At Mar 31, 2023	At Sept 30, 2023
Financial liabilities (A)	1,21,471	1,68,594
Payables	9,148	20,360
Derivative financial instruments	-	-
Debt securities	87,887	1,22,183
Borrowings (Other than debt securities)	5039	850
Lease liabilities	1,083	1,109
Deposits & Other financial liabilities	18,314	24,092
Non-financial liabilities (B)	5,692	6,252
Equity (C)	28,525	32,744
Equity share capital	1,614	1,616
Other equity	26,911	31,128
Equity and Liabilities (A+B+C)	1,55,688	2,07,590





Thank You

**ANALYSIS OF FINANCIAL PERFORMANCE FOR THE
QUARTER ENDED SEPTEMBER 30, 2023 (Q2-FY2024)**

Consolidated revenue increased by 44.3% from ₹8,656.3 million in Q2-FY2023 to ₹12,489.6 million in Q2-FY2024.

Consolidated profit after tax increased by 41.0% from ₹3,004.1 million in Q2-FY2023 to ₹4,236.3 million in Q2-FY2024.

(₹ in million)

Consolidated Profit & Loss Account	Q2-FY 2023	Q2-FY 2024	% Change
Revenue From operations:			
(i) Interest income	2,273.5	3,880.3	70.7
(ii) Dividend Income	0.5	0.4	(20.0)
(iii) Fees and commission income			
Brokerage income	3,289.0	4,843.9	47.3
Income from services	2,721.2	3,560.8	30.9
(iv) Net gain on fair value changes	296.6	199.8	(32.6)
(v) Others	3.8	4.8	26.3
(I) Total revenue from operations	8,584.6	12,490.0	45.5
(II) Other Income	71.7	(0.4)	(>100)
(III) Total Income (I+II)	8,656.3	12,489.6	44.3
Expenses:			
(i) Finance costs	1,082.2	2,150.5	98.7
(ii) Fees and commission expense	395.8	534.2	35.0
(iii) Impairment on financial instruments	15.4	52.8	(>100)
(iv) Operating expenses	304.0	486.8	60.1
(v) Employee benefits expenses	1,857.4	2,339.2	25.9
(vi) Depreciation, amortization and impairment	187.4	257.6	37.5
(vii) Other expenses	778.4	975.0	25.3
(IV) Total expenses	4,620.6	6,796.1	47.1
(V) Profit before tax (III-IV)	4,035.7	5,693.5	41.1
(VI) Tax expense	1,031.6	1,457.2	41.3
(VII) Profit after tax (V-VI)	3,004.1	4,236.3	41.0
(VIII) Other comprehensive income/(Losses), net of taxes	36.8	18.4	(50.0)
(IX) Total comprehensive income for the period (VII+ VIII)	3,040.9	4,254.7	39.9

(₹ in million)

Consolidated Balance Sheet	As at March 31, 2023	As at September 30, 2023	% Change
Financial assets	1,50,277.9	2,01,256.8	33.9
Non-financial assets	5,410.1	6,333.1	17.1
Total assets	1,55,688.0	2,07,589.9	33.3
Financial liabilities	1,21,471.1	1,68,594.4	38.8
Non-financial liabilities	5,691.9	6,252.2	9.8
Equity	28,525.0	32,743.3	14.8
Total liabilities	1,55,688.0	2,07,589.9	33.3

Explanatory notes for Q1-FY2024:

- Interest income increased from ₹2,273.5 million for Q2-FY2023 to ₹3,880.3 million in Q2-FY2024, an increase of 70.7%. This was primarily due to increase in average MTF and fixed deposits yields.
- Brokerage income increased from ₹3,289.0 million for Q2-FY2023 to ₹4,843.9 million in Q2-FY2024, an increase of 47.3%. This was primarily due to increase in equity & derivative volumes.
- Income from services increased from ₹2,721.2 million for Q2-FY2023 to ₹3,560.8 million in Q2-FY2024, an increase of 30.9%. This was primarily on account of increase in issuer services & advisory fee income and income from distribution products.
- Net gain on fair value changes decreased from ₹296.6 million in Q2-FY2023 to ₹ 199.8 million in Q2-FY2024, a decrease of 32.6%. This was primarily due to fair value changes in our treasury segment.
- Finance costs increased from ₹1,082.2 million for Q2-FY2023 to ₹2,150.5 million in Q2-FY2024. This increase was primarily due to increased borrowing to fund MTF and increase in borrowing cost on account of increased interest rate.
- Fees and commission expenses increased from ₹395.8 million for Q2-FY2023 to ₹534.2 million for Q2-FY2024, primarily due to increase in revenue linked payout to partners.
- Operating expenses increased from ₹304.0 million for Q2-FY2023 to ₹486.8 million in Q2-FY2024, due to increase in operating expenses linked to volumes among other things.
- Employee benefits expenses increased from ₹1,857.4 million for Q2-FY2023 to ₹2,339.2 million in Q2-FY2024 primarily on account of annual increments in salaries, increase in headcount & higher provision for variable pay.



- Depreciation and amortization expense increased from ₹187.4 million for Q2-FY2023 to ₹257.6 million for Q2-FY2024, primarily on account of depreciation and amortization on technology related assets
- Other expenses increased from ₹778.4 million in Q2-FY2023 to ₹975.0 million in Q2-FY2024, an increase of 25.3%, primarily due to increase in technology & CSR expenses.
- Total assets increased from ₹1,55,688.0 million as at March 31, 2023 to ₹2,07,589.9 million as at September 30, 2023, an increase of 33.3%. This increase was primarily due to increase in loan book from ₹ 64,198.8 million as at March 31 2023 to ₹ 98,097.8 million as at September 30,2023 and bank balance other than cash and cash equivalents from ₹65,501.3 million as at March 31, 2023 to ₹ 90,497.0 million as at September 30, 2023.
- Total liabilities and equity increased from ₹ 1,55,688.0 million as at March 31, 2023 to ₹2,07,589.9 million as at September 30, 2023, an increase of 33.3%. This increase was primarily due to increase in borrowings from ₹ 87,886.9 million as at March 31, 2023 to ₹1,22,182.9 million as at September 30, 2023 ,increase in Trade payables from ₹ 9,148.4 million as at March 31, 2023 to ₹ 20,360.1 million as at September 30, 2023 & increase in other financial liabilities from ₹18,239.6 million as at March 31,2023 to ₹24,000.7 million as at September 30,2023.

Disclaimer

Except for the historical information contained herein, statements in this release which contain words or phrases such as 'will', 'expected to', etc., and similar expressions or variations of such expressions may constitute 'forward-looking statements'. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results, opportunities and growth potential to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to, the actual growth in broking business and other financial services in the countries that we operate or where a material number of our customers reside, our ability to successfully implement our strategy, including our use of the Internet and other technology our exploration of merger and acquisition opportunities, our ability to integrate mergers or acquisitions into our operations and manage the risks associated with such acquisitions to achieve our strategic and financial objectives, our growth and expansion in domestic and overseas markets, technological changes, our ability to market new products, the outcome of any legal, tax or regulatory proceedings in India and in other jurisdictions we are or become a party to, the future impact of new accounting standards, our ability to implement our dividend policy, the impact of changes in insurance regulations and other regulatory changes in India and other jurisdictions on us. ICICI Securities Limited undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

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For investor queries please email at IR@icicisecurities.com

1 billion/million = 100 crore / 10 Lakhs