



# Performance update

**Q2-FY2023**

October 20, 2022

# Agenda

- ISEC Quarterly Update
- Business Performance
- ISEC Franchise

Being there never  
**mattered more**



# Q2FY23 Performance Snapshot



**Total Assets**  
₹ 5.8 tn<sup>1</sup>  
+13% YoY / +9% QoQ



**Wealth Assets**  
₹ 3.1 tn<sup>2</sup>  
+25% YoY / +12% QoQ



**NPS Score**  
42.4%<sup>3</sup>  
v/s 35.9% in Q2-22



**Client Base**  
8.4 mn<sup>4</sup>  
+33% YoY / 5% QoQ



**Inc. Demat Market Share**  
7.6% v/s 7.2% YoY / 6.5% QoQ  
NCA at 0.46 mn



**Retail ADTO**  
₹ 2,032 bn<sup>3</sup>  
+104% YoY / 31% QoQ



**Revenue**  
₹ 8,656 mn<sup>3</sup>  
+1% YoY / +9% QoQ



**Profit After Tax**  
₹ 3,004 mn<sup>3</sup>  
-14% YoY / +10% QoQ



**Interim Dividend**  
₹ 9.75<sup>5</sup>  
Over 50% consistent payout



1. Assets of our clients including equity demat assets maintained with ICICI Bank and excluding promoter holding, as on Sep,30 2022
2. Assets of our clients with more than INR 10 mnAUM at individual level including equity demat assets maintained with ICICI Bank and excluding promoter holding, as on Sep, 30 2022
3. For Q2 FY23
4. As on Sep, 30 2022
5. For H1FY23

# Q2FY23: Key Highlights

Market Share gain across various segments on sequential basis

	Q1FY23		Q2FY23
Incremental demat market share	6.5%	↑	7.6%
Retail derivative market share	3.5%	↑	3.7%
Retail equity market share	9.7%	↑	10.6%
Leadership position in MTF	22.4%	↑	23.0%
Commodity market share	4.4%	↑	5.5%



# Q2FY23: Key Highlights

## Diversification as theme continues to play out

- Texturization of Retail equities and allied revenue to reduce proportion of cyclical components

	Q2FY22		Q2FY23
Cash Broking as % of Retail Equities	54%	↓	37%
Derivative Broking as % of Retail Equities	16%	↑	20%
Allied Revenue as % of Retail Equities	30%	↑	43%
Derivative Broking as % of Retail Broking	23%	↑	34%

- Retail Equities and allied revenue flat on YoY basis, in a period when cash ADTOs fell substantially by more than 20%
- Consistent increase in derivative income in absolute terms since 5 quarters despite market volatility

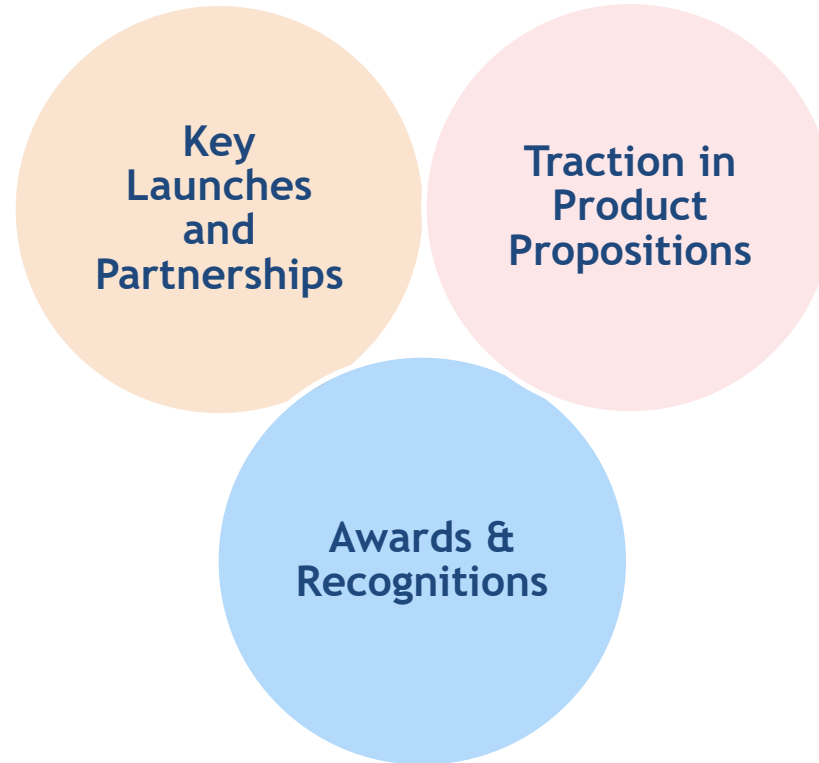
- Distribution revenue now contributed 18% to total revenue as compared to 17% in Q2FY22.



# Q2FY23: Key Highlights

## Product Proposition and Other key Highlights

- Introduction of tools to improve customer engagement
  - Flash Trade (1<sup>st</sup> of its kind in Indian industry), Single Screen Trading experience, Research ideas on App
- Soft Launch of Super App; all offerings at one place
- Partnership with IDFC Bank to offer 3-in-1 broking services to their clients



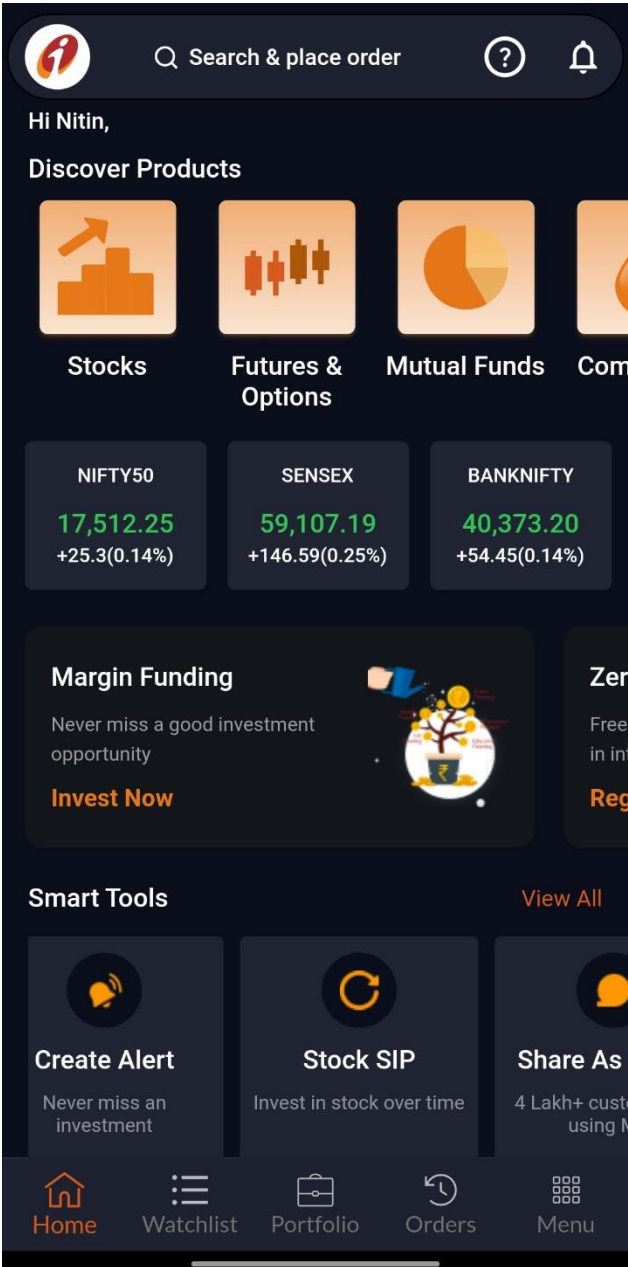
- Average MTF Book grew by 38% on YoY basis despite weakness in markets
- Own PMS crossed ₹ 11 billion\*
- 10,000+ customers in Global Investing platform

- Awarded “Most Innovative Solution for COVID-19 and Best Overall Excellence in CSR” in ET Ascent National Awards for Excellence in CSR & Sustainability



\* As on 20th Oct 2022

# Soft launch of Super App



One App to fulfil all your financial needs with superior customer experience and simplified user journey



# Soft launch of Super App

**Portfolio**

Current Value  
₹ 1,074.45

Amount Invested: 1,035.59  
Total Gain/Loss: 38.86 (3.75%)

Today's P&L: ₹ -23.20 (-2.11%)  
Total P&L: ₹ 38.86 (3.75%)

**Stocks** P&L: ₹ 38.86

Current Value: ₹ 1,074.45  
Invested: ₹ 1,035.59

**Mutual Funds** Unrealized P&L: ₹ 0.00

Current Value: ₹ 0.00  
Amount Invested: ₹ 0.00

**FD & Bonds** P&L: ₹ 0.00

Home Watchlist **Portfolio** Orders Menu

Dark Mode  Scan for Web Login

Stocks Futures & Options Mutual Funds

Commodity Currency FD & Bonds

Insurance IPO Markets in Action

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Version 1.0.2(9)

**ICI direct.com**  
Investments at Your Fingertips

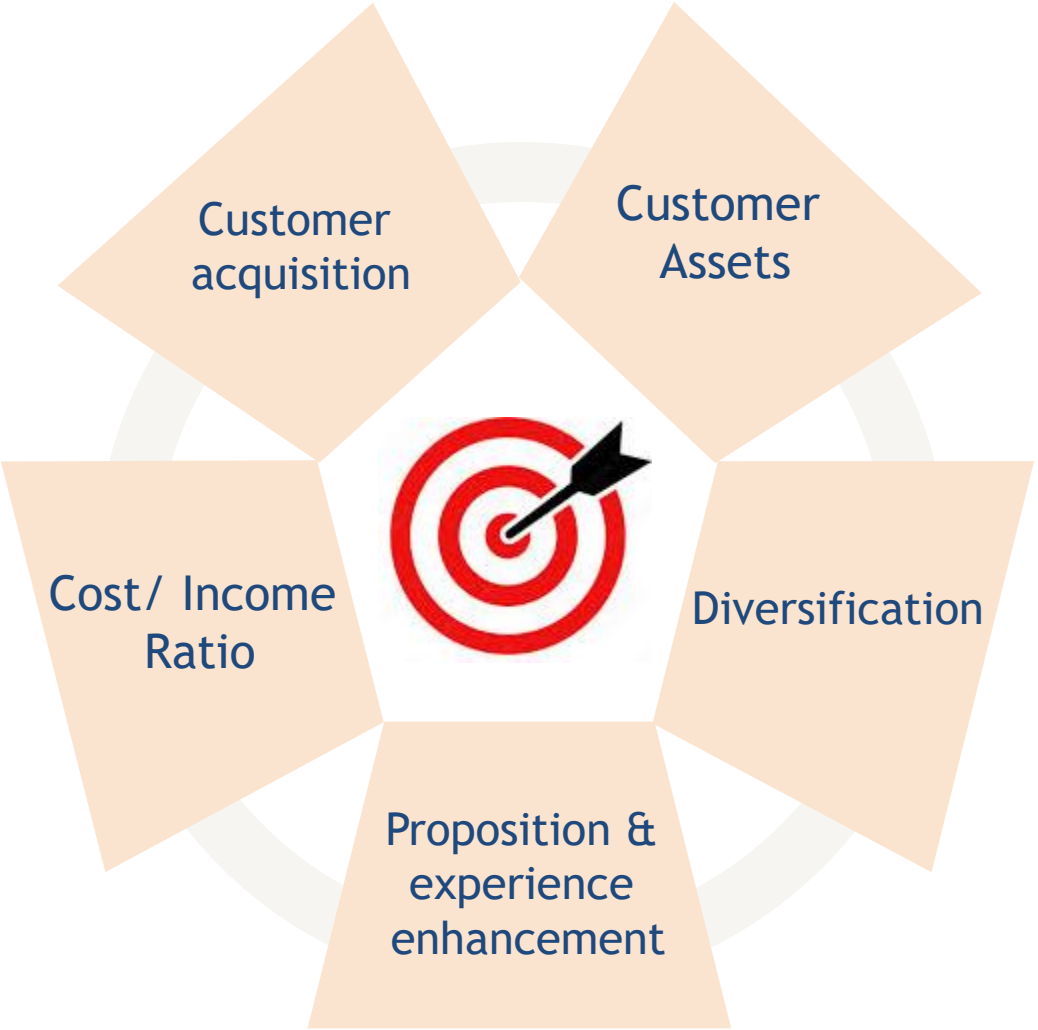
Limits Allocate funds

Home Watchlist Portfolio Orders Menu



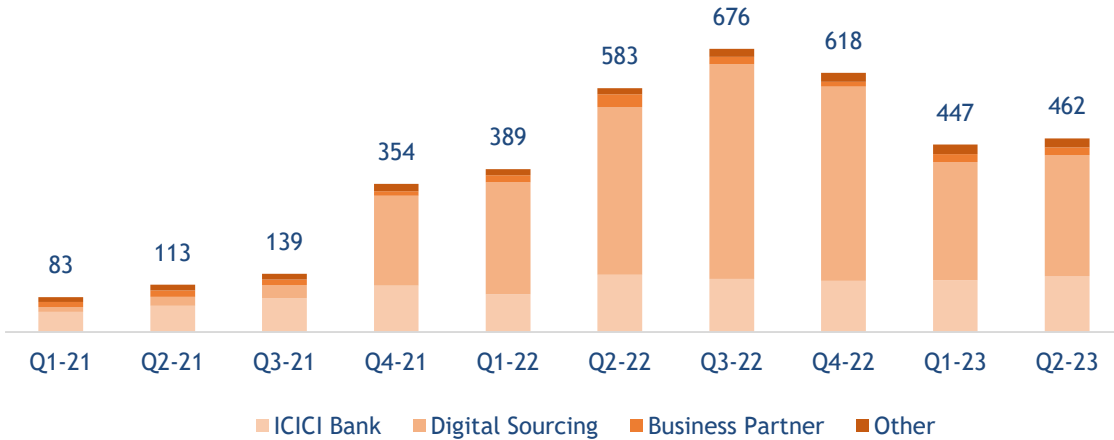


# Tracking our Execution Markers



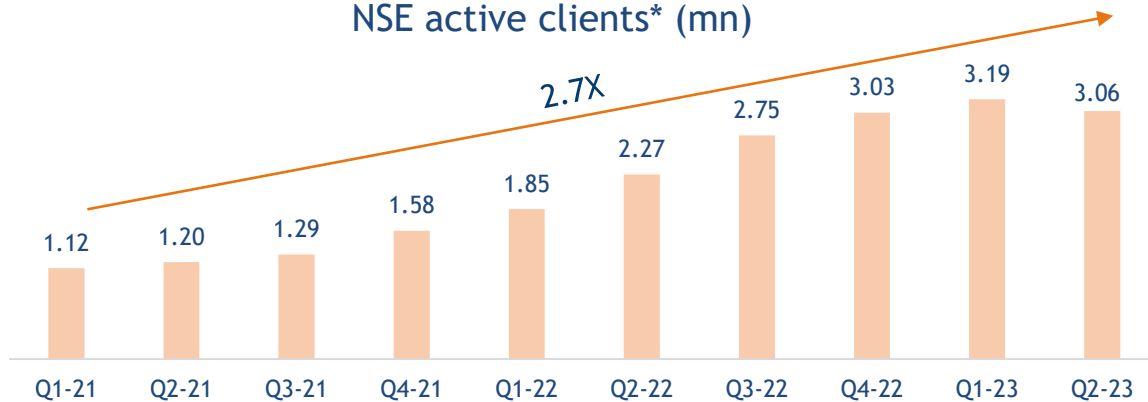
# Key outcomes: Customer Acquisition

New clients acquired ('000)

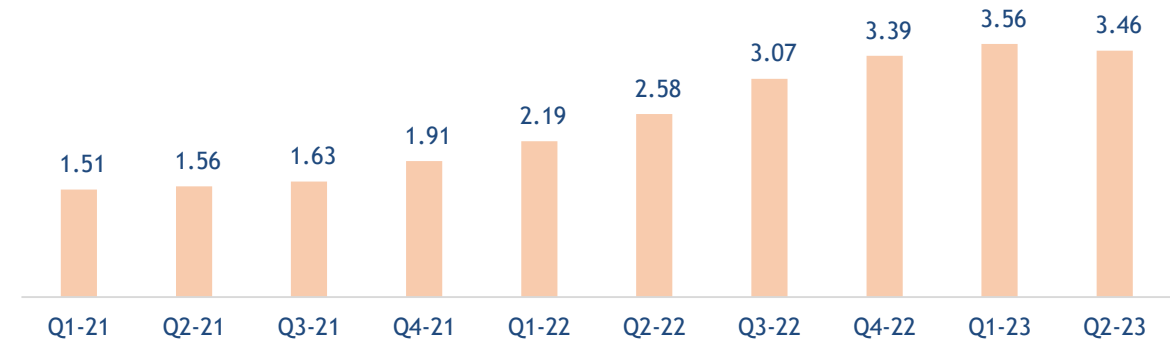


- NSE Active increased by 2.7X since Q1 FY21;
- NSE Active Market share at 8.2%
- Sequential decline in active clients in line with industry

NSE active clients\* (mn)



Overall Active Clients\* (mn)



~ 7.6% market share in incremental demat accounts, up from 6.5% sequentially

\* Active in trailing 12 months

# Key outcomes: Customer Acquisition

## Digital prowess enabling acquisition of customers with varied demographics

	Q2-FY22	Q1-FY23	Q2-FY23
Prime Customer	0.87mn	1.06mn	1.16mn
Non-ICICI bank%	77%	72%	71%
Clients <30yrs age	65%	62%	66%
Clients from tier II & III	84%	85%	84%
NPS Score - Sourcing	53%	56%	58%

- Demonstrated ability to attract and engage “high intent” customers with Prime and Prepaid plans
- Open architecture digital sourcing has enabled us to source customers at higher scale and from newer geographies
- Majority of new clients acquired are GenZ and Millennials; giving us opportunity to partner with them in their financial journey.
- Our NPS score continues to increase as a result of improvements made in our customer journeys

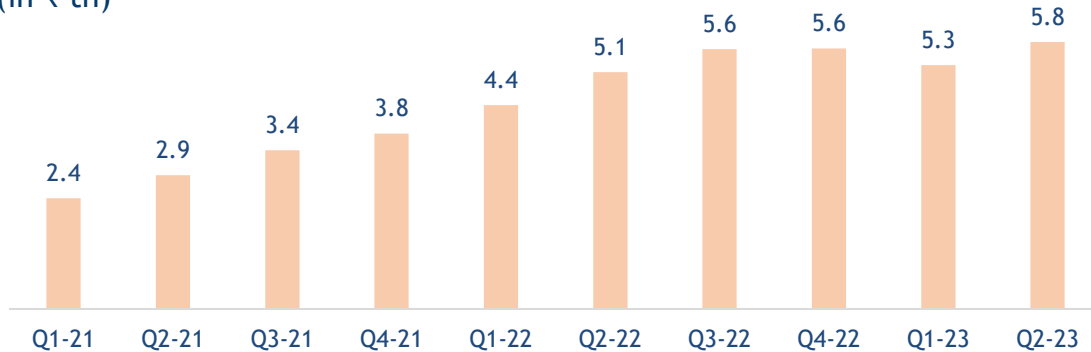


Diversification in Customer profile

# Key outcomes: Customer Assets

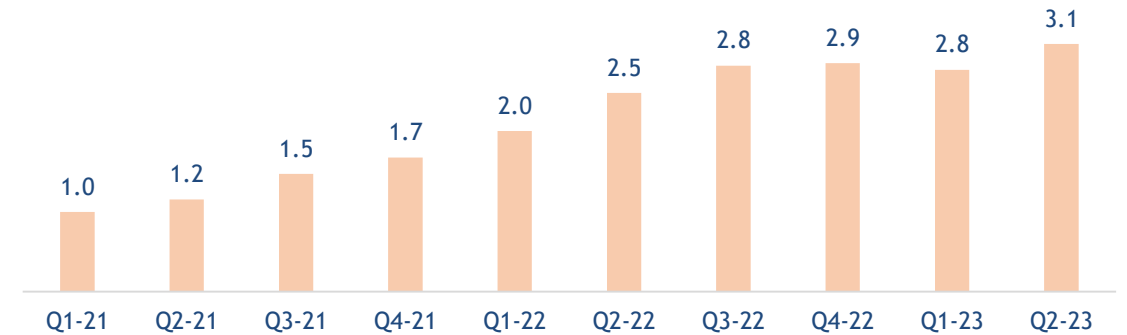
Consistent increase in Total Assets over long term <sup>1</sup>

(in ₹ tn)



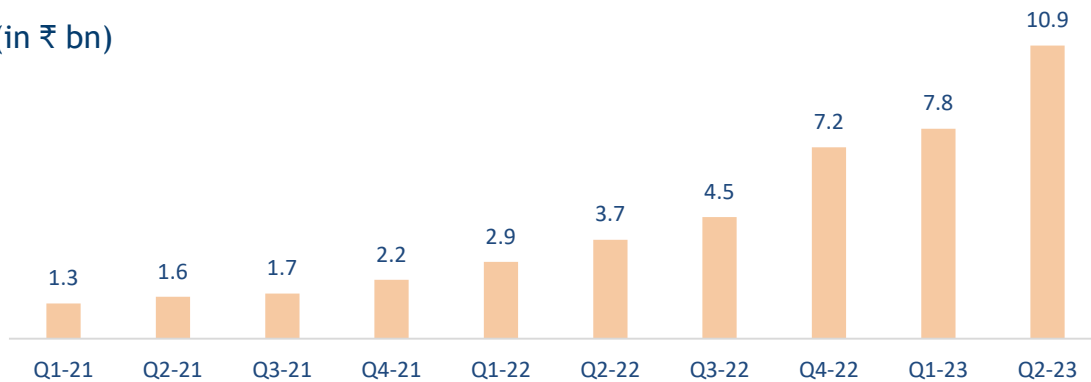
Leading wealth manager in the country with steady increase in Wealth AUM <sup>2</sup>

(in ₹ tn)



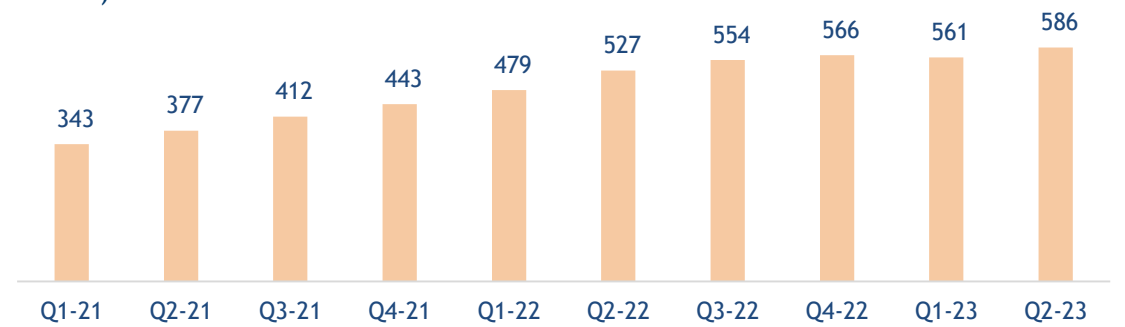
ISEC PMS Scaling up

(in ₹ bn)



Growing MF Assets demonstrating strong distribution franchise <sup>3</sup>

(in ₹ bn)



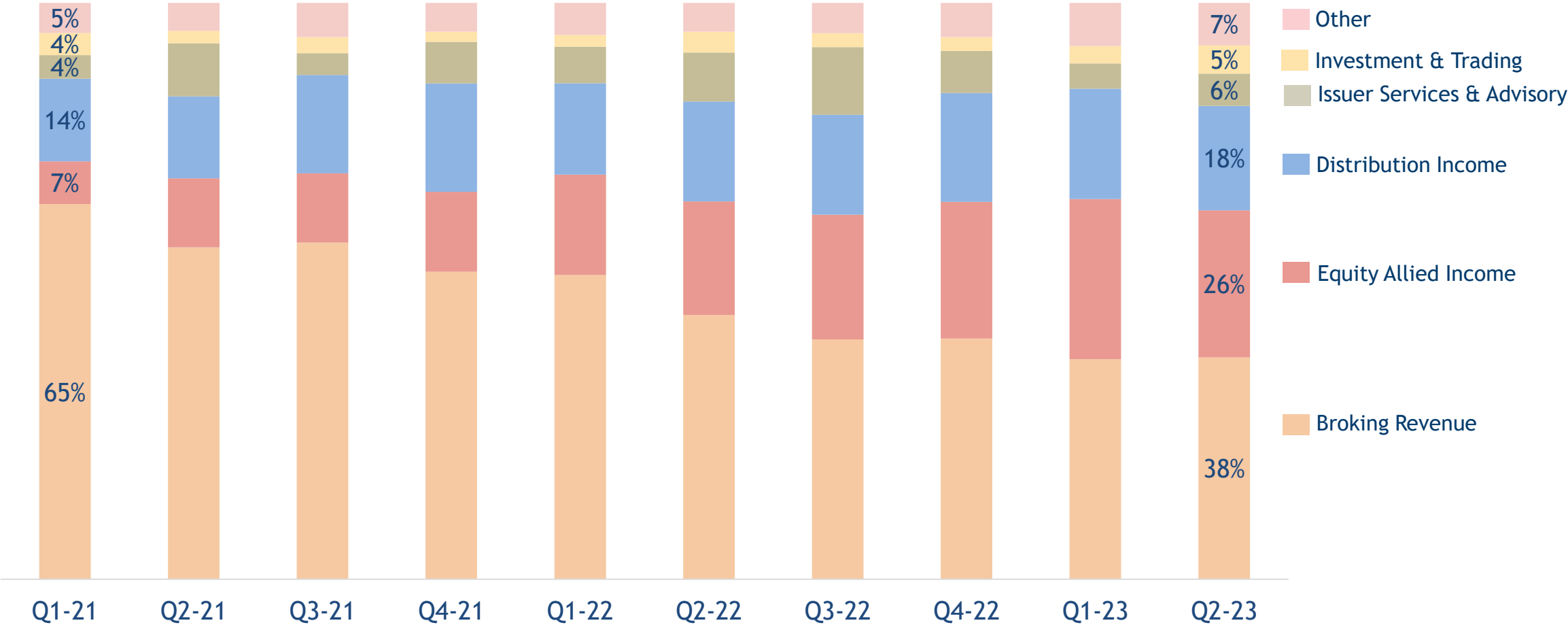
₹ 5.8 trillion Client Assets



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 Sep, 30 2022
3. AUM including direct

# Key outcomes: Diversification

Generating multiple source of revenue with meaningful contribution



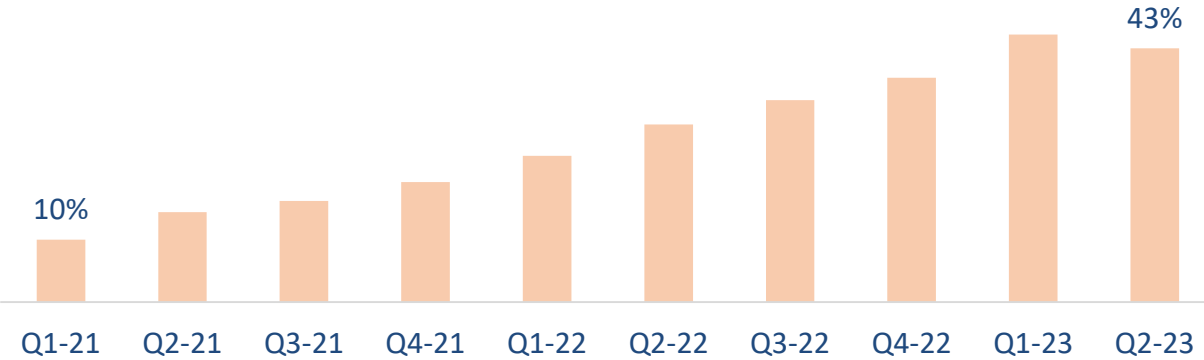
Increasing diversification along with revenue growing at ~22% CAGR

Revenue CAGR from Q1-21 to Q2-23

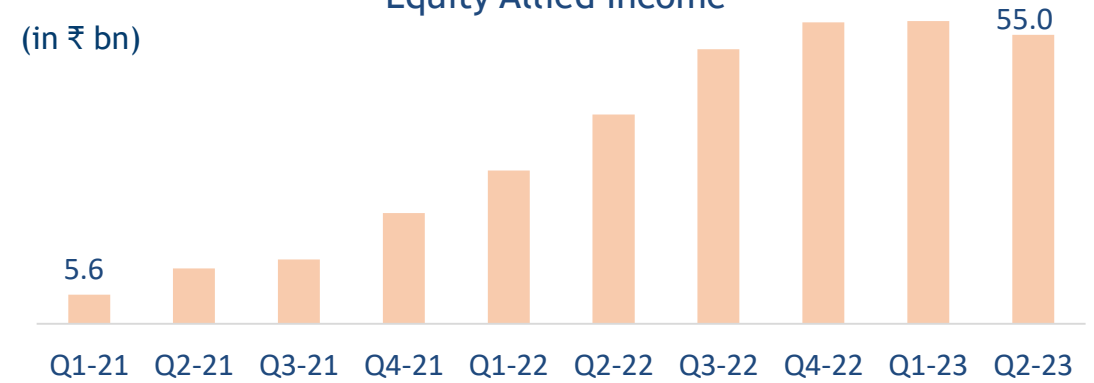
# Key outcomes: Diversification

## Scaling up of Allied Income with Customer centric Product Propositions like MTF and Prime

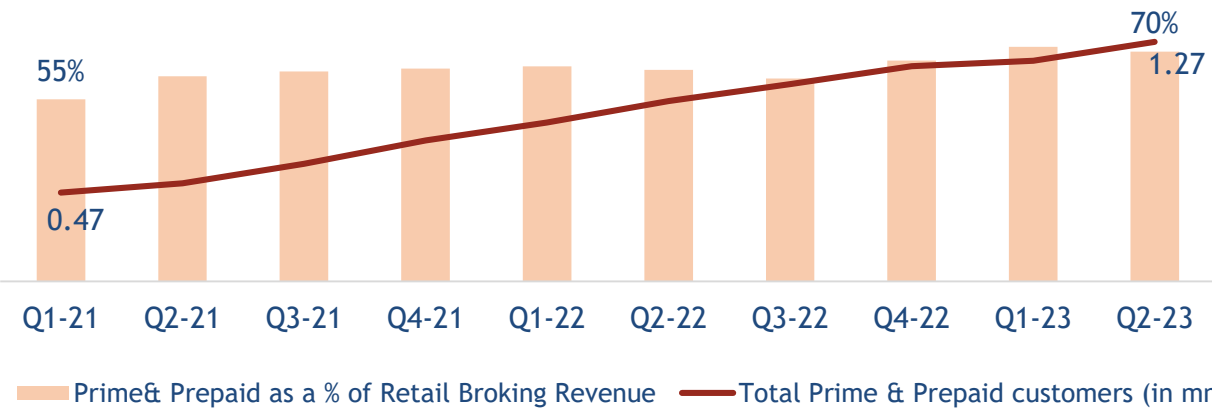
Increasing Proportion of Retail Allied Revenue as % of Retail Equity & Allied Revenue



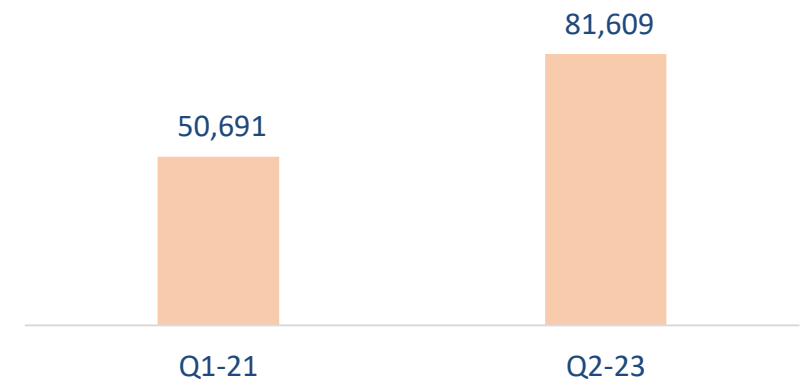
Scaling up of MTF Book leading to increase in Equity Allied Income



Prime & Prepaid as a % of Retail Broking Revenue



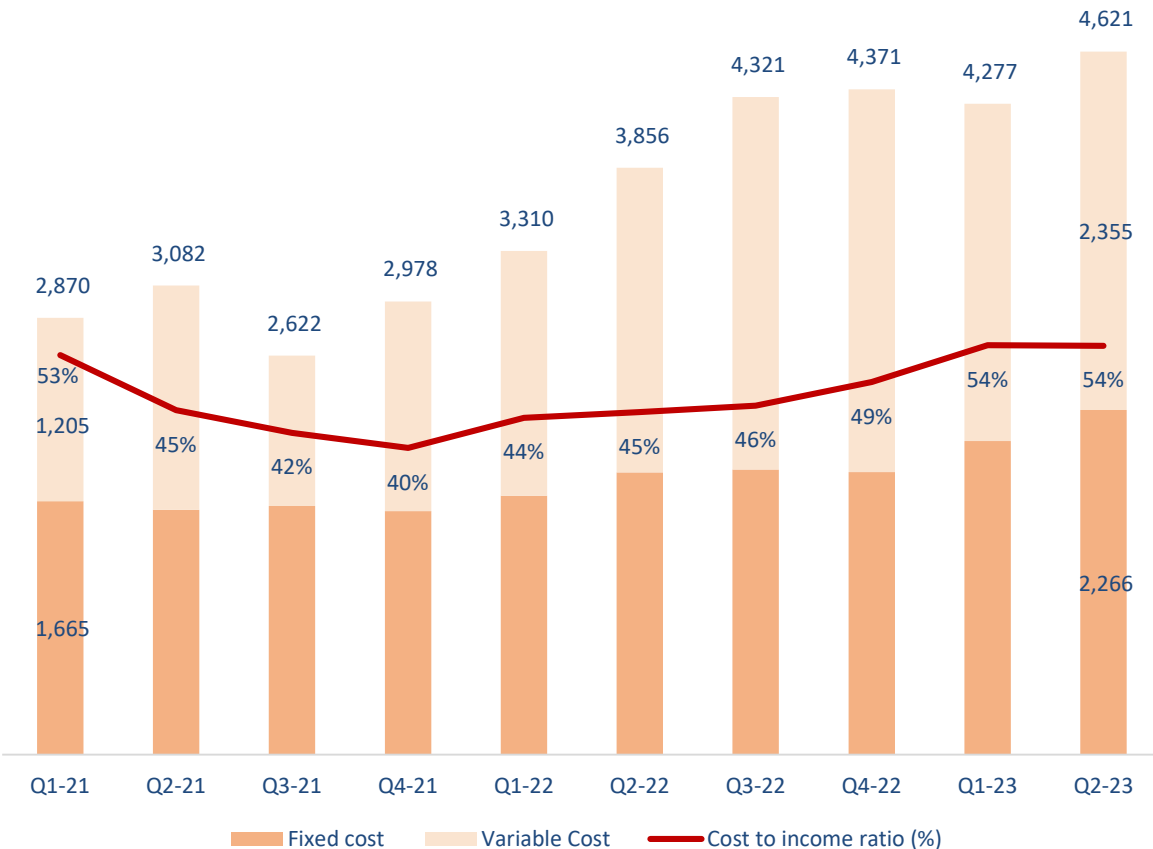
Increasing number of MTF customers, with immense scope of further penetration



Scalability and traction in lending products

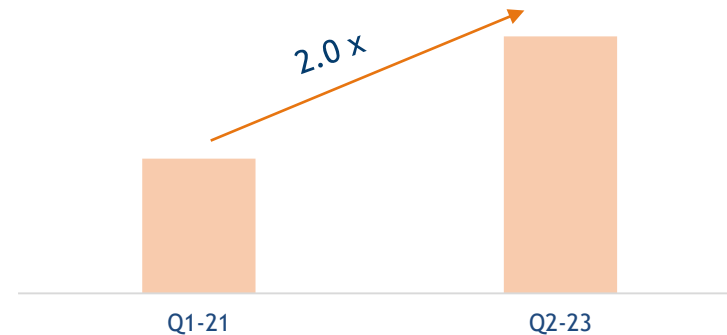
# Key outcomes: Cost to Income Ratio

Increasing proportion of variable cost



- Cost increased sequentially by 8% and 20% on YoY basis
  - Company investing in technology to be “Future Ready”
  - Increase in Finance and Tech related cost (inc tech talent pool)
  - Marketing cost declined due focus on acquisition of quality customers
- Levers in place to contain costs, depending on market scenario
- Investment in technology expected to improve operating leverage, initial signs are encouraging:
  - Increasing app downloads
  - Traction in product proposition and newly launched tools

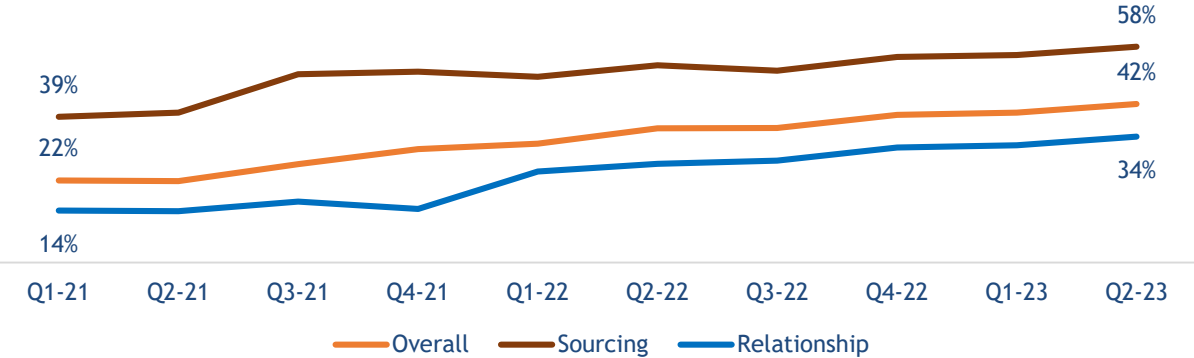
Build up of tech focused talent pool



Increasing % of variable cost and reducing cost of acquisition

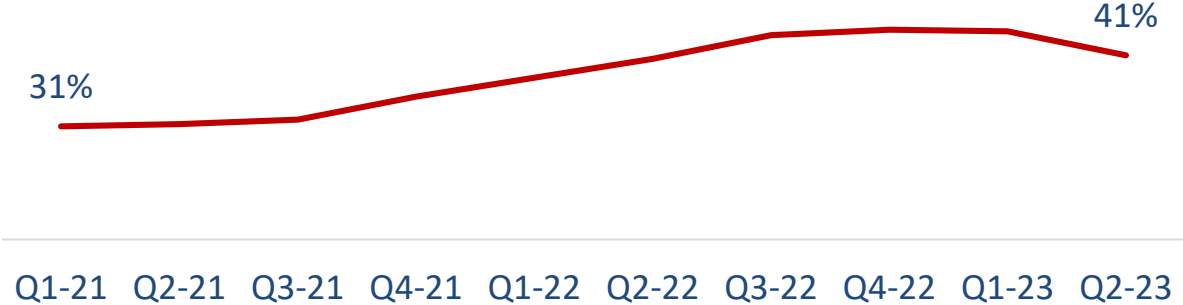
# Key outcomes: Proposition & experience enhancement

Enhanced customer experience on the back of investments in customer journeys leading to improvement in NPS

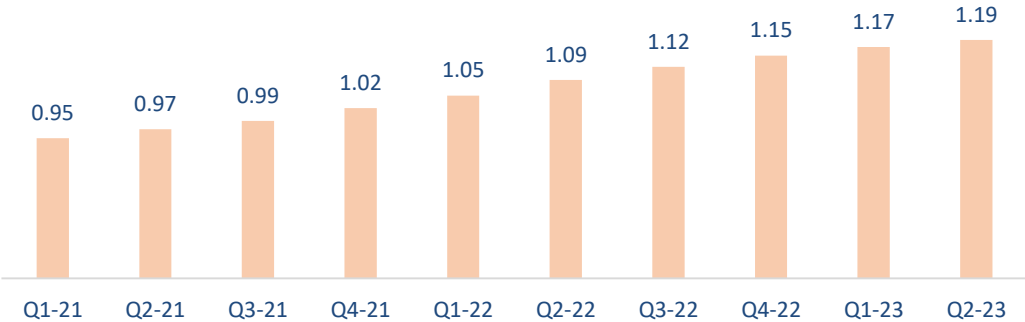


- Soft Launch of Super App, offering all products; providing simplified customer journey and superior experience
- Board and management oversight on customer experience and service

Improving client activation ratio despite a high CAGR of client acquisition



Sustained improvement in cross sell which is demonstrated from increasing number of client with 2 or more products



Technology investment leading to improved customer experience and active client ratio

1. Active client ratio is calculated as ISEC overall active clients active in the trailing 12 months divided by total operation client base



# Key outcomes: Proposition & experience enhancement

Key features to capture trading ecosystem

### Smart Orders Platform

← TWAP – Price Band  
EQ, FUT, OPT

ITC 294.15

PRODUCT ⓘ INTRADAY DELIVERY

TOTAL QUANTITY

– **1000** +  
Total Quantity

SLICING QUANTITY

– **100** +  
Slicing Quantity

TIME INTERVAL **00:30**

START TIME **10:30** END TIME **14:00**

PRICE RANGE HIGH

– **292** +  
Price Range High

PRICE RANGE LOW

– **290** +  
Price Range Low

[Help?](#)

**START**

### Easy Options

Where do you think NIFTY will go Up or Down?

Down Up

**16128**

15628 16628

Sentiment Indicator

45% 55%

By When?

- This Week**  
07-Jul-2022 >
- Next Week**  
14-Jul-2022 >
- This Month**  
28-Jul-2022 >

### Flash Trade - Mobile

Flash Trader P&L -4,418.80

NIFTY  Current Month Futures

16925.00  
16900.00  
16875.00  
16850.00  
16825.00  
16800.00  
16775.00  
16750.00  
16725.00  
16700.00  
16675.00  
16650.00

1D 5D 1M 3M 1Y 5Y 7Y Max

**POSITIONS 2** **ORDERS 2**

Qty 10	Price 12345.00	P&L -100000.00	
<b>BUY</b>		24m 25s	
Qty 10	Price 12345.00	P&L -100000.00	
<b>BUY</b>		24m 25s	
Qty 10	Price 12345.00	P&L -100000.00	
<b>BUY</b>		24m 25s	

Total Qty. 12345678 Avg Price 12345678

NIFTY22JAN28CE18000 **LIM** Qty 107890 05 min

**Add** **Exit**



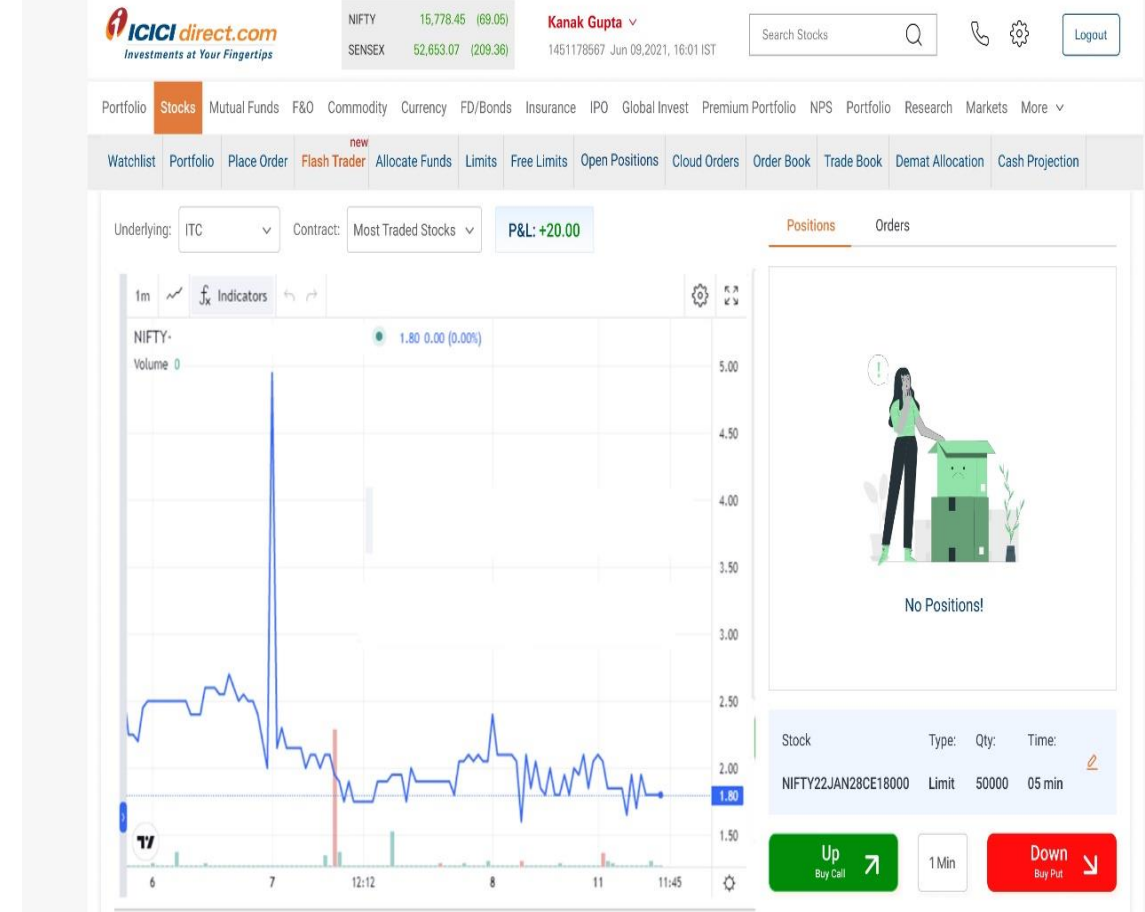
# Key outcomes: Proposition & experience enhancement

## Key features to capture trading ecosystem

### Web Platform - EXE for High Volume Traders



### Web Platform - Flash Trade



# Agenda

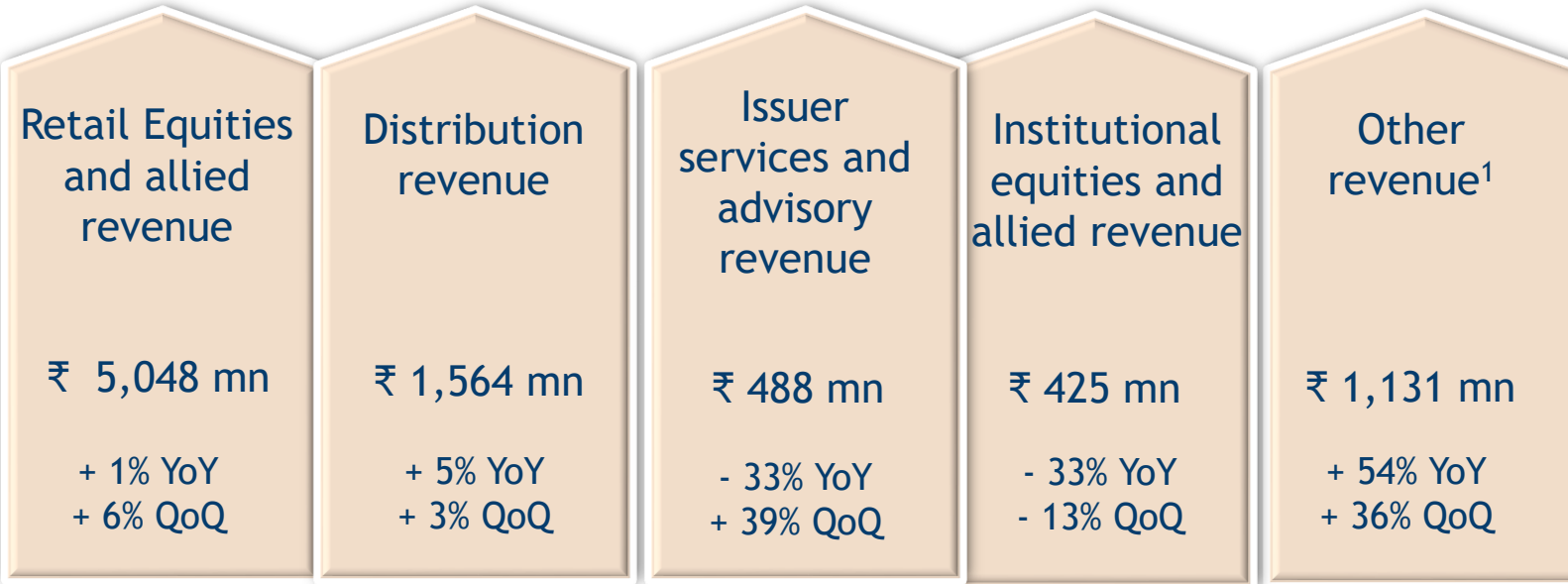
- ISEC Quarterly Update
- **Business Performance**
- ISEC Franchise

Being there never  
**mattered more**



# Financial Highlights Q2FY23

## Business segment wise Revenue Breakup



### Private Wealth Management

₹ 2,631 mn + 14% YoY  
+ 15% QoQ



YoY: Q2-FY2023 vs Q2-FY2022; QoQ: Q2-FY2023 vs Q1-FY2023

1. Includes Investment & trading, interest revenue from FDs as margin with exchanges and other revenue

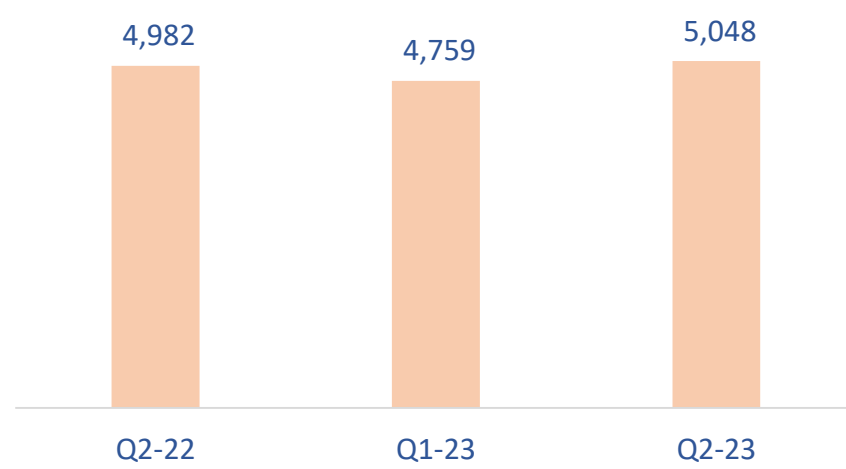
- Revenue up 9% QoQ to ₹ 8,656 mn led by growth in retail equities and issuer advisory services
  - Up 1% YoY despite decline in retail cash ADTO by 21% and muted capital markets; a result of our diversification strategy
- Retail equities & allied revenue up 1% YoY as impact of decline in cash volumes were offset by strong growth in retail allied and derivative revenue
- Distribution revenue scaled up led by MF and Life Insurance Revenue
- PAT up 10% QoQ; lower 14% YoY at INR 3,004 mn
  - YoY decline on account of higher spends on identified focus areas to be “Future Ready”

# Business Performance : Equities Business

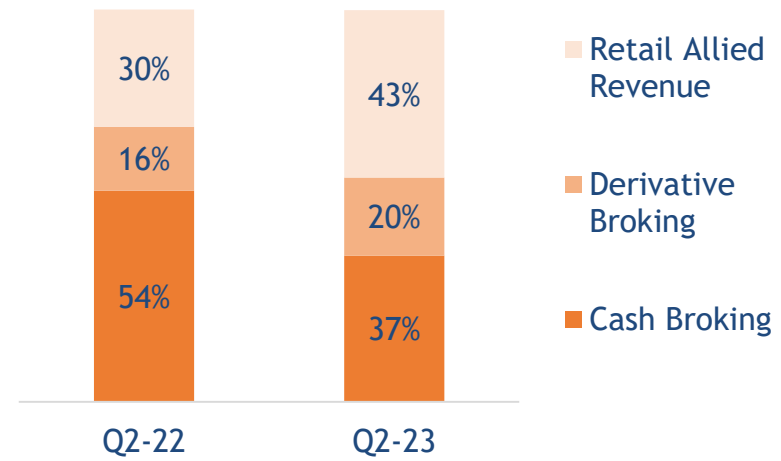
## Retail equities and allied revenue up by 1% YoY and 6% QoQ

- Sequential increase on account of cash and derivative led revenues
- Up 1% YoY despite cash ADTOs declining by ~21%, a result of our strategy to diversify revenue and reduce proportion of cyclical components i.e. cash
- Consistent growth in derivative revenues for past 5 quarters; grew 16% QoQ and 24% YoY
- Strong performance in allied income as it grew by 45% YoY, led by MTF and Prime fees.
  - MTF & ESOP interest income, grew +27% YoY
  - MTF market share at 23%, up from 21.8% on YoY basis
  - Prime Fee grew 57% YoY
- Increasing proportion of derivative and retail allied revenue as a proportion of retail equities and allied revenue

Retail equities and allied Revenue(mn)



Diversification continued as a theme

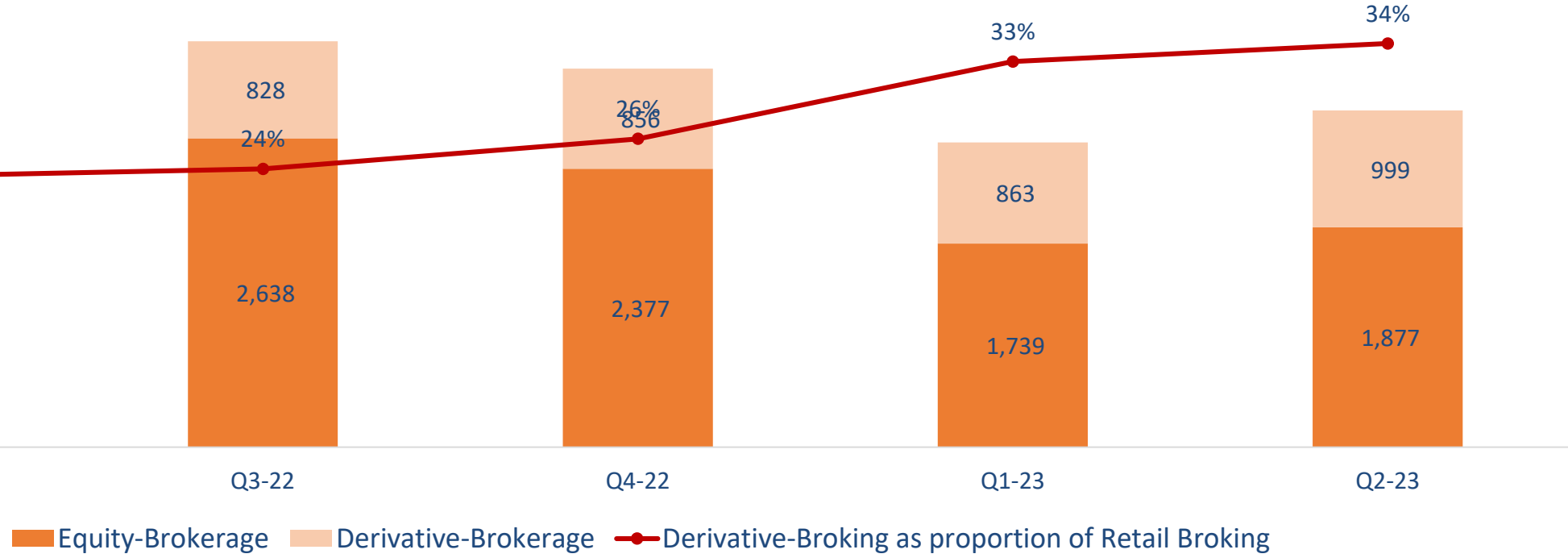
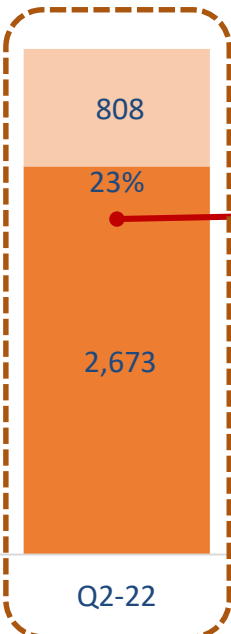


Continued focus on Texturization to reduce proportion of cyclical components

# Business Performance : Equities Business

Sustained increase in Derivative revenue; increasing proportion to retail broking revenue post implementation of margin norms

Implementation of Phase 4 margin norms



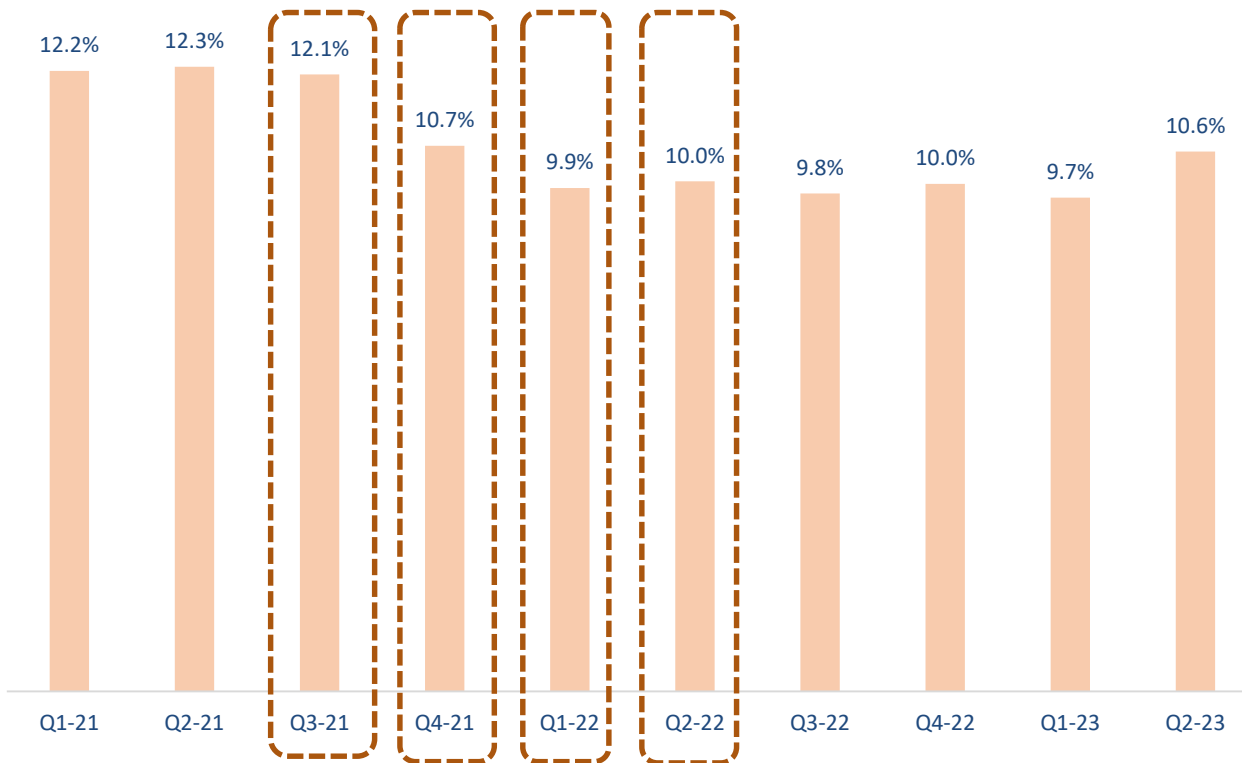
Gained market share in cash segment; stable derivative market share

# Business Performance : Equities Business

## Retail Equities Market Share

Implementation of new margin norms

Phase 1 Phase 2 Phase 3 Phase 4



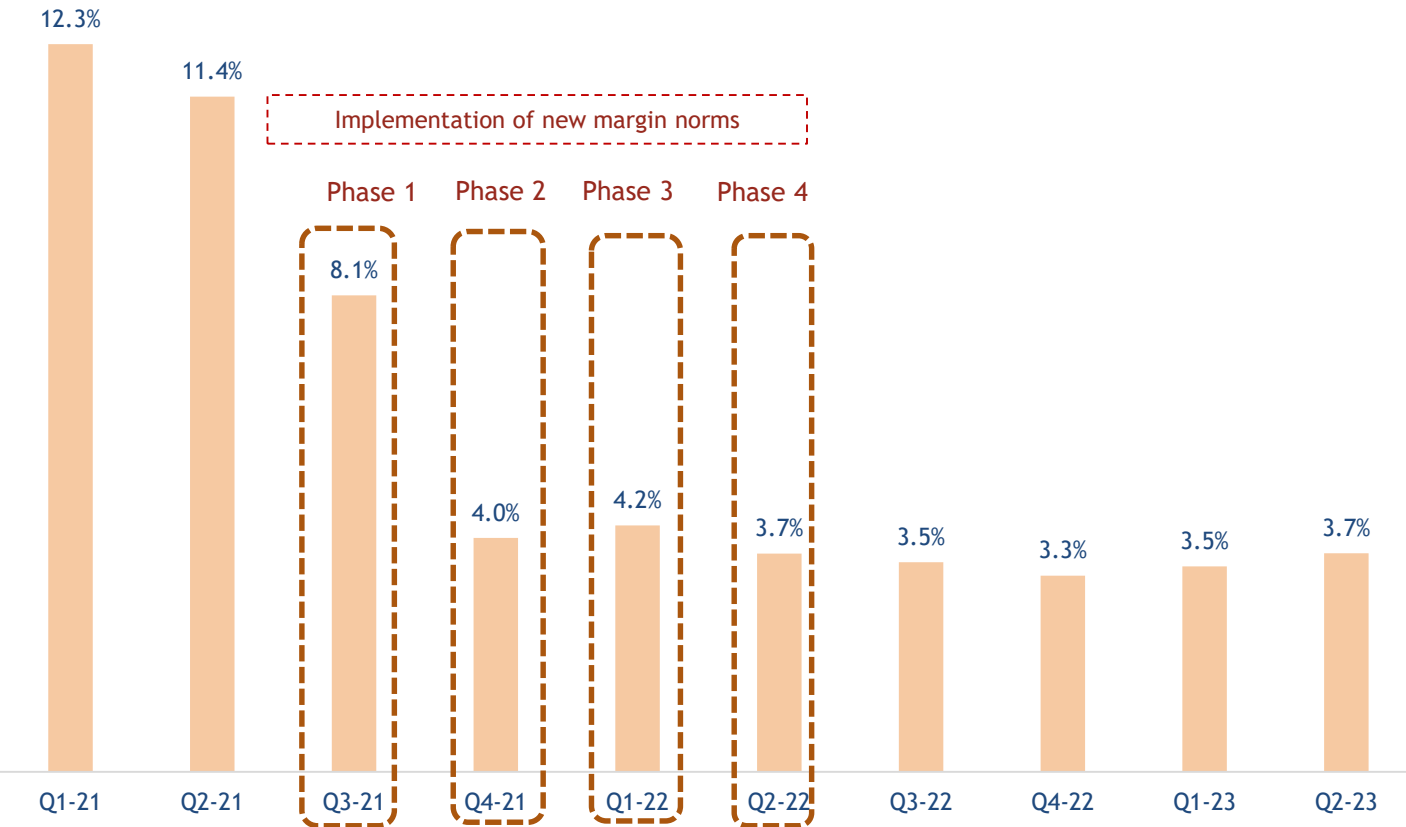
- Market share up by 90 bps on sequential basis
- Scaling up customer centric propositions such as MTF and Prime
- Customer focused approach as we continued to launch new propositions:
  - Lifetime High Value Prime plans for customers
  - Buy Now Pay Later facility embedded in customer journey
  - New Trading View Charting for faster & informed trading
- Seamless customer experience through our new age digital properties



1. Market Share is calculated by dividing ISEC Retail ADTO by 'Other' segment of NSE and BSE  
Note: Market data not available for 26<sup>th</sup> May, 14<sup>th</sup> June and 27<sup>th</sup> June 2022.  
We had disclosure Q4FY20 market share of 10.1%, as data was available only till 24th March, 2022

# Business Performance : Equities Business

## Retail Derivatives Market Share



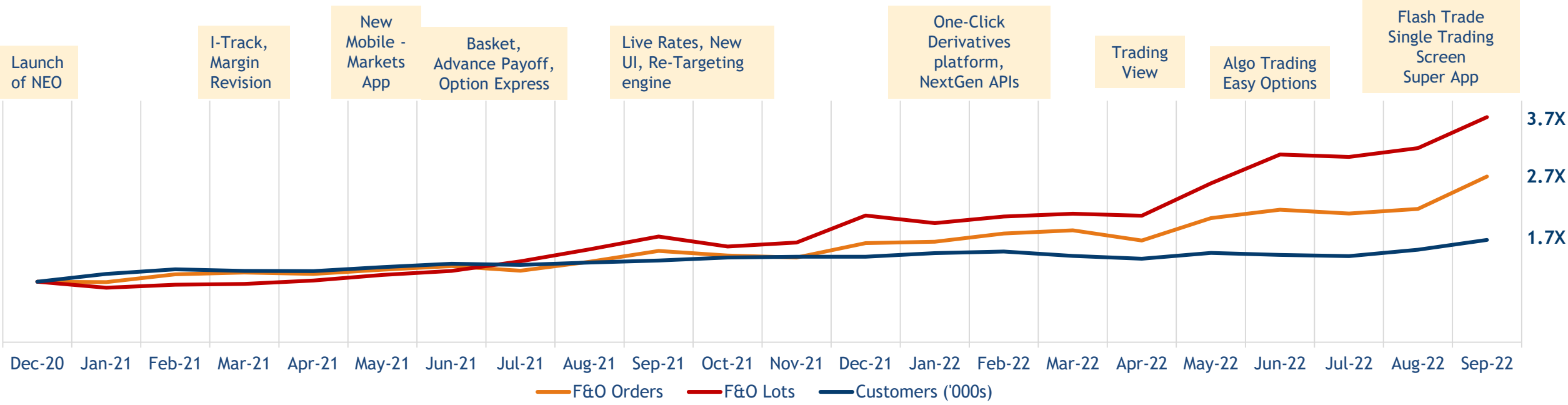
- Encouraging trends witnessed in Q1FY23, continued in Q2FY23 as market share increased from 3.5% to 3.7% sequentially
- Continue to invest in 4 key levers to gain market share:
  - Pricing
  - Experience
  - Analytical Tools
  - API Architecture
- Launched new tools in Q2FY23 like Smart Orders Trading Platform, Flash Options (which is 1<sup>st</sup> in industry feature)
- Open API Architecture: Launched Breeze API with several first to market features
- On the back of investment in these levers we continue to observe traction in parameters like number of orders, customers, number of lots and contracts.





# Business Performance : Equities Business

## Derivatives : Increase in underlying parameters



### Upcoming new initiatives

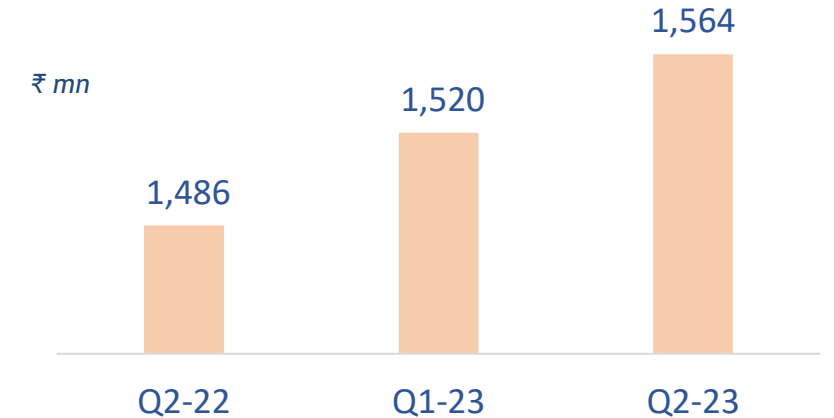
- Full fletched Smart Trading Platform
- Smart Scalping Platform
- New Meta Trading: Desktop application platform for power traders
- Multi-leg option strategy tool



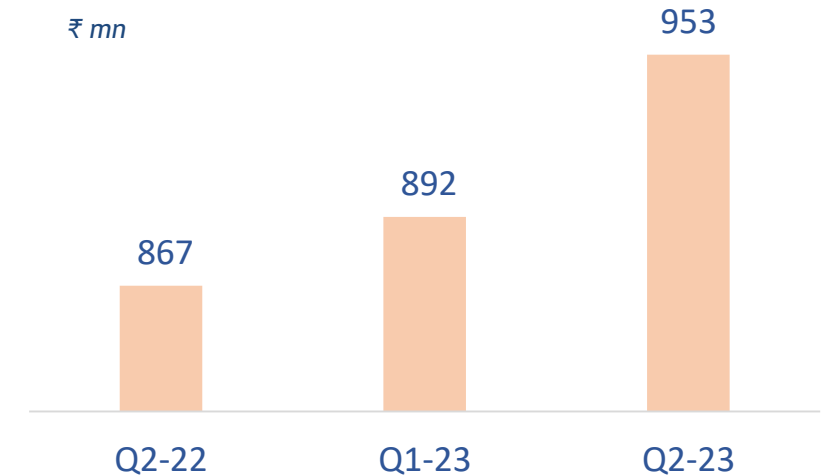
# Business Performance: Distribution Business

- Distribution revenue at ₹ 1,548 mn, up 5% YoY and 3% QoQ on back of healthy growth across Mutual Funds and Life Insurance
- The growth was lower on account of decrease in Other Distribution revenue led by Private Equity Distribution products
- Mutual Fund revenue up by 10% YoY and 7% sequentially
  - ISEC Mutual Fund average AUM<sup>1</sup> up 8% YoY and 6% QoQ
  - ISEC Equity Mutual Fund average AUM<sup>1</sup> up 13% YoY and 7% QoQ
  - AUM market share<sup>2</sup> at 1.7%, up from 1.6% YoY
  - SIP count<sup>3</sup> for Q2 FY23 is ~1.0 mn, up from 0.9 mn YoY
    - Market share in SIP flow at 3.2%

## Distribution Revenue



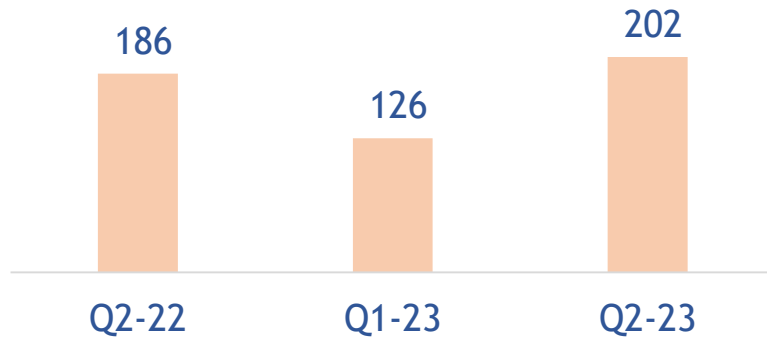
## Mutual Fund Revenue



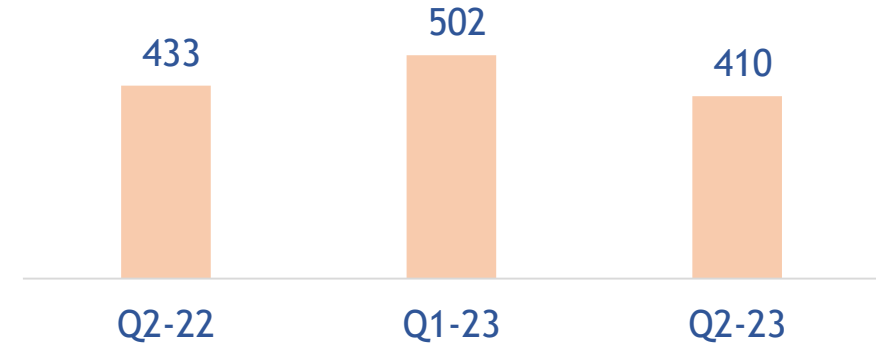
# Business Performance: Distribution Business

- Life Insurance revenue up 8% YoY; sequentially up by 61%
- Other distribution products<sup>1</sup> revenue down 5% YoY and 18% QoQ on account of decrease in revenue from Private equity distribution
- Proprietary PMS book crossed ₹ 11\* bn; up from ₹ 3.7 bn in Q2-FY22

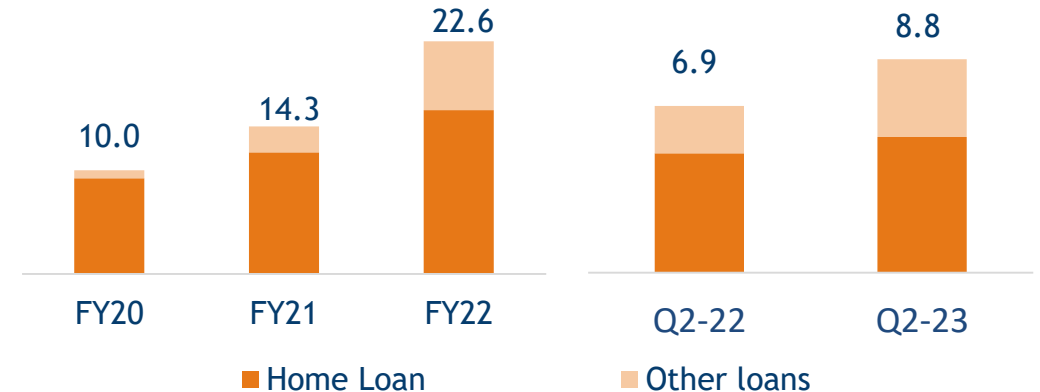
Life Insurance



Other distribution Revenue



Consistent growth in loan disbursement (₹ bn), with improving share of other loans



Deep integration to improve experiences in identified distribution products beyond mutual funds

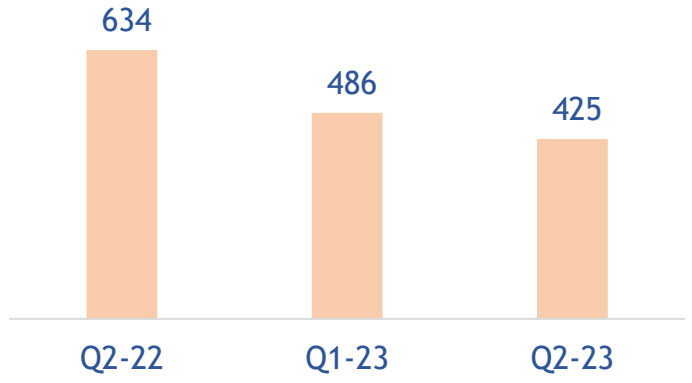


# Business Performance : Institutional Business

## Institutional equities<sup>1</sup> declined 33% YoY and 13% QoQ

- Decline attributable to muted market volumes and lower deal activity
- Franchise consolidated its position among the top domestic institutions
- Strengthening FII franchise by entering into partnerships
- Research team secured #1 position in 4 sectors in Asiamoney poll

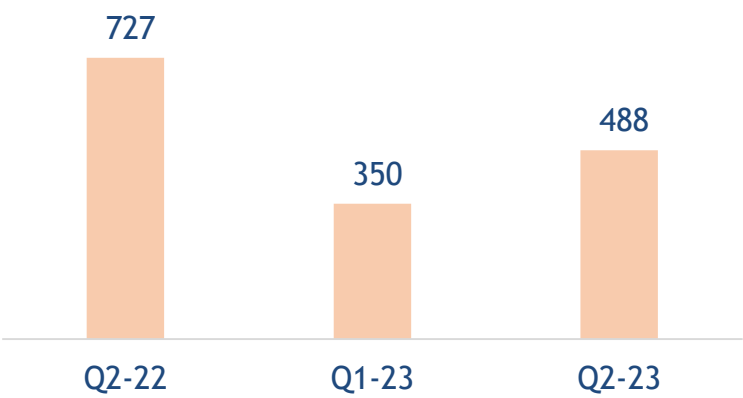
Institutional equities and allied Revenue (mn)



## Issuer Services & Advisory revenue declined 33% YoY; up 39% on sequential basis

- YoY decline due to lack of deals considering unfavorable market environment.
- #1 in IPO/FPO/InvIT/REIT issuance<sup>2</sup>, 66% mobilization market share
- Strong IPO<sup>3</sup> pipeline, 28 deals amounting over ₹ 542 bn; in addition mandate of 16 deals where amount is yet to be decided
- Continued focus on building non-IPO revenue

Issuer services and advisory (mn)



<sup>2</sup> Source: Prime database for FY22 (By amount issued)  
<sup>3</sup> IPO:IPO/FPO/InvIT/REIT

# ISEC Wealth Franchise : FY22 Snapshot

One of the leading Wealth Manager in the country

Total Assets  
₹ 2.8 tn  
Crossed ₹ 3 tn as of Q2FY23

Revenue  
₹ 9,242 mn

Cost/Income  
45%

Clients\*  
69,500+  
Crossed 71,000 as of Q2FY23

Team Strength  
500+

Partnering clients through their financial journey by offering holistic solutions

Investments

Protection

Borrowing

Estate Planning

Wealth Creation

Wealth Preservation

Wealth Transfer



\* With AUM of INR 10 mn+ with ISEC

# Transformed into a customer 360 degree approach



# Transformed into a customer 360 degree approach

## Before FY20

- Plain vanilla Equity products
- Mutual Funds
- AIF, PE & PMS
- Fixed Income
- Insurance

- Relationship Manager
- Website
- Family office team

- Website

- Focused on reporting

## FY 20 onwards

- Equity solutions
- Enhanced Mutual Fund offering - one-click, LIFEY
- AIF, PE & PMS - comprehensive offering
- Fixed Income
- Insurance - Life, Health & General
- Margin Trading Facility and ESOP Financing
- Loans - Business loan, mortgages, LAS, LAMF
- Innovative solutions such as Masters of the Street
- Global investments
- Value added services: online will drafting, estate planning

- Relationship Manager
- Wealth Partners
- Digital relationship team
- Family office team
- Digital engagement - mobile, website & digital content

- All offerings across website and mobile apps

- Personalization

### Holistic Product Offering

Enhanced the entire product offering by rebooting the core products and bringing new solutions

### Omni-channel engagement

### Platform enhancement

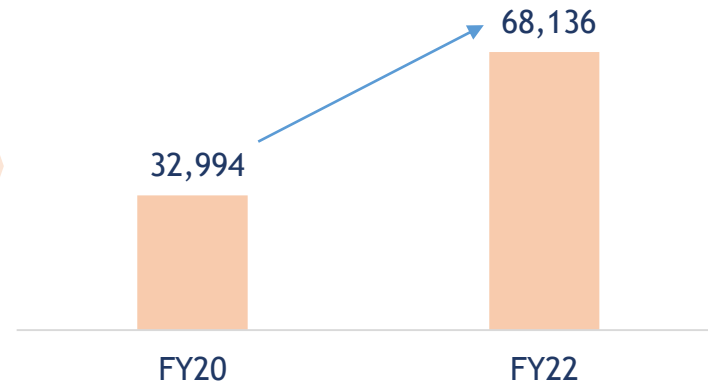
### Data Analytics

# Outcomes of Transformation: Progress FY20 - FY22

## Strong Acquisition Machinery

- Deeper mining of existing clients with enhanced proposition to improve the wallet share
- New to ISEC clients

## Leading to increase in clients

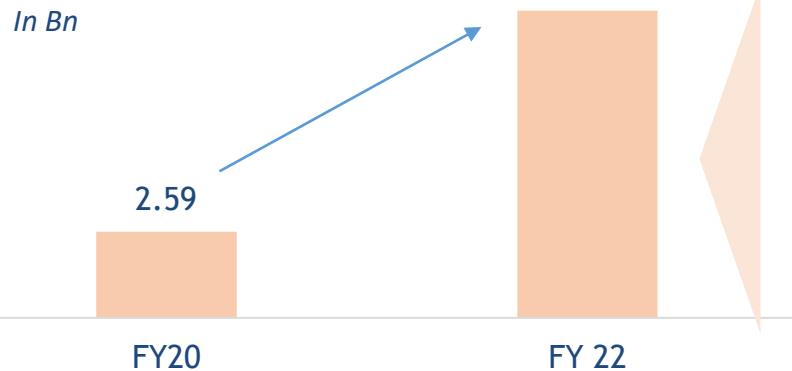


## Stickiness in existing clients with Persistency in clients, AUM and Revenue

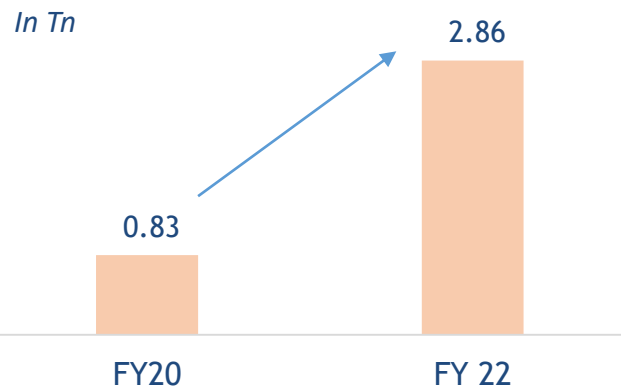
- > 98%\* client retention
- Average AUM Persistency of ~120%\*
- Average Revenue Persistency of ~110%\*
- ARPU increases with vintage
- Customers >5 year vintage contributes:
  - 60% of revenue
  - 65% of AUM

## COUPLED WITH

## Resulting in consistent increase in Revenue



## Leading to sustained improvement in AUM



## New clients bring acquired (FY20 onwards) are demonstrating better characteristics

	Cust. Acquired before FY20		Cust. Acquired FY20 onwards
ARPU	~ INR 0.1 Mn	→ 2 X →	~ INR 0.2 Mn
AUM	~ INR 35 Mn	→ 1.7 X →	~ INR 60 Mn

\* Calculated by taking average of 1 year retention across 7 periods (FY15-FY22)



# Wealth franchise: Demonstrating consistent performance

INR Tn

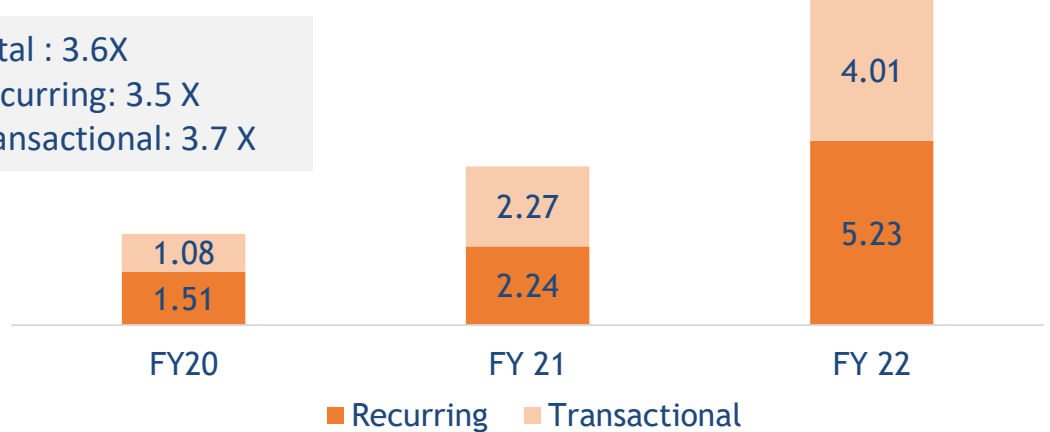
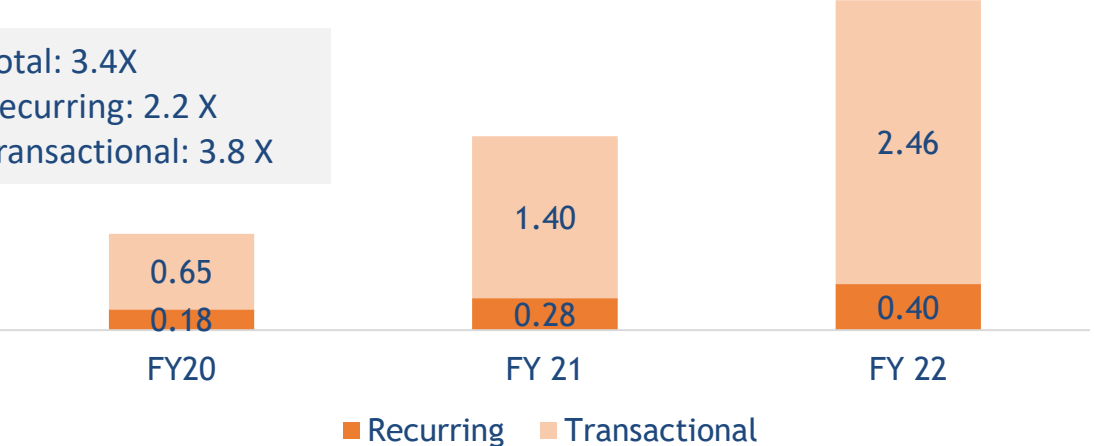
AUM

INR Bn

Revenue

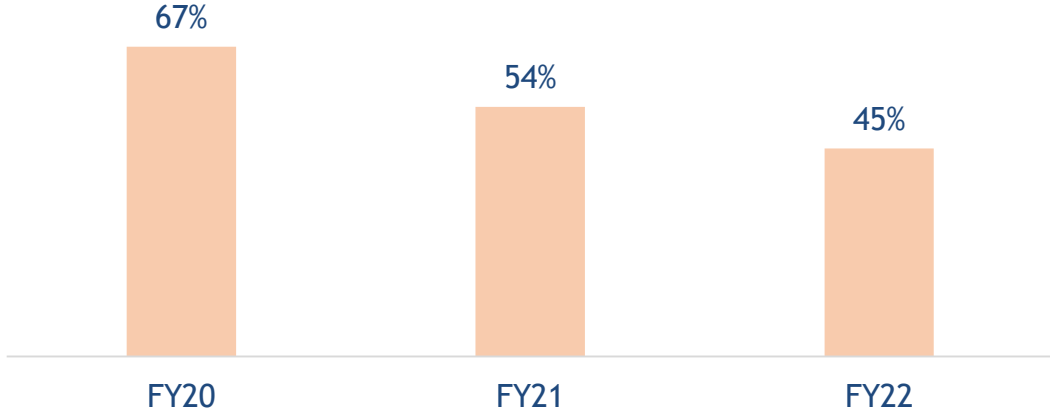
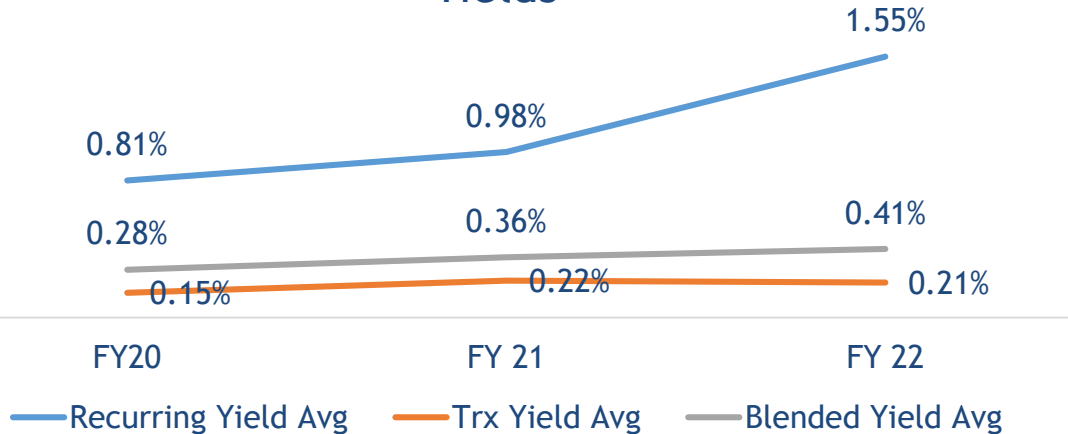
Total: 3.4X  
Recurring: 2.2 X  
Transactional: 3.8 X

Total : 3.6X  
Recurring: 3.5 X  
Transactional: 3.7 X



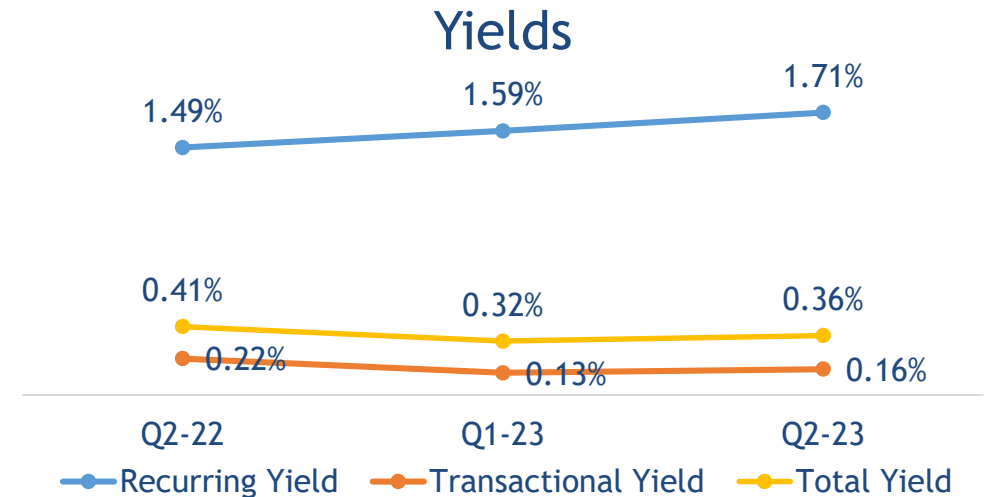
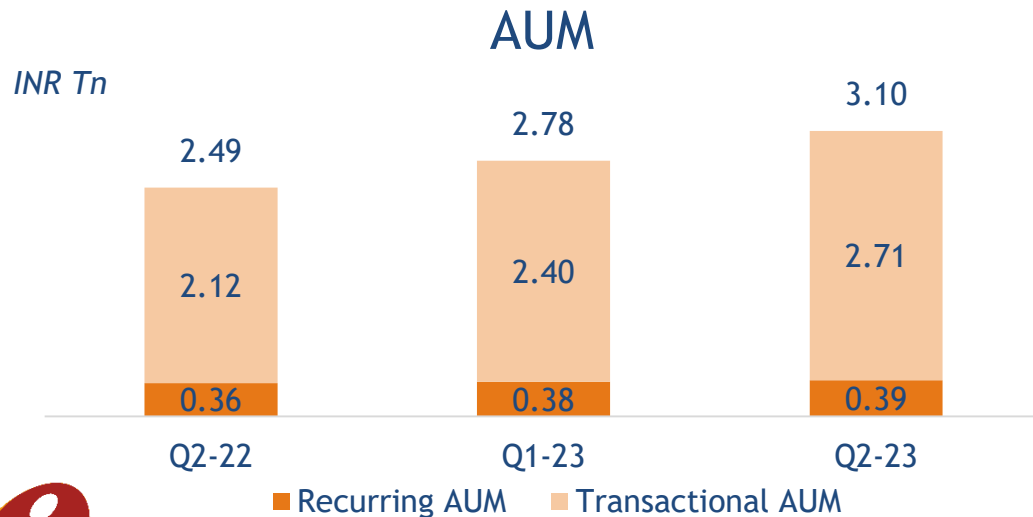
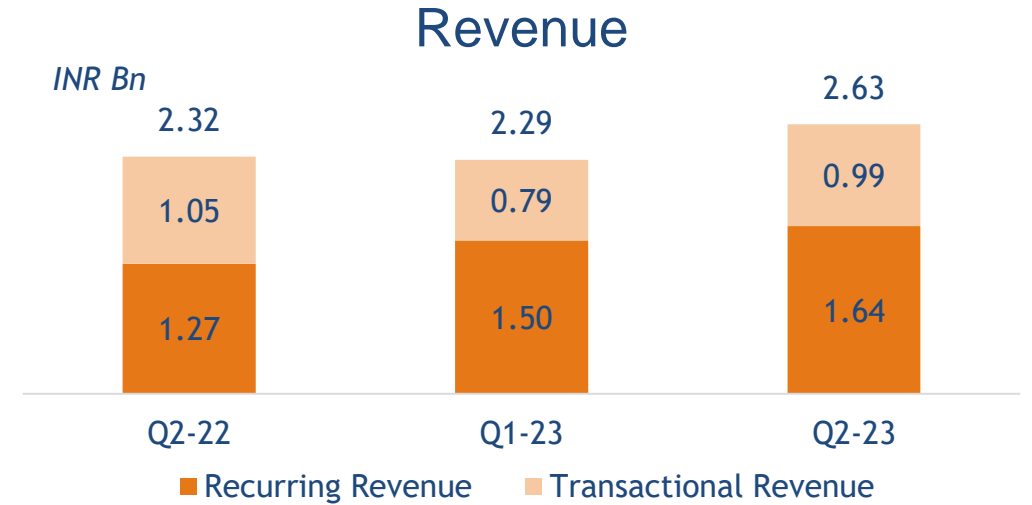
Yields

Cost/Income



# Wealth Management- Quarterly Snapshot

- Total AUM at ~ ₹ 3.1 tn, up 12% sequentially and 25% on YoY basis
- Total Revenue at ~ ₹ 2.6 bn, up 15% sequentially and 14% on YoY basis
- Overall yield at 36 bps v/s 32 bps in Q1FY23
- C/I at 54%, v/s 53% in Q1FY23
- Total clients crossed 70,000 and stands at 71,217; added ~1,500 clients during the quarter



# Agenda

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

Being there never  
**mattered more**



# ICICI Securities: At a Glance

Total Assets  
₹ 5.64 tn<sup>1</sup>  
26% CAGR (FY17-22)

Wealth Assets  
₹ 2.86 tn<sup>2</sup>  
33% CAGR (FY17-22)

Client Base  
7.56 mn<sup>3</sup>  
16% CAGR (FY17-22)

NPS Score  
39.5%<sup>4</sup>  
v/s 31.7% in Q4FY21

Client Acquisition  
2.27 mn<sup>5</sup>  
Highest ever in a year

Revenue  
₹ 34,385 mn<sup>5</sup>  
20% CAGR (FY17-22)

Profit After Tax  
₹ 13,826 mn<sup>5</sup>  
32% CAGR (FY17-22)

ROE  
65%<sup>5</sup>  
For FY22

Dividend  
₹ 24<sup>5</sup>  
37% CAGR (FY19-22)  
Over 50% Consistent Payout

- India's trusted brand for financial services from the house of ICICI
- Leading wealth tech business with meaningful market share in equities, derivatives, mutual funds, ETFs, bonds and deepening presence in distribution of insurance and loans
- Only listed wealth-tech company to be rated as AAA demonstrating strong financials
- Digital and scalable business model with high operating leverage
- Omni channel engagement model catering to wide cross section of needs
- Eminent and Experienced Board & Management
- Industry recognition through various awards

## 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 2022

2. Assets of our clients with more than 1 cr AUM at individual level including equity demat assets maintained with ICICI Bank and excluding promoter holding, as on Mar, 31 2022

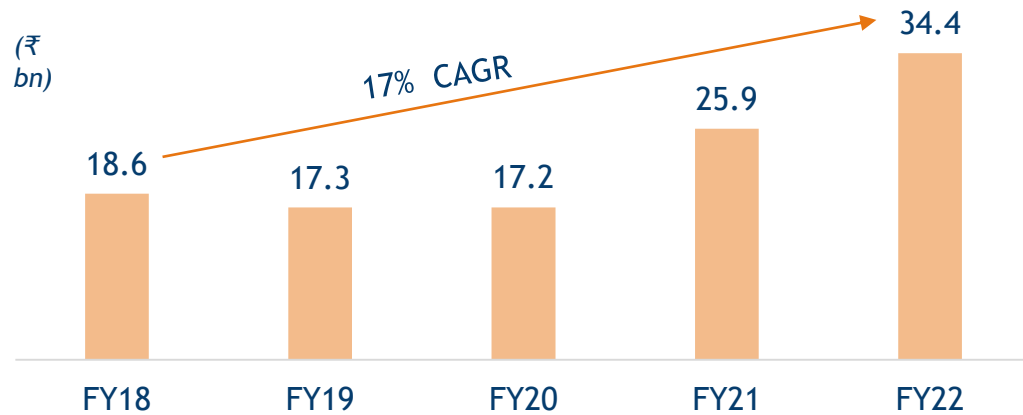
3. As on Mar, 31 2022

4. For Q4 FY22

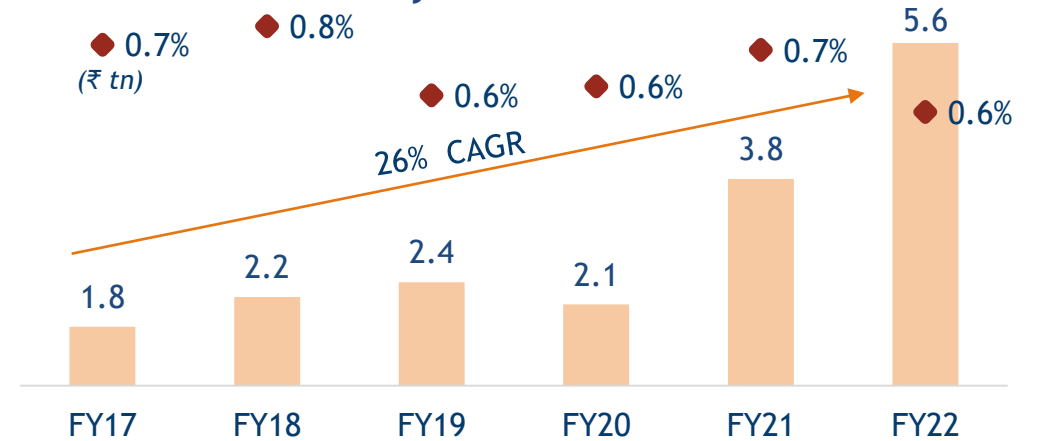
5. FY22

# Business Model: Sustainable financial performance

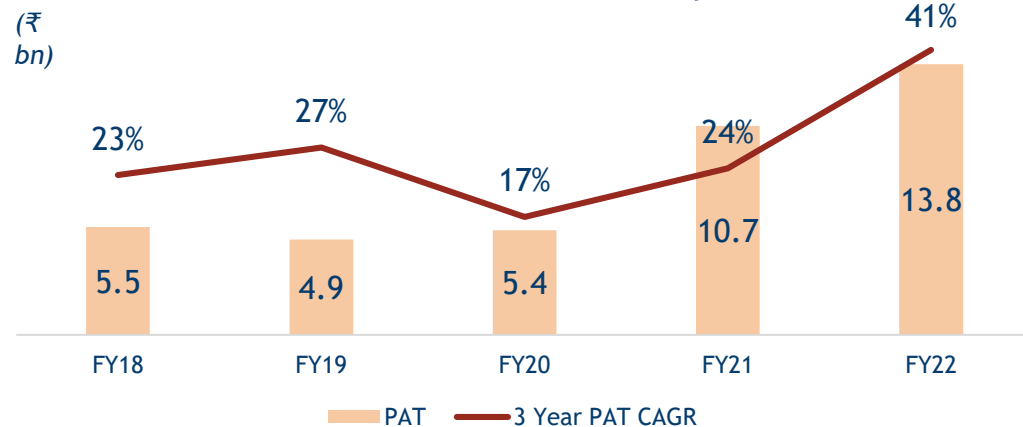
Secular trend of overall revenues



Consistent yield on client assets<sup>1</sup>



Growth in PAT across cycles



- Business model has remained secular as seen by rolling 3 year periods with a minimum of 17% PAT CAGR
- The company has displayed capabilities to scale down cost and maximize profit during tough times

**Free cashflow generating digital business model**



1. 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.)

# Sticky, diverse & multifaceted client base

Diversified age group wise revenue mix; ~40% from millennials & Gen Z, 30% from 40-50 & 30% from 50+<sup>1</sup>

>60% revenue in each of FY15 to FY22 was contributed by >5 year vintage customers<sup>2</sup>

In last 3 years, millennials and Gen Z form >80% of active customers<sup>3</sup>

66% of customers acquired in Q2-FY23 are < 30 years of age, 84% from tier II & III cities

1.19 mn clients<sup>4</sup> with 2 or more products, up from 0.66 mn in FY17

**Ability to attract millennials & Gen Z and retain vintage customers**



1. As at FY22
2. Based on retail broking revenues
3. FY20 to FY22, Customers below 40 years of age
4. As at Q2-FY23

# Journey towards our Aspiration

## E-Broker Inception - FY17

- Significantly dependent on Retail and Institutional Equity
- Dependent on ICICI Bank for customer sourcing
- Product Focused Approach

## Wealth-Tech Platform FY18 - FY21

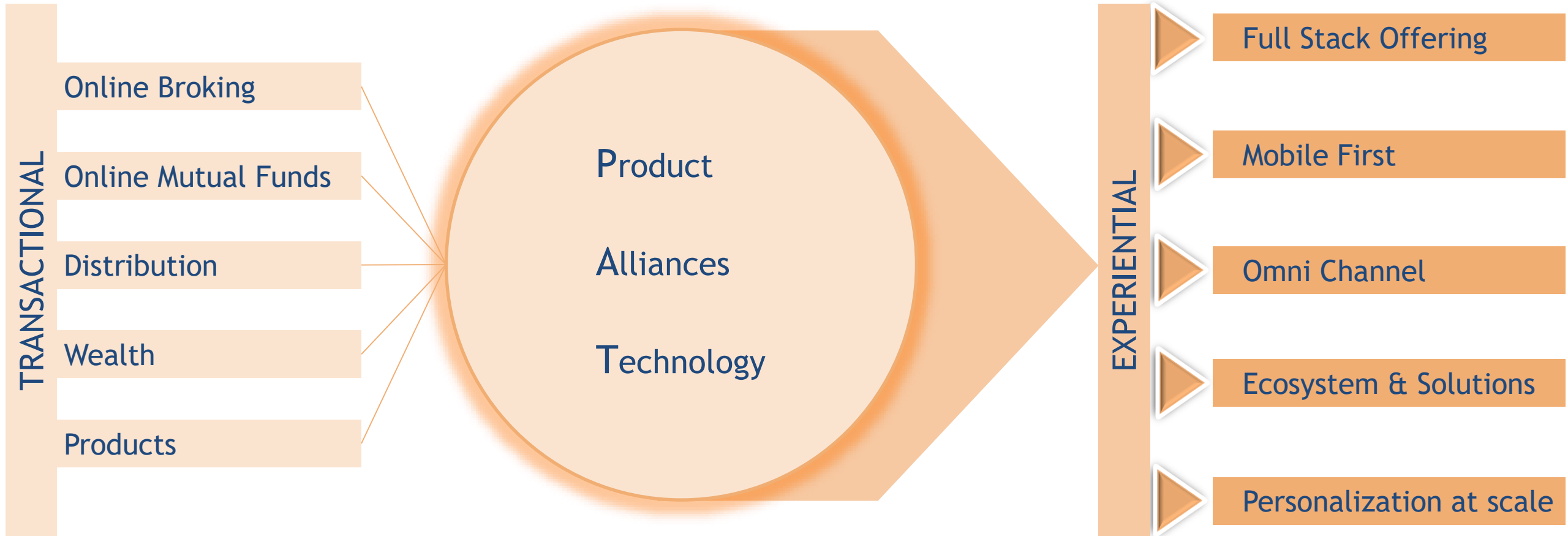
- Built inroads into non-broking business streams by texturizing equity and augmenting non-equity
- Adopted Open Architecture
- Customer Focused Approach
- Building blocks for Future: Growth led by Digitization

## Digitally Integrated Financial Marketplace FY22- FY25

- Scaling up of non-broking business streams like MTF, PMS and Distribution of mutual funds, loans and insurance amongst others
- Products, Alliances and Technology to acquire customers and improve business performance
- Deepening Mindshare: Ecosystem Focused Approach



# Transforming from Transactional to Experiential





# Way forward

## Diversification

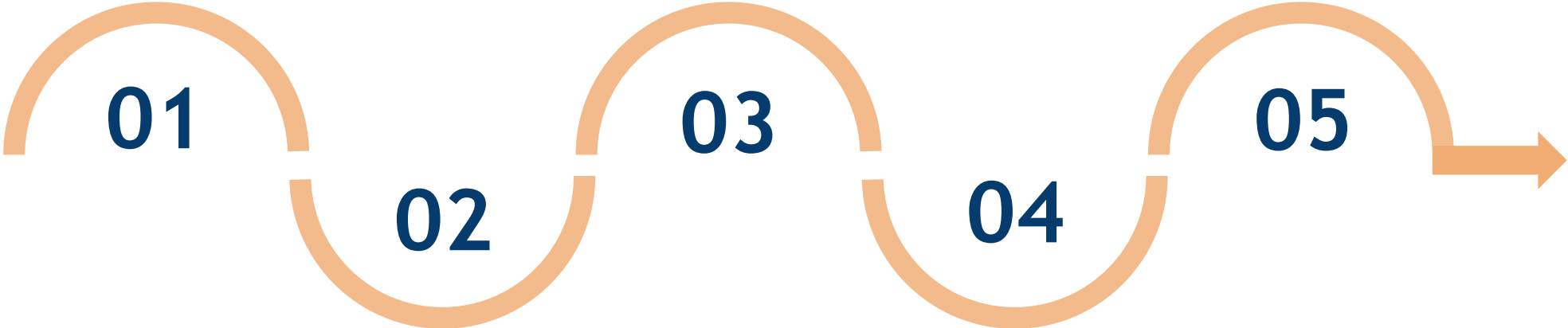
- Diversify revenue and customer base
- Continue to scale relatively new business

## Strengthen Product Proposition

- Attract, Onboard & Retain customers
- Capture Financial ecosystem
- Form Alliances & Partnerships

## Invest in Marketing & Talent

- Brand building
- Proportion of new initiative
- Talent acquisition in focus areas



## Focus on Operating leverage

- Reduce Cost of Acquisition
- Increase Profitability

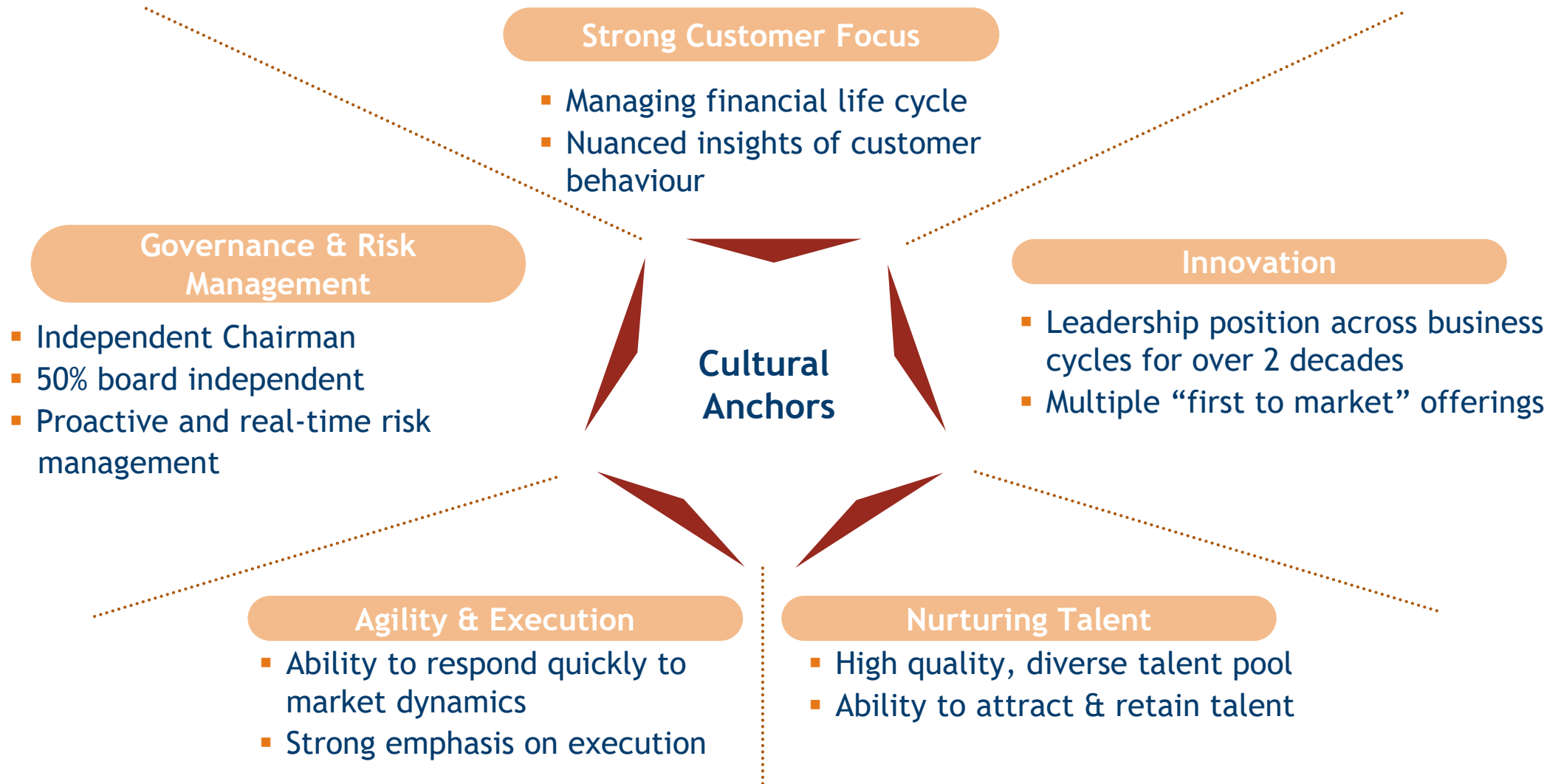
## Invest in Next Gen Technology

- Architecture of FUTURE READY
- Agile and scalable platform
- Launch Digital layers
- Cloud Ready



Evolving into digital “NEO financial services’ marketplace”

# Cultural Anchors & focus on earning trust



# Responsible Franchise committed to a purposeful ESG Agenda

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

## 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

\*As on July 21, 2022 considering new Directors' appointment

ESG Framework link: [https://www.icicisecurities.com/UPLOAD/ARTICLEIMAGES/ESG\\_Framework.pdf](https://www.icicisecurities.com/UPLOAD/ARTICLEIMAGES/ESG_Framework.pdf)

# 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 & 3 emission reduced by 49% over FY19 baseline
- Gold Certification from the US Green Building Council for our new Prabhadevi location

## HUMAN CAPITAL

- 4094 permanent employees
- 28% females in new hires
- Average training hours increased by 46% YoY to 60 per employee/annum
- Articulated formal value proposition 'PLEDGE' for employees



## CORPORATE SOCIAL RESPONSIBILITY

- 2 Lac + Lives impacted
- 22 R&D start-ups incubated
- 5,00,000 litre drinking water treated daily
- 15,000 saplings planted across 30 villages
- National CSR Award in Financial Services Sector - '9th Edition Global Safety Summit Awards' partnered by Forbes India & UN Global Compact network 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

Best Wealth Management Provider - India - 2021  
By World Finance, Wealth Management Awards 2021-22

The Best Securities House in India  
By AsiaMoney Best Securities Houses Awards 2021

Best private bank - India  
Finance Asia Country Awards, 2022

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

Best Wealth Management Platform Of The Year  
Quantic Annual Bfsi Technology Excellence Awards 2022



'Best Content Digital Marketing Campaign'  
By 'Investonomics at Digital Dragons Awards, 2021'

Best Domestic Private Bank - India  
Asian Private Banker, Awards for Distinction 2021

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

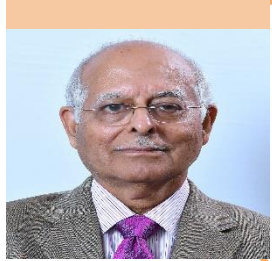
Research team secured #1 position in 4 sectors in  
Asiamoney poll

Company Advisor of the Year'  
By 'Franklin Templeton at Perspectives Awards, 2021'



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
- Dr. Gopichand Katragadda has been appointed as an Independent Director w.e.f. August 26, 2022
- Mr. Rakesh Jha has been appointed as a Non-Executive Director w.e.f. September 26, 2022, subject to Regulatory approvals.



# Safe harbor

Except for the historical information contained herein, statements in this release which contain words or phrases such as 'will', 'would', 'indicating', '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 demand for broking and other financial products and 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 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 broking regulations and other regulatory changes in India and other jurisdictions as well as other risk detailed in the reports filed by ICICI Bank Limited, our holding company with United States Securities and Exchange Commission . ICICI Bank and ICICI Securities Limited undertake no obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

This release does not constitute an offer of securities.





**Thank you**



# Appendix

# Consolidated P&L

(₹ million)

Particulars	Q2-FY22	Q1-FY23	Q2-FY23	Q-o-Q%	Y-o-Y%
Revenue	8,566	7,948	8,656	9%	1%
Operating Expenses	577	641	715	12%	24%
Employee benefits expenses	1,683	1,750	1,858	6%	10%
Other expenses	1,016	883	966	9%	(5%)
<b>Total operational expenses</b>	<b>3,276</b>	<b>3,274</b>	<b>3,539</b>	<b>8%</b>	<b>8%</b>
Finance Cost	581	1,004	1,082	8%	86%
<b>Total expenses</b>	<b>3,857</b>	<b>4,278</b>	<b>4,621</b>	<b>8%</b>	<b>20%</b>
<b>Profit before tax</b>	<b>4,709</b>	<b>3,670</b>	<b>4,035</b>	<b>10%</b>	<b>(14%)</b>
Tax	1,197	934	1,031	10%	(14%)
<b>Profit after tax</b>	<b>3,512</b>	<b>2,736</b>	<b>3,004</b>	<b>10%</b>	<b>(14%)</b>
Other Comprehensive Income (OCI)	23	(59)	37	-	60%
<b>Total Comprehensive Income (TCI)</b>	<b>3,535</b>	<b>2,677</b>	<b>3,041</b>	<b>14%</b>	<b>(14%)</b>



# Segment performance

(₹ million)

Particulars	Q2-FY22	Q1-FY23	Q2-FY23	Q-o-Q%	Y-o-Y%
<b>Segment Revenue</b>					
Broking & Distribution	7,528	7,360	7,691	4%	2%
Issuer Services and Advisory	727	350	488	39%	(33%)
Treasury	310	238	419	77%	35%
Unallocated			58	-	-
<b>Income from operations</b>	<b>8,566</b>	<b>7,948</b>	<b>8,656</b>	<b>9%</b>	<b>1%</b>
<b>Segment Profit before tax</b>					
Broking & Distribution	3,982	3,423	3,513	3%	(12%)
Issuer Services and Advisory	521	105	206	97%	(60%)
Treasury	207	142	258	81%	25%
Unallocated			58	-	-
<b>Total Result</b>	<b>4,709</b>	<b>3,670</b>	<b>4,035</b>	<b>10%</b>	<b>(14%)</b>



# Balance sheet : Assets

(₹ million)

<b>ASSETS</b>	<b>At Sep 30, 2021</b>	<b>At Mar 31, 2022</b>	<b>At Sep 30, 2022</b>
<b>Financial assets (A)</b>	<b>114,370</b>	<b>1,32,255</b>	<b>1,36,616</b>
Cash/Bank and cash equivalents	49,604	56,166	59,395
Securities for trade & Derivatives financial instrument	1,800	2,431	3,575
Receivables	2,863	3,848	2,437
Loans	59,107	68,567	70,240
Investments	36	107	96
Other financial assets	960	1,136	873
<b>Non-financial assets (B)</b>	<b>4,262</b>	<b>4,207</b>	<b>4,553</b>
Deferred tax assets (net)	574	424	452
Right-of-use assets	1,039	899	832
Fixed assets, CWIP & Intangible assets	861	1,079	1,279
Current tax assets & other non financial assets	1,788	1,805	1,990
<b>Assets (A+B)</b>	<b>118,632</b>	<b>1,36,462</b>	<b>1,41,169</b>



# Balance sheet : Equity and Liabilities

(₹ million)

<b>EQUITY AND LIABILITIES</b>	<b>At Sep 30, 2021</b>	<b>At Mar 31, 2022</b>	<b>At Sep 30, 2022</b>
<b>Financial liabilities (A)</b>	<b>91,899</b>	<b>1,05,753</b>	<b>1,09,455</b>
Payables	12,571	10,776	8,840
Derivative financial instruments	5	-	1
Debt securities	58,626	77,392	80,971
Lease liabilities	1,157	1,019	952
Deposits & Other financial liabilities	19,540	16,566	18,691
<b>Non-financial liabilities (B)</b>	<b>6,135</b>	<b>6,404</b>	<b>5,630</b>
<b>Equity (C)</b>	<b>20,598</b>	<b>24,305</b>	<b>26,084</b>
Equity share capital	1,613	1,613	1,614
Other equity	18,985	22,692	24,470
<b>Equity and Liabilities (A+B+C)</b>	<b>118,632</b>	<b>1,36,462</b>	<b>1,41,169</b>

