

July 23, 2018

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:** Outcome of the Board Meeting held on July 23, 2018

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

Pursuant to Regulation 33 and Regulation 30 read with Part A of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform that the Board of Directors of the Company at its Meeting held today *i.e.* July 23, 2018, *inter-alia*, approved the audited financial results of the Company for the quarter ended June 30, 2018. The Company has adopted Indian Accounting Standards (Ind AS) *w.e.f.* April 1, 2018 with the transition date being April 1, 2017.

Accordingly, we enclose herewith the following:

1. Audited (Standalone and Consolidated) financial results of the Company for the quarter ended June 30, 2018;
2. Auditors' Report on the Audited (Standalone and Consolidated) financial results; and
3. A copy of the press release.

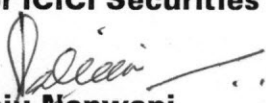
The Board Meeting commenced at 5.30 p.m. and concluded at 7.05 p.m.

Request you to please take the above information on records.

Thanking you,

Yours faithfully,

**For ICICI Securities Limited**

  
**Raju Nanwani**  
**Senior Vice President &**  
**Company Secretary**

Encl.: As above

Member of National Stock Exchange of India Ltd. & Bombay Stock Exchange Ltd.  
Capital Market : NSE Regn. No. INB 230773037, BSE Regn. No. INB 011286854  
Futures & Options : NSE Regn. No. INF 230773037, BSE Regn. No. INF 010773035  
Currency Derivatives : NSE Regn. No. INE 230773037  
CIN No.: L67120MH1995PLC086241

**ICICI Securities Limited**  
**Registered Office (Institutional):**  
ICICI Centre, H. T. Parekh Marg,  
Churchgate, Mumbai 400 020, India.  
Tel (91 22) 2288 2460/70  
Fax (91 22) 2288 2445

**Corporate Office (Retail):**  
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) 4070 1000  
Fax (91 22) 4070 1022

Name of Compliance Officer (Broking Operations) : Ms. Mamta Jayaram Shetty  
Email Address: [complianceofficer@icicisecurities.com](mailto:complianceofficer@icicisecurities.com) / Tel (91 22) 4070 1000  
Website Address: [www.icicisecurities.com](http://www.icicisecurities.com) / [www.icicidirect.com](http://www.icicidirect.com)



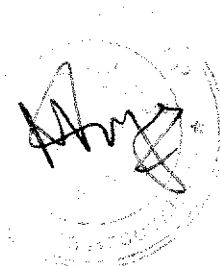
**ICICI SECURITIES LIMITED**
**Statement of Audited Standalone Financial Results for the Quarter ended June 30, 2018**

(₹ million)

	Particulars	Quarter ended			Year ended
		30-06-2018 (Audited)	31-03-2018 (Audited)	30-06-2017 (Audited)	31-03-2018 (Audited)
<b>1</b>	<b>Revenue from operations</b>				
	(a) Brokerage income	2,298.2	2,753.5	2,268.1	10,243.0
	(b) Income from services	1,538.4	1,836.1	1,327.2	6,526.8
	(c) Interest and other operating income	446.0	459.8	357.1	1,593.9
	(d) Profit / (loss) on sale of securities (net)	54.6	30.3	61.3	221.1
	<b>Total Revenue from operations</b>	<b>4,337.2</b>	<b>5,079.7</b>	<b>4,013.7</b>	<b>18,584.8</b>
<b>2</b>	<b>Other income</b>	-	-	-	-
<b>3</b>	<b>Total Revenue (1 + 2)</b>	<b>4,337.2</b>	<b>5,079.7</b>	<b>4,013.7</b>	<b>18,584.8</b>
<b>4</b>	<b>Expenses:</b>				
	(a) Employee benefits expenses	1,336.9	1,247.2	1,282.6	5,347.3
	(b) Operating expenses	307.0	672.5	364.7	1,891.1
	(c) Finance costs	129.8	140.2	100.2	491.3
	(d) Depreciation and amortization expense	35.8	37.2	37.0	152.6
	(e) Other expenses	517.8	648.2	429.2	2,223.1
	<b>Total expenses</b>	<b>2,327.3</b>	<b>2,745.3</b>	<b>2,213.7</b>	<b>10,105.4</b>
<b>5</b>	<b>Profit before tax (3-4)</b>	2,009.9	2,334.4	1,800.0	8,479.4
<b>6</b>	<b>Tax expense:</b>				
	(a) Current tax	602.2	913.2	631.4	3,129.2
	(b) Deferred tax	101.4	(53.4)	(16.8)	(140.8)
	<b>Total Tax expense</b>	<b>703.6</b>	<b>859.8</b>	<b>614.6</b>	<b>2,988.4</b>
<b>7</b>	<b>Profit for the period/ year (5-6)</b>	<b>1,306.3</b>	<b>1,474.6</b>	<b>1,185.4</b>	<b>5,491.0</b>
<b>8</b>	<b>Other Comprehensive Income</b>				
	<b>A (i) Items that will not be reclassified to profit or loss</b>				
	(a) Remeasurement of defined employee benefit plans	(25.4)	0.5	(42.3)	(24.7)
	<b>(ii) Income tax relating to items that will not be classified to profit or loss</b>	<b>9.1</b>	<b>(0.2)</b>	<b>14.8</b>	<b>8.6</b>
	<b>B (i) Items that will be reclassified to profit or loss</b>	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss				
	<b>Total Other Comprehensive Income / (Losses), Net Of Taxes</b>	<b>(16.3)</b>	<b>0.3</b>	<b>(27.5)</b>	<b>(16.1)</b>
<b>9</b>	<b>Total Comprehensive Income for the period (7+8)</b>	<b>1,290.0</b>	<b>1,474.9</b>	<b>1,157.9</b>	<b>5,474.9</b>
<b>10</b>	<b>Paid up Equity Share Capital (Face value ₹5/- per share)</b>	1,610.7	1,610.7	1,610.7	1,610.7
<b>11</b>	<b>Reserves (excluding Revaluation Reserve) as per Audited Balance Sheet</b>	-	-	-	6,775.8
<b>12</b>	<b>Earnings per equity share:</b>				
	Basic and diluted (in ₹) *	4.06	4.58	3.68	17.05
	(Face value ₹ 5/- per share)				

\* EPS for the quarters is not annualised

Mumbai, July 23, 2018


 For and on behalf of the Board  
of Directors

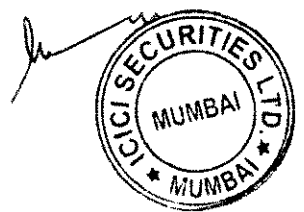
 Shilpa Kumar  
Managing Director & CEO

**ICICI SECURITIES LIMITED**
**Statement of Audited Consolidated Financial Results for the Quarter ended June 30, 2018**

(₹ in million)

	Particulars	Quarter ended			Year ended
		30/06/2018 (Audited)	31/03/2018 (Audited)	30/06/2017 (Audited)	31/03/2018 (Audited)
<b>1</b>	<b>Revenue from operations</b>				
	(a) Brokerage income	2,298.2	2,753.5	2,268.1	10,243.0
	(b) Income from services	1,538.4	1,861.5	1,328.2	6,552.2
	(c) Interest and other operating income	467.4	459.7	356.2	1,593.8
	(d) Profit / (loss) on sale of securities (net)	54.6	30.3	61.3	221.1
	<b>Total Revenue from operations</b>	<b>4,358.6</b>	<b>5,105.0</b>	<b>4,013.8</b>	<b>18,610.1</b>
<b>2</b>	<b>Other income</b>	-	-	-	-
<b>3</b>	<b>Total Revenue (1 + 2)</b>	<b>4,358.6</b>	<b>5,105.0</b>	<b>4,013.8</b>	<b>18,610.1</b>
<b>4</b>	<b>Expenses:</b>				
	(a) Employee benefits expenses	1,366.6	1,324.9	1,310.2	5,503.5
	(b) Operating expenses	251.8	573.8	326.4	1,677.4
	(c) Finance costs	130.7	140.7	101.2	495.0
	(d) Depreciation and amortization expense	35.9	37.3	37.1	153.0
	(e) Other expenses	548.0	657.0	440.2	2,257.3
	<b>Total expenses</b>	<b>2,333.0</b>	<b>2,733.7</b>	<b>2,215.1</b>	<b>10,086.2</b>
<b>5</b>	<b>Profit before tax (3-4)</b>	<b>2,025.6</b>	<b>2,371.3</b>	<b>1,798.7</b>	<b>8,523.9</b>
<b>6</b>	<b>Tax expense:</b>				
	(a) Current tax	586.2	914.0	631.2	3,130.0
	(b) Deferred tax	101.2	(53.4)	(16.8)	(140.8)
	<b>Total Tax expense</b>	<b>687.4</b>	<b>860.6</b>	<b>614.4</b>	<b>2,989.2</b>
<b>7</b>	<b>Profit for the period / year (5-6)</b>	<b>1,338.2</b>	<b>1,510.7</b>	<b>1,184.3</b>	<b>5,534.7</b>
<b>8</b>	<b>Other Comprehensive Income</b>				
	A (i) Items that will not be reclassified to profit or loss				
	(a) Remeasurement of defined employee benefit plans	(25.4)	0.5	(42.3)	(24.7)
	(ii) Income tax relating to items that will not be classified to profit or loss	9.1	(0.2)	14.8	8.6
	B (i) Items that will be reclassified to profit or loss				
	(ii) Income tax relating to items that will be reclassified to profit or loss				
	<b>Total Other Comprehensive Income / (Losses), Net Of Taxes</b>	<b>(16.3)</b>	<b>0.3</b>	<b>(27.5)</b>	<b>(16.1)</b>
<b>9</b>	<b>Total Comprehensive Income for the period (7+8)</b>	<b>1,321.9</b>	<b>1,511.0</b>	<b>1,156.8</b>	<b>5,518.6</b>
<b>10</b>	<b>Paid up Equity Share Capital (Face value ₹5/- per share)</b>	<b>1,610.7</b>	<b>1,610.7</b>	<b>1,610.7</b>	<b>1,610.7</b>
<b>11</b>	<b>Reserves (excluding Revaluation Reserve) as per Audited Balance Sheet</b>	-	-	-	6,866.4
<b>12</b>	<b>Earnings per equity share:</b>				
	Basic and diluted (in ₹) *	4.15	4.69	3.68	17.18
	(Face value ₹5/- per share) (See Accompanying Note to the financial results)				

\* EPS for the quarters is not annualised



Segment Reporting for the quarter ended June 30, 2018

Sr. No.	Particulars	For The Quarter Ended			For The Year Ended
		30-06-2018 (Audited)	31-03-2018 (Audited)	30-06-2017 (Audited)	31-03-2018 (Audited)
	Description	Amount (₹ in million)			
1	Segment Revenue:				
(a)	Investment & trading	69.3	84.4	82.8	287.8
(b)	Broking & commission	3,966.4	4,716.4	3,658.8	16,882.5
(c)	Advisory services	322.9	304.2	272.2	1,439.8
(d)	Unallocated	-	-	-	-
	Total [ Items (a) to (d) ]	4,358.6	5,105.0	4,013.8	18,610.1
	Less: Inter Segment Revenue	-	-	-	-
	Income From Operations	4,358.6	5,105.0	4,013.8	18,610.1
2	Segment Results (Profit)(+)/ Loss (-) before tax from Each segment):				
(a)	Investment & trading	55.4	53.5	39.8	119.7
(b)	Broking & commission	1,799.8	2,187.2	1,670.7	7,747.7
(c)	Advisory services	170.4	130.6	88.2	666.5
(d)	Unallocated	-	-	-	-
	Total [ Items (a) to (d) ]	2,025.6	2,371.3	1,798.7	8,523.9
	Less: i) Interest	-	-	-	-
	ii) Other Un-allocable Expenditure net off	-	-	-	-
	(iii) Un-allocable income	-	-	-	-
	Total Profit Before Tax	2,025.6	2,371.3	1,798.7	8,523.9
	3. Capital Employed				
	(Segment assets – Segment Liabilities)				
(a)	Investment & trading	956.6	907.8	1,059.6	907.8
(b)	Broking & commission	7,538.2	6,296.1	3,651.1	6,296.1
(c)	Advisory services	(194.2)	(455.1)	(246.2)	(455.1)
(d)	Unallocated	1,515.5	1,728.2	1,143.7	1,728.2
	Total	9,816.1	8,477.0	5,608.2	8,477.0

Notes :

1) The Group has reported segment information as per Indian Accounting Standard (Ind AS ) 108 on 'Operating segments'. As per Ind AS 108, segments are identified based on management's evaluation of financial information for allocating resources and assessing performance. Accordingly, the Group has identified three reportable segments namely i) Investment & trading ii) Broking & commission iii) Advisory services.

2) Investment & trading consists of income from treasury, investment income;  
 Broking & commission consists of broking and other related activities including distribution of third party products like Mutual Fund, Life Insurance, etc. and sales credit for referred business and interest earned on our funds used in brokerage business;  
 Advisory services consists of financial advisory services such as equity-debt issue management services, merger and acquisition advice and other related activities.

**CONSOLIDATED NOTES**

- The above results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at its Meeting held on July 23, 2018. The auditors have issued unmodified opinion on the standalone and consolidated financial statements for the quarter ended June 30, 2018.
- The financial results are in compliance with the Indian Accounting Standards (Ind AS) with effect from April 1, 2018. The comparative figures for the previous periods have been restated to confirm to the current period. The above financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 - Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with relevant Rules issued there under and other accounting principles generally accepted in India.
- Reconciliation of net profit between the previous Indian GAAP (IGAAP) and Ind AS is as under:

₹ in million

Particulars	Quarter ended	Year ended March
	June 2017 Audited	31, 2018 Audited
	<b>Consolidated</b>	
<b>Net Profit as per Indian Gaap</b>	<b>1,146.8</b>	<b>5,577.3</b>
<b>Add/(Less) Adjustments under Ind AS</b>		
Fair valuation of securities	26.6	2.0
CP borrowing cost adjustment	0.5	0.1
Accounting for compensation costs	27.2	(50.3)
Lease rent adjustment	12.0	32.1
Allowances for expected credit loss	(7.0)	5.6
Deferment of revenue	1.0	(10.5)
Valuation of security deposits	(1.1)	(3.9)
Deferred tax on adjustments	(21.7)	(17.8)
<b>Net profit after tax as per Ind AS</b>	<b>1,184.3</b>	<b>5,534.6</b>
Other Comprehensive Income (net of tax)	(27.5)	(16.2)
<b>Net profit as per Ind AS financial statements</b>	<b>1,156.8</b>	<b>5,518.5</b>

The key accounting implications on our financial statements are as under :

A) Accounting for fee income on completion of the performance obligation:

The Company has considered the revenue in case of its investment banking and training fee income on completion of the performance obligation as required in the Ind AS 115.

B) Financial assets and liabilities:

1) Valuation of debt and equity securities:

The Company has recorded the financial instruments at fair value on the date of transition and credited the gain to retained earnings. The gain on the subsequent fair valuation has been credited to the statement of profit and loss.

2) Allowances for expected credit loss:

The Company has adopted the expected credit loss model (ECL) for measurement and recognition of impairment loss. The loans are categorized into three stages and the 12 month or lifetime expected loss as applicable is calculated. The Company recognizes lifetime expected credit loss for trade receivables.

3) Valuation of security deposits:

The Company has fair valued its interest free security deposits on the date of transition.

4) Amortisation of loan processing costs:

The Company has applied the effective interest rate method to its borrowing costs.

C) Accounting for leases:

The Company has not accounted for any lease rent escalation as the lease payments are structured to increase in line with the expected general inflation increases.

- During the year ended March 31, 2018, the shareholders of the Company have, at the Extraordinary General Meeting (EGM) held on December 4, 2017 accorded their consent to the consolidation of the authorised and issued equity share capital of the Company by increasing the nominal value of the equity share from ₹ 2/- (Rupees two only) each to ₹ 5/- (Rupees five only) each. The record date for the consolidation was December 8, 2017. Accordingly, the revised authorised equity share capital of the Company now stands at 400,000,000 equity shares of ₹ each and issued, subscribed and paid up equity share capital 322,141,400 equity shares of ₹5/- each.
- During the year ended March 31, 2018, the Company completed its Initial Public Offering (IPO) through an Offer for Sale of 66,925,305 equity shares of ₹5/- each at a price of ₹520/- per equity share by ICICI Bank Limited aggregating to ₹ 34,801.2 million. The equity shares of the Company were listed on the National Stock Exchange of India Limited and BSE Limited on April 4, 2018.
- During the year ended March 31, 2018, the Company had declared and paid interim dividend of ₹ 5.5/- per share amounting to ₹ 2,123.5 million. Further the Board of Directors at their meeting held on April 14, 2018 proposed a final dividend of ₹ 3.9/-per share, subject to the approval of the members at the ensuing Annual General Meeting.
- The figures for last quarter of the previous year is the balancing figures between audited figures in respect of the full financial year and the audited year to date figures up to the third quarter.
- The above standalone and consolidated financial results are audited by statutory auditors, B S R & Co. LLP, Chartered Accountants.

Mumbai, July 23, 2018

For and on behalf of the Board of Directors

Shilpa Kumar  
Managing Director & CEO



# BSR & Co. LLP

Chartered Accountants

5th Floor, Lodha Excelus,  
Apollo Mills Compound  
N. M. Joshi Marg, Mahalaxmi  
Mumbai - 400 011  
India

Telephone +91 (22) 4345 5300  
Fax +91 (22) 4345 5399

## Independent Auditor's Report on Quarterly Standalone Financial Results Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

### To the Board of Directors of ICICI Securities Limited

We have audited the quarterly standalone financial results of ICICI Securities Limited (the 'Company') for the quarter ended 30 June 2018 (the 'Financial Results'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations'). Attention is drawn to the fact that the figures for the quarter ended 31 March 2018 as reported in these Financial Results are the balancing figures between audited figures in respect of full previous financial year and the audited interim standalone year to date figures up to the end of the third quarter of the previous financial year

These Financial Results have been prepared on the basis of the condensed standalone interim financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these Financial Results based on our audit of such condensed standalone interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ('Ind AS') for Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as Financial Results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

Based on our audit conducted as above, in our opinion and to the best of our information and according to the explanations given to us, these quarterly standalone financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- (ii) give a true and fair view of the net profit and other comprehensive income and other financial information for the quarter ended 30 June 2018.

For BSR & Co. LLP  
Chartered Accountants

Firm's Registration No. 101248 W/W-100022



Manoj Kumar Vijai

Partner

Membership No. 046882

Mumbai  
23 July 2018

# B S R & Co. LLP

Chartered Accountants

5th Floor, Lodha Excelus,  
Apollo Mills Compound  
N. M. Joshi Marg, Mahalaxmi  
Mumbai - 400 011  
India

Telephone +91 (22) 4345 5300  
Fax +91 (22) 4345 5399

## **Independent Auditor's Report on Quarterly Consolidated Financial Results Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

### **To the Board of Directors of ICICI Securities Limited**

We have audited the quarterly consolidated financial results of ICICI Securities Limited (the 'Company') and its subsidiaries (collectively referred to as the 'Group') for the quarter ended 30 June 2018 (the 'Financial Results'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations'). Attention is drawn to the fact that the figures for the quarter ended 31 March 2018 as reported in these Financial Results are the balancing figures between audited figures in respect of full previous financial year and the audited interim consolidated year to date figures up to the end of the third quarter of the previous financial year

These Financial Results have been prepared on the basis of the condensed consolidated interim financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these Financial Results based on our audit of such condensed consolidated interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ('Ind AS') for Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as Financial Results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

Based on our audit conducted as above, in our opinion and to the best of our information and according to the explanations given to us, these quarterly consolidated financial results:

- (i) include the quarterly financial results of the Company, ICICI Securities Holdings, Inc. and ICICI Securities Inc.;
- (ii) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and

**Independent Auditor's Report on Quarterly Consolidated Financial Results Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)**

**ICICI Securities Limited**

- (iii) give a true and fair view of the consolidated net profit and other comprehensive income and other financial information for the quarter ended 30 June 2018.

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



**Manoj Kumar Vijai**  
*Partner*  
Membership No. 046882

Mumbai  
23 July 2018



**PERFORMANCE FOR THE QUARTER ENDED JUNE 30, 2018**
**1. Operating performance review**

	Q1-FY19	Q1-FY18	Increase %	FY-18
<b>Business</b>				
-New client acquisition (in lakhs)	1.1	1.0	6%	4.6
-Operational accounts (in million)	4.1	3.7	12%	4.0
-Broking market share <sup>1</sup>	9.2%	8.8%	-	9.0%
-MF AUM (average) (in billion)	348.0	266.3	31%	305.0
<b>Financials</b>				
-Total revenue <sup>2</sup>	4,358.6	4,013.8	9%	18,610.1
-Profit after tax (PAT)	1,338.2	1,184.3	13%	5,534.7
-Cost to income ratio <sup>3</sup>	54%	55%	-	54%

*Notes:*

1. Market share is the ratio of our ADTO to the sum of the ADTO on NSE and BSE excluding proprietary turnover (ADTO : Represents cash equity and equity derivatives turnover on NSE and BSE excluding proprietary turnover)
2. Consolidated total revenue
3. Total cost divided by Consolidated total revenue
4. In terms of the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2018. Results for the quarter ended June 30, 2018 are in compliance with Indian Accounting Standards (IND AS). The results for the quarter ended June 30, 2017 have been restated to comply with IND AS.

**• Customer Acquisition**

1.1 lakhs number of client acquired during the Q1-FY19.

**• Broking**

Steady gain in broking market share for Q1-FY19 with 9.2% market share, which is a 0.4 percentage point improvement over Q1-FY18.

Leadership in terms of active clients 0.8\* million for Q1-FY19 and 4.1 million total number of brokerage and distribution customer operational account as on June 30, 2018. \*(Source: NSE)

Revenues from broking business (including interest income) grew by 6% with institutional broking growing by 22%, interest income growing by 34% and retail broking revenues remaining flat

**• Distribution**

Revenue from distribution business grew by 17% from ₹ 993.2 million in Q1-FY18 to ₹ 1,163.9 million in Q1-FY19.

Revenue from the distribution of third-party mutual funds accounted for 66% of revenue from distribution business in Q1-FY19 as compared to 61% in Q1-FY18.

Revenue from distribution contributes 27% in Q1-2019 of overall revenue compared to 25% in Q1-2018.

- **Average Mutual Fund AUM**

The average AUM of the mutual funds distributed by the company grew by 31% up from ₹ 266.3 billion in Q1-FY18 to ₹ 348.0 billion in Q1-FY19. This compared favorably with market AUM (average) growth of 20%.

- **Equity Capital Market (ECM)**

Revenue from Investment banking business has increased by 19% from ₹ 272.2 million in Q1-FY18 to ₹ 322.9 million in Q1-FY19. The company successfully completed 6 investment banking deals. Investment Banking deal pipeline remains robust.

- **Revenue and Profitability**

The company's total revenue increased by 9% from ₹ 4,013.8 million in Q1-FY18 to ₹ 4,358.6 million in Q1-FY19.

The company's broking revenue including interest income contributes 63% and non-broking revenue 37% in Q1-FY19 whereas in Q1-FY18 it was 65% and 35%.

Total expense for the Q1-FY19 grew by 5% from ₹ 2,215.1 million to ₹ 2,333.0 million. Cost to income ratio for Q1-FY19 was 54%.

The company's profit after tax was ₹ 1,338.2 million in Q1-FY19 compared to ₹ 1,184.3 million in Q1-FY18 marking growth of 13% on Y-o-Y.

## 2. Financial performance review

The total revenue of the Company went up by 9% from ₹ 4,013.8 million to ₹ 4,358.6 million from Q1-FY18 to Q1-FY19.

The profit after tax increased by 13% from ₹ 1,184.3 million to ₹ 1,338.2 million from Q1-FY18 to Q1-FY19.

(₹ in million)

Profit & Loss Account	Q1-FY19	Q1-FY18	% Change
Brokerage Income	2,298.2	2,268.1	1.3
Income From Services	1,538.4	1,328.2	15.8
Interest and other Operating Income	467.4	356.2	31.2
Profit/(loss) on sale of Securities (Net)	54.6	61.3	(10.9)
<b>Total Income</b>	<b>4,358.6</b>	<b>4,013.8</b>	<b>8.6</b>
Employee benefits expenses	1,366.6	1,310.2	4.3
Operating expenses	251.8	326.4	(22.9)
Finance costs	130.7	101.2	29.2
Depreciation	35.9	37.1	(3.2)
Other expenses	548.0	440.2	24.5
<b>Total Expenses</b>	<b>2,333.0</b>	<b>2,215.1</b>	<b>5.3</b>
Profit Before Tax	2,025.6	1,798.7	12.6
Tax Expense	687.4	614.4	11.9
<b>Profit After Tax</b>	<b>1,338.2</b>	<b>1,184.3</b>	<b>13.0</b>
Other comprehensive income/(Losses), net of taxes	(16.3)	(27.5)	(40.7)
<b>Total comprehensive income for the period</b>	<b>1321.9</b>	<b>1,156.8</b>	<b>14.3</b>

Balance Sheet	June 30, 2018	March 31, 2018	% Change
Fixed assets	432.0	421.3	(2.5)
Non-current assets	2,446.8	2,591.7	(5.6)
Current assets	24,904.4	26,154.0	(4.8)
<b>Total Assets</b>	<b>27,351.2</b>	<b>28,745.7</b>	<b>4.9</b>
Equity	9,816.0	8,477.1	15.8
Non-current Liabilities	897.2	1,222.3	(26.6)
Current liabilities	16,638.0	19,046.3	(12.6)
<b>Total Liabilities</b>	<b>27,351.3</b>	<b>28,745.7</b>	<b>4.9</b>

The performance highlights for Q1-FY19 are given below:

- Brokerage income increased from ₹ 2,268.1 million in Q1-2018 to ₹ 2,298.2 in Q1-FY19 primarily due to an increase in broking turnover.
- The income from services increased from ₹ 1,328.2 million in Q1-FY18 to ₹ 1,538.4 million in Q1-FY19. This increase was primarily on account of increase in third party product distribution fees and corporate finance fees.
- Interest income increased from ₹ 356.2 million in Q1-FY18 to ₹ 467.4 million in Q1-FY19 primarily due to an increase in interest on margin funding and fixed deposits.
- Income from trading in securities decreased from of ₹ 61.3 million in Q1-FY18 to ₹ 54.6 million in Q1-FY19 primarily due to decrease in treasury gains on investments.
- Staff cost increased from ₹ 1,310.2 million in Q1-FY18 to ₹ 1,366.6 million in Q1-FY19 primarily due to annual increments.
- Operating cost decreased from ₹ 326.4 million in Q1-FY18 to ₹ 251.8 million in Q1-FY19 primarily due to reduction in depository participation transaction charges and lower commission expenses. Other expenses increased from ₹ 440.2 million to ₹ 548.0 million mainly on account of a reversal of Cenvat credit in Q1 FY18.
- Finance cost increased from ₹ 101.2 million in Q1-FY18 to ₹ 130.7 million in Q1-FY19 primarily due to increase in the borrowings related to margin trading products.
- Total assets decreased from ₹ 28,745.7 million at March 31, 2018 to ₹ 27,351.2 million at June 30, 2018 primarily on account of reduction in current assets.
- Current assets decreased from ₹ 26,154.0 million at March 31, 2018 to ₹ 24,904.4 million at June 30, 2018 primarily due to reduction in trade receivables which primarily comprises of trade debtors and fee debtors net of provision. Current liabilities and provisions decreased from ₹ 12,322.1 million at March 31, 2018 to ₹ 9,853.8 million at June 30, 2018 primarily due to reduction in trade payables. Borrowings increased from ₹ 6,724.2 million at March 31, 2018 to ₹ 6,784.2 million at June 30, 2018 primarily due to an increase in commercial paper borrowings.
- Profit after tax increased from ₹ 1,184.3 million in Q1-FY18 to ₹ 1,338.2 million in Q1-FY19 led by 9% growth in total revenues and 5% growth in total expenses.



**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.

This release does not constitute an offer of securities.

For investor queries please call Harvinder Jaspal/Vipul Mewada 91-22-22777680 or email [IR@icicisecurities.com](mailto:IR@icicisecurities.com)

1 billion/million = 100 crore / 10 Lakhs

**Press Release**

## **ICICI Securities' Q1FY19 PAT up 13% Y-o-Y, Revenue up 9% Y-o-Y**

**Q1FY19 Highlights**

- PAT up 13% to ₹ 134 crore Vs ₹ 118 crore in Q1FY18
- Revenue up 9% to ₹ 436 crore Vs ₹ 401 crore in Q1FY18
- Distribution revenue up 17% Y-o-Y to ₹ 116 crore Vs ₹ 99 crore in Q1FY18
- Non-broking business at 37% of overall revenue

**Mumbai, July 23, 2018** – ICICI Securities (ISec), a part of the ICICI Group and a leading investment services firm in India, today declared its April-June 2018 (Q1FY19) financial results. During the quarter, ISec reported revenues of ₹ 436 crore, which is up 9% from ₹ 401 crore reported in the year ago period. Profit After Tax (PAT) expanded by 13% to ₹ 134 crore, against ₹ 118 crore in Q1FY18.

Commenting on the performance of the company **Ms. Shilpa Kumar, Managing Director and Chief Executive Officer**, said “We are reaping the benefits of higher operating leverage with PAT growth outpacing revenue growth. We have continued to diversify with non-broking business now accounting for 37% of our overall revenue with Distribution, Wealth Management and Corporate Finance businesses outperforming the overall company. ISec is well positioned to take advantage of the macroeconomic trends of increasing financialisation and equitisation in household savings.”

ISec maintained its leadership position in the **Broking** segment, with a 9.2% market share, which is 0.4 percentage points improvement over the year-ago period. The company added 1.1 lac new clients during the quarter, taking the number of operational accounts to 41 lac.

In spite of current weak retail participation in the equity markets, a segment which accounts for ~90% of ISec’s broking revenue, ISec improved its broking revenue to ₹ 230 crore in Q1FY19 Vs ₹ 227 crore in the year-ago period. Institutional broking reported 22% growth.

During the quarter, **Distribution** revenue grew 17% to ₹ 116 crore against ₹ 99 crore in Q1FY18. Mutual Fund distribution remains a strong contributor to this segment, accounting for 66% of distribution revenue in Q1FY19, against 61% in Q1FY18. Average AUM of the mutual funds distributed by the company increased by 31% to ₹ 34,801 crore in Q1FY19 from ₹ 26,632 crore in Q1FY18. ISec continued to remain the second largest non-bank MF distributor by revenue in the country with a strong offline presence through a network of ~200 ICICIdirect branches in 75+ cities, presence in 2,700+ ICICI Bank branches, and a nationwide network of 5,700+ sub-brokers, authorized persons, IFAs & IAs.

Our **Investment Banking** business reported 19% growth in revenue to ₹ 32 crore in Q1FY19 against ₹ 27 crore in Q1FY18. Deal pipeline remains robust.

*In terms of the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2018. Results for the quarter ended June 30, 2018 are in compliance with Indian Accounting Standards (IND AS). The results for the quarter ended June 30, 2017 have been restated to comply with IND AS.*

## **About ICICI Securities**

ICICI Securities Limited (I-Sec) is a subsidiary of ICICI Bank Ltd. The company began its operation in May 1995 and continues to grow its operation through expanding its client base and providing different type of services.

ICICI Securities Ltd is a technology-based firm offering a wide range of financial services including investment banking, institutional broking, retail broking, private wealth management, and financial product distribution.

ICICI Securities sees its role as 'Creating Informed Access to the Wealth of the Nation' for its diversified set of clients that include corporates, financial institutions, high net-worth individuals and retail investors.

ICICI Securities is listed on National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE). For details, visit: [www.icicisecurities.com](http://www.icicisecurities.com)

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*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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