

July 22, 2019

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 22, 2019

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

Pursuant to Regulation 30 read with Schedule III and Regulation 33 of the 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 22, 2019, *inter-alia*, approved the audited financial results of the Company for the quarter ended June 30, 2019.

Accordingly, we enclose herewith the following:

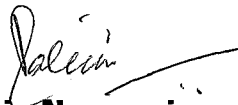
1. Audited (Standalone and Consolidated) financial results of the Company for the quarter ended June 30, 2019;
2. 'Auditors' Reports on the audited (Standalone and Consolidated) financial results; and
3. A copy of the press release.

The Board Meeting commenced at 12.30 p.m. and concluded at 3.20 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, BSE Ltd and Metropolitan Stock Exchange of India Ltd.
SEBI Registration : INZ000183631
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 2455

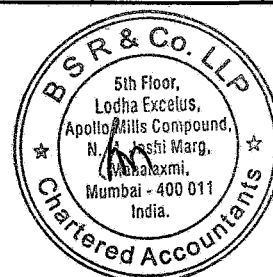
Corporate Office (Retail):
Shree Sawan Knowledge Park, Plot No. D-507,
T.T.C. Ind. Area, M.I.D.C., Turbhe, Navi Mumbai - 400 705
Tel (91 22) 4070 1000
Fax (91 22) 4070 1022

Name of Compliance Officer (Broking Operations) : Mr. Anoop Goyal
Email Address: complianceofficer@icicisecurities.com / Tel (91 22) 4070 1000
Website Address: www.icicisecurities.com / www.icicidirect.com



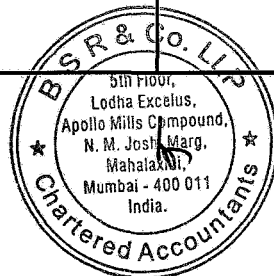
Particulars	Quarter ended			Year ended
	June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
Revenue from operations				
(i) Interest income	500.8	456.3	441.7	1,791.4
(ii) Dividend income	-	1.1	1.1	4.9
(iii) Fees and commission income				
- Brokerage income	2,198.9	2,284.9	2,298.2	9,325.2
- Income from services	1,160.9	1,255.2	1,538.4	5,732.8
(iv) Net gain on fair value changes	-	74.6	54.6	166.0
(v) Others	4.0	5.2	3.2	21.7
(I) Total revenue from operations	3,864.6	4,077.3	4,337.2	17,042.0
(II) Other income	155.9	206.9	-	216.0
(III) Total income (I+II)	4,020.5	4,284.2	4,337.2	17,258.0
Expenses				
(i) Finance costs	177.3	98.9	129.8	419.7
(ii) Fees and commission expense	133.2	95.0	133.3	572.8
(iii) Net loss on fair value changes	1.8	-	-	-
(iv) Impairment on financial instruments	32.1	23.3	(24.7)	26.9
(v) Operating expense	132.5	224.1	198.4	849.6
(vi) Employee benefits expenses	1,248.6	1,305.2	1,336.9	5,413.0
(vii) Depreciation, amortization and impairment	156.3	38.4	35.8	149.3
(viii) Other expenses	389.6	611.4	517.8	2,275.7
(IV) Total expenses (IV)	2,271.4	2,396.3	2,327.3	9,707.0
(V) Profit/(loss) before tax (III - IV)	1,749.1	1,887.9	2,009.9	7,551.0
(VI) Tax expense:				
(1) Current tax	545.9	717.5	602.2	2,721.5
(2) Deferred tax	76.0	(43.2)	101.4	(39.7)
(VII) Profit/(loss) for the period/ year (V-VI)	1,127.2	1,213.6	1,306.3	4,869.2
(VIII) Other comprehensive income				
A (i) Items that will not be reclassified to profit or loss				
(a) Remeasurement of defined employee benefit plans	(54.0)	(7.1)	(25.4)	(40.2)
(ii) Income tax relating to items that will not be reclassified to profit or loss	18.9	2.5	9.1	14.3
Subtotal (A)	(35.1)	(4.6)	(16.3)	(25.9)
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	-	-	-	-
Subtotal (B)	-	-	-	-
Other comprehensive income (A + B)	(35.1)	(4.6)	(16.3)	(25.9)
(IX) Total comprehensive income for the period/ year (VII+VIII) (comprising profit/(loss) and other comprehensive income for the period/ year)	1,092.1	1,209.0	1,290.0	4,843.3
(X) Earnings per equity share: (Face value ₹ 5/- per share)*				
Basic (in ₹)	3.50	3.77	4.06	15.12
Diluted (in ₹)	3.50	3.77	4.06	15.11

* EPS is not annualised for interim periods



Particulars	Quarter ended			Year ended
	June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
Revenue from operations				
(i) Interest income	501.4	456.8	441.7	1,792.0
(ii) Dividend income	-	1.1	1.1	4.9
(iii) Fees and commission income				
- Brokerage income	2,198.9	2,288.0	2,298.2	9,328.3
- Income from services	1,160.9	1,255.2	1,538.4	5,732.8
(iv) Net gain on fair value changes	-	74.6	54.6	166.0
(v) Others	4.0	5.3	3.2	21.7
(I) Total revenue from operations	3,865.2	4,081.0	4,337.2	17,045.7
(II) Other income	155.9	202.1	21.4	224.5
(III) Total Income (I+II)	4,021.1	4,283.1	4,358.6	17,270.2
Expenses				
(i) Finance costs	178.2	99.9	130.7	423.4
(ii) Fees and commission expense	78.1	58.8	77.5	375.0
(iii) Net loss on fair value changes	1.8	-	-	-
(iv) Impairment on financial instruments	32.1	23.3	(24.6)	26.9
(v) Operating expense	133.2	224.3	198.9	850.9
(vi) Employee benefits expenses	1,273.8	1,327.8	1,366.6	5,544.9
(vii) Depreciation, amortization and impairment	156.3	38.5	35.9	149.5
(viii) Others expenses	407.6	621.6	548.0	2,327.3
(IV) Total expenses (IV)	2,261.1	2,394.2	2,333.0	9,697.9
(V) Profit/(loss) before tax (III -IV)	1,760.0	1,888.9	2,025.6	7,572.3
(VI) Tax expense:				
(1) Current tax	546.3	717.6	586.2	2,722.2
(2) Deferred tax	76.0	(44.0)	101.2	(57.2)
	622.3	673.6	687.4	2,665.0
(VII) Profit/(loss) for the period/ year (V-VI)	1,137.7	1,215.3	1,338.2	4,907.3
(VIII) Other comprehensive income				
A (i) Items that will not be reclassified to profit or loss				
(a) Remeasurement of defined employee benefit plans	(54.0)	(7.0)	(25.4)	(40.2)
(ii) Income tax relating to items that will not be reclassified to profit or loss	18.9	2.5	9.1	14.3
Subtotal (A)	(35.1)	(4.5)	(16.3)	(25.9)
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	-	-	-	-
Subtotal (B)	-	-	-	-
Other comprehensive income (A + B)	(35.1)	(4.5)	(16.3)	(25.9)
(IX) Total comprehensive income for the period/ year (VII+VIII) (comprising profit/(loss) and other comprehensive income for the period/ year)	1,102.6	1,210.8	1,321.9	4,881.4
(X) Earnings per equity share: (Face value ₹ 5/- per share) *				
Basic (in ₹)	3.53	3.77	4.15	15.23
Diluted (in ₹)	3.53	3.77	4.15	15.23
(See accompanying notes to the financial results)				

* EPS is not annualised for interim periods



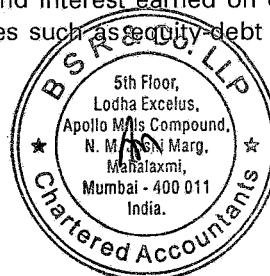
Consolidated Segment Information for the quarter ended June 30, 2019

(₹ million)

Sr. No.	Particulars	Quarter Ended			Year ended
		June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
1	Segment Revenue:				
(a)	Investment & trading	69.1	112.3	69.3	265.1
(b)	Broking & commission	3,637.9	3,834.9	3,966.4	15,807.4
(c)	Advisory services	166.6	128.8	322.9	990.6
(d)	Unallocated	147.5	207.1	-	207.1
	Total [Items (a) to (d)]	4,021.1	4,283.1	4,358.6	17,270.2
	Less: Inter Segment Revenue	-	-	-	-
	Income From Operations	4,021.1	4,283.1	4,358.6	17,270.2
2	Segment Results (Profit)(+)/ Loss (-) before tax):				
(a)	Investment & trading	(50.7)	47.0	55.4	136.7
(b)	Broking & commission	1,647.4	1,756.5	1,799.8	6,976.0
(c)	Advisory services	15.8	(121.7)	170.4	252.5
(d)	Unallocated	147.5	207.1	-	207.1
	Total [Items (a) to (d)]	1,760.0	1,888.9	2,025.6	7,572.3
	Add: Unallocated Revenue	-	-	-	-
	Less: Unallocated Expenses	-	-	-	-
	Net Profit before tax	1,760.0	1,888.9	2,025.6	7,572.3
3	Segment Assets				
(a)	Investment & trading	4,289.5	3,665.4	2,123.9	3,665.4
(b)	Broking & commission	25,136.4	40,703.1	23,455.0	40,703.1
(c)	Advisory services	146.7	233.4	256.9	233.4
(d)	Unallocated assets	2,136.4	2,044.0	1,515.5	2,044.0
	Total Assets	31,709.0	46,645.9	27,351.3	46,645.9
4	Segment Liabilities				
(a)	Investment & trading	4,007.3	2,541.8	1,167.3	2,541.8
(b)	Broking & commission	15,569.2	32,996.9	15,916.8	32,996.9
(c)	Advisory services	397.6	593.0	451.1	593.0
(d)	Unallocated	132.1	41.5	-	41.5
	Total Liabilities	20,106.2	36,173.2	17,535.2	36,173.2
5	Capital employed [Segment assets - Segment liabilities]				
(a)	Investment & trading	282.2	1,123.6	956.6	1,123.6
(b)	Broking & commission	9,567.2	7,706.2	7,538.2	7,706.2
(c)	Advisory services	(250.9)	(359.6)	(194.2)	(359.6)
(d)	Unallocated	2,004.3	2,002.5	1,515.5	2,002.5
	Total Capital employed	11,602.8	10,472.7	9,816.1	10,472.7

Notes

- (i) 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.
- (ii) Investment & trading consists of income from treasury, investment income; Broking & commission consists of Broking and other related activities, 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.



Notes to Standalone and Consolidated financial results

1. The above financial results have been prepared in accordance with the recognition and measurement principles of Ind AS prescribed under Section 133 of the Companies Act, 2013 read with relevant Rules issued there under and other accounting principles generally accepted in India.
2. The Ministry of Corporate Affairs (MCA), vide its notification dated October 11, 2018 issued Division III of Schedule III, which provides the format for financial statements of Non-Banking Financial Companies, as defined in the Companies (Indian Accounting Standards) (Amendments) Rules 2016. These Financial Results have been prepared in accordance with the same. The previous figures have also undergone a reclassification to comply with the requirements of the Division III.
3. Effective April 1, 2019, the Company has adopted Ind AS 116 'Leases' and applied the same to all lease contracts existing on April 1, 2019 using the modified retrospective approach with right-of-use asset recognised at an amount equal to the adjusted lease liability. Accordingly, comparatives for the previous periods and year ended March 31, 2019 have not been retrospectively adjusted.
4. The Board of Directors of the Company has approved the appointment of Mr. Vijay Chandok as an Additional Director and as Managing Director & CEO of the Company with effect from May 7, 2019 subject to the approval of the Members at the ensuing Annual General Meeting of the Company, SEBI and other regulators, if any. Ms. Shilpa Kumar was the Managing Director & CEO and also a Director of the Company till May 6, 2019.
5. The above financial results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at its Meeting held on July 22, 2019. The statutory auditors have issued unmodified opinion on the standalone and consolidated financial results.
6. The Board of Directors of the Company at its meeting held on April 23, 2019 had proposed a final dividend of ₹ 5.7 per equity share, subject to the approval of the members at the ensuing Annual General Meeting.

For and on behalf of the Board of Directors of
ICICI Securities Limited



Vijay Chandok
Managing Director & CEO

Mumbai, July 22, 2019



BSR & Co. LLP

Chartered Accountants

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

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Independent Auditor's Report on Audited Quarterly Standalone Financial Results of ICICI Securities Limited pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of ICICI Securities Limited


1. We have audited the quarterly Standalone Financial Results of ICICI Securities Limited (the 'Company') for the quarter ended 30 June 2019 (the 'Statement'), 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, as amended (the 'Listing Regulations').
2. This Statement has 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 interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34), *Interim Financial Reporting*, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder; and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.
3. We conducted our audit in accordance with the standards on auditing generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is 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.

4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - i. is 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 2019.

For BSR & Co. LLP
Chartered Accountants

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



Milind Ranade

Partner

Membership No: 100564

UDIN: 19100564AAAACC2850

Mumbai
22 July 2019

B S R & Co. LLP

Chartered Accountants

5th Floor, Lodha Excelus,
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India

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Independent Auditor's Report on Audited Quarterly Consolidated Financial Results of ICICI Securities Limited pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of ICICI Securities Limited

1. We have audited the accompanying Statement of Consolidated Financial Results of ICICI Securities Limited (the 'Parent') and its subsidiaries (the Parent and its subsidiaries together referred to as the 'Group') for the quarter ended 30 June 2019 (the 'Statement'), being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (the 'SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the 'Listing Regulations').
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been compiled from the related condensed consolidated interim financial statements which has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 '*Interim Financial Reporting*' ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 (the 'Act'), and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express an opinion on the Statement based on our audit of such condensed consolidated interim financial statements.
3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Parent's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the Parent's internal financial control with reference to the Statement. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the Statement.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.



Independent Auditor's Report on Audited Quarterly Consolidated Financial Results of ICICI Securities Limited pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

ICICI Securities Limited

4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
- i. includes the results of the Parent, ICICI Securities Holdings Inc. and ICICI Securities Inc.;
 - ii. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
 - iii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated total comprehensive income (comprising of net profit and other comprehensive income) and other financial information of the Group for quarter ended 30 June 2019.

For **B S R & Co. LLP**

Chartered Accountants

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



Milind Ranade

Partner

Membership No: 100564

UDIN: 19100564AAAACD9255

Mumbai
22 July 2019

Press Release**Q1FY20 Performance Highlights**

- 'Prime' launch successful, ~1 lakh subscribers
- NSE customer active market share at 9.8%; at 18 month high
- New customer acquisition arrangement with ICICI Bank yielding results; activation rate up 40%
- Equity broking market share up 70 bps YoY to 8.1%
- Average MF AUM at ₹ 368 billion, up 7%
- Revenue at ₹ 402 crore; PAT at ₹ 114 crore

Mumbai, July 22, 2019 – ICICI Securities (I-Sec), a part of the ICICI Group and India's leading retail led equity franchise, distributor of financial products, and investment banker, today announced its financial results for quarter ending June 30th 2019 (Q1FY20).

The company reported consolidated revenue of ₹ 402 crore in Q1FY20, against ₹ 436 crore in Q1FY19, a decline of 8%. Consolidated Profit after tax (PAT) for Q1FY20 stood at ₹ 114 crore against ₹ 134 crore in Q1FY19, a decline of 15%.

Business Highlights

In Broking, I-Sec has over 4.5 million operational accounts, of which about 1 lakh were added during the quarter. The number of NSE active clients number 0.88 million, accounting for **9.8% market share which is at 18 month high**.

I-Sec's equity market share grew by 70 basis points on-year to 8.1% in Q1FY20.

Total brokerage revenue (excluding interest income) stood at ₹ 220 crore for Q1FY20, down 4% vs Q1FY19. Adjusting for lower trading days during the quarter - Q1FY20 had four fewer trading days - broking revenue was flat YoY. Broking business contributed 55% towards the company's overall topline.

While retail brokerage revenue declined by 6% year-on-year, **institutional business grew by 12%**.

The company has received very good response to its annual subscription plan 'ICICI direct Prime' that provide a package of competitive pricing, exclusive research and higher eATM (payout with 30 mins on selling stocks) limits of per day depending on the plan being opted by the customer. **Currently about one lakh clients have subscribed to ICICI direct Prime.**

I-Sec's recently launched ICICI Bank led customer acquisition arrangement is ramping up well and is helping the company target affluent and investment oriented clients. There is **over 40% uptick in the activation rate of bank acquired customers.** The company is intensifying its focus on acquiring the Non-Resident Indians, a huge and under penetrated opportunity.

Distribution revenue stood at ₹ 99 crore in Q1FY20 against ₹ 116 crore in Q1FY2019, down 15%. This is in line with the expected reduction in Total Expense Ratio (TER) under the new regulation effective 1st April 2019.

The company has recently expanded its distribution business by **launching digital distribution of retail loans.** Besides building a new non-cyclical revenue stream, it also marks its presence in the entire financial planning journey of a customer's lifecycle - from investment to protection to assets. **Through icicidirect.com, customers can now get Personal Loans, Auto Loans, Credit Cards and Home Loan Top ups offered by ICICI Bank, and soon Home Loans and Loans on credit cards would also be offered.** ICICI Securities will earn a distribution commission on selling these products.

I-Sec remains India's second largest non-bank MF distributor by revenue (based on FY19 revenue) and **has expanded its revenue market share to 4% in FY19.** Average AUM of the mutual funds distributed by the company increased by 7% on-year to ₹ 368 billion in Q1FY20. The company has strong offline presence through a network of ~193 ICICIdirect branches in 75+ cities, a nationwide network of 7500+ sub-brokers, authorized persons, IFAs & IAs.

With increased focus on other products like fixed income and deposits, life, medical and general insurance, NPS, SGBs etc., **non-MF distribution revenue rose 9%** during the quarter against the corresponding quarter last year.

Our **Investment Banking** revenue stood at ₹ 17 crore in Q1-FY20, a decline of 48% from ₹ 32 crore in Q1-FY19 due to subdued ECM activity. **I-Sec is ranked 1st in the IPO/ InvIT**

space by value in Q1FY20 (Source: Prime database). The company handled eight investment banking deals in Q1-FY20 vs six in Q1FY19. We have strong IPO pipeline (as per SEBI filing) of over ₹ 180 billion. We continued to focus on building up advisory capabilities and executed three such deals in Q1FY20 against two in Q1FY19.

Management Commentary

Mr. Vijay Chandok, Managing Director and Chief Executive Officer, said, “To tap into the growing market opportunity, a series of new initiatives has been planned by the company to scale up, monetise client value, improve client engagement, improve digital agility, and better cost efficiency. Digital is going to be a key piece in the whole journey and I-Sec is actively working with various fintechs to identify winning solutions which can be offered to our customers through our platform. Other areas we see active digital deployment are in advanced analytics, AI, and Big Data for better customer insights personalised engagement.”

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

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.

For further details, contact:

ICICI Securities Ltd. Rabin Ghosh rabin.ghosh@icicisecurities.com +91 98 205 30306	Adfactors PR Ltd. Rasika Badshah rasika.badshah@adfactorspr.com +98 216 31379
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PERFORMANCE FOR THE QUARTER ENDED JUNE 30, 2019 (Q1-FY2020)
Financial performance review

Consolidated revenues for Q1-FY2020 decreased by 7.7% Y-o-Y from ₹ 4,358.6 million to ₹ 4,021.1 million.

Consolidated profit after tax decreased by 15.0% from ₹ 1,338.2 million in Q1-FY2019 to ₹ 1,137.7 million in Q1-FY2020

(₹ in million)

Profit & Loss Account	Q1-FY2019	Q1-FY2020	% Change
Revenue From Operations:			
(i) Interest income	441.7	501.4	13.5
(ii) Dividend income	1.1	-	-
(iii) Fees and Commission Income			
Brokerage income	2,298.2	2,198.9	(4.3)
Income from services	1,538.4	1,160.9	(24.5)
(iv) Net gain on fair value changes	54.6	-	-
(v) Others	3.2	4.0	25.0
(I) Total revenue from Operations	4,337.2	3,865.2	(10.9)
(II) Other Income	21.4	155.9	> 100.0
(III) Total Income (I+II)	4,358.6	4,021.1	(7.7)
Expenses:			
(i) Finance costs	130.7	178.2	36.3
(ii) Fees and Commission expense	77.5	78.1	0.8
(iii) Net loss on fair value changes	-	1.8	-
(iv) Impairment on financial instruments	(24.6)	32.1	< 100.0
(v) Operating expenses	198.9	133.2	(33.0)
(vi) Employee benefits expenses	1,366.6	1,273.8	(6.8)
(vii) Depreciation, amortization and impairment	35.9	156.3	> 100
(viii) Other expenses	548.0	407.6	(25.6)
(IV) Total expenses	2,333.0	2,261.1	(3.1)
(V) Profit before tax (III-IV)	2,025.6	1,760.0	(13.1)
(VI) Tax expense	687.4	622.3	(9.5)
(VII) Profit after tax	1,338.2	1,137.7	(15.0)
(VIII) Other comprehensive income/(Losses), net of taxes	(16.3)	(35.1)	> 100.0
(IX) Total comprehensive income for the period	1,321.9	1,102.6	(16.6)

(₹ in million)

Balance Sheet	As at March 31,2019	As at June 30, 2019	% Change
Financial assets	43,696.8	26,645.3	-39.0%
Non-financial assets	2,949.1	5,063.7	71.7%
Total assets	46,645.9	31,709.0	-32.0%
Financial liabilities	30,182.2	14,856.2	-50.8%
Non-financial liabilities	5,991.0	5,250.0	-12.4%
Equity	10,472.7	11,602.8	10.8%
Total liabilities	46,645.9	31,709.0	-32.0%

Explanatory notes for Q1-FY2020:

- Interest income increased from ₹ 441.7 million for Q1-FY2019 to ₹ 501.4 million in Q1-FY2020, an increase of 13.5%. This was primarily due to an increase in interest earned on fixed deposits held with exchanges as margin for our brokerage business. The increase in the margin was primarily due to an increase in our average daily turnover in the same period.
- 4.3% decrease in brokerage income from ₹ 2,298.2 million for Q1-FY2019 to ₹ 2,198.9 million in Q1-FY2020 due to lower number of trading days in this quarter compared to last year same quarter
- Income from services decreased from ₹ 1,538.4 million for Q1-FY2019 to ₹ 1,160.9 million in Q1-FY2020 was due to a decrease in corporate finance fees and third-party distribution fees.
 - Mutual funds revenue decreased by 27.4% on account of anticipated regulatory changes in mutual fund industry.
 - Decrease in corporate finance income due to a decrease in equity capital market activities.
- Net gain on fair value changes decreased from ₹ 54.6 million for Q1-FY2019 to ₹ Nil as it there was a net loss on fair value changes in this quarter and hence as per accounting standard gets classified under expenses and not income.
- Other income increased by more than 100% mainly on account of interest income on income tax refund.
- Finance costs increased from ₹ 130.7 million for Q1-FY2019 to ₹ 178.2 million in Q1-FY2020.
 - This increase was due to increase in average short-term borrowings by treasury segment and hence, the net interest expense thereon. This increase in short-term borrowings was primarily due to increase in borrowings related to securities held for trade and;
 - Interest expense on-Lease Liability on account of transition to new accounting standard (Ind AS 116) for Leases.

- Fees and commission expense increased from ₹ 77.5 million Q1-FY2019 to ₹ 78.1 million for Q1-FY2020 largely remain flat.
- Net loss on fair value changes was ₹ 1.8 million in Q1-FY2020 compared to Nil for Q1-FY2019 where, being a gain, it was classified under income. The net loss of ₹ 1.8 million in Q1-2020 includes MTM effect provided on DHFL bonds to the tune of ₹ 107.6 million.
- Operating expenses decreased from ₹ 198.9 million for Q1-FY2019 to ₹ 133.2 million in Q1-FY2020, a decrease of 33.0%. This decrease was primarily due to a decrease in custodian and depository charges and call center charges partly offset by increases in franking charges.
- Employee benefits expenses decreased from ₹ 1,366.6 million for Q1-FY2019 to ₹ 1,273.8 million in Q1-FY2020. This was primarily due to lower provision of variable payout which was partly offset by provision for employee share based payment.
- Depreciation and amortisation expense increased from ₹ 35.9 million for Q1-2019 to ₹ 156.3 million for the Q1-2020, increase by more than 100% primarily on account of for depreciation on right of use asset recognised as per Ind AS 116 for Leases and depreciation on software.
- Other expenses decreased from ₹ 548.0 million in Q1-FY2019 to ₹ 407.6 million in Q1-FY2020, a decrease of 25.6%. This decreased was primarily on account of an impact of Ind AS 116 for Lease resulted in increases of finance cost and depreciation and reduction in lease expense and partly offset by increases in Corporate Social Responsibility (CSR) expenses for the quarter under consideration.
- Total assets decreased from ₹ 46,645.9 million as at March 31, 2019 to ₹ 31,709.0 million as at June 30, 2019, a decrease of 32.0%. This decrease was primarily due to decrease in cash and cash equivalents and trade receivables partly offset by an increases in other financial assets. The cash and cash equivalents as on March 31, 2019 includes funds of approx. ₹ 17 billion lying in the bank account of the company pursuant to a large value secondary market transaction that was remitted to client subsequently.
- Total liabilities decreased from ₹ 46,645.9 million as at March 31, 2019 to ₹ 31,709.0 million as at June 30, 2019 decrease of 32.0%. This decrease was primarily due to decrease in trade payables and other non-financial liabilities partly offset by increases in debt securities and other financial liabilities. The decreases in trade payables was due to open trade positions of customers at the period end March 31, 2019 including a client payable of approx. ₹ 17 billion lying in the bank account of the company pursuant to a large value secondary market transaction that was remitted to client subsequently.

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1 billion/million = 100 crore / 10 Lakhs