

ANALYSIS OF FINANCIAL PERFORMANCE FOR THE QUARTER ENDED MARCH 31, 2022 (Q4-FY2022)

Consolidated revenue increased by 20.7% from ₹ 7,393.4 million in Q4-FY2021 to ₹ 8,923.0 million in Q4-FY2022.

Consolidated profit after tax increased by 3.3% from ₹ 3,294.7 million in Q4-FY2021 to ₹ 3,402.9 million in Q4-FY2022.

(₹ in million)

Consolidated Profit & Loss Account	Q4-FY 2021	Q4-FY 2022	% Change
Revenue From operations:			
(i) Interest income	1,033.6	2,119.1	> 100
(ii) Dividend Income	-	0.2	-
(iii) Fees and commission income			
Brokerage income	3,945.1	3,728.9	(5.5)
Income from services	2,350.1	2,874.8	22.3
(iv) Net gain on fair value changes	62.4	174.9	> 100
(v) Others	2.2	18.8	> 100
(I) Total revenue from operations	7,393.4	8,916.7	20.6
(II) Other Income	-	6.3	-
(III) Total Income (I+II)	7,393.4	8,923.0	20.7
Expenses:			
(i) Finance costs	305.7	910.8	> 100
(ii) Fees and commission expense	470.1	467.4	(0.6)
(iii) Impairment on financial instruments	(78.1)	1.8	-
(iv) Operating expenses	414.6	303.4	(26.8)
(v) Employee benefits expenses	1,059.1	1,723.4	62.7
(vi) Depreciation, amortization and impairment	139.1	173.8	24.9
(vii) Other expenses	669.8	789.2	17.8
(IV) Total expenses	2,980.3	4,369.8	46.6
(V) Profit before tax (III-IV)	4,413.1	4,553.2	3.2
(VI) Tax expense	1,118.4	1,150.3	2.9
(VII) Profit after tax (V-VI)	3,294.7	3,402.9	3.3
(VIII) Other comprehensive income/(Losses), net of taxes	27.7	11.9	(57.0)
(IX) Total comprehensive income for the period (VII+ VIII)	3,322.4	3,414.8	2.8

(₹ in million)

Balance Sheet	As at March 31, 2021	As at March 31, 2022	% Change
Financial assets	77,851.1	1,32,254.9	69.9
Non-financial assets	3,958.0	4,207.3	6.3
Total assets	81,809.1	1,36,462.2	66.8
Financial liabilities	57,008.7	1,05,753.0	85.5
Non-financial liabilities	6,579.3	6,403.9	(2.7)
Equity	18,221.1	24,305.3	33.4
Total liabilities	81,809.1	1,36,462.2	66.8

Explanatory notes for Q4-FY2022:

- Interest income increased from ₹ 1,033.6 million for Q4-FY2021 to ₹ 2,119.1 million in Q4-FY2022, an increase of 105.0%. This was primarily due to increase in average MTF & ESOP funding book and fixed deposits.
- Brokerage income decreased from ₹ 3,945.1 million for Q4-FY2021 to ₹ 3,728.9 million in Q4-FY2022, a decrease of 5.5%. This was primarily due to decrease in retail equity volumes.
- 22.3% increase in Income from services from ₹ 2,350.1 million for Q4-FY2021 to ₹ 2,874.8 million in Q4-FY2022. Income from services comprising income earned from distribution of financial products as well as issuer services & advisory business increased on account of:
 - Increase in issuer services & advisory fee income by 21.8% from ₹ 533.0 million for Q4-FY2021 to ₹ 649.0 million in Q4-FY2022 mainly on account of heightened level of fund raising activities.
 - Increase in income from distribution business from ₹ 1,398.3 million in Q4-FY2021 to ₹ 1,682.2 million in Q4-FY2022 due to growth in revenue across major products.
- 180.3% increase in net gain on fair value from ₹ 62.4 million in Q4-FY2021 to ₹ 174.9 million in Q4-FY2022, primarily due to gain on fair value changes in our treasury segment and other investment portfolio held as our stock in trade.
- Finance costs increased from ₹ 305.7 million for Q4-FY2021 to ₹ 910.8 million in Q4-FY2022. This increase was primarily due to increased borrowing to fund MTF and ESOP books.
- Fees and commission expenses decreased from ₹ 470.1 million for Q4-FY2021 to ₹ 467.4 million for Q4-FY2022, primarily due to decrease in revenue linked payout to business partners including ICICI Bank.

- Impairment on financial instruments was a reversal of ₹ (78.1) million in Q4-FY2021 compared to a charge of ₹ 1.8 million in Q4-FY2022. The reversal in Q4-FY2021 was on account of certain old receivables that were provided for earlier and later being accounted under operating expenses subsequent to their write off following an ageing criteria.
- Operating expenses decreased from ₹ 414.6 million for Q4-FY2021 to ₹ 303.4 million in Q4-FY2022, mainly due to decrease in operating expenses linked to volumes and on account of certain old receivables that were provided for earlier and later being accounted under operating expenses subsequent to their write off following an ageing criteria in Q4-FY2021.
- Employee benefits expenses increased from ₹ 1,059.1 million for Q4-FY2021 to ₹ 1,723.4 million in Q4-FY2022 primarily on account of a level variable pay provision in the current quarter compared to frontloaded variable pay provision till H1-FY2021 and by annual increments in salaries.
- Depreciation and amortisation expense increased from ₹ 139.1 million for Q4-FY2021 to ₹ 173.8 million for the Q4-FY2022, primarily on account of depreciation on additions of technology related assets.
- Other expenses increased from ₹ 669.8 million in Q4-FY2021 to ₹ 789.2 million in Q4-FY2022, an increase of 17.8%, primarily due to increase in digital marketing initiatives, recruitment expenses, professional fees and technology related expenses in current quarter.
- Total assets increased from ₹ 81,809.1 million as at March 31, 2021 to ₹ 1,36,462.2 million as at March 31, 2022, an increase of 66.8%. This increase was primarily due to increases in loan book from ₹ 29,014.5 million as at March 31, 2021 to ₹ 68,566.7 million as at March 31, 2022, as well as increase in fixed deposits placed with exchanges, on account of increase in trading volumes.
- Total liabilities and equity increased from ₹ 81,809.1 million as at March 31, 2021 to ₹ 1,36,462.2 million as at March 31, 2022, an increase of 66.8%. This increase was primarily due to increase in borrowings from ₹ 35,209.6 million as at March 31, 2021 to ₹ 77,392.3 million as at March 31, 2022, increase in other financial liabilities from ₹ 10,440.5 million to ₹ 16,521.6 million on account of margin money received from clients and increase in trade payables as at March 31, 2022.

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1 billion/million = 100 crore / 10 Lakhs