



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

Department of Corporate Service BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.

Symbol: ANGELBRKG

Scrip Code: 543235

Dear Sirs,

Sub: Filing of the transcript of earnings call with analysts and investors under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further to our intimation on October 04, 2021 intimating of the earnings call with analysts and investors to be hosted by the Company on October 21, 2021, please find enclosed herewith the transcript of the said earnings call for your reference and records.

The transcript of the earnings call will be posted on the Company's website at www.angelone.in.

You are requested to take note of the same

Thanking you,

For Angel One Limited

(Formerly Known as Angel Broking Limited)

Nabeed Patel

Company Secretary and Compliance Officer

Membership No. A22506

Date: October 26, 2021

Place: Mumbai

www.angelone.in

Angel One Limited

PFRDA, Regn. No.-19092018.



## "Angel One Limited Q2 FY2022 Earnings Conference Call"

## October 21, 2021

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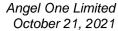




MANAGEMENT: Mr. NARAYAN GANGADHAR – CEO, ANGEL ONE

LIMITED.

MR. VINEET AGRAWAL – CFO, ANGEL ONE LIMITED. MR. HITUL GUTKA - IR HEAD, ANGEL ONE LIMITED.





**Moderator:** 

Good morning ladies and gentlemen. Welcome to Angel One Limited, Q2 FY2022 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode. And there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing "\*" then "0" on your touchtone phone. Please note that this conference is being recorded. This conference call may contain forward looking statements about the company which are based on beliefs, opinions and expectations of the company as on the date of this call. These statements are not guarantees of future performance and involves risks and uncertainties that are difficult to predict. I now hand the conference over to Mr. Narayan Gangadhar. Thank you and over to you, sir.

Narayan Gangadhar:

Thank you. Good morning, everybody. On behalf of Angel One Limited, I would like to extend a warm welcome to all of you for our Q2 FY2022 Earnings Call. I am joined by Vineet Agrawal our Chief Financial Officer, Mr. Hitul Gutka the IR Head and SGA, our Investor Relations Advisors.

Since Dinesh is not keeping well, he is unable to participate in today's call with you.

I trust all of you and your loved ones are safe and are in good health. We have published a detailed investor presentation and issued a press release to the stock exchanges. I hope you've had a chance to look through it. I will comment on recent developments and then Vineet will walk you through other aspects of the business and financial performance for the quarter.

Post the vaccination drive carried out in the country, the economy has been reviving strongly, as major sectors are witnessing robust recovery in demand. All the renowned global agencies like IMF, World Bank, ADB, rating agencies, etc have reposed their confidence in India's growth potential. As they continue to forecast the GDP growth between 8% and 10% for the current year. Some of them estimate this growth to continue in 2022 and beyond.

With such robust growth, in the near future and continuing in long term as well, I strongly believe that India's capital markets are poised for experiencing corresponding growth in times to come. Currently, we are at an inflection point where more and more people are opening up to the concept of diversifying their financial assets, and increasing their capital allocation to equities.

In H1 FY2022, India opened 15 million new Demat accounts, which is more than the number of Demat accounts opened in entire FY2021 and thus creating a new milestone of 70 million+accounts. Majority of these new accounts are coming from Tier II, Tier III and beyond cities.

I am happy to share that digital players like us are using technology to not only open up new geographies, but also to enhance skill sets of this population through our vast repository of financial literacy programs.

Despite such a healthy increase in Demat accounts, even today, we are just at about 5% of India's population have access to equity markets. Now when we stack this against our Asian peers like



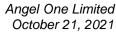
China, and more mature markets like U.S.A, we can distinctly measure the caliber of this sectors growth potential. This is also supported by a growing base of youth, Gen Z and millennial population, majority of whom reside in underserved Tier II, Tier III and beyond cities. Whilst consistent low inflation and resultant modest returns on risk free assets, are attracting this target audience to capital markets, as investors see a strong and sustained momentum in corporate earnings and valuations. As the booming younger population enters their working age, India is estimated to add 175 to 180 million to its large workforce over the next three decades.

Digital players are at the forefront of addressing this large potential market. It has been seen over the last many quarters that approximately 75% of incremental active clients are added by top five digital players of this industry. As a result, the share of these top five digital players in the NSE active clients, has grown approximately 2.5 times over the last nine quarters to 54% as of September 2021.

Angel has been amongst the forerunners of this space, playing a significant role in diversifying India's equity culture. Over time, Angel has built a robust digital platform to tap this young tech savvy population. We continue in our relentless efforts to augment our tech and products, by upskilling, our artificial intelligence, machine learning and data science capabilities. Thereby providing our clients with seamless, best in class experience.

Now as we have discussed in our Q1 FY2022 Earnings Call, we have onboarded some of the best available talent in the field of tech and product development. I'm very happy to report that during this quarter, Mr. Jyotiswarup Raiturkar has joined us as our Chief Technology Officer. Mr. Jyoti has 20+ years of hands-on experience, building high scale tech products and global teams, and has worked with global tech giants like Walmart, Microsoft, Samsung, Goibibo, and Intuit. Along with him, we have onboarded many senior and mid-level executives with similar global experience in designing and handling complex software solutions for large scale digital businesses. These and a few more planned additions, to our tech and product development center in Bengaluru will help Angel One develop planet scale products and solutions and attract the best talent available in the industry. While scaling our systems continues to be the most important task, enhancing product reliability and security, and attaining shorter time to market are also a core product focus. We are elevating our predictive capabilities by using advanced AI, ML and data science techniques. This will further empower us to design our next generation super app with superior and curated personalized journeys, which is currently in the development phase.

In pursuit to democratize stock broking through simplification of our existing products, and also integrating new features, we introduced Insta Trade, a one-of-a-kind feature in the industry, which focuses on simplifying options trading for clients, be it beginners or experienced traders. This uniquely integrated feature helps clients to effortlessly select the index and analyze charts for the most active strike first. Through this feature we target to further strengthen our position in the largest segment of this market.





With the IPO market buzzing and expected to remain extremely hot, the IPO Pre-apply feature addition will further delight our clients as they can now pre-apply for their choicest for IPOs, even before the issue opens, and thus saving the time effort during the three-day frenzy.

Developments on our NXT platform further enhances capabilities and the latitude of our large network of authorized person, empowering them to better connect with downstream clients.

These innovations and continued efforts to develop new features and services, strengthen our foundation as we march ahead to attain market leadership. This coupled with our endeavor to imbibe paramount standards of unilateral disclosures, makes us a very unique proposition when compared to our peers. Angel has been the only participant in the industry, which has been consistently broadcasting its fundamental business statistics irrespective of the non-availability of comparative peer data.

All of these efforts separate us from our peers and strengthens our resolve to run this business in a very transparent manner and tap the massive growth opportunity that is going on unfold in the Indian capital market space.

At the start of the year, our Board had approved our foray into setting up an asset management company. I am very happy to share that our application is in process with SEBI for their inprinciple approval. The AMC will be available to fulfill our endeavor to provide with unique and curated financial products to our clients and enhance the value chain of our business. The wealth-tech business is just shaping up in the digital landscape in India. And Angel will certainly play an important role in this evolving space.

The effervescence and freshness of our Angel One brand, and its endorsement by our target client base has been further riveted with Angel Broking Limited being rechristened as Angel One Limited.

I'm very happy to share with you that the Board has approved distribution of 35% of Q2 FY22 consolidated post tax profit as the second interim dividend to our shareholders. The record date has already been communicated to shareholders via our stock exchange notification.

With this, I now request Mr. Vineet Agrawal, our CFO to brief you on the financial performance of the company. Thank you, over to you Vineet.

Vineet Agrawal:

Thank you Narayan. Good morning, everyone. I will take you through the operational and financial snapshot for the quarter gone by. Angel continued to deliver an exceptionally strong performance on all operating parameters, which also translated into strong financial results for the quarter. We continued to acquire close to 1.3 million clients during the quarter. This is the second consecutive quarter where we have acquired more than 1.2 million clients. In H1 FY2022, we acquired approximately 2.5 million clients, which is more than what we acquired



in the entire financial year 2021. This has been possible basis our robust processes, continually strong performance marketing, backed by our efficacious tech and product suite.

With this addition, we have grown to become a family of 6.5 million+ clients on our platform, which translates into a formidable 9.3% market share of India's total Demat accounts. On incremental basis, our market share stands at 15.3% for the quarter, thus indicating that we are on track to attain our overall market share in total Demat accounts closer to this 15% mark.

As we increase our presence in Tier II, Tier III and beyond geographies, we continue to onboard the digital native Gen Z and Millennial clients for the fifth quarter in a row. More than 90% of our acquisitions are from these upcountry towns and cities. Further, our efforts to connect with the young generation early, has resulted in the median age, of these newly acquired clients, at 30 and below years, again for the fifth quarter consecutively. Our comprehensive and simplified flat fee tariff structure continues to be extremely popular, with more than 90% of our clients signing up for it for the sixth consecutive quarter.

We continue to evolve our large library of diverse chapters on financial products, thus up-skilling both new to market and experienced clients. As clients become more educated, their potential to become active and remain so, also increases. This is reflected from our expanding base of active clients on NSE, which has steadily grown quarter-over-quarter to approximately 2.5 million as of September 2021. This translates into a 5.7x increase since September 2019 as compared to 4.5x increase in our client base over the same period, thus translating into a significant improvement in the active client ratio to approximately 38% now from less than 30% in September 2019.

Growing client base and corresponding increase in active client base has led to significant improvement in the number of trades and average daily turnover to 288 million, up by 16% quarter-on-quarter and Rs.5.8 trillion, up by 27%, quarter-on-quarter respectively in Q2 FY2022. Our market share in overall equity turnover continues to remain strong at 21.2% for Q2 FY2022. At this point, I wish to bring to your attention that Angel's share in the commodity segment is now inching closer to our previous best, which we have achieved in our lifetime.

Having said that, we have witnessed some transient softness in our turnover market share, as peak margin norms were being implemented across phases from December 2020 to September 2021. Now with 100% implementation of these regulations complete and our acquisition engines working full blast, we believe that we are poised to experience improvement across all segments of our turnover market share going forward.

The outcome of Q2 FY2022 reflects our core strength in this ever competitive industry. We continue to improve on all our earlier achievements, whilst creating new benchmarks for ourselves. We close the quarter with our highest ever gross revenue of Rs.5.4 billion, registering a 13.4% sequential growth, which is further split as follows. Gross broking revenues accounted for approximately 67% of our total gross revenues, with a quarter-on-quarter growth of 11.4%.



Interest income which includes interest on our client funding book and interest earned from deposits accounted for approximately 17%, growing by 26.3% quarter-on-quarter. Depository income contributed approximately 6%, a growth of 9.5% quarter-on-quarter. Income from distribution of third-party products was approximately 2%, growing by 163.7% quarter-on-quarter, and other operating income contributed approximately 9%, a de-growth of about 2.5% quarter-on-quarter. The share of F&O segment in our gross broking revenue increased further to approximately 69% while the contribution of cash segment stood at 26%. The share of commodity and currency segments was 4% and 1% respectively.

During the quarter, improved participation in the cash delivery segment and a greater push for MTF led to a 25% sequential growth in our average client funding book to approximately Rs.15.3 billion. This coupled with healthy increase in deposits led to a 26% sequential growth in our interest income.

After sharing commission with our authorized persons, approximately 74% of the net broking revenue was contributed by our direct clients, whilst the balance is attributed to the clients of our authorized persons.

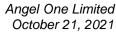
Since we have been adding clients at a very brisk pace over the last two years, the net broking revenue from clients who are less than two years on our platform continues to remain high at 75% in Q2 FY2022, whilst the balance is contributed by more than two-year-old clients. Contribution of the net broking revenue by less than two-year-old clients and two plus year old clients grew by 4.2x and 2.5x in Q2 FY2022 over the corresponding Q2 FY2020 respectively.

The net broking revenue under the flat fee plan continued to witness strong momentum growing to a significant 80% of our overall net broking revenue. At the same time the share of net broking revenue from the traditional plan in the total revenue pie has been reducing consistently from 50% in Q1 FY2020 to 12% in Q2 FY2022.

Finance costs increased to Rs.179 million from Rs.164 million in previous quarter, primarily on account of higher average borrowing corresponding to the increase in the client funding book.

As we have been discussing earlier by Narayan, we have added some of the best talent in our digital business. These are some of the most sought-after names in the industry. Due to this, we have seen an approximately 17% sequential growth in our employee cost, excluding the ESOP cost. Augmentation of human capital in tech, product development and digital revenue functions were the mainstay of this increase.

Other expenses for the quarter rose to approximately 1.4 billion representing a sequential growth of 17.5%. Moving to a new brand Angel One, contributed a slightly higher spend on marketing and advertisement. While increase in client acquisition, tech spend and depository charges were the other reasons for the increase.





On account of both of these, our total cost is higher by about Rs.70 million during the quarter. There will be some amount that will be spent for one more quarter as we continue to add more talent on our tech and product development team and on our rebranding.

Consolidated operating profit and operating profit margin for the quarter stood at Rs.1.8 billion and 47.4% respectively. Consolidated profit after tax from continuing operations increased by approximately 11% sequentially to Rs.1.34 billion once again the highest ever for any quarter to date. Consolidated earnings per share grew to a robust Rs.16.3 per equity share on quarterly basis.

For H1 FY2022, our performance is as follows, our gross revenues stood at Rs.10.1 billion representing a growth of 79% for the corresponding period of financial year 2020. Our operating profit stood at Rs.3.5 billion representing a growth of 101% for the comparable period of financial year 2020. Our operating profit margin expanded by 152 basis points to 48.1% over the same period of last year. Whilst consolidated profit after tax from continuing operations grew by 108% to Rs.2.6 billion over the same period of the last year. Consolidated earnings per share grew by 82% to Rs.31.1 per equity share.

On the balance sheet side, the cash and cash equivalents increased to Rs.45 billion due to corresponding increase in clients funds to approximately Rs.38 billion. The period ending client funding was at Rs.17.8 billion, whereas borrowing stood at 12.1 billion. Some enhancements in tech capabilities led to a marginal increase in the fixed assets to Rs.1.3 billion as of 30th September 2021, up from Rs.1.2 billion as on March 2021. Robust profitability along with efficient capital utilization led to a significant improvement in annualized average return on equity to 42%. With this, I conclude the presentation and open the floor for further discussion.

Thank you. Ladies and gentlemen, we will now begin with the question-and-answer session. The first question is from the line of Nidhesh Jain from Investec. Please go ahead.

Sir firstly, on the distribution income, I noticed that there is a sharp increase this quarter. So, what is the reason for that, because previous to this quarter, we have not been seeing any significant traction on the distribution income. Though, the numbers are pretty small, but there has been sharp increase almost 100% growth on a quarter-on-quarter basis. So, can you explain that and should we expect further momentum in that over a period of time?

So, in this quarter, we had closed about 20 odd IPOs and that led to an increase in the distribution income apart from of course the increase in income from insurance and mutual fund products.

Sure. So, a large part of increase is because of IPOs that we have seen in this quarter?

Primarily because of IPO yes, as I said there were more than 20 IPOs and we've strengthened our position there.

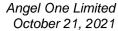
Moderator:

Nidhesh Jain:

Vineet Agrawal:

Nidhesh Jain:

**Vineet Agrawal:** 





Nidhesh Jain: Sure. And with respect to AMC application can you share the timelines by which you expect to

start that operations and as well as any sort of analysis that we would have done that how much we will be able to cross sell to our customers, what will be the strategy, what sort of products

we plan to launch, if you can share some color on that?

Vineet Agrawal: So, the application was filed in September of 2021. Typically, it takes about four quarters or so,

or rather six quarters to set up the entire business and then another two or three quarters to launch the scheme. So, we're looking at about six to eight quarters as a horizon to be able to launch the

AMC business. And once we are closer to the launch, then we will share the other details.

Nidhesh Jain: And lastly, the average revenue per user has been declining if I look at the trend for the last three,

four quarters and this quarter the decline has been quite sharp, almost 11% sequential decline in average broking revenue per user. So, what is driving that and how do we see that trend playing

out. Does it mean that the incremental customers that we are acquiring the ARPU there is lower

than our base customers?

Vineet Agrawal: So, we do not discuss ARPU, because it's competitive information. But all I can say is that our

share in the active Demat and active accounts has increased. And with the increase in the cash delivery volumes, you would see because cash delivery is zero brokerage transaction. So, you will see some movement there, but overall if you see our revenue has increased, and our active clients have also increased. So, these are healthy signs, apart from the increase in the overall

turnover market share.

Nidhesh Jain: Yes, directionally if you can give some comments that on an incremental basis how are the

ARPU trend of customer that we are acquiring in let's say for last two quarters, how are the

ARPU trends there versus the stock of customer that we had?

Vineet Agrawal: So, the inflow of the clients has been largely in these last two months. So, giving a trend that

way will not be correct, but again as I said, we do not discuss ARPU because of it being a very sensitive information. So, as I mentioned directionally I can tell you that the market share is

something which we track on a very minute basis, apart from the growth in the active client base

as well as the revenues.

**Nidhesh Jain:** Sure. So, is there a change in our average payback period or that remains broadly similar?

**Vineet Agrawal:** That remains broadly in that same range of less than two quarters.

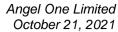
Moderator: Thank you. The next question is from the line of Akshay Ashok from Dalal & Broacha Stock

Broking. Please go ahead.

**Akshay Ashok:** I just had two questions. One was, so this market share do you think will recover because there

has been a dropped in F&O market share on a Q-o-Q basis and overall equity market share on a

Q-o-Q basis. Now that we are adding, healthy numbers in terms of client addition. What is the





reason, why is there has been a slight dip and you feel this will pick up in the coming quarters, that is one and the Super app, if you could just say the timeline, because I thought by the end of the calendar year, or at least by the end of financial year was your aim right to bring out the Super app. Just these two questions. Thank you.

Narayan Gangadhar:

So, hi this is Narayan. So, the Super app the timeline is basically we are on track to launch it by the end of FY2022 which is in March of next year. That's where we are aiming to go live with it and start laying that foundation for launching subsequent apps on top of that. And now I will hand it over to Vineet, who can talk about your first question market share.

**Vineet Agrawal:** 

So, as far as the market share is concerned, so we've seen these four phases of implementation of the margin norms from December 2020 to September 2021. And in each of these four phases, whenever the implementations happened, we saw a momentary dip in the market share and then we've seen the market share come back strongly. So, we expect the market shares to grow across all segments going forward. Now with all the four phases having implemented as of September and then going forward with the robust client acquisition engine that we have; we are expecting our market share to grow.

Akshay Ashok:

And what will be the run rate you are aiming at in terms of client addition. Although, I know that adding four lakh clients a month will be tough, but approximately what will be the run rate you're aiming at?

Vineet Agrawal:

Well, this is the minimum you can expect us to achieve over the next few quarters. So, we will continue at least with a run rate of around 1.2 million a quarter. And obviously we are aiming for higher.

**Moderator:** 

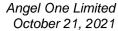
Thank you. The next question is from the line of Madhukar Ladha from Elara Capital. Please go ahead.

Madhukar Ladha:

I just had a question, in the opening comments Mr. Narayan mentioned something about an options analytical tool can you explain that a little bit in detail, I missed that a little bit.

Narayan Gangadhar:

So, as I explained early on in the call, we have been actively working to simplify our products for our customers. Majority of customers who are coming on our platform, through the digital strategies, majority of them are actually first-time customers. And many of them don't have a lot of experience using financial instruments. So, I firmly believe that if we can make it easy for these customers to understand the instrument, and to understand how to leverage that instrument in a very intuitive way by simplifying the experience, we will continue to unlock greater and greater value from this space. So, with this philosophy, in last quarter, we took a pretty important feature, which is our options trading feature, and we simplified it by launching a product known as Insta Trade. And now, the whole point of Insta Trade is that it's an industry first feature that makes it extremely simple for anybody to come and understand what is an option, how to trade with an option, what are the risks associated with it, and how to calibrate the risk reward ratio.





So, this is the first of its kind and it was actually the best in class feature that kind of aims to disrupt by making these instruments more accessible to the masses. So, that is what the parameters of the feature, and that's what the thesis is all about.

Madhukar Ladha:

Does it sort of, suggest option strategies? Just sort of how does it make someone trade, because so far what I understood is it basically explains the payoff mechanism and risk of an option, but within a set of option chains. How does it sort of make it easier for a customer to say, okay this is what you should trade, or this is what you should do. And it goes to as far as that?

Narayan Gangadhar:

Yes, so our first iteration of the feature has been, is just a presentation of what the strategies are, we don't actually go into a lot of detail into what specific strategies are in the market, because there is quite a few. Now that is something we are going to continue to iterate on that's coming in the subsequent quarters. But to start off right off the gate, we are essentially giving them basic parameters such as a timeline, such as an investor sentiment, and asking them to calibrate and giving them a tool that visually lets them calibrate on a slider. So, if you have not used the feature, I would suggest you go back and try it. So, it will be much easier than explaining on the call, so it's a beautiful experience. If you click on the feature, it will show you a beautiful timeline, then it will give you a sense of where the, let's say you want to trade on NIFTY50 options or NIFTY options it will tell you where you are at today. And it will for each one of those days it will give you a corresponding risk reward split. So, what happens is that, with that of course, we have more information which the customer can click on the app and they will get a lot more idea about what strategies are being picked and such. But our first foray of the product is essentially this overall integrated simplistic view where within a few clicks you can actually start redeeming value out of the whole options tray.

**Moderator:** 

Thank you. The next question is from the line of Arpit Agarwal from Electrum Capital. Please go ahead. As there's no response from the current participant, we'll move on to the next, that s from the line of Saurabh Dhole from Trivantage Capital. Please go ahead.

Saurabh Dhole:

A couple of questions from my end. So, the first one is, could you just explain what are the components of this interest income line item apart from the ESOP MTF interest accruals?

Vineet Agrawal:

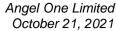
So, the interest income constitutes the client funding book, which is a combination of MTF, the LAS that we have on the NBFC and the T+7 trade receivables that we have. So, all put together is the client funding income that we get, plus the interest that we earn from deposits that we placed with exchanges in the form of margins.

Saurabh Dhole:

Okay. So, on the deposits that you place in the exchanges how much would you be earning approximately on that?

Vineet Agrawal:

It depends on what the interest rates are on the deposits and the tenor of the deposit. So, it keeps on varying, but it would be in the range of about 3.5%, 4%.





Saurabh Dhole:

Okay. And sir the other question is that we understand that this business can be very volatile in terms of the top line movements. So, in case of say 15%, 20% kind of drops in the revenue line items, what kind of cost income ratios can we expect because, how nimble is the business model is what I'm trying to understand here.

Vineet Agrawal:

I think this question has been asked a few times earlier as well. So, I can tell you that this business whilst 15%, 20% drop is something which is not so frequent or easy, but I can still tell you that we have enough levers within our cost system to be able to bring down our cost. So, majority of our cost is the client acquisition cost, that we incur on a quarter-on-quarter basis to acquire these clients that can be curtailed to a certain extent. The employee cost is something where a large part of the cost is attributable to the variable component that can be controlled and now of course. With the decline in the volumes, the cost related to volumes also will go down. So, overall, there is enough space and lever for us to be able to maintain these kind of margins that we have, even if there is a drop in the revenues.

Saurabh Dhole:

Okay. And sir just one last question. In terms of the massive surge, that we're seeing in the derivative volumes as in if you look at the exit rates in the September quarter as well as the numbers for the month of October, in your view what is actually causing such a massive surge in volumes, is it purely the penetration that is happening in the Tier II, Tier III cities or is there something else also which is playing out?

Vineet Agrawal:

Yes, it's a combination of both the penetration that is there amongst the Tier II, Tier III and beyond cities, as well as people understanding the product much better given that there is a huge repository of information that is available on the social media, YouTube, etc including the videos that we also have uploaded on various social media channels. So, people being able to understand this product more easily and of course with a lower capital they can take a better exposure. And of course, people now are getting into this option trade from those smaller towns and cities. So, a combination of these is something which we feel that has a strong participation from the retail segment.

**Moderator:** 

Thank you. The next question is from the line of Vidhi Shah from Antique Stock Broking. Please go ahead.

Vidhi Shah:

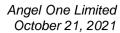
Firstly, can you please tell me what will be the percentage of ESOP cost in overall employee expenses for this quarter?

Vineet Agrawal:

ESOP cost is about Rs.34 million for this quarter, which we have mentioned in our deck.

Vidhi Shah:

Okay. And secondly, can you please explain why the number of trades is not growing so much compared to the active clients that we acquire. The number of trades look quite low. Any particular reason behind that, or how are we working towards that?





Vineet Agrawal:

So, number of trades are a combination of various factors in the market. As I mentioned a few minutes back, the implementation of the margin rules were one of the factors that contributed to some softening in the volumes as well as the number of trades. But otherwise, the number of trades have grown about 16% quarter-on-quarter to a healthy 288 million. That's a good number given the active client base has also grown by about 4.5 lakh over that same period.

Vidhi Shah:

Okay. I thought the impact of margin volume is no longer there compared to the impact was largely covered in the first and the second phase?

Vineet Agrawal:

Each of these four phases had some impact. Large part of the impact was of course in the first two phases, but even the third and fourth phase phases did have some impact. Now with that done and dusted we don't see that uncertainty now.

**Moderator:** 

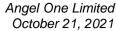
Thank you. The next question is from the line of Ankit Babel from Subhkam Ventures. Please go ahead.

**Ankit Babel:** 

Sir a few questions. Sir you did mention that you have acquired an excellent talent pool. What we need to understand is, if you can share your vision for the next say around two, three years where you see Angle as, what all new verticals you plan to add, any diversification in business. So, where do you see Angel?

Narayan Gangadhar:

So, as Dineshbhai always mentioned, our goal is to get to the number one position in the broking space, because we firmly believe that the broking space itself is under penetrated from just both from a reach perspective and also from a depth perspective. So, if you look at the kind of tools that are available, the kind of products, there is still a lot more innovation to be had here, to bring newer and newer abilities to the market. So, basically get to that number one spot by driving innovation in the broking business, as it stands. Now, as we scale to the next level, basically one of the most important things we need to do is we need to build a very robust technology platform. As you have seen just in the last six months, we have added more people than we added in all of 2020. And this trend is only going to continue to the scale. So, clearly as when you have such a vast group of customers on the platform, the core technology, the core scale, the core customer experience becomes the most important differentiating factors. Because capabilities everybody can provide, that is provided by every major tech platform is going to allow you the capabilities to trade. But what is differentiating is really the experience and that experience is covered by machine learning by AI and by data science. That is really where we think the future is headed. So, to answer your question, of course our long term, very long-term ambitions are to become a platform supporting a wide range of FinTech products. Obviously, you've heard earlier that you've applied for an AMC license, so clearly that shows our intent, but just to be focused on the short term to mid-term, let's say for the next one year, one and a half years we have to really focus on broking get to number one while we slowly build up other businesses. And then our ambitions are to scale to other lines of businesses like mutual funds, insurance and other third parties which we think which will be right for disruption. Assuming we get the first part right.





**Ankit Babel:** 

So, sir when you aspire to become number one, so on what all parameters you will consider yourself as the largest broking house, will it be in terms of say, revenue, profits, number of clients on a gross basis, active clients or on what parameters you will consider you as a number one player?

Narayan Gangadhar:

See, for us it is a combination of revenue and the active client base, and it's not a mutually exclusive thing, it needs to be both. And when we look at the KPIs that we have set for our business, it is exactly what you said, it's the revenue, the rate of growth of the revenue, the trailing run rate, then obviously the distribution of other sources of income the revenue breakdown, whether it is F&O, cash, derivatives, options whatever there's a full list. And then that's the macro level metrics. Then at the next level down, there are even more micro level metrics, which we track internally that measure the health of our business. So, clearly, revenue is going to be the most important one, but it underlies the whole bunch underlying revenue, there's a lot of other things that lead to it. Similarly, it's also the active clients. And here, I want to add that while we are interested in having that scale, we also want to have the right quality of client. So, our goal there is to constantly churn and innovate and essentially, get higher fidelity clients more and more and more higher fidelity clients by training them, by educating them on our platform. So, those are the two most important metrics, obviously revenue, and the second one is the active client base.

**Ankit Babel:** 

Any timeline for that sir?

Narayan Gangadhar:

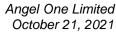
So, it's already work in progress. And you're seeing the results for the last, almost three to four quarters. If you plot it out, you'll see there's been a steady progression. And I expect this to continue for the next foreseeable number of quarters.

**Ankit Babel:** 

I agree from an incremental point of view, you could be number one, but on an overall basis, because I remember Dinesh telling that in the next two, three years they are planning, but when I see the size of Zerodha in terms of active clients in terms of profits, so Zerodha has an active client base of around 50 lakhs, profits of 1000+ crores last year and they are also growing. So, to cross them what kind of growth rates you are envisaging, say in the next two, three years to cross them also. That's the confusion.

Narayan Gangadhar:

We cannot comment on financials of privately held companies. We don't have that and it's not our business. Now, but what we can tell you, is that the race has just started. To already announce a winner just when everybody even at the five-yard line is not very smart. You got to take another 10-year view, after five years we will see who is where, that is really the game. Because right now, that journey has just begun, we are at the starting almost really the early days of that inflection point. Now, what we think is really going to matter the most for the explosive wave of growth that is coming is the best-in-class products and tech, because in the end that is the only thing that matters to the customer. Is how are the products built, are they easy to consume, are they easy to use, are they easy to leverage, are we constantly delivering that value proposition and when you look at our industry, there it is just getting started. Because only very recently





have people even started, that's true even in the rest of the world, not just here. But even only recently have people started applying large scale data science, large scale machine learning to trading patterns, to trading journeys to investing theologies there is this whole space is just started. So, that's why we think it's a long-term play and our strategy is built for that.

**Ankit Babel:** 

Okay. And sir one more thing, One risk which is always associated with a broking business is dependence of revenue on market performance. Now, I understand you cannot immune yourself fully, but what all measures are you taking to de-risk your business so, that even if there is a high volatility in the market at least your or there is a major fall or something like that at least your revenues and everything is protected.

Narayan Gangadhar:

So, what we have seen historically that, as Dinesh has mentioned many times, that if you look at the macro level picture over the last 10 years the markets generally have only gone up and Angel has gone through a series of, has actually withstood a series of ups and downs, there was the Harshad Mehta scam, the Ketan Parekh scam, then there is so many we are battle tested in that way. So, as Vineet has also mentioned, that God forbid, should another correction happen, and I think it's only a matter of time when it does, we will be ready for it, because we already have and understood the playbooks whether it is correcting on the reward side or correcting on the expense side or figuring out what orthogonal sources to pursue. We have been through that a couple of times. So, we have matured in that process. So, what I see in the future is I see our processes getting stronger and stronger. So, that when correction like that happen, we will be better equipped to figure out what the right strategy should be. So, that's how I see.

Vineet Agrawal:

Just to add to that what Narayan said, see the business model has also undergone tremendous change. So, today we have a large business coming from the derivative segment, unlike in the past where cash and particularly cash delivery used to be a prominent part of the business. So, that model change is also something which will be resilient to the changes in market forces.

**Moderator:** 

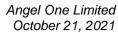
Thank you. The next question is in the line of Anand Laddha from HDFC Mutual Fund. Please go ahead.

Anand Laddha:

Couple of question from my side. In terms of your new client acquisition, if you can give color in terms of the source of the acquisition so what proportion of client are required through online. What proportion of client now are being added to referrals from existing clients. Also, in your presentation slide you indicated that there are 100+ offers that you give to customers such as cash backs, scratch card, so if you can give some color in terms of typically how much is spend you do on client engagement or client adding in such offers you typically what could you spend this quarter or what could we spend one can expect from the full year on this?

Vineet Agrawal:

So, we do not share the sources of the client acquisition, you will appreciate that these are sensitive information prone to competitive channels. So, that's something which we do not share, but I can tell you that our sourcing engines remain more or less same. We are improving them as we go along with the kind of knowledge that we are gathering through various application of





various data science techniques, etc. As far as the cost of acquisition is concerned, so, again, that's in the same range as it used to be in terms of the payback period, it's less than two quarters is what we can tell you.

**Anand Laddha:** 

Okay. Sir our employee base today is 3200 approximately, so within that employee base if you can give a break up like how much RM sales manager we have. So, despite most of our clients, are DIY client despite they need RM support, and going forward do you think if we were to double our new client addition, if all our client base, do we need more number of RM?

Vineet Agrawal:

So, we don't have an RM model per se, so out of some 3400 odd employees we have about 650 are on the digital side. Close to about 1800 from the call center and contact center and the rest are the shared services team, operations, risk, revenue, etc.

**Anand Laddha:** 

So, the call center only helps in onboarding the client, they don't give trading advice to the client?

Vineet Agrawal:

No, there is no outbound trading advice. It's only hand holding the clients as far as the completion of the onboarding journey is concerned. And of course, the contact center is to help them with any issues that they face and navigate the questions, etc.

**Anand Laddha:** 

So, even if you were to double our total client count, we don't need to add significantly to the headcount?

Vineet Agrawal:

We are improving on our DIY journeys also, as Narayan has spoken, we are up skilling are tech and product suite so we don't see a significant increase in the contact center and call center requirement.

**Moderator:** 

Thank you. The next question is from the line of Vipul from ICFR. Please go ahead.

Vipul:

I just want to ask, what is the life cycle of a customer in last three, four quarters?

Narayan Gangadhar:

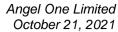
So, when you say lifecycle, can you just please elaborate on the question a little bit?

Vipul:

Yes, see when the client stops or what is the period a client trades generally in different segments like you have mentioned in your PPT like Future or cash?

Narayan Gangadhar:

So, generally that what we see in the business is basically the life cycle pattern of customers is generally the same on every trading platform. Folks come, they spend some time getting used to the product, they spend some time learning about the markets from our products, they spend time on you would call it content consumption. So, we have very strong content book and content library. So, a lot of our engagement even happens before the trade. So, that is something that we are extremely good at as you know. So, we spend a lot of time curating the customer just before getting them used to it, getting them understand what the products are, what options are available, when I say options in terms of financial options and trading options. And then of





course, there is a trading journey. And usually what we see is that usually folks they have strategies to go on multi quarters, multi years, and then slowly, slowly they grow with us. So, lifecycle that your question, we look at folks that are with us for two years, three years, four years and beyond. That's the best answer we can give at this point.

Vipul:

But as the market is volatile, and there is no specific period for per se like one year, two year the customer trades and exits, because what we have seen in your active client data that incremental is as per the trend of the new client acquisition. So, definitely the client getting going out and new clients coming in. So, is there any average you guys actually track in terms of understanding what is your, how many customers are trading for particular months?

Narayan Gangadhar:

Yes, we do track all those numbers but those are as you can appreciate, there's a lot of sensitivity in sharing that and those are internal product metrics that we track to understand our cohorts are evolving in their journey, from one to another. What I can tell you is that we are very strong when it comes to repeats, because we are one of the strongest platforms out there in terms of thickness, and that is only continue to increase.

Vipul:

Okay. One more question I have, you have included in your PPT that your maximum brokerage is coming from flat fee. So, this flat fee brokerage is only from direct clients or it includes the indirect vertical also, your associate partners?

Vineet Agrawal:

A large part of the flat fee revenue comes from the direct clients. There's a nominal part which comes from the clients that are part of the authorized person network.

**Moderator:** 

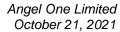
Thank you. The next question is from the line of Sahej Mittal from HDFC Securities. Please go ahead.

Sahej Mittal:

Sir, a couple of questions from my end. Now, firstly as you mentioned in your opening remarks that you will be getting a Super app. So, can you throw some color in terms of how differentiated will this be in terms of compared to the Bellwether, compared to the app which is given by Bellwether brokers Zerodha. And second question would be, what is the contribution of the customer which we have acquired in the last six months through our broking revenue to understand what sort of activation rate or activity levels these customers are. And the third one would be, how many customers which we acquired in the first quarter of last year have been deactivated. So, that would be my three questions.

Narayan Gangadhar:

So, as you said many of the data which you are asking is basically very sensitive information, which we don't share. But I will talk to you about the Super app strategy, that is more relevant to the long term. Now, the Super app, you mentioned earlier how is it going to compare against other apps, apps from other brokers. See, we are not building our Super app to copy what other people have done. I couldn't care less what Zerodha has done, or what Upstox has done. What I care about the most, is what does our customer wants and what can we offer, we are being Angel. So, our Super app is going to be built to play to our strengths, the value that we can offer to our





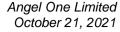
clients. And that is going to be in the form of a fully cohesive experience because if you look through the numbers and look through the ratings on any of the top four, it's very clear that most of the apps today, they all fall short of what the ideal customer experience should be. You just need to do your own homework and look at the actual data. If you look underneath, almost every app, customers have told very clearly that the journeys are hard to follow, the journeys are hard to deduce, the transparency isn't there. Now, these are basic feedback that everybody is getting and obviously we are getting the same feedback. So, clearly, that has to get addressed in the next app, in the Super app. But there are specific journeys, which are Angel related. For example, having a better content display, having a better platform for consuming that content, having a better platform for showcasing our research, this is what we are truly good at. And we also have a very good operational model, our operational experience over 20, 30 years we want to have the best-in-class operating experience to handhold the customers through that journey in a fully automated manner. So, our entire app strategy is built on that, it is built on those pillars of simplicity, transparency, and also better consumption of content and better curation of the journeys for whatever profiles the customers are, whether it is for options, whether it is for derivatives, whether it is for cash and such. And as I said early on in the call we look at Q1, obviously is where we want to launch it, that will be our first launch, it's not a one and done. But once that is done, that gives us the platform was launched subsequent experiences which we are going to build through O2 onwards. And that is really how you think about the whole Super app journey eventually leading to other applications like obviously, support for mutual funds, loans, things of that nature, but that will come later.

Sahej Mittal:

Got it. And sir the other would be on the wealth management space, so you gave some highlights and opening remarks about you will be building out the wealth management spaces as well going forward. So, if you could give some light?

Narayan Gangadhar:

So, what we're seeing is that our customers have been asking us, there is a very healthy set of customers today who managed their funds through our platform and we had an app which we had built, where we have started showing this journey, even about a year ago, but it's been in very limited deployments. So, what we are seeing is all customers have been asking for this. So, our goal here is to build out a platform that lets them, that offers that alternative on our core Angel Super app. Now, where we see this going long term is, we see this as a much-needed optionality to complete the full investment experience for every client. Because our cohorts as they grow through their journeys from being a novice, to a professional investor, to a seasoned investor, what we see is that they are looking for more and more diversification. And we want them to stay on the Angels platform to get that diversification. So, this is how our whole strategy is going to be built around that, it is going to be built around providing that optionality. Some of it can come from us, but some of it can also come from platforms, because ultimately we are also a platform company, we have been the first pioneers of open API's in our industry. And that's also very well known. Angel is known for building open platforms. So, we also see this as a nice frontier to build open platforms so that other folks can also offer their mutual fund journeys on our product. So, that's how we see the business evolving.





Sahej Mittal: And what would be the average portfolio size for the new customers which we are acquiring to

understand the opportunity in this space?

Narayan Gangadhar: Again, there is data that's very insensitive and I'm sure you appreciate that there is

confidentiality here so we cannot share that. But I can tell you that our benchmarks are within the most commonly understood benchmarks today in the industry. That is we are in the right ballpark, there's no signal on either side telling us that the data is skewed, but the data is pretty

much in the right cohort group.

**Moderator:** Thank you. The next question is from the line of Amresh Kumar from Geosphere Capital. Please

go ahead.

Amresh Kumar: Sir, I just wanted to understand the security deposit with the exchanges has come down from

about 1400 crores at the March end to about 37 crores at the September end. So, just wanted to

understand what has happened here?

Vineet Agrawal: Yes, so if you recollect on, 1st of April 2021 it was an expiry day as well as a non-banking day,

because of which we had to draw down and keep enough margins with the exchanges to cater to the volatility during the expiry period and the growth in the volume, whereas this was not the situation as of 30th of September. So, that's the reason why you seeing a decline. This is normal

course of business.

**Moderator:** Thank you. The next question is from the line of Arjun from Spark Capital. Please go ahead.

Arjun: I have two questions. The first one is, do you observe an increase in pledging of Demat assets

could be 100% implementation of the margin compliance and if that's the case and just wanted

to get an idea on what would be the percentage of pledge assets as percentage of total assets?

Vineet Agrawal: I don't have that information handy with me. But yes, the pledging is seen a quite an increase

ever since it started from last year around this time of last year. So, people are now understanding

the process well, and we are seeing some traction there as well.

**Arjun:** Okay, the proportion would be miniscule or it will be high, the pledge percentage of total Demat

assets?

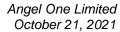
Vineet Agrawal: I don't have that number, but it will be a fair number. I can't give you the exact number right

now.

Arjun: Okay. Sir, just one more question broad one probably, in the U.S. the discount brokers have

started to offer Cryptos to their customers and currently they are kind of immune to the market correction as well. So, I agree the regulation over here it's not very clear, but what is your stance with respect to Cryptos like, would you be somewhere in favor directly offering or would be

associated with some platform which is already offering, what's your thoughts on this?





Narayan Gangadhar:

So, for crypto, the biggest uncertainty is around governance and around the legality of it. And clearly as the regulations continue to provide more line of sight around the level of governance required, clearly at that point there is nothing stopping us from offering those products on our platform. So, we are also waiting for some more insight, some more guidelines from SEBI and the likes of other authorities to see what best can be done here. But absolutely we are constantly keeping an eye out on it. And when the right time comes, we will be ready to offer it as well.

**Moderator:** 

Thank you. The next question is from the line of Madhav Bhatkuly from New Horizon. Please go ahead.

Rohan:

This is Rohan from New Horizon. So, I had a couple of questions one is, what's the current acquisition cost for new customers that you have?

Vineet Agrawal:

Rohan as we have been explaining in the past, this is quite a sensitive information so we do not give the cost of acquisition of our clients, we give a directional view that we are able to recover the cost of acquisition in a matter of less than two quarters and we continue with that.

Rohan:

Okay. Just another question is, you have bought the rate of acquisition so if you have a gross adds say 1 million or 1.3 million. So, let's say if you have 30 day or 60 activation rate of gross adds, what number would that be hovering at?

Vineet Agrawal:

So, overall, the activation is about 38% and we are in the first few weeks of acquisition, the activation is slightly higher. And I can't give the exact number right now, but overall, it's 38% of the overall client base.

**Moderator:** 

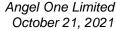
Thank you. The next question is from the line of Arpit Agarwal from Electrum Capital. Please go ahead.

**Arpit Agarwal:** 

I just have one question, employee base if you see last three, four quarters has increase by about 1000 employees. I understand that it has been largely driven growth and you've added employees on the tech side. But as you grow how that will pan out over the next two, three years. And at what stage the operating leverage will play out is what I want to understand.

Vineet Agrawal:

So, while we are aggressively hiring on the tech and product side, but the number of people that we hire are not going to be as high as you've been seeing in the last two, three quarters, but the quality of people that we are going to hire definitely are going to be high quality people as we go along. So, as our process has become more robust on the tech and product side, with the same set of employees, we are able to generate or cater to a higher number of clients. But on the product and tech side, we are very clear that we will see a higher in the next few quarters. Just to add to that, the cost of the employees on the call center, contact center are not significant so whilst you might hear optically a large number of employees with us but as I said earlier, almost 1800 to 2000 are call center, contact center employees who were the cost is not significant.





**Arpit Agarwal:** 

Okay, and you've been talking about diversified revenue stream and Super app, which is more on the FinTech side. So, one product which you already applied for is the AMC and you have been hiring so many people on the tech and product side. So, directionally where are we heading, are we like saying that we will probably go into lending and a lot of other products which are there on the FinTech side. So, if you can give some sense what is the plan other than AMC, which is obviously in the public domain, what is the directional thinking of the company because distribution also is very small. So, is it like only distribution or a lot more other products are on the anvil?

Narayan Gangadhar:

Yes, so as I mentioned earlier directionally the focus is going to just be broking. That is the core business that we firmly believe, is poised to grow the most over the next decade. So, our goal is to get to the number one dominating position in that. And we believe that the race has just started, like we're still very much in the early days, it's not even 5% penetration and in addition, even in that 5% the depth of engagement is also not as high as it can be. So, what I firmly believe and what our company's strategy is that we want to build the best-in-class trading experience to start with. And clearly, when we look at the overall investment and the portfolio management space from a client's perspective, obviously AMCs, insurance, all these other products they play a critical role there. But all of that will be seeded on top of our core broking journey. So, to give you a very, very, very specific the razor focused sense of vision, it is largely going to revolve around our trading platform, broking platform, building the best-in-class journeys, for leveraging value, which allow our clients to leverage value through the explosive capital markets which are going to come, that is really where we are going to stay focused on. And of course, as time goes by there will be other journeys which will come into it very much like AMC and such.

Vineet Agrawal:

Just want to add to what Narayan said and perhaps you were referring to when you said lending to the client funding book that we have. So, see, this is a complimentary product that we have, and this is very unique not many of the brokers have this kind of product at this scale and size of which we have and this helps our broking business and also make sure that we are able to bridge finance the clients who want to take positions with limited capital availability with them. And as I said, this is a complimentary product that we have, which complements our broking business, but other than this we do not aspire to venture into any other form of lending.

**Moderator:** 

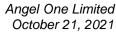
Thank you. The next question is from the line of Dipen Shah, an Individual Investor. Please go ahead.

Dipen Shah:

I had a couple of questions. Firstly, maybe if you can just guide us on what proportion of clients actually trade based on our recommendations like ARQ, etc and do you have any data on that?

Narayan Gangadhar:

It's very confidential information, because it's very specific to our feature and option. But I can give you a broader sense of how it works. So, when we launch a feature like this, and when it gets to mainstream, at a very pretty high level of engagement from our clients who are full time traders who are more sophisticated traders. So, what we see is that we curate the experience based on folks that have actually understood the trading patterns. Now some features like Insta





Trade for example are built for novice users, for them the engagement is slighter lower in the start but then it builds up. So, overall, I can tell you for ARQ the engagement is pretty healthy. And it is in line with what we had said as our internal goals when we launched it.

**Dipen Shah:** 

Okay. So, maybe just taking it a bit forward, since our model is now largely flat fee based, it is more dependent on the number of trades which happened through the clients rather than the actual value. Now, what I was trying to correlate earlier question was to in case there is a fall in the market for a period of time, would you think that volumes could come down or based on our recommendations if they are following a large part of our recommendations, they can also trade on the other side and hence the actual volumes or the number of trades may not come down even in case the market falters. So, maybe I don't know whether I make sense but if you can just throw some light on it. Thank you so much.

Narayan Gangadhar:

Yes, as we have seen right during any correction, anytime there is a correction in the market, obviously the volumes will get impacted and the number of trades will get impacted. So, it is a macro level metrics which impacts everybody. And we are also going to be susceptible to the same thing. So, that's a macro. However, what we have seen as we have mentioned earlier is that having been in the business for 25, 30 years, we have understood the game plans, the patterns and the rule books, that a large player like us should follow when the downturn happens. So, we have those playbooks ready to go, we have understood those patterns, as Vineet mentioned earlier on the call there are other diversification that we are building. So, what we see that when the downturn comes, we will be ready with a clear response strategy, and we will continue to curate and grow our business. And of course, the baseline might be lower just because of the micro market conditions, but it will not get in the way of where we want to see our vision go long term. And that's a better way of saying

Dipen Shah:

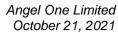
Okay. So, maybe just as a bit one more on this part. Our model is now fee based and also 80%, 90% of the volumes comes from the derivative side, where you can also play on the other side and not only on the long side. So, would it mean that there will be strategies which will be ready by us, which will allow market players to play on the other side that you are on the short side to be very specific. And that is the reason why we may not see as much fall in volumes as we could have seen earlier when derivatives were not such a large part of the overall revenues?

Narayan Gangadhar:

Yes. So, as we look through our product strategy obviously, there will be newer, newer venues for our goal, the macro level goal is we want to unlock value for our customers. That is the whole business, so if we go into some kind of, if the markets head in the different directions. Obviously an agile company like ours will respond with the right product strategy. Now, the right product strategy is through a short or through whatever other schemes that really the time will tell you. All we know is, we have the instruments ready to go when the ready to go and deploy when the time is right. Not make sense on day one, but some of them might make sense later.

**Vineet Agrawal:** 

Just to add to that, if you were to see the recent incident in March 2020 when the markets corrected big time. You see a new set of clients who wait for an opportunity like this, they come





into the market and overall, the volumes grow next few weeks, months and you see a new set of clients, a new wave of clients coming into the market.

**Moderator:** 

Thank you. Ladies and gentlemen that's the last question. I now hand the conference over the Mr. Narayan Gangadhar for his closing comments.

Narayan Gangadhar:

Thank you, everyone for joining us today on this earning call.

India's FinTech industry is at the cusp of strong growth. Organizations who were able to identify this opportunity early on and adapt to this change will be key beneficiaries of this growth. Since the digital space is such where room for players is limited, it is imperative they make the right moves at the right time and capitalize on the huge opportunity. I'm very happy to share that Angel had identified this opportunity and was ready with its products ahead of time. Now, with the buildup of strong tech and product expertise with global experience, as we start rolling out new products and services, I'm sure that the launchpad for us to leapfrog into new orbit of growth is ready.

We will continue to invest in augmenting our technology, human capital, product and service offerings as we move ahead on path to become leaders in this business. With a strong corporate structure in place coupled with our superior products and service offerings, I'm confident we are poised to achieve our goal of maintaining market leadership over the next couple of years. This will have a multiplier effect not only on our operating metrics, but also our financial performance in years to come. While there may be periods of interim up and down, our agility and aggression to quickly adopt and adapt to change will keep us ahead of the curve.

I am certain that Angel will play a dominant role in deepening the culture of systematic wealth creation across all segments, age groups in the long run. Our strategy to expand our product and service bouquet to include sustained wealth creation products will play a vital role in this journey.

For further queries, please reach out to our Investor Relations team or SGA, our Investor Relations Advisors. Wish all of you a great day ahead. Stay safe, stay strong. Thank you.

**Moderator:** 

Thank you. Ladies and gentlemen, on behalf of Angel One Limited that concludes this conference call. We thank you for joining us and you may now disconnect your lines. Thank you.