



November 26, 2025

To,
The Listing Department,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001
Scrip code: 544603

To,
The Listing Department
National Stock Exchange of India Ltd.,
Exchange Plaza,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400051
Symbol: GROWW

Dear Sir / Madam,

Sub: Transcript of the Earnings Conference Call for Analysts and Investors held on Friday, November 21, 2025.

Ref: Disclosure pursuant to Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the provisions of Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the transcript of the Earnings Conference Call for Analysts and Investors held on Friday, November 21, 2025.

The transcript is being uploaded on the website of the Company viz. www.groww.in.

Kindly take the same on record and oblige.

Thanking you,

**For Billionbrains Garage Ventures Limited
(Formerly known as Billionbrains Garage Ventures Private Limited)**

**Roshan Dave
Company Secretary and Compliance Officer**

Encl.: As above

BILLIONBRAINS GARAGE VENTURES LIMITED (FORMERLY KNOWN AS BILLIONBRAINS GARAGE VENTURES PRIVATE LIMITED)

REGISTERED OFFICE:

Vaishnavi Tech Park, South Tower, 3rd Floor, Survey No.16/1 And 17/2, Ambalipura Village, Varthur Hobli, Bellandur, Bangalore, Bangalore South, Karnataka, India, 560103

W: www.groww.in

E: corp.secretarial@groww.in

T: +91 80-69601300

CIN: U72900KA2018PLC109343



Billionbrains Garage Ventures Limited (Groww)

Q2 & H1 FY26 Earnings Conference Call

November 21, 2025



**Management
Representatives:**

**Mr. Lalit Keshre – Co-Founder and CEO
Mr. Harsh Jain – Co-Founder and COO
Mr. Neeraj Singh – Co-Founder and CTO
Mr. Ishan Bansal – Co-Founder and CFO
Mr. Lalit Bhimani – Group Head, Finance
Mr. Kunalraj Singh – Head of Investor Relations**

Moderator:

Mr. Himanshu Bahuguna – Bank of America

Moderator: Good afternoon, ladies and gentlemen. Welcome to Billionbrains Garage Ventures Limited, popularly known as Groww, Q2 and H1 FY26 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 management's remarks.

Please note that this call is being recorded. Additionally, please note that this earnings call is scheduled for a duration of 45 minutes and we will be starting directly with the Q&A session right after a few words by Lalit. If you wish to ask a question, please use the raise hand feature available on your Zoom dashboard.

We will announce your name on the call and unmute your line, post which you can proceed with your questions. We will wait for a moment while the question queue assembles. Ladies and gentlemen, I now hand the call over to Himanshu from Bank of America. Thank you and over to you Himanshu.

Himanshu: Thank you Michelle and thank you everyone for joining the call today. It's a great pleasure to host the management of Groww for their first post-IPO results call. Before I begin, I would like to read out a standard disclaimer from Bank of America. The opinions, statements and other information provided today by Groww management are not the opinions, statements or information of BofA Securities. Such opinions, statements or information will be based solely on publicly available information and not in breach of any confidentiality obligations owed to the third parties.

Please note that BofA Securities are not providing any financial, investment, legal, tax, medical or other professional advice and in particular are not providing any advice or view with respect to any securities or financial instruments or the advisability of investing in, purchasing or selling any securities or financial instruments.

With that, let me hand over the conference to Kunalraj Singh, Head of Investor Relations. Thank you and over to you Kunal.

Kunalraj Singh: Thank you Michelle. Thank you Himanshu. Good evening, everyone and welcome to the second quarter FY26 earning calls of Billionbrains Garage Ventures Limited. Our financial results and shareholder's letter have been published on the exchanges and the information pack has also been uploaded on the company's IR website.

Before we begin, I would like to remind all the attendees that certain statements or comments made on this call by the management, which reflects the outlook for the future or which could be deemed as forward-looking, may involve risks and uncertainties and are not subject to any review or procedures. Such statements or comments are not guarantees of future performance and actual results may differ.

Joining me on the call today are Lalit Keshre, Co-Founder and CEO, Harsh Jain, Co-Founder and COO, Neeraj Singh, Co-Founder and CTO, Ishan Bansal, Co-Founder and CFO and Lalit Bhimani, Group Head Finance. With that, I now hand over the call to Lalit to share his opening remarks.

Lalit Keshre:

Hello, everyone. First of all, thank you so much for your belief in us. We started Groww more than nine years back to make investing simple, transparent, and delightful. Our philosophy has been to always build, always do right by the customer, keep building for them, create the best product experience. And then with that philosophy, we have got immense love from our customers and we are super grateful to them.

Although it has been more than nine years, but we still feel that we are just uh starting in our journey. And because this is our first quarterly call, I want to kind of touch very briefly on our product roadmap for the future. And for the next few, many quarters you will keep seeing us, I mean, you'll keep listening the same thing same kind of themes.

The first thing is like, you know, as we see India, like how we grow and how financial markets grow, your company will kind of continue spearheading this democratization of financial services in the country and our obsession to build the best customer experience kind of will continue kind of help us getting a lot more customers and that will be like our highest priority going forward and then as customers join us, they build their wealth, they continue buying more and more products.

So far we have built 10 plus products on the platform but good thing is that there is a like a long road map in front of us and we will continue building multiple products and with multiple products customer engagement continues increasing, retention goes up and then when customers love your product monetization also follows.

We build the platform from the customer perspective and that's what kind of also creates like a pull for us. Lastly, like with the brand that we have created and the deep investment in technology that we are doing also create an

enduring competitive advantage for your company. That's all I wanted to say today but I will be very happy to answer your questions in this first quarterly call.

Once again thank you for joining us in this journey in building India's largest investing and wealth platform. Thank you.

Moderator: Thank you very much sir. We will now begin the question and answer session. The first question is Prayesh Jain. Please accept the prompt on your screen. Unmute yourself, introduce yourself and proceed with the question.

Prayesh Jain: Hi everyone. This is Prayesh Jain from Motilal Oswal. Another great set of numbers. Just firstly book keeping questions on the orders that you have given. Can you split that up for us in terms of cash and derivatives? Second question is on the CAC. We have seen a significant increase in CAC and how do you see this kind of progressing going ahead? I am restricting to those two because of the limit.

Ishan Bansal: Thanks, Prayesh. Let me take this question. I think we have already shown our revenue split across derivatives and cash. If you look at the pricing is very simple. We charge INR20 on the derivative side. The rest is on the cash. The split is actually very similar. Roughly, you can say 70% odd will be on the derivative side and 30 odd will be on the cash side and on the question on the CAC side, I think Harsh you can answer.

Harsh Jain: Yes. See, part of our growth, the cost to grow that we report is part of it is a branding which is a fixed cost and some part of it is in the variable cost. If you see different quarters, the CAC will also be a result of how many new acquisitions happen in that particular time frame and going forward like across the year, it then normalizes. There is variation quarter-to-quarter you can see depending on the time and the situation in the market.

Prayesh Jain: So on an annual basis, do you think that we can, what level we were in, say, FY25. Now that completely gone away and we will possibly be at a more higher number on an annual basis and what should be our annual number that we should think about from a CAC perspective? I think what you mentioned also that CAC should be looked from a full year basis rather than just on a quarterly basis. So, from a full year perspective, what should be the kind of CAC that we should think about from a, I understand that additions would come as they are, but from an absolute spend perspective is what I am looking for?

Harsh Jain: So, Prayesh it is difficult to predict for the future, but I would say that it is not going to be very different from the -- the overall spends are not going to be very different from the previous times and acquisition overall numbers also depends on the how the market conditions are.

Prayesh Jain: Absolutely. Great. I will come back in the queue. Thanks.

Moderator: Thank you. We will take the next question from Jayant Kharote. Please accept the prompt, introduce yourself and proceed with your question.

Jayant Kharote: Thanks for the opportunity, Jayant Kharote from Axis Capital. Hey Lalit, so two questions, both regarding lending. First one is on MTF. We have seen strong growth over here. I think given the number, the yield number is looking slightly higher than 15. Is it an end of period issue?

One is that and broader question on MTF is the aggression by the competition over the last three months, it seems everybody is now jumped into this product. We have players offering it at 7.99 very aggressively. So both from a yield as well as a growth perspective, how should we think of competitive landscape for MTF, not just for a quarter, but given our aspirations over the next two, three years, how should this, what is the strategy that you would use? That is the first question. I will follow up with the second one?

Ishan Bansal: Yeah. So let me take this one. I think MTF for us the yield part that you talked about, I think will be again end of the quarter kind of a difference. Our pricing is simple. It is 14.95%. Other than that, the growth rate I think it's not very -- we don't see competition from an MTF perspective specifically because it is a second product typically that customer is using.

Before that customer is already there on stocks and some of those customers actually start doing MTF as well. What we have seen in other products as well, the pricing is not the reason why customer chooses a platform A versus platform B. The experience is what matters to them. And over a period of time, typically customers end up doing more and more products with the same platform. The reason to selection can be different for different customers. But in the end of the day, pricing is least of the concern when looking at the selection of the platform.

Jayant Kharote: Okay. The second one is around LAS. You have started this product now. What is the experience? How is the run rate and how long do you want to wait before you press down the accelerator on this one or it will be a calibrated run rate of the kind that we are seeing for the past one month?

Ishan Bansal: So it is very -- LAS is very early stage today. So if you look at LAS is actually not even fully LAS. It is just loan against mutual funds as of now. Loan against securities is yet to be launched. So what we have seen is there is like a lot of features and kind of different, you can say optimization on the product side yet to be done. I think as we keep on doing some of these features, the growth will keep on scaling up.

We generally don't look at like accelerating or something. Some of this is like adoption from the customer perspective, as the customer's need on the LAS side keeps on increasing. This will kind of keep on going up. What is happening is this is a AUM product, very similar to MTF. When we started, MTF was also started like almost more than a year back. And that time MTF also was going up slowly. But over a period of time, it has become larger. So we think LAS also will take some time for us to kind of come to a product with where the scale is larger. And hence the growth rate of the disbursement will keep on happening.

Jayant Kharote: Sorry, if I could just squeeze one supplementary sort of encapsulating these two points only. If you can give me a broader three year outlook, where does your lending book look like?

Ishan Bansal: So difficult to project again, from a forward looking perspective. But what we have seen is especially on the MTF side, our growth rate has been really good in the past. And what we are expecting in the future is that we have a fair share that we want to kind of reach. And it will take at least three years to probably reach there. And the fair share is significantly higher than where we are today, probably like a double digit number on the market side, where it's not going to be like we are taking share from the market. But we think we will end up expanding the market by that amount itself.

Jayant Kharote: You mean double digit in terms of market share of MTF? Great. That is very helpful. Thanks a lot and best of luck guys.

Moderator: Thank you. We'll take the next question from Nidhesh Jain. Please accept the prompt, introduce yourself and proceed with your question.

Nidhesh Jain: My name is Nidhesh. I am from Investec. I have two questions. Firstly, on the customer sourcing, can you share some break up in terms of sourcing channel, whether it is organic referrals or performance marketing? And second question is on the revenue model in the wealth management, the equation that we have done and the plan that we have for the W app. What is the revenue model that we are thinking on the wealth management business?

- Harsh Jain:** Sure. So I'll take the first one and I'll answer that Nidhesh. So for us, see organic is the biggest channel and almost I think we reported also almost 80% people come organically. The other channel is primarily the performance marketing, which is digital marketing that happens. And a very small part of it is referral, but we are not running a commercial referral. So it's more of a word of mouth through the app also. So these are the three channels how we get the acquisition.
- Nidhesh Jain:** Just to confirm, 80% is still organic?
- Harsh Jain:** Yes.
- Nidhesh Jain:** Sure. Great.
- Harsh Jain:** And the second question, I think Ishan.
- Ishan Bansal:** So on the wealth side, I think we are very early today. We did the acquisition on the Fisdome side, which got the balance sheet got consolidated as of 30th of September, but the P&L will start getting consolidated soon. And roughly 3% revenue is coming from that business. And obviously that business is growing well and over a period of time, the contribution will keep on increasing. There's a lot of integration yet to be done for us to kind of look at how actually it will perform in the future. And we'll come back to you in future quarters on the wealth side.
- Nidhesh Jain:** If you can explain the revenue model, it is distribution income or it is the...
- Ishan Bansal:** So on Fisdome side, it is largely distribution income coming across different four products primarily. One is mutual fund, regular mutual fund. Second is the PMS distribution, PMS and AIF distribution. Third is the insurance distribution. And fourth is on the unlisted security side.
- Nidhesh Jain:** So, you plan to carry on with a similar revenue model or do you think?
- Ishan Bansal:** So, there are future products. Some of them are already launched. So, for example, we have launched the PMS of mutual funds recently. And I think that part will obviously grow faster and we'll start contributing where effectively we are charging the customer for the advisory under the PMS route.
- Moderator:** Thank you. The next question is from Dipanjan Ghosh. Please accept the prompt on your screen. Unmute yourself. Introduce yourself and proceed with your question.

Dipanjan Ghosh: So just a few questions from my side. First in terms of the employee base and with the acquisition of Fisdom and probably your own ramp up expectations on the wealth side of the journey, you know, what sort of manpower and maybe the quality of personnel that will be requiring to deploy on that side of the business?

And in terms of that, how can the employee expenses really behave over, let's say, the next two to three years? That was the first question. The second question is, if I look at your active FNO customers, and that has remained around 1.4 million for at least the last two or three quarters, despite the fact that obviously new customer acquisition run rate is very strong.

So in terms of when you do some analysis on your underlying customer segment and the new users who are coming onto the platform, in terms of the behavior of those customers or in terms of potential new customers who can be coming in on the FNO side, what sort of outlook do you really have out there?

Ishan Bansal: Lalit, do you want to take the wealth piece?

Lalit Keshre: Yes. Yes. So Dipanjan, I think wealth, as Ishan said, like we'll be talking a lot more about in coming quarters. It's just like we're just getting started. So, so all these kind of questions will become clearer. But how we look at it is like it will be more, you know, our based on our DNA, it will be more like, you know, tech-led and so on.

But again, like I said, like we are still kind of the integration is happening. And it would be it would be an interesting kind of interesting kind of product to build. And your second question was on the FNO. Ishan, you want to answer this?

Ishan Bansal: So on FNO side, what is happening for us, especially after the last year's regulation is there is a churn in the users, which we saw specifically till Q3, Q4 last year. After that, there is a small growth rate. It is not showing up in millions, I think.

But there is still a growth rate in users. But the quality of the user is like doing really well. So if you look at the average order per user have significantly grown, some of those numbers, you can look at it, will be kind of in the range of like 10% to 20% growth on average order per user, which is primarily getting contributed because the high quality users are still there on the platform, not only still there, but are actually growing.

But the low-quality customers who were earlier placing significantly lesser number of orders and the turnover was also significantly lower is actually moving away from the platform, which we think is a good thing both for us as well as industry as it becomes more niche and will be only serving the high-quality customers who understand FNO as a product better.

Dipanjan Ghosh: Got it. Just one small follow up on the first question. If you can just quantify your employee count for 2Q of this year and last year. That's all. Thank you.

Ishan Bansal: Latit, you will have that number, Bhimani. Lalit, you are on mute.

Lalit Bhimani: So, we have 832 core employees who are involved in product business building and about 300 odd employees who are doing our customer services. And on the Fisdome side, we have acquired about 500 odd employees which have come with part of the acquisition. And out of this 500, about approximately 180 are doing sales for the Fisdome.

Moderator: Thank you. We'll take the next question from the line of Abhijeet Sakhare. Please accept the prompt. Introduce yourself and proceed with the questions.

Abhijeet Sakhare: My first question was that based on the commentary when I do some rough math, it looks like the annualized ARPU of the customers that we've acquired in the last quarter is probably close to the past vintages. I just wanted to double check if that observation is right. And secondly, the second question was that there was a number mentioned in the press release on the disbursements in the credit business.

It's slightly different from what you've disclosed in the data book. So, I just want to double check when the data book the disbursement number on the per credit Groww Creditserv was about 3932 million. And in the press release, it was somewhere close to about 1500 odd million. So I just want to clarify that as well.

Ishan Bansal: On the first question, I think, sorry, on the second question, I think we'll check the data and come back to you. My guess is the difference is between one is a PL number and another is a overall GCS number. So that might be the difference.

And the other one will be like a LAS related number. On the ARPU side, actually, it's very difficult to look at ARPU on a quarterly basis. We've seen that over a period of time, things change.

And hence, we look at ARPU on an annualized basis. But you're right. The quality of the user that we are getting today looks similar to what we were getting earlier as well. It's not like significantly different from in the past as well.

Abhijeet Sakhare: Got it. Thank you so much.

Moderator: Thank you. The next question is from Saket Karan. Please accept the prompt. Introduce yourself and proceed with the question.

Saket Karan: Yeah. Hi. Thank you, everyone, for giving me this opportunity. And my first, and I'm an Individual Investor. And my first question is, what is the expected contribution of the Finwizard technology acquisition to Groww consolidated financials and the operation roadmap? That's it.

Ishan Bansal: So currently, like I said, roughly, their run rate from a revenue perspective is around 3%. And on the contribution side, I think they're still negative. More we like breakeven, closer to breakeven, but still negative.

And on the bottom line side, I don't think they will add anything to Groww as an overall platform. On the roadmap side, I think Lalit already talked about that there are still an integration that is happening between Fisdome and Groww. But there are four products that Fisdome has.

One is on the regular mutual fund advisory side. Second is on the distribution of AIF and PMS, insurance, and then unlisted securities. And recently, they have launched PMS of mutual funds, which is also growing very fast. So some of these products over time will start coming to Groww customers as well.

Saket Karan: Thank you, Ishan. One more question I have. So what are the major operational or regulatory risk management foresees like over the next two quarters, and what are the steps are we taking to mitigate them?

Ishan Bansal: Lalit Bhimani do you want to take it?

Lalit Bhimani: Sorry, I just lost the internet in between. Can you repeat the question?

Saket Karan: Yeah, yeah. Sure, sure. So, what are the major operational or maybe a regulatory risk management foresees like over the next two quarters, and what steps are being taken to mitigate them?

Lalit Bhimani: From a regulatory standpoint, I think it is BAU for us. There is no specific risk which we are foreseeing, Saket.

Saket Karan: Okay. Okay. Thank you. Thank you, guys. Thanks.

Moderator: Thank you. The next question is from Ansuman Deb. Please accept the prompt, introduce yourself and proceed with your question.

Ansuman Deb: Yeah, hi. Thanks for the opportunity. This is Ansuman from ICICI Securities. My question is regarding your new users who are coming onto the platform. I see an increasing trend of new users using what you call SIP and MF portfolio, which is a successful diversification of your product, but they lack that kind of monetization, right?

So can it be a -- how are we mitigating this, what you call diversification of customers who may not be as monetizable at the start versus what was our core offering where it is monetizable in terms of broking?

So if you can just give a strategic roadmap of this new user, new product, which is less monetizable compared to the old users or the old product and the classical broking business. If you can just give your strategic roadmap of that.

Lalit Keshre: Hey, Anshuman, I'll take this. So, I think we'll think a bit differently here, right? So as I said, like, the way we look at it is that we are building India's largest investing and wealth platform and there are multiple products.

Some products will have, and different products have different monetization kind of methods, you know, transition-based and also some amount of AUM-based and so on, right? And that is how we look at it. Like we don't kind of design this way, okay, this is less monetized product, let's monetize it more, and so on.

We look more from the value proposition for the customer and also building the entire basket for the customer. And we have to accept the fact that there will be some products that will be kind of, you know, there will be some products which either will be have lower monetization or will be monetized in future and so on.

But I think the fundamental kind of way we think about it is building a very, very kind of customer-focused platform, building entire kind of wealth of the customer there, keep building multiple products there and keep building better and better experience for the customers. And then monetization follows.

Ansuman Deb: Yeah, absolutely. No, I got a sense. But I was just saying that you also mentioned the high quality of investors. I think we have seen in the system also that number of average size of trades have increased in the exchanges also, which is kind of reflective of your thing also.

But any chance or any view on possible monetization of this mutual fund distribution? Because we seem to be one of the major movers and shakers when it comes to SIP, right? But anything on the horizon on that front?

Lalit Keshre: Yeah, we will share with you once we kind of come up with something. Yeah. But primarily like we -- yeah, will share with you if something happens.

Ansuman Deb: Okay. Thanks a lot. Thank you.

Moderator: Thank you. The next question is from Nidhesh Jain. Please accept the prompt and proceed with your question.

Nidhesh Jain: I have a question on the lending business. So there are the disbursements on a Y-o-Y basis has moderated. And if I look at FY '25 financials, in the expense line item, there is a credit loss of almost INR70 crores.

If I allocate to the unsecured book on your own balance sheet, that translates into 7% credit cost. So is this reading right that on your book that you have originated on your own balance sheet, the credit loss was around INR70 crores on a book of INR1,000 crores?

Ishan Bansal: I think from a book perspective, I think we are more closer to 1,250 odd. And hence, this number is slightly lower in percentages. And some of these are like variable in nature, we are still in a phase where we are stabilizing our book from a vintage perspective.

So, this business is just 3 years old. And we are closer to where I think it will get stabilized. We have seen I think, from a cost of provisioning perspective, it has come off compared to the last quarter. And that's how we think it looks more stabilized now compared to earlier.

Nidhesh Jain: So, what will be the strategy on using your own balance sheet for loans? Will you be focusing on unsecured loans going forward or?

Ishan Bansal: So the idea is to actually create a healthy mix between secured and unsecured. And you can see in the last quarter itself, the secured business has grown much faster, both in disbursement as well as on the book side. And I think that will keep on continuing in the coming quarters as well. And we want to in longer term have a healthy mix of both of them.

Nidhesh Jain: And for unsecured, it's a completely digital process. There is no physical process in terms of collections or underwriting?

- Ishan Bansal:** So collection obviously is a mix of digital and physical. But on disbursement side, it is 100% digital. And that's how we operate both on book as well as on the distribution side.
- Nidhesh Jain:** Sure. Thank you. That's it from my side.
- Moderator:** The next question is from Aman Dugar. Please accept the prompt. Introduce yourself and proceed with the question.
- Aman Dugar:** Hi, everyone. I'm Aman Dugar. I'm from Nuvama Wealth. Congratulations on a great set of numbers. I just wanted to ask some data keeping questions. So just wanted to know, as of like H1 FY '26, what is your loan book size for like the personal loans? And what is your LAS book size?
- Ishan Bansal:** Lalit, do you want to answer?
- Lalit Bhimani:** Our personal book size is INR1,140 crores. And our LAS book is about INR60 crores.
- Aman Dugar:** And just to follow-up, like, what has been your AMC revenue this quarter?
- Ishan Bansal:** It will be very small.
- Aman Dugar:** That's it from my side. Thank you.
- Lalit Bhimani:** It is about 17.99 million, very insignificant at this stage.
- Aman Dugar:** Okay. Thank you.
- Moderator:** Thank you. We'll take the next question from Nagendra Maurya. Please accept the prompt. Introduce yourself and proceed with the question. Mr. Maurya, please proceed. As there is no response, we will move on to the next question, which is from Bhuvnesh Garg. Please accept the prompt. Introduce yourself and proceed with your questions.
- Bhuvnesh Garg:** Yeah. Hopefully, I'm audible.
- Moderator:** Yes, you're audible.
- Bhuvnesh Garg:** Thank you for the opportunity. A couple of questions from my side. So, firstly, on your cost to serve. So, if I see quarter-on-quarter basis, the cost to serve has declined, whereas our number of orders and other business metrics have improved. So if you can just elaborate in what has led to this decline?

Ishan Bansal: So cost to serve has actually two components. One is on the technology cost side, and the second is on the transaction related costs. I think the transaction related costs would have still increased, but our technology related costs actually has come off.

We have done some optimizations in last quarter, which has helped us to reduce this cost. And we've been kind of running at a significantly higher capacity just to maintain good, you can say, uptime for our customers. And hence, there is still an opportunity to optimize some of these costs in the future.

Bhuvnesh Garg: Sure, sure. Understood. And second thing is on revenue per order. So if I see it has also increased on quarter-on-quarter basis. So is it -- did we take any pricing action in the last quarter? Or what is the reason for this increase?

Ishan Bansal: So there is a mix of multiple, I think, three reasons. One is the average ticket size helps us increase the revenue per order. The second thing is the pricing action one we took in June last year, June this year, was fully baked in in this quarter. And the third is basically the mix between how cash and derivatives kind of business changes that also kind of changes the revenue per order for us.

Bhuvnesh Garg: Sure, sure. Thank you. And just on your advertisement and customer acquisition costs. So, if you can just give the breakup of into advertisement and customer acquisition cost, and how do you -- how do we see this trend going forward, advertisement separately, and then customer acquisition costs separately?

Harsh Jain: Yeah, so we don't look at the cost like this. We look at the cost to grow as a consolidated cost of every activity that we do. And because these activities are also little, I mean, they are not done across, they are done when there is an opportunity. So the right way for us to look at the customer acquisition cost is whatever we spend for the marketing activities, we use that and divide that by the new customers that come in during the timeframe. And that becomes our cost to grow and CAC.

Bhuvnesh Garg: Sure. Any particular target you have, any advertisement campaign you are planning to run, I mean, in coming days or anything of that sort?

Harsh Jain: No. As of now, I mean, we keep on doing these activities. And as soon as there is an opportunity, we participate in that.

Bhuvnesh Garg: Sure, sure. And just the last question, if you can share the data on number of Demat accounts that we have as on September or as on June?

Ishan Bansal: We actually don't track the Demat account number. I think we feel that's not the right metric to look at. Because customers who don't transact is very difficult to kind of retain as well. So the customer who's transacting with us is a right customer to look at.

Bhuvnesh Garg: Okay, understood. That's it from my side. Thank you very much for your time.

Moderator: The next question is from Mayank Agarwal. Please accept the prompt, introduce yourself and proceed with the question.

Mayank Agarwal: Okay, thanks. Hi, Mayank here from Trust Mutual Fund. Thanks team for giving the opportunity. So first of all, great set of numbers. And also, I appreciate what you guys have done in a short span of time in terms of technology, in terms of platform, in terms of revolutionary product you have created. But now you are still young, you have enough firepower in terms of cash in your bank account, and also capital assets, technology assets and whatnot.

Just wanted your view of what are your plans, major plans in next 2-3 years? What do you want to do next? Is it something same what you're doing? Or what could be the opportunity for you or what's your major vision for next 2-3 years? And definitely in Groww, not outside what do you want to grow? What do you want to do in Groww? That's my question.

Lalit Keshre: Hey, Mayank, I'll answer this. In general, our philosophy has been kind of, you know, pick products which customers want and then kind of be super focused on them, spend a lot of time with these products, craft the best customer experience, and then kind of keep building. So if you look at our history also of last nine and a half years, this is how we have done, like, you know, we don't launch everything in one go and so on.

Next 2 to 3 years, I think we are kind of super focused on few of the products that we have taken up, like, as one big data point that we are seeing, and we are also elaborated in our documents earlier that a lot of our customers now are kind of becoming affluent, and they need wealth management. Wealth management is going to be a big game for us going forward. Of course, like, broking kind of will continue kind of focusing and continue growing that.

And then in broking also, they are like bunch of products that we are kind of launching. As Ishan spoke about MTF, right, which is a relatively new product. Again, lot of, again, lot more products need to be built there. Commodities, we just launched a few months back, so that is going on.

So in general, this is the philosophy, like, remain focused, and then, like, we have long list of products that we'll continue launching, but for this time that you asked about, we are kind of focused on these set of products.

Mayank Agarwal: Thanks. Thanks. Thanks a lot.

Moderator: The next question is from Pratyush Agarwal. Please accept the prompt, introduce yourself, and proceed with your question.

Pratyush Agarwal: Hi. This is Pratyush from Marshall Wace. Thank you for the opportunity. Can I please ask, similar to your comment on the MTF book where you feel there is a fair market share that is yet to be tapped, could you also speak about generally in Broking, you know, obviously, you've done a great job over the last five, seven years, but then from here, do you think there is still a lot of fair share market share to be gained, or do you think now an incremental unit of market share gain will be much, let's say, slower or difficult compared to the past?

Ishan Bansal: So the incremental market share for us is already higher than our kind of current market share. Hence, we are confident that it can keep on growing, at least in the near future. Obviously, there will be a time at which we will come to, both these numbers will come close to each other, and it will become difficult to increase the market share on the user side, that's what I'm talking about.

Second, on the user side itself, our users are still young, they are still growing in their life. And hence, order per user, or even size of the order, etc., are growing. And I think we can keep on -- we can keep on seeing that growth happening in the future as well, which will help us increase our market share on the cash ADTO as well as derivative ADTO.

And then the third thing is on the penetration side. So some of the products like MTF, commodities, etc., where the penetration still on our customer base is very low. And hence, as the penetration also keeps on growing, the market share on those products will actually grow much faster. Because the penetration will be a much larger growth rate factor than the growth of the customer as well.

Pratyush Agarwal: Got it, thank you. And if I could also ask, in the mix of total income, what do you think happens between derivatives and cash going forward in terms of mix?

Ishan Bansal: So derivatives already has come off from earlier numbers, I think it will probably come off further as well. And the reason is one, we are seeing a lot of growth

in the other segments, especially cash is growing really fast. Mix of MTF is also helping cash grow, because the brokerage part is counted in cash.

And then we have recently launched commodities. I think we think that will also start contributing a significant part of our broking revenue in the coming future. And hence, the equity derivative piece will get more diversified.

Pratyush Agarwal: Got it. And do you have some number in mind where you feel comfortable that you are at the mix that you're thinking in a couple of years?

Ishan Bansal: So I think it is beyond 50, definitely it can come below 50. But that is like output number in the way to look at where if everything else goes or grows faster, this definitely can come off. But some of this will happen because wealth will start contributing, commodities will start contributing just as a way to kind of squeeze the 100% into other products will also reduce this 57% in the coming quarters.

Pratyush Agarwal: Thank you so much.

Moderator: Thank you. The next question is from Mohit Surana. Please accept the prompt, introduce yourself and proceed with the question.

Mohit Surana: Hi, just two questions from my side. One is that when I reverse calculate the order pricing for cash orders are now touching high teens. So once we kind of reach our fair share, which we are envisaging on the MTF side, what could a per order pricing on a cash order look like? Second is that since a lot of water has flowed through after the 2Q results, could you give us a more recent trend of how the MTF book is shaping up?

Ishan Bansal: Got it. So on the first one, the way I think you are right that as the MTF proportion will go up, the yield will go up. And yield has other factors also like order size. And the third factor is also on today it includes our DP related charges as well. And hence, how much of the sell versus buy happening also kind of contribute to that. It's very difficult to actually put a number to it.

But we think every quarter if MTF today is contributing somewhere around 3% to 4% of this brokerage as the percentage goes up, this number will keep on going up. If it doubles, then probably today because of MTF, I think INR2 is getting added. And hence, every like 3% add in MTF will have another INR2 added to the revenue on the revenue side.

Mohit Surana: In terms of penetration, right?

Ishan Bansal: In terms of ADTO, MTF related ADTO in cash.

- Mohit Surana:** Got it. And could you also talk about the MTF book accretion past the 2Q, at least qualitatively how it's shaping up?
- Ishan Bansal:** So it is again growing, kind of difficult to say a number middle of the quarter, because it's actually relatively variable depending on the day you're looking at it as well. On a Friday, it will behave differently versus on a Monday as well, because people try to optimize cost between weekends. So hence, the quarter end number will be probably a better way to look at it.
- Mohit Surana:** Got it. So accretion will be in line with what we saw in the 2Q, right? 3Q should largely be in line with that.
- Ishan Bansal:** Difficult to kind of give a comment on that.
- Mohit Surana:** Got it. Appreciate that. Thanks a lot and all the best.
- Moderator:** Thank you. Ladies and gentlemen, we will be taking last 2 questions for today. The next question is from Prayesh Jain. Please accept the prompt and proceed with the question.
- Prayesh Jain:** Yeah. Hi, thanks for the opportunity again. I was just looking at the disbursement by partners. Now, that piece of the business actually for the industry has been showing some decent growth in Q2. Whether we look at any other player, but you know, for us, there is a decline there. Any thoughts there as to how, what caused that and how do we kind of see that function going on?
- Ishan Bansal:** So, there are multiple reasons I think that went through like a up and down in some ways. One is obviously the market related reasons where there was concern on unsecured lending itself. The second piece actually was more specific to us where we actually created a separate app for credit business and as we were moving customers from our existing product to that, there was a transition period which led to that drop for a intermittent time.
- Prayesh Jain:** So, but we expect this to kind of recover and kind of gain traction going ahead?
- Ishan Bansal:** So, we again, it is already doing recovering from that perspective, but when and how it will happen is yet to be seen.
- Prayesh Jain:** And if I remember, if I look at it or if I divide your ADTO by the number of orders applied, I am still not getting an increase in the value per order. Right, so, what is the MTF contributing to the major increase in the realizations in the Cash segment only in this quarter, but that is not visible in the number that we write down.

- Ishan Bansal:** Yeah. So, quarter-on-quarter, you are right. I think the order size is almost same. It is more related to two things. I think one of the pricing piece that we discussed, and the second is MTF piece.
- Prayesh Jain:** And this last question is MTF again. So, as you were explaining INR 2 which gets added to the realizations from the MTF is on the book, right? Assume a certain churn on it, right?
- Ishan Bansal:** So, roughly today, MTF as a percentage of cash ADTO is around 3% to 4%, because the pricing on MTF is different.
- Prayesh Jain:** Right.
- Ishan Bansal:** And hence, it is adding to a INR2 rupees of realization extra per order.
- Prayesh Jain:** Got that. That is helpful.
- Moderator:** Thank you. This will be the last question for today. From the line of Jayant Kharote, please accept the prompt and proceed with the question.
- Jayant Kharote:** Thanks for the opportunity again. This is one specific question on commodities. How is the traction? What is the number of users that are using this product right now? And specific to this, what is the behavior that we are seeing? Are we gaining market share since we recently opened up this product, meaning our users may have used other platforms for this one? So, is this market share coming back or are we seeing adoption of this product for first-time users? And going ahead, is the latter going to be the thrust area for us?
- Ishan Bansal:** So, already I think we are seeing a good growth. We had a DTU of around 20,000 to 30,000 also happening on this product. And I think this will keep on growing in the future as well. What is where the customer is coming from is a mix of both. I think some of the customers been using commodities outside of Groww. I think but that is a smaller number today compared to the first-time customers.
- I think first-time customers is already a bigger component and we think that will obviously become a larger reason for the growth in the future and not only growth for us, but growth for the industry as well.
- Jayant Kharote:** Do you think your market share over here as well needs to be reflective of your overall market share and how fast do you think you can reach there?
- Ishan Bansal:** Definitely, I think we think everywhere we should reach to our kind of fair share sooner than later. But again, we feel in commodities it can happen faster,

because it is more of a transaction business compared to MTF, which is more of a book business. Hence, I think commodities probably will reach to the fair share sooner.

Jayant Kharote: Just following up on this one, can you just tell us what are – what are the qualitative steps that you can take to increase adoption of a certain product? Let us say commodities in this case which will help us understand as a platform if you want to drive. Again, we understand you do not want to drive the customers towards any product but if you again want to expose the customer to newer products, what are the qualitative steps that you take?

Ishan Bansal: Lalit.

Lalit Keshre: Yeah, so Jayant, see I think again, like we are building more pull-based platform. So, customers kind of re-enable the discovery which is very well. So, customers find what they are looking for and we avoid any push-push.

So, in general, the culture that we have set is we do not talk about this. So, there are no purpose incentive for any product manager or any person in the company. So, it is our job to enable very-very seamless discovery for the customer and then customers kind of figure out.

Jayant Kharote: Do you help enable communities formation around products?

Lalit Keshre: No, we do not.

Jayant Kharote: Great. Thank you so much. Best of luck.

Lalit Keshre: Thank you so much.

Moderator: Thank you. As that was the last question for today, I would now like to hand the conference over to the management for closing comments. Thank you and over to you, sir.

Ishan Bansal: Kunal?

Kunalraj Singh: Thank you everyone for joining the call today. Appreciate the comments and the questions that we received and look forward to further discussions and conversations on this. Please feel free to reach out to either of us via the email that we shared on our IR website. Thank you so much once again.

Moderator: Thank you, members of the management. On behalf of Groww, that concludes this conference. We thank you for joining us and you may exit the meeting now. Thank you.