ICICI SECURITIES LIMITED

Earning Conference Call
Quarter ended June 30, 2020 (Q1-FY21)

July 22, 2020

MANAGEMENT:

MR. VIJAY CHANDOK - MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER - ICICI SECURITIES LIMITED

MR. AJAY SARAF - EXECUTIVE DIRECTOR - ICICI SECURITIES LIMITED

MR. HARVINDER JASPAL - CHIEF FINANCIAL OFFICER - ICICI SECURITIES LIMITED

MR. YAGNESH PARIKH - CHIEF DIGITAL AND TECHNOLOGY OFFICER - ICICI SECURITIES LIMITED

MR. VISHAL GULECHHA - HEAD (RETAIL EQUITIES) - ICICI SECURITIES LIMITED

MR. KEDAR DESHPANDE - HEAD (RETAIL, DISTRIBUTION, PRODUCT & SERVICES GROUP) - ICICI SECURITIES LIMITED

MR. ANUPAM GUHA - HEAD (PRIVATE WEALTH AND EQUITY ADVISORY GROUP) - ICICI SECURITIES LIMITED

Please note that the transcript has been edited for the purpose of clarity and accuracy. Certain statements in this call are forward-looking statements. These statements are based on management's current expectations and are subject to uncertainty and changes in circumstances. Actual results may differ materially from those included in these statements due to a variety of factors.

Operator remarks

Good evening ladies and gentlemen and welcome to the Earnings Conference Call of ICICI Securities Limited for the quarter ended June 30, 2020.

We have with us today on the call Mr. Vijay Chandok – Managing Director and Chief Executive Officer, Mr. Ajay Saraf – Executive Director, Mr. Harvinder Jaspal – Chief Financial Officer, Mr. Yagnesh Parikh – Chief Digital and Technology Officer, Mr. Vishal Gulechha – Head Retail Equities, Mr. Kedar Deshpande – Head Retail Distribution, Product & Services Group and Mr. Anupam Guha – Head Private Wealth and Equity advisory group.

For the duration of this presentation, all participant lines will be in the listen-only mode. I will be standing-by for the Q&A session. Should you need assistance during this conference call, please signal an operator by pressing '*' then '0' on your touchtone phone. Please note that this conference is being recorded.

The business presentation can be found on the company's corporate website, icicisecurities.com under Investor Relations.

I would now like to call Mr. Chandok to take over the proceedings.

Mr. Vijay Chandok

Good evening to all of you and welcome to the ICICI Securities first quarter earnings

Call for fiscal 2021.

I trust that you, your family and your near and dear ones are safe and healthy & I do hope it remains that way.

As the world deals with one of the most unprecedented event in the modern history with wide and far reaching ramifications globally to people, economies, business environment and even business models, we strongly feel there is a need to stay agile, nimble and vigilant on many fronts. India has seen one of the strictest lockdown regime which has perhaps helped the medical infrastructure in the country to catch up with the scale, however not without wide economic repercussions.

In this context it is imperative to take a look at the emerging market environment and key developments during the quarter …

The Markets rebounded from March lows but are still below pre COVID levels.

We saw the global indices rebounding sharply in the quarter, after the massive fall in the month of march last quarter, despite economic concerns and rising Covid-19 cases. All global central bank's response to the crisis has been coordinated and swift in terms of rate cuts and providing liquidity, which has partly fuelled the global rally in the equity markets.

Closer home, the quarter witnessed gradual reopening of the nationwide lockdown starting from June 8 after four phases of lockdown that we experienced for most part of the quarter. Despite weaknesses getting reported on the macro-economic front, the Indian headline indices posted their best quarterly returns since 2009 gaining almost 20% in the quarter and recouping 35% from the March 2020 lows. The rise in Indian equity markets was broader and across market caps, with small caps rising ~30% in the quarter.

What is also unique is rising retail participation in the market

Globally, retail participation in the equity markets increased dramatically during the quarter and in line with this trend, In India also, we saw the level of retail participation hitting record highs. What we saw was strong growth in active clients with many inactive active clients entering the market as well as sharp rise by number of new comers in the market. We believe that this trend is getting fuelled by availability of completely digital and no touch format of engagement offered by the larger technology based players, work from home environment providing additional time to the investors as well as increase in disposable income caused by reduction in discretionary spending being diverted for investments and savings. We also believe that the relative attractiveness of the equities, particularly earlier in the quarter, trading at multi-year low valuations also accentuated this trend.

We believe that although some part of the trend of higher retail participation seen in current quarter may moderate in the coming quarters, there is a clearly a structural shift by customers preferring a to deal in an online and remote format offered by digitally led intermediaries. This trend is visible not just amongst the younger investors but also spreading to mature investors.

The quarter also witnessed certain regulatory changes aimed at providing operational convenience to retail investors as well as slew of reforms to protect the long term interest of these investors.

In this context, SEBI issued simplified guidelines for digital on boarding & KYC of customers, which helped them open accounts without any physical intervention or paper work. Regulators have also given certain timeline extensions to the market participants in light of Covid-19.

Recently, certain regulatory changes have been issued with respect to collection of margin upfront in the cash and F&O segments. There have also been certain changes in the margin requirements for these segments. Further, SEBI has also issued certain guidelines regarding the method of margin finance with regards to pledging/ re-pledging of securities.

In the distribution business, norms of segregation of distribution and advisory customers have also been issued by SEBI.

All these regulatory changes auger well for the orderly growth of the industry in the longer run, however there are likely to be some short term transition challenges and impact for the industry.

Given this context, let me now take your through some of the key aspects of the quarter with respect to the company…

Being classified as essential services company, we ensured that we remained accessible to our customers and open for business at all times during the lockdown phase. During this period, we focused on health and safety of all our employees and followed a prudent risk management approach for our customers as well as our company particularly in context of the massive volatility that we saw during the period. We have also have been focusing on identifying avenues to digitize the non-digital parts of our businesses during this period.

Our resilient business model along with our digital platform has kept us in good stead in the evolving business environment.

We continued to focus on input parameters by working on our stated strategic priorities and with an intent to diversify and granulise our business model and I am happy to report that we are making good progress on all fronts.

In this context, we launched **ICICIdirect insta accounts**, our open architecture end to end digital account acquisition using e-DIS (Electronic Delivery Instruction Slip) process. Through this channel we have already opened over 20,000 accounts. This channel after facing initial teething hiccups continues to stabilise well and is also being used to fulfil the account opening process for customers acquired through ICICI Bank, Business partner network and our own RM/Branch channel.

As a consequence of completely digitizing account opening process and becoming open architecture, and also ramping up our business partner network,

i) we have been able to surpass our last year average monthly run-rate of account opening in the month of June despite constraints of lockdown and having a digital process which is still nascent and in the process of being spruced up.
ii) we have also been able to diversify our client sourcing channel mix with our largest sourcing channel viz. ICICI Bank now contributing about 65% of the total clients compared to about 80% in FY20.

In the equities business, we witnessed an increase of about 90% year on year in terms of the average number of customers trading with us on a daily basis.

Our ADTO across equity and derivatives grew faster than the market aided by our product propositions like Prime/Prepaid and our options pricing plan (Option 20) gaining traction. This helped us grow our market share by 260bps and 150bps in equities and derivatives respectively.

We also scaled back our ESOP & MTF books to ~₹ 15 bn as at June 30, 2020 up from ₹ 5.8 bn on March 31, 2020, you may recollect that we proactively scaled it down owing to the heightened market volatility and our risk assessment during that period.

As a result of our initiatives on improving value of client sourcing as well as engaging existing clients with better experiences and superior propositions, our NSE active client base grew 27% year on year and stood at 1.1m as on June 30, and our total active client base stood at ~1.5m, a growth of 15%.

In the distribution business, we faced some headwinds due to lower asset values as well as due to the fact that our contact based products getting impacted due to lockdown.

In this area, while our gross flows in Mutual Funds grew slightly ahead of market, we witnessed redemptions in the debt funds bringing down our total net flows in mutual funds. On the other hand, our equity mutual fund net flows and our market share increased year on year. We also saw good traction in fixed income business.

Our wealth management business also got impacted by constraints arising from COVID. However, it registered growth of 36% on back of equity franchise and digitally available products, primarily fixed income products which registered growth. During this quarter we added about 1,600 new customers to this segment. The assets of our clients in the wealth management business increased by 1% to ~1tn along with improvement in yields, detailed in the presentation.

As a result of all these developments, Our Q1-FY21 revenue stood at ₹5,464m, a growth of 36% and Profit After Tax (PAT) stood at ₹1,931m, a growth of 70%.

We recognise that a sustainable business is the one which is sensitive to the needs of its wider universe of stakeholders including shareholders, customers, partners, community and also its impact on environment. With this thought in mind, we have adopted an ESG policy to formalise our commitment towards conducting our business responsibly to make a difference to the communities and the planet as well as making a positive impact within our markets. **We are also in the process of releasing our maiden ESG report shortly.**

Further being an asset light company that generates high operating cash flow, the Board was pleased to revise our dividend distribution policy with an endeavour to have a dividend pay-out of at least 50 per cent of profits after tax every financial year subject to parameters and criteria as laid out in the policy.

We also worked towards contributing to the ongoing efforts of various agencies in fighting the COVID pandemic including working with IIT Kanpur for development of ventilators, providing PPE to police force and contributing to PM cares fund for COVID. This is apart from our usual CSR work that we do through our foundation.

Going forward, we recognise that the future is fraught with uncertainties. The recent market disruption has reaffirmed our strategy of providing comprehensive life stage based financial services to a retail Indian investor powered digitally and we believe this strategy becomes even more relevant than before in the current context. So while we continue to focus on this strategy, we want to reiterate four areas which will get special attention. **First,** rapidly increase digitization at all level within the organization. **Secondly,** higher focus on increasing cost efficiency. **Third,** invest in technology for upgrading our infrastructure and capabilities. **Fourth,** fortify our talent pool to position us well for future.

Our detailed performance has been circulated through our presentation and uploaded on our website. I would like to end our opening comments and throw open the call to any questions that you may have.

Thank you for your patience hearing.

Moderator: Thank you very much. Ladies and gentlemen, we will now begin the question-answer session. The first question is from the line of Srivathsan Ramachandran from Spark Capital. Please go ahead.

S Ramachandran: Just wanted to get your sense on the two regulations that you talked about. One was the net margin requirement that went live from June first week and also the notification that has been put out a couple of days back on the intraday funding for cash and F&O. The second regulation has still not gone live, it has another four, five months to go. Wanted to get a sense as to how things will shape up if the funding one goes live on 'as is where 'basis?

Vijay Chandok: I am going to request Vishal, Head of Equities to step in and address that.

Vishal Gulechha: The margin funding regulation is in two parts. One is upfront collection of margin for the cash delivery positions and secondly, peak margin collection for the intraday products. As far as margin collection for cash is concerned, we believe market is largely compliant. With the advent of the internet and technology based platforms, advance collection of margin in cash trades has become the norm over the years. The second part is the upfront collection of margins for intraday products, which will result in harmonisation of margins across the industry. This is a very nascent circular, released just the day before and is going to be implemented in phases. We have different kind of products in intraday for cash and F&O and these products have different kinds of margining system and we are evaluating its impact on our business. Intraday is a dominant part of the entire industry and it is likely to have some impact on market volumes in the short-term, however we believe these changes auger well for the orderly growth of the industry in the longer run.

S Ramachandran: Just to extend that question a bit more, do not share this information if it is competitive in nature. Within your clientele, is there any sense you have in terms of what proportion of derivative volumes come from the intraday facilities that you provide to the clients, any sense you could give us?

Vishal Gulechha: We have not yet disclosed the composition of the total equity or the derivatives volumes.

S Ramachandran: Second was on the net margining that we saw effective June 1st. Just wanted to get your sense within your clientele, again, has that resulted in higher volume because we saw the benefit of it only for one month? Was there a noted increase in volumes because that allows covered products to be operated at much lower margin requirements which allows the same margin to go to a much higher penetrated volume especially if you are doing covered products? want to get a sense what was the experience within your clientele, we have seen 20-days of June also, that spike in volume that we have seen is that something can be extrapolated to some extent?

Vishal Gulechha: I believe you are talking about the new framework of the derivative margining where exposures margin, etc., were taken within a span and the covered positions and the hedge positions got certain benefits. People who are taking these kind of positions have seen some benefits, but having said that, I would also say that market participants largely trade on directional basis and the benefit there is not much.

Vijay Chandok: Market volumes have not given that kind of reaction, if you look at the market volumes on derivatives, I think you will get your answer there.

Moderator: Thank you. The next question is from the line of Kashyap Jhaveri from Emkay. Please go ahead.

Kashyap Jhaveri: I have just one question which is on your retail brokerage. If I look at your average revenue per client, retail brokerage divided by number of active NSE clients over the last two quarters that has moved up from 10,800 to almost 13,000 now versus 9,000, 9,500 for probably last four, five quarters. As we understand also from the participation in the market, there is significant increase in retail participation during last couple of months versus the institution side, so in that sense, how do you see this 10,800 to 13,000 or per client increase on annualized basis, is this sustainable, do you believe that in terms of the type of clients that we have on boarded, this kind of revenue is sustainable?

Harvinder Jaspal: What you are saying is absolutely right that in this period we have seen a change in mix of investors resulting in retail delivery volumes going up and that has been the trend in the market as well. With that, the average revenue goes up, but it may not be sustainable, because as Vijay mentioned in his opening comments that the mix change is a result of, an episode of volatility, multi-year low valuations and a higher retail participation. We are trying to increase the number of clients that we engage in order to granulize our revenue stream. We have launched propositions like "Prime" and "Prepaid", which offer a full value pack to customers, on the back of that we have been able to increase the total number of revenue generating clients in our equity business. As we know, Prime comes at a lower yield, but we are more focused on having larger number of revenue generating customers with a more sustainable revenue stream.

Kashyap Jhaveri: If I understood correctly, what you are targeting is that out of the client base of 4.86 whereas overall active clients are about 1.51 and NSE active clients are 1.12, you would try to sort of target that number of 1.12 and 1.51 as we go forward?

Vijay Chandok: We do not want to become a slave to a product and yield. It is a very limiting and a narrow way of looking at it because customer does not think of us as just providing one item. Our thinking is customer-centric, give them a great service so that you can take them through their life stage financial needs. We have been able to demonstrate it because we have 37% of our customers who were on boarded and active 14 years ago are still doing business with us. You can imagine that during this whole journey, their needs have evolved over levels of sophistication and also across different categories of financial requirements. Idea is to monetize life cycle value rather than just looking at equity products yield in a very narrow set. We are more interested in keeping customers with us and providing the right kind of solution and growing aggregate revenue at a customer level across products.

Kashyap Jhaveri: But if I look at that, then in slide #14, where clients with two or more products are like 0.95 million, which is like not too far away from one and a half million number. We are almost like two thirds there. On overall client basis, then how do you sort of improve the yield whereas almost two-thirds of our clients are already like for two or more products?

Harvinder Jaspal: You have to look at it from two perspectives. One, if you look at our 1.5 million overall active customer base that has grown at 15% on a YoY basis. Our endeavor is to increase the 1.5 million with the help of our third lever of strategy, to engage clients in a digital manner offering best and a very hyper personalized experience, we call it an "N=1" strategy. Once that starts happening, monetization which is a second lever of our strategy to enhance the wallet share kicks in. We want to deepen relationship with clients, if a person has a direct equity relationship with us, can he do a managed equity, can he do a PMS if he migrates to wealth and so on and so forth. Our endeavor is to expand the horizon, try to get 1.5 million customers up and then within that cross sell by expanding the product portfolio with the customer. We are making progress in both these directions and there are a lot of initiatives which are lined up in terms of more product lines and newer manner of engagement with the customers.

Kashyap Jhaveri: In terms of non-mutual fund distribution, that number is largely an outcome of what has been happening on the loan origination side for the whole sector, right, I mean just that the volumes are little slow?

Harvinder Jaspal: Loan origination is just one part of the non-mutual fund distribution which we have recently started focusing on. We have a very wide array of products across protection, loans, fixed income, PMS, NPS, etc. For instance, this quarter fixed income did very well in that but in insurance as well as in other contact dependent products, we had some challenges.

Moderator: Thank you. The next question is from the line of Utsav Gogirwar from Investec Capital. Please go ahead.

Utsav Gogirwar: First question is with respect to the clients, if we look at the last three months trend, it is clearly visible that the top three discount brokers have significantly gained market share on an incremental basis and we have some challenges. Some of the reasons you already mentioned, but how do you see the growth in the coming quarters, where now we have open architecture, there were some teething issues which are over now, so, how do you see this trend in the coming quarters?

Vishal Gulechha: In the beginning of the quarter, we had some challenges in terms of account opening due to non-availability of a completely digitized process. The process started in the month of April and it got stabilized towards the end of April. With the open architecture sourcing and growing business partner network, we believe that scaling up is the way forward, at the same time we are committed to have a profitable growth strategy. As far as ICICI Bank is concerned, our engagement remains robust.

Vijay Chandok: I will just supplement what Vishal is saying. I would concur with what your observations are and you have to view our quarter in the context of the fact that actually one month of the quarter virtually was not there for business because of non-availability of a digital process. As Vishal explained, process got stable towards the end of the month, but more importantly, I think, whatever is needed to ensure that we continue our growth momentum in terms of proposition, in terms of experiences, we are vigilant and we will be agile. We will maneuver ourselves, we will just need to study whether the new client has got meat or is it just fluff and take our calls accordingly. I just want to assure you that we are not going to let this lie down. We will be looking at all options which are technology options, plan options and so on so that we remain cutting edge there.

Utsav Gogirwar: Sir, second question is with respect to the cost-to-income ratio. That has significantly improved this quarter but if I look at the employee expenses, there is a pretty steep growth. So, is there any one-off in this quarter in employee expenses and how do you look at the cost-to-income ratio for the full year?

Vijay Chandok: There is a fair element of variabilized employee costs which you are seeing, fixed employee costs are flat and variable employee costs have gone up. It is purely a function of the company's performance. If the company's performance warrants that variable cost to be there it will be there, if it does not warrant, it will not be there. We request you to look at it in that context. Cost is an important focus, we will not be taking our eyes off that and you have seen the movement there. We have continued to look at various ways of bringing efficiencies, there are many thoughts which are WIP as we speak. Apart from that, when you look at our overall operating costs, there is a front loading of some costs, for instance, given the pandemic, we decided that we will front load our expenses towards the CSR spend to a large extent this year as compared to a more uniform spend every year.

Utsav Gogirwar: Just one follow-up on that. So when you mentioned that the variable cost will move with the business, what is the driver behind it -- is it ADTO or market share which we are gaining or how should I look at that?

Vijay Chandok: Board sets the agenda for us in terms of what they want to see and largely, they will want to see similar stuff as what the investors would want to see. If they feel that this is appropriate in line with whatever is the set target/ outcome for us, they will permit that kind of a variable spend, otherwise, it will be curtailed. For instance, despite whatever we did last year, our senior team actually took a salary cut and there was a very small payout of bonus compared to what they were eligible for.

Harvinder Jaspal: It also needs to be seen in context of a lower base of last year.

Vijay Chandok: You should just think about the long-term guidance that we have given, we will be moving in that path.

Moderator: Thank you. The next question is from the line of Madhukar Ladha from HDFC Securities. Please go ahead.

Madhukar Ladha: First, just a small book-keeping question. The MTF and ESOP book has grown to about 15 billion. Can you give a breakup? And what is your average lending rate? And I believe this is period end book. So can you give us a number for the average book for the quarter?

Harvinder Jaspal: We have not put out a breakup and it is our exit book. We borrow at a commercial paper and for the quarter under question it was roughly about 5 to 5.5 percent. Average NIM, is in the range of about 4 to 5 percent. The average book was roughly about 9.5 billion, because we started this 5.8 billion as of 1st of April and we reached about 15 billion.

Madhukar Ladha: I wanted to circle back on the first question on the new margining framework for derivatives. Can you give us some sort of proportion of the F&O volumes that you do, I know that you do not declare the breakup of the ADTO, but whatever the F&O volumes we do, what proportion of it would be the high leverage sort of customers doing that?

Harvinder Jaspal: I would direct you to slide #33 of our results presentation where we disclose our numbers for both equity and derivatives segment. Our mix is roughly similar to the market mix of about 97% odd of the overall ADTO comprises F&O.

Madhukar Ladha: So then what share of that ADTO would be coming from high intraday leverage trades?

Harvinder Jaspal: We have not put that out as yet. As Vishal also tried to explain, it is too new a development right now and we are looking at all possible options, but our derivative volumes at an overall level is similar to what the market is. And this circular, as Vijay mentioned in the opening remarks, is an industry level intraday volume circular and the impact is expected to be across the industry. We will work on our various levers available to arrive at our way forward.

Madhukar Ladha: The investment banking revenues have done well. And what would be the principal drivers over there? I thought that lockdown would have impacted it, but you have done ₹22-odd crores over there.

Ajay Saraf: There were a lot of secondary block transactions, we did a QIP for JM Financial, these transactions picked up in June and we are seeing the similar trend for the current quarter.

Vijay Chandok: To supplement what Ajay is saying, one of the components of our corporate side of strategy is actually to bring as much predictability and repeat value as possible. The team has been actually focusing on flow business on the institutional side, they have been focusing on certain categories of market issuances like

QIPs, etc., which tend to be far more regular and not as episodic as IPOs, so that we are able to diversify and granulize our revenues there as well. I think some impact of that is visible to our numbers this quarter.

Madhukar Ladha: Because the employee headcount has come down significantly, but the expenses have moved up. I understand that you are providing for some variable. So what is the baseline fixed cost for let us say this quarter just so that we can model this number more accurately?

Harvinder Jaspal: Overall our fixed to variable ratio is in that range of around 70:30. As you rightly said, the fixed costs on the back of the employee count, etc. have gone down by 3%. The variable is what has increased in line with the top line and various other parameters that we generally measure.

Madhukar Ladha: Operating expenses also declined significantly sequentially and year-over-year both ways. So any particular reason for that? Year-over-year it is down about 24% and QoQ it is down 30%, right.

Harvinder Jaspal: Two things have happened over there, on a sequential basis, there was a one-time provision on account of COVID of about ₹ 9 crores, that is non-recurring and therefore that is the reason for the sequential decline. On a YoY basis we have been able to renegotiate some of our transaction charges and those are yielding some benefit. Also, we have now launched the fully digital process without the need for Power of Attorney because of which we have seen reduction in related expenses. So these are primarily two aspects which are driving operating expenses slightly downwards.

Moderator: Thank you. The next question is from the line of Dipen Mehta, individual investor. Please go ahead.

Dipen Mehta: My question is that what is the average onboarding time for retail investor client?

Vishal Gulechha: Through our completely digitized account opening process, it takes about four to five hours' time before customer can place his first order.

Moderator: Thank you. The next question is from the line of Manish Ostwal from Nirmal Bang Securities. Please go ahead.

Manish Ostwal: I have a question on your quarterly management commentary. We said that we will be soon adding the option of investing in US securities on the ICICI Direct platform. So, my question is, what is the size of this opportunity in the marketplace? And in the recent times, when we saw very sharp movement of technology stock prices in the US, so there must be some diversification from the high-end investors in India. What are the feedback you are having on that sector? Thank you.

Vijay Chandok: This is a relatively new arena in many ways for the industry. The way we look at it is that the total outbound investment from India, last year if you look at the numbers, has been in the ballpark of about US$ 15 billion. And when you go into and dissect this $15 billion, you will find that only about $0.5 billion is going into financial investment and everything else is going into non-financial areas, presumably into real-estate, meeting expenses like education expenses, living expenses, etc., of people who send their children outside India. But a sizable amount of it is also perhaps going into real-estate. This number in the past at least has been growing at about 40% CAGR. Now we don't know whether in the current context there is going to be change in that ratio, the growth rate or whether it will come down.

But given the fact that around $15 billion is already flowing out, we could see a very nascent untapped opportunity to actually not just gain market share from increasing remittance outside India, but also gain market share from taking a larger slice of the money which is anyway going, maybe some amount that is going into non-financial assets can get into financial assets. That was the thinking with which we are looking to introduce this. Today, is it possible? Yes, it is possible even today but the procedures and processes are so physically draining that it puts a big speed breaker to the flow of money. We have been working very closely with our bank partner and we are uniquely positioned because through ICICI Bank we have a product called “Money2World”. One of the features of that Money2World product is that you can seamlessly send money out of the country. One of the biggest hurdles in investing outside is lots of paperwork and controls around bank remittance. That remittance, ICICI bank has digitized and it is the only bank in the country which has been able to give a solution like that.

That's why we felt that an online solution integrated with a payment interface, which will work seamlessly for the investor will actually give a real first time opportunity where he can invest into global market just like he invests in the Indian market, nearly it will be similar experience. Given the sort of returns that the overseas equities have given, client’s intent to diversify, and also their intent to create probably dollar asset for long-term uses is something that we felt could be an opportunity for the Indian investors. We do hope that in a more medium-term this will become an interesting story for the company.

Manish Ostwal: Okay. And apart from providing the platform, what is the value proposition for the customer of ICICI Securities? For example, if somebody has a portfolio of ₹ 5 crores and he wants to put $2 lakh in US equities, so what is the value proposition ICICI Securities is providing to that particular customer?

Vijay Chandok: The biggest value proposition is that you have direct access to debt and equity markets in US. The process of sending money out has got a physical lag, that physical lag is completely replaced by our digital process. It becomes very convenient to invest and that is the value proposition that we are looking at.

Moderator: Thank you. Next question is from the line of Aditya Jain from Citigroup. Please go ahead.

Aditya Jain: Just a couple of small clarifications. On the MTF plus ESOP book, which is around $15 billion has recovered quite well. How large do we plan to make it?

Harvinder Jaspal: The two books have different drivers, MTF is related to the larger market sentiment. Just to give you a sense, we have sufficient headroom, by regulation it could be 5x the net worth and we also have very stringent internal risk parameters.

Vijay Chandok: We don't look at any specific product and put a target on that, particularly on credit side. We are doing MTF business because MTF helps core equity business and we are doing ESOP business, because it helps our wealth business. If these two objectives are getting met, we will keep on adding. The idea is not to create an MTF book in isolation of itself, irrespective of what it does. We are also careful that we want to give it only to those customers who are actively doing equities business with us, and ESOP per say as a model of acquiring high value and quality wealth customers. We feel that the opportunity is large and enormous.

Also, we have to keep in mind that MTF is not necessarily a secular product, it is driven by the way markets are moving. When there is an anticipation and hope of markets going up, there is a demand and requirement for MTF kind of a product. On the other hand, when the market is actually drifting and going southwards, we would definitely not unnecessarily want to encourage our customers to take it because it would land up him bearing an interest cost and not getting returns on equity, which is not the right way of sustaining any business. Rather than looking at it with targets and making a mistake and leading up to challenges with customer experiences, we would rather use this as an allied opportunity for our equities business and allied opportunity for wealth business.

In terms of limit, yes we have limits, which are much larger than what has played out so far. Is there an opportunity outside? We think the opportunity is many times the size of our company. We will try to play the opportunity based on the timing, keeping in view the timing as well as meeting this objective. You could possibly see this MTF book growing up or you could even see it shrinking back, like we saw last Q4.

Aditya Jain: Understood. So I understand, so MTF is more cyclical, ESOP also has some element of cyclicality, but probably less than MTF. On the activation rate, so the movement from 68% to 58%, is it just normal volatility or is it a function of the change in channel mix or is there something else happening?

Vishal Gulechha: As we said that beginning last year, the focus was entirely on having a profitable and the right set of customers. To do this we are doing two things, first, acquiring right; and second, increasing intensity around getting the customer active as soon as they are on board. This is the trend which you would have observed in last quarter also and this continued in this quarter as well.

Aditya Jain: Okay. I thought activation rate slight down, right? My question was it has been pretty high.

Vijay Chandok: It is a result of change in the channel mix, you are right.

Aditya Jain: The rupee ARPU, there is a mention of a 36% ARPU growth, what is the rupee ARPU in the quarter?

Harvinder Jaspal: It was ₹ 5,200 in Q1FY21 vs ₹3,832 in Q1-FY20

Moderator: Thank you. We take the next question from the line of Mohit Surana from CLSA. Please go ahead.

Mohit Surana: Congratulations on the great set of numbers. I had two questions on the open architecture product that we have now rolled out. As far as I understand, we had a strategy that we wanted to increase the activation rate among the existing clients. And even in the operational clients, we wanted to increase the yield and cross-sell, etc. So, now, given that you are embarking on an open architecture kind of a product, is there some kind of change in strategy to grow overall client instead of increasing the activation among clients?

And second question is, which are the banks that we are partnering with in this kind of an open architecture? And how is a revenue share agreement different from what we have with the ICICI Bank? Thank you.

Vijay Chandok: No, there is no change in strategy at all. In fact, the idea of having open architecture is to acquire customers digitally, without necessarily having a bank partnership. If we see a slight decline in activation for this quarter, it is not because of any other reason, but because of the change in channel mix. We have four channels now, earlier we had virtually one channel dominating our business, which is ICICI bank customer. Most of the activation rates we saw was only ICICI Bank customer activation rate. Now what you are seeing is a mix between our partners, digital as well as our own network and because all these three are relatively young and nascent, you need a little bit of time for the activation rates to catch up, I can see the activation rates internally increasing week-on-week. So, certainly no departure from any strategy of working on activation rate. That's point number one.

Point number two, an open architecture does not warrant us to have any formal partnership with anybody. All it requires is a customer to come in and state his bank account and we just link that account, whichever account it may be, it could be State Bank of India, it could be HDFC Bank or any other bank anywhere in the country. There is no revenue sharing arrangement at all with them. Everything that comes through that customer goes 100% to ISEC. In terms of which banks, it just so happens that since SBI is the largest bank, most of the customers are there. And also, we find that HDFC is another big contributor to that. So these are the two big contributors.

Moderator: Thank you. We take the next question from the line of Harish Kapoor from IIFL Asset Management. Please go ahead.

Harish Kapoor: A couple of questions. Now, we had made some one-off provision last quarter, around ₹ 9 crores for the margin funding or any other impact that we were going to expect. So has that been utilized? Is it still sitting on the balance sheet or how is that? Second, if you can just talk through in terms of the employee cost, a lot of discussion there. But if we just look at the broad numbers in terms of how the trend in the revenue and the expenses shift up, so quarter-on-quarter the employee cost is up 24%, but the revenue is up 13% Q-o-Q.

So, I believe you kind of mentioned it is the board policy, etc., but I would still think that it is linked to the revenue traction. So if you can just throw some color there. And is this employee cost just because of the revenue that has come through for this quarter and we will see a similar trend if the absolute value revenue is the same number, so if you can just talk through that.

And third, a lot of discussion around active client, you spoke about April first half maybe not really having all the digital process in place, and even 65% or so coming from ICICI and getting traction in non-ICICI Bank channel. So I think that should be a pretty decent set off. Even then, in terms of the numbers that I am seeing, it's not in terms of overall active clients' additions, or even NSE active clients. That doesn't seem to be a pretty aggressive traction there, is kind of lower than what you saw in Q3. So, I understand there could be some element of that, but pool itself has expanded. So just trying to think through what is the reason that this is happening?

Vijay Chandok: I will go one by one, you have given broadly three areas to talk about. The first is COVID provision, we have not utilized it and it continues to remain in our balance sheet. We will keep reviewing it based on the movements in the market. We just felt it would be right to keep it right now, given the uncertainty and as things become clearer, there could be a release of some of that provisions. Your second question was on employing cost. Employee cost has to be viewed in the context of the fact that last year we cut back very heavily on employee variable costs. To some extent we have provided, assuming that we are going to be having a certain trajectory of revenue etc. If that revenue does not play out, there will be a pullback as we will not be permitted to account for that kind of pay out. That is something that will give us the flexibility to handle the employee cost as we move forward in the year. Our guidance is not at every element of cost, our guidance is more at an aggregate level. So please see at an aggregate level, we have shown an improvement. We have given you a direction to monitor us there on that number, give us the flexibility to manage cost within the heads. It's important to know that there are enough elements of flexibility in our cost which allows us to play out without necessarily the cost disappearing entirely. But we can expand or contract the cost based on performance. And that gives us the flexibility to manage our Opex as well.

The third point was with respect to.

Harish Kapoor: Sorry, just before the third question, if I can just clarify one thing. You spoke about investment in the employee base and communication there and obviously, we have seen improvement only other Opex line item and other expenses also has a one-off. But we were trying to rationalize rents, we were trying to rationalize branches, we were also looking at employees which rationalize some count there. At what pace have we kind of reached there? Because that can be itself a pretty good delta. And has already played out? Because we see the employee count down, but obviously employee expense up. So that is the thought process behind the expense question per se.

Harvinder Jaspal: Our approach is two-fold, one is to try to tackle the fixed elements of expenses, which tend to be stickier. That is something which is an ongoing process. Our employee count has come down consistently, our number of branches have come down, so the rent expenses and the fixed costs expenses have indeed come down. We have also worked on some of the variable expenses like transaction charges, etc. that we have renegotiated. That is one lever, try and work on the stickier portion of the cost base which is fixed.

Second, to try and variablize a lot of cost. For example, when we are talking about sourcing and we are trying to kind of have a growth in business partner channel, one, it strategically expands the distribution network, but it also gives us a more variable manner of getting revenue. And all those elements have shown a decline. We are looking at discretionary expenses for this year, for example, in a COVID related environment, things like travel, etc., are the things that we can look at. Those are some of the areas and that has been our approach.

Harish Kapoor: And third one, sorry?

Vijay Chandok: Coming to the sourcing, although we did address this issue, it looks like there is still probably a little bit of a gap in understanding. Let me just elaborate it with great degree of granularity once and for all. Before COVID happened, we never had a digital process of account opening, there was always a physical leg. So when COVID and lockdown happened, account sourcing became zero. The only way account sourcing could commence is that we had to digitize everything. Starting from a process where we did not have a full digital process, which required regulatory approvals, development of the system, testing of the system and then launching of the product. All that was done from 25th of March till around mid of April.

When we came from a situation of no accounts opening to an ability to source accounts and then launching it, and it was all done in such a large velocity, we landed up with a situation where there were certain teething issues. Those teething issues are getting sorted out and they have significantly improved from the beginning of this quarter. The 80,000 accounts that we opened, effectively is an outcome of about less than two and a half months of work.

Account sourcing was happening predominantly from ICICI Bank in the previous quarters. We said that we want to not only grow the accounts from ICICI Bank, but also want to add newer channels that are broadly the digital channels and also grow our partner network channel, which is getting automated. Idea is to make each channel pretty large in its own right, that's our medium-term objective. That strategy is very much intact. ICICI Bank sourcing happens from two methods, one is, go and cross-sell to an existing ICICI Bank customer and increase penetration to stock clients; and two is the new client acquisition which the bank is doing, we cross-fertilize the broking accounts to those customers. Now, in the lockdown situation, the second channel is completely shut down in the bank. In such a context, you are actually largely cross-selling.

What you have seen are some of the legs which were there in a normal unlocked situation, are out of service right now. As they return to service they will all spring back into action. Despite that, we have seen this kind of an output with our June run rates actually exceeding our last year's run rate. I completely agree with you that the output is disappointing, even I am disappointed, but we clearly see that we have to work very hard and spring back to higher growth numbers without letting go on quality. We have experienced excruciating challenges in doing what we have done, trust me, and we will continue to put our efforts behind it to show growth and momentum. And to do that growth and momentum, we believe we have a sense of what are the levers that are there on our disposal. We will take them in a very measured manner, so that we do not land up making errors in implementation. You will have to trust us with our approach on sourcing.

Harish Kapoor: Sure. And last short one, if I can just squeeze in, if you don't mind. I just wanted to check, you spoke about gross flows on the wealth side, and you spoke about some redemption aspects there on the mutual fund side. If you can just talk through in terms of, because there is an M-to-M impact even on the AUM on the wealth side and overall. Net flows, was it negative, was it positive for you, just a broad number will be helpful in terms of positive or negative and how was it during the quarter or how was the trend if you can just talk about it?

Vijay Chandok: Yes. Anupam will just chip in.

Anupam Guha: As you are aware that at the start of the quarter we had the issue of Franklin Templeton and people were averse to credit, that saw some bit of outflow from debt funds per se. On an overall basis, as the quarter went ahead, we saw a fair bit of money flowing into the fixed income portfolio. When I say fixed income, it essentially includes the GoI bonds, the gold bonds, both tax free and taxable, perks, etc. The entire fixed income market saw a bit of net inflow. Also, we saw that on the equity MF, we were able to be in line with the market or slightly ahead of it. On an overall basis, we were net positive on the overall flow and from a mark-to-market perspective, YoY we were broadly at par. On sequential basis, because the markets ran up, we had almost a 20% jump on the overall AUM. That's broadly the story on the AUM on the wealth side.

Moderator: Thank you. We take the next question from the line of Manish Sonthalia from Motilal Oswal AMC. Please go ahead.

Manish Sonthalia: Congratulations for a great set of numbers. I have just a very broad question. I mean, on the broking side you all are doing exceptionally well, thanks to a very strong brand name and even on the wealth management side distribution of products, it was perfectly good and that is expanding. Just want to understand, what stops you from launching a PMS product under your own company? Is it to do with a conflict with the AMC, because I believe that PMS is broadly an HNI product, and the large pool of the HNI client base that you have, if you launch it under your platform, run it yourself, given that you yourself have an ICICI Direct research, you have an ICICI institutional research, what stops you from launching a PMS business? Because it is a huge operating leverage business, particularly on the equity side. So any thoughts on this side would be helpful.

Anupam Guha: On the PMS bit, as you are aware, we have a license for both the discretionary and the non-discretionary. In fact, we have already launched two PMS from ISEC and we have raised in excess of ₹ 100 crores already. The distribution has largely been done by the wealth management team at ISEC, and hence may not be known in the market per se. What we want to do with the PMS license is essentially to curate bespoke solution for our clients. I will briefly tell you what our strategy is, one, there is a big market for passive funds and there we are collaborating with one or two models in the market and in one of it that we already have raised over ₹ 100 crores is an index fund.

The other big strategy that we have is on the ND PMS side, we have in-house research, large pool of demat assets, dealing setup, and fund management expertise as well. ND PMS, we have already launched because there is a big need in the market where clients want a consultative approach. In PMS, given that sales are still not is completely digital and because of COVID we have really not been able to go the full hog, but as we progress into the next quarter, we will see a good traction there as well.

Moderator: Thank you. We take the next question from the line of Kunal Shah from Carnelian Asset Management. Please go ahead.

Kunal Shah: Just two part questions, while most questions have been answered. My question was more on the distribution part. While equity has been doing fantastic and the new product introduction has been doing good. My question is more on the mutual fund AUM and the client addition per se that is happening over there, if you could throw some light. Because from last four, five quarters, our AUM has been more or less stagnant, I am not taking about the income because of the regulations that is understood. But more on the part of AUM which is obviously a function of market movement, but inflows as well. If you could throw some light, I mean, what are the barriers we are facing there when it comes to client addition?

And the second part of the question is, in the annual report, I happen to read that for the lending products we have tied-up with partners like HFC, HDFC, BoB, PNB HFC, Tata Capital for home loans and more. So if you could throw some light how this is working and how this can pan out going ahead when it comes to augmenting our income from other than the broking part?

Kedar Deshpande: This quarter, we saw a bottoming out of our MF client base. In fact, we grew the number of unique clients investing in MF. We are yet to see the trend bottoming out in the SIP base though, we hope it will be visible this quarter. The overall SIP value went up, but the number of unique clients doing SIP actually went down.

The number of MF investing clients also went up and our market share in the equity mutual fund also went up compared to the last quarter. We are now clearly seeing that trajectory is moving up. We are also taking steps like launching a dedicated investment app so the clients can start investing in mutual funds, etc. as a starting point. A lot of steps are planned also to focus on areas where we are relatively less strong, we should see the changes happening on that front.

For the loan business, the idea is to capitalize on our own client franchise, plus our distribution network of brokers, sub-brokers, etc. The idea was to complete the offering by tying-up with multiple partners. It is at an early stage, our core franchise and core loan distribution will be ICICI Bank loans. But wherever the clients' file does not get cleared through the banking risk credit policies, these partnerships will come handy. Early days, but we are seeing a good traction, especially in the non-metro cities where our sub-broker platform is bringing in fairly large amounts of leads. It is getting scaled up, all these tie-ups also help us in engaging clients, because many of these cases when they are rejected by the bank, their efforts are going nowhere. We believe these tie-ups will help us in scaling up.

Kunal Shah: Just trying to understand the thought process out there. Is it to build a platform kind of a business where you will probably have various loan products for non-ISEC clients as well or will it just be providing options to existing ISEC customers?

Kedar Deshpande: Existing clients is the franchise and distribution channels also bring new clients to the ISEC family. The journey can begin through a loan product. Our distribution partners now get the entire suite of loan offerings apart from insurance and broking and distribution products like MF, fixed income, etc. We have become a fairly robust and powerful franchise to tie-up with for all the sub-brokers.

Vijay Chandok: The eventual thinking is to have a digital network, connecting end customer through us to banks to begin with, and over time maybe make it open architecture.

Kunal Shah: Okay. Great. And just one clarity purpose point, on slide number 14 we have got these clients which two or more products data has been shared, right? So just wanting to understand, when we say two or more products, it is like equity, MF, kind of or what exactly we mean when we say two or more products?

Kedar Deshpande: One product is equity, second product is MF and then, there is a slew of products like insurance, loans, PMS, fixed income.

Harvinder Jaspal: We have created categories of similar kind of product. For example, an insurance family, Life Insurance or a general insurance or a health insurance is one family. Mutual fund is one family, in equity any kind direct participation is one family. That is what we try to monitor and try to scale up. It is not each product type but product category.

Moderator: Thank you. We take the next question from the line of Ritika Dua from Elara Capital. Please go ahead.

Ritika Dua: Congrats on a great set of numbers. A lot of questions have been answered, just maybe still two, three left. Firstly, sir, on this number which we shared last quarter on the percentage of contribution of prime customer base to the total revenue on the booking side, could we share how that number has moved in this quarter? It was a 30 - 40 percent number last quarter.

Vishal Gulechha: Contribution from Prime has been rising significantly quarter-on-quarter. This quarter was no different, around 50% of our total business is coming from Prime plan now.

Ritika Dua: Okay. And sir, on the similar lines, just wanted to understand, because of this new customer addition which obviously the industry has seen. Any color on the trend on the contribution of this newer set of investors to maybe, can we say the balance 50% percent will not be from new customers because you have your prepaid customers as well. So, how significant are these newer customers who are coming on board?

Vishal Gulechha: At ISEC in terms of new acquisitions, we always had a mix of completely new customer to market as well as the experienced customers trading elsewhere in the market and we witnessed a similar trend in Q1. Among the new registrations which we did in Q1, Prime registration remains very robust, and we exceeded our last quarter number. That gives you a sense in terms of the quality of customers which we are getting in.

Harvinder Jaspal: Ritika, just to add to what Vishal said, focus is on quality that has been stated very clearly in our strategy, there is no dilution on that parameter as an approach.

Ritika Dua: Sir, on this market share gain, which has been a great number this quarter, I mean, across both the products, equity and F&O. So while you are gaining, I still wanted to put this question to you. So a competitor of yours who recently reported numbers, they have lost market share. And I just wanted to know your views on that. So they say that the increased interest from the newer set of customers towards option trading probably, they believe, is one of the reasons that they think that they have been losing market share. Sir, what is your general comment on that?

Vishal Gulechha: At ISEC, we look at two different aspects. One is the long-term aspect of gaining market shares and then second is the short-term tailwinds which we get from the market. Since last four quarters we have been consistent in terms of adding granularity to the market share by adding more number of customers through offerings like Prime and Option 20. Beginning Q1, because of the volatility in the market and the products offerings in place, we got benefit of that tailwind. The short answer is that this has a combination of all the hard work, the proposition, the consistent approach of adding more and more customers.

Vijay Chandok: If I can paraphrase what Vishal is saying. Market share is an outcome of efforts, you cannot just like that target a market share. You can certainly target a set of efforts that you are going to do, which will eventually lead to an increase in market share and that is what we have been doing. How are we doing this? We have been granulizing the market opportunity, we are segmenting, sub-segmenting and identifying different categories of customers which appeal to different categories of opportunities, and then trying to maximize our flow of customers into each of these buckets. When you allow the opportunity to take over from having enabled the customers onto the platform, market share is a consequence of that.

We have mature customers and we have been able to attract millennials. In last 3 years, millennials form 70% of our total active customers. If we focus on quality and if you give them a good experience, be sensitive to their needs, we believe market share will be a consequence of that.

Ritika Dua: Sure, sir. Sir just on the regulation bit, which obviously you have answered, just wanted to check. If I am not mistaken, the circular does not really mention about the brokers really funding the margin, which the customer has to bring up front. Sir, firstly, am I correct that there could be a possibility? And also what we are getting to understand is that SEBI might not allow you to borrow it to fund it, you have to fund it through your balance sheet. Is there any clarity on there?

And secondly, on the circular, while it came in December 2019, it will be implemented in December 2020. But we were already asked by the regulator to start putting the margins in place since January 2020 already. So all-in-all, so firstly, on the borrowing bit if you can clarify, if there is any clarity from the regulator? And secondly, would it be really much would of a hassle or we are almost settled there? Because we were probably already doing it since January.

Vishal Gulechha: Since January, there has been a lot of deliberations happening between the broker, the regulators and the exchanges in terms of modus operandi on how to implement this. We received the new circular day before yesterday, which says that this is the final shape of the new regulation which is going to be implemented in a phased manner starting December 1, 2020.

Now, as far as borrowings are concerned, I mean the new regulation says it very clearly that if you are taking a position for x customer, then the x customer only should fund the entire margins. If you are taking for y, the y customer should bring the entire funds. There cannot be any component of assisting him in terms of adding to his margin requirements or anything of that sort. That is clear in the circular, only during the transition period starting in December customers may bring 25% of what is required, and the remaining 75% can be added by the intermediaries. But eventually by August 2021, it will become 100% customer.

Moderator: Thank you. We take the last question from the line of Aadesh Mehta from Motilal Oswal AMC. Please go ahead.

Aadesh Mehta: I just had two questions. So firstly, I see that your yield improvement has been quite significant on the broking side. How much of that is because of price hikes you have taken? And how much of that is because of the mix change between F&O and cash? That is question number one. The second question is, in terms of ARPU what can be the difference in terms of ARPU between your prime customers and your non-prime customers?

Harvinder Jaspal: To answer the first question, yield improvement is primarily getting driven by product mix. We have seen that the mix for delivery equity customer on a relative basis went up. Derivatives in this particular period have been relatively lesser in terms of growth.

Coming to your second question of ARPU on prime, non-Prime, we have not put out that level of granular data. Having said that, we have seen that in the Prime proposition where the yields on a product basis are lower but we have not seen that ARPUs are lower. In general terms, our experience is that the volumes are relatively higher in Prime because these customers are the ones who are quality customers and they are interested in equity transactions and with them they bring the volume as well. As Vijay also mentioned that we are not too fussed on product level yield, because derivatives could be at a fraction of a yield of an equity but the ARPUs could be higher. We look at the ARPU and how do you maximize the wallet share.

Aadesh Mehta: Right. So sir, with the number of Prime customers increasing, how should we think about ARPU? Will they actually come down or will they actually remain stable? On a like-to-like basis. How do you budget for your ARPU?

Harvinder Jaspal: Some of these things would emerge maybe in a couple of quarters. There are two or three moving factors over here. One is what you rightly said, adoption of Prime, we are still growing in terms of number of Prime subscribers. Going forward, the growth rate can keep coming down because existing base may have already adopted to whatever extent they wanted. The second lever is the product mix, which could be contextual, for example, currently, there is a lot of equity participation and derivatives is relatively slow. Tomorrow the mix can change with the intraday circular, so the intraday mix also would be one factor.

Third, our initiatives on growing the allied revenue, what we are trying to do is to build up allied sources of revenue which may not be directly linked to the stock prices and brokerage rates. So how we are able to grow, what is the kind of scale or where does it settle? It is too dynamic an environment right now, but the way we are thinking about it is that if we get the input parameters right, if we get the quality of customers that are coming in right, if we are able to engage our customers and they become interested in a DIY manner, then we will try to maximize that opportunity. What opportunity market offers could have some external dependencies but our approach is to maximize the opportunity and to increase the client base.

Moderator: Thank you. We take one last question from the line of Deepak Khatwani from Girik Capital. Please go ahead.

Deepak Khatwani: Sir, will it be possible for you to disclose the revenue breakup in terms of cash and F&O or cash and derivative?

Harvinder Jaspal: Deepak, we have not put out that revenue. In terms of volume, we have provided a volume share, where we have said that it is broadly in line to the market, we have also given the numbers.

Moderator: Thank you. Well, ladies and gentlemen, that was last question for today. I would now like to hand the conference back to the management for their closing comments.

Vijay Chandok: Thank you very much for giving us a very patient hearing and for all the support that you have been giving us. I really appreciate the kind of interest you are showing. We will continue to take the feedback and input that we receive from you from time-to-time and we do hope we are able to live up to your expectations. Please do take care and the environment is indeed what it is today and be safe all of you and your family. Thank you very much, once again and have a wonderful evening and days forward.

Moderator: On behalf of ICICI Securities Limited, we conclude today's conference. Thank you all for joining. You may now disconnect your lines.

Contact Details:

Investor relations: Kartik Parekh

Email: IR@icicisecurities.com

Registered Office:

ICICI Centre, H.T. Parekh Marg, Church gate, Mumbai,

Maharashtra, 400020

CIN: L67120MH1995PLC086241

Website: www.icicisecurities.com