July 23, 2026

BSE Limited	**National Stock Exchange of India Limited**
Phiroze Jeejeebhoy Towers,	Exchange Plaza, 5th Floor,
Dalal Street, Fort,	Plot No. C/1, G Block, Bandra Kurla Complex,
Mumbai 400 001	Bandra (East), Mumbai 400 051
BSE Scrip Code: 540767	**NSE Scrip Symbol: NAM-INDIA**

Dear Sir(s),

Sub.: Transcript of the earnings conference call for the quarter ended June 30, 2026

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the earnings conference call for the quarter ended June 30, 2026, conducted after the meeting of Board of Directors held on July 22, 2026, for your information and records.

The above information is also available on the website of the Company:
https://mf.nipponindiaim.com/InvestorServices/pdfDocuments/Conference-Call-Transcript-for-Q1-FY-2027.pdf

Thanking you,

Yours faithfully,

For **Nippon Life India Asset Management Limited**

Valde Varghese Ponthokken

Digitally signed by Valde Varghese Ponthokken
Date: 2026.07.23 17:12:11 +05'30'

Valde Varghese

Company Secretary & Compliance Officer

Encl: a/a

Nippon Life India Asset Management Limited
30th Floor, One Lodha Place, Senapati Bapat Marg, Lower Parel,
Mumbai - 400013, Maharashtra | CIN : L65910MH1995PLC220793
Tel : 022 6808 7000 | Fax : 022 6808 7097
Email : investorrelation@nipponindiaim.com | Website: https://mf.nipponindiaim.com

Nippon Life India Asset Management Limited
Q1 FY27 Earnings Conference Call

July 22, 2026

MANAGEMENT:

- **MR. SUNDEEP SIKKA – MANAGING DIRECTOR & CEO**
- **MR. SAUGATA CHATTERJEE – PRESIDENT & DEPUTY CEO**
- **MR. PARAG JOGLEKAR – CHIEF FINANCIAL OFFICER**
- **MR. AMOL BILAGI – DEPUTY CHIEF FINANCIAL OFFICER**
- **MR. ARPANARGHYA SAHA – CHIEF DIGITAL OFFICER**
- **MR. ASHISH CHHUGANI – HEAD OF AIF**
- **MR. AASHWIN DUGAL – DEPUTY HEAD OF AIF**
- **MR. SHIN MATSUI-SAN - NOMINEE OF NIPPON LIFE INSURANCE, JAPAN**

MODERATOR: **MR. KARTIKEYA MOHATA – MOTILAL OSWAL FINANCIAL SERVICES LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to the Nippon Life India Asset Management Q1 FY'27 Earnings Conference Call hosted by Motilal Oswal Financial Services Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing * then 0 on your touchtone phone. I now hand the conference over to Mr. Kartikeya Mohata from Motilal Oswal Financial Services. Thank you and over to you, sir.

Kartikeya Mohta: Yeah, thank you. Good evening, everyone. On behalf of Motilal Oswal, I welcome you all to Nippon Life India Asset Management's 1Q FY'27 earnings conference call. We have along with us Mr. Sundeep Sikka, Managing Director and CEO, and the senior management team. We are thankful to the management for allowing us this opportunity. I would now like to hand it over to Mr. Sundeep sir for his opening remarks. Over to you, sir.

Sundeep Sikka: Thanks, Kartikeya. Good evening and welcome to our Q1 FY27 earnings conference call. We have with us, President & Deputy CEO - Saugata Chatterjee, CFO – Parag Joglekar, Deputy CFO - Amol Bilagi, Chief Digital Officer - Arpan Saha, Head AIF - Ashish Chugani, Deputy Head AIF - Aashwin Dugal and Shin Matsui-san, nominee from Nippon Life Insurance (Japan).

I would first like to share key highlights of our performance and post that I will hand-over to Parag, to speak in greater detail on the recent Industry trends as well as our performance, post which we will move on to QnA.

Coming to the Key Highlights:

1. I would like to start by mentioning that NAM India was the fastest growing AMC in the Top-10 AMCs in Q1 FY27 on overall and equity AUM, both on a YoY & QoQ basis.
2. This led to a continued increase in our overall AUM and equity AUM market share.
3. We had the highest increase in AUM market share in the Industry in Q1 FY27, both YoY & QoQ. In fact, we even had the highest absolute AUM growth in the Industry in Q1 FY27.

4. Our market share at 9.04% is our highest since June 2019.
5. Importantly, both Equity Net Sales market share and SIP market share remained well above our Equity AUM market share – with SIP market share in high-single digits and Equity Net Sales market share in double digits for the quarter.
6. Moving to our financial performance, NAM India achieved its highest ever Quarterly Profit After Tax at INR 5.04 bn (a growth of 27% YoY), as well as highest ever Quarterly Operating Profit at INR 4.94 bn (a growth of 31% YoY).

Now I will hand over the call to Parag for further details on Industry trends and our performance.

Parag Joglekar: Thanks, Sundeep. Let me start off with the markets:

Equity markets in Q1 FY27 witnessed a rebound from prior quarter levels. The NIFTY was up 7% QoQ, while the NIFTY Mid Cap & Small Cap indices were up 17% QoQ and 24% QoQ, respectively. The repo-rate was flat QoQ at 5.25%, while the 10 Year G-Sec yield decreased by 29 bps QoQ to 6.75%. Gold and silver prices declined 3% & 1% QoQ, respectively.

Now, moving to Industry AUM and flows:

1. Industry QAAUM grew by 15% YoY and 2% QoQ in Q1 FY27 to INR 83.1 trillion.
2. The share of Equity in overall AUM increased by 0.8% QoQ, ending at 57.2% for Q1 FY27.
3. The Equity category (ex-of Index Funds & Arbitrage) witnessed a gross inflow of INR 2.46 trillion and a net inflow of INR 1.13 trillion – both were lower QoQ.
4. Categories with the highest inflows were Flexi Cap, Small Cap and Mid Cap funds.
5. The Fixed Income category i.e. (Debt + Liquid), witnessed a net inflow of INR 338 bn in the quarter after an outflow in the previous quarter.
6. The ETF category had a net inflow of INR 291 bn, lower on a QoQ basis.
7. Quarter-end unique investors in the Mutual Fund Industry increased 12% YoY to 61.9 mn.

Moving on to SIP:

1. Industry SIP flows for the quarter stood at INR 939 bn, up 16% YoY and 1% QoQ.
2. Monthly SIP flows in Jun-2026 stood at INR 318 bn – near the all-time high level.
3. Contributing SIP folios for Jun-2026 increased 13% YoY and 1% QoQ to 97.8 mn.

Now moving to our business performance:

1. We closed the quarter with total assets under management of INR 8.62 trillion. This includes Mutual Funds, Managed Accounts, Offshore Funds and GIFT City.
2. Our Mutual Fund QAAUM grew 22.7% YoY and 3.7% QoQ to reach INR 7.52 trillion.
3. We were the fastest growing AMC in the Top-10 in Q1 FY27 on overall and equity AUM, both on a YoY and QoQ basis and had the highest increase in QAAUM market share among all AMCs in Q1 FY27.

I would now like to share a few key highlights for the quarter:

1. Our Mutual Fund market share increased 54 bps YoY and 15 bps QoQ to 9.04%.
2. Our Equity market share increased 34 bps YoY and 22 bps QoQ to 7.38%.
3. We achieved a double-digit Net Sales market share in the Equity segment (ex-of Index Funds & Arbitrage).
4. We continue to have the largest investor base in the Mutual Fund industry, with 24.1 mn unique investors. We are humbled to have over 1 in 3 Mutual Fund investors invest with us.

I would also like to touch upon some important aspects of our Systematic Book:

1. I am happy to share that there has been continued momentum in our systematic flows.
2. Our monthly systematic book rose by 12% YoY to INR 37.2 bn for Jun-2026. This resulted in an annualized systematic book of INR 446 bn.
3. SIP market share stood at 9.84% for Jun-2026, similar to Mar-2026.

Moving on briefly to the ETF Segment:

1. We continue to be one of the largest ETF players with AUM of INR 2.43 trillion and a market share of 21.35%, which increased by 159 bps YoY.
2. Our share of industry's ETF folios and volumes remains strong at 45%+. Our ETFs' average daily volumes, across key funds, remain far higher than the rest of the Industry.
3. This quarter, the Industry witnessed a decrease in Gold & Silver ETF volumes. Combined Closing AUM in these 2 ETFs for NIMF was ~INR 827 bn, down 2.5% QoQ.
4. In QAAUM terms, our Gold & Silver ETFs represent ~32% of ETF AUM and 12% of MF AUM.

Moving on to our digital franchise:

1. Digital purchase transactions & new SIP registrations rose to 4.49 mn in Q1 FY27, up 26% YoY.
2. Digital Business contributed 78% of the total new purchase transactions in the quarter.
3. In Q1 FY27, NIMF's Digital Business sharpened its focus on long-term investor behaviour by driving initiatives to scale business and strengthen SIP habits, helping rebuild confidence in disciplined investing amid market volatility

Now, I would like to briefly update you on our subsidiaries and GIFT City:

1. Starting off with AIF - Under, Nippon India AIF, we offer Category II and Category III AIFs and have raised cumulative commitments of INR 95.8 bn across various schemes, up 18% YoY.
2. In Q1 FY27, we raised INR 2.5 bn of commitments, across various asset classes.
3. Fundraising is currently underway for our Listed Equity Fund, Private Credit Fund, and Direct VC Fund.
4. Nippon India Equity Opportunities Scheme 10 (NIEO 10) achieved its final close and is now fully drawn-down.
5. Nippon India Equity Opportunities Scheme 11 (NIEO 11) completed its 2nd drawdown and the Fund is currently 50% drawn-down.

6. Nippon India Credit Opportunities Fund (NICO 2), with the 2nd capital call in Q1 FY27, is drawn-down to the extent of 40%.
7. On the Offshore front, our managed AUM stood at INR 147 bn, up from INR 139 bn in the previous quarter.
8. Moving to GIFT City - As stated previously, we currently have 2 feeder funds - namely 'Nippon India ETF Nifty 50 BeES GIFT' Fund, and the Nippon India Large Cap Fund GIFT.
9. The AUM in these funds stood at USD 48 mn.

Now on to our Financial Performance:

1. For Q1 FY27, Revenue stood at INR 7.67 bn, up 26% YoY and 4% QoQ.
2. Other Income stood at INR 1.70 bn, higher both YoY & QoQ.
3. Operating Expenses stood at INR 2.73 bn, up 19% YoY and 11% QoQ.
4. Operating Profit stood at INR 4.94 bn, up 31% YoY and flat QoQ.
5. Profit After Tax stood at INR 5.04 bn, up 27% YoY and 31% QoQ.

With this, I would like to conclude my remarks and open the floor for questions.

Moderator: Thank you very much. We will now begin the question and answer session. The first question is from Mehak from Emkay Global. Please go ahead.

Mehak: Yeah, hi. Thank you for the opportunity and congrats on a good set of numbers. So, first question was largely on the other expenses. So, other expenses have increased almost 17% QoQ. So, could you just highlight what would be the exact reason for the same?

Parag Joglekar: Yeah. So, thanks Mehak. We continue to invest on the digital and brand and technology side. So, the other expense increase is mainly due to that, we are investing in the technology, brand activities and on the digital platform. That has increased and we will keep doing that. That is the idea that we need to build this over the period, maybe next six to eight quarters in the similar fashion.

Mehak: Okay. And secondly, sir, the employee expenses, so basically you might have had Q1 hikes in the quarter. So, should we -- should the employee expense be largely in the similar range for the coming quarters?

Parag Joglekar: So, the current quarter there is an increase due to the increments which happen in the first quarter and slightly on ESOP side. And which should remain similar, increase in employee strength will happen will have a slight impact, but otherwise looks to be in similar range.

Mehak: And thank you. And lastly, sir, on the SIP flows, I mean your SIP flows have been quite healthy. So, could you just call out, which all largely, I mean which funds are seeing large amount of flows on the SIP side? That would be my last question?

Saugata Chatterjee: Okay. Yeah, so hi Mehak, this is Saugata this side. So, like in the previous calls we have been communicating that we have been broad-basing our SIP book. Earlier we had maybe one or two funds which was anchoring the SIP book. Now we have diversified that reasonably well and hence even though the market is volatile, we continue to increase our SIP book.

And we are also seeing a lot of SIP inflows coming through the Fintech platform as well as through our B30 initiatives which we are doing across India. The rebranding activity which Parag did speak about, the digital infrastructure support which we are getting is definitely helping us to increase our retail penetration.

Mehak: Got it, sir. And just I wanted to squeeze in one more. So, basically given the volatility, so are you witnessing any change in the behaviour with respect to direct versus distributed AUM or distributed SIPs? So, if you could just give some colour on that?

Saugata Chatterjee: See, what happens any investor who is coming in in these volatile markets, the investor behaviour remains similar, okay. Yes, the trends when it comes DIY investors do have a different trend. They tend to have shorter cycles. But there is a lot of education program which is happening from our side to elongate their cycle.

So, so that's an ongoing process. But what we are seeing that in the last 2 years, the quality of the digital native or the digital investors who are coming in is definitely improving, right from the average ticket size, from the longevity of the SIPs, there is definitely an improvement happening. So, so that's where we stand at this point in time.

Mehak: Got it, sir. Thank you so much and all the best.

Saugata Chatterjee: Thank you.

Moderator: Thank you. The next question is from Prayesh Jain from Motilal Oswal Financial Services. Please go ahead.

Prayesh Jain: Yeah, hi. Good evening, everyone. Few questions from my side. Firstly, what has been the flows on the ETF, especially on silver and gold? That's question number one and how do you see this kind of panning out going ahead? Question number two is on the equity inflows, what is the kind of ground traction that you are seeing with respect to SIPs or any behavioural change in the last 3 months in the volatile environment that we've seen?

Similar question on the debt front, where we have seen industry-wide flows weakening and do you see any revival out there? And last question would be on SIF, what would be your plans there and product launches trajectory there? Those would be my four questions? Thanks.

Saugata Chatterjee: Saugata this side. First question which pertains to the commodity side, I think both silver and gold, though the industry at an industry level there has been a moderation in the flows which we have seen, of course on the ETF side, most of the industry players have moderated the rather restricted flows of INR 25 crores and plus in the ETF schemes.

It's an interesting trend, even though moderation has happened, industry continues to get net sales which is positive. We also continue to maintain our market share as we had previously in both gold and silver. Though volatile, but the nature of investors who come in gold and silver are very different.

So, that's the way the gold and silver is panning out. Coming to fixed income, I think the fixed income side of the business, though it has been volatile because of the interest rate movement, see we have been trying to sort of broad-base the fixed income awareness amongst the investors.

It is all purely asset allocation which we promote in our company, either through asset allocation funds or create pure debt portfolio from a medium to long-term point of view. So, maybe industry will have would have seen some volatility, but we are trying to de-risk the portfolio by bringing in more investors into the fixed income part of our business.

But yes, there is definitely volatility in the fixed income from an industry point of view. When it comes to equity inflows, if you if you breakdown the quarter gone by between April, May and June, April and May did see a moderation in the flows in the industry, June had seen a spike, rather it moved up.

So, net-net the flows are SIP plus -- it is not only SIP, SIP plus lumpsum is definitely coming into the industry and hence it continues to be robust. From our point of view, we continue to have double-digit net sales in the equity side, ex of index and arbitrage, and similar trend continues to be in the SIP.

From a behaviour change point of view, what we are finding is that if the performance of certain categories which are large cap, multi cap and the larger cap categories continue to be stressful, then maybe there can be moderation in flows in times to come, but we'll have to wait and see. As of now, there is no investor concern which we are seeing.

Finally on SIF, as we have been articulating, we are in the state of readiness and as and when we get our approvals, we'll definitely launch the funds, but we would like to see have a wait and watch approach in this category. I hope I've answered.

Prayesh Jain: Yeah, thanks for all those answers. One bookkeeping question, I don't know if you've answered this. The asset-wise yields and what is the kind of guidance that you will have now? You've been a guiding for a 1 to 2 basis points yields drop every year, should we stick to that? And just extending that point, have you passed on the complete impact of the 5 basis points exit load in this quarter or is there a partial impact there?

Parag Joglekar: Yes, Prayesh, the yields are -- equity is 54 basis ex of arbitrage, debt is 25 basis, liquid is 12 basis, and ETF as a category is 25 basis. Overall, our yield remained constant at 38 basis QoQ. On the pass through of the TER changes which has happened, we have mostly passed on everything to the distributors through the commission alignment and there is no impact per se on the financials.

Prayesh Jain: Equity is, could you repeat what the equity is?

Parag Joglekar: Equity was 54 basis ex of arbitrage.

Prayesh Jain: 54?

Parag Joglekar: Yeah, and 53 with arbitrage number which was flat QoQ.

Prayesh Jain: Got that. Got that. Thank you so much and wish you all the best.

Parag Joglekar: Yeah, we continue to think that due to this pricing this thing, yield may drop on equity as the size goes up, which will be 1 to 2 basis on YoY on blended yield.

Prayesh Jain: Okay. Thank you. Thank you so much.

Moderator: Thank you. The next question is from Madhukar from JP Morgan. Please go ahead.

Madhukar: Hi sir, congratulations on a good set of numbers. First sir, we had restricted flows to the bullion ETF. What's the update on that? Do we still have the restrictions, what are the restrictions and were there any changes or what's the plan, when can we see that being lifted?

And second, what is our base TER on base expense ratio, sorry, on the bullion ETFs and arbitrage? Third, I'm not sure whether you covered this, but what's what have been the trends in terms of net equity inflow market share? So, you gave a rough sense of what that number is. So, you know if you could give that?

And final question, sir, other income has shot up very strongly this quarter. Can you give some explanation in terms of debt, equity, what has been the big driver of that? Yeah. And how much is it? Yeah.

Parag Joglekar: Madhukar, basically the commodity ETF yields are more or less comparable with the equity numbers.

Madhukar: The bullion inflow restrictions. So, where are we with that?

Sundeep Sikka: So, Madhukar, on the restrictions, you know, it was done with the backdrop more from a country point of view, because gold imports were higher. It was, more from a national cost point of view. But if you see what we had done was also we had restricted inflows in excess of INR 25 crores.

And in our gold fund, which is not ETF, gold fund, above INR 10 lakh. So, broadly the retail flows still continue. It is only some investors who take trading calls and other things for short-term, we restricted that. So, from our retail franchise point of view, our retail investors continue to have access to commodities.

And to your question on when we will open it, it will be difficult to give a date or this thing, but looking at the overall environment, good thing is because this was voluntarily done by the company. We continuously keep evaluating and may sooner than later open it.

Saugata Chatterjee: Coming to equity flows, the equity flows - QoQ there's an improvement. Last quarter it was higher single-digit. This time, this quarter it has been in the double-digit range ex of index and arbitrage.

Good part is the NFO market has shrunk because of less euphoria in the market. That is good for the industry and that's how we would like to continue that. We don't launch NFOs. Yeah, any other point which is pending?

Madhukar: The other income, Parag sir.

Parag Joglekar: So, Madhukar, the other income is mainly driven by the market movement, mainly on equity side and softening of interest rate on debt. So, that has driven.

Madhukar: Yeah, when I look at your investment book, equity is not very large in the investment book, right? So, that was what my confusion or maybe I'm missing anything over there.

Parag Joglekar: So, we have a large portion of small and midcap, Madhukar, as a seed capital. So, which has given the benefit to us.

Madhukar: Understood. And final thing, just coming back on the gold ETF. See, these are normally supposed to be backed by physical gold. So, given the current environment, how are you sort of arranging for gold? I mean, is there enough supply in the domestic market or you import it? How does that work?

Sundeep Sikka: No, as per SEBI rule, I think you're right. Everything has to be backed by physical. And yes, we have not seen any disruption during this period and otherwise we would not be able to take any inflows. The fact that inflows continue and every incremental rupee that comes in is backed by gold, so we do not see any disruption in supply chain.

Madhukar: Got it, sir. Congratulations on a great set of numbers and all the best, sir. Thank you.

Sundeep Sikka: Thank you, Madhukar.

Moderator: Thank you. The next question is from Rohan Nagpal from Helios Capital. Please go ahead.

Rohan Nagpal: Hi, thanks for taking my question. Just a clarification on the other expenses. So, I gathered that you're investing more on the technology front and certain other investments. Is this the run rate that one should expect from this point onwards or are there certain expenses that will continue -- that you anticipate continuing for a certain period of time before they go back to an earlier level? Just wanted some clarity on that.

Parag Joglekar: We will keep on investing for some time because we think that there is a requirement to do investment on these. So, maybe for six to eight quarters we will keep on investing and see growth in the range of 18% to 20% on overall operating expenses (ex-ESOP and one-offs).

Rohan Nagpal: Understood. Okay. That's it. That's it from my side. Thank you very much.

Moderator: Thank you. The next question is from Prayesh Jain from Motilal Oswal Financial Services. Please go ahead. Mr. Prayesh Jain, you may go ahead with your question.

Prayesh Jain: Yeah, thanks for the opportunity again. I think on the overall expenses front, how should we think about the overall expense growth? You've been guiding for about a 15% growth in overall expenses. So, is that the guidance that you would like to stick to for the next 1 or 2 years?

And second question would be again on, you know, SIF, you just mentioned that you have -- so are the application for products been filed with the regulator or they're still in the process? And there's quite a few things that are developing in the industry with regards to SIF. Now there are some distributor regulations also, examination regulations also that have been changed. Mutual fund and SIF examination to be merged. All those regulations are also being changed. So, definitely I think the industry is seeing this as a decent opportunity. Is it that we are just still waiting and observing, or the pipeline is very clear for us? And again, on the international front, any new developments, or any new geographies that you're getting into or any scale up or new launches that you're going to look at in the new offshore side? Thanks.

Sundeep Sikka: Regarding SIF, as my colleague Saugata mentioned earlier, we're in a state of readiness. Rather than getting into the nitty-gritty of what stage we are at with the product and all, we are overall in a state of readiness. We remain very optimistic on this space. But we also feel typically a lot of products which have been launched initially by the industry, they are very, you know, I mean, they're the me-too kind of a thing.

I mean most of them are very similar, I think they're just mutual fund plus-plus. We believe that this is a category because we have a very big retail franchise on the mutual fund side. We want to be very clear that the products we're going to be launching are very highly differentiated and from pure mutual fund play. We already have our senior colleague Andrew Holland and his team on board, they're working on various things.

So, you will see us launching and for us this will be a very important business strategy going forward. That's the only thing I can mention, for point number one. To your second question on international, there are a lot of things which are happening. For us two markets remain critical. One is Japan, being our home country there, and on the other side our recent JV that we have announced for our AIF business with DWS.

So, there are a lot of things happening, starting from launching of funds and also approaching institutional investors. Some of these things are binary 0-1, they take time to happen. Maybe in the subsequent earnings call we'll have something more concrete to share. But specifically, and I'd like to touch upon the JV with DWS, we believe from Europe a lot more money can come to India and DWS is the largest asset manager of Europe and the JV has been done with that in mind.

Parag Joglekar: Yeah. And Prayesh, just to correct my earlier thing. The overall expenses we are expecting to grow in the range of around 18% to 20%, because we'll do the investment on technology and brand, which will be ex of ESOP and any one-offs.

Prayesh Jain: I'm sorry. Yeah, thanks for that. Just the extension to that question on expense, 18% to 20% ex-ESOPs, so - and ESOPs should be declining YoY on FY27?

Parag Joglekar: The present as we go -- the present ESOPs, you know, going by that logic, yes, it will decline YoY.

Prayesh Jain: Okay. And just the unit economics on DWS if you can highlight something, whether what kind of yields and what kind of money that we can make on this? Anything that you can share right now or it's too early to comment on that?

Sundeep Sikka: I think it would be too early. We see a very big opportunity there. We have just, you know, we are awaiting regulatory approvals, because as announced by the stock exchange, DWS will be taking 40% stake in our AIF subsidiary. And from our point of view, the key to that is basically, we are very strong domestically in India.

We have very strong Japanese access. But Europe access was lower -- and we will become one of the unique asset management companies in India where on one side it will be Europe and one side it will be Japan. And as India, and this is also going to be function of as India becomes more important for global investors, we believe we have a better edge compared to others to get this foreign money into India.

Prayesh Jain: Okay. Got that. Thank you so much for all the detailed answers. Thanks.

Moderator: Thank you. The next question is from Abhijeet Sakhare from Kotak Securities. Please go ahead.

Abhijeet Sakhare: Hi, good evening everyone. Sir, I had couple of questions on flows. So, if you could kind of highlight the incremental flows in terms of channels if there is any skewness towards direct versus the other intermediated channels. And we've generally seen for the industry the banking channel has been relatively weaker, so anything to read across that you're seeing at a broader industry level and specifically for Nippon?

Saugata Chatterjee: Yeah, so I'll answer the second question first. From a channel perspective, the banking channel, see what happens to manage the banking channel you need the right experience and the geographic reach. So, from our perspective, we have seen incremental flows are only steady in the banking channel and we have a widespread of banking interface which we have across PSU, private sector, and the MNC.

So, from our perspective we have not seen any sort of trend lines which show any moderation. The second and the other question was on percentage share of direct to regular. The direct flows have been stepped up a bit, because of the fintech platforms having a very high inflow of SIPs coming in from the fintech platform. So, definitely the direct inflows, new inflows coming to our funds, on the equity side has start has started inching up. The distribution piece also continues to be strong from our end. So, we are able to balance out the balance out the distribution of flows both into direct and regular plan.

Sundeep Sikka: I think I'll just like to add one more thing, since we talked about the banking channel, while for us we have always stated as risk management, we have always a very strong de-risked business model. Same is true for distribution. No distributor for us, no single distributor is more than 5% and we have a very high percentage which comes from MFDs. So, it is a very well-diversified portfolio distribution portfolio mix.

Abhijeet Sakhare: Got it, sir. And like with the digital channel generally the perception is that it's a channel which is always chasing performance relative to other channels. But when it comes to let's say the market volatility, is there a like a different trend in this sense that the digital channel is more sort of buy the dips versus the intermediated channel? Is there a like a color there?

Arpan Saha: Hi, thanks for your question. I am Arpan. So, I think it's all about the way you would want to run your campaigns across your digital channels, because it's also one of our imperatives that we educate our customer. So, in a time of dips, it's not that everyone comes to buy, because if you see the digital infrastructure is mainly visited by the Gen Zs more than anybody else.

So, the trust, process, and the confidence that we've been able to build up across our infrastructure, be it digital distribution or through user growth, that helps us to educate the customers in the right way. So, volatility while it might have its own measures, but we put the countermeasures in place so that, you know, at every year, every month or every day has to be, you know, on the basis of trust and process, which is long-term investing and we help them through digital platforms by nudges, by campaigns. So, we are there 360 across the customer.

Saugata Chatterjee: So, we have also incorporated such stuff, you know, if an investor comes in for redemption, we actually, you know, make them realize that redemption is not right. You know, that education process is very robust at our end. So, that actually protects and the stoppages to quite an extent.

Abhijeet Sakhare: Got it, sir. And just, sorry, one more follow-up on the flows in terms of the funds where which are attracting strong inflows, those continue to be the same funds primarily small, multi and large cap or is there a like a different?

Saugata Chatterjee: Yeah, so we have small cap, we have large cap, we have multi cap, we have midcap, we have multi asset allocation fund, we have a large and midcap fund, we have the sector funds which are giving us inflows now because the NFOs are not coming. Now the traffic is moving to the secular, you know, sectoral funds which we have for 15-20 years in our company. So, we have a very well-diversified flow which is coming to our funds.

Abhijeet Sakhare: Got it, sir. And then one data question, if you can quantify the absolute revenue or the contribution from non-MF products in this quarter?

Parag Joglekar: It is in the similar range around 8% of gross revenue.

Abhijeet Sakhare: Okay. And just one follow-up when we on the AIF products, do we incur management fee on the commitment amount or the investment invested amount?

Aashwin Dugal: Hi, this is Aashwin. So, this depends on the strategy that you are running. So, in a typical PE VC fund, mostly you charge management fee on catch-up, while when we do a private credit kind of a fund, okay, or a Cat III fund, that's mainly on the drawdowns.

Abhijeet Sakhare: Understood. Okay. That's all from my side. Thank you.

Moderator: Thank you. The next question is from Shreyas Pimple from Nomura. Please go ahead.

Shreyas Pimple: Hi team, thank you for the opportunity. I had a question on performance. Obviously, we have had a good performance in last one quarter, probably that is why we have seen a better quarterly average AUM growth versus peers also. Can you highlight some metric that can be tracked in order to, you know, see and track the performance of the funds that we have?

Sundeep Sikka: So, I'd like to take this question a little differently. First the performance has been there over a longer period of time. And performance remains a very important parameter, but the way we see ourselves, for us there is a lot of input metrics that we try to, you know, monitor closely, which we believe this kind -- give this kind of results, you know. There are 17 factor analysis which, you know, a PDCA process which was started about seven-eight years back by Nippon Life, you know, from Nippon Life risk management and that has been helping.

And when I say help, it's making it more consistent because otherwise there it would -- this performance is not a flash in the pan, but if you see it's been a very long and sustainable one, I think Arash will give you the number, but 90% to 95% of the AUM is in quartile 1 and 2. So, that is one.

We would also like to touch, you know, as a company performance remains important, but you will never see us talking about performance. For us, you know, all our advertisements are about trust and processes, you know. So, the reason why I'm trying to touch this point is we are trying to build a franchise where performance will remain important but will may not necessarily be the selling point.

Shreyas Pimple: Understood, sir. Second question was on the ESOP expense. As far as I remember, there are two ESOP expenses, the first old one and the new one. Could you please quantify if there are any changes in the ESOP expenses that we will have or are they the same?

Parag Joglekar: Yes, so the ESOP expense for the quarter is around INR 13-14 crores and over the period it should be in the range of around INR 60 crores odd that is for the year FY27.

Shreyas Pimple: Got it. Yeah, those were my questions. Thank you.

Moderator: Thank you. The next question is from Mohit Mangal from Centrum. Please go ahead.

Mohit Mangal: Yeah, good evening, everyone and congratulations on a good set of numbers. My first question is on this distribution mix. So, we saw corporate accounting for around 37%. Now if I look this number five years back, this used to be around 50-odd%. So, fair to assume that retail has overcome corporate and this trend is expected to continue?

Sundeep Sikka: I think your reading is correct. The way I would like to see it is that because of our reach today the retail part is becoming bigger day by day. The fact that we cover 100% districts of India, 97% of pin codes of India, we've been able to reach, both where physically or digitally, which is the reason the corporate looks to be shrinking as a percentage, but the good thing is both retail and corporate in absolute terms continue to grow.

Mohit Mangal: Understood. This is helpful. Now coming to flows, I think your opening remarks said that flexi cap is one where we have kind of received very good flows. Now this is kind of very young schemes, at our portfolio level with AUM also being low, whereas large and multi-asset kind of schemes are more than INR 500 odd billion. So, just wanted to know how have been the flows in these schemes as well?

Saugata Chatterjee: Yeah, so you're right, the flexi cap fund from our side is relatively new and last two-three years the markets have been volatile. But what the other category -- the large and midcap categories are more stable category. We have a very unique positioning of our Vision Fund in that space and hence we have been able to now incrementally build our flows in the large and midcap.

Flexi cap it'll take us some time because we would like the market to be more stable and therein the ability for the fund manager to have a nimble-footed approach towards flexi cap strategy really helps. So, for us it will be Vision Fund and then maybe flexi cap in times to come.

So, we also would like to share that even though that category is large, most of the players in that category are large-cap biased and hence probably from our perspective we would like to be true to the label and even though it may lead us to be lower in the performance rankings, we would not like the mandate of the fund to change to attract flows. And we have enough funds to play the large cap space.

Mohit Mangal: Understood. This is very helpful and all the best for the future. Thank you.

Moderator: Thank you. The next question is from Raghvesh Sharan from JM Financial. Please go ahead.

Raghvesh Sharan: Hi, sir. Thanks for the opportunity. So, I essentially wanted to double-click on the AIF PMS piece. So, so first a hygiene, so the entire thing except the offshore business comes under standalone?

Parag Joglekar: No, so AIF is a different subsidiary and offshore is a different subsidiary.

Raghvesh Sharan: And the PMS but it comes in the...

Parag Joglekar: PMS is a part of the standalone.

Raghvesh Sharan: Okay. And at say around INR 60 odd crores of, you know, revenue in a quarter, I assume half of that would be going towards fee and commission expense. So, are we break even and what is the path to break even there if we are not? And for your view, when does it really become a significant contributor to bottom line?

Parag Joglekar: Yeah, so it's a profitable company. It's a profitable franchise.

Raghvesh Sharan: It's a PAT positive company.

Parag Joglekar: Yeah, you can see our financial are put on the website also.

Raghvesh Sharan: Okay. And secondly on the fintechs, like the largest fintech player gives out its -- the sectoral flows. So, over there how has does our market share trend and is it very volatile or is it stable at say somewhere around the 10% which is our overall market share across the board?

Arpan Saha: Hi Arpan over here, I think we have been able to spread our distribution across the digital ecosystem where fintechs is just a part of it and that is how we want to be. And we ensure that there is the there is kind of an equitable distribution even across fintechs. Market share yes, we tend to stay on the top three on the fintech space, and I think that's the way it's going to be in the times to come.

Raghvesh Sharan: Okay, sir. Thanks. Thanks for the answer.

Moderator: Thank you very much. That was the last question. I would now like to hand the conference over to the management team for closing comments.

Parag Joglekar: So, thank you, thank you all for taking out the time to join us on the call today. If there are any queries, we shall we will be happy to address the same post this call. Thank you.

Moderator: Thank you very much. On behalf of Motilal Oswal Financial Services, that concludes the conference. Thank you for joining us, ladies and gentlemen. You may now disconnect your lines.