02.11.2026

To,
The Manager,
Listing Department,
National Stock Exchange of India Limited,
'Exchange Plaza', C-1, Block – G,
Bandra-Kurla Complex,
Bandra (E), Mumbai – 400 051
Ph. No. 022-26598100
Scrip Code : GEOJITFSL - EQ

To,
The Manager,
Listing Department,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.
Ph. No.022 22721233
Scrip Code : 532285

Dear Sir/Madam,

Sub: Transcript of Analyst/ Institutional Investor Meetings

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we are enclosing herewith the transcript of the Analyst/ Institutional Investors conference call held on Monday, 26th October 2026 at 3.30 P.M.

Thanking you,
For Geojit Financial Services Limited

Liju K Johnson
Digitally signed by Liju K Johnson
Date: 2026.11.02 16:55:17 +05'30'

Liju K Johnson
Company Secretary

"Geojit Financial Services Limited

Q2 and H1 FY27 Earnings Conference Call"

October 26, 2026

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recording uploaded on the stock exchanges on October 26, 2026, will prevail.

MANAGEMENT:

MR. C.J. GEORGE – EXECUTIVE CHAIRMAN – GEOJIT FINANCIAL SERVICES LIMITED
MR. JONES GEORGE – MANAGING DIRECTOR – GEOJIT FINANCIAL SERVICES LIMITED
MR. SATISH MENON – EXECUTIVE DIRECTOR – GEOJIT FINANCIAL SERVICES LIMITED
MS. MINI NAIR – CHIEF FINANCIAL OFFICER – GEOJIT FINANCIAL SERVICES LIMITED
MR. JAYAKRISHNAN SASIDHARAN – CHIEF INFORMATION OFFICER – GEOJIT FINANCIAL SERVICES LIMITED
MR. RAHUL ROY CHOWDHURY – CHIEF EXECUTIVE OFFICER, PRIVATE WEALTH – GEOJIT FINANCIAL SERVICES LIMITED
MR. LIJU JOHNSON – COMPANY SECRETARY – GEOJIT FINANCIAL SERVICES LIMITED

Moderator: Ladies and gentlemen, good day, and welcome to the Q2 and H1 FY27 Earnings Conference Call of Geojit Financial Services Limited. This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions, and expectations of the company as of the date of this call. These statements do not guarantee future performance and may involve risks and uncertainties that are difficult to predict.

As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the management's opening remarks. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Satish Menon, Executive Director, Geojit Financial Services Limited. Thank you, and over to you, sir.

Satish Menon: Thank you, operator. Good day, everyone, and thank you for joining for Geojit Financial Services' Quarter Two and H1 FY27 Earnings Call. Joining me on the call today are Mr. C.J. George, Executive Chairman; Mr. Jones George, Managing Director; Ms. Mini Nair, CFO; Mr. Jayakrishnan Sasidharan, CIO; Mr. Rahul Roy Chowdhury, CEO of Private Wealth; and Mr. Liju Johnson, Company Secretary.

I will begin with a brief overview of the operating environment and our business performance, after which I will take you through the financial performance for the quarter and for the first half of FY27. First is on the operating environment and the strategic direction. Of course, the second quarter was marked by volatility and corrections in the index, Indian capital market, particularly during the month of September. In this environment, our focus remained on maintaining customer engagement, supporting disciplined investing, and continuing to build a diversified, relationship-led wealth platform.

As on September end, we had a network of 529 offices compared to 525 in quarter one. Our client base increased to INR 17.25 lakhs, and we added 61,657 clients in the half year. Our recurring revenue business continued to build scale. Recurring revenue AUM reached INR 26,737 crores in H1, which is split across mutual fund, overseas AUM, Smartfolio, PMS, and AIF. This is compared to INR 23,230 in the end of FY26.

Our lending book stood at INR 780 crores as of end of quarter two compared to INR 735 crores year back. It consists of margin trading facility and loan against shares and mutual funds. These businesses complement our core broking franchise and broaden the range of solutions available to our clients. Recurring income in H1 is 40% of the total income, which has grown consistently over the last few years. Just for comparison, recurring income was 25% of the total income in FY23; now it is 40%.

Coming to the quarter two and half year performance. Revenue from operation in quarter two was INR 165.82 crores, which is up 2.5% Y-o-Y and up 3.38% sequentially. EBITDA was 36.7, while profit before tax stood at 20.62. For H1, revenue from operation increased by 6.72%, and EBITDA stood at INR78.23 crores. The half-year performance reflects top-line resilience

alongside higher operating cost and lower transaction-linked activity in the cash market. The quarter's performance reflects a combination of factors. Of course, subdued activity in the cash market affected the transaction-linked income, while distribution income and growth in fee-earning AUM provided support. We continue to invest in people, technology, and distribution capabilities to strengthen customer acquisition, SIP mobilization, and service delivery. These investments are intended to build capacity and improve productivity over time.

Employee benefit expense increased by INR 8.17 crores Y-o-Y. This increase was mainly attributable to a higher sales personal headcount, recruitment for our DIFC subsidiary, and expansion of the IT team to support the technology transformation program, and of course, higher incentive in line with the growth of distribution business. In terms of customer assets and gross inflows, customer assets stood at INR1.12 lakhs crores as of September end. Sequentially, reported customer assets were broadly stable. Healthy gross inflows continued during the quarter, but market correction, especially in the month of September, offset some of the underlying inflows.

We believe it is important to distinguish between the flow of new investments into the platform and market link changes in the valuation of existing assets. Gross inflows remain healthy throughout our investment offerings, supported by healthy customer engagement and our distribution network. While the market movements can affect quarter-end AUM, the underlying inflow momentum and continued participation through SIP remain important indicators of customer engagement. And we continue to strengthen our field force.

In the mutual fund distribution business, our SIP book reached INR 156 crores, and the number of SIP clients is approximately INR1.78 lakhs. For the wealth management business, annual ARR net flow, which comprises of net flows in mutual fund, third-party products, and insurance, stood at INR 583 crores in quarter two. For H1, it stood at INR1,189 crores. These measures provide an indication of net additions to recurring revenue link products.

They should be considered alongside gross inflows, redemptions, and market-related valuation changes. Mutual fund AUM stood at INR18,449 crores, excluding the JV. We are continuing to strengthen our field force capabilities and customer outreach to support our SIP acquisition and deeper product engagement. 79% of our mutual fund income come from clients who have been with us for 5 years and plus.

In terms of our asset management business, it continues to grow. PMS, AIF AUM stood at INR 2,018 crores as of September end, compared to INR 1,449 crores end of March, which is a growth of 39% over March. Asset management net inflows increased to INR 322 crores in quarter two compared to INR 71 crores in the same period last year. For the half year, asset management inflows stood at INR 408 crores.

We view this improvement in net flows alongside the growth in AUM and client numbers as an encouraging indicator of momentum of business for our asset management business. Within our alternative investment offering, Geojit Yield Plus, Category III AIF, with an absolute return strategy, had an AUM of INR 248 crores as of September end, compared to INR 22 crores a year back. In insurance business, we recorded a gross premium of INR 175 crores in quarter two.

Insurance remains an important part of our broader wealth proposition and supports cross-selling and deeper client relationship.

In the GCC, we continue to engage with NRI clients amid evolving investment preferences and a wait-and-watch environment. We have observed that attractive FCNR deposit offering and market conditions were influencing the allocation of investment across products. Rupee movement and global investment opportunities have also shaped client preferences, including interest rates in the US. We have not noticed any major redemptions in our overseas market. We continue to monitor client activity and market sentiments while maintaining our focus on customer engagement.

Technology remains a key enabler for our transformation. We are investing in our platforms and IT capabilities to improve the client journey, supporting digital onboarding, and strengthening our analytics and operational efficiency. To conclude, quarter two FY27 was a challenging quarter for the capital market. Nevertheless, we continue to see healthy inflows, growth in recurring revenue AUM, and a significant improvement in asset management net flows. Of course, market link valuation movement affected the reported customer assets, along with subdued cash market activity.

Our priorities remain to deepen customer relationship, expand SIP and product penetration, and continue to invest in technology. We believe that a broader recurring revenue base, supported by our distribution network and client relationship, will help us build a more resilient and scalable business over the long term. With that, I would like to thank you for your continued interest in Geojit. Thank you very much. Over to operator for Q&A.

Moderator: Thank you. The first question is from the line of Daksh Prashar from Desvelado Research. Please go ahead.

Daksh Prashar: Hi, sir. Am I audible?

Moderator: Yes, you are audible.

Daksh Prashar: Okay, sir. So my first question is, sir, given that only a small percentage of our active clients hold more than one product, what specific cross-selling strategies are being deployed to increase product penetration across our existing client base? That's my first question, sir.

Satish Menon: Okay. So we have close to 20% of our clients who have invested through us in more than one product. And primarily that is brokerage and mutual fund, which is the overlapping one. We have right now penetrated less than 5% of our clients for life insurance and less than 3% for health insurance. Our first focus, of course, is to penetrate more in mutual funds, and then we have a lot of scope to do in both insurance, life as well as in health.

Daksh Prashar: Okay. All right, sir. That's really helpful. And, sir, my second question is about ARR. Sir, ARR this quarter was around INR 322 crores against INR 71 crores a year ago. Were there a few large sum investments or was it broad-based retail inflows?

Satish Menon: No, it is primarily broad-based. Though we have few high tickets, but I would like to take you towards our AUM. When we look at our PMS, we cater to the lower segment of HNI in that matter in terms of portfolio per client. For PMS, when we look at INR 1,750-odd crores, the average size of a client would be INR 75-odd lakhs.

Daksh Prashar: All right, sir. That's really helpful. And, sir, just my last question. How much AUM do we expect from the DIFC and Barjeel AMC to add in the second half of this year?

Satish Menon: We do not give any forward-looking statement. DIFC is still in a very nascent stage, so it may take time. Nonetheless, we don't give any forward-looking statement, sir.

Daksh Prashar: All right, sir. Thank you so much. That's it from my end. And congratulations on this set of numbers.

Moderator: Thank you. Next question is from the line of Dhaval Pandya from Areeza India, please go ahead.

Dhaval Pandya: Hello. Am I audible?

Moderator: Yes, you are.

Dhaval Pandya: Hello, good afternoon, sir. First of all, congratulations on a good set of numbers. I had a couple of questions. So, the revenue grew year profitability was low. What were the main drivers of the decline in bottom line for Q2 and H1? Hello?

Satish Menon: Yes. I would request Chairman to answer this.

C. J. George: Sorry. Can you please repeat the question?

Dhaval Pandya: So, your revenue grew year-on-year, but the bottom line did not grow as per the revenue grew. So what was the main reason behind it?

C. J. George: We had in the past also reiterated that the beginning of this year onwards, we have been investing heavily in terms of technology for technology transformation as well as investment in cybersecurity, etcetera. This will this also resulted in hiring more number of technology resources, competent, senior leadership technology resources. Also, we have been hiring people in the field level for better reach as far as the customer engagement is concerned.

So, these were part of the well-thought-out strategy. What impacted was basically the market. So, this hiring in both technology as well as in the field, that also resulted in increase in inflows, gross inflows for us. So, this was a part of well thought-out strategy, and we had in the past also indicated that the hiring that is happening with regard to retail sales force as well as the technology transformation investment that we are making, this is basically to service the clients much better going forward.

So, this is not unexpected. Although today, with regard to hiring sales force, etcetera, it will be relatively muted going forward looking at the market situation as well as the emerging geopolitical situation. So, this is the reason why the expenditure went up largely.

Dhaval Pandya: Okay. So, assuming that the geopolitical situation continues and this Middle Eastern war and all continues, what are your measures to outcome this kind of situations? Because we have seen it in last month that such disruptions has come in the equity markets. So, what is your thought on it, and how will you see to it that your things won't get affected much?

C. J. George: We will focus on increasing the productivity of our field force rather than hiring more number of people in this kind of market. To be frank, the recurring income-based products has been our focus area. We will continue to focus on that and increase the cross-sell opportunities within our customer base.

Fortunately for us, we have not reached any significant percentage in terms of full potential with regard to the customer base. And our customers are largely long-term clients, second-generation clients even, so the customer stickiness is also very high. So, this is what we are going to do if the market is turning out to be, particularly geopolitical situation turning out to be risky or challenging going forward.

Dhaval Pandya: Okay. And looking at current revenue contribution by the recurring business is 40% in H1 of FY27, so how do we look at in the coming years, like in next 3 years to 5 years? How do we look at it? Like increasing or staying stagnant in this range only? How do you look at it?

C. J. George: No, our plan is to significantly increase the recurring revenue income. This will eventually take care of the cyclicality risk as far as our cash flows are concerned. So, this is part of a long-term strategy that we have built in. So, there is no kind of compromise on that. And also, I must tell you that this is not a short-term strategy on the basis of the geopolitical emerging trends, etcetera. This we have started sometime ago, and we continue to focus in that line.

Dhaval Pandya: Okay. That's it from my side as of now. If I have any further questions, I'll join back the queue. Thank you very much, sir, for answering all the questions.

C. J. George: Thank you.

Moderator: Thank you. Next question is from the line of Jyothish Vijayan from Motilal Oswal. Please go ahead. Mr. Vijayan, your line is unmuted. You may please go ahead with the question. Due to no response, we will take the next question. Next question is from the line of Arvind Singh from Maitrayee Investment. Please go ahead.

Arvind Singh: Hello, am I audible?

Moderator: You're audible.

Arvind Singh: Hi, sir. So, my first question is that customer assets were broadly stable at INR1.12 lakh crores despite healthy gross inflow. How much of the movement reflected mark MTM changes versus new client inflows? Can you shed a light on this?

Satish Menon: So, INR 1 lakh crores is a huge base. If you see September itself, you saw the market going down by 6%. Whereas net inflows, we have already given the numbers in our presentation. So, when you look at the inflows, inflows for the first half would be INR1,400-odd crores plus . But

INR1,400 crores is only 1.4% of INR1 lakh crores. So, it is primarily because of the market volatility and subdued depreciation in the market where you see that customer assets remain more or less at the same level.

Arvind Singh: Okay. And, sir, we are heavily investing in the human resources, so employee costs are increasing. So, can you throw some light on like how we are planning to manage human resources or the employee base?

Satish Menon: Yes. Okay. Before I answer this question, just an addition to my answer to the last question. I would just like to give you some data. Even looking at mutual fund, in September beginning or August end, our mutual fund AUM had actually touched INR 20,000 crores. And when you look at September, and it has become INR 18,500 crores. So that itself, though you have we had positive inflows, from that itself you will come to know that how the market has affected.

So, when we talk about mutual fund inflow, that is the actual inflow, actual AUM, which gives us a recurring revenue. So that is how the impact has compared to August end or September beginning to September end. In terms of employee, I think the Chairman already mentioned. With the market being such, the capital market and the cash market delivery volumes being subdued, we'll be very cautious in terms of in terms of aggressively increasing the employee count. Our main focus right now is to improve the productivity of the existing employees and having a close look at the cost incurred on these employees.

When the market sentiment improves, when the cash market when the brokerage market improves, we can again go back and look at expansion in the terms of employees. But as of now, we will be cautious, and we will be only selectively increasing the employees. The core idea is to improve the productivity of the existing people rather than going out-all to increase the headcount.

Arvind Singh: Okay. Fair, fair, sir. And all the best for your future.

Satish Menon: Thank you.

Arvind Singh: Thank you, sir.

Moderator: Thank you. Next question is from the line of Yash Parkar from Patel Investments. Please go ahead.

Yash Parkar: Hi, sir. Thank you so much for the opportunity. Am I audible?

Satish Menon: Yes, you are.

Yash Parkar: Right. So, sir, what measurable benefits should investors expect from technology investments, such as improved client conversion or lower sourcing costs? And over what time frame should we look at those benefits?

Satish Menon: I would request Jay, CIO, to take this question.

Jayakrishnan Sasidharan: Thank you. So, the early areas that we have started out are around customer onboarding. And we see advantage, one, in terms of customers getting converted from the time they start their journey. So, we have seen a 15% uptick in the speed at which they convert and also the final closure. So, that is something that we are seeing as an improvement.

The other area that we are looking at, I think you alluded to that question on internal operations on email efficiencies and things like that. So there we have actually driven a lot more focus around customer support and customer success, where we are able to look at high-priority areas much faster with the help of technology and to a certain extent leveraging AI as well. So, customer support is a big focus area from that perspective.

Coverage of number of tickets, number of responses, all of that have increased dramatically. So, automation within our operations, improving customer onboarding, automation at all of those levels have really increased our ability to support customer onboarding.

We also have enabled dealer-assisted order creation for mutual funds and insurance orders. Those are completely technology-enabled. We've leveraged newer channels. We're bringing in newer channels like WhatsApp as well into that. So, along with our existing channels, we are also bringing in some of these new channels where customers can have multiple ways to engage with us and put in their requests for orders.

Yash Parkar: Right. And, sir, how are the NRI investment preferences, FCNR deposit offerings, and currency movements and global opportunities affecting activity across the GCC business?

Jones George: Hi. This is Jones George. So the FCNR, most of the Indian banks did a fantastic job in raising funds from NRIs. And the investment returns were very lucrative such that the equity returns or the level of risk for equity was not comparable. So, we had a lot of challenge in being able to compete with the FCNR product. But subsequent to the closure in August, we have started seeing some bit of inflows.

However, the current geopolitical situation in GCC has put people in a wait-and-watch mode. Along with that, the currency depreciation has also impacted their decision-making. So, whatever investments today that they are considering is, they're largely looking at a dollar-denominated investment portfolio to hedge that risk. However, we have not seen significant redemption pressure, so which means they're still patiently waiting for markets to improve.

Yash Parkar: Right. Sir, last question from my end. What are the top priorities for the second half of this year that the management has set? And what indicators should the investors monitor to assess progress on growth, on profitability, or any other operating metrics?

C. J. George: I will take this question. I'm C. J. George here. So second half, we will focus on increase in productivity. As I told in the beginning of the conference, and Mr. Menon had told you, that the cross-selling opportunity that we are taking advantage is only minimum at this stage. We intend to expand aggressively and increase the focus on cross-selling so that the productivity increase can come within the customer base itself if there are challenges.

So, depending on the evolution of the market, we will make some changes. But the whole focus will be how to increase the productivity of the people that we have, and the focus area will be to increase the cross-selling -- to expand on cross-selling opportunities. So, I'm not venturing into giving any numbers to you, but this will be our focus. Thank you.

Yash Parkar: Right, sir. Makes sense. Thank you so much for patiently answering my questions.

Moderator: Thank you. Next question is from the line of Manaswini from Oracle Investments. Please go ahead.

Manaswini: Hello, sir. My first question is EBITDA margins have declined compared with the corresponding period last year. What would you say are the most important drivers for improving margins, especially as now the business scales?

Satish Menon: I think I already answered that. When you look at the split, the income has marginally increased by 2-odd percentage, whereas the expenses have gone up. And we also mentioned that the expenditure is primarily coming from employee cost and the transformation project for IT. Going ahead also, so we had said this sometime back, some quarters back, that our focus is to increase our recurring revenue asset so that we are able to predict what kind of income will come in year-on-year.

The focus continues that. In terms of expenditure, our EBITDA margin, when you say that, there is a big component till today also which comes from the broking segment, that is the transaction-led business. As you know, the last 3 months, 6 months, or more than that, the business in capital market broking has been slightly subdued. And if it remains like this, EBITDA margin for the next one, two quarters also looks to be subdued for us. But you never know, and that the sentiments in the market changes.

If you look at the history of Geojit or in the history of the industry, you might see a 1-year or 2-year lag or subdued capital market, post-rate it jumps up. So, in terms of our present focus, we are looking at increasing our recurring revenue asset. And that is how it is going to be. In terms of EBITDA, we will try to increase the productivity of the people so that EBITDA increases. Rest is on the capital market activity. History will tell us when the capital market activity improves, EBITDA margin also improves.

Manaswini: Okay. Thank you, sir. I joined a bit late, hence might have missed that. Another question that I had is what is management's outlook for, say, transaction-based income, especially given the market's volatility, competitive pricing, and even changes in retail participation? What would be our transaction-based income outlook?

Satish Menon: So, to take you back to history, till 2016, we were only a stockbroker, and a large percentage of our revenue used to come only from transaction-based income.

Manaswini: Yes.

Satish Menon: Even in those times, we have always focused on long-term delivery business in the capital market. When we look at Geojit capital market business, of our cash market volumes, 50% or

plus is delivery business. And if you look at the split between equities and derivatives, in terms of income, derivatives constitutes around 20% of the total income, 80% comes from cash, of which 90% comes from delivery business.

So, we have been conscious from the start of the company that we will be looking at long-term wealth creation in the capital market, and we will not push or force our clients to do day trading or F&O, because even before SEBI came out with a report, we understood that when people do leveraged trading, whether it is day trading or F&O, most of them tend to lose money.

So from the start, our objective has been to build long-term wealth for the client and focus mostly on delivery business in the transaction-led segment.

Manaswini: Okay. Thank you, sir. That sounds quite positive. One last question that I had was the monthly SIP book has reached about INR156 crores. So then what is the plan to grow SIP mobilization and increase penetration within our existing client base?

Satish Menon: So it has grown to INR156 crores. And from what I understand, we are growing quite fast compared to the industry. And like I said in my remark, we have 1.78 lakh clients who have SIP running with us. We still have a huge segment to be still tapped for SIP. And that is what the Chairman said, our objective in the coming quarters would be to increase our recurring inflows through mutual fund, which will be ideally done through SIPs.

So we have been doing SIPs for the last 10-odd years now. And when I when I spoke about our mutual fund client base, a healthy percentage, 70%, 78% of our clients who are with us in mutual fund are more than 5 years plus. And these are primarily these are primarily coming through SIPs.

Manaswini: Okay. Thank you, sir. That's all of my questions.

Moderator: Thank you. We will take our next question from the line of Vansh Rathod from JJ Advisory. Please go ahead.

Vansh Rathod: Hello. Good evening to everyone. Sir, I wanted to ask this quarter, the second quarter, we had an insurance gross premium of around INR175 crores, if I am not wrong. So what are the exact steps that we are planning as a company to expand our distribution network and increase our existing clientele and boost revenue rates? Yes, that's the first question.

Satish Menon: So like I said a few minutes back, in terms of life and health, we have not even penetrated 5% or 3% respectively in terms of number of clients. We continue our cross-selling objective. So in terms of the products available to our employees to sell, fortunately, insurance is a product which doesn't have a direct bearing on the capital market.

So some portion of the sentiments which affects the capital market doesn't affect the insurance business. More than that, since we have only penetrated less than 5% of our total clients for insurance, we will continue to do continue to approach these clients for cross-selling without giving any future number, sir.

Vansh Rathod: Got it, sir. Sir, I had one last question. So how is the management balancing capital allocation between tech upgrades, hiring, and opening new branches, or and for that matter, returning cash to shareholders? So how are we doing that?

C. J. George: Thank you. I am C. J. George here. I will take that question. Technology investments are must investments that we are undertaking at this stage. In order to gain market edge in terms of the technology platform as well as the features and products that we have, we need to make investments, and some of the legacy investments are being replaced to gain competitive edge in the market. So this is something we are making as a as an imperative kind of a requirement.

With regard to new branches and additional people, etcetera., new branches, I must tell you that we are not expanding aggressively, in this kind of market situation. At the same time, you need to remember that our branches are predominantly, in the Tier 2, Tier 3 types of places where the cost is relatively less and our ability to wait is also relatively high. So we are certainly very conscious of the fact that capital allocation has to be very carefully planned.

To answer your next question with regard to returning to shareholders, etcetera, at the appropriate moment. depending on some of these strategic opportunities that we are seeing, particularly in this market. We will wait in terms of taking a decision, or rather jumping into a decision of giving cash back to shareholders. We are getting some we are seeing some opportunities strategically. And if that doesn't materialize, then we will of course look at the opportunity of buyback etcetera.

Vansh Rathod: Got it, sir.

C. J. George: Thank you.

Vansh Rathod: Sir, are we looking for any international ventures?

C. J. George: No, not at the moment.

Vansh Rathod: Not as of now.

C. J. George: Not at the moment, except for except for -- we had we had planned a small investment in Bahrain, which was announced, and this was -- which is not a very big investment. Other than that, there is no international investment planned at this stage.

Vansh Rathod: We wouldn't mind if there's an opportunity coming up, right?

C. J. George: We are not looking at. We are seeing opportunities in the country itself. There are a lot of opportunities in the domestic business. And particularly, difficult times are also good when your balance sheet is strong and where there are good opportunities. Domestic market is currently at the appropriate time.

Vansh Rathod: Got it, sir. Thank you so much, and all the best, sir. Thank you for answering my questions.

C. J. George: Thank you.

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

Vini Jain: Hello, good evening, sir. So, I have a couple of questions. The first being, your combined PMS and AIF AUM stood at around INR2000 crores, including a standalone PMS AUM of INR1,770 crores. So, what drove the growth, and what is the medium-term ambition for this specific business?

Satish Menon: So even if you look at the PMS business, PMS business has grown from INR1,450 crores to INR1,700-plus crores. AIF, of course, is a new product from our side, which has grown from INR22 crores last year to INR248 crores. We continue to focus on the asset management business. You understand that we service clients with wealth and a section of our clients are HNI clients. where they have the appetite to invest in PMS and AIF.

So, we have -- it is one of the main products for us in terms of mutual against mutual fund. So, for focus for the asset management business is to grow that business, not only in terms of cross-selling, but also in terms of getting new clients from outside. When you talk about AIF, in terms of AIF, it is one of the best-performing Cat III AIF in the country, which is also used by our wealth management team to get inroads into new HNI clients with this product.

Vini Jain: Got it. So, in context to your asset management business, the income was around INR 9.83 crores in Q2 and INR 18.4 crores in H1. So then here, what drives the conversion of the AUM and the net inflows into the income? And then what would be your operating leverage that would become more visible?

Satish Menon: I'm sorry, you will need to repeat. I have not clearly understood your question.

Vini Jain: So, my question to you is the conversion of the AUM and net flows into the operating income, correct? So, when could the operating leverage become more visible to us?

Satish Menon: Okay. So, in terms of the asset management business, since more than 90%, 95% of the inflows come from the group itself, it is a highly profitable business for us. As of now, we are at INR 2,000 crores. On INR 2,000 crores and INR18 crores of top line for the half with a direct cost which is not so significant. So, profitability you are already seeing as a part of the consolidated accounts.

But going ahead, we intend to grow this aggressively. Going ahead, we will be looking at empanelling third-party distributors also, were, though you will get the scale, the EBITDA percentage of this particular business might come down a little bit. But as of now, since it is there is no distribution fees to be paid to a distributor, this is a highly profitable business for us.

Vini Jain: Got it. So, my last question to you is what progress has the DIFC platform made since the launch in terms of client acquisitions and asset and revenue contribution per se?

Jones George: Rahul, you want to take that?

Rahul Roy Chowdhury: Yes, Jones. I can take that. Hi, this is Rahul Roy Chowdhury. So DIFC, as Satish also mentioned sometime back, we started operations only couple of quarters back. As a process, DIFC is a very

well-regulated entity, and any account opening or any kind of business over there takes some bit of lag time. We have already made inroads into around 50-odd relationships from India and GCC.

These are all accredited investors of USD1 million plus, and a lot of interest has already started developing as far as the offerings that are there from DIFC for our customers. This not only helps us get new business in dollar terms, which is very much requirement for the HNI and ultra-HNI space, but this also helps us acquire a lot of customers in India when we provide that service to our customers.

So as of now, the revenue contribution from DIFC is not meaningful enough, but when I look at it from a long-term point of view, it is going to add a very significant value in order to acquire clients and grow business, both in India and in Dubai.

Jones George: Just to add, the DIFC entity, we've booked an AUM of about USD 2 million so far.

Vini Jain: Got it. That sounds nice. Thank you. Those are all my questions.

Moderator: Thank you. We will take the last question from the line of Shravan Modi from Syndicate Family Office. Please go ahead.

Shravan Modi: Good afternoon, everyone. Thank you so much for the opportunity. My question is regarding, if you see the ARR net flows across distribution products were very strong in H1. So which product categories have contributed most, and how sensitive is recurring income to market levels versus net inflows?

Satish Menon: So, in terms of recurring revenue inflows, a large portion has come through mutual fund. So, if you look at first half of the financial year, around INR 400-odd crores has come in the asset management business, balance has come primarily through mutual fund. Unlike the transaction-led brokerage business, a subdued market doesn't impact the recurring income so much.

So, when I compared the mutual fund AUM, end August or beginning of September, it was INR 20,000 crores, and we ended September close to INR 18,500 crores, you would see that the income is not much affected. Unless and until you see you a 20%, 30% drop in the total market, you might not see any major impact in the recurring revenue business, because the income is a percentage of the AUM.

And AUM, since it is broad, it is spread across so many mutual funds, which is spread across so many stocks, when the market that goes down by 6%, even if the AUM goes down by 6%, the percentage of the income which goes down will be logically only 6%. But whereas in the capital market, when the market goes down by 6%, 7%, the volumes might go down by 30%, 40%. So that is how we started the call.

We continue to invest to increase our ARR AUM so that going ahead, also people will be -- or we would be able to forecast what kind of consistent revenue this Geojit can get.

Shravan Modi: Right, sir.

Satish Menon: Did I answer your question?

Shravan Modi: Yes, sir. For sure. Thank you so much, sir, for your detailed inputs. That's it from my end, and wish you all the best.

Satish Menon: Thank you.

Moderator: Thank you. Ladies and gentlemen, that concludes our question-and-answer session. I now hand the conference over to Mr. Jones George for his closing comments. Over to you, sir.

Jones George: Yes. So, thank you very much, everyone, for joining our quarter two FY27 earnings call. As Mr. Menon mentioned earlier, we continue to see healthy inflows, and our focus will be on enhancing the annual recurring revenue-based business. Until we see stability in the GCC markets or geopolitical or the global geopolitical situation, there will be some pressures in the NRI business, but nevertheless, we will focus on the AUM-based business across all of our client categories. So, thank you. Thank you very much for joining this earnings call.

Moderator: Thank you very much. On behalf of Geojit Financial Services Limited, that concludes this conference. Thank you all for joining us today, and you may now disconnect your lines.