Date: 31.07.2026

To,
The National Stock Exchange of India Ltd,
Exchange Plaza,
Bandra – Kurla Complex,
Bandra (E),
Mumbai – 400 051
NSE EQUITY SYMBOL: **PRUDENT**

To,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001
SCRIPT CODE: **543527**

ISIN: **INE00F201020**

Sub.: Transcript of the Conference Call for Un-Audited Financial Results for the Quarter ended June 30, 2026.

With reference to our earlier intimation dated July 21, 2026 and in terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the transcript of the Conference Call with analysts and investors held on July 27, 2026 in respect of the Un-Audited Financial Results for the Quarter ended June 30, 2026.

The same will also be available on the website of the Company at www.prudentcorporate.com .

Please take the same into your records and do the needful.

For, Prudent Corporate Advisory Services Limited

Kunal Amrishbhai Chauhan
Digitally signed by Kunal Amrishbhai Chauhan
Date: 2026.07.31 14:42:49 +05'30'

Kunal Chauhan
Company Secretary
Membership No: FCS-13492

Encl.: As Stated

"Prudent Corporate Advisory Services Limited
Q1 FY27 Earnings Conference Call"
July 27, 2026

MANAGEMENT: **MR. SANJAY SHAH – CHAIRMAN AND MANAGING DIRECTOR – PRUDENT CORPORATE ADVISORY SERVICES LIMITED**
MR. SHIRISH PATEL – CHIEF EXECUTIVE OFFICER AND WHOLE TIME DIRECTOR – PRUDENT CORPORATE ADVISORY SERVICES LIMITED
MR. CHIRAG SHAH – NON-EXECUTIVE DIRECTOR – PRUDENT CORPORATE ADVISORY SERVICES LIMITED
MR. CHIRAG KOTHARI – CHIEF FINANCIAL OFFICER – PRUDENT CORPORATE ADVISORY SERVICES LIMITED
MR. PARTH PAREKH – HEAD, INVESTOR RELATIONS – PRUDENT CORPORATE ADVISORY SERVICES LIMITED

MODERATOR: **MR. LALIT DEO – EQUIRUS SECURITIES PRIVATE LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to Prudent Corporate Advisory Services Q1 FY27 Earnings Conference Call, hosted by Equirus Securities. 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 star then zero on your touch-tone phone. Please note that this conference is being recorded.

This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions and expectations of the company as on date of this call. These statements are not the guarantees of the future performance and involve risks and uncertainties that are difficult to predict.

I now hand the conference over to Mr. Lalit Deo from Equirus Securities. Thank you, and over to you, Mr. Deo.

Lalit Deo: Yes. Good afternoon, everyone. Welcome to the 1Q FY27 results con-call of Prudent Corporate Advisory Services Limited. To give a brief update on the results and address investor questions, we have the management of Prudent Corporate Advisory Services Limited, represented by Mr. Sanjay Shah, Chairman and Managing Director; Mr. Shirish Patel, CEO and Whole Time Director; Mr. Chirag Shah, Non-Executive Director; Mr. Chirag Kothari, CFO; and Mr. Parth Parekh, Head, Investor Relations.

Now we would request the management to start with the opening comments, post which we can open the floor for Q&A. Thank you, and over to you, sir.

Sanjay Shah: Thank you, Lalit, and good afternoon, everyone. I extend a very warm welcome to all of you for joining Prudent's Q1 FY27 earnings call. Thank you for taking time to be with us today. I hope you have the investor presentation handy as we'll be referring to the investor presentation during the course of this discussion. So to start with, please move to Slide 49 which highlights the momentum in our AUM growth.

So if you look at on the left-hand side of the slide, you'll see there are 2 bars. The first bar shows our daily average AUM for entire FY26, while the second bar shows our current AUM. So during FY26, we earn our revenue on an average AUM of around INR1.21 lakh crores. While today, our AUM stands at roughly about INR1.4 lakh crores. So this represents a growth of nearly 16%. Since our current AUM is well above FY26 average AUM, it provides a healthy revenue tailwind for the rest of FY27.

On the right-hand side of the slide, if you see, it provides a trend in our quarterly average AUM. In first quarter of FY27, our average AUM stood at INR1.33 lakh crores. This represents a sequential growth of 4% and a healthy year-on-year growth of 21%. Now please move to Slide 50. This slide shows the movement in our equity AUM on both year-on-year and quarter-on-quarter basis. Now let us begin with year-on-year trends shown on the left-hand side of the slide.

Our equity AUM grew by 18% from INR1.14 lakh crores in June 2025 to INR1.34 lakh crores in June 2026. This represents an increase of nearly INR20,000 crores. Importantly, a significant part of this growth came from new money. This was supported by strong SIP flows and the acquisition of Indus.

Another key takeaway is that despite a weak market environment, our equity AUM generated a positive mark-to-market gain of 2.9%, while during the same period, NIFTY 50 declined by 6.5% and NIFTY 500 declined by 2.6%. Major reason of our outperformance is due to consistent SIP flows, which helped investors benefit from market volatility, supported by thoughtful fund selection and portfolio construction by our distributors. Together, these factors demonstrate that our distributors are able to generate distributor alpha consistently.

Now coming to quarter-on-quarter view on the right-hand side of the slide. Our equity AUM grew by 16.4% during the quarter. A significant part of this growth came from recovery in equity market, which resulted in a mark-to-market gain of INR15,175 crores. At the same time, our net sales remained resilient at INR3,790 crores. This represents a healthy 50% year-on-year growth.

Now please move to Slide 51. This slide highlights our SIP performance. As on June 2026, our monthly SIP book stood at INR1,203 crores. The momentum has continued in July. Our monthly SIP book has further increased to around INR1,240 crores when I'm talking to you. This gives us confidence that SIP accretion remains on a healthy trajectory. Coming to SIP collection numbers, which we started reporting.

In the March collection of INR1,170 crores, it included INR35 crores of SIP, which were originally due at the end of February. Since 28th February was on Saturday, all SIP scheduled on 28th to 31st of the month were processed on 2nd March. So excluding this impact, our March collection would have been INR1,135 crores. Against this adjusted base, our June SIP collections stood at INR1,147 crores. This reflects stable and the healthy collection momentum.

Now let me turn you to Slide 54, which talks about our consolidated financial numbers. So, our quarterly average AUM on a Y-o-Y basis grew by 20.8%. However, mutual fund revenue grew at a slower pace of 17.9%. This is mainly due to regulatory changes, which has been implemented from April 2026. These changes had an impact of around 2.8 basis points on our gross yield. As a result, our gross yield has now settled at around 88 basis points.

The yield on our new business is tad higher than our yield on the existing book. With the regulatory changes now behind us, we believe we are well poised to maintain our gross yield at around 88 basis points. Our insurance revenue grew by a healthy 20.6% on a year-on-year basis.

Within the life insurance, our fresh premium grew by 73.4% year-on-year. This was led by strong growth in participating plans, which grew by 100% and ULIP category, which grew by

82%. Our general insurance, specifically health insurance business continued to perform well with total premium growing by 36.8% year-on-year.

Now moving to our other financial and nonfinancial product revenue, which grew by 28.4% year-on-year. This growth was primarily driven by our PMS and bond distribution business. Average PMS AUM grew by 37% year-on-year, and now it stands at roughly about INR1,900 crores. And our income from bond distribution business has more than doubled compared to the same quarter last year. So given the strong performance across all our businesses, our revenue from operations grew by 18.3% year-on-year.

Coming to most important part, which is commission and fee expenses. So if you look at commission and fee expenses grew at a slower pace of 9.8%. This was primarily due to regulatory changes, which has been implemented from April 2026 related to GST treatment and removal of 5 basis points of exit load, which was part of TER earlier. Following these changes, commission rate across the industry are now structured exclusive of GST.

That is, it has moved from TER, which was inclusive of GST to BER, which is now exclusive of GST. Accordingly, we have aligned our accounting and payout framework with the revised regulatory structure. Let me just tell you, as of June 2026, 60% of AUM is mobilized by GST partners, and they continue to get the reimbursement of applicable GST based on the raising of the invoices.

As a result of this regulatory reset, together with pass-through of TER changes on a proportionate basis on account of removal of 5 basis points of exit load, commission and fee expense growth was lower during the quarter. Please note, we view this as a one-time reset. With this transition now complete, the gross profit margin reported during the quarter reflects the economics of the business under the revised regulatory framework.

Let me now address the employee cost. So if you look at the employee cost, it has gone up by 19% on a sequential basis. This reflects the impact of annual wage revision cycle with the wage bill for our existing employee increased by around 14%. The balance increase was primarily driven by our continued investment in expanding our branch network, which has led to an increase in the employee headcount. As a result, we have also made a higher provision for variable employee expenses.

We plan to add around 30 new branches during the year, of which almost more than 12 branches have already been operationalized during the quarter. However, if you look at on a full year basis, including ESOP expenses, we expect that on a full year basis, employee cost growth can be in the range of 22% to 24%. Driven by strong business performance, our operating profit grew by 32.4% year-on-year to INR89.1 crores.

Other income was higher during the quarter, primarily driven by gain from our treasury portfolio. As a result, profit after tax grew by 44.4% year-on-year to INR74.8 crores. To conclude on the numbers, both our mutual fund and insurance business have started the year on a strong footing, and we expect this momentum to continue.

The recent regulatory changes are also creating incremental opportunity for us from a distributor growth perspective. Non-GST registered distributors who are working directly with the AMC have seen a meaningful reduction in their net income under the new structure. Additionally, GST compliance requirement have increased significantly for the GST registered distributors as well. As a result, more distributors are looking to partner with platform that can support them with technology, compliance and operations. We have already seen this transition into the faster distribution addition.

During the first quarter of current year, which is FY27, we added around 600 partners per month compared to monthly run rate of 430 in FY26. In parallel, we continue to focus on scaling our SIF business. Of our MFD base, 1,323 distributors are now SIF certified. We expect this number to increase at a much faster pace following the recent changes of certification framework, which has simplified the process by introducing single examination covering both mutual fund, SIF distribution. And additionally, the major pain point was the currency, which has been removed from the entire examination curriculum.

Finally, with a treasury book of around INR650 crores, we continue to evaluate value-accretive acquisition opportunities that can further strengthen our distribution platform. Overall, we believe business is very well poised with multiple growth drivers and the levers in place, backed by healthy business momentum, a supportive regulatory environment and continued investment in the expansion of our distribution network, we remain very optimistic about the entire FY27.

With this, I think now I'll open the floor for questions.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Swarnabha Mukherjee from 360 ONE Capital.

Swarnabha Mukherjee: Congrats on a good set of numbers. Three questions from my side. First of all, I wanted to understand, you mentioned that on the gross margin in the mutual fund business, since I think even in our stand-alone businesses, there is -- there are other business apart from mutual fund business. So it is a bit difficult to calculate. If you could highlight what was the gross margin last quarter and how it has moved this quarter?

And also, if you can tell us that how much should we estimate mutual fund business contributing at the stand-alone level, given I think there is also stock broking and now corporate agency license of insurance there? So some color on that would be helpful.

Second is the net flows number around, I think, INR3,700-odd crores for the quarter. So sir, I think over the last 5, 6 quarters or maybe even maybe 7, 8 quarters, this run rate has been broadly in and around this range. I understand that the market cycle was also not very favorable at this standpoint and industry flows have also been in the range. But just wanted to understand that from a regular mode of distribution, how has flows moved in the industry? And for us to take this to a higher level, what levers are we pressing? Yes, sir, if you could respond and then I'll maybe ask one smaller question.

Sanjay Shah: So first point, let me address about the gross margin. I can tell you, I already said that last quarter, my margin was about 91.2 basis points as far as mutual fund average AUM is concerned. And this quarter, I think the entire quarterly average is roughly about 88.4 basis points. So there is a reduction of about 2.8 basis points and this reduction has come mainly because as you are aware that there is an exit load of 5 basis points, which has been removed by SEBI from the TER of all the AMC. So I think this is the average of impact which we have on account of entire book, which has been repriced from 1st of April.

Swarnabha Mukherjee: Sanjay sir, sorry to interrupt. I mean, I meant like if I were to calculate a gross profit, so maybe the net yield, if you could highlight on that after -- as you highlighted that there has been some benefit in fees and commission expense. So if you could -- so I just wanted to understand the gross profit margin or if we calculate a gross profit, netting off the fee and commission expense, how it has ranged as a basis point of average AUM?

Sanjay Shah: Sorry, because we do not provide the segment reporting of the mutual fund margin and insurance margin. But however, I can tell you one thing. Broadly, you can look at the operating profit margin, which we have currently reported, that is more representative. So you can probably assume that as a good yardstick for you to do a forward calculation. But definitely, the individual segment-wise profitability margin report we do not do, so that will be difficult for me to give you the numbers.

Sanjay Shah: Now coming to your second question about the business, let me -- I think let Shirish address that because your question was since last -- since the question of last couple of quarters, our sales is broadly in the range of INR3,700 crores kind of a quarter. So what is the view on that? And is regular plan is growing better than direct plus or something like that? So that was the question.

Shirish Patel: Basically, yes, what you said is absolutely right. If I compare my net sales number for last 3, 4 quarters, it is in the range of around INR 3700 crores net sales per quarter. But historically, if you compare our net sales in the first quarter, it is always subdued. If I simply compare my net sales versus last year's similar period, I think there is a significant jump in the net sales. That is point number one. So that says that I think the productivity of the partners or the new expansion is also playing out.

Second point, yes, because of these market conditions, industry level also, if you see the net sales number are subdued in last probably 1 year. Simply, when I compare how we are faring versus the industry, so at least you can compare that our net sales percentage, I would say, in the industry or the net sales versus industry, I think that share is increasing if I compare with the last financial year total versus this quarter. So that means industry net sales numbers are also down. My net sales number are also down, but still we are doing better than the industry.

Swarnabha Mukherjee: Right, sir. Understood. Just a couple of quick questions. One is on the other expenses side, I mean, that has seen, I think, a substantial drop quarter-on-quarter versus, I think historically, even 1Q versus 4Q always used to see an increase. So some color on that.

And on the SIF partner side, so how much headroom do we have considering that the ticket sizes are substantial. So would we -- I mean, should we think that this 1,500-odd number -- I mean, how much penetration within our own MFD base do we have in terms of when we have 1,500-odd MFDs doing this?

Shirish Patel: So basically, if you talk about -- I think I'll address the last question first and let I think Sanjay bhai take this question -- first question. Now today, if I talk about our SIF AUM has already crossed around INR500 crores. Now we already have around 1,400 around kind of SIF certified partners. And secondly, as Sanjay bhai has already said, that now when the SIF examination has become a little easier, I think common examination, I think this will gather the pace. But focus-wise, definitely, I think since the product was launched, we started focusing very, very actively and aggressively on the SIF product.

If I look at my monthly trend business in SIF, it is increasing month-on-month. So that says that more and more distributors are participating. The interest on distribution as well as our team is also increasing. And I think while we are speaking, I think more than INR500 crores of AUM is already crossed on the SIF side, which is a percentage and if I simply compare is much higher than my share in the mutual funds. So that says that I think we are contributing more in the SIF side compared to mutual funds. Yes, Sanjay bhai first question.

Sanjay Shah: Yes. And regarding the other expense, there is one component of expenditure which is based on the insurance mobilization because I think you would require to do certain marketing and then only the business follow through. So, I think there is some seasonality impact in the other expenses. So you cannot take it as a steady number. It will remain a little bit volatile compared to the businesses.

Moderator: The next question is from the line of Prayesh Jain from Motilal Oswal Financial Services.

Prayesh Jain: A few questions. Firstly, the gross realization for the quarter is post the adjustments from the AMCs for the full quarter? Or is there some adjustment which was part of the quarter and we can still see some drop in the coming quarter? And same question for the fees and commission expense also. Is it -- the Q1 is a steady-state number that we can think about and we can forecast that? That would be my first question.

Second is just recently, there is a new announcement. On the mutual fund only wealth management at a PMS ticket size of INR25 lakhs. Do you think that could be a great avenue for us to kind of go into? And third is on the alternate business, what is the size of AUM that we manage on AIF, PMS and SIF today? And also, if you can tell us to how many clients of yours or how many distributors of yours have been distributing these products compared to the total base?

Sanjay Shah: So regarding the margin, I tell you, you can probably consider the current quarter as a representative of margin. And by and large, almost all AMC has transferred what is supposed to be transferred. And we have also -- whatever is proportionately we are supposed to transfer to our distribution partner has already been done. So yes, you can probably take the current margin as a margin, you can factor in from the sort of next 3 quarters, right, number one.

Number two, I think about these new changes, which is where the consultation paper is open about mutual fund only PMS for the first time because I think in the -- all commentary, we have been saying that we don't want to be a manufacturer and there will not be any backward integration.

But after looking to this INR25 lakh of ticket size and mutual fund only PMS, I think we are also finding it very, very important thing in our system because it might be very, very helpful for us to provide this kind of services to our retail -- because I think the INR25 lakhs is a good threshold to reach out to them. So we are very, very positive.

And yet we are not discussed at the Board level. But internally, when we are talking about, we find a lot of merits as far as this particular change is concerned from a Prudent perspective. So we will be open for some acquisition of PMS also or probably we might take our own license. Somewhere we'll -- probably once the entire consultation paper is over, we will probably take a call on our own.

Coming to alternatives, I think number is roughly about INR1,900 crores, which we have as of now. So overall mutual -- the PMS and AIF AUM, what we are managing at the end of this quarter is INR1,900 crores. And we already said that, that number has gone up by 37% on a Y-o-Y basis. So yes. And I think about the number of clients and the number of distributors, I think that number, I don't have handy, but probably the IR team will provide the data on a one-on-one basis.

Shirish Patel: I think SIF AUM is more than INR500-plus crores.

Prayesh Jain: Okay. What percentage of customers would have more than INR25 lakh in mutual fund today?

Shirish Patel: Number exact we don't track on that parameter. So definitely, it is not handy. But simply, if we assume that I think all 36,000 distributors having, I think, even 4, 5 clients, I think whom they can cater easily, I think that number goes to a very, very big number. So that way, I think the potential is huge. But yes, I think the number what specifically you were asking, we are not tracking.

Prayesh Jain: And just last question, Sanjay bhai, you mentioned about other expenses being fluctuating. But on an annual basis, what is the kind of increase we should think about for the year?

Sanjay Shah: That's very difficult to tell you because it's virtually not linked to business. It is always effort based, and we do a lot of marketing and event based activity for generating the insurance revenue. So it's very difficult for me to quantify on a formula basis that how can you project that.

Moderator: The next question is from the line of Sanketh Godha from Avendus Spark.

Sanketh Godha: Sir, my first question is the same question probably. I mean if I look at your stand-alone P&L, commission cost as a percentage of the total revenue in 1Q FY26, it was some 62.7%. Now that number is 56.2% -- so given you passed on the GST impact to the MFDs, so this 56.2% what we see in stand-alone number is a steady-state number to hold up for subsequent quarters, just to understand the commission payout to the MFD guys?

Sanjay Shah: Yes. Broadly, you can because it might depend on the composition between insurance and the mutual fund. But however, I think on a margin basis, probably you can consider this as a good number for your projection purpose.

Sanketh Godha: So basically, the current quarter difference between gross and commission number, the spread broadly should hold up is the fair assumption to make, sir?

Sanjay Shah: Yes, because whatever changes came because of the changes in the regulatory regime and which has been on the entire book, which has been adjusted. So I don't see any reason it should change now.

Sanketh Godha: And this number has fallen largely because most because the GST thing, which was probably benefit you were not getting now, you are getting the benefit, and that's why the net commission -- commission as a percentage of the revenue has come off.

Sanjay Shah: Yes. So I think -- yes, it's implemented based on whatever changes done by the regulator and the AMC has been implemented by us, yes.

Shirish Patel: And one more reason -- Y-o-Y reason is we acquired Indus in the month of September.

Sanketh Godha: Understood. Even if I compare, sir, from fourth quarter to 1Q because stand-alone numbers, I'm assuming doesn't have insurance numbers. So that's why I was comparing stand-alone from 57.3% to 56.2%. The difference is predominantly if I exclude Indus impact also, is largely because of the regulatory change and the spread has to be maintained. Just clarifying again, sorry.

Shirish Patel: Yes. That is one again, the contribution from the insurance business, I think that also one has to address. Last quarter of financial year, the insurance component was much higher than this quarter. So that also, I think, one adjusting factor you can consider.

Sanketh Godha: And sir, the payout difference between insurance and the mutual fund is how much means? I think if insurance is at, say, 60%, 65%, then insurance is much lower than that?

Shirish Patel: Again, I would say when you are saying that insurance is 60%, 65%, that is mainly because our 10% of the business is B2C where we don't pay anything. So I think you need to derive and insurance major business is B2B. So the ratio of payout ratio remains the same for mutual fund and insurance both. But in insurance, major business comes from B2B. In mutual funds, around 10% of the AUM is contributed by B2C. So that adjustment will be required.

Sanketh Godha: Understood. Got it, sir. Perfect. And second, sir, this question on…

Sanjay Shah: Yes. I just wanted to tell you now you should look at only consolidated because the business is also getting merged in the Prudent Corporate. So you should not look at the stand-alone number at all because a lot of business has already moved to Prudent Corporate. So I think just look at the consolidated when you look at any kind of projection.

Sanketh Godha: Okay. Understood, sir. And second point is that this PMS-MF which regulation which SEBI has spoken about. So suppose because we were not doing direct till date, and it probably opens an opportunity to do direct in PMS, MF. And if that happens and if you share the revenue in the same proportion because up to 2.5%, it is a fair probability, sir, that your overall yield realization, which is around 88 bps can be little -- means if you earn 2.5% and you pass on the net realization could be better relatively, sir?

Shirish Patel: So assuming that I think the PMS will be able to charge 2.25% over and above that base underlying cost, I think it is difficult to assume right now. I think let the product come, and I think we'll see the market conditions and market competitiveness. And then we'll be able to see. But I don't see that I think the overall yield should improve because of this particular product because I think this is also a very, very competitive space when you are charging to the investor on over and above that base underlying, I don't think that everybody or all the customers will be able to charge that 2.25%. But yes, only time would say. Currently, I think there is no assumption on that.

Sanketh Godha: Got it, sir. And -- but you don't see the risk other way around that given your MFDs on their own manage so many number of clients, they themselves become PMS/MF registered holders and move out the business from you and they do it on their own.

Shirish Patel: That risk is definitely not there. When we provide the platform, I think why should they go rather, I think there could be a possibility of consolidation as well. How many distributors or how many my MFDs can take this license. That also one to think.

Sanketh Godha: Okay, sir. Understood. And lastly, out of the total MFD distributor, probably I asked this question last time also. Out of the total MFD distributors, in your view, how many were GST compliant in the past? And how many -- now naturally they are -- but just wanted to understand the mix, which benefited us in a way.

Shirish Patel: Sanjay bhai already in the commentary that as of June, 60% of the payout was done to the GST partners.

Moderator: The next question is from the line of Lalit Deo from Equirus Securities.

Lalit Deo: Sir, just 2 questions. Firstly, when we mentioned that on a monthly basis, like the new MFD additions is close to around 600 as against 450. So just wanted to understand, are we seeing that this is like the new distributors who are entering the industry? Or is it like more like the distributors who are managing around INR10 crores, INR20 crores and then probably moving on to us? Could you just qualitatively highlight the nature of the new additions? Secondly, sir, one data keeping question, like could you break up the AUM between direct and indirect of the overall mutual fund?

Shirish Patel: So basically, when you ask the nature of new addition of our distribution, there is no change in the industry which says that more and more distributors should join the industry. So obviously, I think the new entrant to the industry remains the same. If I simply look at my number of registration, number of distributors joining Prudent platform is up by around 45%, 50% in the last 3.5 months. That mainly I believe that because of these regulatory changes, the existing distributors would like to work with the platform and hence, the incremental number has come majority from the existing distributors joining the platform.

Lalit Deo: Sure.

Sanjay Shah: Direct AUM roughly about -- and the direct-indirect split would be roughly about you can say 90-10 kind of a thing. 90% of the AUM is serviced by partners and 10% includes the Indus, Karvy, Prudent's old B2C and iFAST.

Moderator: The next question is from the line of Gaurav Jani from PL Capital.

Gaurav Jani: Congratulations. Sir, just to clarify, the benefit that you have received on the pass-through, is it safe to understand that this will largely be from the unregistered distributors, right? Because assuming that you would have passed on whatever is passed on by the AMC, that should have been technically cost neutral, right? Is that a fair assumption?

Shirish Patel: Yes. So yes, it is safe to assume that now this is a perpetual benefit. And as of June, almost 40% of our AUM belongs to non-GST registered partners.

Gaurav Jani: Sure. And sir, lastly, on the AUM growth, right? So we have been better than the industry. And I believe largely it would have been from the MTM. So in your view, how should we look at AUM growth? I mean, would we be better than the equity industry going forward or how should we do it?

Shirish Patel: So if I compare our net sales margin, I think officially, this data is not available. But when we compare our number with the industry's number, and we believe that the net sales market share is -- has increased in this quarter. Even if you are saying that it's a MTM gain, as per the presentation, I think if you can see last financial year, the major growth actually has come from the net sales and not the MTM. So practically, for our growth, there are 2 levers. One is the MTM growth and second is the net sales growth. And historically, also, if you look at our net sales almost around 10%, 12% for AUM.

Moderator: The next question is from the line of [Yashvi Vora from Thinqwise Wealth Managers

Yashvi Vora: So sir, with the recent SEBI changes that have begun to take effect, could you share your perspective on how the impact is being distributed across the value chain? If any particular stakeholders are being more affected? And how do you expect the industry to adapt over time?

Shirish Patel: I couldn't understood the question completely. Sanjay bhai.

Sanjay Shah: She is talking about the recent regulatory changes that impacted I think that I already told you in the beginning of my commentary, the industry has a huge impact on all those people who are part of non-GST regime and the entire change has been impacting them. And probably that is the reason which Shirish has also said, I was also telling you that will bring to a lot of consolidation in the industry because previously, probably there was some arbitrage of them to work with AMC directly because there was a regulatory arbitrage on the GST front.

Now because the arbitrage has gone, the revenues came down, it makes sense for them to work with some platform who can help them in taking care of the all other expenditure and the management, and they can concentrate on the expanding their businesses. So these are the, I think I can tell you from that point of view.

Shirish Patel: This is from the non-GST registered partner and GST partners also got impacted, as Sanjay bhai said 2.8 basis points on a weighted average basis. This impact actually even depends on the composition of their AUM with different AMCs. I believe I think majority of the AMCs or almost all AMCs have passed on this impact to the distribution community.

Moderator: Your voice is not clear. You may return to the question queue. The next question is from the line of Arjun Bagga from DSP Mutual Fund.

Arjun Bagga: So I think you've explained that because of the regulatory changes is why we witnessed the changes in the yield. Just wanted to understand, sir, I think as per the calculation, I think the net revenue yield came out to be 31 basis points like deducting the commissions from the mutual fund income. So should we -- is it right to assume that going forward, this would be the new base? And maybe from here on, like this was not a one-off and like this is the number that we'll continue with going forward? Of course, whatever TER changes happen?

Shirish Patel: Yes. So currently, whatever is the yield on our assets, we believe that this kind of margins would continue in the near future. Of course, over time, with the size of down the commercial will come down, but that is mainly on a new business. Obviously, over medium to long term, it may go down by 1, 2 basis points. But at least in this foreseeable future or the current yield or yield -- this year's yield, I would say that is more or less similar to what this quarter's yield.

Moderator: As there are no further questions, I would now like to hand the conference over to the management for closing remarks.

Sanjay Shah: Thank you. Thank you, everyone, for participating in today's call. If still any of the queries are not resolved, please reach out to our IR, and we'll try and provide the information which we can. Thank you.

Shirish Patel: Thank you.

Moderator: On behalf of Equirus Securities Private Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

Disclaimer: This is a transcription and may contain transcription errors. The transcript has been edited for clarity. The Company takes no responsibility of such errors, although an effort has been made to ensure high level of accuracy.