

August 5, 2024

The Manager,
Listing Department,
BSE Limited,
Phiroze Jeejeebhoy Tower,
Dalal Street,
Mumbai 400 001.
BSE Scrip Code: 542772

The Manager,
Listing Department,
National Stock Exchange of India Ltd.,
Exchange Plaza, 5 Floor, Plot C/1, G Block,
Bandra - Kurla Complex, Bandra (E),
Mumbai 400 051.
NSE Symbol: 360ONE

Dear Sir / Madam,

Subject: Transcript of earnings call

This is further to our intimation dated July 22, 2024, informing the exchanges regarding the details of the earnings call scheduled on Wednesday, July 31, 2024, at 2:00 p.m. (IST) to discuss the Company's performance for the quarter ended June 30, 2024.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of the earnings call held on Wednesday, July 31, 2024. We wish to confirm that no unpublished price sensitive information was shared / discussed in the aforesaid earnings call.

The said transcript shall also be made available on the website of the Company.

We request you to kindly take the above information on record.

Thanking you.

Yours truly,

For 360 ONE WAM LIMITED

(formerly known as IIFL Wealth Management Limited)

Rohit Bhave
Company Secretary
(ACS: 21409)
Encl.: As above

Q1 FY25 Earnings Call - 360 ONE WAM Limited

- **Mr. Anil - Moderator, 360 ONE WAM Ltd:**

- Good afternoon, ladies, and gentlemen and welcome to 360 ONE WAM's Q1 FY25 Earnings Call. As a reminder, all participant lines will be in listen only mode. There will be an opportunity for you to ask questions after the management shares their thoughts. Should you require assistance during the conference, kindly signal the host by tapping on the 'Raise Hand' icon. Please note this conference is being recorded.
- On the call today we have with us Mr. Karan Bhagat - Managing Director & CEO, Mr. Anshuman Maheshwary - Chief Operating Officer and Mr. Sanjay Wadhwa - Chief Financial Officer.
- I now hand it over to Sanjay to take this conference ahead. Thank you.

- **Mr. Sanjay Wadhwa - Chief Financial Officer, 360 ONE WAM Ltd:**

- Thank you, Anil, and a very good afternoon. Indian equities continued its bull run for yet another quarter with benchmark indices touching all-time highs supported by robust economic momentum, encouraging macro indicators, and sustained domestic flows. Strong GDP growth and capital markets expansion is accelerating the pace of wealth creation in India. As a result, we believe India's Wealth & Asset Management sector is poised for structural growth phase in coming years, supported by faster wealth creation outside traditional pockets and overall low penetration
- Before we deep dive into financials, we would like to highlight that the Board has approved the second interim dividend of Rs 2.5 per share for FY25
- Now, coming to the business and financial numbers - starting Q1 FY25, we have reclassified inactive ARR assets to TBR assets. Post restatements for current and prior periods, our total ARR AUM increased to Rs 2,21,287 Crs - up 34% YoY. This growth was supported by strong net flows at Rs 5,549 Crs. During the quarter, flows rose by 70% on a YoY basis.
- Our Wealth ARR AUM stood at Rs 1,41,635 Crs - up 39% YoY, while AMC ARR AUM stood at Rs 79,652 Crs - up 24% YoY
- Our ARR Revenues for the quarter grew by 16.8% YoY at Rs 376 Crs, led by growth in assets across business segments and healthy retentions on ARR AUM. Our ARR Revenues, as a % of total revenues from operations, stood at 63%. As mentioned in our previous calls, we continue to focus on increasing the share of ARR revenue in the overall pie.
- Total Revenue from Operations is up 48% YoY at Rs 600 Crs for Q1 FY25. The quarter also witnessed strong transactional / brokerage Income, mainly driven by opportunities in the

private markets. Our large UHNI client base allows us to capitalise on such opportunities, creating value for the clients and the firm.

- Total Revenues are up 60.6% YoY at Rs 697 Crs for Q1 FY25, also supported by higher other income
- Total Costs are up 25.9% YoY to Rs 265 Crs in Q1 FY25
- The employee costs rose by 27.2% YoY, while other costs increased by 22.6% YoY.
- As a result of the higher growth in revenues, cost-to-income ratio declined to 38% as against 48.2% in Q4 FY24. In the long term, we expect the ratio to stabilise in the range of 44-46%
- Our operating profit grew by 71.8% YoY at Rs 335 Crs
- An amount of Rs 87.6 Crs have been disclosed as an exceptional item (net of taxes) towards provision for full and final settlement pertaining to the ongoing litigation in the UK against 360 ONE entities. In view of the ongoing litigation costs, which would have continued for another 4-5 years, it was prudent to settle the case to avoid further trial costs.
- PBT before exceptional item grew by 93.1% YoY to Rs 432 Crs
- Post all exceptions, we are very happy to report our highest ever quarterly PAT in Q1. PAT rose by 34.2% to Rs 243 Crs with Tangible RoE at 33.5%.
- With that, I would like to hand it over to Anshuman to cover key business and strategic highlights
- **Mr. Anshuman Maheshwary - Chief Operating Officer, 360 ONE WAM Ltd:**
- Thanks Sanjay and good afternoon, everyone.
- At the outset, let me re-iterate, we are extremely excited by the strong business performance of Q1, as reflected not only in the financials, but also in the underlying input metrics of new families, institutional flows, fund pipeline, and new segment readiness.
- The last 4-5 quarters have been very interesting for industry and us - both in terms of equity market movements and business trends. In this period, 360 ONE WAM has been able to showcase agility, resilience, and steady growth in all phases.
- We strongly believe that we have significant growth opportunities given the outlook on India and our leadership positioning in the relevant business segments. The competitive moats that we have built through our laser sharp focus on Wealth & Asset, including cutting-edge proposition, deep client relationships, continuous product innovation, and robust risk & governance, position us uniquely for these opportunities.

- As a testimony to our disproportionate attention to execution, we were able to clock strong growth in our client base in Q1 FY25. We have onboarded additional 150+ clients with Rs 10 Crs+ ARR AUM. With total client base of 7,400+, clients having total AUM of Rs 10 Crs+ stand at 2,990+ and account for 94% of Wealth AUM (excl. custody)
- Our overall net flows stood at Rs 5,549 Crs, of which Wealth Management net flows stood at Rs 4,678 Crs and Rs 871 Crs in Asset Management. Our overall ARR retentions stood at 72 basis points.
- On the Wealth Management front, our overall retentions remained healthy and stable at 71 bps. I would like to highlight that ~65% of the wealth management net flows has come into the 360 ONE Plus offering at steady retentions. These trends give us confidence on our advisory mindset and clients interest which together gets translated to strong client stickiness. Our key focus areas in this business remains to improve our client wallet share, expansion in new cities and continuous enhancement of our digital capabilities to enable seamlessness for both RMs and clients.
- On the asset management front, despite planned outflows from our pre-IPO flagship funds, our flows remained healthy, with gross flows of Rs 3,500+ Crs. Having said that, the continued focus on deepening our channel presence in the domestic market, specifically through MFDs, is delivering positive results. The pipeline on our new funds as well as new international institutional mandates remains strong and will drive the next phase of growth for the business.
- Our Asset Management business gets further strengthened with Raghav Iyengar joining us as the CEO for the business. Raghav comes with a rich experience of over three decades in the financial services sector. Prior to joining us, he served as the President and Chief Business Officer at Axis Asset Management, and before that was with ICICI Prudential Asset Management. Raghav's deep market understanding will help strengthen 360 ONE Asset's strategic direction and growth agenda. He will specifically work closely with the investment teams to enhance our market presence as well as our product suite.
- On the HNI segment business build, we are enthused by the progress made over the last quarter. The proposition has been tested with a diverse set of potential clients, the platform is working well across the spectrum of products & services, and we are being able to bring together a range of innovations & industry-first features collaborating with various eco-system partners. We are also continuing to onboard great set of talent from internal teams as well as external sources and are overall on track for a scale, material business build in this segment.
- On the global business, the focus has been on building robust proposition, products and platform and we are on track with all the key building blocks. We have a good pipeline of initial client discussions and are well poised for the business to take off in H2 of the current fiscal year.
- On the new acquisition, we are very happy to announce the acquisition of ET MONEY, a unique wealth advisory focused fintech. The acquisition aligns well with our approach to wealth

management and completes the flywheel across client segments for 360 ONE. Subject to regulatory approvals, 360 ONE WAM will acquire 100% of ET MONEY via a stock and cash deal

- ET MONEY is one of India's biggest SEBI-registered Investment Advisors by number of clients and among the largest non-brokerage Digital Platforms for Wealth Management. ET Money has 9 lakh+ transacting clients with more than 1 lakh revenue-generating users. It tracks an overall AUM of approx. Rs. 70,000 Crs. The AUM invested through its platform is nearly Rs. 28,000 Crs of which mutual funds constitute more than Rs. 25,000 Crs. The platform has gross monthly sales of over Rs. 1,200 Crs. These flows include SIPs of over Rs. 450 Crs and MF net flows of nearly Rs. 750 Crs. Its unique investment Advisory service, ET MONEY Genius, has more than 76,000 active paying advisory clients with an AUM of Rs. 1,200 Crs.
- The platform offers significant synergies with 360 ONE, potentially allowing us to significantly accelerate the monetization of ET MONEY's expanding client base through product ideas & innovation, strengthening of the core wealth proposition, and introduction of new services currently available with us. We believe, together, ET Money can further strengthen its position as WealthTech leader for rapidly growing 10L to 1Cr segment
- Lastly, we continue to take pride in the external recognitions received by our Wealth and Asset Management businesses. We are very proud to be recognised as "Great Place to Work 2024". We were also recipients of some prestigious awards like Best Domestic at Finance Asia and Best Fund of the year - Equity at the Global Private Banking Innovation Awards 2024
- With that, I would like to hand over to Karan and open the session for Q&A.

- **Question & Answer Session:**
- **Mr. Anil Mascarenhas – Senior Executive Vice-President Communications, 360 ONE:**
- Thank you, Anshuman. And thank you, Karan, for joining us. May I request you, in case you need to ask a question, kindly click on the 'raise hand' icon. We have the first question coming in from Mohit Mangal. Mohit, kindly unmute yourself and ask your question.
- **Mr. Mohit Mangal – Participant:**
- Thanks for the opportunity and congratulations on a good set of numbers. Sir, I've got three, four questions. The first question is on the transactional revenue. I believe like last quarter, this quarter also, the number looked pretty high. So, was it on the block deals? Or, if you would give more colour on it?
- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- Maybe, Mohit, if you can just put the 3-4 questions together, I can answer it together, maybe.
- **Mr. Mohit Mangal – Participant:**
- Okay, sure. So that was the first question. Second is that now that everything is calculated on active ARR assets, is it a fair assumption to make that ARR retention, you would basically target at around 70 to 75 bps? So that's point number two.
- Point number three is basically in terms of the mid-market. How has been the behaviour and how has the client acquisition been now that we have actually spent some time on it?
- And lastly, in terms of the dividend payout, I believe that this quarter was a little lower, but I believe that 70-80% dividend payout would be kind of maintained. Yeah, so those were my questions.
- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- Thanks, Mohit. I'll quickly answer most of them. The TBR continued to be fairly strong from the previous quarter. It's a quick breakup of similar transactions to what we saw in the last quarter. It's a combination of a little bit of increased brokerage revenue, but also a lot more activity on the unlisted side. And actually, the activities also picked up a little bit on the credit side. In some senses, the TBR is on the higher side, but it's across asset classes, not only restricted to equity. So, as we go forward for this year, I expect the TBR to be fairly strong, but a little bit of enhanced interest on credit as an asset class. Given the recent change in the budget where the long-term taxation on bonds for individuals will be 12.5%, the TBR income on bonds and credit will also become an active part of the desk for us. So again, no special mention of any specific transaction as such. But yeah, TBR has continued to be high this quarter. Needless to say, may not be as high as it has been

in the last quarter and the current quarter; not necessarily to continue for the full year. But just given the level of capital market activity right now, the TBR component continues to be fairly strong.

- On the active ARR side, you're absolutely right. I think 70 to 72 basis points is where the firm is kind of targeting itself to be. However, having said that, there are two things we'll have to remember on the active retention of 70 to 72 basis points. This includes a little bit of the lending revenues. So, the lending revenue obviously will not go in the same proportion as the growth in the AUM on the active ARR. And secondly, the mix between the distribution and the advisory portion also has a little bit impact on the final yield of 70 to 73 basis points. So, while I'm very comfortable with the headline retention continuing to be where it is, the mix of business will be a function of three things. One is, the mix of distribution as well as advisory assets, both giving us ARR. Second is, the mix of the lending revenue. And thirdly, is the mix of the size of the clients. And therefore, the firm has a very, very important focus on the number of families also. If you only end up getting large families, then obviously the retentions can come off. So, at a headline level, we're very comfortable with the 70-72 basis points retention. Just as a quality of mix of business naturally, over a period of three to five years, that retention automatically comes down to around about 67-68 basis points. So, on the headline level, we're comfortable with where we are on the retentions. On a long model basis, I think just given the mix of business, retentions come down to 67-68 basis points.
- On the mid-market segment, we're still in a mode where we've pretty much executed transactions on both the portfolio management side as well as on the alternates platform, as well as on the mutual fund side, seamlessly on a digital mode. We are among the very first to kind of execute transactions digitally for alternates, as well as for portfolio management transactions, practically on a digital basis. We've ended up executing transactions of close to around \$75-80 million over the last quarter or so. And we're feeling very, very comfortable with the platform. We also identified an initial team of around about 75-80 relationship managers to be able to launch that business. Our corporate team, product team, investment team on that business is absolutely ready to go. We'll go stream, online stream by the end of next week, we'll be pretty much in launch mode from a distribution perspective. So, our hypothesis continues to be absolutely intact on the mid-market piece. Initially we thought that it would be April this year, but August this year is when we start monetizing this business.
- On dividend payout, you're right. The broad philosophy continues to remain the same. It continues to be in the region of 70 to 80%. We've got it down a little bit largely on account of our slightly larger growth on the alternates business. On the alternate side, we are now grown on a mark-to-market basis, close to Rs 38,000-39,000 Crs. And typically, 2-2.5% of this AUM gets invested back as sponsor capital in the alternates business. So that has consumed maybe Rs 150-200 Crs extra over the last 6 to 12 months. And the NBFC is also grown disproportionately, but that's not levered too much. So that's perfectly fine. Overall, we've just reduced the dividend a little bit, but philosophically, we continue to be in the region of 70 to 80% of our profits as dividends.

- **Mr. Mohit Mangal – Participant:**
- Perfect, and I wish you all the best. Thank you so much.
- **Mr. Anil Mascarenhas – Senior Executive Vice-President Communications, 360 ONE:**
- Thank you. Next in line, we have Nidhesh Jain. Nitesh, kindly unmute yourself and ask your question.
- **Mr. Nidhesh Jain – Participant:**
- First is on, what is the trajectory on cost to income ratio? This quarter we have seen pretty low cost to income ratio. How should we think about cost to income ratio going forward?
- And second is, any guidance on the net flows for the full year?
- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- Thank you, Nidhesh. We continue to maintain, for the full year basis, closer to 46 to 47% number, which we've started and guided towards last year, for the current year. Obviously, this quarter, the cost to income has come down dramatically because of the enhanced revenues. The good thing is we've seen a decent growth in the ARR revenues also, which obviously are going to continue irrespective of the broader capital market activity over the next 9 odd months. But without considering that enhanced capital market activity, we should end up at our projected cost to income ratios of 46 to 47% for the year. All things being equal, we'd like to get that to 45-46% next year. And eventually as time goes by, over the next 2- 4 years, we would like that number somewhere to be in the region of 43% to 45%. But our first target is really 45% on a steady state basis and, take it from there. So, over the next 18 odd months, maybe 21 months, including 12 months of the next year, our first priority and first objective will be to try and see the cost to income at 45-ish.
- On the net flows, we continue to be in 12 to 15% of our opening ARR AUM as our net flow guidance. Our opening ARR AUM was around about Rs 2 lakh Crs. So effectively, 12 to 15% of that would be in the region of Rs 25,000 Crs to around about Rs 30,000-35,000 Crs. That would be our net flow guidance number. Of that, we are about Rs 6,000 odd Crs for the 1st Quarter. So more or less in line, but typically Quarter 3, Quarter 4 on net flows, all things being equal, tends to be slightly better. So hopefully, we can move our Rs 5,500-6,000 crs of net flows per quarter towards the Rs 30,000 Crs number by the end of the year.
- **Mr. Nidhesh Jain – Participant:**
- Sure, sure. Thank you. That's it from my side.

- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- Thank you.
- **Mr. Anil Mascarenhas – Senior Executive Vice-President Communications, 360 ONE:**
- Thank you. Next in line we have Bhavin Pandey. Bhavin, kindly unmute yourself.
- **Mr. Bhavin Pandey - Participant:**
- Hi. Congratulations on a wonderful set of numbers, Karan. It's incredible to see the way firm is growing. Just first question was on the Asset Management front. So, of course, yields could be slightly higher because of the alternate business in the AIF business. But when we look at performance of these funds and if we were to discern them in terms of top quartile, second quartile, so how do we look at performance of these funds because we want to look at continuity of money that flows here?
- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- Yeah. Performance is absolutely critical and there's no continuity. You know, every client is super smart and on the pre-IPO fund, we are now on the close to our fourth fund in some senses and our first three funds have done relatively well and they are definitely in the top decile. Without performance, it is impossible to get the same plan to continue to put in money. On the pre-IPO side, now we've got a track record of nearly 7 odd years. We are just closing our new pre-IPO fund of around about \$500 million as we speak. And, if I were to look at the data set of the clients who come into that fund of \$500 million, I think, just in value terms, I was seeing nearly 70%-73% are investors who have been in our earlier pre-IPO funds. So that's how high the repetitive rates are.
- Obviously, our sector specific funds, we've got three of them. We've got financial services, which we had raised around about \$200 odd million. That's our best performing fund that's given a CAGR of close to ~38% over the last 4-5 years. And we've got another one in tech which is maybe flattish ~15%-20% but it's done very well compared to the peers given what's happened in the industry. And, third, we've got healthcare, which we just about started raising another \$100 odd million fund. On the private equity side, we've done fairly well, but most importantly, we've got the strategy and the design of the product right because, on the private equity side, we've got more individual family office LPs. So, the tenure of the product is more structured around the 4-7 years with a sharper focus on IRR than only the multiple of capital invested. And even the fees on the pre-IPO funds are on drawn down and, not on commitment and, even the carry is without catch up. So, those things work really well for the high net worth client and the performance then adjusted for the fees is held up very well.

- On the listed side, obviously, we continue to be in the Top 3 or Top 4 on both the mutual fund categories on a consistent basis. And, similarly, on the credit side, we've had a fairly unblemished track record for the last 8-9 years. The only place where we had a bit of a patchy track record was our Real Estate funds, which we did between 2012-2018. Our funds of vintage 12-16 did extremely well. The 17-18 funds had a patchy performance of 4%-5%. We've not launched a fund since 2019 in Real Estate. So that sector is something which we want to be a little bit more cautious about. But outside of that, our experience across all our products has been quite good, yeah.
- **Mr. Bhavin Pandey - Participant:**
 - And growth on the mutual fund business has been pleasantly surprising because in last few commentaries we could notice that that would be sort of secondary focus as compared to Alternates business. So, what led to growth there?
- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
 - I wouldn't say it's secondary at all. We look at it slightly differently, to be honest. We try and break up our Asset Management business, not into Mutual Funds, PMS and AIFs but it's largely broken up into Listed and Alternates. And, the listed strategies coming through Mutual Funds, PMSs or a AIFs, we're kind of indifferent to it because, philosophically, listed is a larger theme and a strategy and, it's irrespective of the three vehicles we are talking about. They're all open-ended in some senses. And, obviously, Mutual Fund, as a vehicle on the listed side has more benefits both from a tax perspective as well as from just the ease of convenience perspective. So, on the listed side as our business grows, our Mutual Funds will grow disproportionately. And we've been relatively prudent in kind of building out our total expense in the Mutual Funds and our distribution commission payouts. Philosophically, we would want to continue with that and, therefore, in some senses there will never be a blowout collection because we'll never be the best commission paymasters. But at the same point of time, we'll strive very hard to build it well. Mutual Funds on the listed side will be a very key strategy for us and, that's something which we will continue to build out.
 - And, secondly, you're right. We invested a little bit more on the distribution side over the last 6-12 months but that we continue to do so, you know, especially since now Raghav has joined, that Distribution team will become deeper. Historically, we used to have only around about 20-22 people in the Distribution team. We've expanded that to around about 27-28. I expect that team to go up to 40-50 people over the next half of this FY.
 - And, thirdly, what's really helped us in the Mutual Fund side is we were a little more conservative because we wanted to first build out the brand. The brand is obviously known historically more for the Wealth Management business, and we want to ensure that we spend some time, energy, delivered some performance and then build the brand and then invest on the distribution side rather than getting out and invest on the

distribution side too early. And just given where we are from a brand recognition perspective, we feel now it's the right time to invest in distribution and that's what we've started doing over the last 6-9 months.

– **Mr. Bhavin Pandey - Participant:**

- Okay. Just expanding on that, we could see that retentions were slightly lower on the MF business as compared to listed equity because in line with listed equity the AUM is much higher than ours. And the third question was on the global business. So, are we planning to offer Indian products denominated in USD or like what is the strategy around there?

– **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**

- The second one is more a function of the age of the assets. Your first question - as far as the listed players goes, we'll have to break the assets into new assets and old assets. So, that has a big impact on the retentions. But as far as the new incremental assets go, retention should not be lower than most of our peers.
- And on the global strategy itself, we ideally want to play two roles, okay. The first role will be the way you pointed it out. We should be the choice of the preferred advisor for the India allocation part of the client's portfolio. Whenever our clients outside of India, NRI or a client who's been out for a long period of time, a person of Indian origin when he's looking to allocate to India, he should have 360 WAM as his first preferred port of call. And, obviously, when he wants to access India through products, he could either do it through his NRE/NRO account or he could pretty much put in money from his private bank dollar account into our India products. So, our India products, obviously, would have Singapore feeders or Gift City feeders, which will feed into our Indian vehicles. So that's the first port of call.
- Our second business as we evolve, obviously, will be to become an advisor for them and effectively be able to help them manage their entire global portfolio as advisors rather than as pure executors because we are unlikely to build a full-fledged global wealth platform and compete with any of the big boys in either Singapore, Dubai or the U.S. We are likely to play two roles - one is that of the India allocator and second is that of a Portfolio Advisor where we work with the client's current private bank and effectively in some senses become like an external asset manager to advise them.

– **Mr. Bhavin Pandey - Participant:**

- That was really helpful, Karan, and just the phenomenal congrats and thank you.

- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- Thank you. Thanks a lot.
- **Mr. Anil Mascarenhas – Senior Executive Vice-President Communications, 360 ONE:**
- Thank you. Thank you. We have a long list of people to ask questions, so request you to limit your questions and preferably ask all your questions together at the start. Next in line we have Gaurav. Gaurav, request you to kindly unmute yourself and ask your question. Dipanjan, are you there?
- **Mr. Gaurav Jain - Participant:**
- Yeah. Hi, Karan. Thank you for the opportunity. A couple of questions, one is on this TBR income of Rs 225 Crs we have mentioned that it includes some amount of income recognized on the inactive ARR AUM also. So, if you can quantify that is a meaningful portion or what is that amount?
- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- It will be less than Rs 2-3 Crs.
- **Mr. Gaurav Jain - Participant:**
- Okay. Second, on the lending book, Karan, we are seeing yield compression. So, from 5.75% as on Q3 it is down to 4.86%, you think there is room for increase on this or should it stabilize around these levels?
- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- A little bit of function of cost, actually. The gross yield is not really come down, but the cost has moved up a bit. For the next couple of quarters, we see a little bit of rate reduction. I think 4.75% to 4.9% is the more realistic number. On a stable state basis, we would want to come back to the north of 5% but it's a little bit more. Our cost has gone up by 15-25 basis points as compared to the overall lending rate. But, on a steady state basis, if we can be around that 5ish mark, that will be the right number.
- **Mr. Gaurav Jain - Participant:**
- Sure. Thank you so much and all the best.

- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- Thank you.
- **Mr. Anil Mascarenhas – Senior Executive Vice-President Communications, 360 ONE:**
- Thank you. Next, we move to Anirudh. Anirudh Agarwal, kindly unmute yourself and ask your question.
- **Mr. Anirudh Agarwal - Participant:**
- Yeah. Thanks, Karan, and congratulations on the great performance. My first question was, you know, after the tax changes that we've seen in the budget, how do you view the Alternates business? So, clearly for unlisted there is this big tax benefit that now comes in. So, going ahead how do you think about, you know, our business in terms of new fund launches, et cetera? What other opportunities open up?
- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- To be honest, it is very exciting for both unlisted and fixed income. Unlisted, obviously, it improves the net return itself. So, the reduction of tax from 24 effectively to in some ways to 14 is exciting. To be honest, clients were very excited with the unlisted portion in any case. So this just kind of adds to the bouquet of opportunities.
- The bigger change, honestly, is also on the fixed income side. There the long term tax for individuals on listed bonds being at 12.5% would also spur up the markets quite a bit.
- So, actually, I'm equally excited on both and also on the REITs and the InvITs side, especially on the private REITs and the InvITs. Some of them, which are very exciting, broadly giving IRR yields of around about 13%-14%-15% with potentials for capital appreciation. Again, a great family of high net worth products. A combination of all of these three being taxed incrementally at 12.5% will be very exciting.
- The other thing which I feel will be a good place for innovation and a little bit of incremental work will be the co-investments portion. So, the co-investment syndication portion also with SEBI having given a very comprehensive framework for co-investments will also help in spurring that up. So, both the co-investment, accredited investor PMS as well as the tax changes, all three augur very well for building a cohesive co-investment business along with the blind pool business on the Asset Management side.

- **Mr. Anirudh Agarwal - Participant:**

- Got it, thanks. Two more questions, Karan. First one was, you know, the new team that we had onboarded last year or few more new teams that we had onboarded on the RM side. You know, if you can just talk a little bit about how they've scaled up, how performance has been and incrementally how much more productivity do you see coming in from the new teams? And second one was on ET Money. So, ET Money, at least, outside it looks like a slight divergence from our earlier focus on Ultra-HNI, HNI. So, if you could just talk about a little bit on that acquisition.

- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**

- On the ET Money side, what was attractive for us was, if I just simply break up the business into three parts. They've used two great hooks to attract clients into their ecosystem. The first hook is obviously doing Mutual Funds on the direct plan effectively without charging a transaction fee or the distribution fee to the client. And that's led them to grow a fairly good net flow book of around about Rs 450-500 Crs a month on the SIP side. The other thing which they've done well is build a fairly good, comprehensive reporting aggregation software. And these two things really served as a hook for clients to come in. What they've done really well distinct from the others where rather than focusing only, purely on the brokerage portion, which is something like if that was the only focus we would have definitely seen that as a bigger diversion to our strategy, but what they've done well is build a product called 'ET Genius', which effectively has around about 80,000-85,000 paying advisory clients who effectively pay around about Rs 250 a month and they have around about 80,000 paying clients paying around about \$3 million a year. And, therefore, in some senses if you look at it globally, the advisory model across retail clients is scaled up very substantially, especially in things like Vanguard, PFAS and so on and so forth. ET Money, for the last year and a half, has successfully tried and tested this model and today they have about 80,000 odd clients paying that advisory fees leading to around about \$3 million of revenue. So, while it is small, the hypothesis has been well tested. The attrition of clients is fairly low in that pool. And that business line, obviously, gives us the highest amount of excitement to build out.
- The model portfolios around that are very similar to the model portfolios we built on the 360 ONE Wealth Management side. I think currently they're on one model portfolio, we intend to expand that to 3-4 model portfolios. And, obviously, that can be done at different levels or scale on our Ultra High Net Worth business; at a different level or scale on that one.
- The second and the third point, obviously, the second portion is a little bit of a play on the fractionalization and democratization of both PMS and Alternates. So, you have other online players, you know, who've fractionalized and democratized PMS and Alternates fairly well. The largest among them, there's now kind of in some senses done around

about close to \$1.5-\$2 billion of distribution and fractionalization through the format. That's the second big opportunity for ET Money along with the advisory piece.

- Third, obviously, when you start looking at value additions along with these two, it is going to have some bit of value additions on our NBFC loan against Mutual Fund platform as well as the brokerage platform. So, those are the two kind of side benefits. But the main value prop really will be on the very, very similar to our Ultra High Net Worth business on the advisory side as well as on the distribution side. And I think the direct plans will continue to be used as a hook.
- Outside of that, we felt that from a price perspective, a large amount of the investment was already done and, we were kind of coming into a cycle into the asset where a large amount of the investment is done and, we can really kind of scale up the asset from where we are today. And the non-digital part of the business, which is really the investment products and so on and so forth, is very, very common to our core DNA and that really doesn't need to kind of get expanded or rebuild again.
- And, lastly, obviously, we had a lot of comfort with the team. I've been meeting the team for many years generally to understand the digital space. So, that's something which we had comfort on. It's in some ways like while on the client segment side it's a bit of a diversion but the key success factors to get that business working is very similar to what we have. And, therefore, we feel, at least I feel, the advisory portion on Retail over the next 5-10 years will transform much faster than a lot of us believe. And, therefore, we want to be part of that transformation.
- **Mr. Anirudh Agarwal - Participant:**
- Got it. Perfect. Thanks. Just the other question on, you know, the new teams that you had onboarded.
- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- Yeah, sorry. On the new teams, Anshuman kind of covered it in his opening note, fairly very excited, especially on the Wealth Management side. I think all the teams are up and alive and pretty much on track to start breaking even before the 18th month itself. By and large, 75%-80% of the team will achieve those breakeven points. 15%-20% might take longer but 75%-80% of the teams, both in terms of cost to the company as well as in terms of value, we will achieve their breakeven within 18 months.
- What gives us more encouragement, obviously, is the fact that if you look at both breakeven of employees and productivity of employees and clients, they become disproportionately productive and remunerative to the firm from year 1, 3, 5 and 7 in different value ratios. So, a client in Year 1 of RM kind of becomes 5 times productive and or 7 times productive by the end of Year 4 or Year 5 and effectively 10 times more

productive by the end of Year 7. So, our ability to add these people now and also add a whole host of clients over the last 18 odd months is very encouraging for us. And if we handle the transformation well, both in terms of capacity as well as in terms of build out of the client platform, a lot of these clients and RMs will end up adding substantial more assets over the next 2-3 years.

- **Mr. Anirudh Agarwal - Participant:**

- Perfect. Thanks, and all the best.

- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**

- Thank you.

- **Mr. Anil Mascarenhas – Senior Executive Vice-President Communications, 360 ONE:**

- Thank you, next in line we have Jayant Karote. Jayant, unmute yourself and ask your question.

- **Mr. Jayant Karote - Participant:**

- Thank you for the opportunity and congratulations on a great set of numbers.

- Karan, first on the mid-market segment if I heard correctly, you said you have identified 70 to 75 RMs for this business. I remember earlier conversations was a much smaller number, so are as these new hires or a carve out of the existing RMs, can you just split this number more for us.

- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**

- So, the total strength would be 70-75 by the end of the year. We have got 45 people already in the mid-market business, out of 45 - round about 10 are dedicated on the sales side. Of the new 75 people, about 40 to 45 people are carved out from the current team, and another 25-30 people are at different points of recruitment.

- **Mr. Jayant Karote - Participant:**

- And the sales side you want to take from 10 to?

- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**

- 10 to 75 odd people.

- **Mr. Jayant Karote - Participant:**

- By this year itself?

- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- By the end of this year, yeah.
- **Mr. Jayant Karote - Participant:**
- And in terms of AUM guidance, I remember you had given a blended number of Rs 10,000 Crs for global plus HNI a couple of quarters back. Do you want to still have a relook at this number now that you have done this \$75-80 million of throughput.
- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- It will be around that number, it will be having in that ballpark number of Rs 8,000-11,000 Crs.
- **Mr. Jayant Karote - Participant:**
- And in global offering can you talk about how that is shaping up and the timeline....
- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- It is shaping up well, we have got pretty much all our empanelment done. We are in the second half of our technology onboarding program, we are pretty much on track to go alive mid-September, and that's really where it is. We were hoping for 30th September, as of now looks on track.
- **Mr. Jayant Karote - Participant:**
- If I could squeeze in one last, on these unlisted shares given post budget the tax rate changes from 20% to 12%, how do you look at this opportunity from multi-year perspective and your presence in this market has been quite strong in the past. So, any relook if you want to sort of carve out any department. What is your thought on this piece?
- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- We have approached this piece a little more conservatively than others and we will continue to do this a little conservatively. I say conservatively because of the following reasons. We've typically not behaved like brokers, we don't end up syndicating too many transactions on the unlisted side. The only transactions we offer to our clients on the unlisted side, both in terms of co-investments or sometimes in the form of direct sales, are transactions which we are doing typically from a blind pool basis on the asset management side. So, therefore we kind of become a little more at least in our minds we will become a little bit more prudent in what we are offering. And we want to be wanted to be subject to a much higher bar of diligence before we really take that idea out to the client. What we don't do is behave like an angel or a syndicator or a broker for that simple security. So, that's what we don't like to do. So, therefore, at the headline level, super

excited about the unlisted opportunity and the fact that, from a friction cost perspective, the tax has reduced massively. At the same point of time, don't want to get carried away to make direct equity buying and selling, a trading activity within the firm. We would like to restrict it to ideas which we are buying from our funds and, therefore, we've spent a lot of time doing due diligence and only offer those ideas to our clients, either as co-investments or otherwise. That's the operating principle and that's allowed us to kind of not make many mistakes in the business. And, most importantly, we don't want our relationship and our reputation with the client to be identified with one single unlisted idea.

- **Mr. Jayant Karote - Participant:**

- And is this the rule - supplies only from AMC portfolio?

- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**

- It is not a rule, but as I said, we want to have a diligence much, much higher bar of diligence. Not supply from the AMC portfolio, only investments which our blind pool funds are also doing. Basically, the bar is the fact that we should not be buying and selling it, we should have done enough work to diligence it and convinced ourself to be able to buy it for the long term through our blind pool portfolios. So, just want to use a couple of incremental bars of diligence.

- **Mr. Jayant Karote - Participant:**

- Great, thanks and congrats once again for the great set of numbers.

- **Mr. Anil Mascarenhas – Senior Executive Vice-President Communications, 360 ONE:**

- Thank you. Next in line, I invite Dipanjan Ghosh, kindly unmute yourself and ask your question.

- **Mr. Dipanjan Ghosh - Participant:**

- Hello, am I audible now.

- **Mr. Anil Mascarenhas – Senior Executive Vice-President Communications, 360 ONE:**

- Yes.

- **Mr. Dipanjan Ghosh - Participant:**

- So, Karan, just a few questions from my side. First, you know on the new client acquisitions that you are seeing, how much of this would be let's say new clients who have been formed as a result of monetization activities or where there has been sudden money inflow that has happened versus let's say the clients would be newly acquired because of you tapping a new geography or maybe tapping into the existing customer cohort of a competitor because of new RM additions that you have done, so, just wanted

to get some sense on that. Basically, trying to understand how the flow of client acquisition strategy will shape up once let's say the primary market stabilizes a bit. The second will be, you know, you have been discussing about your institutional mandate strategies and probably that can also see some green shoots once the global office strategy picks up. So, how do you see the pipeline on that side of the business. And lastly you mentioned the number of Rs 3500 Crs of gross sales in your alternate, but obviously the net number was lower because of redemptions. What is the product pipeline on that and should one continue to see the gross run rate remaining at these levels only.

– **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**

- All great questions, I will quickly take it one by one. I will take the last question first. On the alternate side, fairly excited, as I said, on multiple strategies. We are broadly acting on three fronts. On private equity side, this quarter, we are closing our pre-IPO fund, effectively our 4th pre-IPO fund with a collection of around about \$500 odd million. The response has been excellent. We will also get our health care fund to close, that would be collected around \$65-70 million. If we move it to approx. \$100 odd million in that fund and, that fund will close. On the credit fund side, we launched a credit fund. That also should get to a number of \$200 to 250 million by the end of the next 3 to 4 months. On our real assets, we are still in the stage of investing our first fund, so that would take some time before we launch our second fund. On the listed side, we will definitely do a couple of more strategies. The overall traction is likely to continue, the quarterly numbers get a little bit plus and minus, depending on the redemptions in that quarter as well as the closing of those of new funds in that quarter. I wouldn't look at it only from a quarter perspective, but from a year perspective, getting about Rs 8 to 10,000 Crs net flows from the asset management side pretty much stays on track. That's the broad number I would say on a net basis. And therefore, from a gross basis that would need to be at least round about Rs 5-6000 Crs extra, so if we end up at Rs 8 to 10,000 Crs of net flows, we will need to do Rs 13-14,000 Crs of gross flows on the asset management side.
- With reference to your first question on the mix of the clients, it is a great question. But, it is a little bit of the stage of the firm. On the same question, two years back, I would have said 70-75% is coming from monetization events and new client sales of promoters selling shares and IPOs and so on and so forth. But right now, for the last 2-3 quarters, it has been 50:50 because we have added some great people from across the industry and therefore, we are able to kind of breakthrough to a lot of clients also with invested portfolios. So, to my positive surprise, it is a 50:50 split. 50% of our clients are coming from clients who are already invested with some of our competitors and the remaining 50% maybe coming from a sale of businesses or sale of some shares from a listed promoter or dividends or sale of real estate. I think it is a combination of the two. But traditionally, it has been more in the favour of the second as compared to the first. But I think over the last 2-3 quarters it is 50-55% from existing other clients also.

- **Mr. Dipanjan Ghosh - Participant:**
- Sir, if you can just, there was one question on the....
- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- Yeah, and the institutional mandates and that goes on track. I would be surprised if we don't end up with at least getting a couple of mandates through the year.
- **Mr. Dipanjan Ghosh - Participant:**
- Got it. Karan, if I can just squeeze in one small question. You have classified in a data pool the inactive, you know, separately, you have changed the classification a bit. But do you expect these assets to really turn into ARR or maybe deployed into more high yielding TBR assets at some point.
- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- About 60-65% would definitely be active in some way, either active ARR or TBR. 30-35% might not be because those might be just liquid funds, just spending to be invested into either passive assets like businesses or even taxes when it comes up for payment in different quarters. But 60-65% will definitely be active, potentially portion of it will move into ARR, and a large portion of that might go into TBR. But they are definitely on the horizon, we are servicing them, we are kind of constantly engaged with the client to try and convert it into active. So, I wouldn't write off those assets for sure.
- **Mr. Dipanjan Ghosh - Participant:**
- Got it, thank you and all the best.
- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- Thank you.
- **Mr. Anil Mascarenhas – Senior Executive Vice-President Communications, 360 ONE:**
- Thank you. Next in line we have Ajeas. Ajeas, kindly unmute yourself and ask your question.
- **Mr. Aejas - Participant:**
- Hi, Karan, congratulations on a very strong set. Karan, could you just give me more colour on what is the underlying in the transacting assets because the uptick is quite sharp. Could we also see possibly a down tick, or how do you sort of see this trajectory for the rest of the year.

- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- From a perspective of the TBR income on a quarterly basis I am still comfortable with that earlier number which is effectively the Rs 400-450 to 600 Crs for the year, effectively in the ballpark range of, on absolute south side round about a Rs 100-110 Crs a quarter absolute south side. And on a steady state basis, Rs 140-150 Crs a quarter. Last two quarters, as I said earlier, have obviously got Rs 80-90 Crs of TBR extra over what we typically expect. But that's a little bit of a function of the market, so I would be cautious to guide that. It is not necessary to look at that number on a quarterly basis. But on a transaction income are we now set given multiple asset classes, given multiple businesses we are in, multiple streams of brokerage, multiple other pools of ability to monetize, are we comfortable with that Rs 110-120 to 150-160 Crs transaction number, I think the answer is yes.
- **Mr. Aejas - Participant:**
- Got it. Karan, second is could you just give the split of equity and debt of the entire asset pool. Earlier it was I think 55:45, what is it today?
- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- I don't have that number, last I checked it was in the region of 58% to 60% equity, and 40% fixed income. Maybe just it maybe 62:38 or thereabout say, it is not going to change dramatically.
- **Mr. Aejas - Participant:**
- Got it. What would be the total pool of capital that is today invested in all the AIFs today all put together today it will be Rs 1000-1200 Crs?
- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- No, Rs 1600 odd Crs approximately.
- **Mr. Ajas - Participant:**
- So, that's gone up because of the incremental investments that you have had to make in the....
- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- No, and some of our funds are getting matured, we are also getting capital back through the year from our earlier funds. But you know it will be around 2.5 to 3% of the sponsor AUM. Traditionally it used to 5 to 6%, we have got it down to round about 4% right now, but you know on a long term basis, 2.5-3% will continue. On our current Rs 40,000 Crs, we would like to be in the region of Rs 1000 to 1200 Crs. We maybe Rs 400-500 Crs extra.

- **Mr. Aejas - Participant:**
- Got it. Karan, two points that you mentioned earlier that I did not quite understand is the opportunity in the accredited investor PMS space and in ET money you spoke about the fractionalization opportunity. Could you expand on both those?
- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- Accredited investor, basically, it is a license where, as an investor, if you are putting in a minimum of Rs 10 Crs and you are an accredited investor, you can buy unlisted stuff. Otherwise, on the PMS, you are not allowed to buy any instrument which is not listed/rated and, therefore, you are even not allowed to buy any alternates or any unlisted. But if you are an accredited investor and the size of investment is a minimum of Rs 10 Crs, you can create an AIF-PMS for that specific investment. That’s essentially what the opportunity is there.
- **Mr. Aejas - Participant:**
- Okay, and we are planning something of this stature in...
- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- We already would have round about Rs 500 Crs plus on the accredited investor PMS side.
- **Mr. Ajas - Participant:**
- Does this get classified in those customized multi assets?
- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- Yes, yes.
- **Mr. Ajas - Participant:**
- Okay, got it. Karan, two other things you have not spoken about account aggregator for a bit, I think a year and a year and half back you used to talk about it. Has that opportunity changed, has it started to see fructification?
- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- On the account aggregator side, we look more as data input to report better analytics for our clients. I don't think it is, by itself, going to be a standalone monetization opportunity. Obviously, today we work with a lot of software providers to be able pull data for our clients for the investments across other advisors and give them a single reporting. And we’ve bought this platform called Altiore for maybe a million dollars 3 or 4 years back and we’ve kind of worked a lot on that and developed it. So, something like Altiore, will feed from account aggregator to get better information to the client. But account aggregator right now outside of mutual funds and direct stocks is still not fully reporting everything

yet. It is still some time away for us to be able to use that to be able to give clients better analytics. But as and when the account aggregator use case gets developed, we will hope to be among the first ones to use that data point to be able to create a better report to show it to our clients.

– **Mr. Aejas - Participant:**

- Got it. What I meant was more from access to you know see prospective clients, you know, pool of capital I was talking about it from that sense. But thank you for that, I got the context. And, Karan, just one last thing is that we in a middle I think a year and year and half back we started this IT endeavour to sort of get more IT savvy. Is that project behind us? Has that run down already taken place and has opex stabilized at these current levels?

– **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**

- I am broadly fine with the opex, nothing dramatic, we are fairly in line with our budgets. I don't see really too much of opex changes, there will be a little bit of reduction in our legal cost of approximately maybe Rs 25-30 Crs a year going forward. But that will get more or less absorbed if at all with incremental marketing administrative costs, so we have enough cushion to be able to kind of stay within our operating budgets.

– **Mr. Aejas - Participant:**

- Got it. And from an IT perspective the investments that you've made - all of those are behind us?

– **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**

- IT investments are never behind us, they are always there. But outside of that on a steady state basis – yes. Nothing phenomenal, yeah, nothing big bang.

– **Mr. Aejas - Participant:**

- Okay, thanks so much and all the best.

– **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**

- Thank you.

– **Mr. Anil Mascarenhas – Senior Executive Vice-President Communications, 360 ONE:**

- Thank you. Next in line we have Akash Vora, kindly unmute yourself and ask your question.

- **Mr. Akash Vora - Participant:**
- Thank you for the opportunity. Hi, Karan, so three questions from my side. First being what would be the total new flows you will be estimating for this year and if you could bifurcate it across our assets and different divisions and from the HNI segment. Secondly, you know, we would like to understand the pros and cons of the budget and what impact would it have on our portfolios and our client portfolios and our numbers? And thirdly, the reclassification that we have done from ARR to TBR can we expect it to be one time or maybe you know the last time we would be doing this kind of activity or something like that, or we will be able, we will be expected to do more going ahead as well.
- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- Thanks, Akash. From an activity of ARR to TBR, it is only a one time activity because we have just done a simple reclassification of the inactive ARR to TBR so that the retentions on the active ARR can kind of come out absolutely clearly. On the total flows, like I said earlier, broadly 50% on the flows on the ultra-high net worth side, round about 25%-30% of the flows are on the asset management piece, and 10% each more will be potentially on the global business and the mid-market businesses the way I would look at it.
- And from a budget impact, nothing crazy. Only positive things from that, especially the unlisted tax going down from 24% to round about 12.5%, definitely helps the business and also the listed bonds being taxed at 12.5% will also be beneficial for our clients. So, overall, from budget perspective, our clients were fairly enthused with the budget.
- **Mr. Akash Vora - Participant:**
- Yeah, thanks, Karan.
- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- Thank you.
- **Mr. Anil Mascarenhas – Senior Executive Vice-President Communications, 360 ONE:**
- We have a question from Aditya. Aditya, kindly unmute yourself and ask your question.
- **Mr. Aditya - Participant:**
- Hi, can you hear me?
- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- Hi, Aditya, I can hear you.

- **Mr. Aditya - Participant:**
- Congratulations on a good set of numbers. Just one question, I wanted to understand about the Rs 871 Crs ARR net flow in your asset management, so was there an outflow redemption or this is where you are comfortable?
- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- No, as we said earlier, our gross sales is ~Rs 3000 odd Crs for the quarter. So, effectively the net flows of Rs 900 Crs is a result of redemption of Rs 3800 Crs. Overall redemptions are largely to a certain extent a function of the redemptions from our earlier pre-IPO funds. So, those can become patchy on a quarterly basis because we end up returning a little bit of chunky money in a quarter. But outside of that as I said earlier, net flow number Rs 8 to 10,000 Crs and a gross sales number of around Rs 14 to 15000 Crs, is where we will be comfortable on the asset management side.
- **Mr. Aditya - Participant:**
- Okay, thank you so much.
- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- Thank you.
- **Mr. Anil Mascarenhas – Senior Executive Vice-President Communications, 360 ONE:**
- Thank you, ladies and gentlemen, due to time constraints that’s all we have time for this afternoon. Thank you for joining us and we look forward to hosting you again. Thank you.
- **Mr. Karan Bhagat – Founder, MD & CEO, 360 ONE:**
- Thank you everybody

End of Transcript