



Reliance Nippon Life  
Asset Management Limited  
(formerly Reliance Capital  
Asset Management Limited)

**Registered Office :**  
Reliance Centre,  
7th Floor, South Wing,  
Off Western Express Highway,  
Santacruz (East), Mumbai - 400 055  
CIN : L65910MH1995PLC220793

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[www.reliancecapital.com](http://www.reliancecapital.com)

November 01, 2018

**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort,  
Mumbai 400 001  
**BSE Scrip Code: 540767**

**National Stock Exchange of India Limited**  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No. C/1, G Block,  
Bandra Kurla Complex,  
Bandra (East), Mumbai 400 051  
**NSE Scrip Symbol: RNAM**

Dear Sir(s),

**Re: Investor Presentation**

Further to our letter dated November 01, 2018, we wish to inform that an Analyst Call was held on the Unaudited Financial Results of the Company for the quarter and half year ended September 30, 2018.

We enclose the presentation made to the Analyst on the financial performance of the Company.

Thanking you,

Yours faithfully,

For Reliance Nippon Life Asset Management Limited

**Nilufer Shekhawat**  
Company Secretary & Compliance Officer



Encl.: As above



reLIANCE

NIPPON LIFE ASSET  
MANAGEMENT LTD

## Investor Presentation - Q2 FY19

# RNAM Snapshot

# Key highlights

**1<sup>st</sup>** in terms of Retail  
Assets at INR **837** bn

Annualized SIP Book of  
~ INR **102** bn

MF Equity AUM<sup>1</sup> Crosses  
INR **1,000** bn

Received Mandate from  
**ESIC** to manage its  
Funds<sup>2</sup>

Holding one of the  
Highest B-30 assets  
INR **413** bn

Digital Purchases crosses  
**100K** for Sep'18

1) Equity AUM including Equity ETF's  
2) Employees' State Insurance Corporation

**RNAM is one of largest asset manager in India, with 23 years of track record**

RNAM AUM as of Sep'18  
**INR 4.05 tn**

Mutual Funds

INR 2,238 bn

Managed Accounts

INR 1,784 bn

International\*

INR 27 bn

## Trusted Asset Manager - Holding Fund Mandates from



EPFO



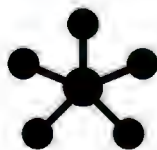
ESIC



PFRDA



CMPFO



298  
Locations



1,210  
Employees



71,100+  
Distributors



9.4 mn  
Q2 FY19 Trnx

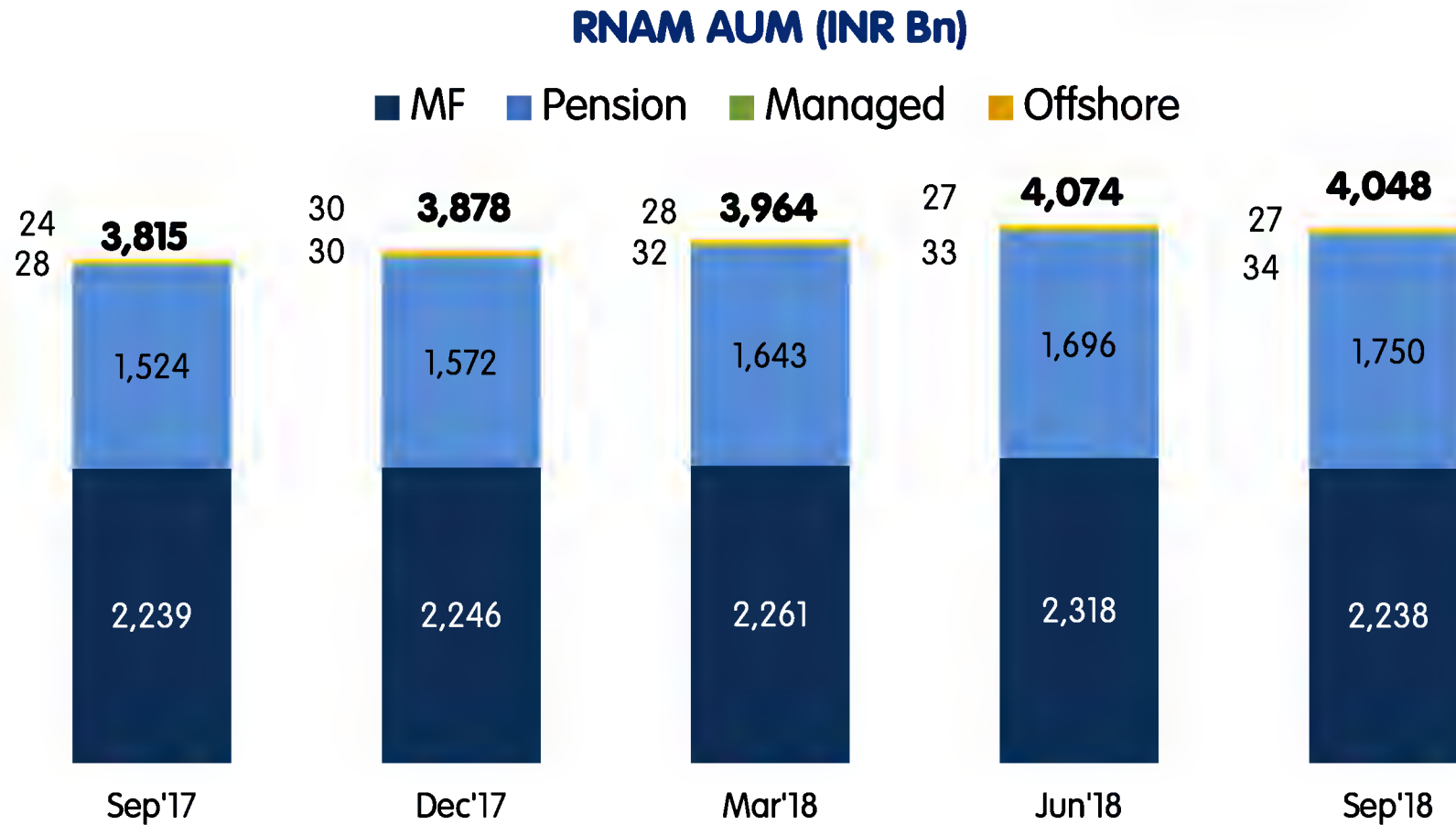


8.6 mn  
Folios

\* Excluding Advisory Mandate

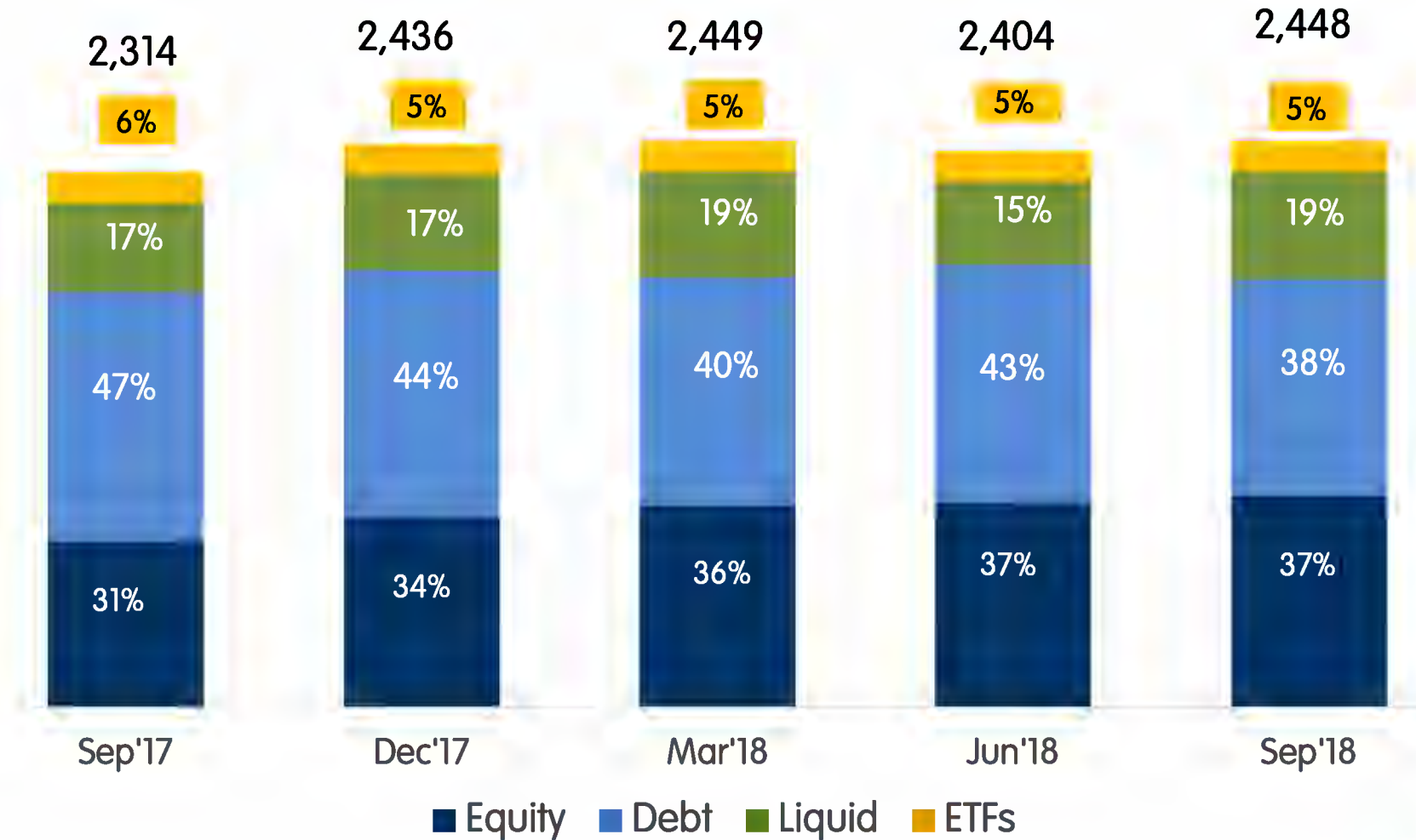
# RNAM Quarterly Performance

# Leading asset management player



RNAM AUM one of the highest in Industry - at INR ~4.05 Tn  
MF contributes 55% of overall AUM

## RMF QAAUM (INR Bn)

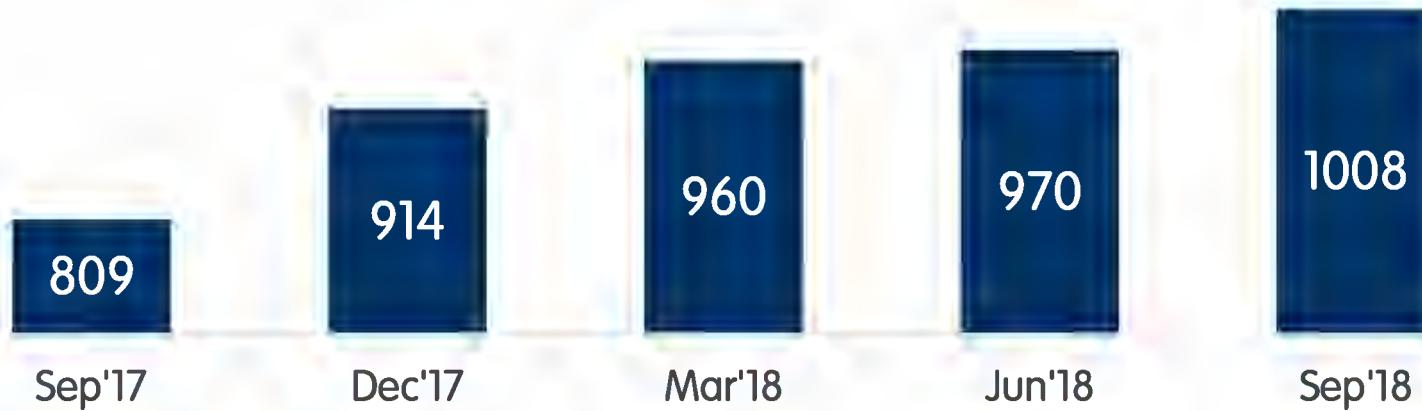


Composition of Equity Assets Increased by 600 bps YoY



# Equity Assets (Incl. ETF)

### Equity QAAUM (INR bn)



RMF Equity Assets grew by 25% YoY

### RMF Folio Count (mn)

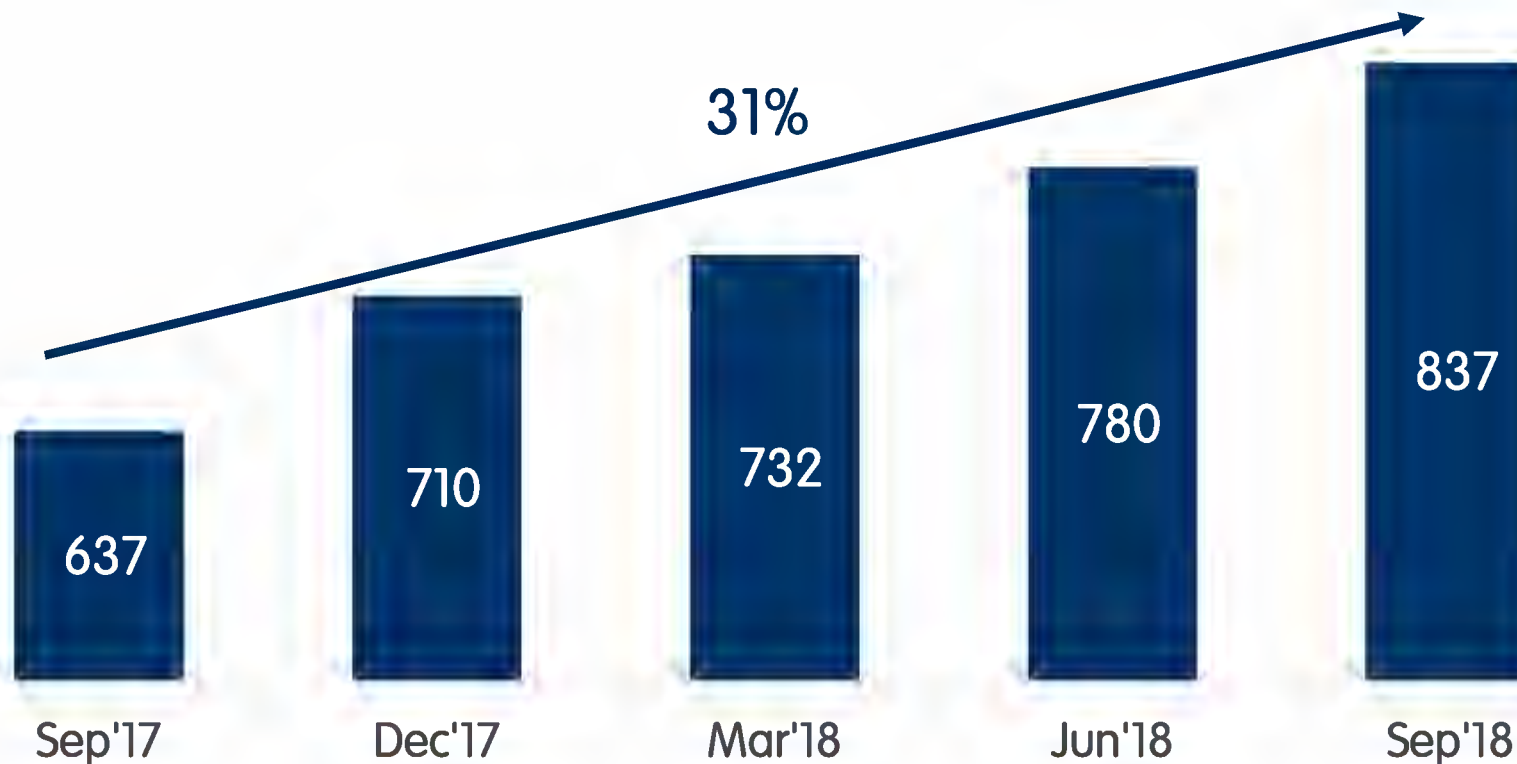


Added 1.3 mn folios in last 12 months



# Focus on Retail & Small towns

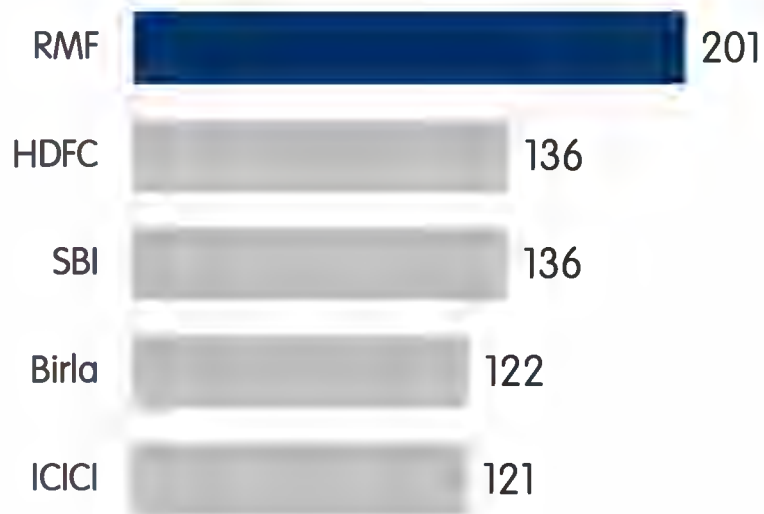
## Retail MAAUM (INR bn)



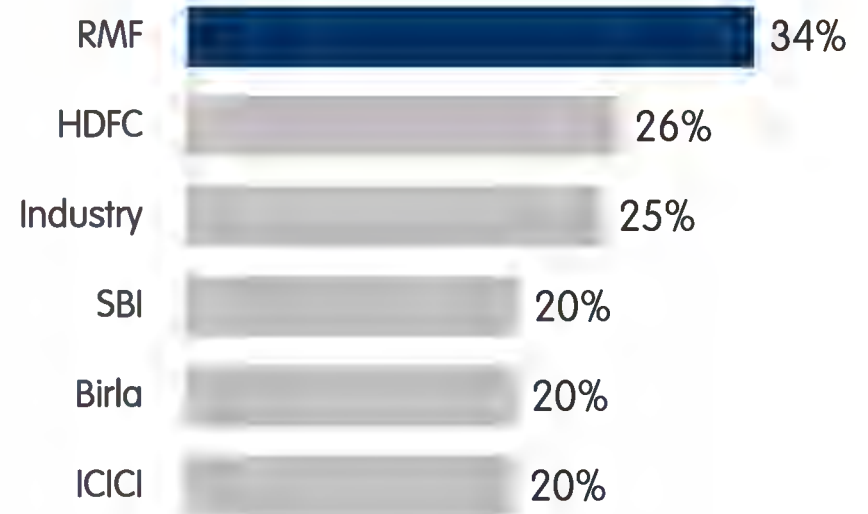
Highest Retail Assets in the Industry

## Retail have higher share of Equity Assets

### Retail AAUM growth (INR bn)



### Retail AAUM / Total AAUM (%)



RMF posted highest Retail AUM growth year on year

## Beyond 30 cities (B-30) Contribution

Higher AUM % sourced from B-30 locations as compared to Industry

### B-30 AAUM / Total AAUM



B-30 has higher proportion of Equity Assets

Growing B-30 AUM by increasing on ground presence

## SIP Monthly Flows



Annualized SIP book of ~ INR 102 bn (+45%)

~ 2.9 mn of SIP accounts contributing monthly Inflow of INR 8.48 bn

78% of Incremental SIPs have a tenure of 5+ years



# Strong Distribution

Empanelled 2,600 New Distributors in Q2 FY19; total base at over 71,100

**Banks**  
71

**National Distributors**  
98

**Alternate (incl. PSU banks)**  
87

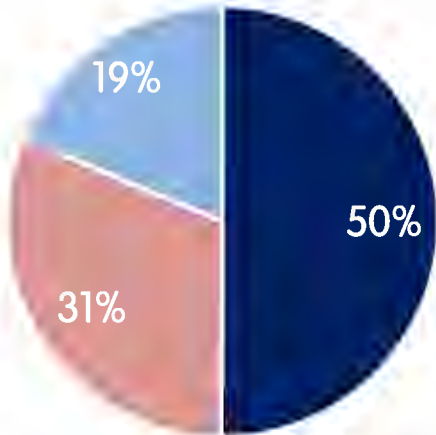
**Independent Financial Advisors**  
70,827

  
IFAs

# Leveraging Partnership with IFA

## Distribution Mix\*

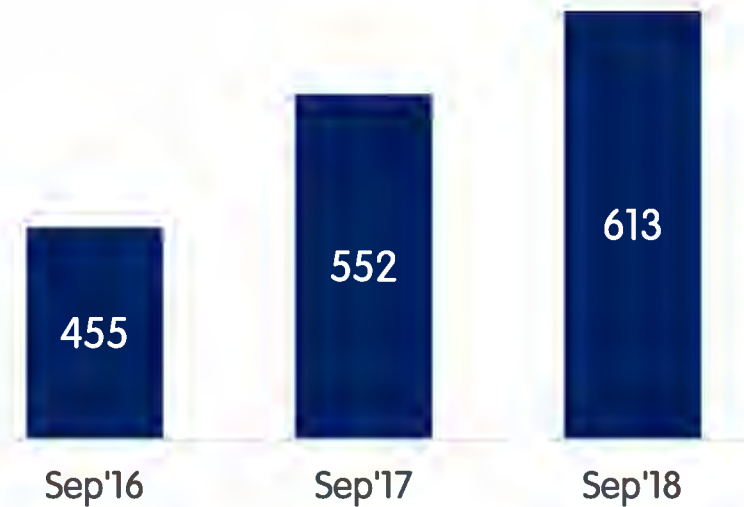
- Independent Financial Advisors
- Banking Distributors
- National Distributors



\*Excluding Direct AUM As on Sept 18

## Growing IFA Base

IFA AUM (Rs Bn)

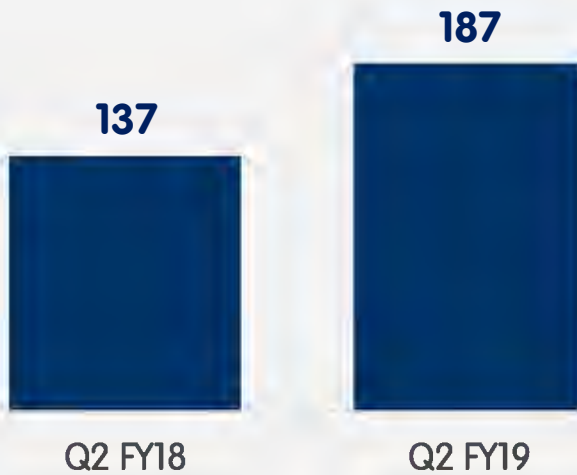


Derisked Distribution Model  
No Single distributor contributes **more than 4.5% of AUM**

## Using Digital solutions for innovation in Customer Experience

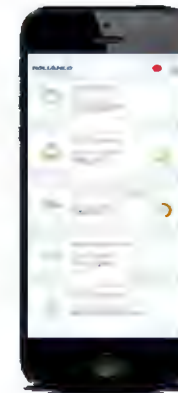
### Growth in Digital Purchases

Digital Purchases ('000)



Digital Purchases increased by 36%

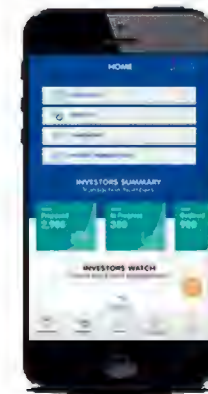
### Customer App "SIMPLY SAVE"



Solutions for all life stages



### App for IFA Partners "Business Easy"



Support Functionalities:

- Customer Onboarding
- Dist. Initiated Transactions
- SMS & e-mail Campaigns
- Customer Service



# Leveraging Partner Ecosystem

## PARTNERS

### PLATFORMS



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### Independent

Partner Website & app

Investor app for partners

Co-brand & Redirection Modes

### Traditional

WEALTH ADVISORS NETWORK

Prudent  
— Money through wisdom —

BAJAJ CAPITAL

Angel Broking®  
Service Truly Personalized

IIFL

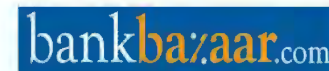
VENTURA ++  
Kyon ki bhaiya, sabse bada rupaiya.

### Retail Non Traditional



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### Digital

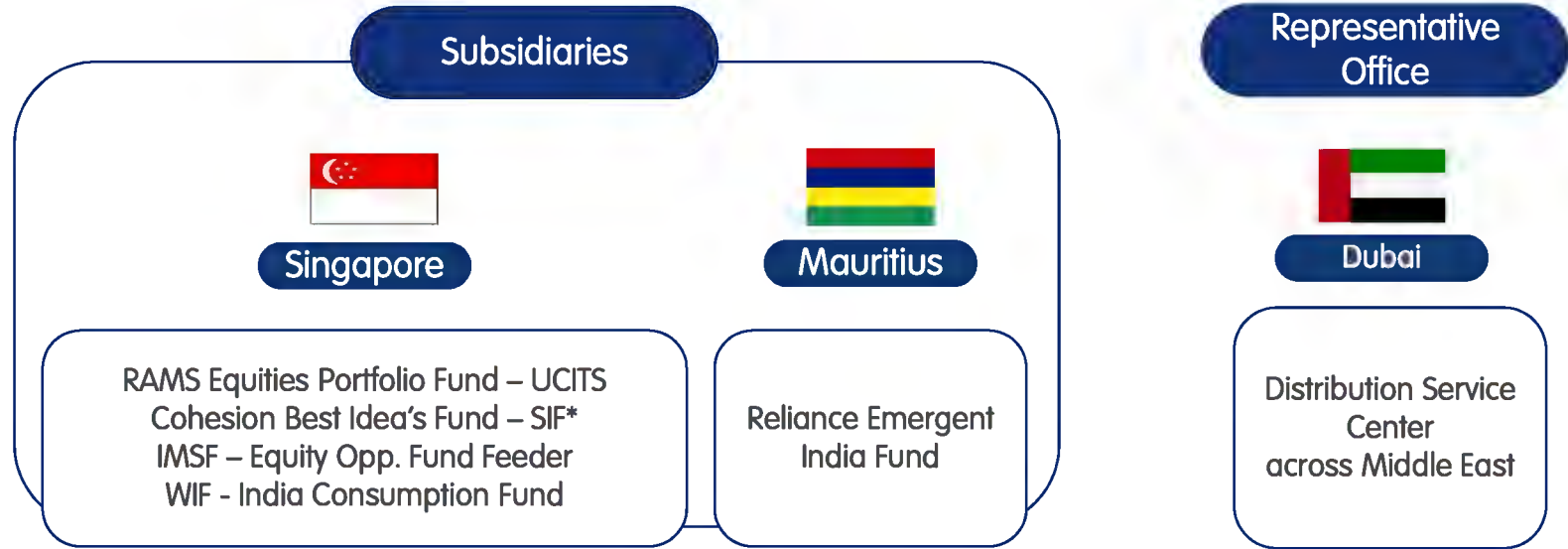


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## Large ETFs product suite ; State of Readiness

- **Highest investor folios** in Industry → 55% Market Share of ETF folios as on Sep'18
- Only AMC with more than 15 yrs **experience** in managing ETFs
- **86.1% Market Share** in ETF Volumes on the NSE & BSE (Oct'17 to Sep'18)
- **Innovator** in Gold ETFs and largest gold ETF in India
- **First** money market ETF in the world and only in India
- First AMC to have launched ETF jointly in partnership with GOI as part of divestment program
- **On QAAUM basis, ETF Industry Size INR 953.1 bn**
  - **RMF ETFs holding INR 132.0 bn (market share of 13.9%)**

**Managed & Advisory AUM ~ INR 82 Bn**



## Leverage Nippon Life’s Network to Increasing Global Footprint



Bualuang Bharata Fund



Nissay Short Term Indian Bond  
Nissay India Equity Selection Fund  
Nissay Indian Bond Mother Fund

## Other International Tie-ups



Cohesion Best Idea’s Fund – SIF



Samsung India S&M Focus Fund

# Alternate Investment Fund (AIF)

- At present offer Equity & Sector Agnostic Debt



- Fund raising underway for High Yield Debt & Equity
- Have commitments of **approx. INR 24 bn**
- Launched the fourth equity Scheme i.e. Reliance Equity Opportunity AIF Scheme 4
- In process of building capabilities across newer asset classes & strategies

## Friendship Day

RELIANCE MUTUAL FUND Wealth Sets You Free

### Funds & Friends are for Life

They keep you going towards your goal

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

## Raksha Bandhan

RELIANCE MUTUAL FUND Wealth Sets You Free

'Bhaiyya, did you get the rakhee?'

'It's beautiful! And I have also emailed my gift, check it out'

'You'll be able to achieve your goals'

'It's an investment plan where I have suggested small SIPs for your financial goals'

'You too can help your sister become financially independent today! Give her a #GiftThatKeepsGiving'

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

## Teacher's Day

RELIANCE MUTUAL FUND Wealth Sets You Free

On Teacher's Day, I came to thank you for helping me overcome the spell of traditional investments!

Oh! That was nothing, really! I only showed you that traditional investments often may not beat even inflation!

And you also educated me that Debt Mutual Funds do not invest in stocks and are less risky an option compared to equity funds!

My pleasure really! And thank you for actually listening to me!

Happy Teacher's Day!

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

## Ganesha Festival

RELIANCE MUTUAL FUND Wealth Sets You Free

### Story 4

Lord Shiva held a friendly competition between both his sons, asking them to take 3 rounds of the world and return to their parents, the fastest one to do this would earn himself the 'wisdom fruit'! Excited, Kartikeya flew away on his peacock but Ganesha only had the little mice as his vehicle, so he.....

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.



## EDGE Learning Academy : Jul 2018 to Sep 2018

### Investor Education

**18,230**  
Investors

**358**  
Programs

### Unique Locations

**T-30**  
**168 Programs**  
**28 Cities**

**B-30**  
**190 Programs**  
**94 Towns**



**Jamshedpur**



**Hoshiarpur**



**Akola**



**Davanagere**

Increasing Investor awareness in small cities and towns

# Regulatory Update



## Circular Issued with effect from October 22, 2018

- No Upfront Commission on Lumpsum investment
- Upfront Commission allowed only on SIP from New investors
- All Scheme related expenses to be paid from Scheme Only, and not from AMC
- Incentive for inflows from B-30 cities now be based only on retail investors

## Pending Notification

- Reduction in Expense Ratios for Open Ended Schemes
- Reduction in Expense of Close Ended Schemes from 2.25% to 1.25%

# Financial Overview

## IND AS Transition

- RNAM has adopted Indian Accounting Standards (IND AS) with effect from 1st April 2018
- Results of Q2 FY19 and H1 FY19 are prepared as per IND AS requirements
- Accordingly previous year quarter figures have been restated

# IND AS Transition

Key Changes	Impact	IGAAP	IND AS
Management Fees	Revenue	No change	No Change
Investment Income	Other Income	Cost Basis	Fair Value
Distribution Expense	Expense	No Change	No Change
ESOP	Expense	Intrinsic Method	Black - Scholes Pricing Model
Preference Shares	Balance Sheet	Share capital / Dividend	Liabilities / Finance Cost
Set-Up Fees (AIF)	Revenue	Upfront charge	Over the Tenure

# Financial Summary- As per IND AS

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NIPPON LIFE ASSET  
MANAGEMENT LTD

## Consolidated

INR in Mn.

Particulars	Q2 FY19	Q2 FY18
<b>Revenue from operations</b>	<b>3,911</b>	<b>3,868</b>
<b>Operating Expenditure</b>	<b>2,620</b>	<b>2,609</b>
Employee benefits expense	738	566
Other Expenses	1,795	1,960
Depreciation & Finance Charges	87	83
<b>Core Operating Profit</b>	<b>1,291</b>	<b>1,259</b>
Other Income	329	328
<b>Profit before Tax</b>	<b>1,620</b>	<b>1,587</b>
<b>Profit For the Period</b>	<b>1,144</b>	<b>1,024</b>

## Standalone

Particulars	Q2 FY19	Q2 FY18
<b>Revenue from operations</b>	<b>3,793</b>	<b>3,722</b>
<b>Core Operating Profit</b>	<b>1,296</b>	<b>1,218</b>
<b>Profit For the Period</b>	<b>1,111</b>	<b>1,007</b>

# Financial Summary - As per IND AS

RELIANCE

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MANAGEMENT LTD

## Consolidated

INR in Mn.

Particulars	H1 FY19	H1 FY18
<b>Revenue from operations</b>	<b>7,856</b>	<b>7,547</b>
<b>Operating Expenditure</b>	<b>5,237</b>	<b>5,259</b>
Employee benefits expense	1,415	1,156
Other Expenses	3,647	3,917
Depreciation & Finance Charges	175	186
<b>Core Operating Profit</b>	<b>2,619</b>	<b>2,288</b>
Other Income	629	838
<b>Profit before Tax</b>	<b>3,248</b>	<b>3,126</b>
<b>Profit For the Period</b>	<b>2,255</b>	<b>2,111</b>

## Standalone

Particulars	H1 FY19	H1 FY18
<b>Revenue from operations</b>	<b>7,572</b>	<b>7,257</b>
<b>Core Operating Profit</b>	<b>2,562</b>	<b>2,222</b>
<b>Profit For the Period</b>	<b>2,200</b>	<b>2,046</b>

## Consolidated Financials - As per IND AS

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INR in Mn.

<b>Assets</b>	<b>As at 30<sup>th</sup> Sep'18</b>
Financial Assets	21,915
Non Financial Assets	5,305
<b>Total Assets</b>	<b>27,220</b>

<b>Liabilities &amp; Equity</b>	<b>As at 30<sup>th</sup> Sep'18</b>
Financial Liabilities	1,415
Non- Financial Liabilities	865
Equity	24,940
<b>Total Liabilities &amp; Equity</b>	<b>27,220</b>

## Reconciliation of consolidated profit with previous GAAP

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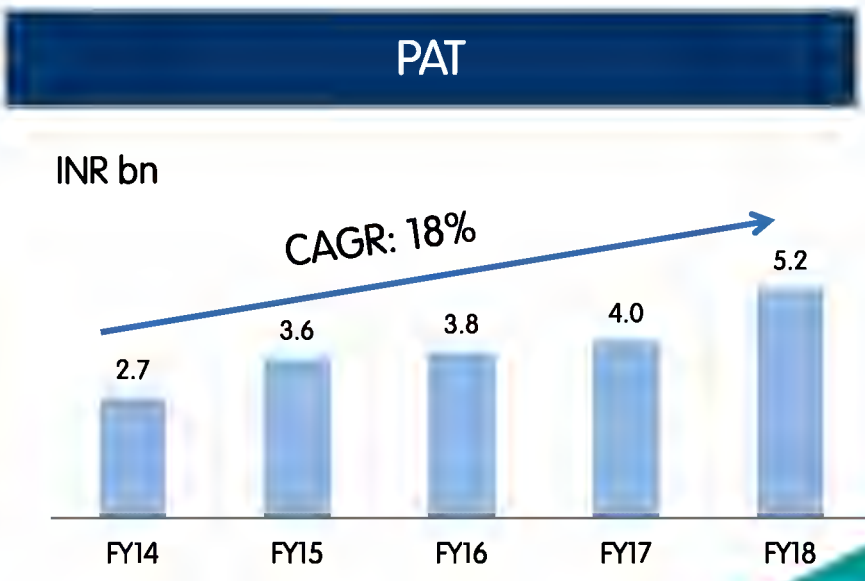
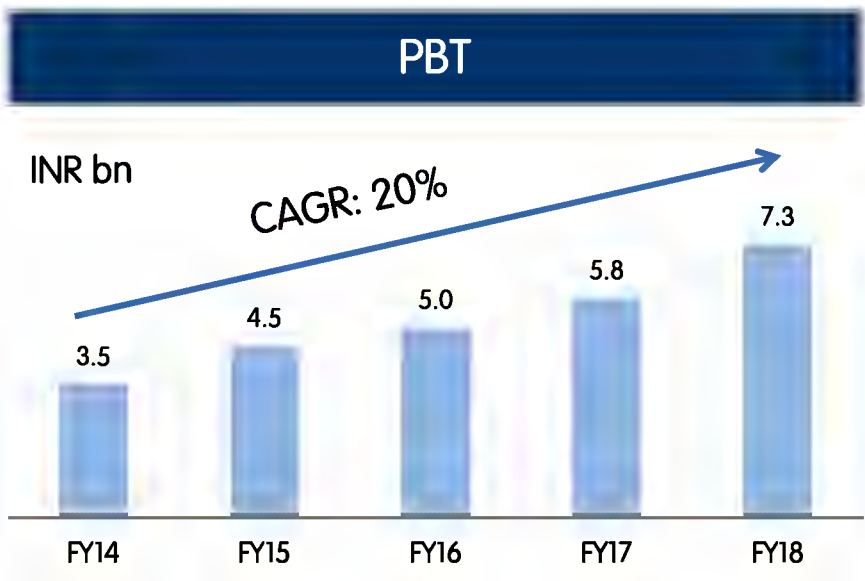
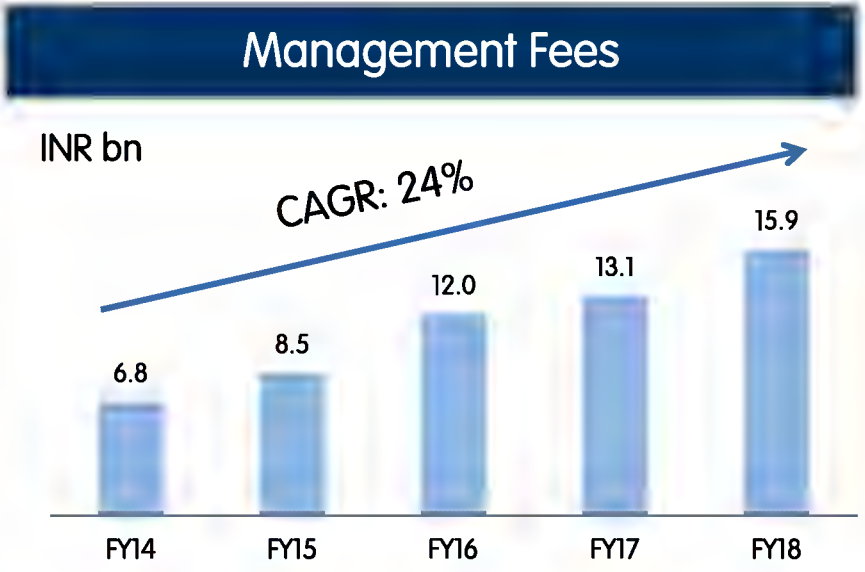
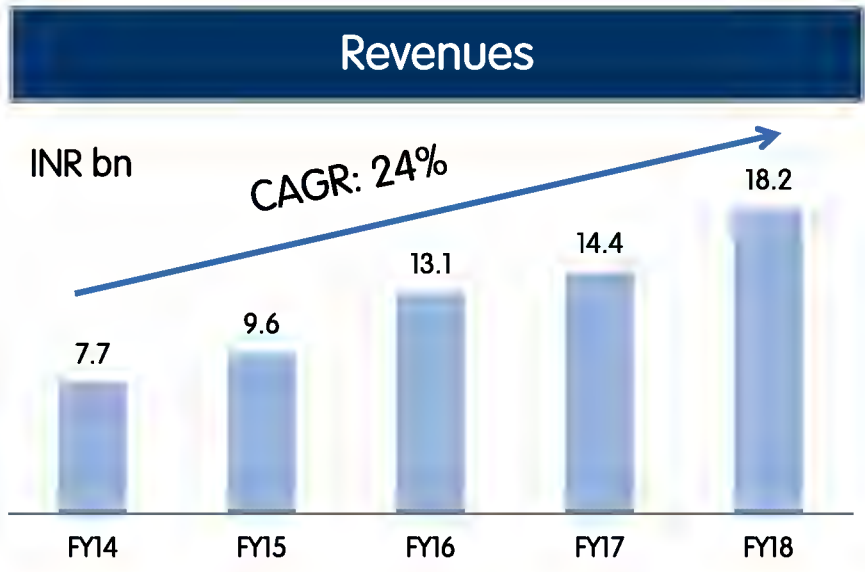
NIPPON LIFE ASSET  
MANAGEMENT LTD

INR in Mn.

Profit Reconciliation for the period ended Sept 30, 2017	Q2 FY18	H1 FY18
<b>Net profit after tax as reported under previous GAAP</b>	1,219	2,302
<b>Adjustment increasing/(decreasing) net profit after tax as reported under previous GAAP :</b>		
Fair valuation of financial assets at fair value through P & L	(181)	44
Consolidation of Employees Benefit Trust	4	(196)
Dividend on Preference shares classified as Liability	-	(22)
Actuarial loss on employee defined benefit plan recognised in OCI	(14)	6
Employee Share Based Payments	-	(3)
Other adjustments	14	22
Deferred tax adjustments on above	(4)	(24)
<b>Net profit after tax as per IND AS</b>	1,038	2,129
<b>Other Comprehensive Income (Net of Tax)</b>	28	15
<b>Total Comprehensive Income as per IND AS</b>	1,066	2,144



# Historical Trends (As Per Indian GAAP)



# Consistent ROE and Dividends

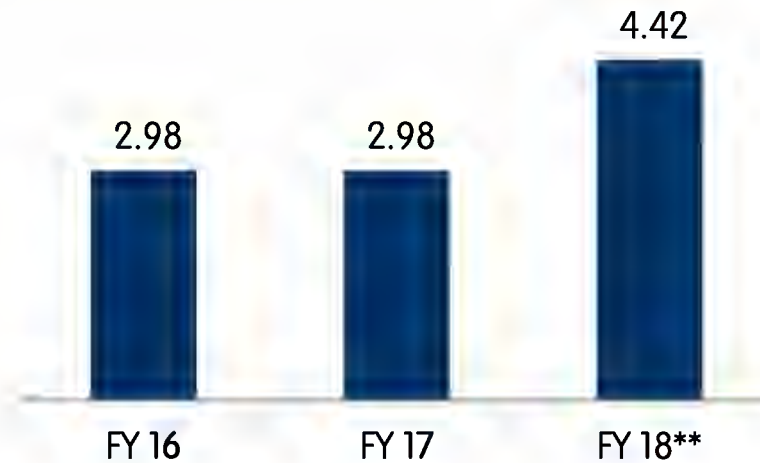
## Consistent ROE

Return on Equity



## High Dividend Payout

Dividend Payout



85% of Earnings shared with Shareholders as Dividend

Paid cumulative dividend of Rs 16+bn in last 5 financial years

\* Including Dividend Distribution Tax  
\*\* Including Proposed Final Dividend

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Thank you for  
your time.