



ANAND RATHI

Private Wealth. uncomplicated

Investor Presentation

Quarter & Nine Months Ended 31st December 2023

Data Driven Decision-Making for Wealth Creation.

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Consolidated Highlights



STRONG Q3 FY24 FINANCIAL PERFORMANCE

Total Revenue (Rs. Crs.)

 **34% YoY**


187

140

Q3FY23

Q3FY24

Trail Revenue (Rs. Crs.)

 **43% YoY**


72

50

Q3FY23

Q3FY24

Profit After Tax (Rs. Crs.)
& PAT Margins

 **34% YoY**

30.8%

31.0%


43

58

Q3FY23

Q3FY24

AUM (Rs. Crs.)

 **43% YoY**

55,057


38,517

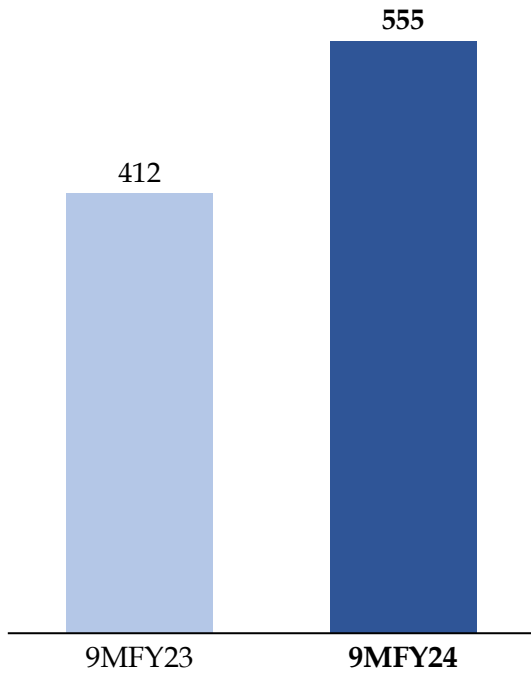
Dec-22

Dec-23


STRONG 9M FY24 FINANCIAL PERFORMANCE

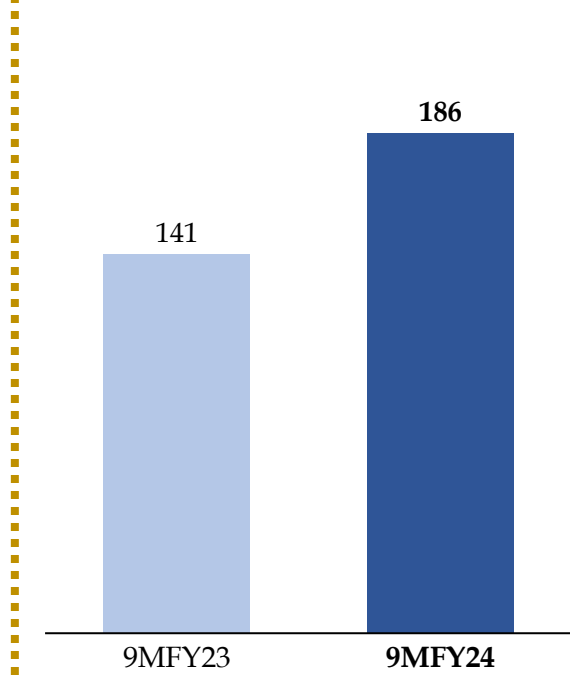
Total Revenue (Rs. Crs.)

 **35% YoY**




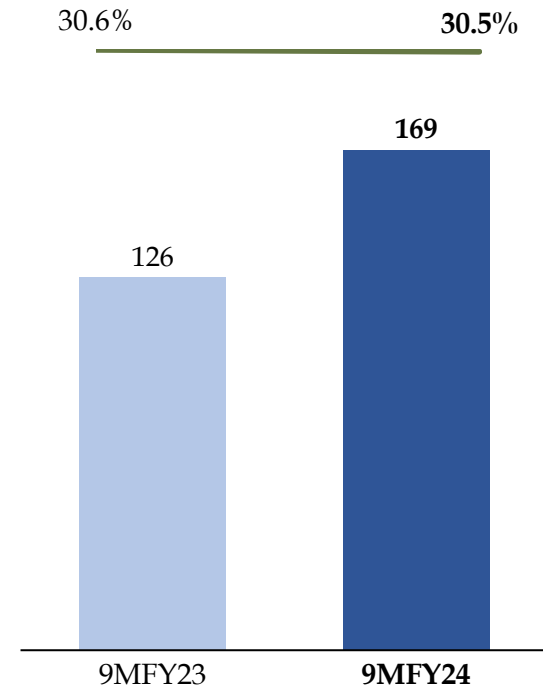
Trail Revenue (Rs. Crs.)

 **32% YoY**




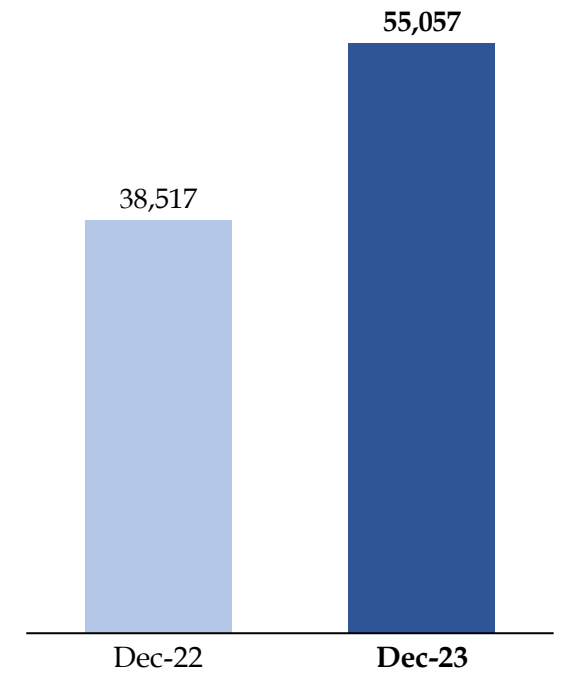
Profit After Tax (Rs. Crs.)
& PAT Margins

 **34% YoY**

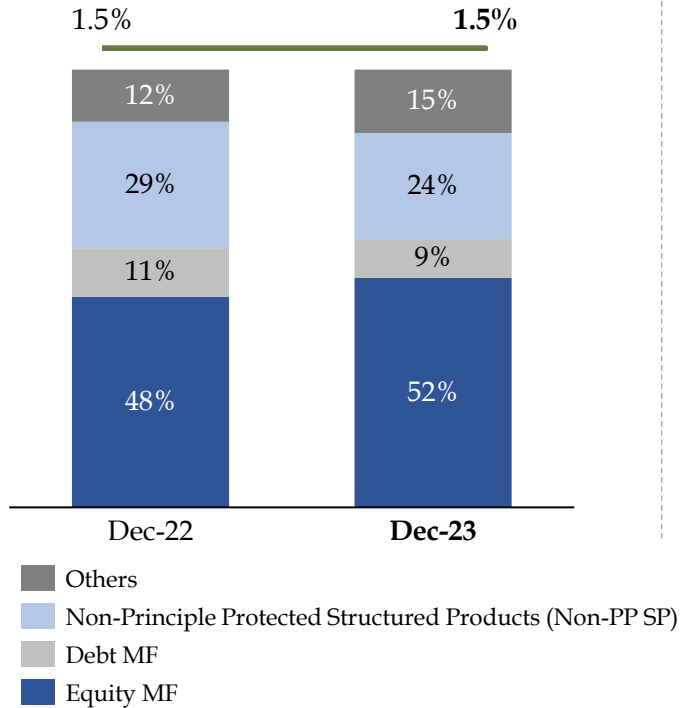


AUM (Rs. Crs.)

 **43% YoY**

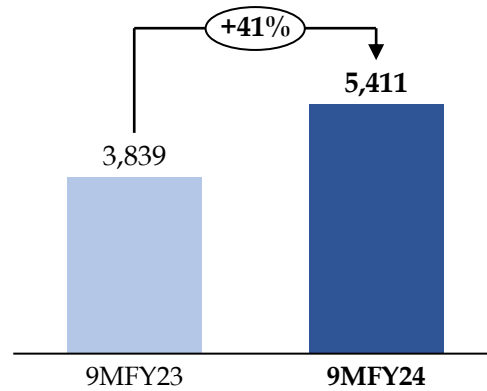
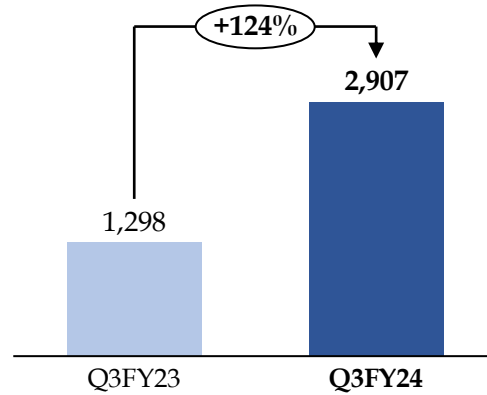


Product Wise AUM Mix (Rs. Crs.) & Avg. AUM Yield*

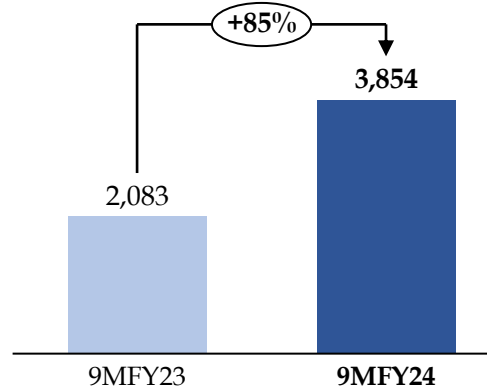
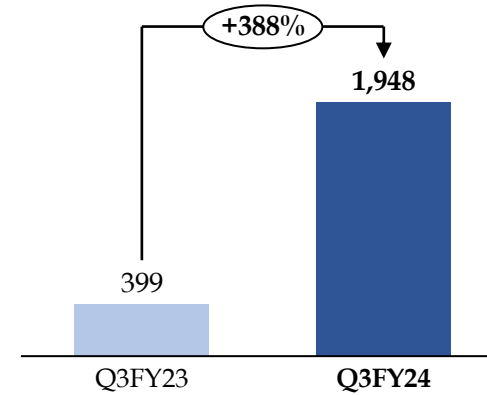


*AUM Yield is Annualised for 9 months

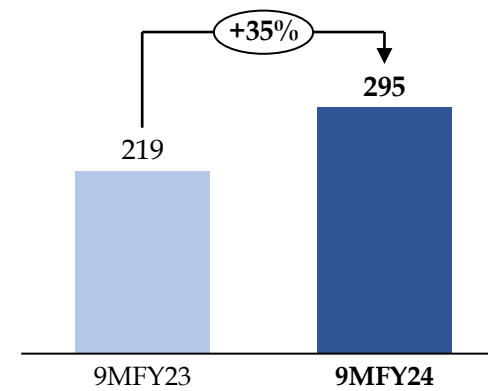
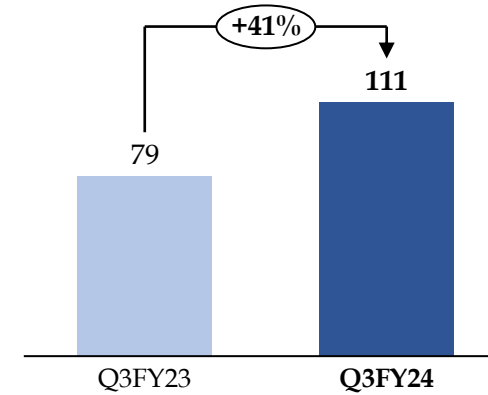
Net Flows (Rs. Crs.)



Equity MF Net Flows (Rs. Crs.)



SIP Flows (Rs. Crs.)

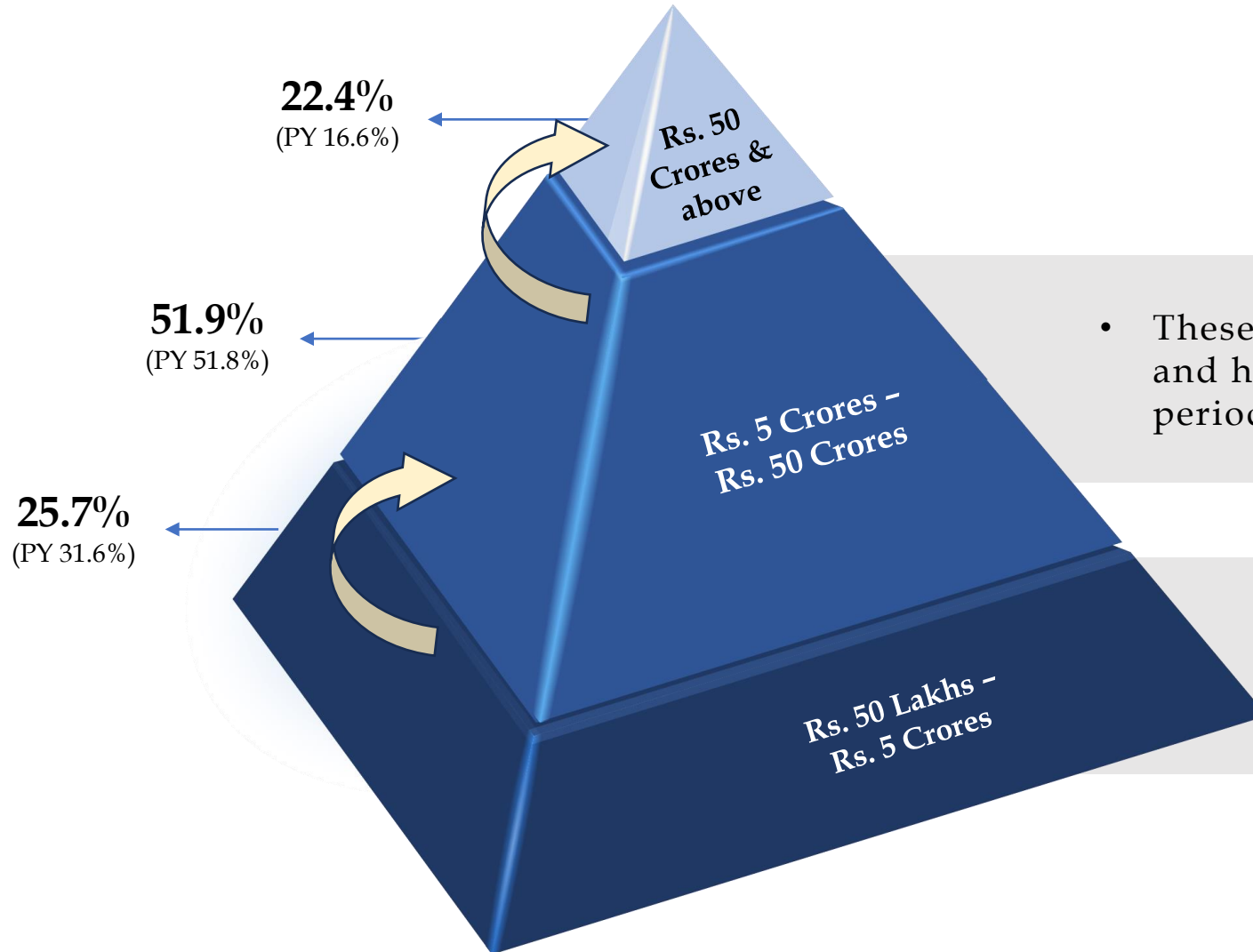


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Private Wealth Business



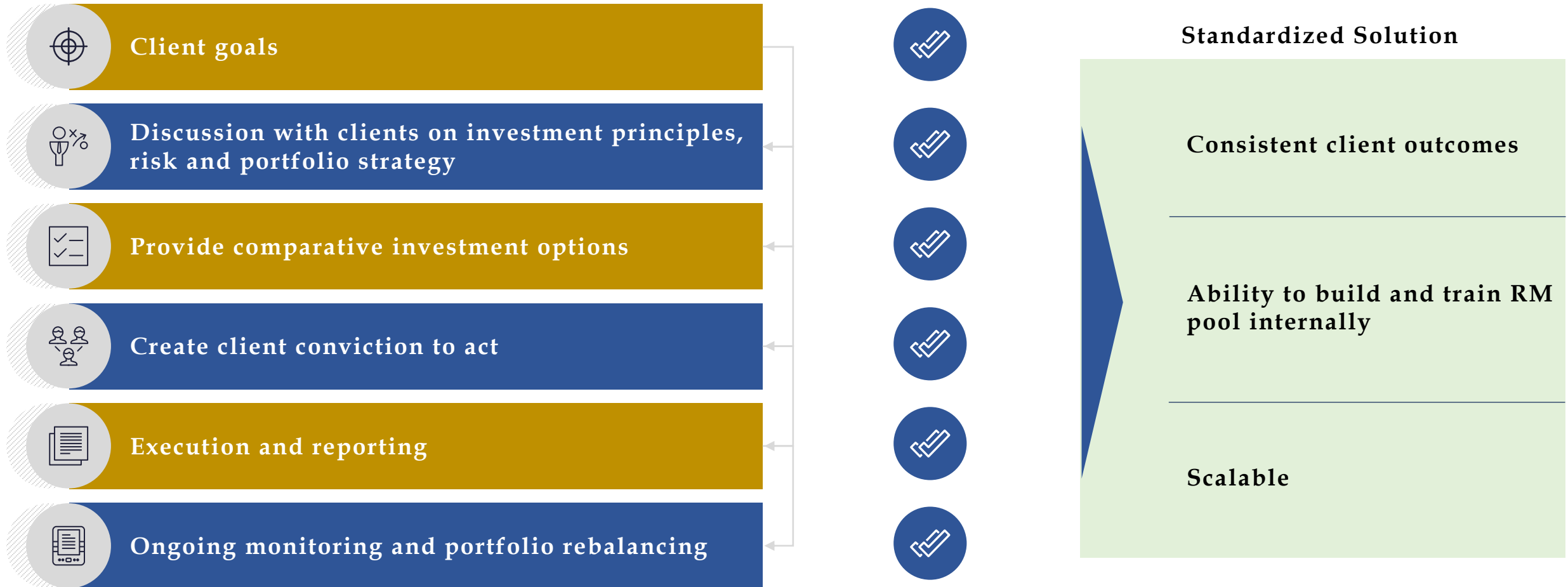
Share in Current AUM (%)*



- These were mostly HNIs when they were on-boarded and have subsequently elevated as UHNIs over a period

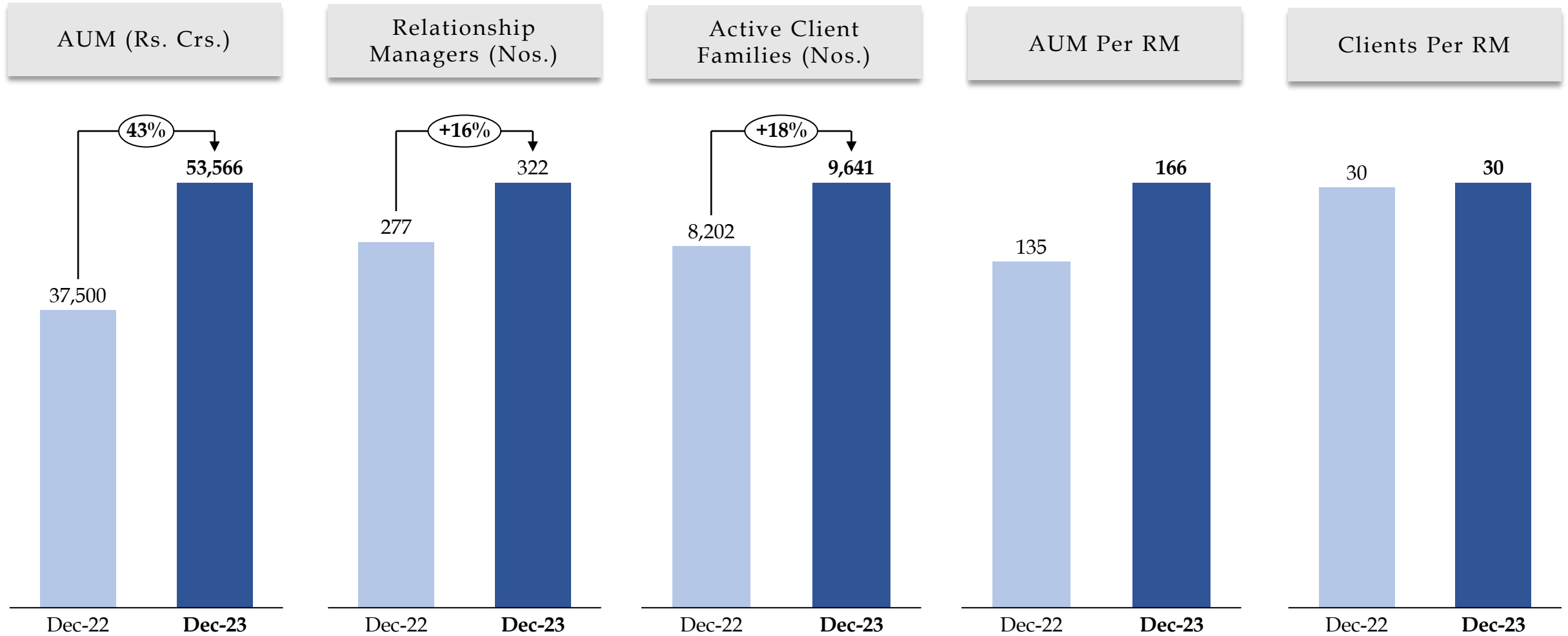
- Slower and difficult to build, but far more sustainable with long term profitability

* As on 31st December 2023



- Well researched Mutual Fund selection process
- Diversified Sources of Non-Principle Protected Structured Products (Non-PP SPs)

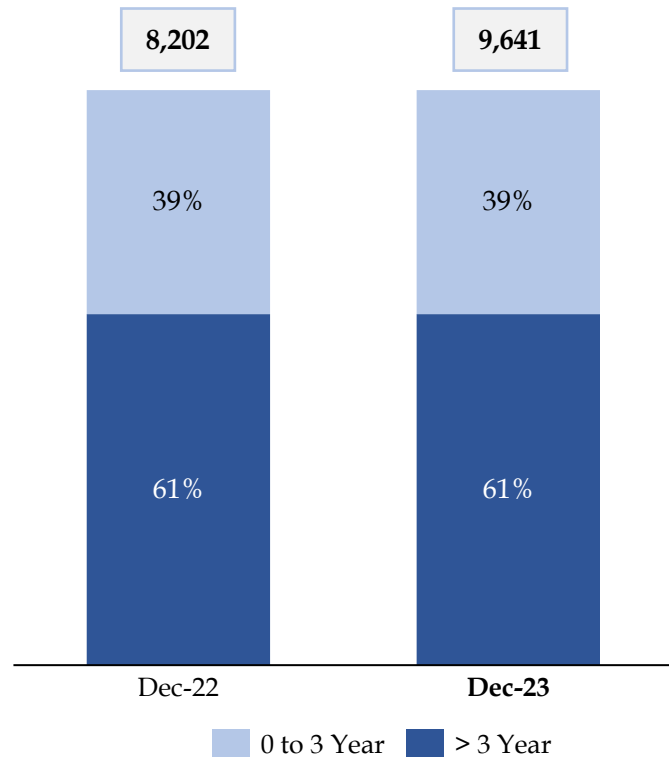
KEY OPERATIONAL HIGHLIGHTS FOR 9M FY24



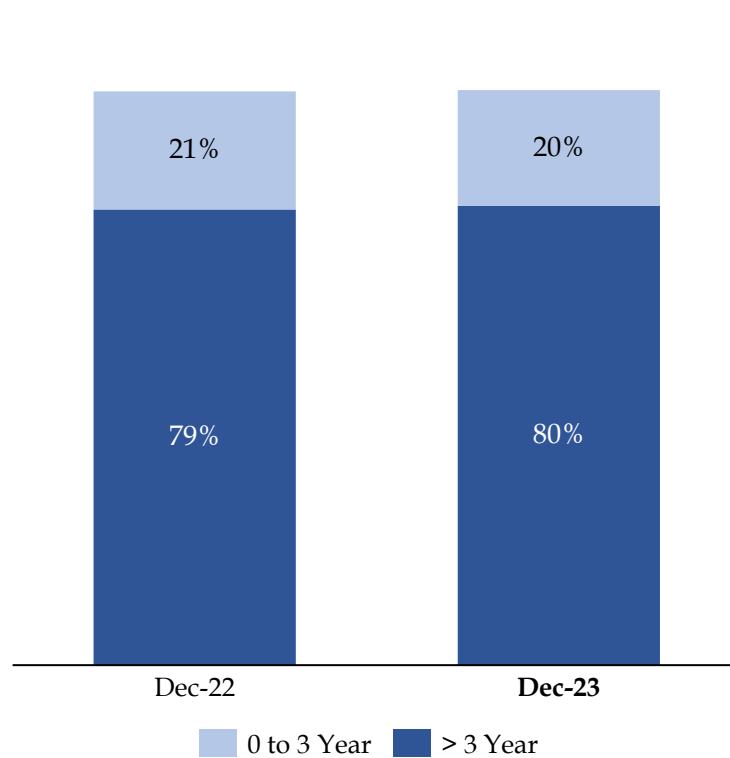
NET FLOWS INDUSTRY VS ARWL

Period	Industry			ARWL		
	Net Inflows of Growth / Equity Oriented Schemes	SIP Contribution	Net Inflows - SIP Contribution	Equity MF Net Inflows	SIP Contribution	Net Inflows - SIP Contribution
FY:2020-21	(25,966)	96,080	(1,22,046)	125	170	(45)
FY:2021-22	1,64,405	1,24,566	39,839	3,085	214	2,871
Q1	49,918	36,425	13,493	931	66	865
Q2	29,118	37,809	(8,691)	754	74	680
Q3	18,952	39,920	(20,968)	399	79	320
Q4	48,766	41,818	6,948	1,059	85	974
FY:2022-2023	1,46,754	1,55,972	(9,218)	3,143	304	2,839
Q1	18,358	43,211	(24,853)	372	88	284
Q2	41,962	47,101	(5,139)	1,533	96	1,437
Q3	52,491	51,611	880	1,948	111	1,837
9M-FY:2023-2024	1,12,811	1,41,923	(29,112)	3,854	295	3,559

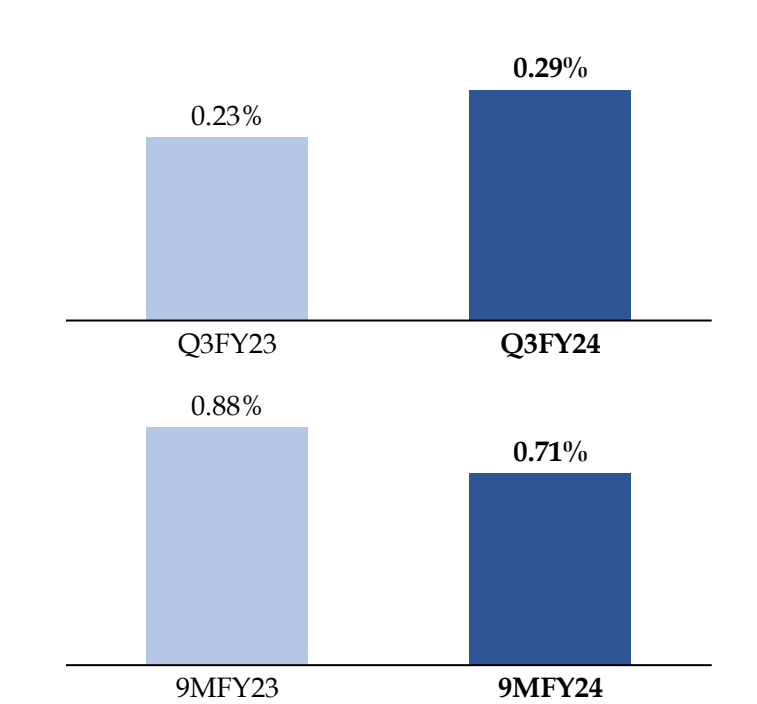
Client Vintage (Nos.)



Client (AUM) Vintage

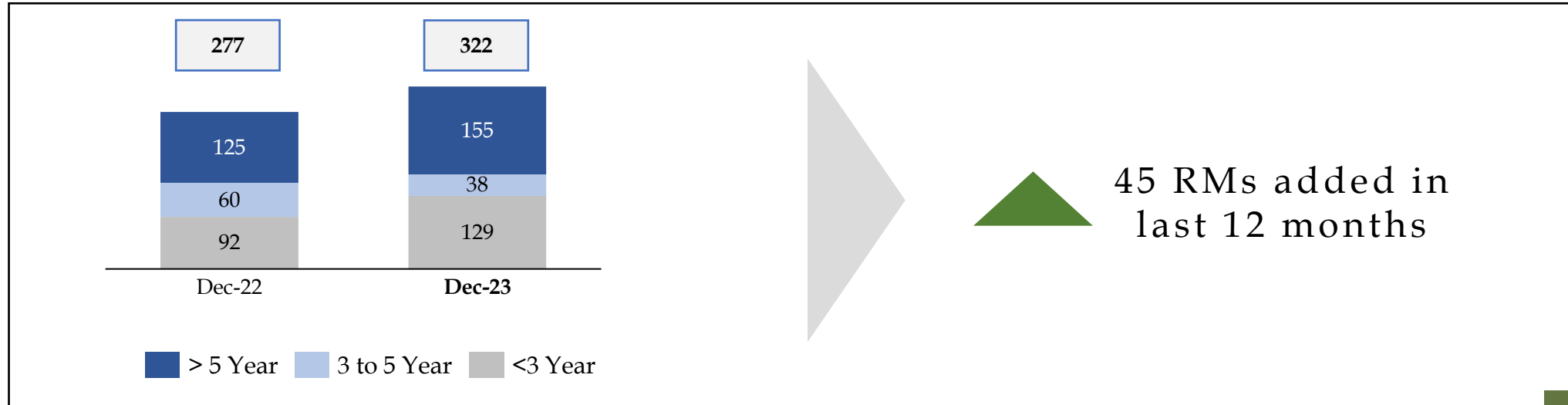


Client Attrition (% of AUM lost)



As on 31st December 2023, 61% of our clients have been associated for over 3 years, representing 80% of total PW AUM, which shows ARWL's strength in vintage of both clients and their AUM

Vintage Wise Relationship Managers (Nos.)



Regret RM Attrition*



RANKED AMONGST THE TOP THREE NON-BANK SPONSORED MUTUAL FUND DISTRIBUTORS

Anand Rathi Wealth Limited has been ranked amongst the top three non-bank sponsored mutual fund distributors firms in India

Name of Distributor^	Gross Commission (FY23) Rs. Crs.	Rank based on Gross Commission	Gross Commission (FY22) Rs. Crs.	Growth (%)	Yield (%)* for FY23	Rank based on Yield
Competitor 1	1,539.0	1	1,298.3	19%	1.24%	1
Competitor 2	583.0	2	440.9	32%	1.10%	2
Anand Rathi Wealth Limited	212.8	3	169.8	25%	1.03%	3
Competitor 3	143.3	4	146.28	-2%	0.48%	10
Competitor 4	111.1	5	100.6	10%	0.53%	9
Competitor 5	102.4	6	92.4	11%	0.86%	5
Competitor 6	81.7	7	69.8	17%	1.02%	4
Competitor 7	75.8	8	67.0	13%	0.82%	7
Competitor 8	74.3	9	64.0	16%	0.84%	6
Competitor 9	73.7	10	73.6	0%	0.61%	8

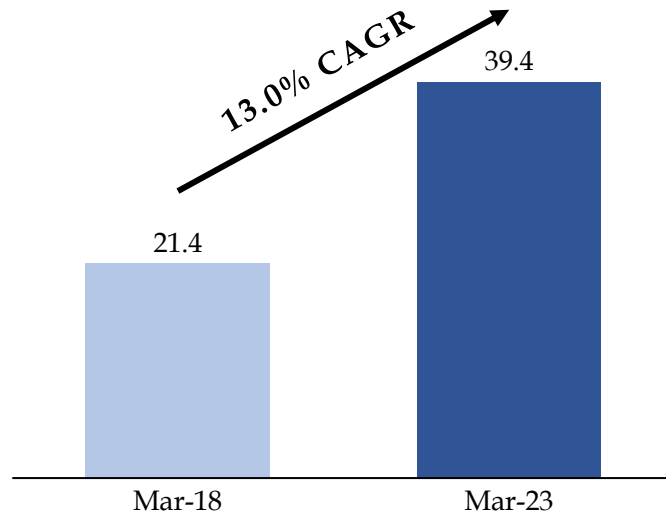
India's Wealth Story to unlock in coming years...

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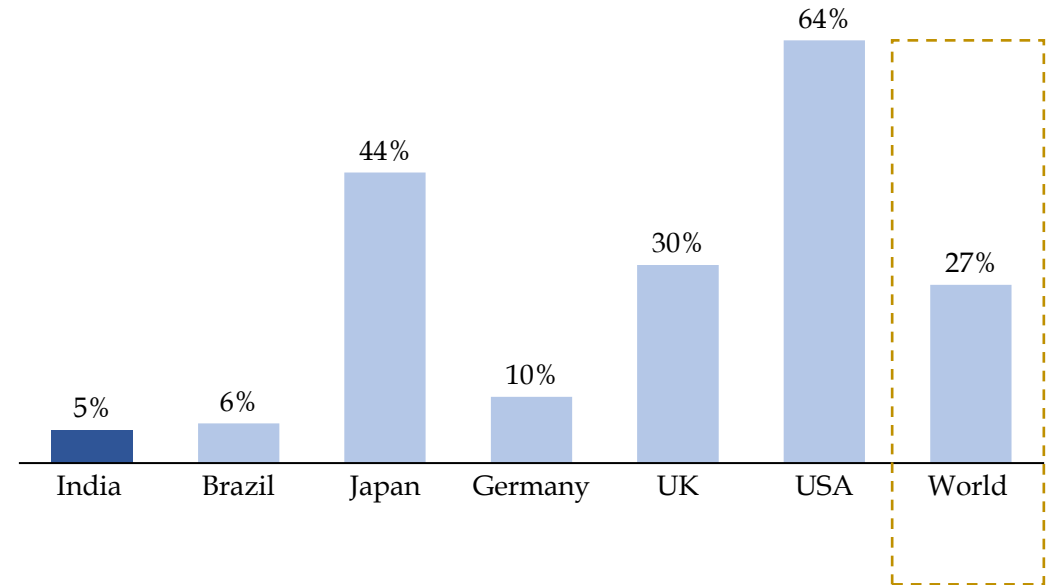


Anand Rathi Wealth : Well, poised to grow exponentially

Assets managed by the Indian mutual fund industry
(Rs. Lakh Crores)



Penetration of MF Industry
(Equity AUM to GDP Ratio - India V/S Other Economies)

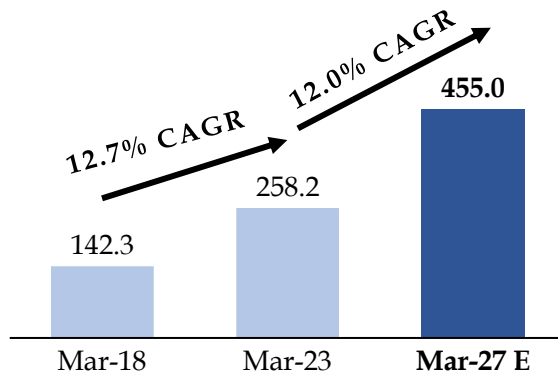


- 👉 India has a huge scope of penetration towards professionally managed financial assets like mutual funds when compared to the global average, which is 4x of India.
- 👉 This creates more opportunity for wealth management industry.

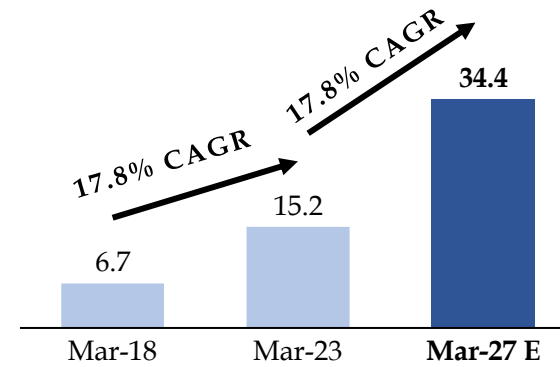
Strong macro-economic trends and a growing HNI families expected to drive growth in the Indian wealth solutions space

Interest in Equities has gone up as it's one of the few asset classes that can deliver double digit returns.

Indian Market Cap Data
(Rs. Lakh Crores)



Equity Mutual Fund
(Rs. Lakh Crores)

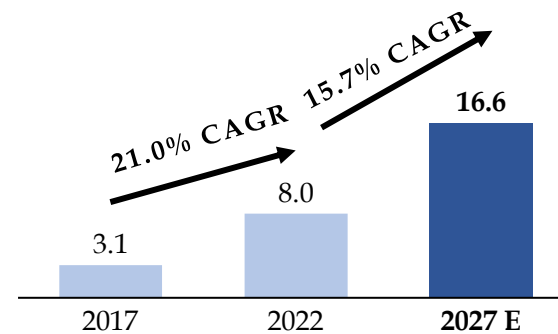


There is massive potential to increase the share of equity in client portfolios. Equity investment needs guidance, thereby, creating huge opportunity for wealth outfits.

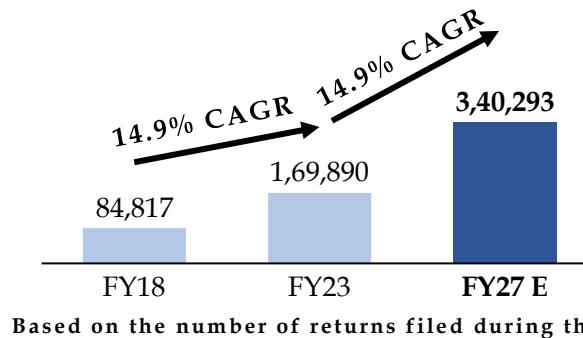
Increasing HNI population in India

HNI population in India is expected to grow at a GAGR of 15.7% from 2022 to 2027E

No of HNIs (Lakhs)



No of Taxpayers Earning > Rs. 1 Crore



Based on the number of returns filed during the year

Taxpayers having income of > Rs. 1 crore, grew by 15% from FY18 to FY23. With the same growth number of individuals will increase to 3.40 lakhs.

	Financial Assets Total	Currency	Deposits	Equity	Mutual Funds	Govt Securities	Small Savings	Insurance	PF and Pension
				Rs. Lakh Crore					
2012	128.5	11.5	44.8	4.4	8.8	1.2	21.7	17.9	18.2
2023	370.8	31.2	129.3	23.6	23.7	2.0	42.6	60.4	58.0
				% Share					
2012	100.0	8.9	34.9	3.4	6.9	1.0	16.9	13.9	14.1
2023	100.0	8.4	34.9	6.4	6.4	0.5	11.5	16.3	15.6

Key Takeaways:

- Indian households allocated heavily with almost **63%** of their financial assets in low but guaranteed returns assets, such as deposits, small savings and pension and provident funds and **~9%** of the financial asset is held in cash with no return.
- Between 2012 and 2023, direct equities and mutual funds maintained a combined share of **10-13%** in financial portfolio.
- With the existing asset allocation, given the expected rate of return for each category, Indian households are expected to generate an average annual return of **6.6% p.a.** on their financial portfolio. This means that Indian households would earn in line with inflation. As such, not making significant real return on their savings.

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Digital Wealth - New Age Business



Leveraging technology to cater to the mass affluent segment through a Phygital Model

DW - A Holistic Solution



Comprehensive packaged solution delivered through a fully variable and scalable business model, leveraging technology



Algo driven real-time portfolio restructuring and rebalancing



Access to private wealth quality of product research



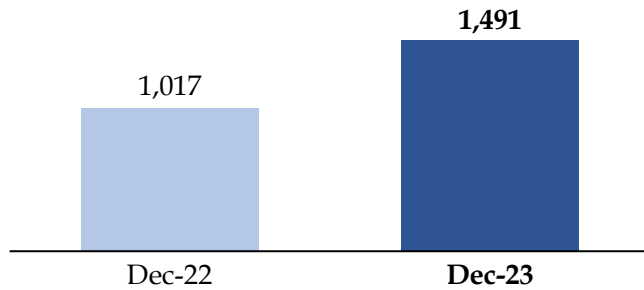
Uncomplicated customer education, strategy & reporting



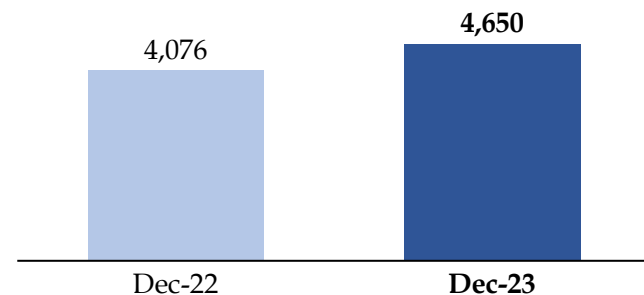
360° digital delivery model - client app, educational videos & webinars, customer support- delivered by partners

Customer Segment : Mass Affluent having existing financial assets: Rs. 10 lakhs - Rs. 5 crores

AUM (Rs. Crs.)



Clients (Nos.)



Unique Approach to Wealth Solutions

Delivers service through a '**phygital channel**' i.e., a combination of human distributor (physical) empowered with technology (digital)

Seeks to build a **scalable and profitable model** by using this blend of technology capabilities and human interface

Attempts to **build a partner led distribution** through whom a packaged investment solution is delivered

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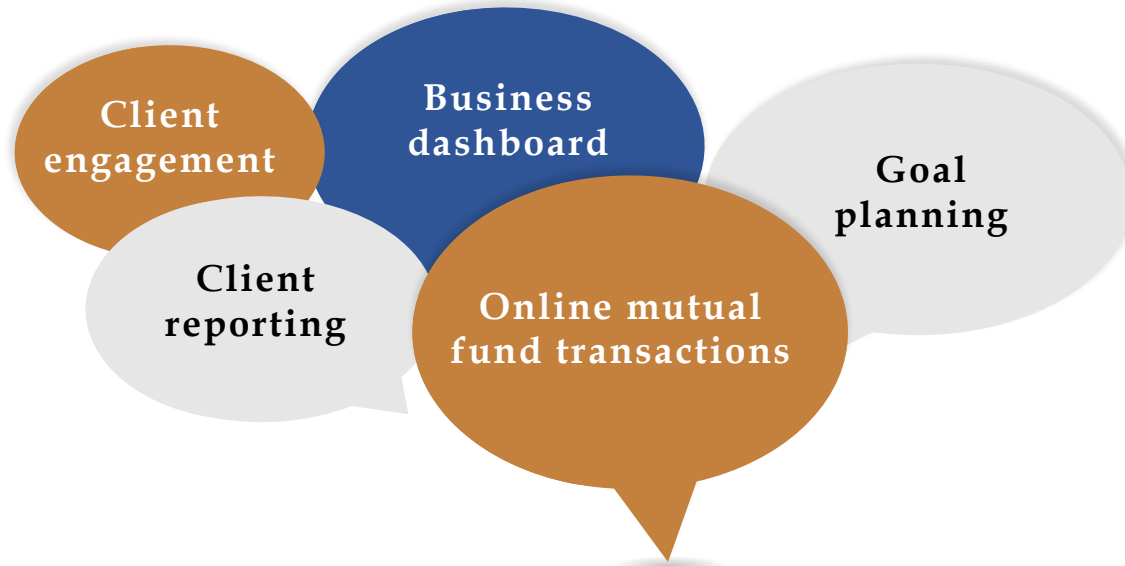
**Omni Financial
Advisor (OFA) -
New Age Business**



Target Segment - ARN Holder (Certified Mutual Fund Distributors)



**Key Functionalities : Subscription Model, MFD and his Clients get access to our platform.
(MFD - Web + Mobile, MFD's Clients - Mobile)**



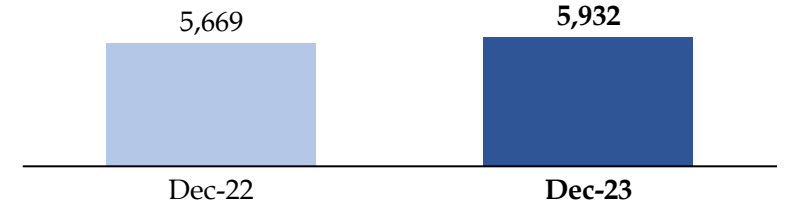
OFA enables MFDs with unique features such as

OFA provides a co-branded mobile first integrated technology platform to MFDs and their clients thereby, addressing the wide retail segment

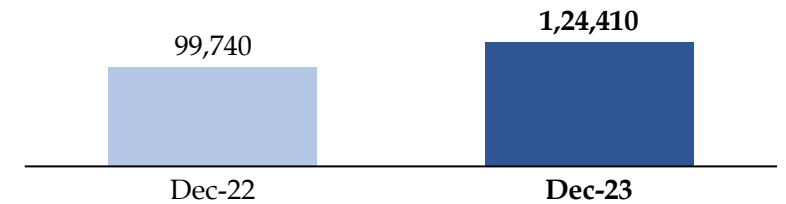


AR Wealth domain expertise combined with significant tech capabilities has created a unique ability to scale up the network for retail investors

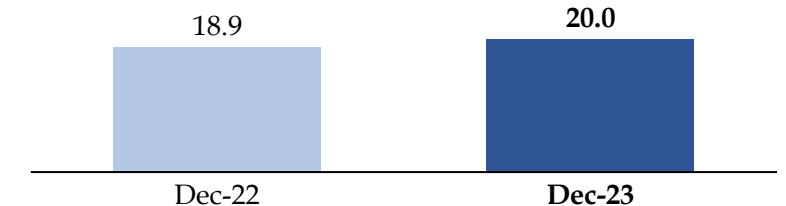
Mutual Fund Distributors (Nos.)



Platform Assets (Rs. Crs.)



Platform Clients (Nos. lakhs)



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Leadership Team





Mr. Anand Rathi
Chairman & Non-Executive
Director



Mr. Pradeep Kumar Gupta
Non-Executive Director



Mr. Rakesh Rawal
Executive Director & CEO



Mr. Mohan Tanksale
Independent Director



Mr. Ramesh Chandak
Independent Director



Mr. K. G. Somani
Independent Director



Mrs. Sudha Navandar
Independent Director



Mr. Rakesh Rawal
Chief Executive Officer

- Master's Degree in management studies from the Jamnalal Bajaj Institute of Management Studies and Bachelors Degree in Mechanical Engineering from Indian Institute of Technology, Kanpur
- Past-Experience - Hindustan Unilever Limited & Deutsche Bank
- Joined Anand Rathi Wealth in 2007



Mr. Feroze Azeez
Deputy Chief Executive Officer

- Post Graduate Diploma in Management - majors in Derivative and Finance from SDM Institute for Management Development and Mechanical Engineer from University of Mysore
- Past Experience : ABN AMRO Bank N.V. and Religare Macquarie Private Wealth
- Joined Anand Rathi Wealth in 2012



Mr. Jugal Mantri
Group Chief Financial Officer

- Rank holder Chartered Accountant and Senior Management Program from IIM Ahmedabad.
- One of the first to join the Anand Rathi Group when it was founded in 1994

KEY PERSONNEL - BUSINESS & FINANCIAL HEADS

Department Heads



Mr Chethan Shenoy
Executive Director and
Head - Product and
Research



Mr Chirag Muni
Associates Director &
Head - Business Process



Mr Rajesh Bhutara
Chief Financial
Officer



Mr Niranjana Babu Ramayanam
Chief Operating
Officer



Mrs. Tejal Shah
Chief Human
Resources Officer

Unit Heads



Mr Arjun Guha
Mumbai



Mr Amitabh Lara
Mumbai



Mr Bharath Rathore
Bengaluru



Mr Suraj Sinha
Bengaluru



Ms Protima Dhawan
Hyderabad



Mr Adil Chacko
Delhi



Mr Manish Srivastava
Delhi



Mr Swapan Chakraborty
Pune



Mr Subhendu Harichandan
Pune



Mr Raj Vijeta Sharma
Dubai



Mr Ashish Bhandia
Kolkata



Mr Rajan Sarkar
Kolkata



Mr Krishanu Chaudhary
Chennai



Mr Mukesh Kumawat
Gurugram



Mr Farooq Nabi
Noida



Mr Harpreet Punj
Chandigarh



Mr Sudhir Hiran
Rajasthan

**Strong Growth
Momentum... To
Continue**



Particulars	Revised Guidance given for FY24 (Rs. Crs)	Actual for 9M FY24 (Rs. Crs.)	% Achieved
Revenue	720	555	77%
Profit After Tax	220	169	77%
Asset Under Management (AUM)	51,000	55,057	-

Note: All the above numbers are on consolidated basis

Sr. No.	Period	ARWL (Standalone)	
		PAT (Rs. Crs)	Growth (Y-o-Y)
1	Q3FY22	32.0	144.2%
2	Q4FY22	34.6	239.0%
3	Q1FY23	39.7	33.6%
4	Q2FY23	43.0	41.1%
5	Q3FY23	43.2	34.9%
6	Q4FY23	42.7	23.4%
7	Q1FY24	53.2	34.0%
8	Q1FY24	57.7	34.3%
9	Q3FY24	58.0	34.3%
Based on last 7 Quarters PAT Growth (Y-o-Y)	<i>Mean</i>		33.7%
	<i>Median</i>		34.3%
	<i>SD</i>		5.2%
1 Sigma Range		28.5% to 38.9%	
2 Sigma Range		23.3% to 44.1%	
3 Sigma Range		18.1% to 49.3%	

CONSOLIDATED PROFIT & LOSS SUMMARY

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Particulars (Rs. Crs.)	Q3 FY24	Q3 FY23	Y-o-Y
MF – Equity & Debt	71.5	50.0	
Distribution of Financial Products	109.5	86.8	
IT Enabled Services	1.4	1.2	
Others	4.8	2.2	
Total Revenue	187.3	140.2	34%
Employee costs	78.4	58.9	
Other expenses	24.2	17.4	
Total Operating Costs	102.6	76.3	34%
PBT	78.0	58.4	34%
PBT Margin %	41.7%	41.6%	
PAT	58.0	43.2	34%
PAT Margin %	31.0%	30.8%	

Q2 FY24	Q-o-Q
62.5	
118.7	
1.4	
6.5	
189.1	-1.0%
80.9	
24.2	
105.1	-2.4%
77.7	0.4%
41.1%	
57.7	0.6%
30.5%	

9M FY24	9M FY23	Y-o-Y
186.2	141.1	
349.7	260.9	
4.1	3.6	
14.7	6.2	
554.8	411.8	34.7%
238.2	178.5	
71.2	49.4	
309.4	227.8	35.8%
226.6	168.8	34.2%
40.8%	41.0%	
169.0	125.9	34.2%
30.5%	30.6%	

Particulars (Rs. Crs.)	Dec-23	Dec-22	Y-o-Y
MF – Equity & Debt	33,788	22,810	
Non-PP SPs	13,307	11,128	
Others	7,962	4,579	
Total AUM	55,057	38,517	43%

Sep-23	Y-o-Y
28,908	
12,595	
6,455	
47,957	15%

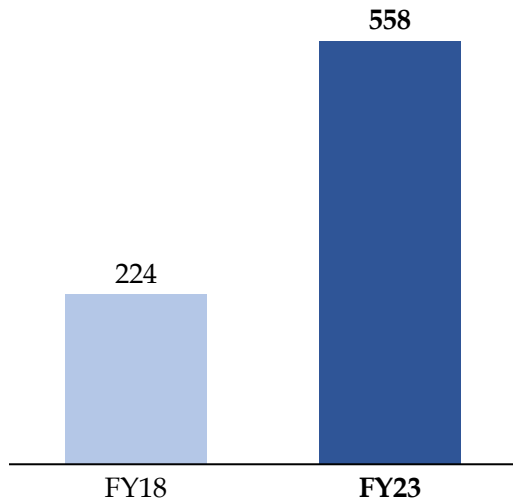
Dec-23	Dec-22	Y-o-Y
33,788	22,810	
13,307	11,128	
7,962	4,579	
55,057	38,517	43%

CONSOLIDATED BALANCE SHEET AS ON 30th SEPTEMBER

Assets (Rs. Crs)	Sep-23	Mar-23
Non - Current Assets		
Property Plant & Equipments	92.3	92.5
CWIP	-	-
Goodwill	2.9	2.9
Intangible assets	19.9	22.3
Right of use asset	33.0	18.5
Intangible assets under development	-	-
Financial Assets		
Investments	107.3	105.5
Other Financial Assets	3.2	3.6
Deferred Tax Assets (Net)	0.2	0.5
Other Non - Current Assets (Net)	35.1	31.4
Total Non - Current Assets	293.9	277.1
Current Assets		
Financial Assets		
(i) Investments	-	-
(ii) Trade receivables	21.6	17.1
(iii) Cash and cash equivalents	175.2	64.8
(iv) Other Bank balances	-	-
(v) Loans	-	-
Other Financial Assets	280.9	258.6
Other Current Assets	8.5	6.6
Total Current Assets	486.1	347.1
Total Assets	780.0	624.1

Equity & Liabilities (Rs. Crs)	Sep-23	Mar-23
Total Equity		
Share Capital	20.9	20.8
Other Equity	532.2	447.4
Non-Controlling Interest	12.2	11.9
Total Equity	565.2	480.1
Non-Current Liabilities		
Financial Liabilities		
(i) Borrowings	4.3	8.5
(ii) Lease Liabilities	27.2	14.2
Provisions	2.7	3.9
Total Non-Current Liabilities	34.1	26.5
Current Liabilities		
Financial Liabilities		
(i) Borrowings	8.3	8.3
(ii) Trade Payables	0.1	0.3
(iii) Lease	6.9	5.7
(iii) Other Financial Liabilities	89.8	10.8
Other Current Liabilities	13.8	12.0
Provisions	61.7	80.3
Total Current Liabilities	180.6	117.5
Total Equity & Liabilities	780.0	624.1

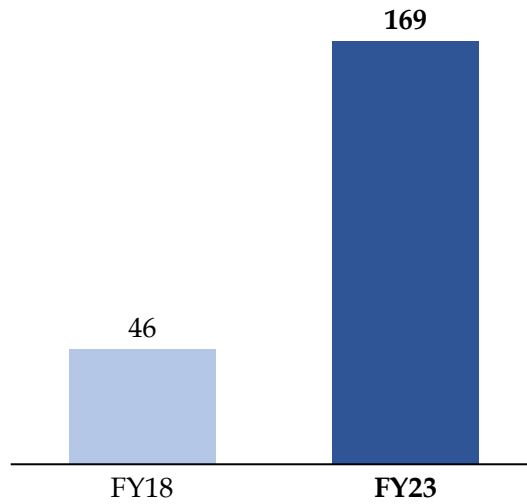
Revenue (Rs. Crs.)



Rs. 558 crores

20% CAGR

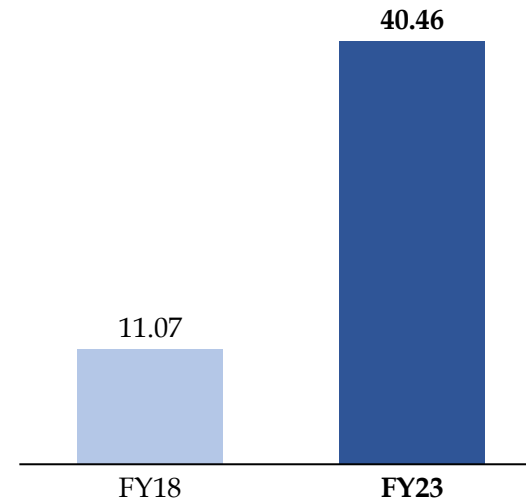
Profit After Tax (Rs. Crs.)



Rs. 169 crores

30% CAGR

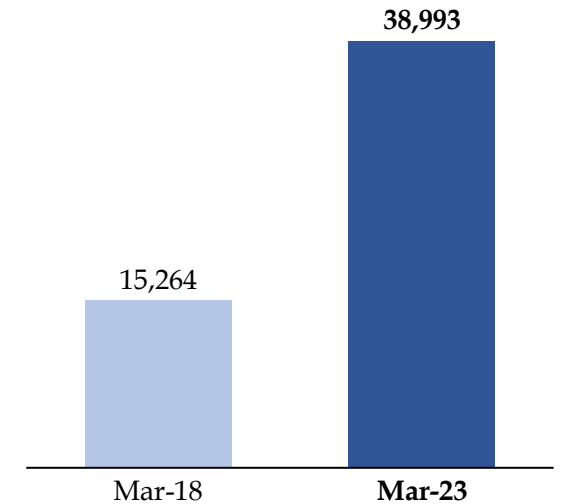
EPS (Rs.)



Rs. 40.46 per share

30% CAGR

AUM (Rs. Crs.)



Rs. 38,993 crores

21% CAGR

HISTORICAL FINANCIALS

Particulars (Rs. Crs.)	FY19	FY20	FY21	FY22	FY23
MF - Equity & Debt	104.0	99.6	90.2	154.0	189.9
Distribution of Financial Products	169.0	227.7	170.6	258.8	353.9
IT Enabled Services	3.6	4.6	4.5	4.8	4.9
Others	7.5	4.6	13.9	7.7	9.7
Total Revenue	284.1	336.4	279.2	425.2	558.3
Employee costs	132.8	167.2	150.8	192.0	241.8
Other expenses	56.8	57.7	45.0	48.2	68.1
Total Costs	189.6	224.9	195.8	240.2	309.9
PBT	84.3	86.6	62.9	167.4	227.9
PBT Margin%	29.7%	25.7%	22.5%	39.4%	40.8%
PAT	59.1	61.4	44.6	126.8	168.6
PAT Margin%	20.8%	18.2%	15.8%	29.8%	30.2%

Particulars (Rs. Crs.)	FY19	FY20	FY21	FY22	FY23
MF - Equity & Debt	12,862	11,068	14,559	19,434	23,221
Non-PP SPs	3,966	5,797	9,408	9,591	10,974
Others	1,565	1,490	2,703	3,881	4,797
Total AUM	18,393	18,355	26,670	32,906	38,993

HISTORICAL BALANCE SHEET

Assets (Rs. Crs)	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23
Non - Current Assets					
Property Plant & Equipments	7.5	8.9	7.2	80.8	92.5
CWIP	-	65.4	69.0	-	-
Goodwill	0.4	2.9	2.9	2.9	2.9
Intangible assets	7.9	37.3	32.2	27.1	22.3
Right of use asset	-	26.3	12.9	13.2	18.5
Intangible assets under development	31.7	-	-	-	-
Financial Assets					
Investments	-	101.3	101.8	103.5	105.5
Other Financial Assets	4.7	5.2	4.3	4.2	3.6
Deferred Tax Assets (Net)	3.9	4.6	4.2	3.8	0.5
Other Non - Current Assets (Net)	28.6	7.2	11.1	43.5	30.6
Total Non - Current Assets	84.7	259.1	245.6	279.0	276.2
Current Assets					
Financial Assets					
(i)Investments	75.1	1.8	2.7	-	-
(ii)Trade receivables	11.0	9.1	10.9	14.9	17.1
(iii)Cash and cash equivalents	11.4	28.3	65.3	87.1	60.2
(iv)Other Bank balances	-	-	-	-	-
(v) Loans	0.2	66.7	1.2	-	-
Other Financial Assets	10.3	31.5	12.5	92.0	258.6
Other Current Assets	4.6	13.3	1.6	7.2	6.6
Total Current Assets	112.7	150.7	94.2	201.2	342.5
Assets directly associated with disposal group classified as held for sale	-	-	-	-	5.4
Total Assets	197.3	409.8	339.7	480.2	624.1

Equity & Liabilities (Rs. Crs)	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23
Total Equity					
Share Capital	13.5	13.5	13.8	20.8	20.8
Other Equity	109.0	172.8	227.8	322.9	447.4
Non Controlling Interest	12.5	11.6	11.6	11.7	11.9
Total Equity	135.0	197.9	253.2	355.3	480.1
Non-Current Liabilities					
Financial Liabilities					
(i) Borrowings	0.4	33.4	25.0	16.6	8.5
(ii) Lease Liabilities	-	16.5	6.4	8.5	14.2
Provisions	0.1	0.3	1.2	2.1	3.9
Total Non-Current Liabilities	0.5	50.2	32.5	27.2	26.5
Current Liabilities					
Financial Liabilities					
(i) Borrowings	0.2	8.4	8.4	8.3	8.3
(ii) Trade Payables	0.7	2.1	0.2	-	0.3
(iii) Lease	-	10.0	7.8	5.8	5.7
(iii) Other Financial Liabilities	20.2	90.6	5.7	21.2	10.8
Other Current Liabilities	6.6	9.1	12.2	8.7	12.0
Provisions	34.1	41.6	19.8	53.6	80.2
Total Current Liabilities	61.8	161.7	54.1	97.6	117.4
Liabilities directly associated with disposal group classified as held for sale	-	-	-	-	0.05
Total Equity & Liabilities	197.3	409.8	339.7	480.2	624.1

ANANDRATHI

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THANK YOU !

Company: Anand Rathi Wealth Limited

ANANDRATHI
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CIN: L67120MH1995PLC086696

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