



ANAND RATHI

Private Wealth. uncomplicated

Investor Presentation

Quarter Ended 30th June 2023

Data Driven Decision-Making for Wealth Creation.


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STRONG Q1 FY24 FINANCIAL PERFORMANCE (Consolidated)

Total Revenue (Rs. Crs.)

 **34% YoY**


178

134

Q1 FY23

Q1 FY24

Profit Before Tax (Rs. Crs.)
& PBT Margins

 **34% YoY**

39.6%

39.7%


71

53

Q1 FY23

Q1 FY24

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

 **34% YoY**

29.7%

29.8%


53

40

Q1 FY23

Q1 FY24

AUM (Rs. Crs.)

 **32% YoY**

43,413

32,961

Jun-22

Jun-23

Private Wealth Business



Who we are...

- One of the leading non-bank sponsored B-C wealth solutions firms in India & have been ranked amongst the top three non-bank sponsored mutual fund distributors in India by gross commission
- Started in 2002, we have evolved into providing, well researched solutions to our Clients by facilitating investments in financial instruments through an objective driven process

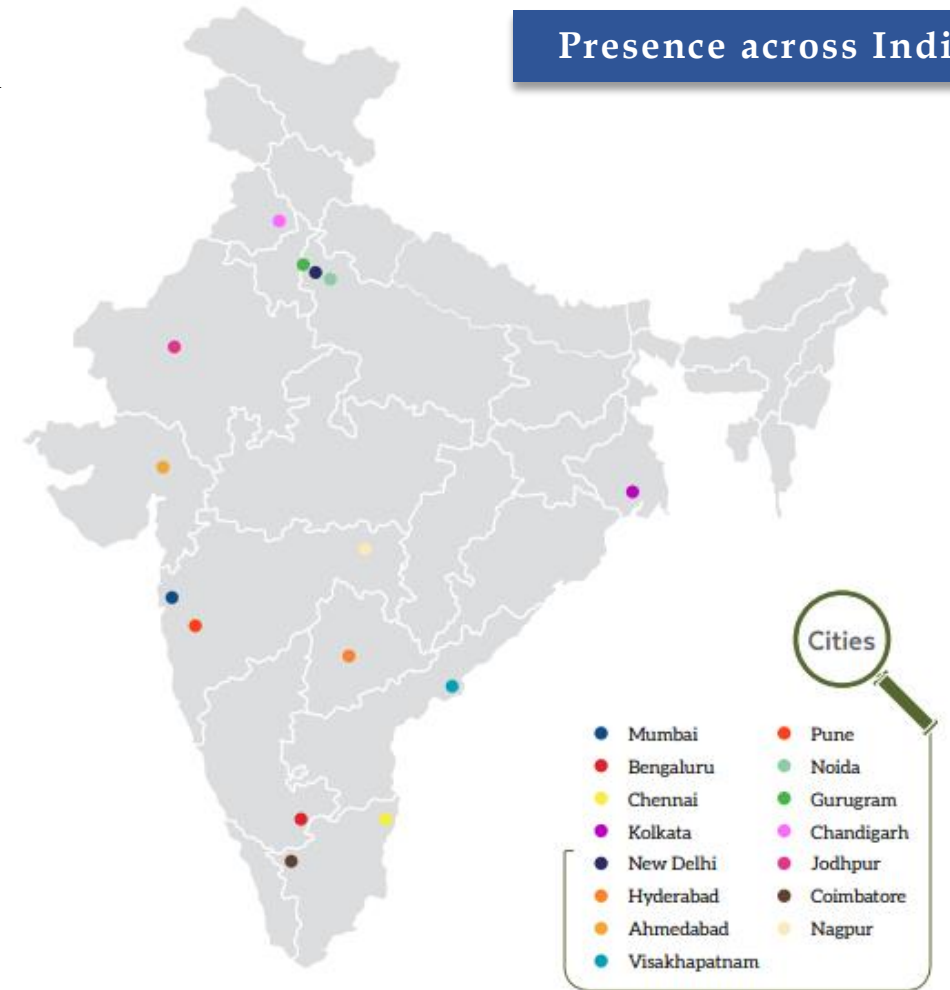
What do we do...

- Providing Standardised Wealth Solutions
- Client-specific financial strategy with the focus on long term returns, through Mutual Funds (MFs) and Non-Principal Protected Structured Products (Non-PP)
- Effective Tax Planning
- Safety net & estate planning using trusts & wills

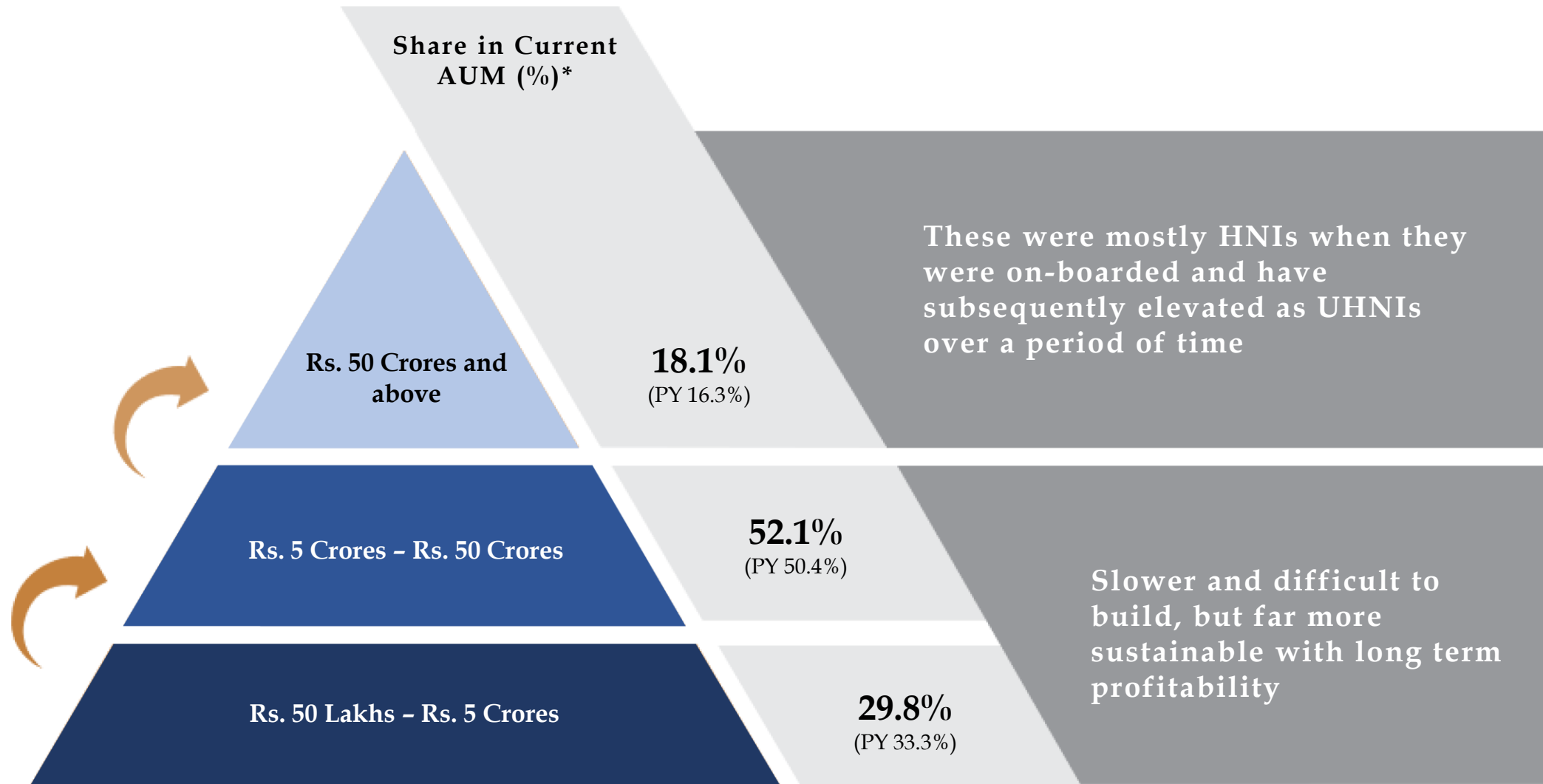
Bharat Story - Potential for Huge Geographic Expansion...

- ~25 of our seasoned RMs are from smaller towns and soon will be relocated to their hometowns. Their regional background will help us tap into smaller towns which are highly underpenetrated market with immense opportunities for wealth management

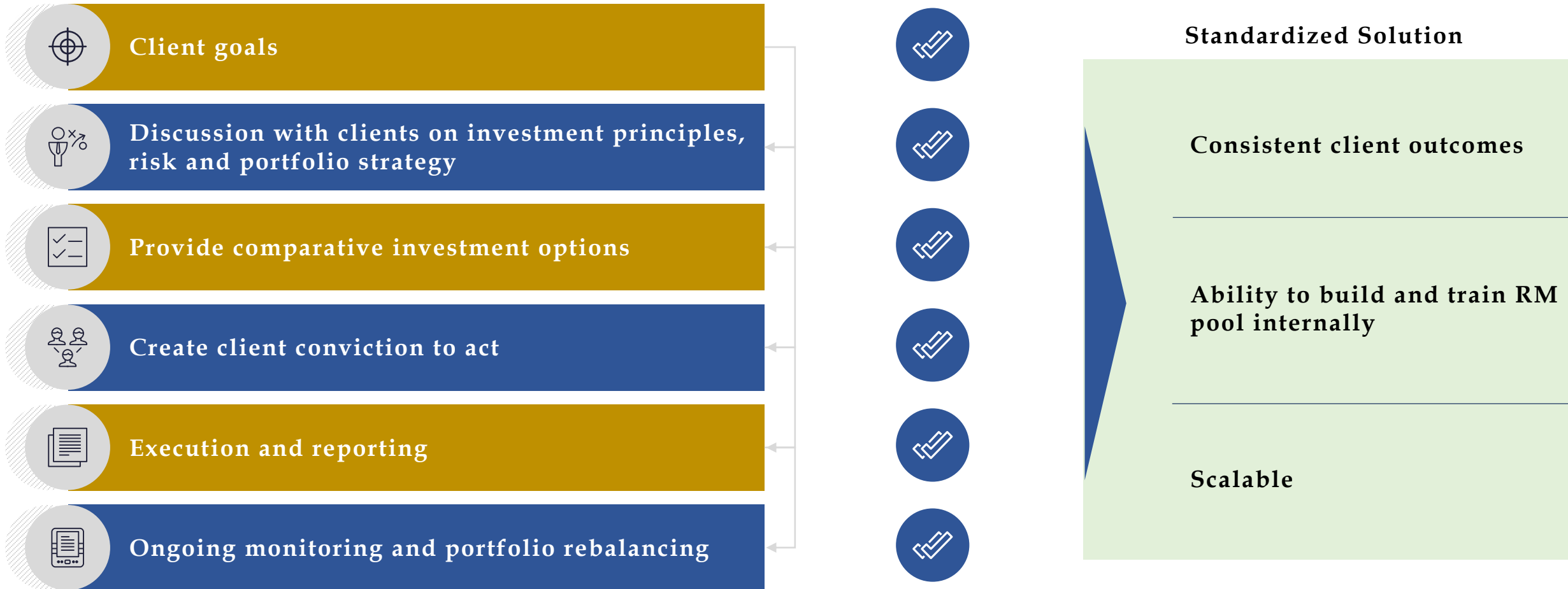
Presence across India



& A representative office in **Dubai**



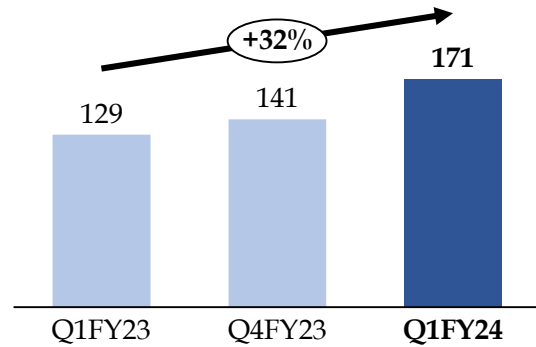
* As on 30th June 2023



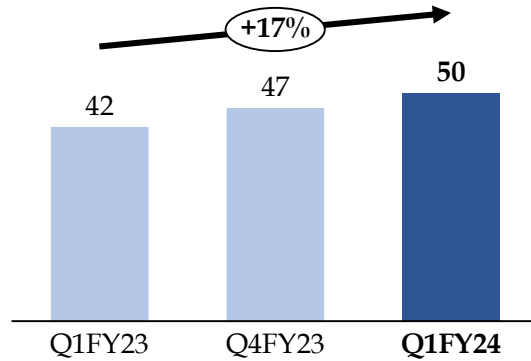
- Well researched Mutual Fund selection process
- Diversified Sources of Non-Principal Protected Structured Products (Non-PP SPs)

KEY HIGHLIGHTS FOR Q1 FY24 - PRIVATE WEALTH BUSINESS

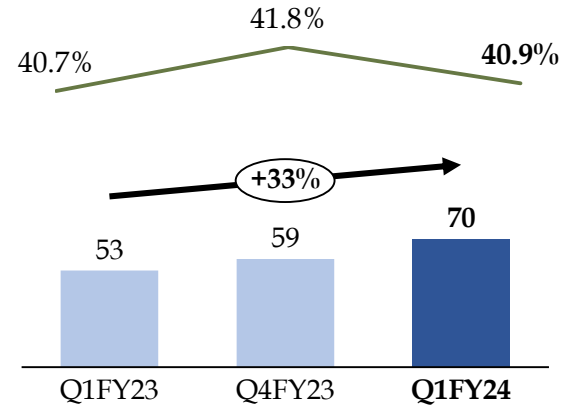
Total Revenue (Rs. Crs.)



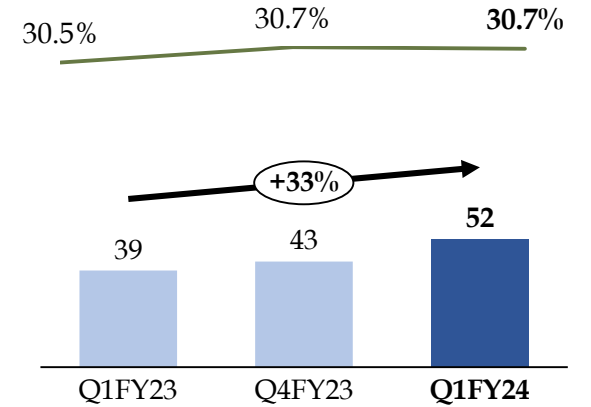
Trail Revenue (Rs. Crs.)



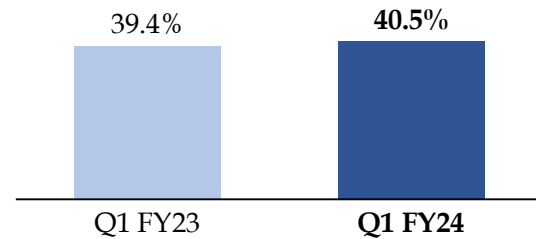
Profit Before Tax (Rs. Crs.) & PBT Margins



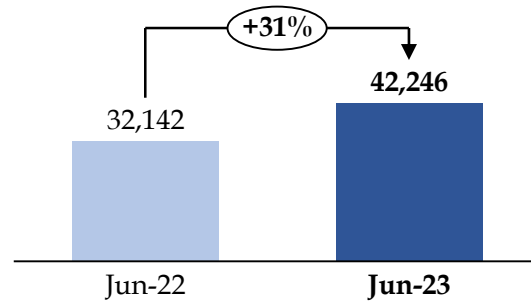
Profit After Tax (Rs. Crs.) & PAT Margins



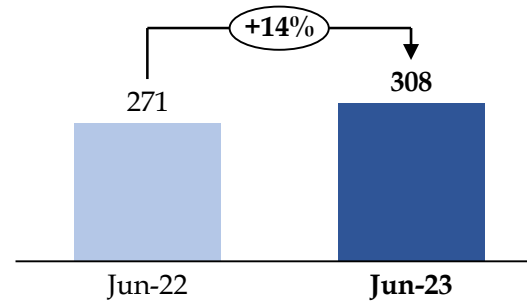
Return on Equity*



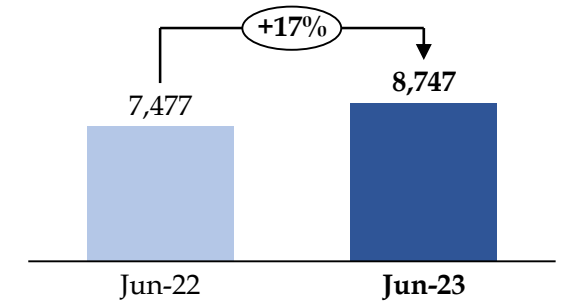
AUM (Rs. Crs.)



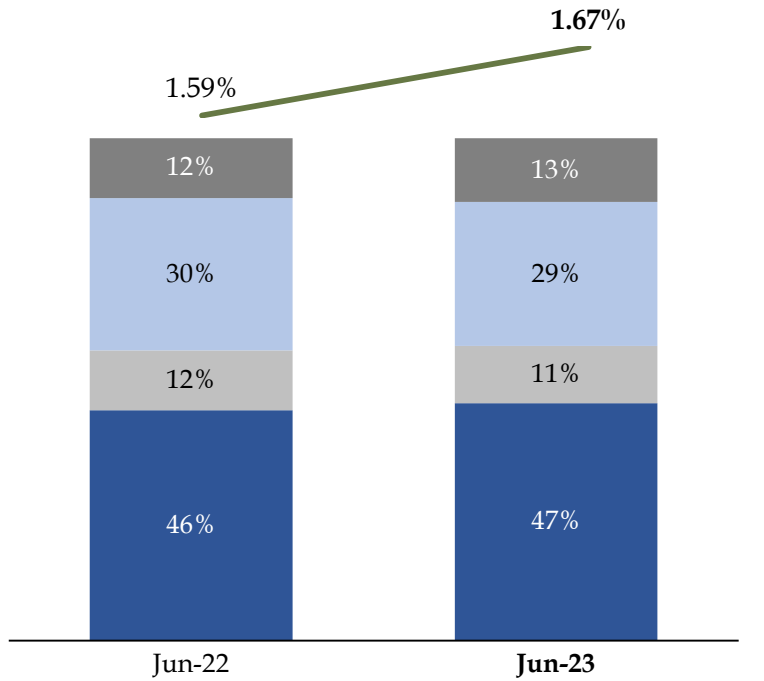
Relationship Managers (#)



Active Client Families (#)

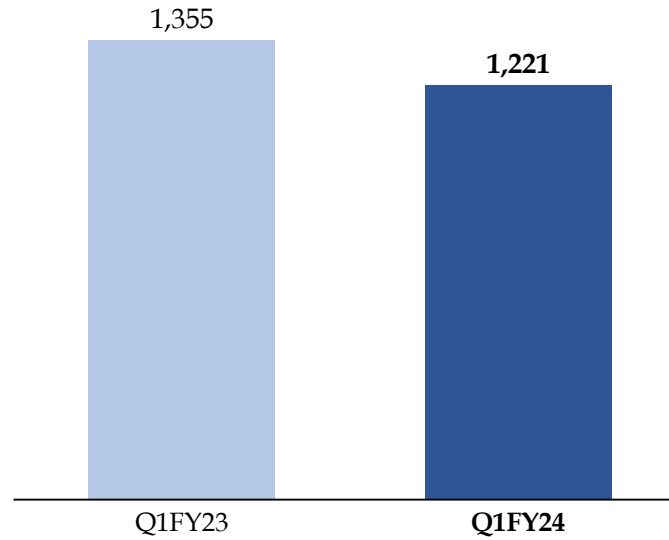


Product Wise AUM Mix (Rs. Crs.) & Avg. AUM Yield*

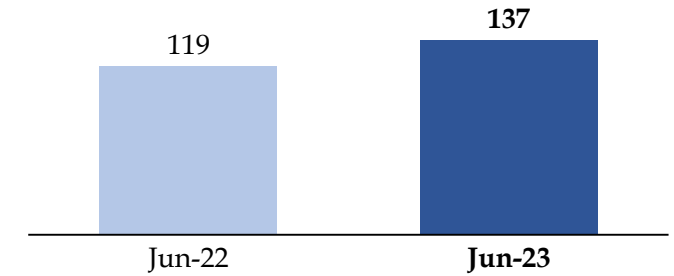


- Others
- Non-Principal Protected Structured Products (Non-PP SPs)
- Debt MF
- Equity MF

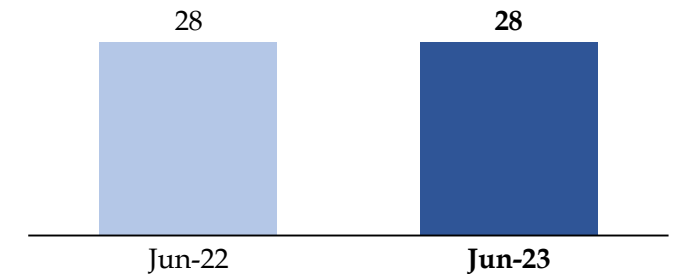
Net Flows (Rs. Crs.)



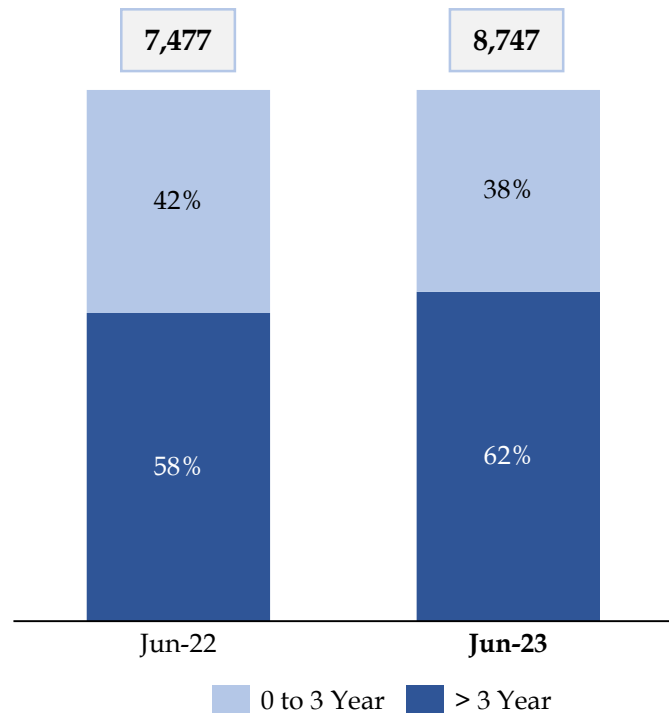
AUM per RM



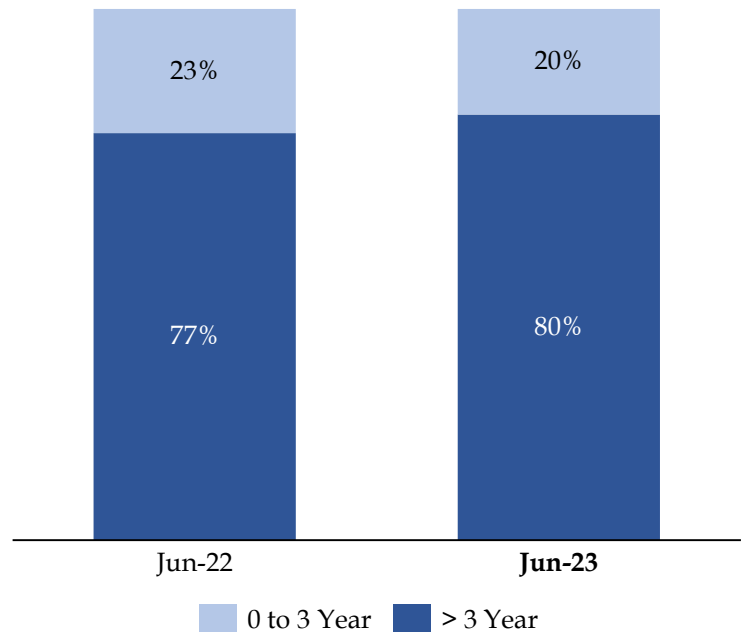
Clients per RM



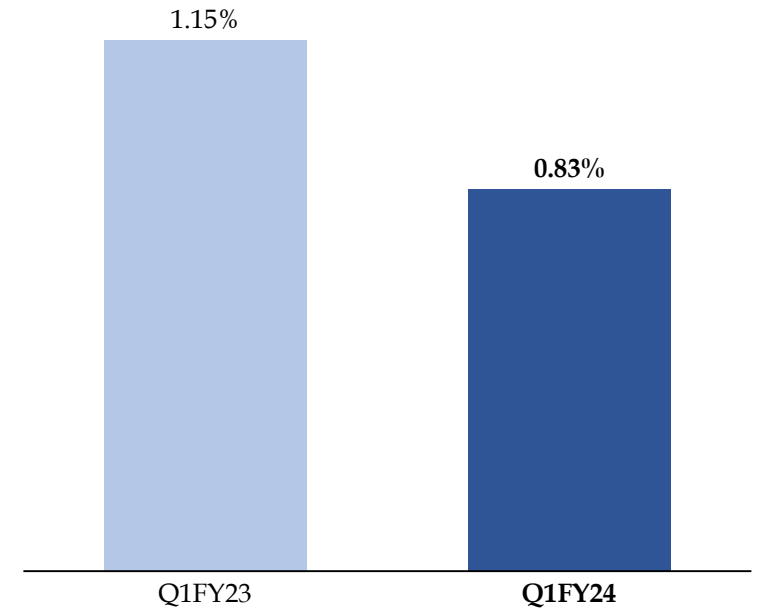
Client Vintage (Nos.)



Client (AUM) Vintage



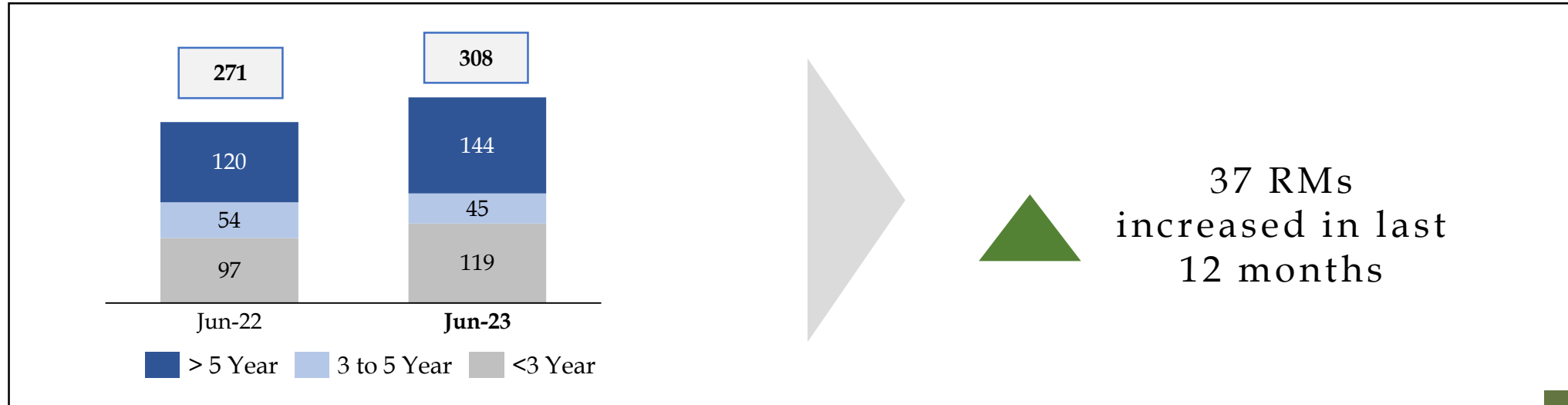
Client Attrition (% of AUM lost)*



*Annualized

As on 30th June 2023, 62.1% of our clients have been associated for over 3 years, representing 80.1% 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 (FY22) Rs. Crs.	Rank based on Gross Commission	Gross Commission (FY21) Rs. Crs.	Growth (%)	Yield (%)* for FY22	Rank based on Yield
Competitor 1	1,298.3	1	873.9	49%	1.19%	1
Competitor 2	440.9	2	263.2	68%	0.97%	4
Anand Rathi Wealth Limited	169.8	3	98.8	72%	1.00%	2
Competitor 3	119.2	4	88.8	34%	0.46%	10
Competitor 4	107.4	5	91.7	17%	0.61%	8
Competitor 5	100.6	6	70.9	42%	0.50%	9
Competitor 6	92.4	7	65.5	41%	0.81%	5
Competitor 7	73.6	8	59.1	25%	0.61%	7
Competitor 8	69.8	9	48.1	45%	0.98%	3
Competitor 9	67.0	10	44.2	52%	0.78%	6

In FY22, ARWL achieved highest growth of 72% based on Gross Commissions earned in the industry

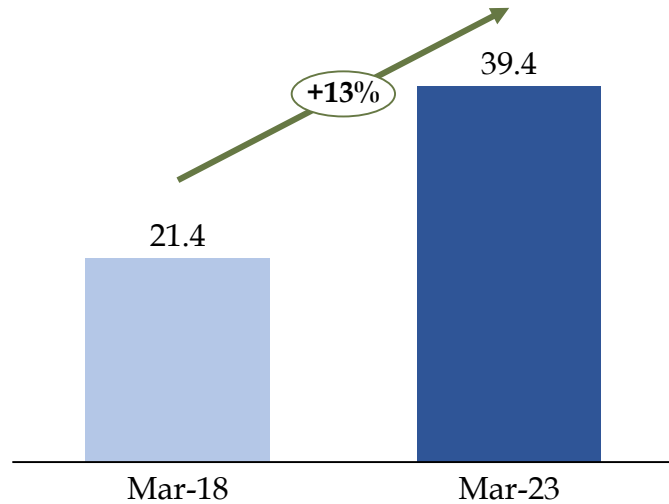
**India's Wealth
Story to unlock in
coming years...**

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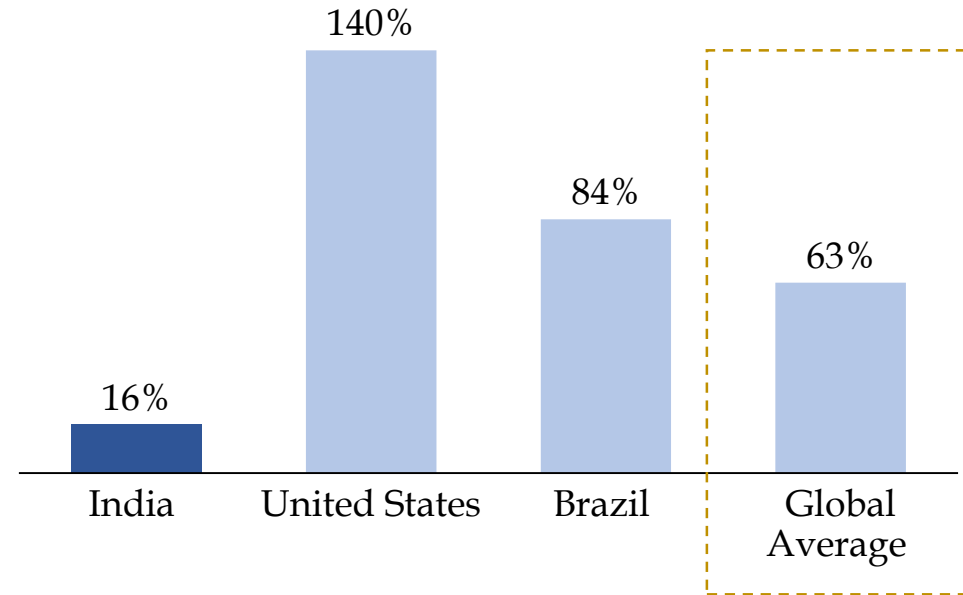


Anand Rathi Wealth : Well, poised to grow exponentially

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



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

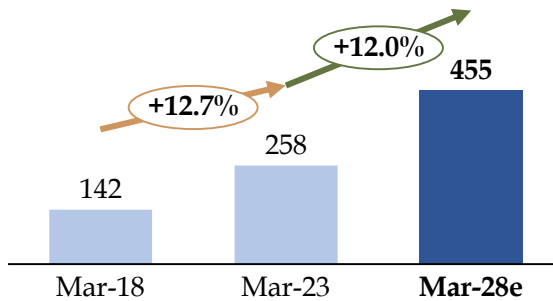


- ☞ India has a huge scope of penetration towards professionally managed financial assets like mutual funds when compared to the global average, which is 4x of India.
- ☞ This creates more opportunity for wealth management industry.

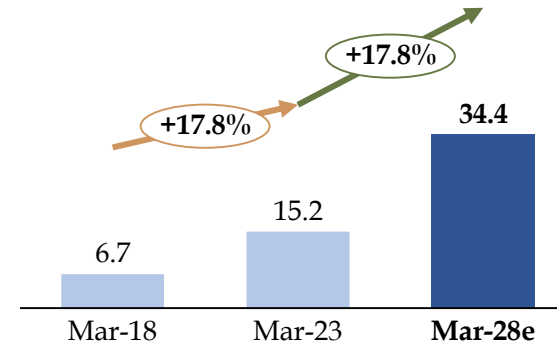
Strong macro-economic trends and a growing HNI families expected to drive growth in the Indian wealth solutions space

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)

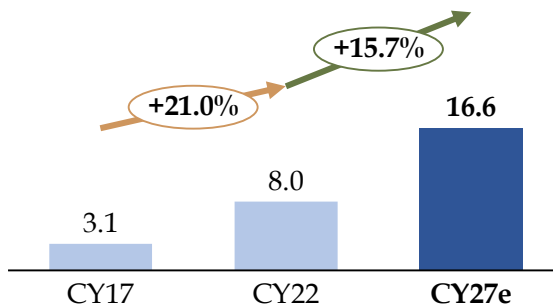


There is massive potential to increase the share of equity in client portfolios. Equity investment needs guidance, thereby, creating huge opportunity for wealth outfits.

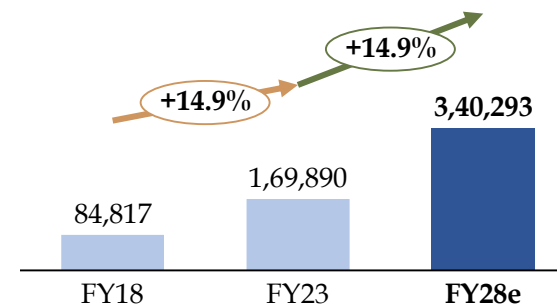
Increasing HNI population in India

HNI population in India is expected to grow at a CAGR 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.

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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



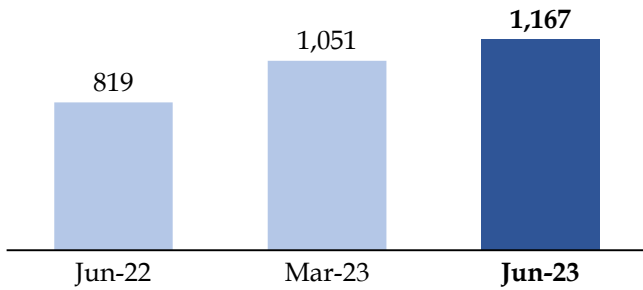
Uncomplicated customer education, strategy & reporting



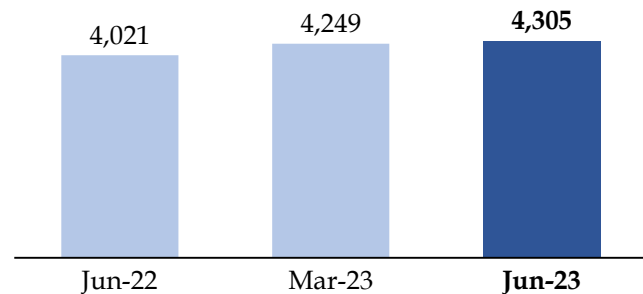
360° digital delivery model - client app, educational videos & webinars, customer support- delivered by partners

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

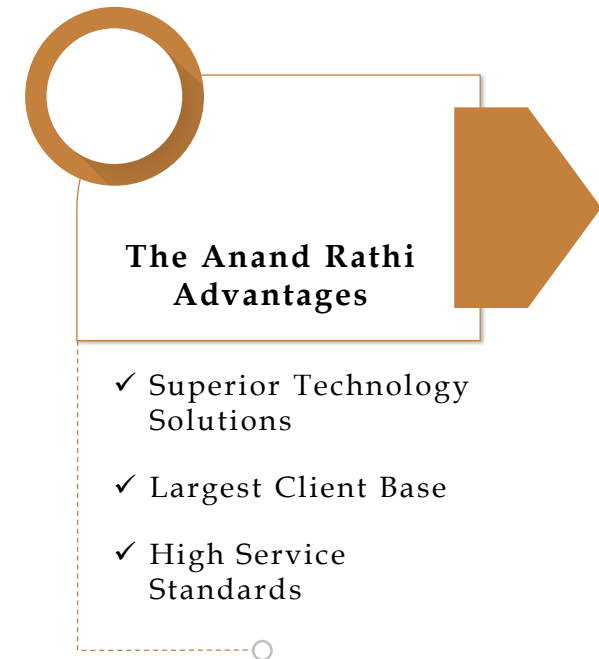
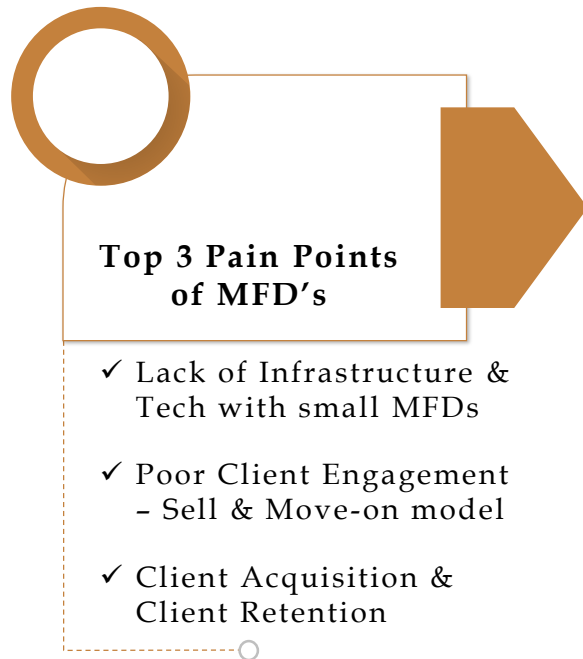
Attempts to **build a partner led distribution** through whom a packaged investment solution is delivered

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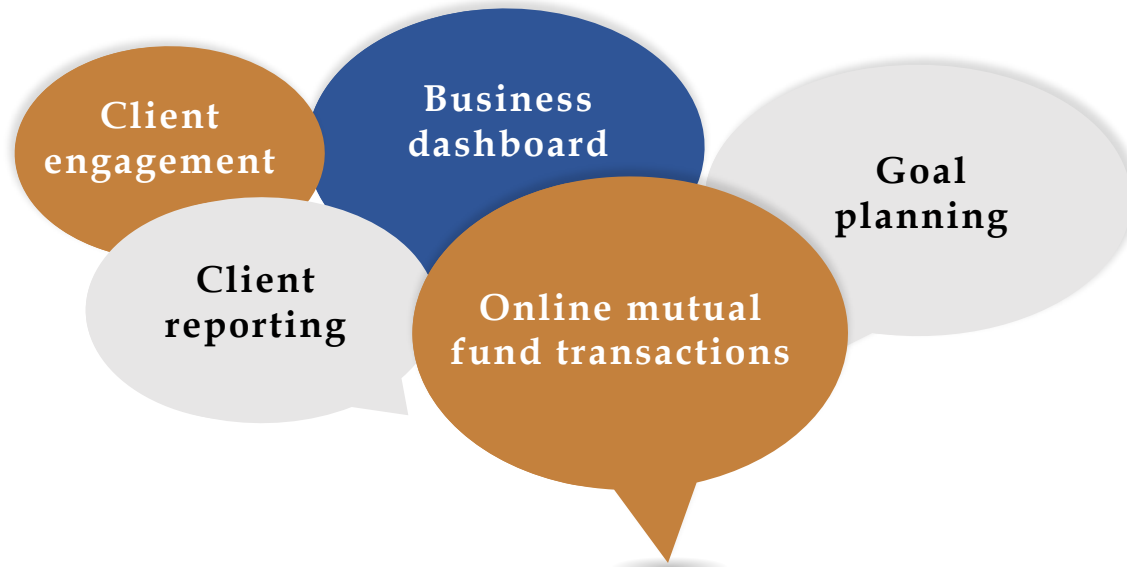
**Omni Financial
Advisor (OFA) -
New Age Business**



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)**



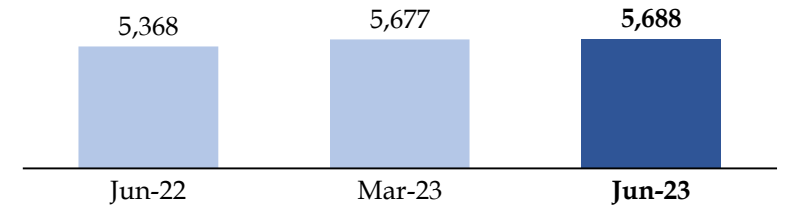
OFA enables MFDs with unique features such as

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

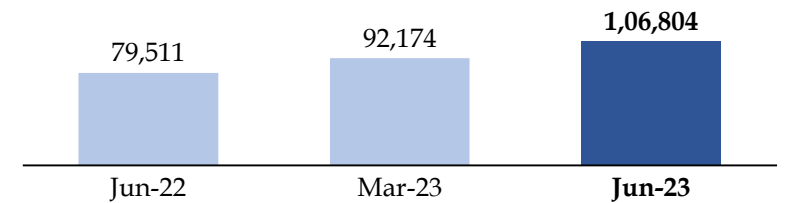


AR Wealth domain expertise combined with significant tech capabilities has created a unique ability to scale up the network for retail investors

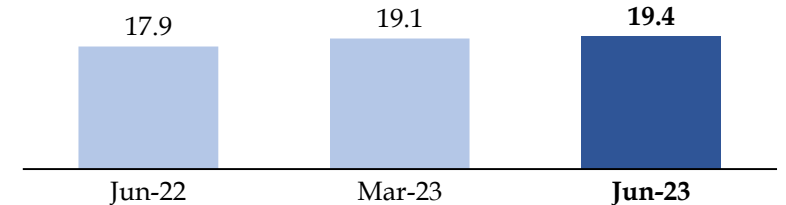
Mutual Fund Distributors (Nos.)



Platform Assets (Rs. Crs.)

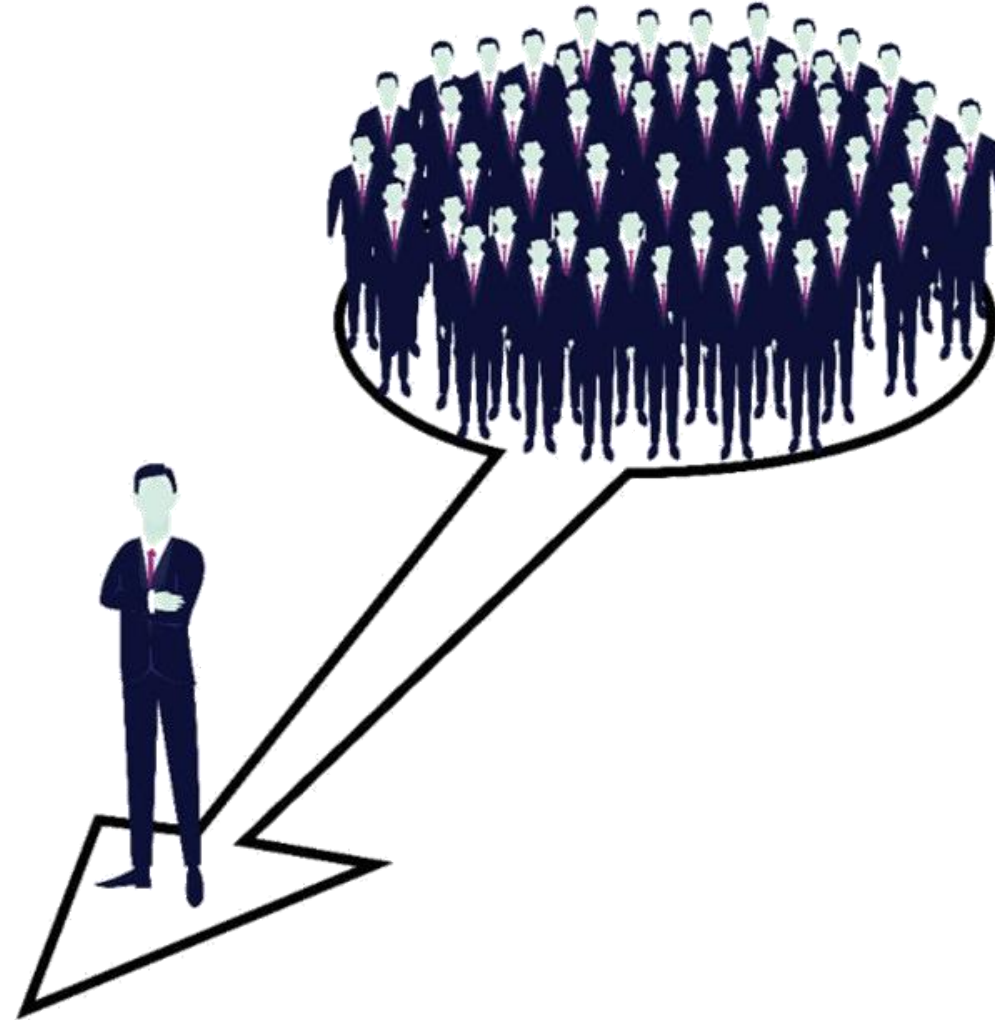


Platform Clients (Nos. lakhs)



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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
Director and Head -
Product and Research



Mr Chirag Muni
Associates Director &
Head - Business Process



Mr Rajesh Bhutara
Chief Financial
Officer



Mr Niranjan Babu Ramayanam
Head
Operations



Mr Agraj Gupta
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*	Guidance given for FY24 (Rs. Crs)*	Actual for Q1 FY24 (Rs. Crs.)*	Achieved % of Guidance
Revenue	661	178	27%
Profit After Tax	205	53	26%
Asset Under Management (AUM)	47,000	43,413	-

Note: All the above numbers are on consolidated basis

CONSOLIDATED PROFIT & LOSS SUMMARY

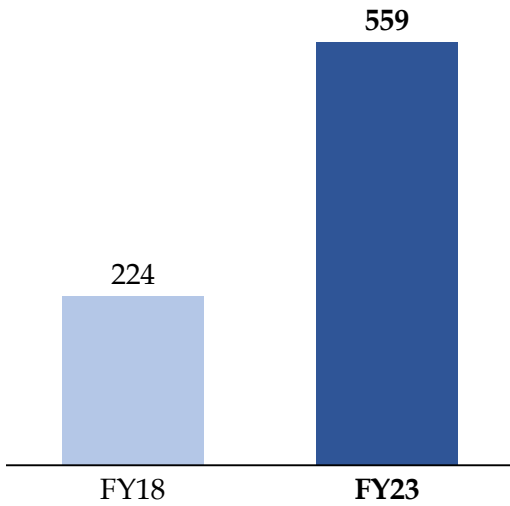
Particulars (Rs. Crs.)	Q1 FY24	Q1 FY23	Y-o-Y
MF - Equity & Debt	52.2	44.2	
Distribution of Financial Products	121.5	86.2	
IT Enabled Services	1.3	1.2	
Others	3.4	1.9	
Total Revenue	178.4	133.5	33.6%
Employee costs	78.9	60.3	
Other expenses	22.7	15.6	
Total Operating Costs	101.7	75.9	34.0%
PBT	70.9	52.9	34.0%
PBT Margin %	39.7%	39.6%	
PAT	53.2	39.7	34.0%
PAT Margin %	29.8%	29.7%	

Q4 FY23	Q-o-Q
48.7	
93.0	
1.3	
4.1	
147.1	21.3%
62.9	
19.3	
82.1	23.8%
59.5	19.1%
40.5%	
42.7	24.6%
29.0%	

AUM (Rs. Crs.)	Jun - 23	Jun -22	Y-o-Y
MF - Equity & debt	25,774	19,281	33.7%
Other Securities	12,293	9,853	24.8%
Others	5,346	3,827	39.7%
AUM	43,413	32,961	31.7%

Mar - 23	Q-o-Q
23,221	11.0%
10,974	12.0%
4,797	11.4%
38,993	11.3%

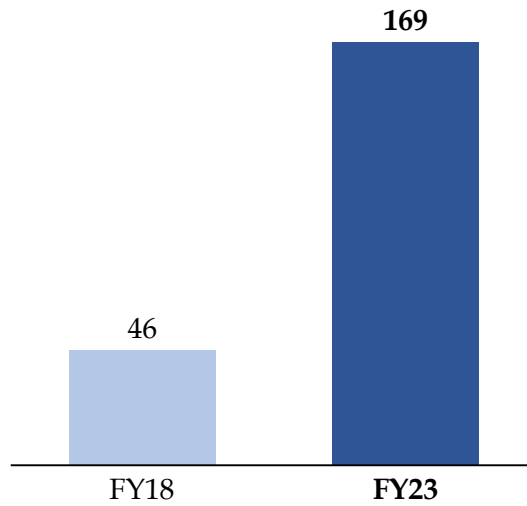
Revenue (Rs. Crs.)



Rs. 559 crores

20% CAGR

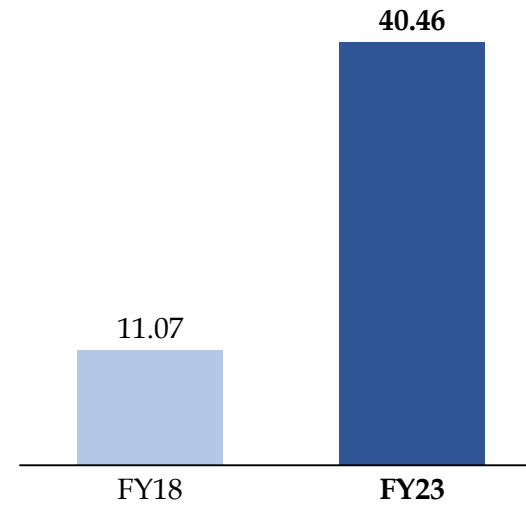
Profit After Tax (Rs. Crs.)



Rs. 169 crores

30% CAGR

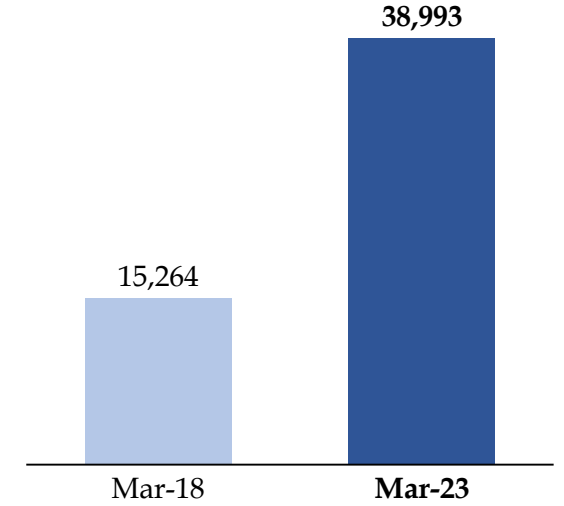
EPS (Rs.)



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	10.3
Total Revenue	284.1	336.4	279.2	425.2	558.9
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	228.4
PBT Margin%	29.7%	25.7%	22.5%	39.4%	40.9%
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
Other securities	3,966	5,797	9,408	9,591	10,974
Others	1,565	1,490	2,703	3,881	4,797
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	31.4
Total Non - Current Assets	84.7	259.1	245.6	279.0	277.1
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	64.8
(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	347.1
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
Total Equity & Liabilities	197.3	409.8	339.7	480.2	624.1

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THANK YOU !

Company: Anand Rathi Wealth Limited

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CIN: L67120MH1995PLC086696

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SGA Strategic Growth Advisors

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