



**ANANDRATHI**  
Private Wealth. uncomplicated

# Investor Presentation

Quarter & Year Ended 31<sup>st</sup> March 2022



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# Excellent Performance of all Businesses

Particulars	Business	Revenue (Rs. Crs.)			PAT (Rs. Crs.)			AUM (Rs. Crs.)		
		FY22	FY21	Growth	FY22	FY21	Growth	FY22	FY21	Growth
<b>Anand Rathi Wealth Ltd.</b> (Holding Company)	Private Wealth	408.95	262.25	56%	125.45	44.22	184%	32,054	26,058	23%
<b>AR Digital Wealth Pvt. Ltd.</b> (Subsidiary)	Digital Wealth	11.23	10.83	4%	0.25	0.05	432%	852	612	39%
<b>Ffreedom Intermediary Infrastructure Pvt. Ltd.</b> (Subsidiary)	OFA	5.41	5.40	0%	0.87	0.30	188%	NA	NA	-
<b>TOTAL</b>		<b>425.59</b>	<b>278.48</b>	<b>53%</b>	<b>126.56</b>	<b>44.56</b>	<b>184%</b>	<b>32,906</b>	<b>26,670</b>	<b>23%</b>

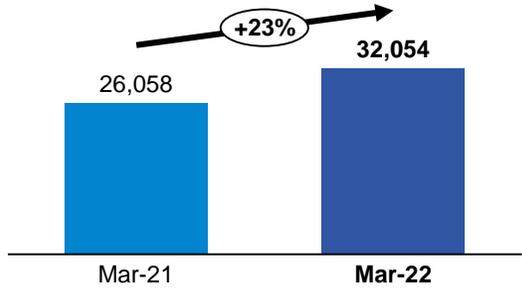
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# Private Wealth Business

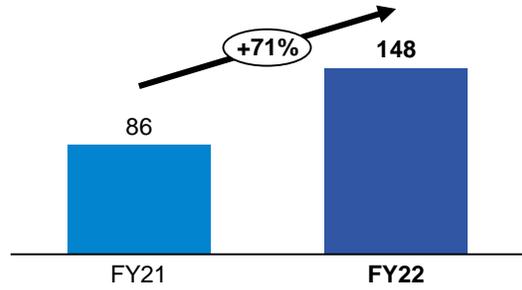


# Key Highlights for Financial Year 2021-22 – Private Wealth Business

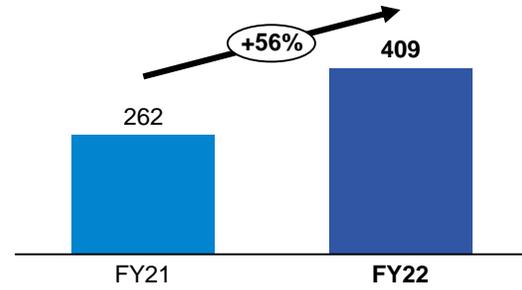
**AUM (Rs. Crs.)**



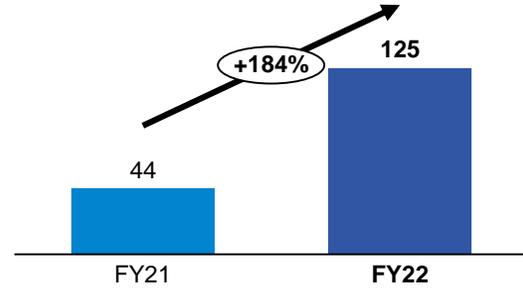
**Trail Revenue (Rs. Crs.)**



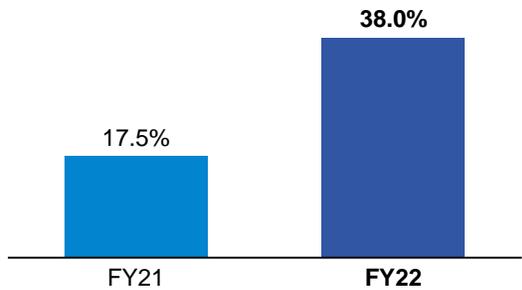
**Total Revenue (Rs. Crs.)**



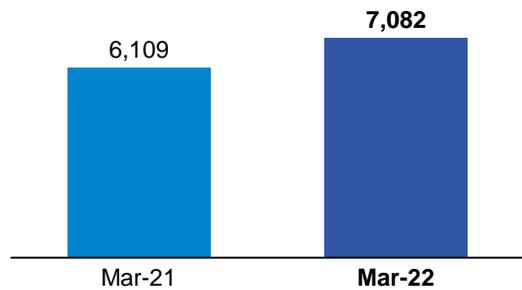
**Profit After Tax (Rs. Crs.)**



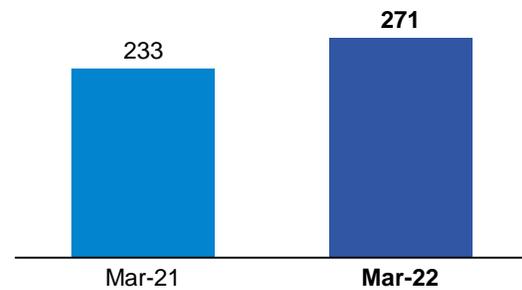
**Return on Equity**



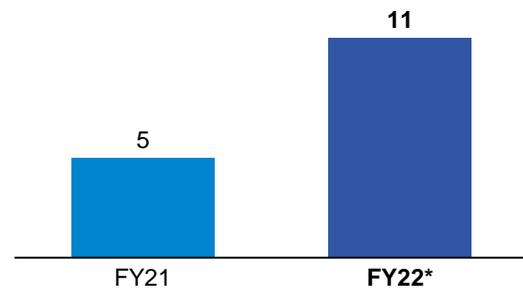
**Active Client Families (Nos.)**



**Relationship Managers (Nos.)**



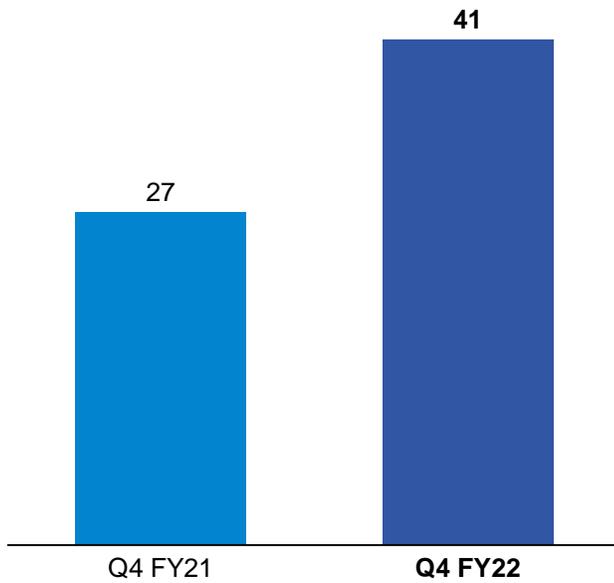
**Dividend (Rs. Per Share)**



\*Including Proposed

# Key Highlights for Q4 FY22 (Jan to Mar 2022) – Private Wealth Business

Trail Revenue (Rs. Crs.)

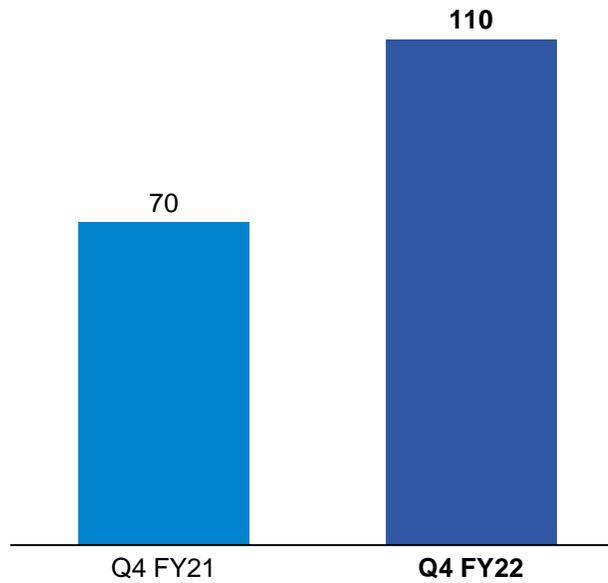


Q4 FY21

Q4 FY22

 **52%**

Total Revenue (Rs. Crs.)

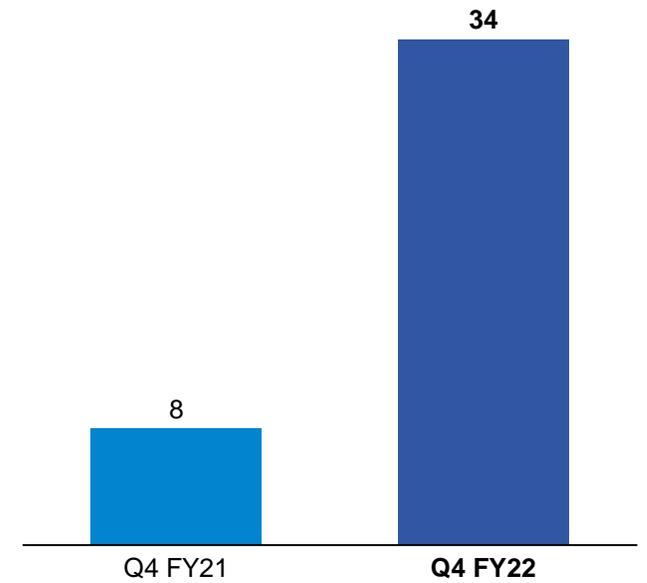


Q4 FY21

Q4 FY22

 **57%**

Profit After Tax (Rs. Crs.)



Q4 FY21

Q4 FY22

 **335%**

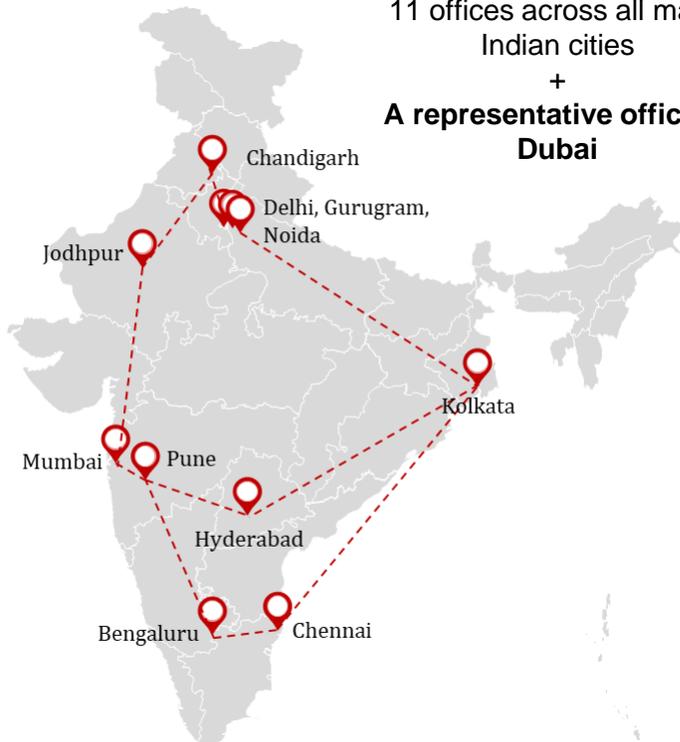
# One of the leading Private Wealth practices in India

One of the leading non-bank wealth solutions firms in India & have been ranked amongst the top three non-bank mutual fund distributors in India by gross commission

Started in 2002 as an AMFI registered mutual fund distribution (MFD) business – and have evolved into providing, well researched solutions to our Clients by facilitating investments in financial instruments through an objective driven process

## Presence across India

11 offices across all major Indian cities  
+  
A representative office in Dubai



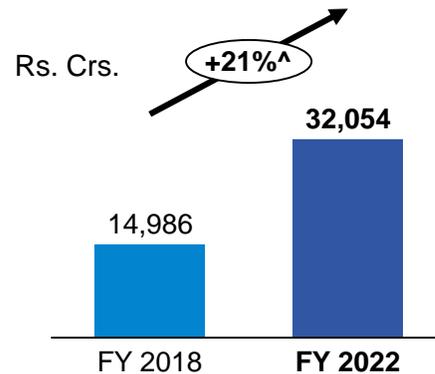
## Strengths

- Comprehensive Wealth Solution
- Client-specific financial strategy with a focus on Long term returns, through MFs and Other securities  
Safety net & estate planning using trusts & wills
- Process-driven framework for consistent delivery of service

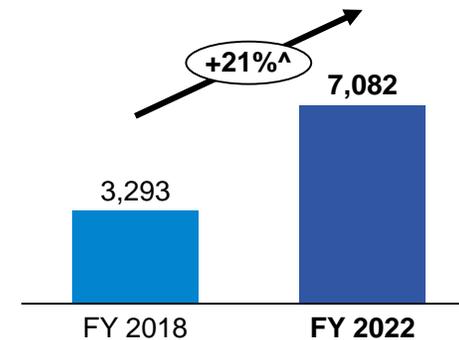
Number of RM's  
**271**

AuM per RM\*  
**Rs. 127 crores**

### AuM Growth



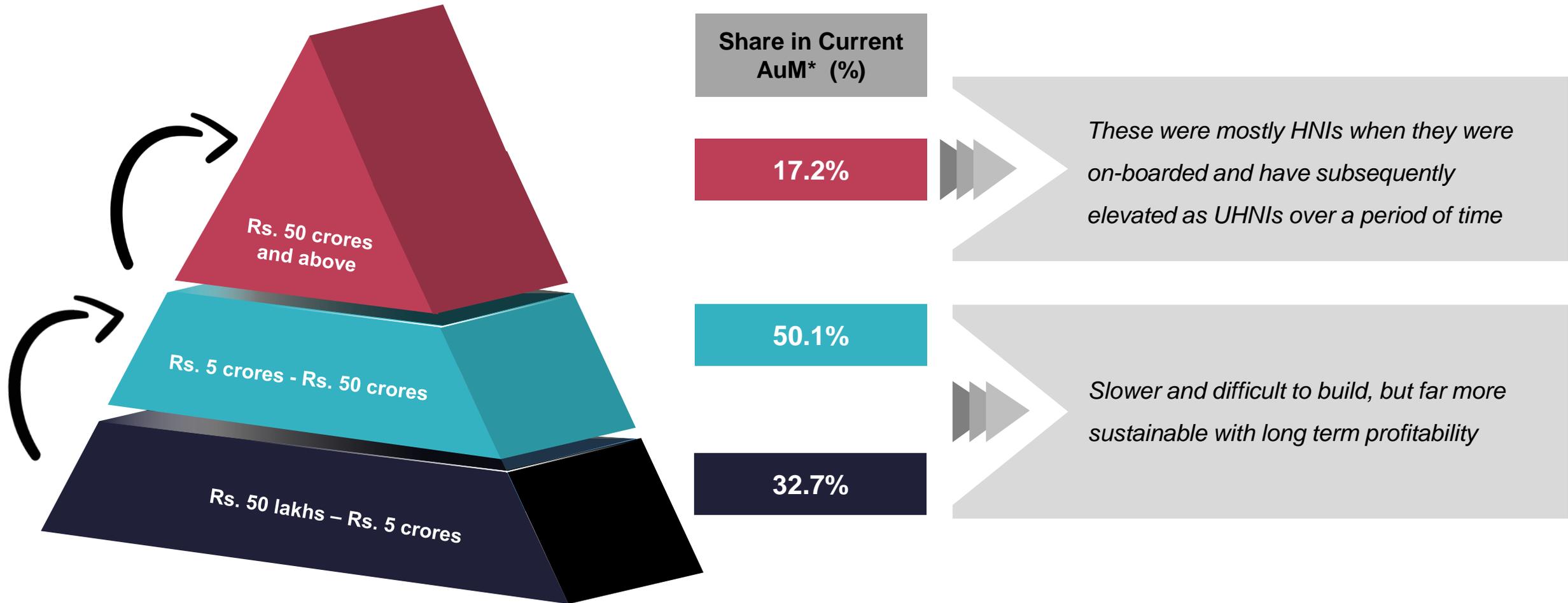
### Client Growth

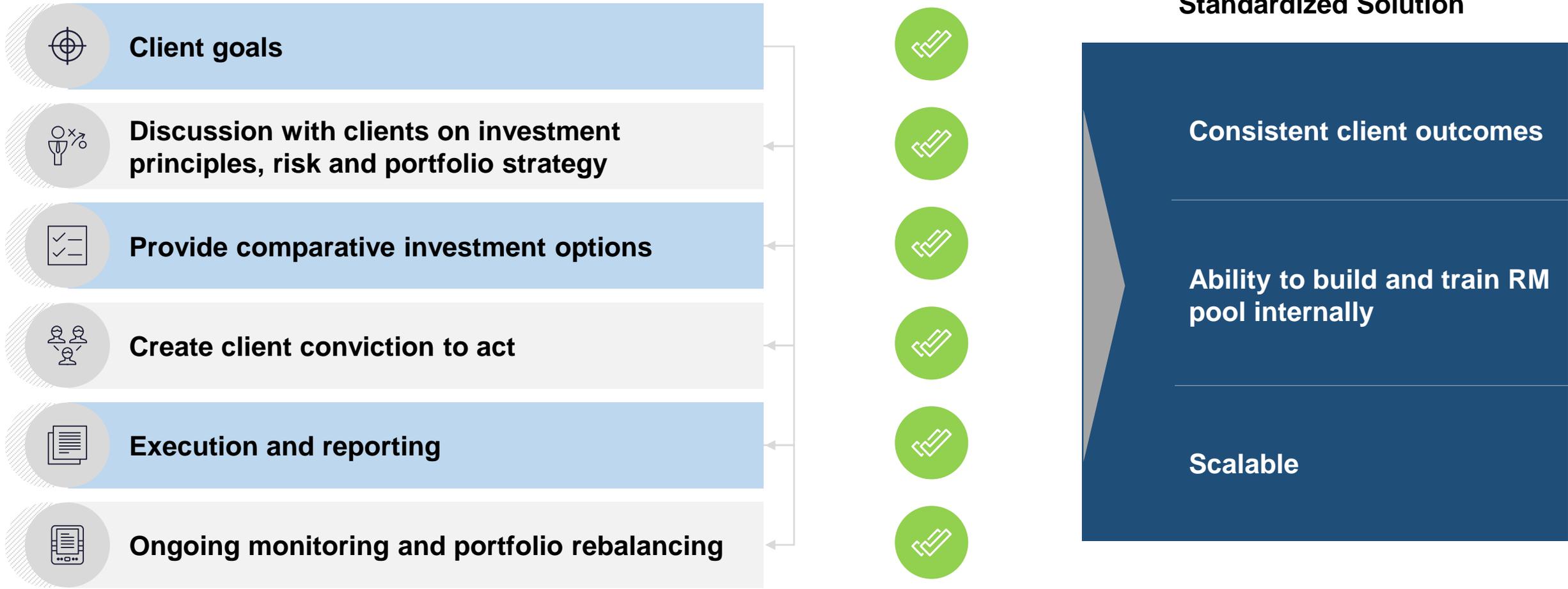


Clients per RM\*  
**~28**

Note: Maps not to scale. All data, information, and maps are provided "as is" without warranty or any representation of accuracy

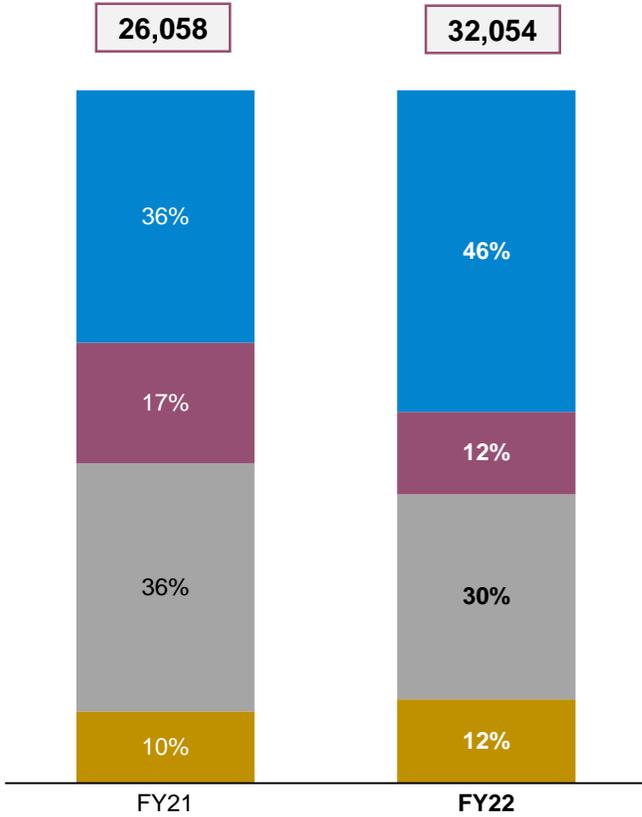
\*Based on the Average number of RMs'



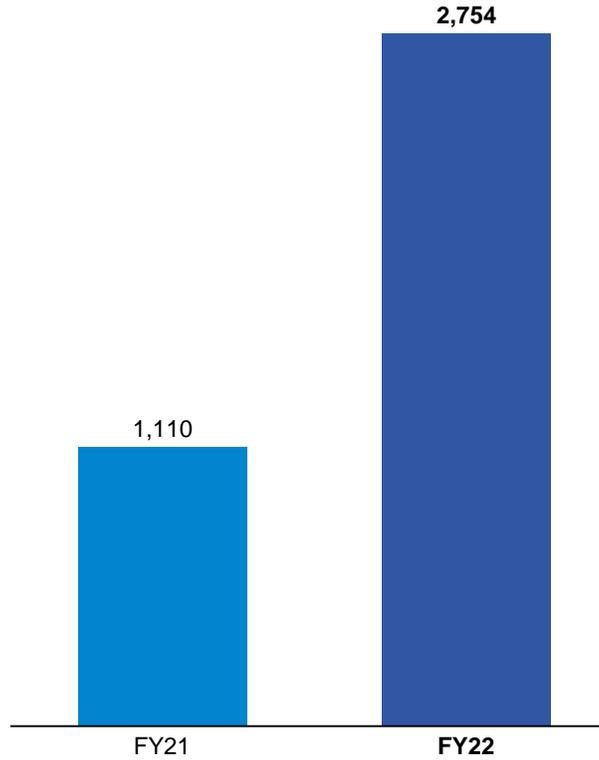


- *Well researched Mutual Fund selection process*
- *Diversified Sources of MLDs*

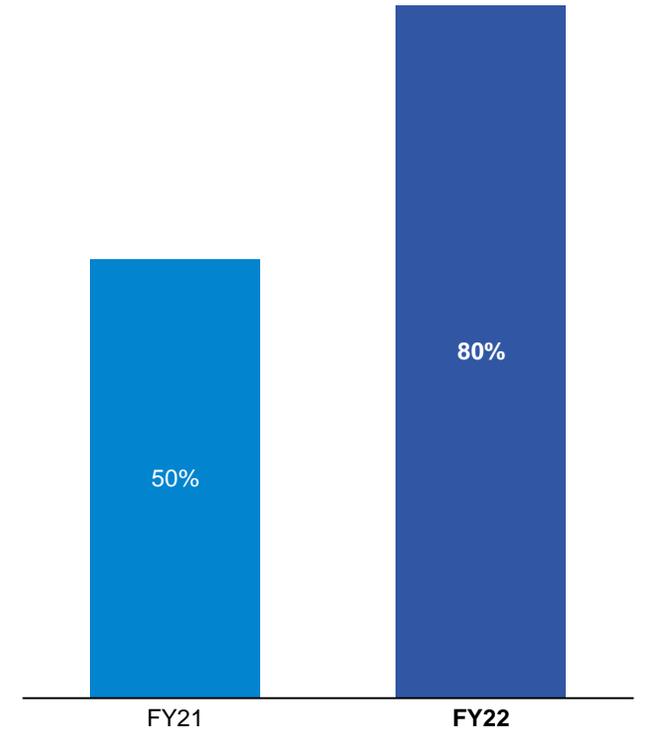
Product Wise AUM Mix (Rs. Crs.)



Net Flows (Rs. Crs.)



Trail Income coverage as % of Fixed Cost\*



Equity MF Debt MF Other Securities Others

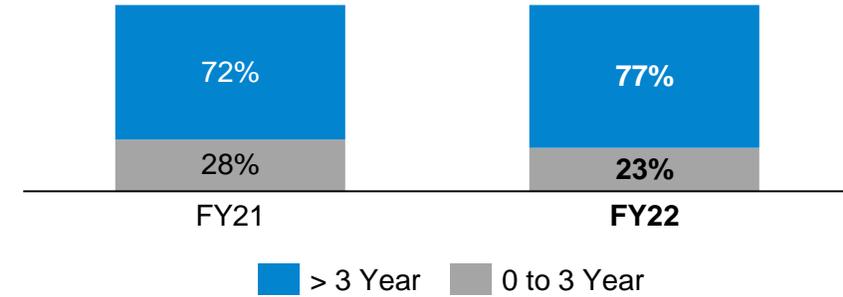
\*including all operating costs excluding incentive payout

# Advantage of Client Vintage and Stickiness

**Client Vintage (Nos.)**



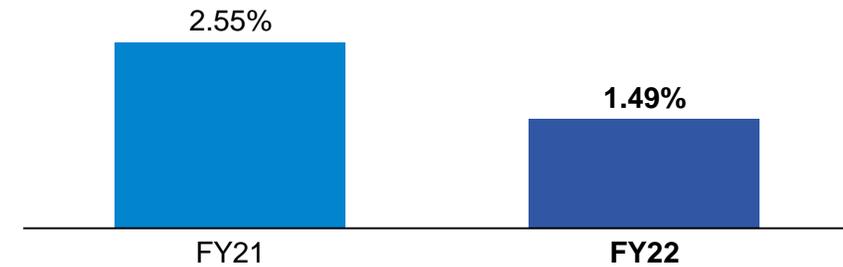
**Client Vintage (AUM)**



**Net Client Addition (Nos.)**



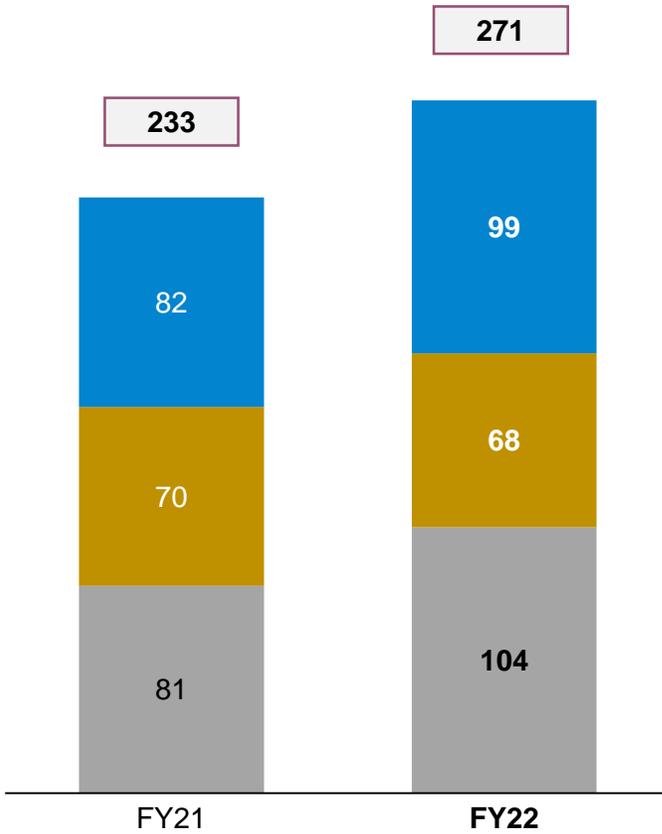
**Client Attrition (% of AUM lost)**



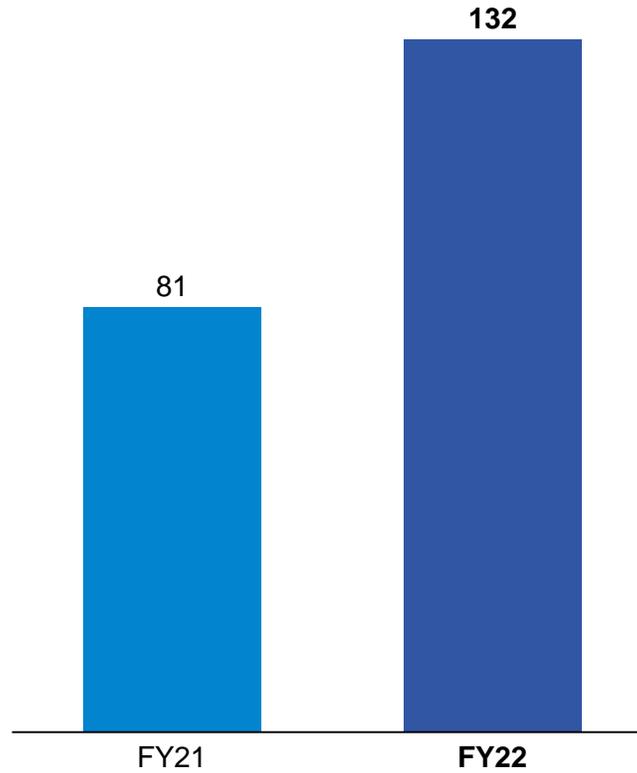
**57.1% of our clients have been associated with us for over 3 years, representing 76.6% of our total PW AuM, which shows our strength in vintage of both clients and their AuM in our business as on 31<sup>st</sup> March 2022**

# Increasing Share of Higher Vintage Relationship Managers (RMs)

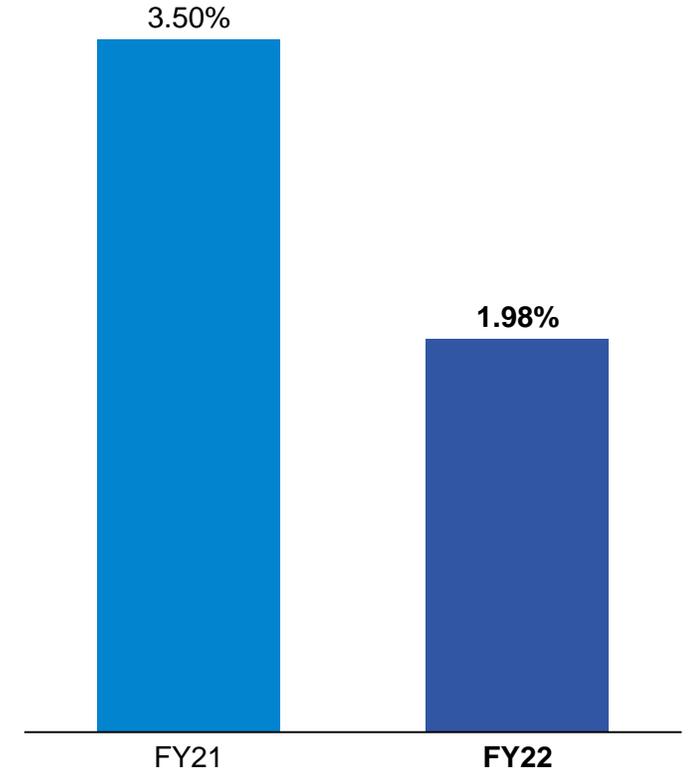
Vintage Wise Relationship Managers (Nos.)



RMs' Trail Revenue 40%+ (Nos.)



Regret RM Attrition\*



■ > 5 Year 
 ■ 3 to 5 Year 
 ■ <3 Year

\*RM with 5 Year+ Vintage

Particulars	Guidance given for FY22 (Rs. Crs.)	Actuals for FY22 (Rs. Crs.)	Guidance - FY23 (Rs. Crs.)
Asset under Management (AuM)	31,900	<b>32,054</b>	<b>39,000</b>
Revenue	400	<b>409</b>	<b>495</b>
Profit After Tax (PAT)	122	<b>125</b>	<b>155</b>

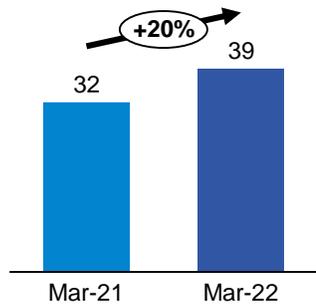
# India's Wealth Story to unlock in coming years

Anand Rathi Wealth : Well poised to grow exponentially

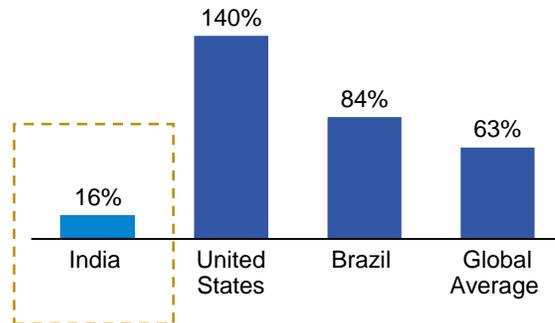


## Increasing Penetration of Mutual Fund Market in India

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



Penetration of MF Industry (India V/S Others Economies)

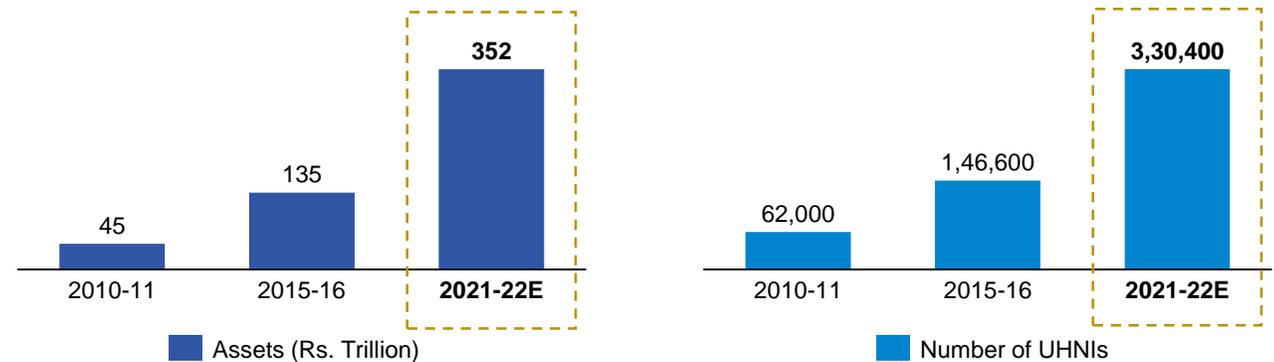


- ✓ Further, India accounts for less than 2% of the global mutual fund industry, representing a significant growth opportunity.
- ✓ The wealth management market (assets under advisory) in India:
  - About ₹ 21.77 trillion in July 2021, which is only approx. 9% of the country's GDP v/s 60% to 75% of GDP in established markets which signifies immense growth opportunities for the sector

## Increase in HNI population in India

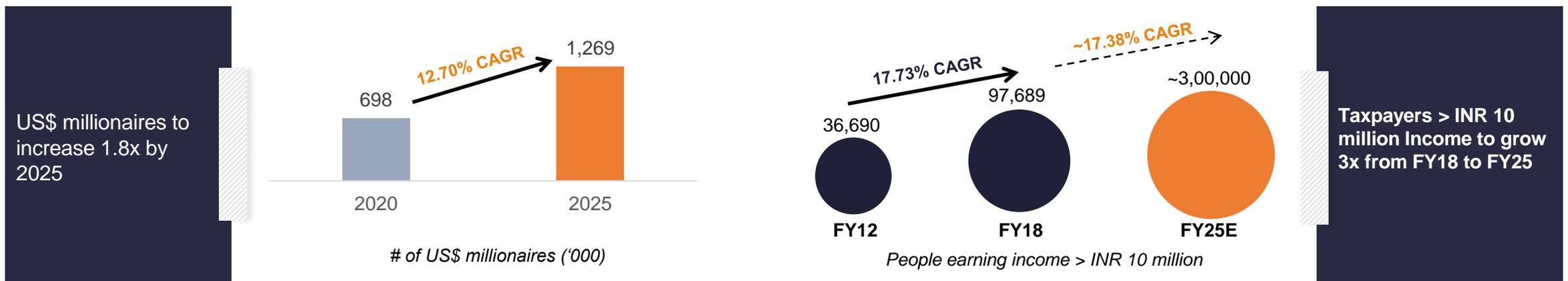
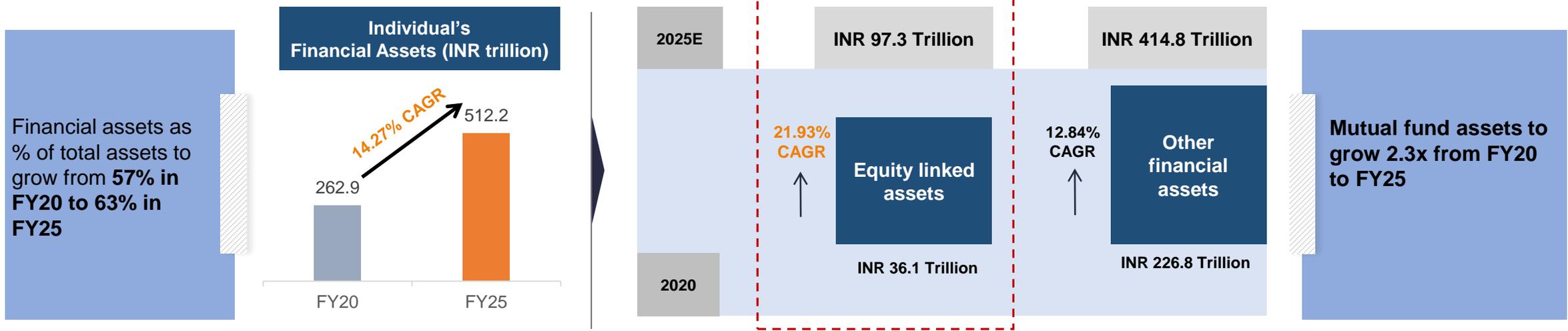
- ✓ In the past three decades, per capita incomes have multiplied
- ✓ Strong underlying economic expansion along with significant growth per capita income will drive the pace of wealth creation in India where investment towards financial savings is gradually increasing with increase in GDP

### Growth of HNIs in India



HNIs in India are inclining towards '**objective-driven approach**' to investing to generate higher returns with reduced risk

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



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# Digital Wealth – New Age Business



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

### Challenges faced by Customers

- ✓ Poor Quality of advice and service due to inadequately skilled, low inexperienced & high attrition channel
- ✓ High cost of delivery of advice leads to mis-selling specially products having upfront payouts

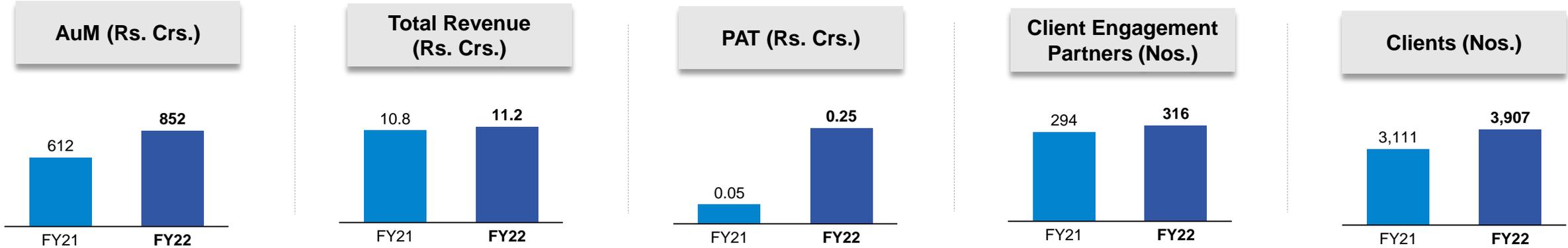
### Anand Rathi Advantage

- ✓ Leverage PWM Model
- ✓ Use of Expertise in Product Selection
- ✓ Established Brand

### 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

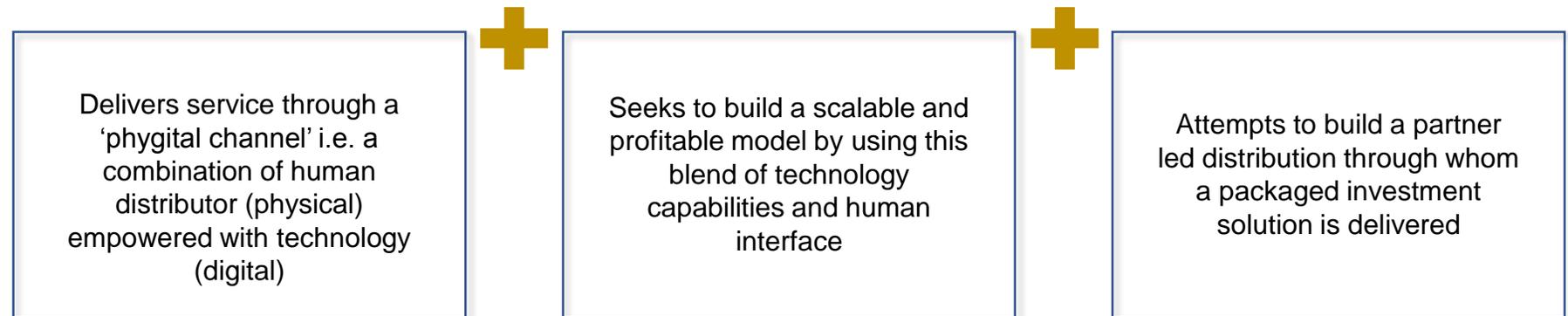
## Customer Segment : Mass Affluent having existing financial assets: Rs. 10 lakhs – Rs. 5 crores



### Core Revenue Model

- Commission on Mutual Fund (MF) and distribution of Other securities
- Partners on fully variable model, hence no fixed cost for platform

### Unique Approach to Wealth Solutions



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# Omni Financial Advisor (OFA) – New Age Business



## 2. OFA - Provides a technology platform to the IFAs & their clients

Target Segment – ARN Holder (Certified Mutual Fund Distributors) with Rs. 5-50 crores of AUM

### Top 3 Pain Points of IFAs

- ✓ Lack of Infrastructure & Tech with small IFAs
- ✓ Poor Client Engagement – Sell & Move-on model
- ✓ Client Acquisition & Client Retention

### OFA - Our Solutions

- ✓ Mobile –led Tech Infrastructure
- ✓ Client Reporting, Transaction & Engagement
- ✓ Pre Sales – Sales – Post Sales enablers

### The Anand Rathi Advantage

- ✓ Network vs sub-broker
- ✓ Scale
- ✓ Existing Brand & Expertise

## Anand Rathi OFA Unique Proposition

Once IFA is onboarded, the Account Set Up is done within a week

Competitive pricing

Additional Product Capability & dedicated post sales service

Help grow the customers' business

**Key Functionalities : Subscription Model, IFA and his Clients get access to our platform.  
(IFA – Web + Mobile, IFA’s Clients – Mobile)**

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

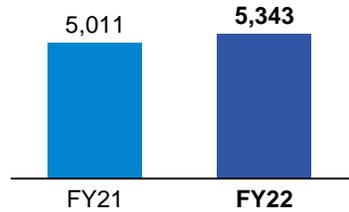


AR Wealth domain expertise combined with significant tech capabilities has created a unique ability to scale the network for retail investors

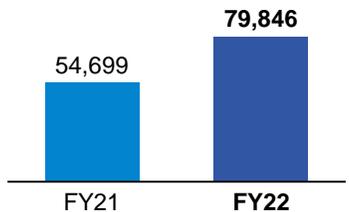
*OFA enables IFAs with unique features such as:*

- Client reporting** (Icon: Document with pie chart)
- Business dashboard** (Icon: Dashboard with charts)
- Client engagement** (Icon: Hands holding people)
- Online mutual fund transactions** (Icon: Hand on smartphone)
- Goal planning** (Icon: Person climbing stairs to a goal)

**Independent Financial Advisors (Nos.)**



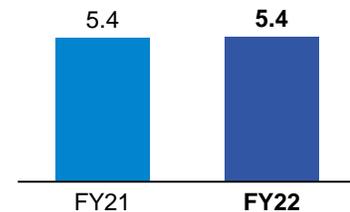
**Platform Assets Value (Rs. Crs.)**



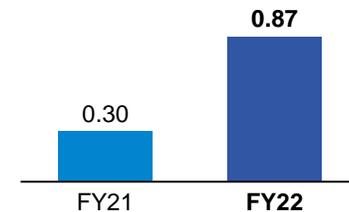
**Platform Clients (Nos. lakhs)**



**Revenue (Rs. Crs.)**



**Profit After Tax (Rs. Crs.)**



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## Leadership Team





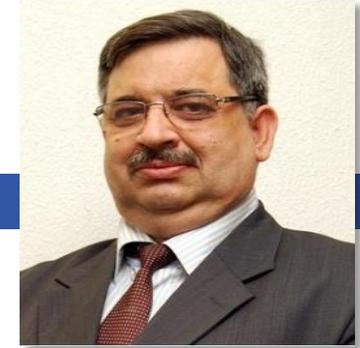
**Mr. Anand Rathi**  
Chairman & Non Executive Director



**Mr. Amit Rathi**  
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

- MBA in Marketing and Finance from JBIMS, Mechanical Engineer – IIT Kanpur
- Past Experience – HUL & 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-IMD, Mechanical Engineer from VVIET
- Past Experience : ABN AMRO Bank, Religare Macquarie
- Joined Anand Rathi Wealth in 2012



**Mr. Jugal Mantri**  
Group Chief Financial Officer

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

# Key Personnel – Business & Financial Heads



**Mr. Chethan Shenoy**  
*Director & Head – Product & Research*



**Mr. Rajesh Bhutra**  
*CFO*



**Mr. Niranjan Babu Ramayanam**  
*Head – Operations*



**Mr. Arjun Guha**  
*Executive Director & Unit Head, Mumbai*



**Mr. Bharath Rathore**  
*Executive Director & Unit Head,  
Bengaluru*



**Mr. Manish Srivastava**  
*Director & Unit Head, Delhi*



**Mr. Amitabh Lara**  
*Director & Unit Head, Mumbai*



**Ms. Aarti Desikan**  
*Executive Director & Unit Head,  
Bengaluru*



**Mr. Adil Chacko**  
*Director & Unit Head, Delhi*



**Mr. Swapan Chakraborty**  
*Director & Unit Head, Pune*



**Mr. Rajan Sarkar**  
*Director & Unit Head, Kolkata*



**Mr. Mukesh Kumawat**  
*Director & Unit Head, Gurugram*



**Mr. Subhendu Harichandan**  
*Director & Unit Head, Pune*



**Mr. Ashish Bhandia**  
*Director & Unit Head, Kolkata*



**Mr. Farooq Nabi**  
*Director & Unit Head, Noida*



**Ms. Protima Dhavan**  
*Director & Unit Head, Hyderabad*



**Mr. Raj Vijeta Sharma**  
*Director & Unit Head, Dubai*



**Mr. Krishanu Chaudhary**  
*Director & Unit Head, Chennai*



**Mr. Harpreet Punj**  
*Director & Unit Head, Chandigarh*

# Strong Growth Momentum... To Continue



# Consolidated Business Summary

Particulars (Rs. Crs.)	Q4 FY22	Q3 FY22	Q-o-Q
MF – Equity & debt	19,434	18,899	2.8%
Other Securities	9,591	9,488	1.1%
Others	3,881	3,783	2.6%
<b>AUM</b>	<b>32,906</b>	<b>32,171</b>	<b>2.3%</b>

Q4 FY21	Y-o-Y
14,559	33.5%
9,408	2.0%
2,703	43.6%
<b>26,670</b>	<b>23.4%</b>

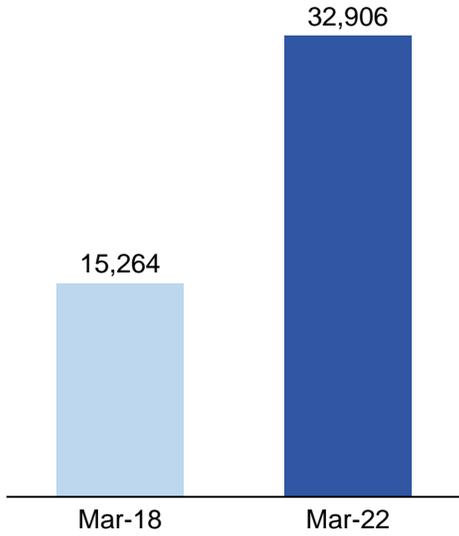
FY22	FY21	Y-o-Y
19,434	14,559	33.5%
9,591	9,408	2.0%
3,881	2,703	43.6%
<b>32,906</b>	<b>26,670</b>	<b>23.4%</b>

Particulars (Rs. Crs.)	Q4 FY22	Q3 FY22	Q-o-Q
MF – Equity & Debt	42.8	42.5	
Other Securities	68.5	62.1	
IT Enabled Services	1.3	1.1	
Others	2.2	3.0	
<b>Total Revenue</b>	<b>114.8</b>	<b>108.7</b>	<b>5.6%</b>
Employee costs	52.2	49.8	
Other expenses	14.6	11.4	
<b>Total Costs</b>	<b>66.7</b>	<b>61.2</b>	<b>9.0%</b>
<b>EBITDA</b>	<b>45.8</b>	<b>44.5</b>	<b>3.0%</b>
Margin%	40.7%	42.1%	
<b>PAT</b>	<b>34.6</b>	<b>32.0</b>	<b>8.0%</b>

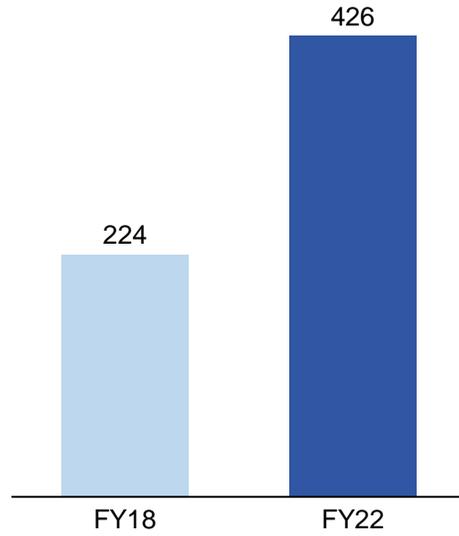
Q4 FY21	Y-o-Y
28.2	
40.9	
1.2	
6.6	
<b>76.8</b>	<b>49.4%</b>
42.0	
13.7	
<b>55.7</b>	<b>19.8%</b>
<b>14.5</b>	<b>215.9%</b>
20.6%	
<b>10.2</b>	<b>238.9%</b>

FY22	FY21	Y-o-Y
154.0	90.2	
258.8	170.6	
4.8	4.5	
8.1	13.9	
<b>425.6</b>	<b>279.2</b>	<b>52.4%</b>
191.5	150.8	
48.8	45.0	
<b>240.3</b>	<b>195.8</b>	<b>22.8%</b>
<b>177.2</b>	<b>69.5</b>	<b>154.7%</b>
42.4%	26.2%	
<b>126.8</b>	<b>44.6</b>	<b>184.1%</b>

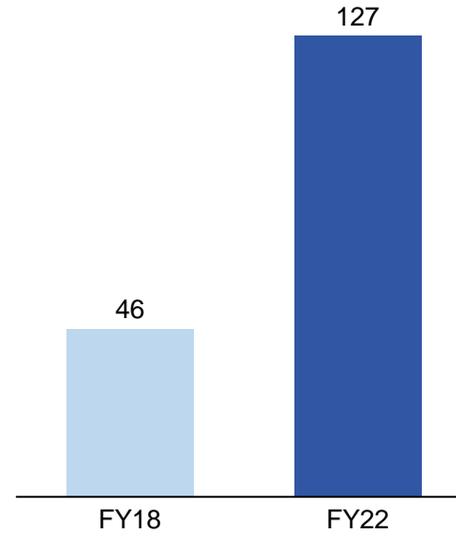
AUM (Rs. Crs.)



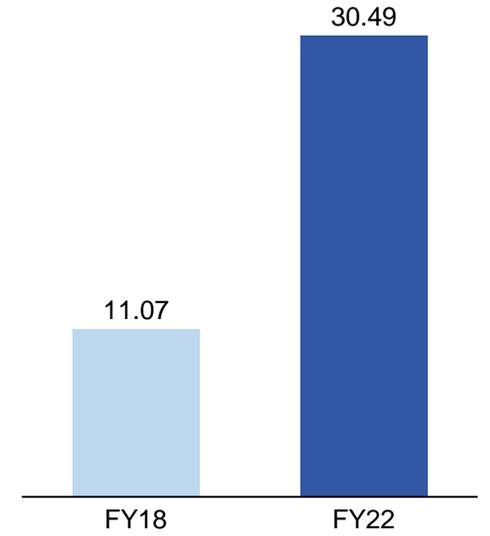
Revenue (Rs. Crs.)



Profit After Tax (Rs. Crs.)



EPS (Rs.)



 **21%**

 **17%**

 **29%**

 **29%**

Growth is on CAGR basis

Particulars (Rs. Crs.)	FY22	FY21	FY20	FY19	FY18
MF – Equity & debt	19,434	14,559	11,068	12,862	11,050
Other securities	9,591	9,408	5,797	3,966	2,640
Others	3,881	2,703	1,490	1,565	1,575
<b>AUM</b>	<b>32,906</b>	<b>26,670</b>	<b>18,355</b>	<b>18,393</b>	<b>15,264</b>

Particulars (Rs. Crs.)	FY22	FY21	FY20	FY19	FY18
MF – Equity & Debt	154.0	90.2	99.6	104.0	88.9
Other securities	258.8	170.6	227.7	169.0	130.4
IT Enabled Services	4.8	4.5	4.6	3.6	1.7
Others	8.1	13.9	4.6	7.5	2.7
<b>Total Revenue</b>	<b>425.7</b>	<b>279.2</b>	<b>336.4</b>	<b>284.1</b>	<b>223.7</b>
Employee costs	191.5	150.8	167.2	132.8	104.2
Other expenses	48.8	45.0	57.7	56.8	38.3
<b>Total Costs</b>	<b>240.3</b>	<b>195.8</b>	<b>224.9</b>	<b>189.6</b>	<b>142.5</b>
<b>EBITDA</b>	<b>177.3</b>	<b>69.5</b>	<b>106.9</b>	<b>87.0</b>	<b>78.5</b>
<b>Margin%</b>	<b>42.4%</b>	<b>26.2%</b>	<b>32.2%</b>	<b>31.4%</b>	<b>35.5%</b>
<b>PAT</b>	<b>126.8</b>	<b>44.6</b>	<b>61.4</b>	<b>59.1</b>	<b>46.1</b>

# Historical Balance Sheet

Assets (Rs. Crs)	Mar-22	Mar-21	Mar-20	Mar-19
<b>Non - Current Assets</b>	<b>279.0</b>	<b>245.6</b>	<b>258.5</b>	<b>118.4</b>
Property Plant & Equipments	80.8	7.2	8.9	7.5
CWIP	-	69.0	65.4	-
Goodwill	2.9	2.9	2.9	2.9
Intangible assets	27.1	32.2	37.3	7.9
Right of use asset	13.2	12.9	25.1	31.3
Intangible assets under development	-	-	-	31.7
<b>Financial Assets</b>				
Investments	103.5	101.8	101.3	-
Other Financial Assets	4.2	4.3	5.2	4.0
Deferred Tax Assets (Net)	3.8	4.2	5.1	4.6
Other Non - Current Assets (Net)	43.5	11.1	7.2	28.6
<b>Current Assets</b>	<b>201.2</b>	<b>94.2</b>	<b>150.6</b>	<b>112.4</b>
<b>Financial Assets</b>				
(i) Investments	-	2.7	1.8	75.1
(ii) Trade receivables	14.9	10.9	9.1	11.0
(iii) Cash and cash equivalents	87.1	65.3	28.3	11.4
(iv) Bank balances other than C & CE	-	0.0	0.0	0.0
(v) Loans	-	-	64.9	0.2
Other Financial Assets	92.0	13.7	33.3	12.2
Other Current Assets	7.2	1.5	13.2	2.4
<b>Total Assets</b>	<b>480.2</b>	<b>339.8</b>	<b>409.1</b>	<b>230.8</b>

Equity & Liabilities (Rs. Crs)	Mar-22	Mar-21	Mar-20	Mar-19
<b>Total Equity</b>	<b>355.4</b>	<b>253.2</b>	<b>185.5</b>	<b>123.9</b>
Share Capital	20.8	13.8	13.5	13.5
Other Equity	322.9	227.8	172.0	110.4
Non Controlling Interest	11.7	11.6	11.6	12.5
<b>Non-Current Liabilities</b>	<b>27.2</b>	<b>32.5</b>	<b>52.0</b>	<b>24.2</b>
<b>Financial Liabilities</b>				
(i) Borrowings	16.6	25.0	33.4	0.4
(ii) Lease Liabilities	8.5	6.3	16.5	22.7
Provisions	2.1	1.2	2.2	1.1
<b>Current Liabilities</b>	<b>97.6</b>	<b>54.0</b>	<b>159.9</b>	<b>70.2</b>
<b>Financial Liabilities</b>				
(i) Borrowings	8.3	8.4	8.4	0.2
(ii) Trade Payables	-	0.2	1.7	0.2
(iii) Lease	5.8	7.8	10.1	9.4
(iii) Other Financial Liabilities	21.2	5.6	91.0	20.8
Other Current Liabilities	8.7	12.2	9.1	6.6
Provisions	53.6	19.8	39.7	33.1
<b>Total Equity &amp; Liabilities</b>	<b>480.2</b>	<b>339.8</b>	<b>409.1</b>	<b>230.8</b>

# ANANDRATHI

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## THANK YOU !

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ANANDRATHI  
Private Wealth. uncomplicated

CIN: L67120MH1995PLC086696

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