

Investor Presentation

Quarter & Year Ended 31st March 2022



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

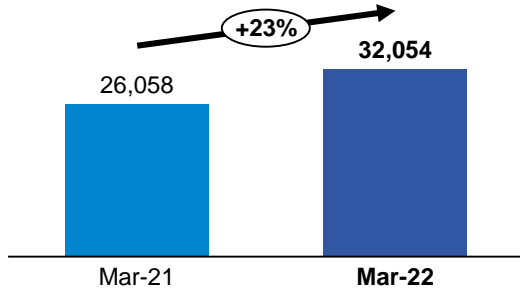
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Private Wealth Business

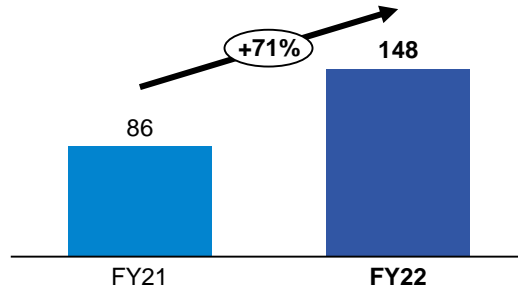


Key Highlights for Financial Year 2021-22 – Private Wealth Business

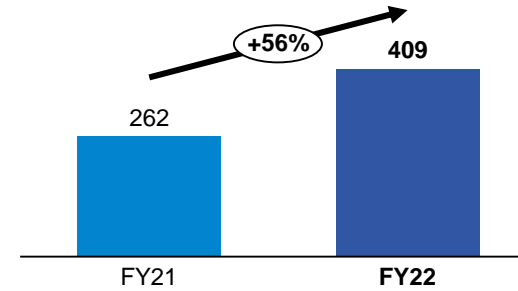
AUM (Rs. Crs.)



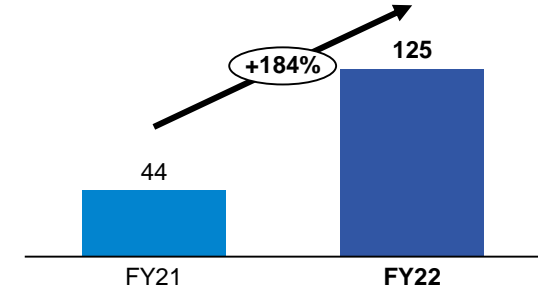
Trail Revenue (Rs. Crs.)



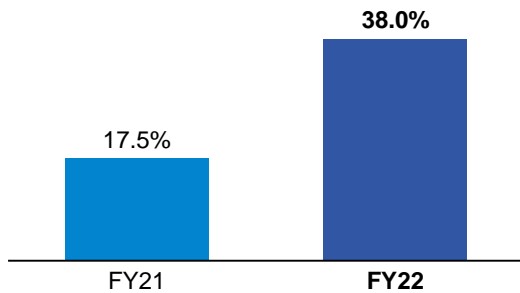
Total Revenue (Rs. Crs.)



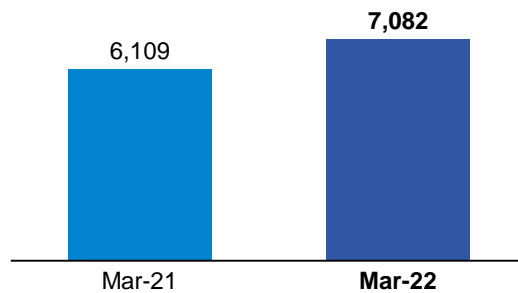
Profit After Tax (Rs. Crs.)



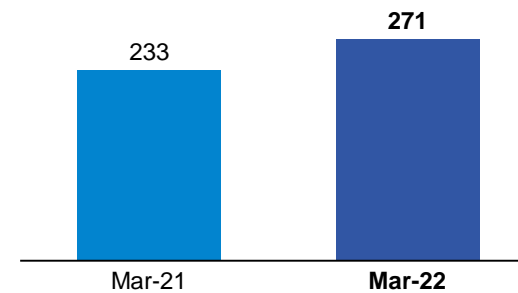
Return on Equity



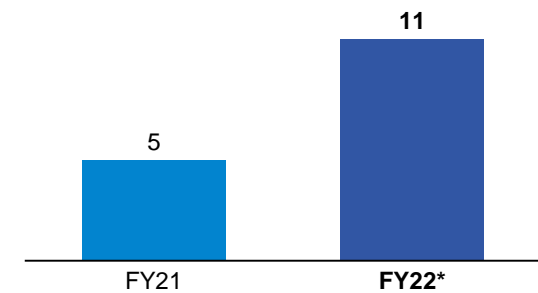
Active Client Families (Nos.)



Relationship Managers (Nos.)



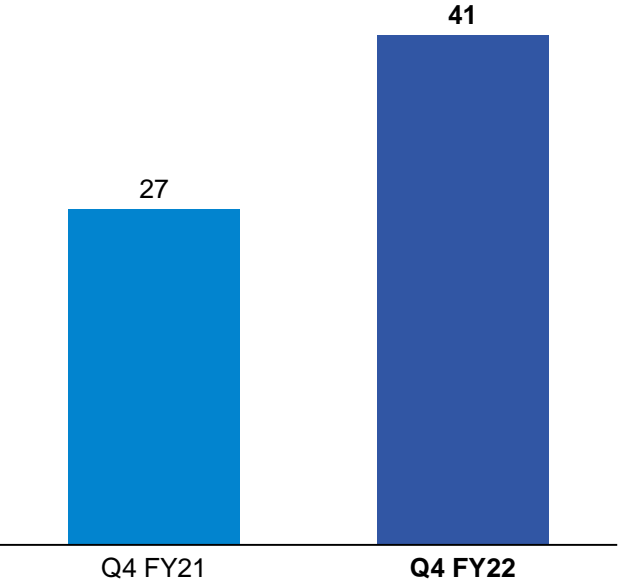
Dividend (Rs. Per Share)



*Including Proposed

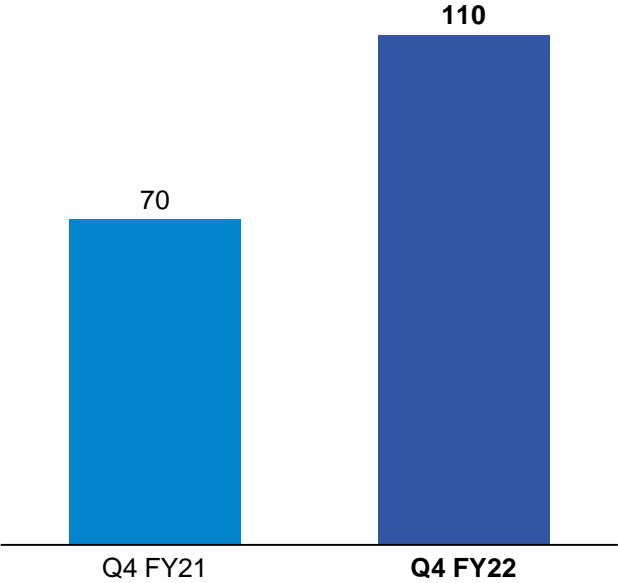
Key Highlights for Q4 FY22 (Jan to Mar 2022) – Private Wealth Business

Trail Revenue (Rs. Crs.)



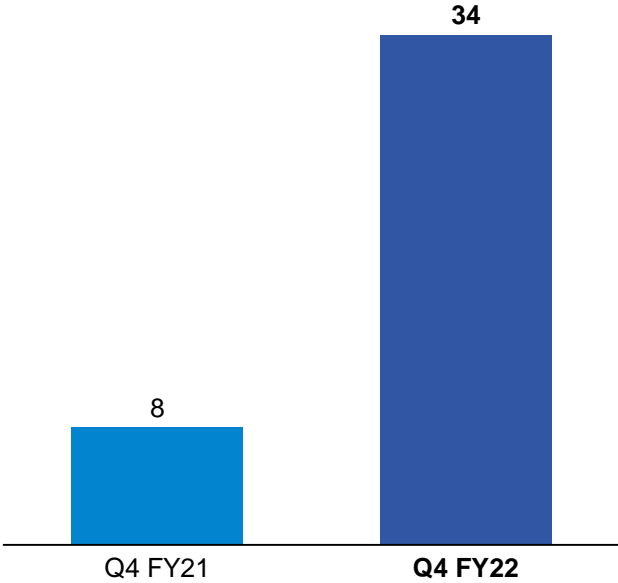
▲ 52%

Total Revenue (Rs. Crs.)



▲ 57%

Profit After Tax (Rs. Crs.)



▲ 335%

One of the leading Private Wealth practices in India

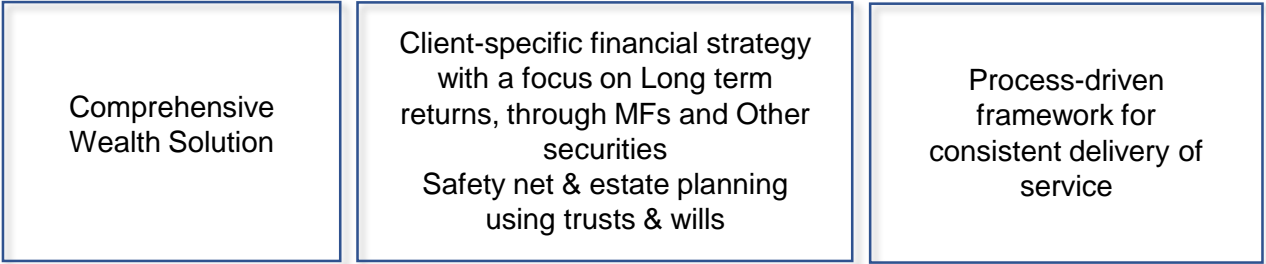
One of the leading non-bank wealth solutions firms in India & have been ranked amongst the top three non-bank mutual fund distributors in India by gross commission

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



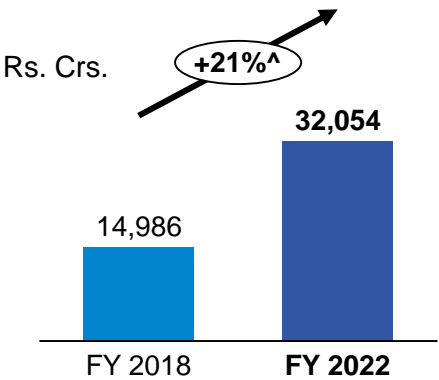
Strengths



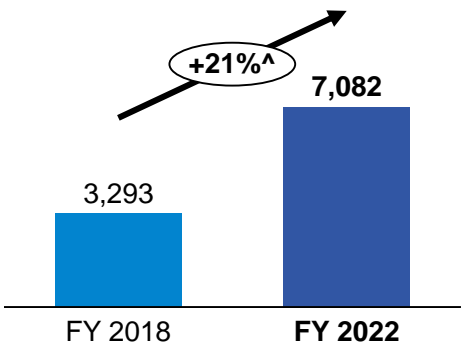
Number of RM's
271

AuM per RM*
Rs. 127 crores

AuM Growth



Client Growth

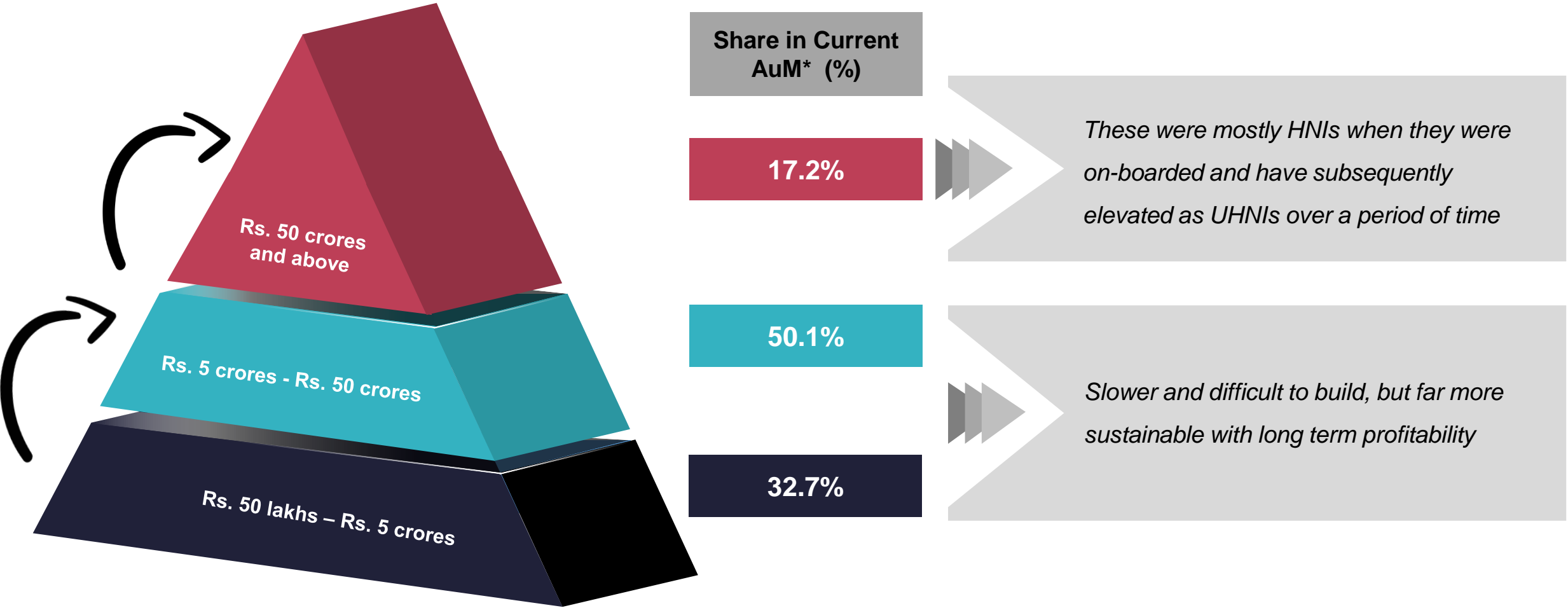


Clients per RM*
~28

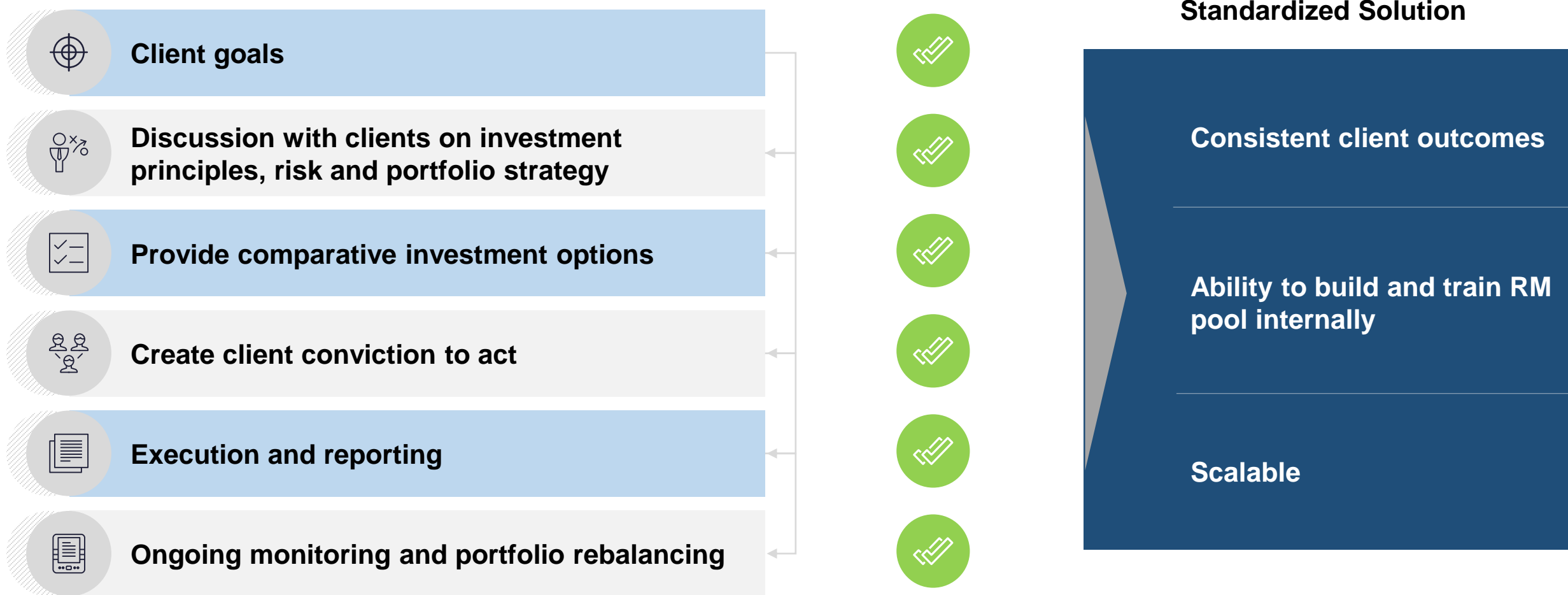
Note: Maps not to scale. All data, information, and maps are provided "as is" without warranty or any representation of accuracy

*Based on the Average number of RMs'

^ Growth is on CAGR basis

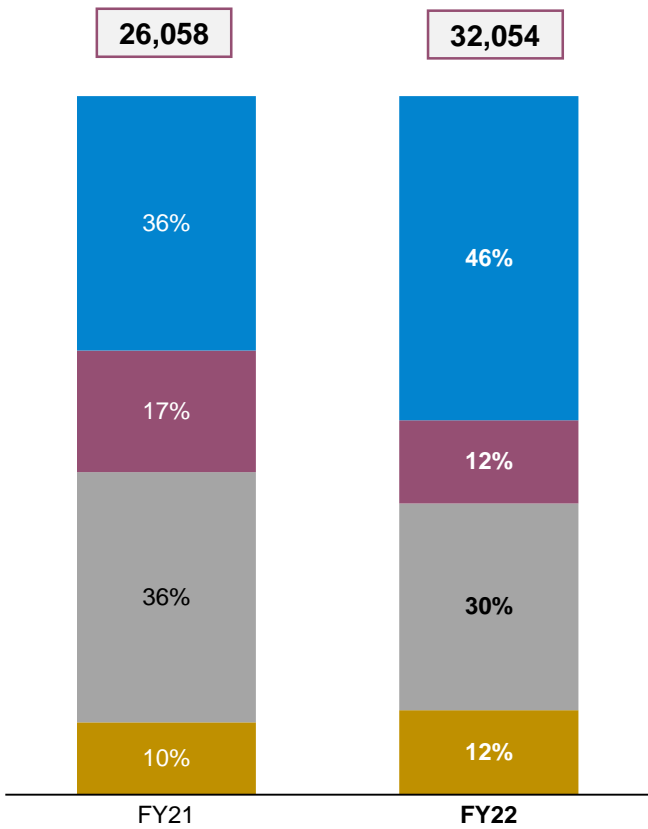


*As on 31st March 2022

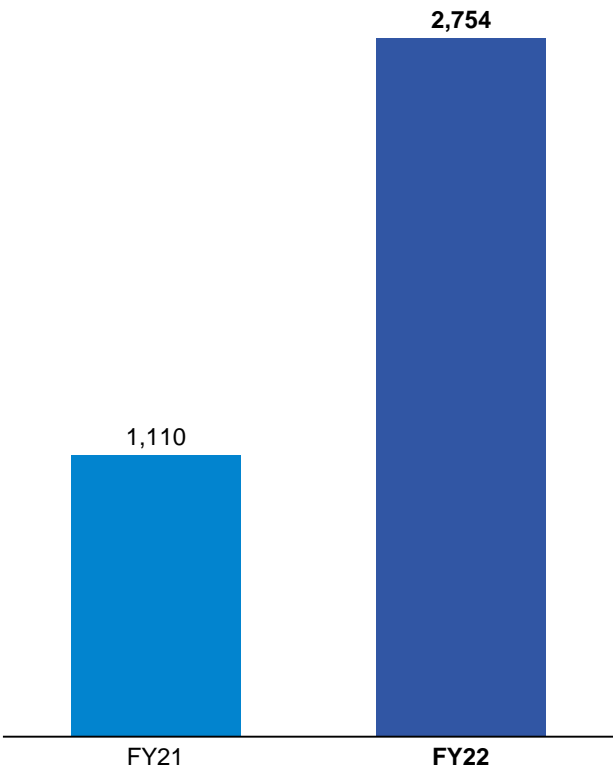


- ***Well researched Mutual Fund selection process***
- ***Diversified Sources of MLDs***

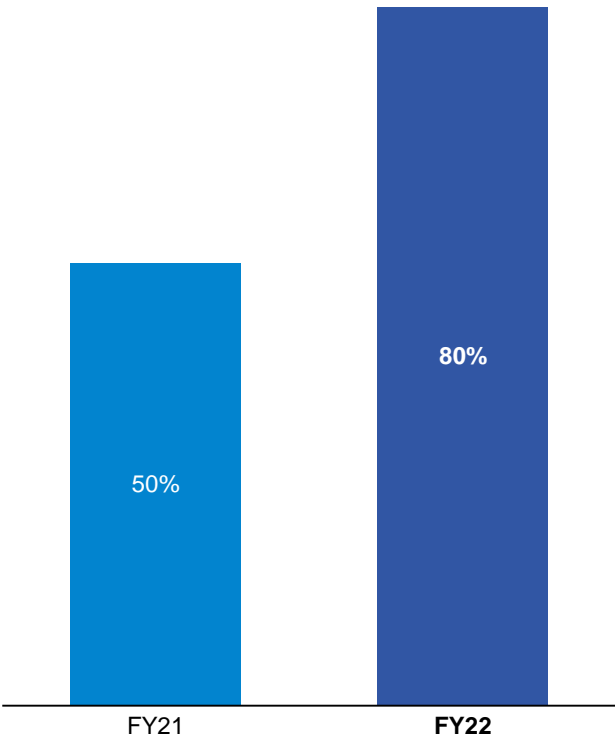
Product Wise AUM Mix (Rs. Crs.)



Net Flows (Rs. Crs.)



Trail Income coverage as % of Fixed Cost*

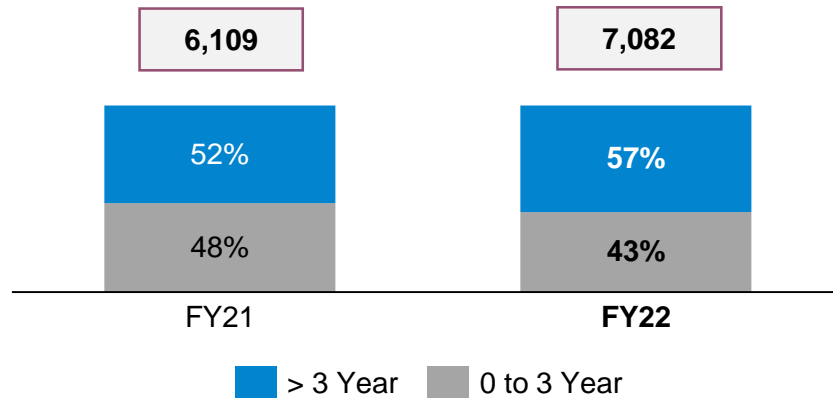


Equity MF Debt MF Other Securities Others

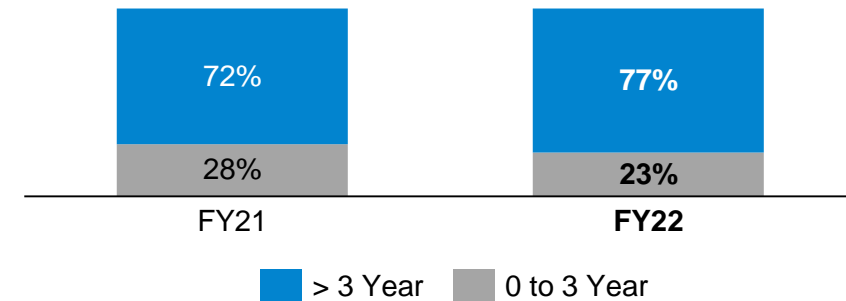
*including all operating costs excluding incentive payout

Advantage of Client Vintage and Stickiness

Client Vintage (Nos.)



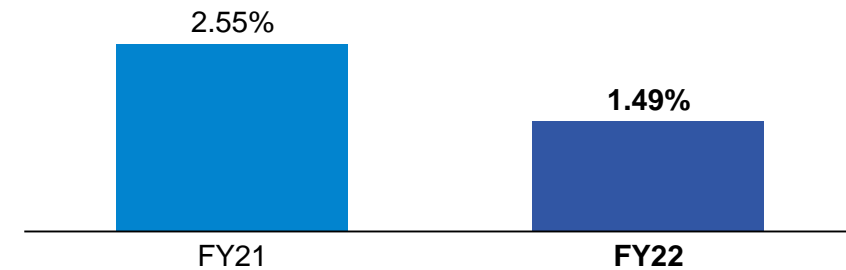
Client Vintage (AUM)



Net Client Addition (Nos.)



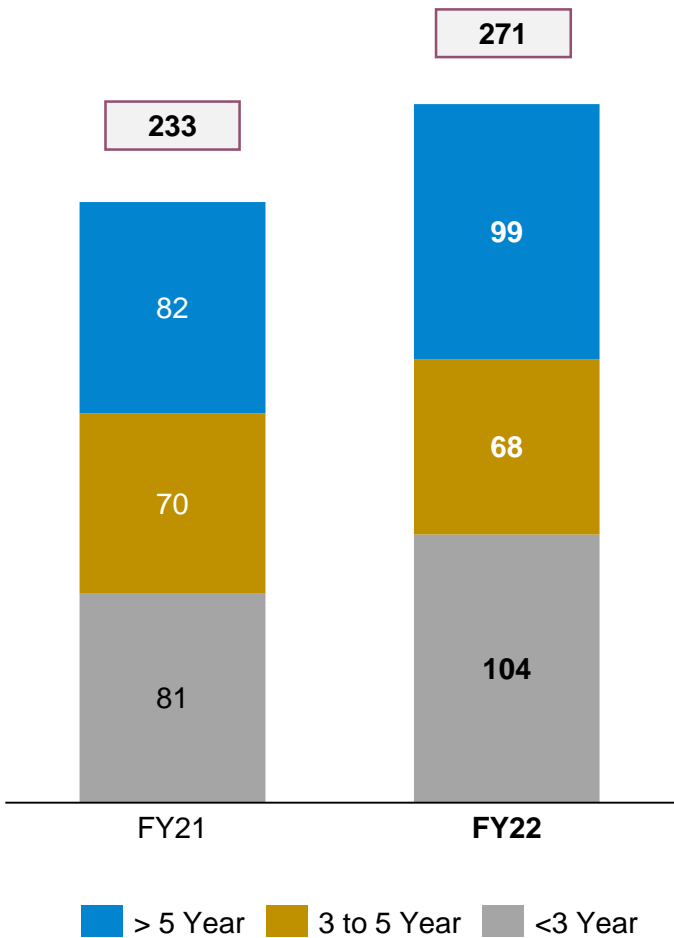
Client Attrition (% of AUM lost)



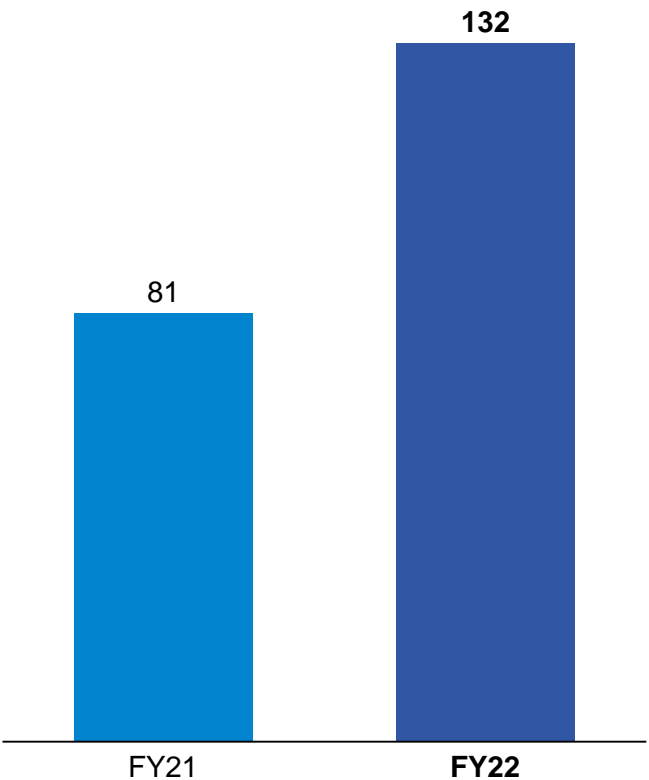
57.1% of our clients have been associated with us for over 3 years, representing 76.6% of our total PW AuM, which shows our strength in vintage of both clients and their AuM in our business as on 31st March 2022

Increasing Share of Higher Vintage Relationship Managers (RMs)

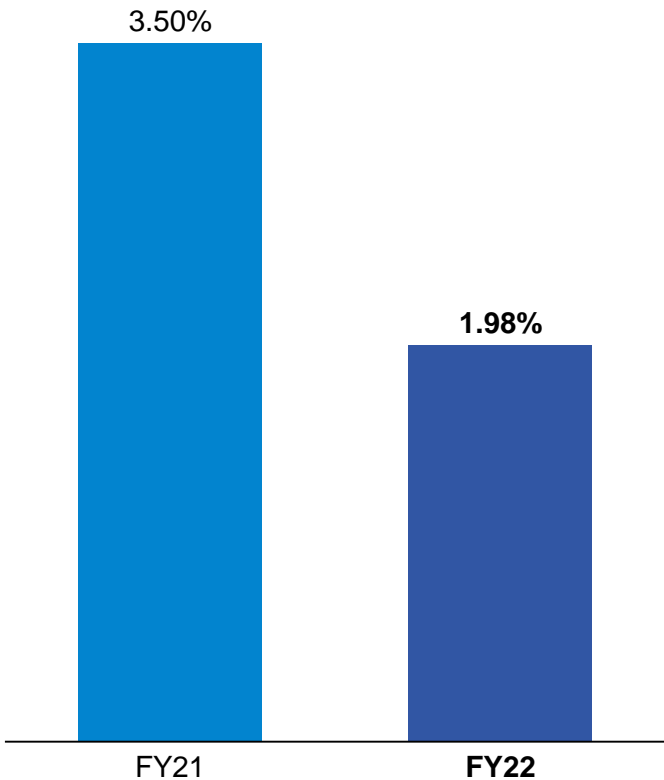
Vintage Wise Relationship Managers (Nos.)



RMs' Trail Revenue 40%+ (Nos.)



Regret RM Attrition*



*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	32,054	39,000
Revenue	400	409	495
Profit After Tax (PAT)	122	125	155

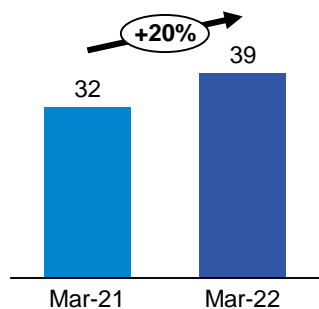
India's Wealth Story to unlock in coming years

Anand Rathi Wealth : Well poised to grow exponentially

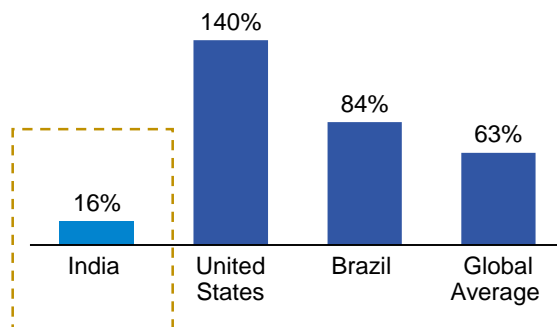


Increasing Penetration of Mutual Fund Market in India

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



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

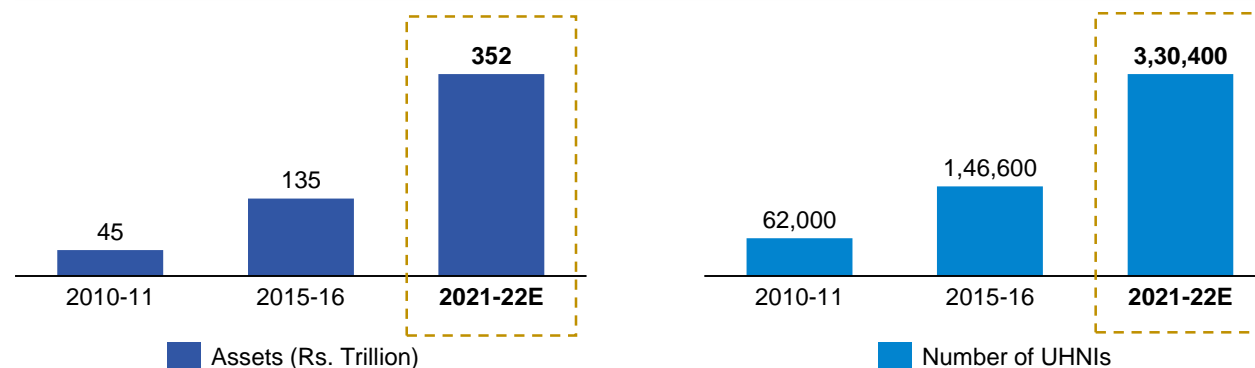


- ✓ Further, India accounts for less than 2% of the global mutual fund industry, representing a significant growth opportunity.
- ✓ The wealth management market (assets under advisory) in India:
 - About ₹ 21.77 trillion in July 2021, which is only approx. 9% of the country's GDP v/s 60% to 75% of GDP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

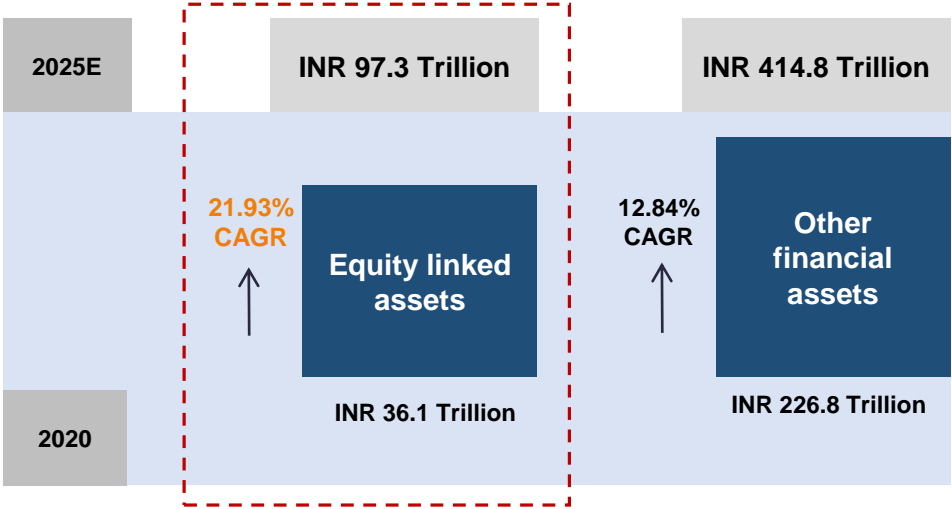
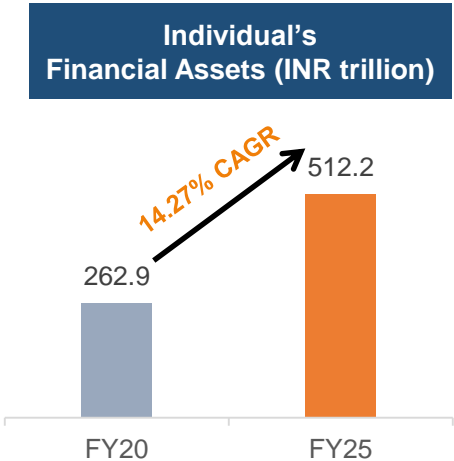
Growth of HNIs in India



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

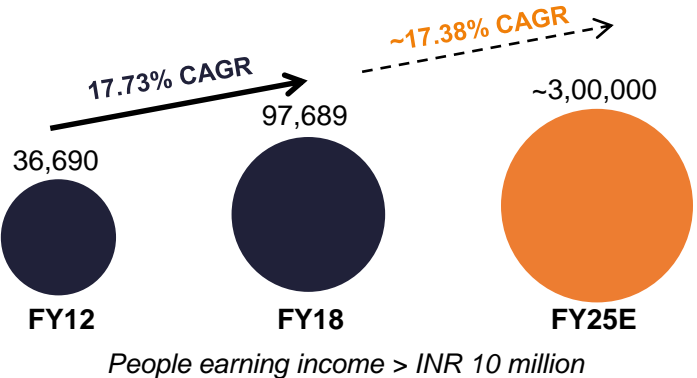
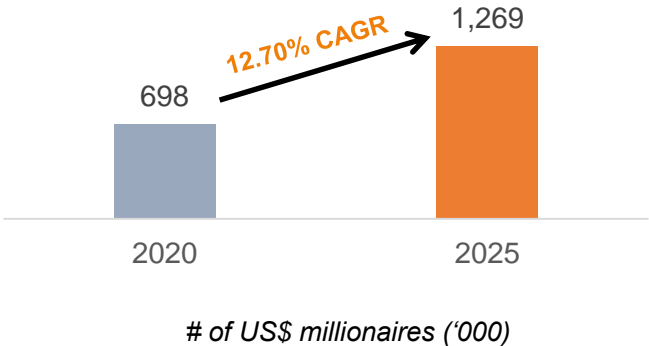
Strong macro-economic trends and a growing HNI families expected to drive growth in the Indian wealth solutions space

Financial assets as % of total assets to grow from **57% in FY20** to **63% in FY25**



Mutual fund assets to grow 2.3x from FY20 to FY25

US\$ millionaires to increase 1.8x by 2025



Taxpayers > INR 10 million Income to grow 3x from FY18 to FY25

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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

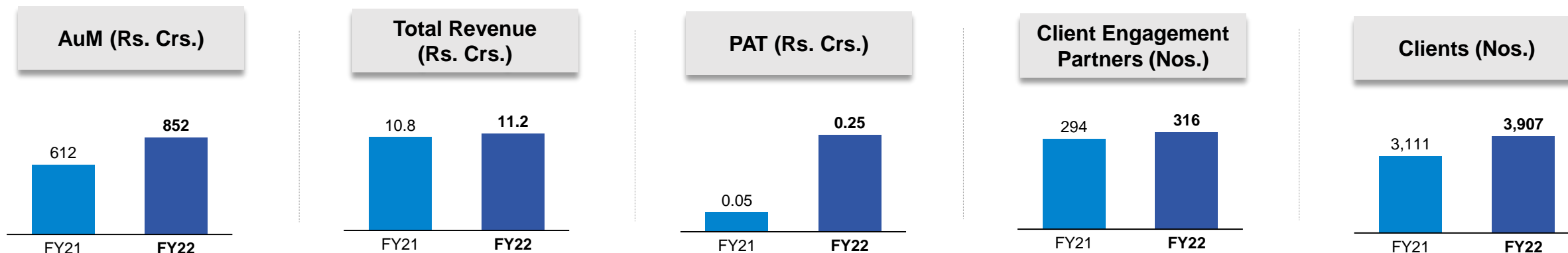


Uncomplicated customer education, strategy & reporting



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

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



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 up the network for retail investors

OFA enables IFAs with unique features such as:



Client reporting



Online mutual fund transactions



Business dashboard

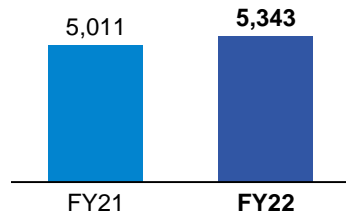


Goal planning

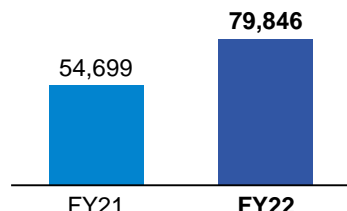


Client engagement

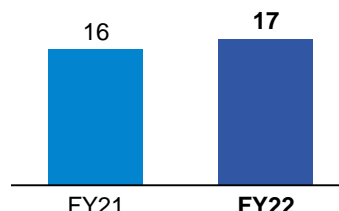
**Independent
Financial Advisors
(Nos.)**



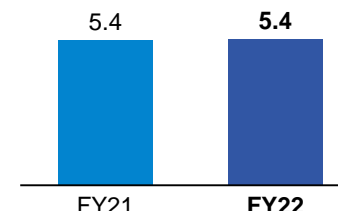
**Platform Assets
Value (Rs. Crs.)**



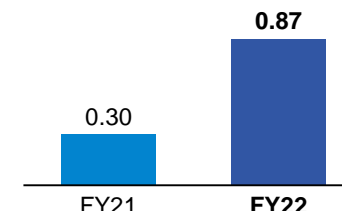
**Platform Clients
(Nos. lakhs)**



**Revenue
(Rs. Crs.)**



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



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Leadership Team





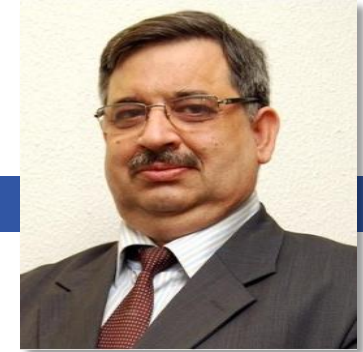
Mr. Anand Rathi
Chairman & Non Executive Director



Mr. Amit Rathi
Non Executive Director



Mr. Pradeep Kumar Gupta
Non Executive Director



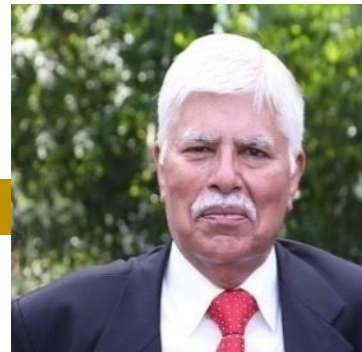
Mr. Rakesh Rawal
Executive Director & CEO



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

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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%
AUM	32,906	32,171	2.3%

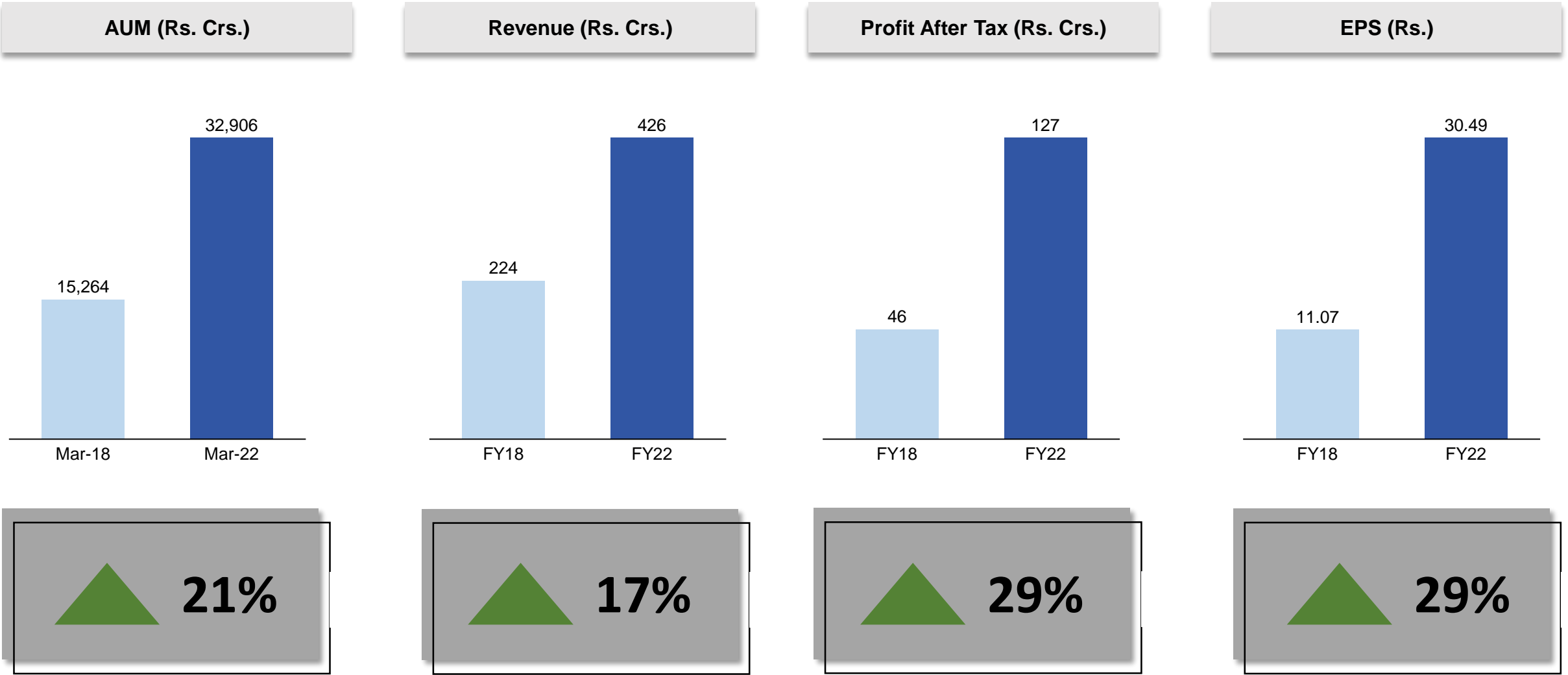
Q4 FY21	Y-o-Y
14,559	33.5%
9,408	2.0%
2,703	43.6%
26,670	23.4%

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

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	
Total Revenue	114.8	108.7	5.6%
Employee costs	52.2	49.8	
Other expenses	14.6	11.4	
Total Costs	66.7	61.2	9.0%
EBITDA	45.8	44.5	3.0%
Margin%	40.7%	42.1%	
PAT	34.6	32.0	8.0%

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

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



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
AUM	32,906	26,670	18,355	18,393	15,264

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
Total Revenue	425.7	279.2	336.4	284.1	223.7
Employee costs	191.5	150.8	167.2	132.8	104.2
Other expenses	48.8	45.0	57.7	56.8	38.3
Total Costs	240.3	195.8	224.9	189.6	142.5
EBITDA	177.3	69.5	106.9	87.0	78.5
Margin%	42.4%	26.2%	32.2%	31.4%	35.5%
PAT	126.8	44.6	61.4	59.1	46.1

Historical Balance Sheet

Assets (Rs. Crs)	Mar-22	Mar-21	Mar-20	Mar-19
Non - Current Assets	279.0	245.6	258.5	118.4
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
Financial Assets				
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
Current Assets	201.2	94.2	150.6	112.4
Financial Assets				
(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
Total Assets	480.2	339.8	409.1	230.8

Equity & Liabilities (Rs. Crs)	Mar-22	Mar-21	Mar-20	Mar-19
Total Equity	355.4	253.2	185.5	123.9
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
Non-Current Liabilities	27.2	32.5	52.0	24.2
Financial Liabilities				
(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
Current Liabilities	97.6	54.0	159.9	70.2
Financial Liabilities				
(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
Total Equity & Liabilities	480.2	339.8	409.1	230.8

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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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