

Ref No: 06/2022-23

Dated: April 13, 2022

BSE Limited
Department of Corporate Services
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001
Scrip Code: **543415**
Scrip ID: **ANANDRATHI**

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, C-1, Block G, Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051
Trading Symbol: **ANANDRATHI**

Subject: Submission of Investor Presentation

Dear Sir/Madam,

With reference to our letter no. 05/2022-23 dated 12th April, 2022 regarding Submission of Investor Presentation, please find attached herewith updated Investor Presentation.

We request you to kindly take the above on record.

Thanking You,

Yours faithfully,
For **Anand Rathi Wealth Limited**

(Ashish Chauhan)
Company Secretary and Compliance Officer



Enclosed: As above



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Investor Presentation

Quarter & Year Ended 31st 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 |
| 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% |

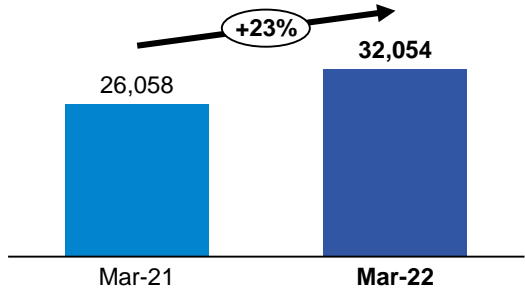
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Private Wealth Business

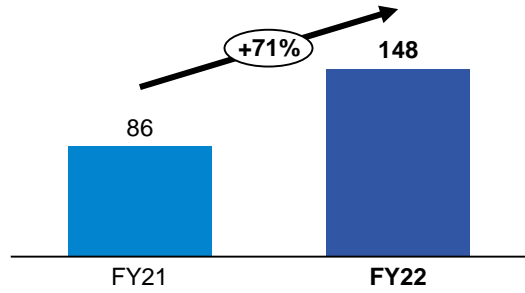


Key Highlights for Financial Year 2021-22 – Private Wealth Business

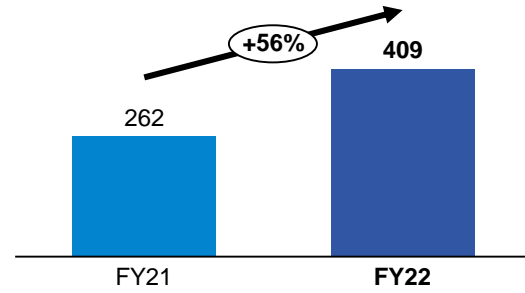
AUM (Rs. Crs.)



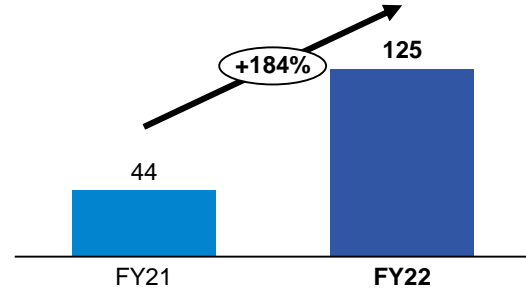
Trail Revenue (Rs. Crs.)



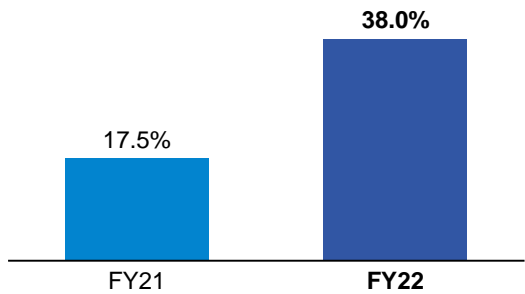
Total Revenue (Rs. Crs.)



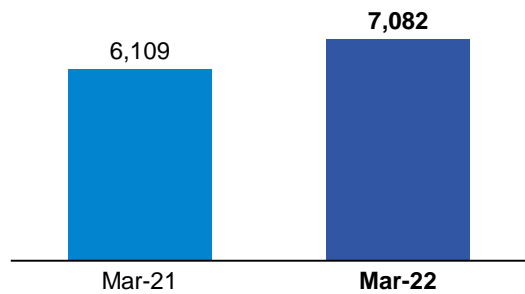
Profit After Tax (Rs. Crs.)



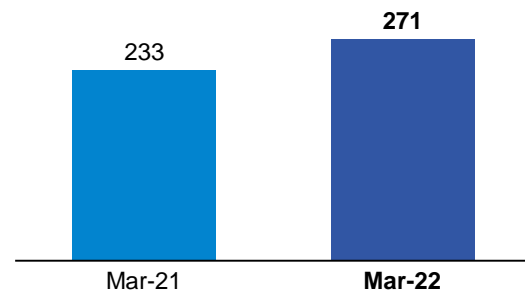
Return on Equity



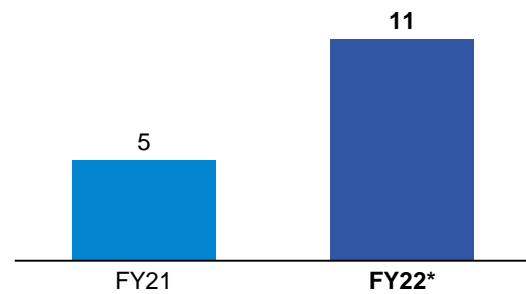
Active Client Families (Nos.)



Relationship Managers (Nos.)



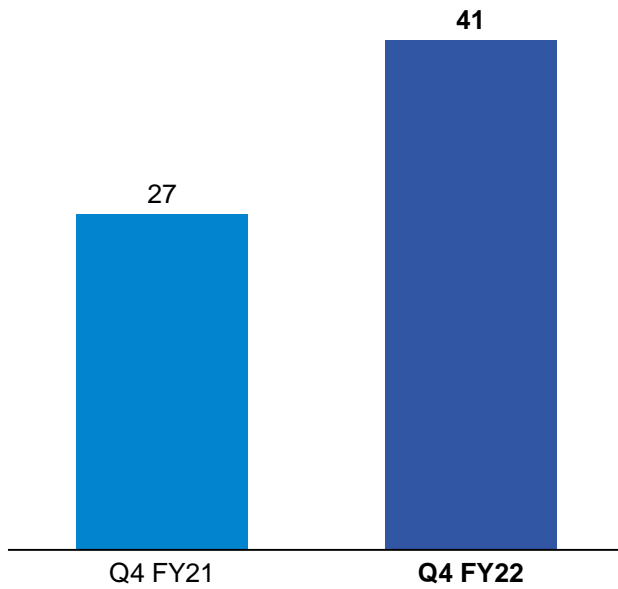
Dividend (Rs. Per Share)



*Including Proposed

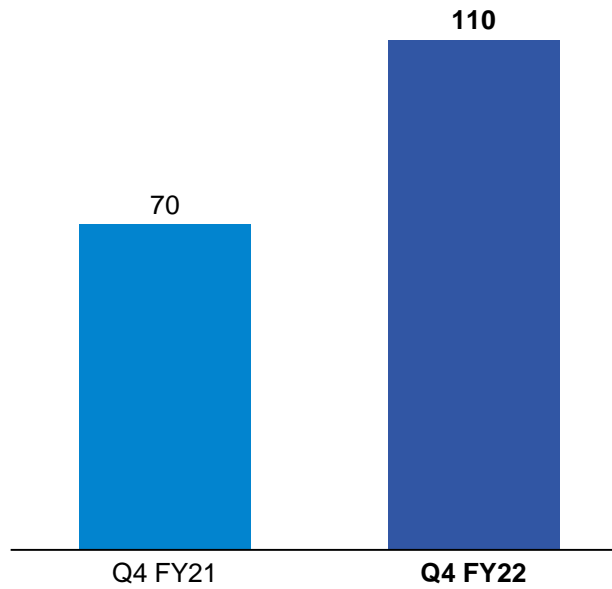
Key Highlights for Q4 FY22 (Jan to Mar 2022) – Private Wealth Business

Trail Revenue (Rs. Crs.)



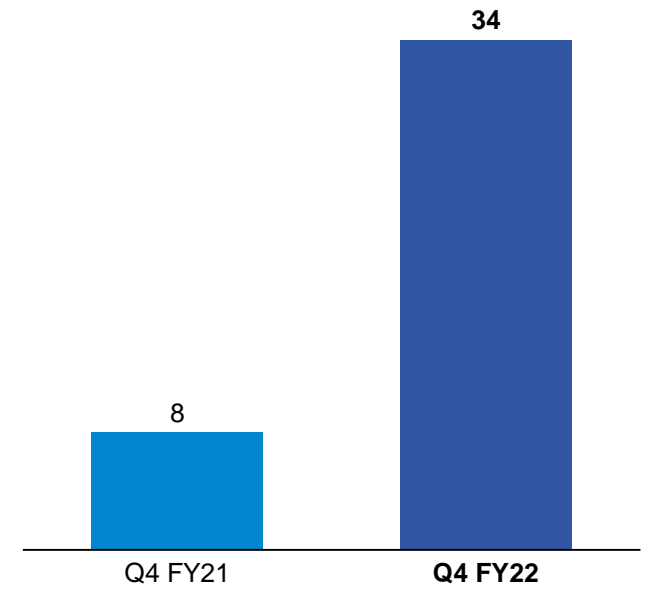
 **52%**

Total Revenue (Rs. Crs.)



 **57%**

Profit After Tax (Rs. Crs.)



 **335%**

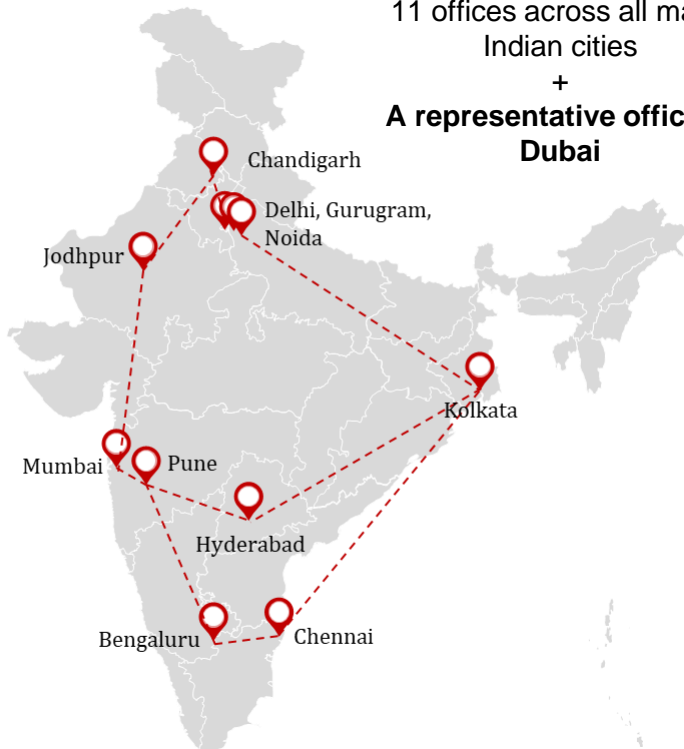
One of the leading Private Wealth practices in India

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

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



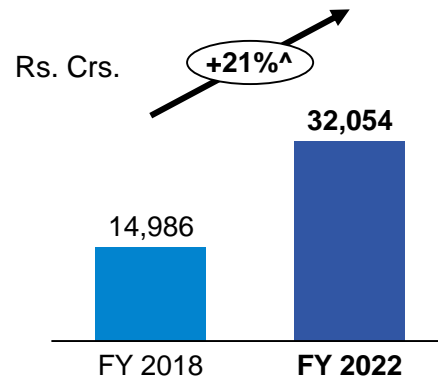
Strengths

- 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

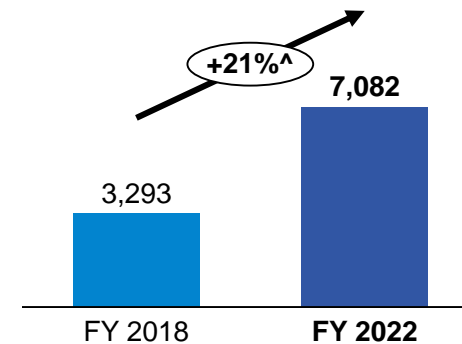
Number of RM's
271

AuM per RM*
Rs. 127 crores

AuM Growth



Client Growth

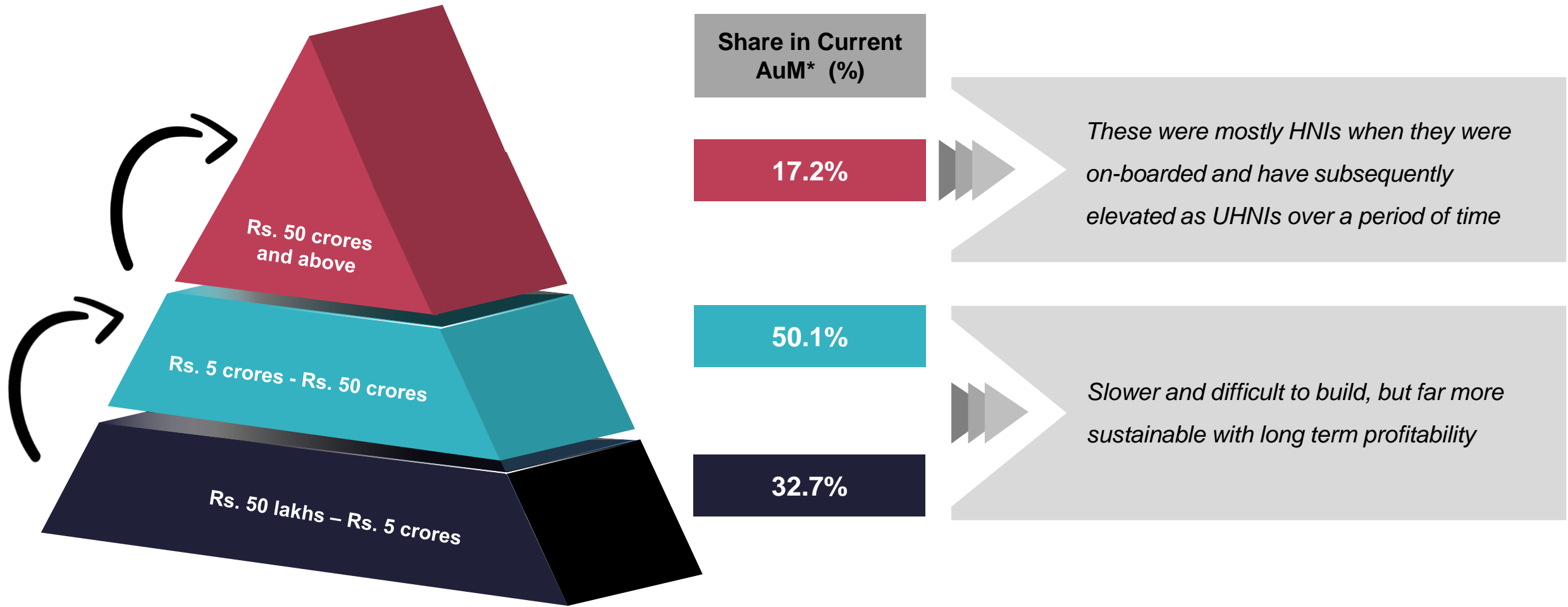


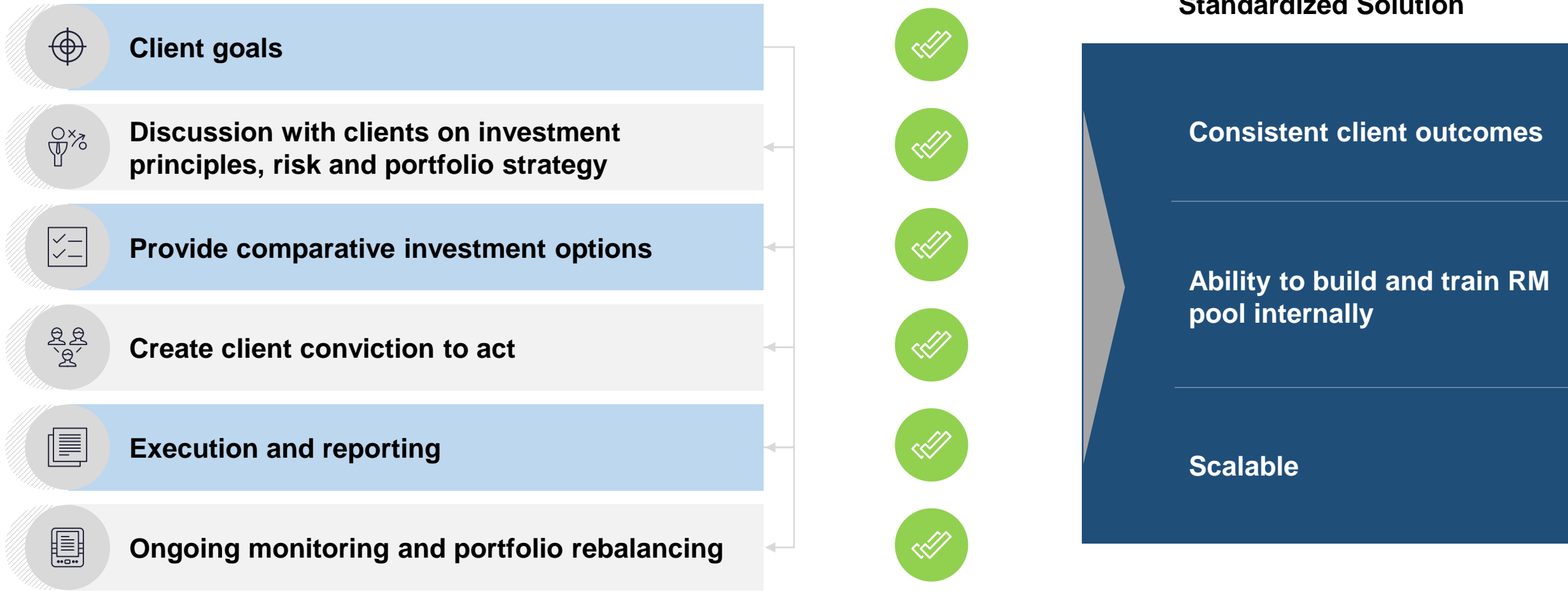
Clients per RM*
~28

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'

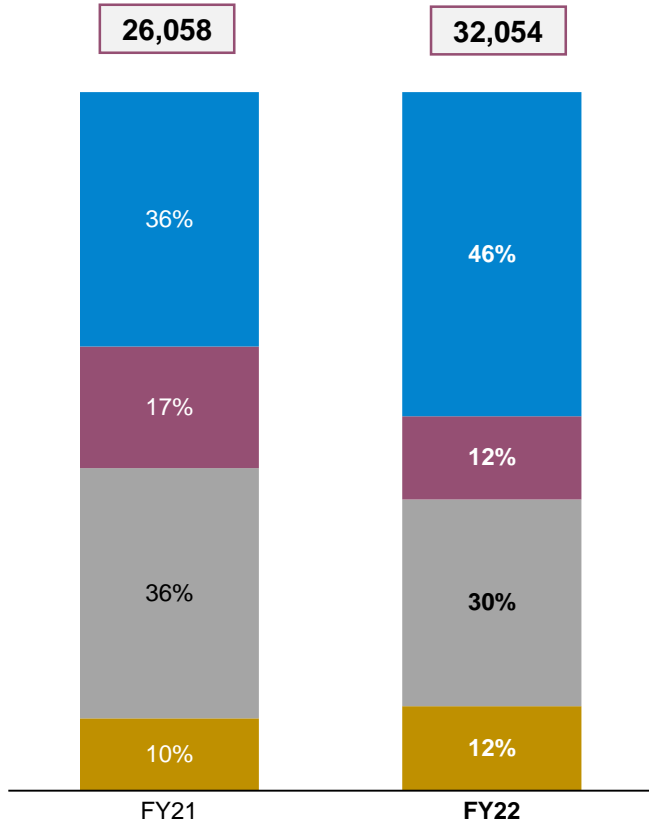
^ Growth is on CAGR basis



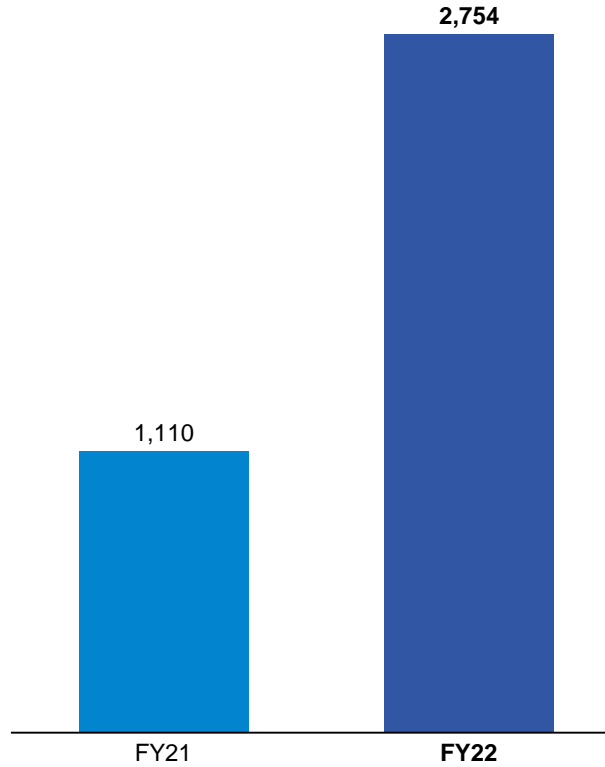


- *Well researched Mutual Fund selection process*
- *Diversified Sources of MLDs*

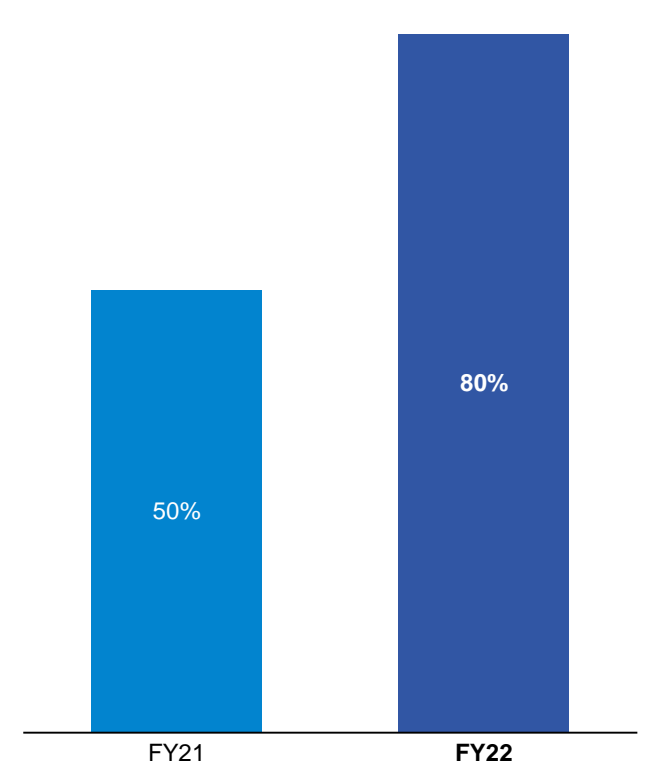
Product Wise AUM Mix (Rs. Crs.)



Net Flows (Rs. Crs.)



Trail Income coverage as % of Fixed Cost*

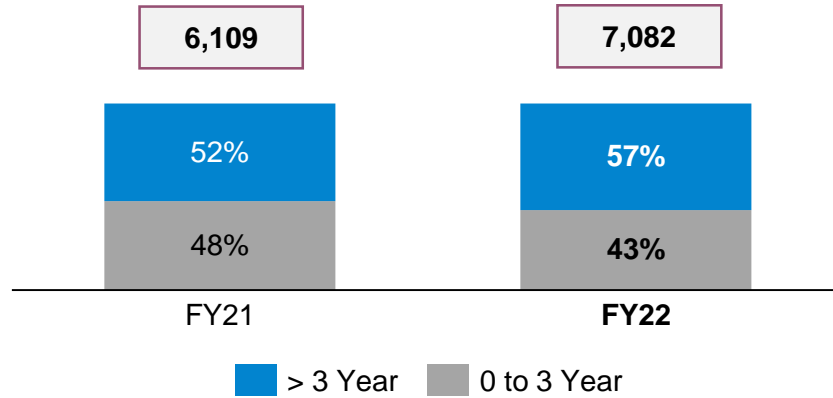


Equity MF Debt MF Other Securities Others

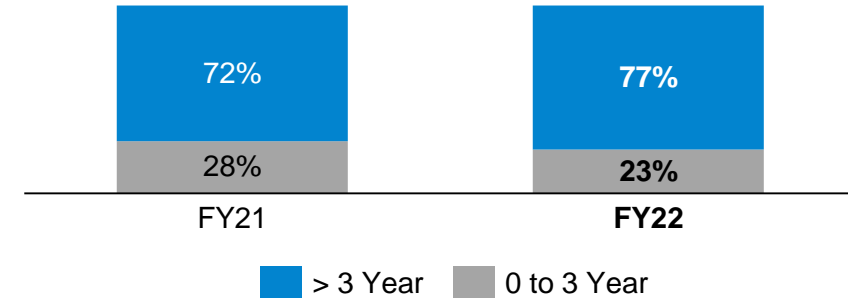
*including all operating costs excluding incentive payout

Advantage of Client Vintage and Stickiness

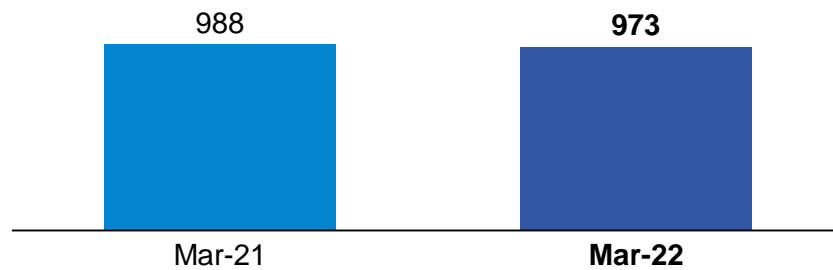
Client Vintage (Nos.)



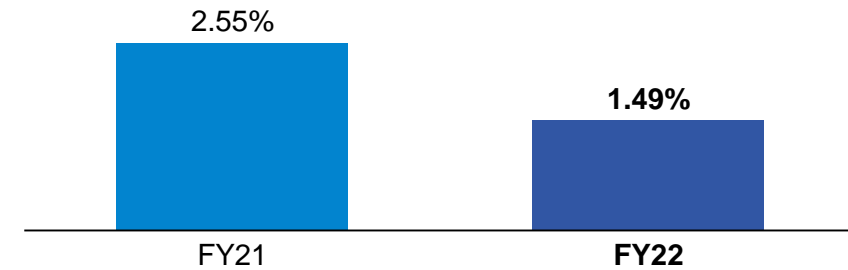
Client Vintage (AUM)



Net Client Addition (Nos.)



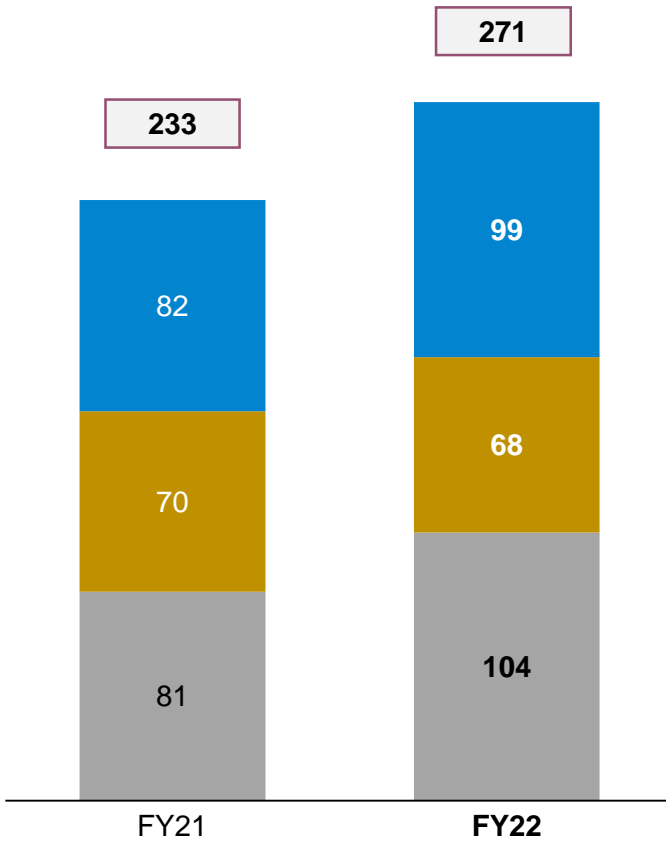
Client Attrition (% of AUM lost)



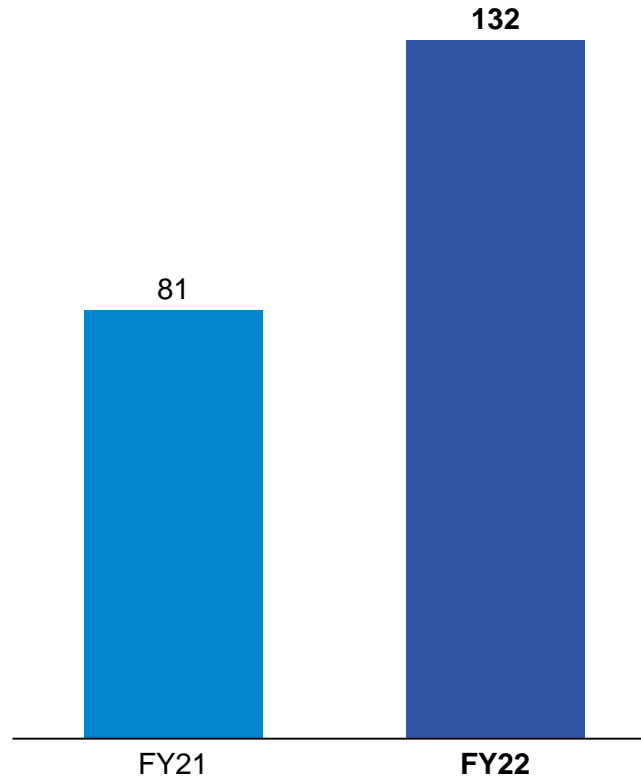
57.1% of our clients have been associated with us for over 3 years, representing 76.6% of our total PW AuM, which shows our strength in vintage of both clients and their AuM in our business as on 31st March 2022

Increasing Share of Higher Vintage Relationship Managers (RMs)

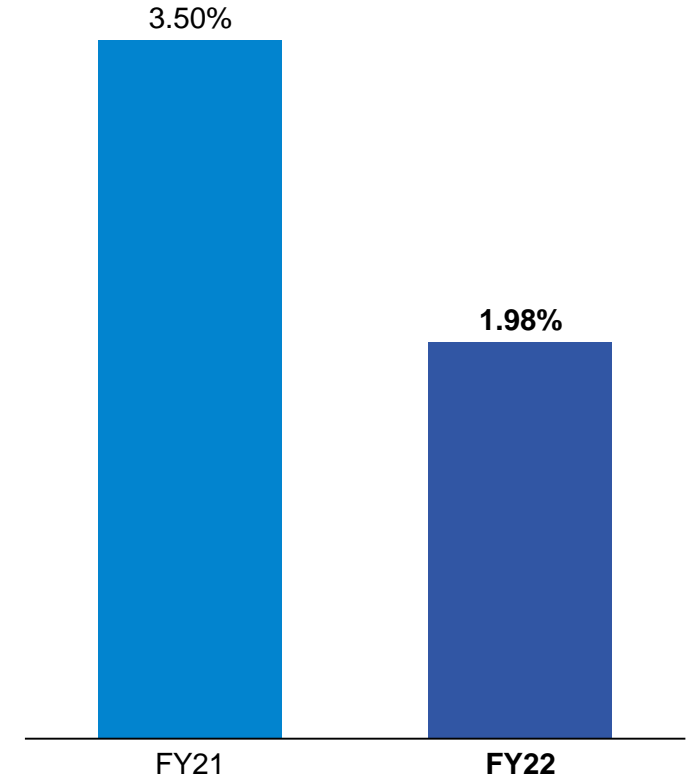
Vintage Wise Relationship Managers (Nos.)



RMs' Trail Revenue 40%+ (Nos.)



Regret RM Attrition*



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

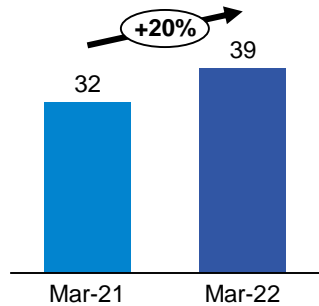
India's Wealth Story to unlock in coming years

Anand Rathi Wealth : Well poised to grow exponentially

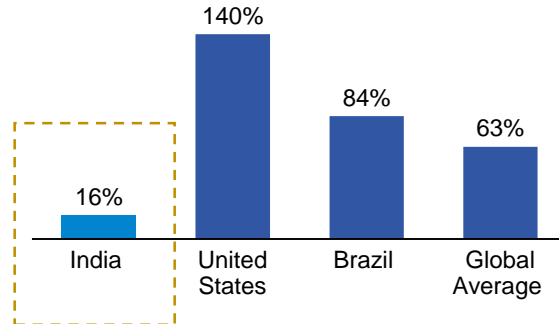


Increasing Penetration of Mutual Fund Market in India

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



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

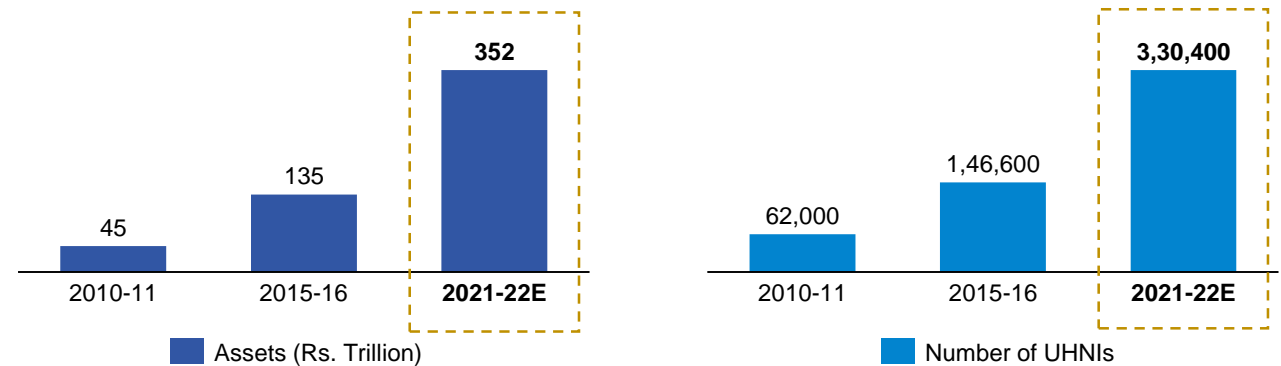


- ✓ Further, India accounts for less than 2% of the global mutual fund industry, representing a significant growth opportunity.
- ✓ The wealth management market (assets under advisory) in India:
 - About ₹ 21.77 trillion in July 2021, which is only approx. 9% of the country's GDP v/s 60% to 75% of GDP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

Increase in HNI population in India

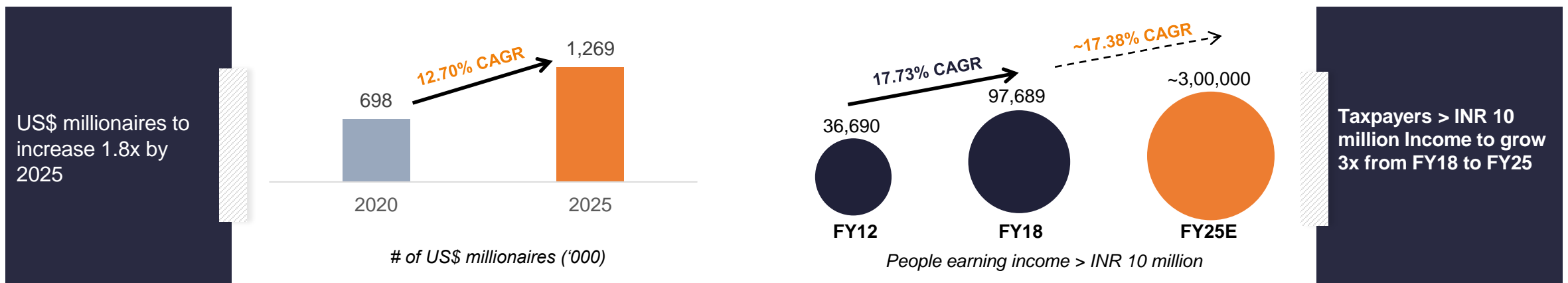
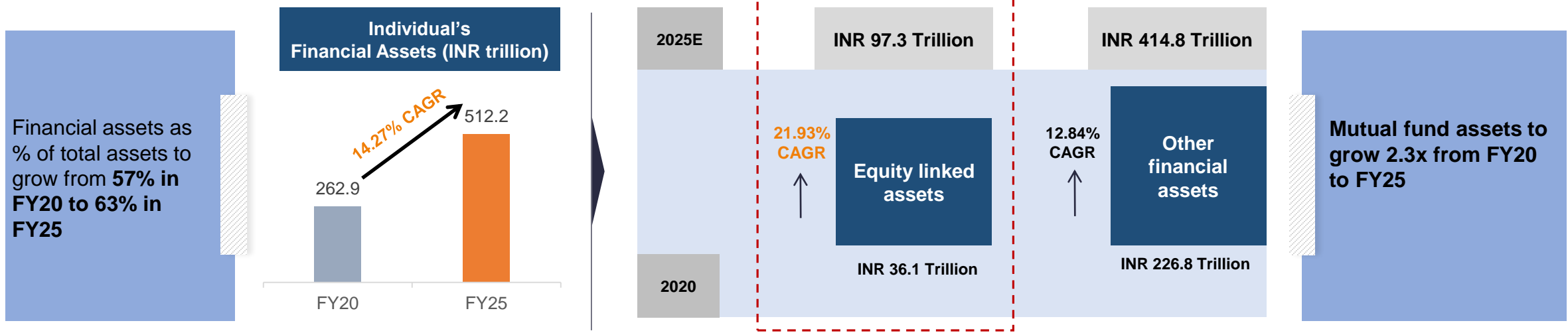
- ✓ In the past three decades, per capita incomes have multiplied
- ✓ Strong underlying economic expansion along with significant growth per capita income will drive the pace of wealth creation in India where investment towards financial savings is gradually increasing with increase in GDP

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



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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

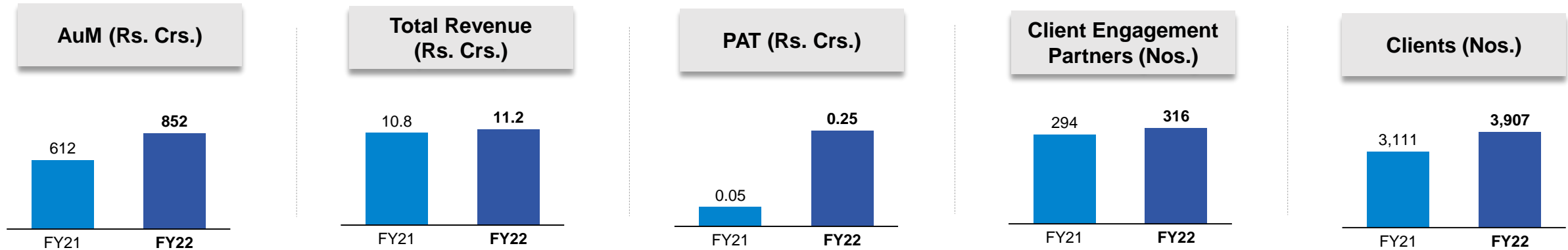
Anand Rathi Advantage

- ✓ 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

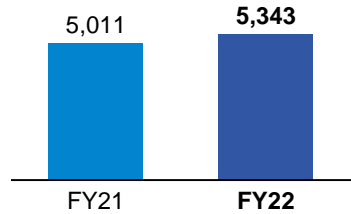


AR Wealth domain expertise combined with significant tech capabilities has created a unique ability to scale the network for retail investors

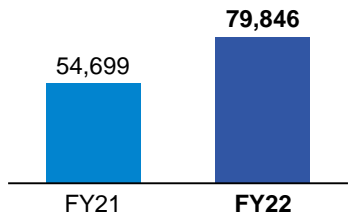
OFA enables IFAs with unique features such as:

- 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: Staircase with flag)

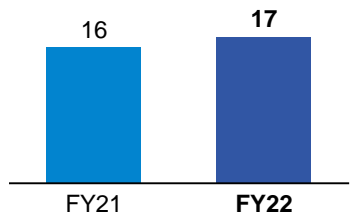
Independent Financial Advisors (Nos.)



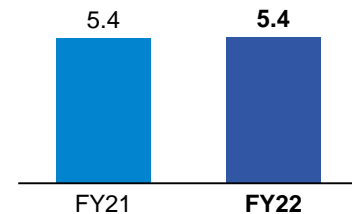
Platform Assets Value (Rs. Crs.)



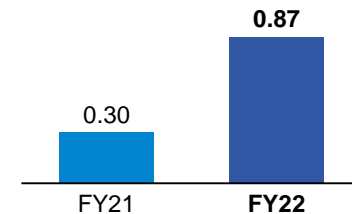
Platform Clients (Nos. lakhs)



Revenue (Rs. Crs.)



Profit After Tax (Rs. Crs.)



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Leadership Team





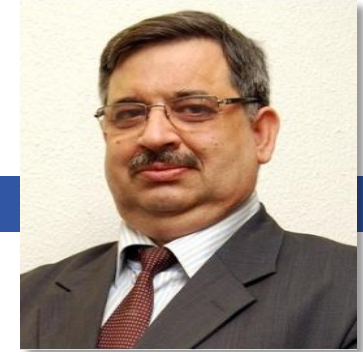
Mr. Anand Rathi
Chairman & Non Executive Director



Mr. Amit Rathi
Non Executive Director



Mr. Pradeep Kumar Gupta
Non Executive Director



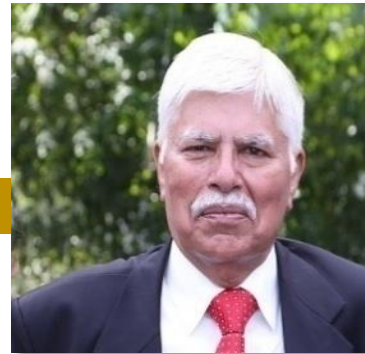
Mr. Rakesh Rawal
Executive Director & CEO



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% |
| 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% |

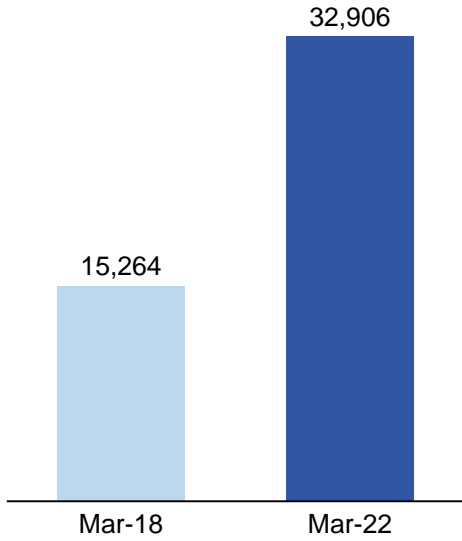
| FY22 | FY21 | Y-o-Y |
|---------------|---------------|--------------|
| 19,434 | 14,559 | 33.5% |
| 9,591 | 9,408 | 2.0% |
| 3,881 | 2,703 | 43.6% |
| 32,906 | 26,670 | 23.4% |

| 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% |

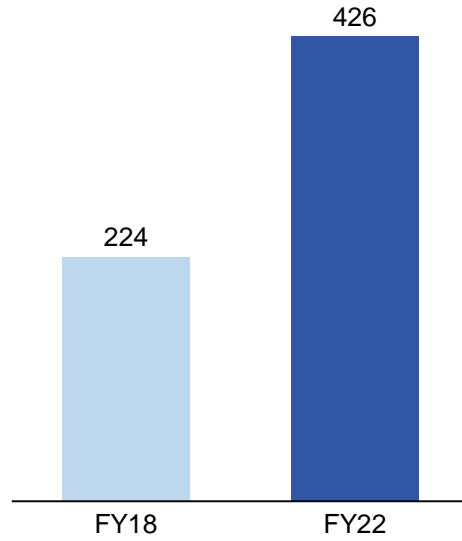
| Q4 FY21 | Y-o-Y |
|-------------|---------------|
| 28.2 | |
| 40.9 | |
| 1.2 | |
| 6.6 | |
| 76.8 | 49.4% |
| 42.0 | |
| 13.7 | |
| 55.7 | 19.8% |
| 14.5 | 215.9% |
| 20.6% | |
| 10.2 | 238.9% |

| 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% |

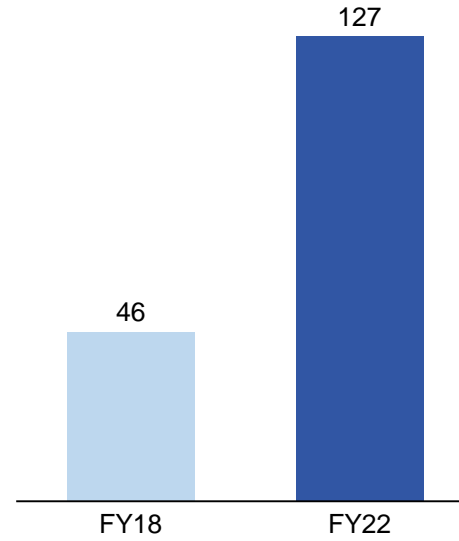
AUM (Rs. Crs.)



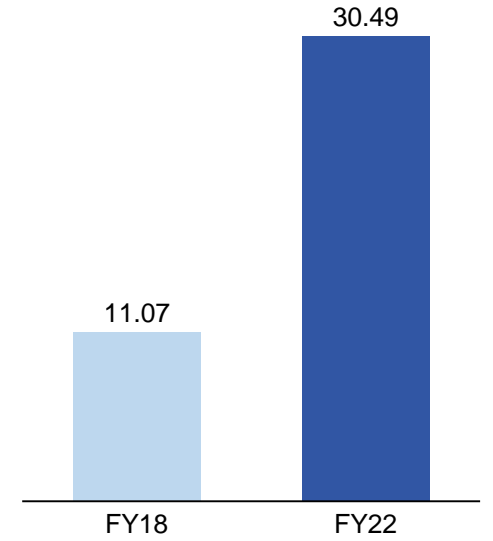
Revenue (Rs. Crs.)



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 |
| 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 |

ANANDRATHI

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THANK YOU !

Company: Anand Rathi Wealth Limited

ANANDRATHI
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CIN: L67120MH1995PLC086696

**Mr. Rajesh Bhutra, CFO / Vishal Sanghavi – EVP
Finance**

rajeshbhutra@rathi.com / vishalsanghavi@rathi.com

Tel: 022 6281 7003

Investor Relation Advisors: Strategic Growth Advisors Pvt. Ltd.

SGA Strategic Growth Advisors

CIN: U74140MH2010PTC204285

Mr. Deven Dhruva / Mr. Abhishek Shah

deven.dhruva@sgapl.net / abhishek.shah@sga.net

Tel: +91 98333 73300 / +91 99306 51660