Anand Rathi Wealth Limited

IPO DETAILS

Issue Opens

2nd Dec 21, Thur

Issue Closes

6th Dec 21, Mon

Min. Lot Size

27 Shares

Issue Price Band

₹530- ₹550

Sector

Financial Services

Issue size

Fresh Issue:
Nil

OFS:
12 Mn Equity Shares
(₹6600 Mn)

Face Value

₹5

Listing at

NSE, BSE

Objectives of the Issue

Carry out the offer for sale of up to 12 mn equity shares by the selling shareholders.

Achieve the benefits of share listing on the stock exchanges.

Rating

SUBSCRIBE

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Anand Rathi Wealth Ltd.

Company Overview

Anand Rathi Wealth Ltd. is one of the leading non-bank wealth solutions firms in India and has been ranked amongst one of the three largest non-bank mutual fund distributors in India by gross commission earned in Fiscal 2019, 2020 and 2021.

Wealth Solutions

Financial Product Distribution

Technology Solutions

CLIENTS

Private Wealth Services

6,564
Active Client Families

233 RMs
as on August 31, 2021.

Private Wealth AuM

Grew at a CAGR of 22.47%

₹180.37 Bn March 31, 2019 to **₹294.72 Bn** August 31, 2021

Company's presence

- Mumbai
- Bengaluru
- Delhi
- Gurugram
- Kolkata
- Chennai
- Pune
- Hyderabad
- Chandigarh
- Jodhpur
- Noida

and a representative office in Dubai.

Other business verticle

In addition to PW vertical, the company has two other new age technology led business verticals, namely Digital Wealth (DW) - a fin-tech extension addressing group of individuals with financial assets between ₹ 1 million to ₹ 50 million & Omni Financial Advisors (OFA) - strategic extension for capturing the wealth management landscape through which the company provides a technology platform for Independent Financial Advisors (IFAs) to service their clients and grow their business.

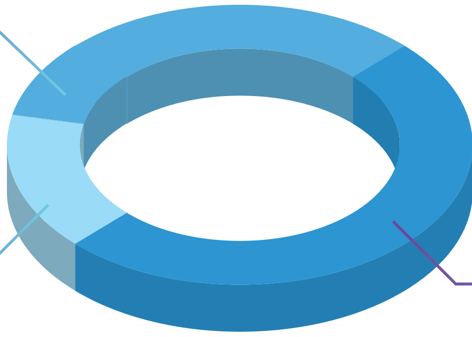
MARWADI
FINANCIAL SERVICES

Anand Rathi Wealth Ltd.

Issue Details

Issue Break-Up

RETAIL: 35%
₹2,262 Mn



NIB: 15%
₹969 Mn

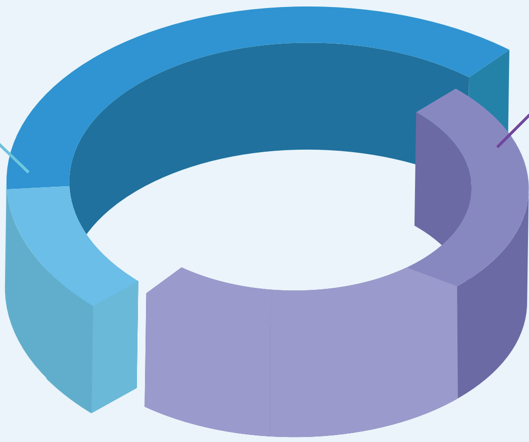
QIB: 50%
₹3231 Mn

Shareholding Pattern

Pre-Issue

75%
Promoters & Promoter's Group

25%
Public

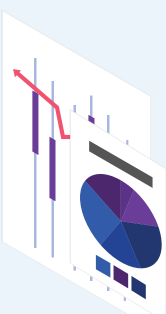


Post-Issue

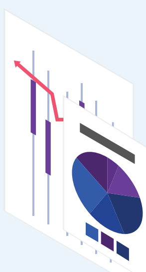
49%
Promoters & Promoter's Group

51%
Public

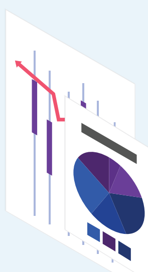
Capital Structure (in ₹)



250 Mn
Authorised Equity Share Capital



208 Mn
Paid-Up Capital (Pre-Offer)

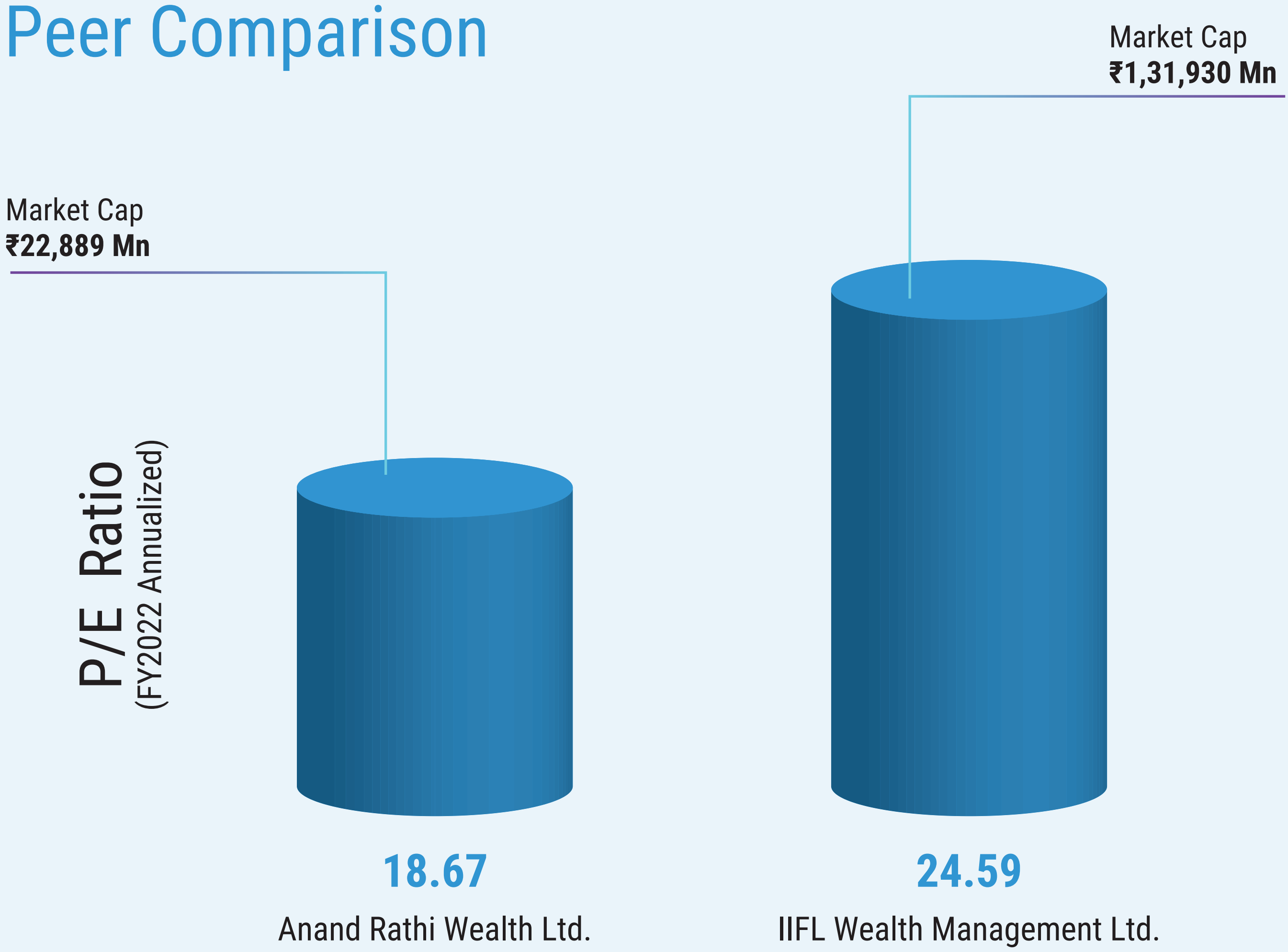


208 Mn
Paid-Up Capital (Post-Offer)

MARWADI
FINANCIAL SERVICES

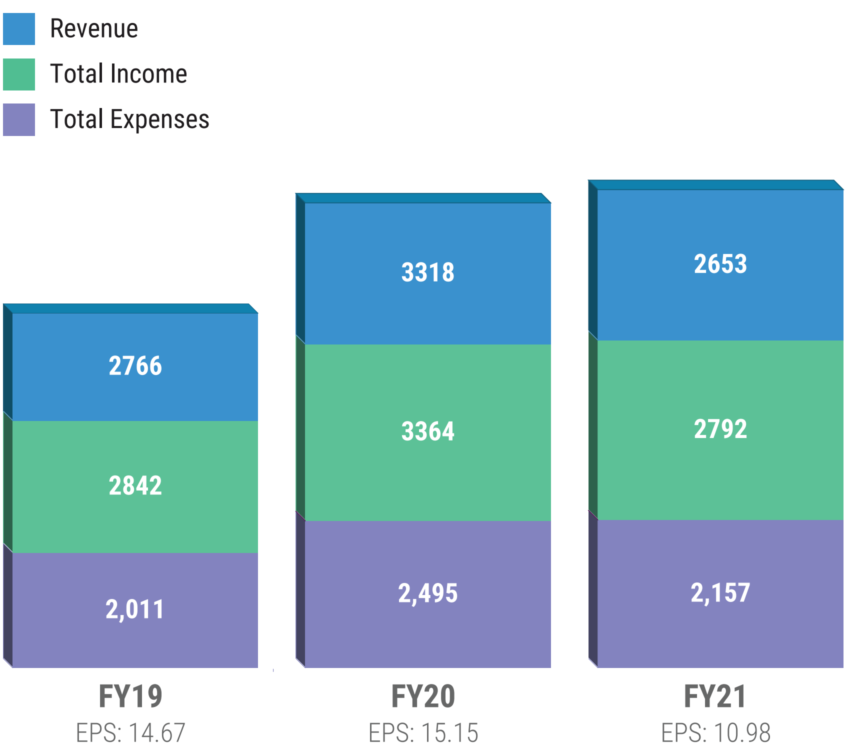
Anand Rathi Wealth Ltd.

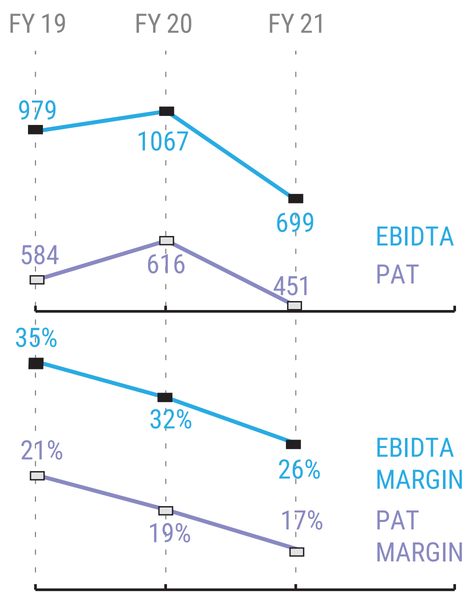
Valuations and Peer Comparison



Market cap data of listed securities as on Nov 30, 2021

Financial Snapshot (in Mn ₹)





Anand Rathi Wealth Ltd.

Business Insights

Competitive Strengths

- Focus on the underserved and less price sensitive HNI segment.
- Uncomplicated, holistic and standardized solutions offered to clients based on an objective-driven approach.
- One of the leading non-bank mutual fund distributor in India coupled with presence in Non-Convertible Market Linked Debentures.
- Focus on value added services i.e., safety net and estate planning services.
- Focused towards attracting and retaining talent through an entrepreneurial work culture.
- Strategic approach to the marketing initiatives.

Business Strategy

- Increasing RM count with a focus on higher vintage RMs.
- Focus on scaling business by capitalizing on current market opportunities and through geographic expansion.
- Brand-building efforts with an increased digital.

Risks

- The company is highly dependent on management team and Relationship Managers. Any loss of such team members or the inability to attract or retain management personnel may have material adverse effect on the business performance.
- The company is dependent on Anand Rathi Global Finance Limited (ARGFL), one of the Group Companies, for the business relating to the structured products. Sale of structured products of the company contributes about 63.21%, 59.23%, 66.10% to the overall revenue for the five month period ended August 31, 2021, Fiscal 2021, 2020 respectively.

Promoters and Management Details

Mr. Anand Rathi - Chairman and Non-Executive Director

Mr. Pradeep Gupta - Non-Executive Director

Mr. Amit Rathi - Non-Executive Director

Mr. Rakesh Rawal - Executive Director and Chief Executive Officer