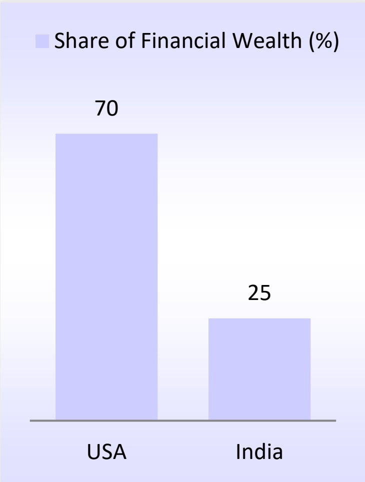
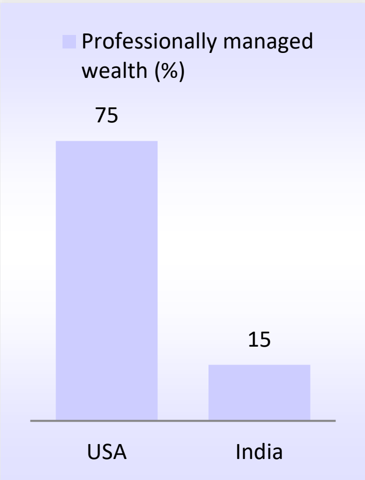
Sector Update | 23 July 2026

Wealth Management





UHNI population (USD30m+)	2026	Mkt share
Australia	16,460	2.3
Mainland China	1,21,677	17.1
France	21,518	3.0
Canada	12,920	1.8
Germany	38,215	5.4
India	**19,877**	**2.8**
Italy	15,433	2.2
Japan	18,914	2.7
Singapore	7,171	1.0
UK	27,876	3.9
US	2,51,352	35.2
Total	**7,13,626**	

Beyond AUM: The race for advisors, products, and technology

360 ONE and NUVAMA taking things head-on!!

- **India's wealth pool is compounding rapidly, but professional management has not kept pace. The USD30m+ population grew 63% over 2021-2026, yet only ~15% of wealth is professionally managed, leaving a long structural runway despite the scale of wealth creation.**
- **The bottleneck has shifted from clients to advisors. Demand is no longer the constraint; instead, the availability of experienced RMs has emerged as the key challenge, with rising lateral hiring, RM compensation inflation, and long productivity ramp-up periods making advisor productivity the key competitive differentiator. While Nuvama Wealth (NUVAMA) has ramped up its RM force from 120 (FY23) to 145 (FY26) in UHNI, and 900 (FY23) to 1,100 (FY26) in HNI, 360 ONE WAM (360 ONE) has seen additions offsetting attritions.**
- **Firms are now competing for talent and tech, not just clients. Investment is shifting toward technology and customized programs to enhance RM productivity, rather than pure headcount expansion, raising the fixed-cost intensity of the business and placing a greater premium on execution.**
- **Scale is being redefined from RM count to product depth. The operating model is moving toward a one-platform suite spanning AIF/PMS, advisory, broking, institutional research, and IB, replacing the old-scale metric of RM headcount and client relationships. While 360 ONE is expanding and diversifying through the B&K acquisition and UBS tie-up, NUVAMA is expanding its AMC and adding products to Wealth Management organically.**
- **Technology is expanding RM capacity rather than replacing relationships. AI-enabled research, CRM intelligence, and portfolio analytics let each RM handle larger, more sophisticated books. Digital-first models may win mass affluent share, but HNI/UHNI wealth management remains relationship-led, backed by productivity-focused tech investment.**
- **The competitive edge is shifting from relationship books to platforms. Success will hinge on organic AUM growth, recurring revenue, RM productivity, and scalable models, with the SIF/PMS/AIF regulatory framework serving as a catalyst for firms building institutional wealth platforms.**
- **We are shifting our preference within the segment to 360 ONE, as we believe investments in new growth initiatives, such as the HNI segment, ET Money, B&K, and the UBS tie-up, will translate into a stronger earnings profile. Valuations at 27x FY28E P/E are inexpensive, considering FY26-28E revenue/PAT CAGR of 18%/20% and RoE of 14%.**

Rapidly expanding wealthy population, but still under-penetrated

- India's USD30m+ population grew 63% over 2021-2026, rising from ~12,000 to ~20,000, one of the fastest among global peers. This increased India's market share from 2.2% in 2021 to 2.8% in 2026. Mumbai remains the country's wealth capital, accounting for 35.4% of India's UHNI population.
- The UHNI base is expected to grow further to 25,217 by 2031 (according to Knight Frank), with India emerging as one of the top 20 fastest-growing players. India is expected to rank among the top 10 fastest-growing countries by billionaire population, with the count expected to rise from 207 in 2026 (7% market share) to 313 in 2031.

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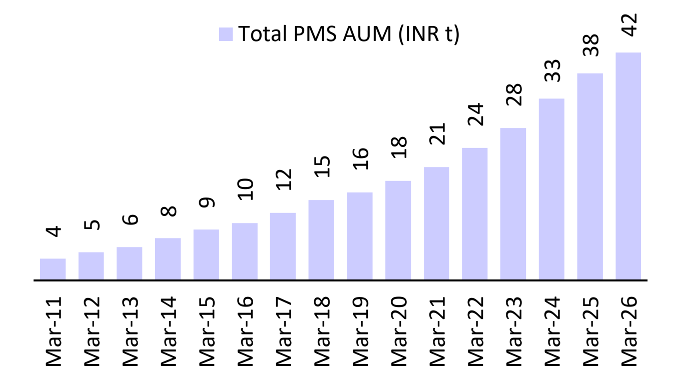
- Offerings like PMS and AIF, which are designed mainly for HNIs/UHNIs, have seen substantial growth over the years. AIF commitments across categories grew from INR1.8t in 2021 to INR7t+ by the end of Mar'26. PMS AUM grew from INR23.5t in 2021 to INR41.4t by the end of Mar'26.
- According to various data analytics houses, the wealth management AUM of India is expected to expand at a double-digit CAGR over FY26-31. According to Deloitte, 35-40% of India's affluent households in FY24 were self-managed/informally managed, creating substantial opportunities for both established players and new entrants in the sector.
- Despite strong growth in wealthy households, India's wealth management industry remains structurally under-penetrated, with MF AUM to GDP at 18% (92% in the US), AIF AUM to GDP at 2% (19% globally), and 15% of wealth being professionally managed (75% in the US).

Exhibit 1: India's UHNI population grew the fastest over 2021-2026

UHNI population (USD30m+)	2021	2021 Mkt share	2026	2026 Mkt share	2031E	2031E Mkt share	2021-2026 CAGR (%)	2026-2031E CAGR (%)
Australia	12,424	2.3	16,460	2.3	26,095	2.8	5.8	9.7
Mainland China	98,924	17.9	1,21,677	17.1	1,44,602	15.2	4.2	3.5
France	17,737	3.2	21,518	3.0	24,703	2.6	3.9	2.8
Canada	10,653	1.9	12,920	1.8	16,796	1.8	3.9	5.4
Germany	28,942	5.2	38,215	5.4	47,004	5.0	5.7	4.2
India	**12,161**	**2.2**	**19,877**	**2.8**	**25,217**	**2.7**	**10.3**	**4.9**
Italy	12,547	2.3	15,433	2.2	16,667	1.8	4.2	1.6
Japan	16,305	3.0	18,914	2.7	21,634	2.3	3.0	2.7
Singapore	4,642	0.8	7,171	1.0	10,495	1.1	9.1	7.9
UK	24,871	4.5	27,876	3.9	30,942	3.3	2.3	2.1
US	1,84,436	33.4	2,51,352	35.2	3,87,422	40.9	6.4	9.0
Total	**5,51,435**		**7,13,626**		**9,48,241**		**5.3**	**5.8**

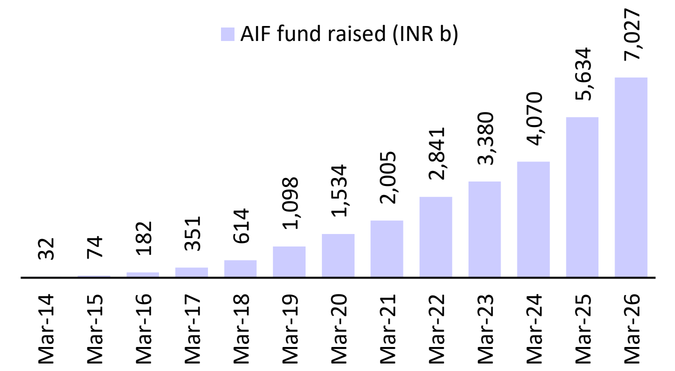
Source: MOFSL, Knight Frank Wealth Report 2026

Exhibit 2: PMS AUM has expanded significantly



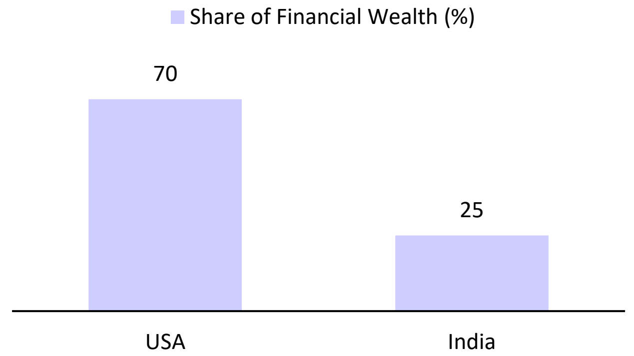
Source: MOFSL, SEBI

Exhibit 3: Trends of AIF commitments



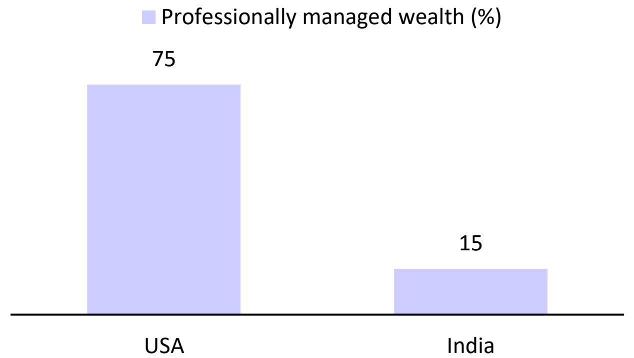
Source: MOFSL, SEBI

Exhibit 4: Financial wealth reflects a huge gap



Source: MOFSL, Nuvama Wealth

Exhibit 5: Significant headroom for Indian wealth managers



Source: MOFSL, Nuvama Wealth

Talent bottleneck amid rapidly expanding industry

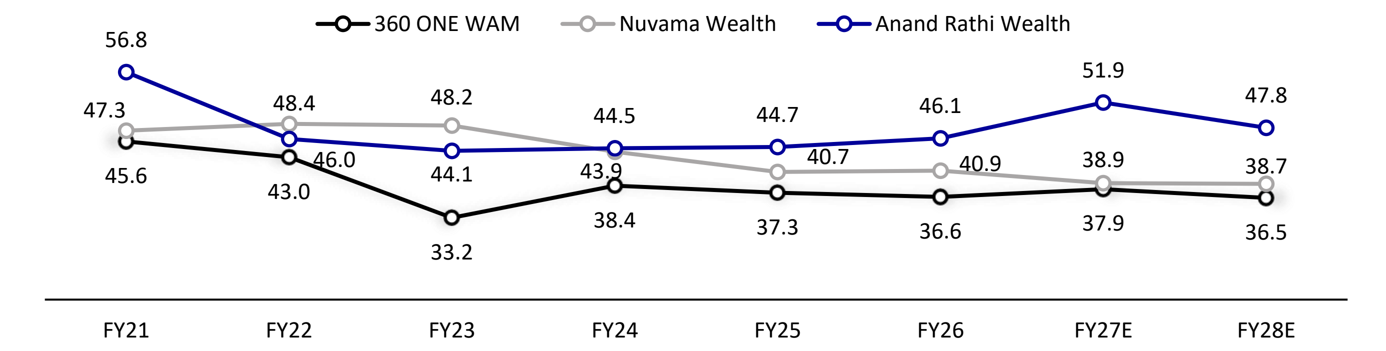
- India's wealth management industry is witnessing one of its strongest structural growth phases, driven by rapid financialization, increasing HNI/UHNI wealth, and sustained inflows into capital market products. However, the supply of experienced RMs is failing to keep pace with this expansion.
- Additionally, with private equity-backed platforms, banks, and specialist wealth firms expanding their businesses, established players are experiencing high competition for RMs. The pressure is driving high compensation costs, in turn prompting wealth managers to focus on productivity gains, technology, platform strength, and internal talent pipelines to protect margins.
- Industry estimates suggest that the number of dedicated wealth RMs would increase from ~1,900 in FY25 to ~2,800 by FY28 (~13% CAGR), while average AUM per RM is expected to rise from INR3.7b to INR4.8b, highlighting both capacity constraints and rising productivity expectations.
- The shortage is particularly acute in the UHNI segment, where advisory credibility and long-standing client relationships are difficult to replicate. As a result, hiring has become increasingly lateral and transfer-driven, with banks and wealth managers offering 20–40% salary hikes, multi-year guaranteed bonuses, and signing incentives to attract experienced RMs.
- Several firms have indicated that internally developed RMs typically require 18–24 months before becoming fully productive, making lateral hiring the more lucrative route despite materially higher costs and weaker long-term ownership of client relationships.
- Consequently, firms are increasingly investing in AI-enabled advisory tools, CRM platforms, and structured training programs to enhance RM productivity and expand advisory capacity. Over the medium term, the ability to build and scale advisory talent, rather than client demand, is likely to be the key differentiator for wealth managers.
- Multiple education organizations have launched special programs to position wealth management as a long-term career destination rather than a secondary pathway and introduce younger professionals to the advisory ecosystem earlier in their careers.
- We expect firms building formal training pipelines to witness lower structural churn and better multi-year unit economics than pure lateral-hiring models, even if near-term growth looks slower. Players like 360 ONE and NUVAMA, which are steadily investing in RM addition while maintaining employee cost as % of operation revenue at <40%, are expected to continue witnessing operational efficiency with scale and improving RM productivity.

Exhibit 6: India's wealth management talent fight for compensation and productivity

Metric	FY25	FY28E	Implication
Dedicated Wealth RMs	~1,900	~2,800	~13% CAGR in RM demand
Average AUM per RM	INR3.7b	INR4.8b	Firms expect higher RM productivity
Salary	INR600,000 to INR2m for entry to mid-level; Profit sharing for senior-level along with INR4m-10m salary		Large talent pool for entry level from campus hiring; senior level RMs are extremely scarce
Typical salary hike for lateral RM	20–40%		Reflects shortage of experienced talent
Ramp-up period for new RM	18–24 months		Internal talent development is time-intensive
Hiring model	Predominantly lateral		Industry growth driven by RM transfers rather than new talent creation

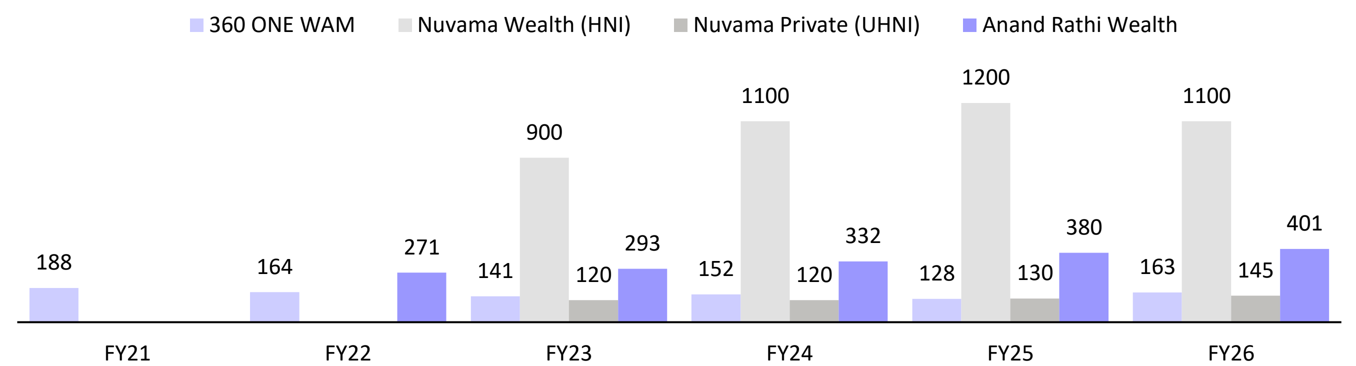
Source: MOFSL, Glassdoor, Industry commentary

Exhibit 7: Employee cost as % of operations of listed wealth managers – most significant cost parameter



Source: MOFSL, Companies

Exhibit 8: Gradually rising RM count of listed wealth managers of India



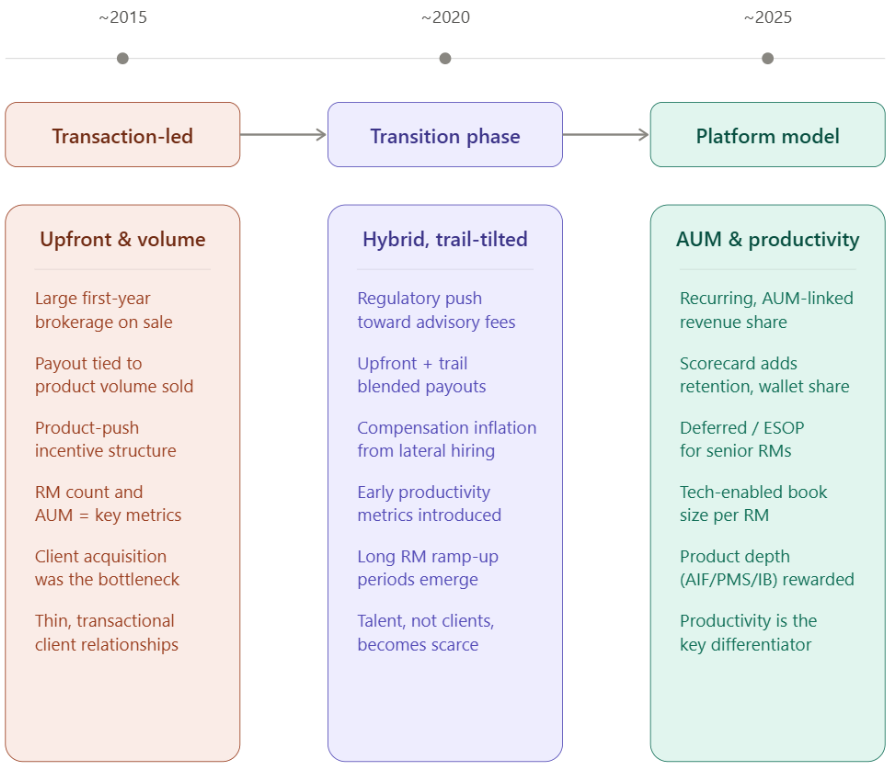
Source: MOFSL, Companies

Exhibit 9: Top schools in India providing specialized courses for wealth management

Programme	Provider	Overview
Chartered Wealth Manager	AAFM India	❖ Globally recognized certification highly sought after by bankers and financial advisors
Exec. MBA in Wealth Management	IIM Mumbai	❖ On-campus, one-year weekend program tailored specifically for experienced financial sector professionals.
Executive Programme on Personal Finance and Wealth Advisory	IIM Bangalore	❖ Holistic personal finance blueprints and wealth advisory frameworks
Executive Programme in Financial Planning and Investment Advisory Services	IIM Ahmedabad	❖ Emphasizes strategic asset allocation, regulatory compliance, and cutting-edge investment advisory services.
NISM Series XA & XB	NISM	❖ Mandatory regulatory certifications for intermediaries in India
Diploma in wealth management	NMIMS CDOE	❖ Broad online degree framework that allows working professionals to upscale their qualifications

Source: MOFSL, University/organization websites

Exhibit 10: Change in wealth management business model over the years



Source: MOFSL, Companies

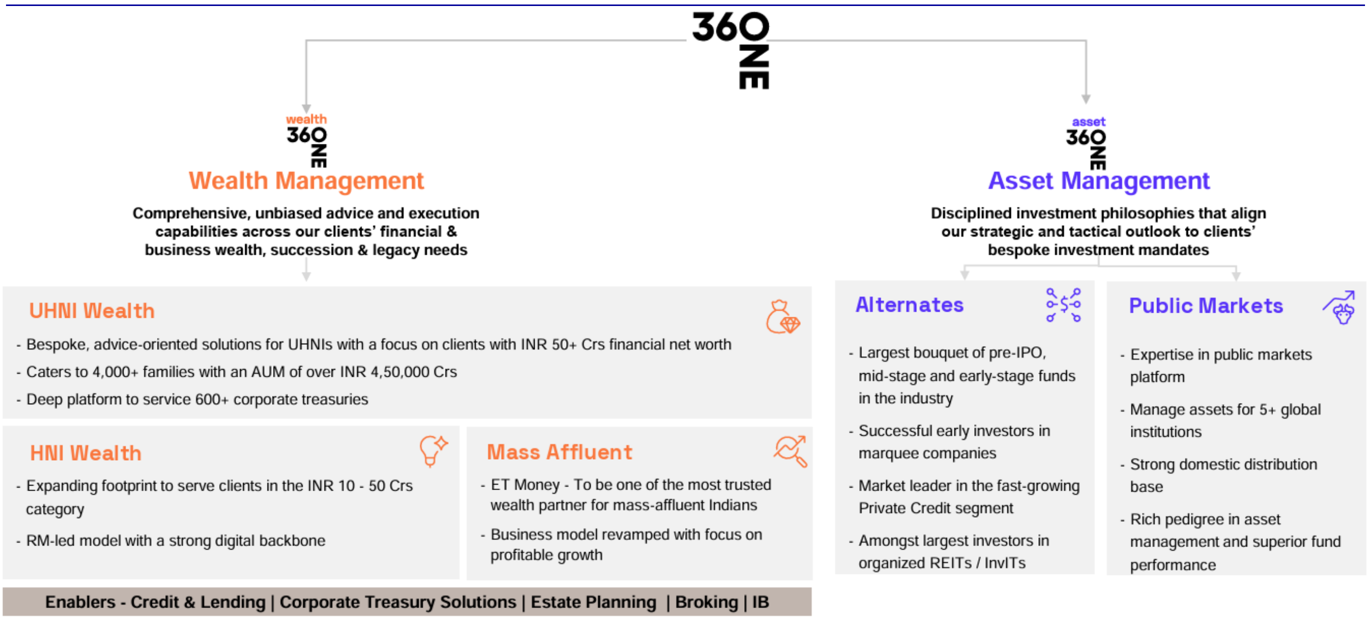
Lever beyond headcount – product innovation and platform expansion

- While the RM-hiring race dominates headlines, product breadth and platform architecture are the sustainable moat builders for wealth managers in the longer run.
- Factors like product architecture, research support, specialist access, and discretionary capability make client relationships more durable. Discretionary AUM is structurally stickier than distribution AUM, as the relationship is anchored to the platform rather than a single individual.
- Firms have broadened product suites beyond mutual funds and PMS to include private markets, structured products, AIFs, estate planning, and lending solutions, increasing both advisory complexity and technology requirements. Digital onboarding, AI-enabled portfolio analytics, and CRM tools have also become competitive necessities rather than differentiators.
- While PMS and AIF AUM has expanded aggressively over the years, the recent introduction of Specialized Investment Fund (SIF) by SEBI has created a new product opportunity for wealth managers to provide to HNI/UHNI clients. Operational from Feb'25, SIF AUM has already scaled to INR178.2b, reflecting significant demand for the product.
- Players like 360 ONE, which were skewed toward UHNIs, have transitioned to a full-stack platform with: 1) B&K securities acquisition (institutional research), 2) launch of HNI wealth management, 3) ET Money acquisition (mass-affluent reach), and 4) SIF launch in Feb'26.
- On the other hand, NUVAMA has invested in enhancing capabilities over the years to become a well-established player across the ecosystem. It has recently

received SEBI approval for MF license, which it plans to use for the launch of MF products, especially SIF.

- Additionally, rising UHNI wealth is translating into demand for cross-border solutions, which has led firms like 360 ONE and NUVAMA to open offshore offices in geographies like Singapore and Dubai, offering access to Indian equities for offshore clients as well as foreign investments to Indian clients.

Exhibit 11: 360 ONE creating a full financial stack



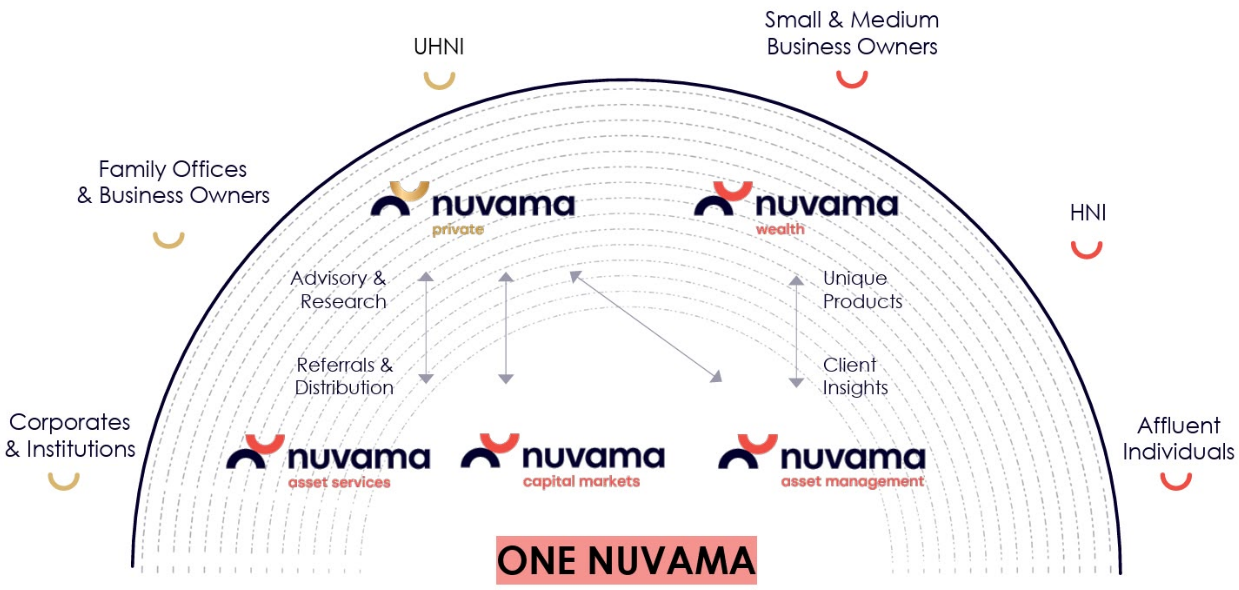
Source: MOFSL, Company

Exhibit 12: 360 ONE aiming to diversify from UHNI-skewed wealth management platform

Revenue (INRm)	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
UHNI	2,370	2,570	2,880	3,130	3,280	3,360	3,960	3,770	3,850
HNI	-	0	1	1	8	25	33	40	60
Mass affluent	-	-	-	40	60	60	60	60	50
Corporate and institutional	-	-	-	-	40	140	90	90	100
Asset management	1,387	1,393	1,370	1,852	1,718	1,958	2,049	2,088	2,081
Transactional (incl. IE IB)	2,247	1,913	1,788	1,497	1,517	2,091	1,863	2,301	2,082
Total	**6,003**	**5,877**	**6,040**	**6,520**	**6,623**	**7,634**	**8,055**	**8,349**	**8,222**

Source: MOFSL, Company

Exhibit 13: NUVAMA enabling value and client solutions across ecosystem



Source: MOFSL, Company

Exhibit 14: NUVAMA earns from a well-diversified business model

Revenue (INRm)	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26
Nuvama wealth (HNI)	1,894	2,029	2,101	2,146	2,217	2,411	2,477	2,496
Nuvama private (UHNI)	1,309	1,440	1,527	1,831	1,554	1,967	1,819	2,240
Asset management	150	173	135	132	186	136	148	97
IE and IB	1,988	2,235	1,736	1,630	1,797	1,606	1,379	1,352
Asset services	1,318	1,524	1,727	1,984	1,930	1,603	1,722	2,088
Total	**6,659**	**7,402**	**7,226**	**7,722**	**7,684**	**7,723**	**7,545**	**8,273**

Source: MOFSL, Company

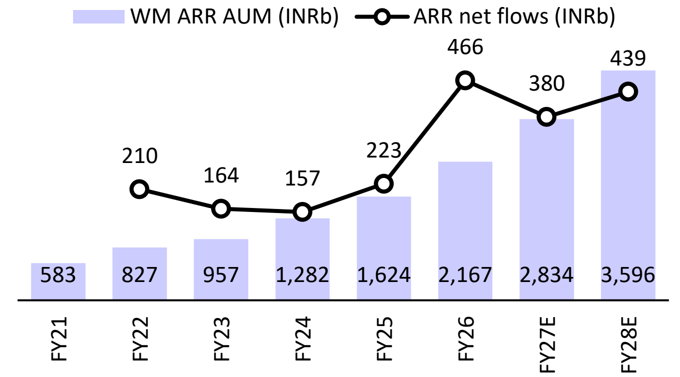
360 ONE: From a strong UHNI-led platform to a full-stack wealth manager

- 360 ONE has built one of India's strongest UHNI platforms, with wealth ARR AUM growing from ~INR580b in FY21 to ~INR2.4t currently, backed by continued efforts to enhance engagement and capture wallet share. The improving recurring revenue mix (65%+) and stable flow momentum at 12-15% of opening AUM are likely to lead to ~1.7x growth in ARR AUM by FY28 from FY26.
- Acquisitions of B&K and ET Money, along with the UBS collaboration, have turned 360 ONE into a full-stack wealth ecosystem, strengthening client stickiness, diversifying revenue pools, and expanding addressable markets.
- B&K, now 360 ONE Capital, provides the opportunity to cater to clients' fundraising requirements, while UBS materially enhances the offshore proposition. ET Money provides the firm with a scalable digital funnel to acquire younger and HNI clients at a low cost.
- Apart from the robust wealth management platform, 360 ONE's AMC is one of the most sophisticated alternative manufacturers in India, spanning PE, private credit, PMS, and institutional mandates. We expect AMC AUM to reach ~INR1.4t by FY28 from INR952b in FY26.
- Short-term cost pressures from new RM hiring and the integration of B&K/UBS/ET Money kept CI ratio elevated at ~50% in FY26. However, the ramp-

up in RM productivity and operating leverage are expected to bring the consolidated CI ratio back to 47-48% by FY28.

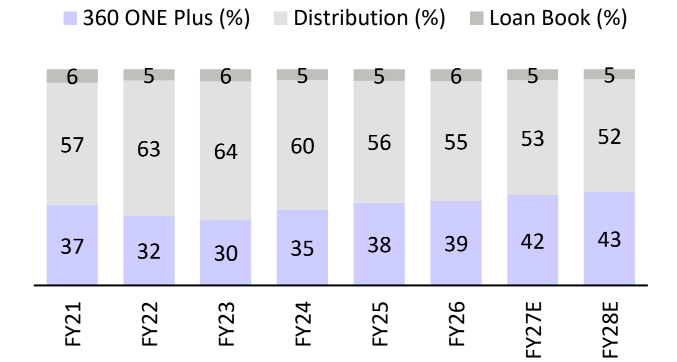
- **We adopt an SOTP-based approach, valuing ARR at 36x FY28 PAT and TBR/other income at 20x FY28 PAT to arrive at a TP of INR1,300. Reiterate BUY.**

Exhibit 15: Wealth ARR AUM to grow 1.7x from FY26-28



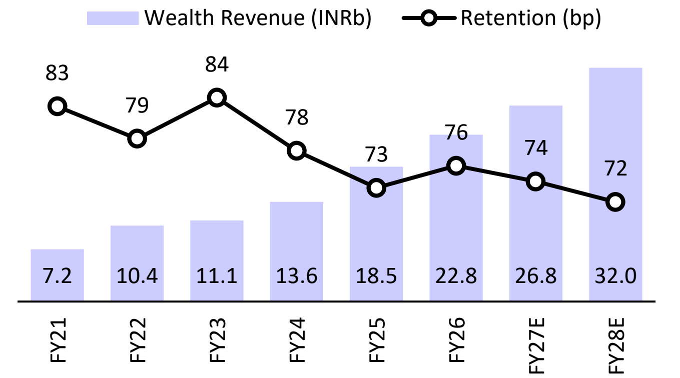
Source: MOFSL, Company

Exhibit 16: Improving advisory mix in wealth ARR AUM



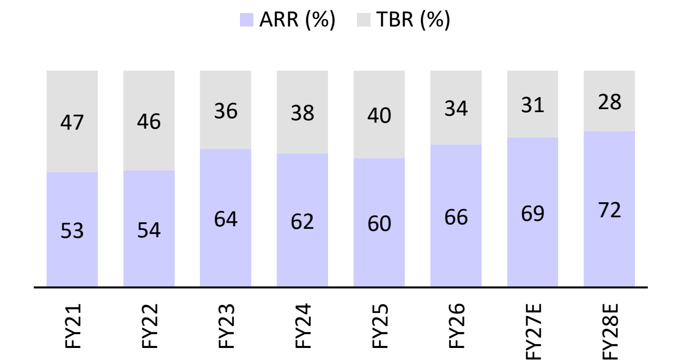
Source: MOFSL, Company

Exhibit 17: FY26-28 revenue CAGR at 18%; yields at 72-75bp



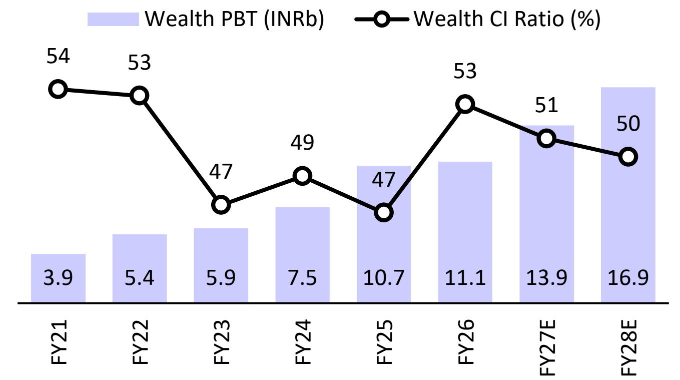
Source: MOFSL, Company

Exhibit 18: Rising recurring contribution in wealth revenue



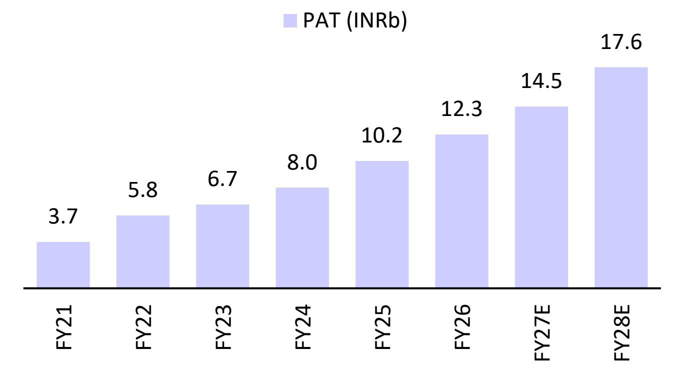
Source: MOFSL, Company

Exhibit 19: Wealth CI ratio to reduce with scale



Source: MOFSL, Company

Exhibit 20: Consolidated PAT trends



Source: MOFSL, Company

Income Statement (INR m)

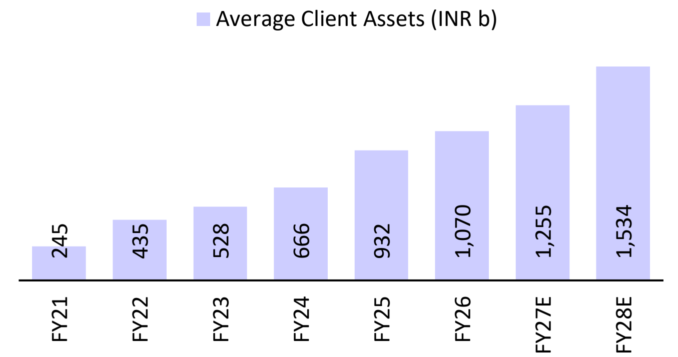
Y/E March	2020	2021	2022	2023	2024	2025	2026	2027E	2028E
Annual Recurring Revenues Assets	5,345	5,800	9,209	11,653	13,270	17,011	22,885	27,327	33,583
Transactional/Broking Revenues Assets	3,855	3,355	4,773	3,997	5,185	7,445	7,771	8,237	8,896
Net Revenues	**9,200**	**9,155**	**13,982**	**15,650**	**18,455**	**24,456**	**30,657**	**35,564**	**42,479**
Change (%)	-10.1	-0.5	52.7	11.9	17.9	32.5	25.4	16.0	19.4
Operating Expenses	5,645	5,679	7,841	7,184	9,565	12,175	15,675	18,143	21,182
Core Profit Before Tax	**3,555**	**3,476**	**6,141**	**8,466**	**8,891**	**12,281**	**14,981**	**17,422**	**21,297**
Change (%)	-28.0	-2.2	76.7	37.9	5.0	38.1	22.0	16.3	22.2
Other Income	-691	1,374	1,372	37	1,195	2,063	788	1,772	2,037
Profit Before Tax	**2,864**	**4,849**	**7,513**	**8,503**	**10,085**	**14,345**	**15,770**	**19,193**	**23,334**
Change (%)	-46.8	69.3	54.9	13.2	18.6	42.2	9.9	21.7	21.6
PBT after exceptional items	**2,864**	**4,849**	**7,513**	**8,503**	**10,085**	**13,465**	**15,770**	**19,193**	**23,334**
Change (%)	525.4	69.3	54.9	13.2	18.6	33.5	17.1	21.7	21.6
Tax	853	1,157	1,736	1,924	2,043	3,313	3,517	4,702	5,717
Tax Rate (%)	29.8	23.9	23.1	22.6	20.3	23.1	22.3	24.5	24.5
PAT	**2,011**	**3,692**	**5,777**	**6,579**	**8,042**	**10,152**	**12,252**	**14,491**	**17,617**
Change (%)	-46.3	83.6	56.5	13.9	22.2	26.2	20.7	18.3	21.6

Valuations	2020	2021	2022	2023	2024	2025	2026	2027E	2028E
BVPS (INR)	86	80	84	87	96	180	242	289	310
Change (%)	-0.4	-6.3	5.0	3.2	10.3	87.0	34.8	19.4	7.1
Price-BV (x)	**12.8**	**13.6**	**13.0**	**12.6**	**11.4**	**6.1**	**4.5**	**3.8**	**3.5**
EPS (INR)	6	11	16	18	22	26	30	34	41
Change (%)	-47.9	82.0	55.0	13.5	21.3	15.3	16.8	11.7	21.6

NUVAMA: Multi-engine business model scaling at a steady pace

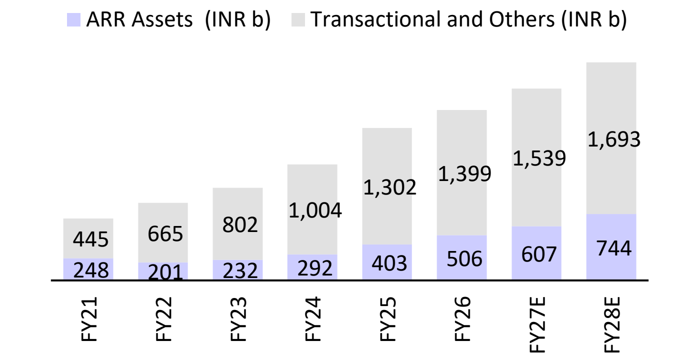
- NUVAMA is well diversified with a robust presence in UHNI Wealth Management, mid-segment Wealth Management, Custody & Clearing, and IE&IB businesses. Its AMC business is at a nascent stage with a strong foundation in place.
- Under the HNI segment (~31% of FY26 revenue), robust flows (16% of FY25 opening AUM), rising tilt toward recurring AUM (60% of new money), a sharper RM model, early use of GenAI-led advisory tools, and improving retention with steady costs are likely to drive revenue momentum. Operational efficiency with scale is expected to lead to margin expansion of ~200bp over FY26-28.
- Under the UHNI segment, strong flow momentum (INR141b in FY26 excl. held-away assets) is supported by a high-touch UHNI platform of over 140 RMs, a rapidly growing ARR base, a deeper offshore presence, and strong syndication capabilities. We expect a 17% revenue CAGR and ~150bp margin expansion over FY26-28, supported by steady traction in fixed income, structured products, real estate syndication, and improving RM productivity as ARR share rises.
- The Capital Markets & Asset Services segment (~43% of FY26 revenues) is poised for a steady rebound, with Asset Services achieving a new revenue peak in 4QFY26 after getting impacted by a client exit episode during the year. IE and IB segments are in a slowdown phase and are likely to be impacted by reduced institutional brokerage rates and slow IPO activity, while fixed-income activity remains steady. Supported by disciplined CIR and rising cross-platform flows, we expect ~14% revenue CAGR over FY26-28, with operating margins stable at ~63% during FY26-28.
- NUVAMA's AMC & Alternates platform, strategically important but currently loss-making, is in a phase of scaling up.
- Overall, we expect NUVAMA's revenue/PAT to post growth of 17%/19% over FY26-28. The stock is currently trading at FY28E P/E of 23x. We reiterate our BUY rating on the stock with a one-year (SoTP-based) TP of INR2,070, implying a target FY28E P/E multiple of 25x.

Exhibit 21: HNI AUM to grow with robust net new money



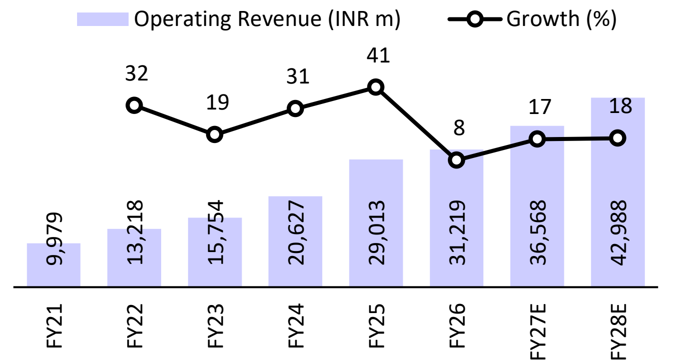
Source: MOFSL, Company

Exhibit 22: UHNI AUM to witness rising share of recurring AUM



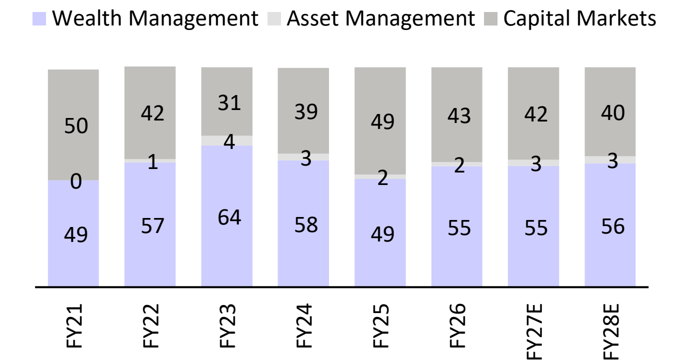
Source: MOFSL, Company

Exhibit 23: Revenue to grow in high-teens



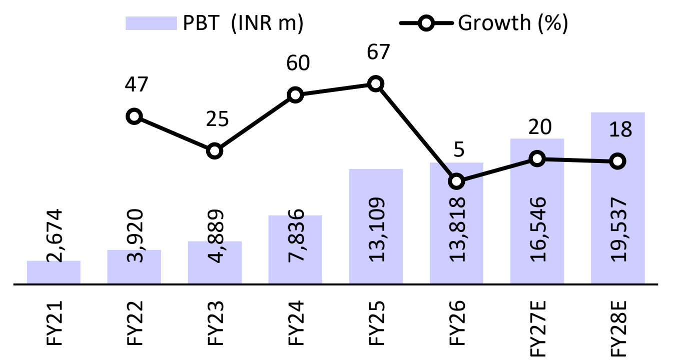
Source: MOFSL, Company

Exhibit 24: Diverse business model



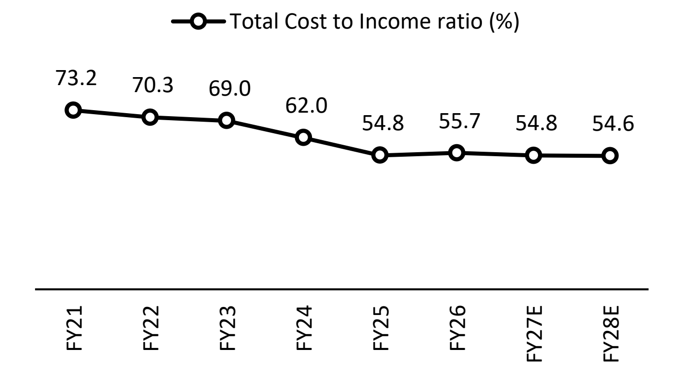
Source: MOFSL, Company

Exhibit 25: Upward trajectory in PBT



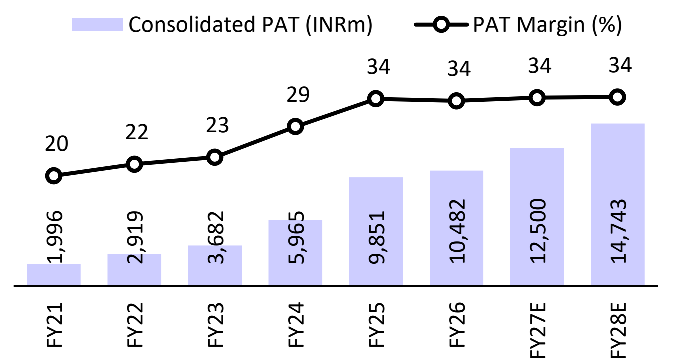
Source: MOFSL, Company

Exhibit 26: Improving CI ratio trends



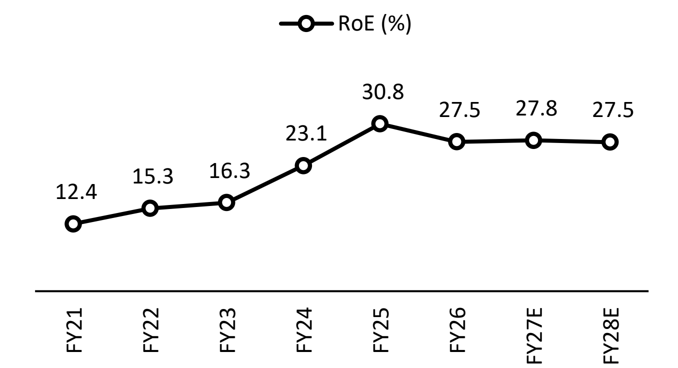
Source: MOFSL, Company

Exhibit 27: Trend in consolidated PAT



Source: MOFSL, Company

Exhibit 28: RoE to be near 28%



Source: MOFSL, Company

Income Statement								(INR m)
Y/E March	2021	2022	2023	2024	2025	2026	2027E	2028E
Nuvama Wealth	2,746	4,089	5,744	6,688	8,169	9,602	11,297	13,807
Nuvama Private	2,097	3,415	4,415	5,193	6,107	7,580	8,851	10,419
Asset Management	3	196	682	626	591	566	1,004	1,381
Capital Markets	5,030	5,594	4,894	8,050	14,142	13,476	15,417	17,381
Total Income	**9,979**	**13,218**	**15,754**	**20,627**	**29,013**	**31,219**	**36,568**	**42,988**
Change (%)		32.5	19.2	30.9	40.7	7.6	17.1	17.6
Employee expenses	4,725	6,404	7,586	9,065	11,804	12,761	14,215	16,650
Operating Profit	**5,255**	**6,814**	**8,168**	**11,563**	**17,209**	**18,458**	**22,353**	**26,338**
Depreciation	501	713	886	1,364	944	1,125	1,181	1,240
Other Operating cost	2,080	2,181	2,393	2,362	3,156	3,516	4,625	5,560
PBT before share from associates	2,674	3,920	4,889	7,836	13,109	13,818	16,546	19,537
Change (%)		46.6	24.7	60.3	67.3	5.4	19.7	18.1
Tax	668	1,011	1,217	1,892	3,332	3,474	4,137	4,884
Tax Rate (%)	25.0	25.8	24.9	24.1	25.4	25.1	25.0	25.0
PAT before share from associates	**2,005**	**2,909**	**3,673**	**5,944**	**9,777**	**10,344**	**12,410**	**14,653**
Share from associates (net of taxes)	**-9**	**10**	**10**	**21**	**74**	**138**	**90**	**90**
Consolidated PAT	**1,996**	**2,919**	**3,682**	**5,965**	**9,851**	**10,482**	**12,500**	**14,743**
Change (%)		46.3	26.1	62.0	65.1	6.4	19.3	17.9

Valuations	2021	2022	2023	2024	2025	2026	2027E	2028E
BVPS (INR)	91	108	128	164	198	234	276	332
Change (%)		18.8	18.1	28.3	20.5	18.0	18.4	20.1
Price-BV (x)	**20.7**	**17.4**	**14.7**	**11.5**	**9.5**	**8.1**	**6.8**	**5.7**
EPS (INR)	11.1	16.2	20.4	33.0	54.4	57.5	69.0	81.5
Change (%)		45.1	26.2	61.8	64.5	5.8	20.0	18.1
Price-Earnings (x)	**168.9**	**116.4**	**92.2**	**57.0**	**34.6**	**32.7**	**27.3**	**23.1**

Structurally advantaged industry with long-term compounding capability; shifting to 360 ONE as a preferred bet

- The Indian wealth management industry is supported by strong structural growth, asset-light business models, high cash generation, and long growth runways. The industry's fundamentals remain underpinned by sustained financialization of household savings amid rising wealth.
- The growth of wealth management industry is not concentrated in one ownership model. Bank-backed platforms are winning on existing clientele and balance sheet trust; established pure-play wealth managers (Anand Rathi, 360 ONE, NUVAMA) are focused on recurring revenue streams and RM productivity; boutique firms are earning wallet share through specialization, and tech-oriented firms are aiming for scaling through digital/phygital models.
- This diversity of business models operating simultaneously is evidence that the underlying demand is broad-based and structural, not cyclical or concentrated in a single distribution channel.
- With competition intensifying, the focus has transitioned toward quality and sustainability of growth, including net new money generation, RM productivity, product innovation, and operational leverage. Firms like 360 ONE and NUVAMA have been delivering organic inflows of ~15% of opening AUM while maintaining cost discipline.
- Supply crunch with respect to RMs has resulted in aggressive lateral hiring and rising employee costs, which may moderate expansion across the industry, alongside continued investments in technology and product capabilities. Firms with differentiated advisory capabilities, diversified product offerings, and

scalable technology platforms should be better positioned to sustain profitability as well as client retention.

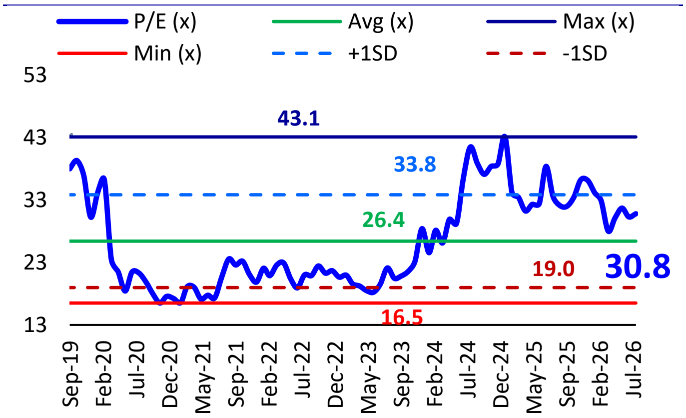
- The penetration of professional wealth management in India remains low relative to developed markets, suggesting significant headroom for growth. We are shifting our preference within the segment to 360 ONE, as we believe that investments in new growth initiatives, such as the HNI segment, ET Money, B&K, and UBS tie-up, will translate into a stronger earnings profile ahead. Valuations at 27x FY28E P/E are inexpensive, considering FY26-28E revenue/PAT CAGR of 18%/20% and RoE of 14%.

Exhibit 29: Key players in the wealth management industry – bank-promoted, pure play, and boutique

Key wealth managers	AUM (INRt)	Overview
Kotak Bank	12.7	❖ 78,200 families across the bank and group
360 ONE Wealth	6.8	❖ ~8,900 families with ~4,000 families having AUM of INR100m+
HDFC Bank	4.8	❖ 86,000+ affluent families with 1,000+ wealth experts
Nuvama Wealth	3.1	❖ 4,750+ UHNI and 1.3m+ affluent and HNIs
Motilal Oswal Private Wealth	2.0	❖ 9,100 families with 400+ Hurun UHNI families
Anand Rathi Wealth	1.0	❖ 13,941 clients with 50%+ in the INR50-500m range
Avendus Wealth	0.9	❖ 3,100+ UHNI, family offices, and corporates serviced with 70+ advisors

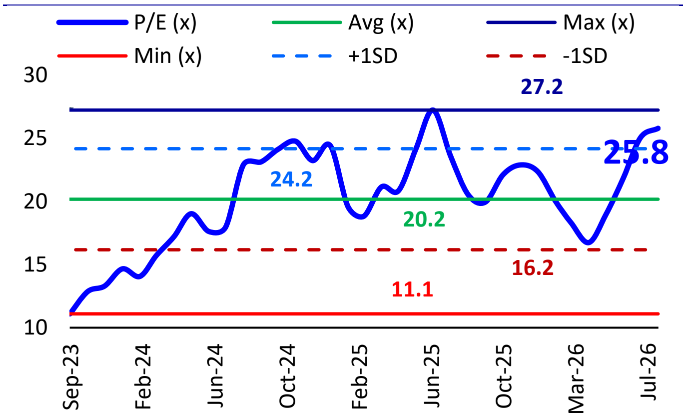
Source: MOFSL, Company disclosures

Exhibit 30: 360 ONE WAM one-year forward valuation



Source: MOFSL

Exhibit 31: NUVAMA one-year forward valuation



Source: MOFSL

Explanation of Investment Rating	
Investment Rating	**Expected return (over 12-month)**
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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