Gross domestic savings remained above 30 per cent of GDP

- India’s Gross Domestic Savings (GDS), as a percentage of GDP, remained above 30 per cent since 2004 and stood at 29.02 per cent in FY14. The IMF estimates domestic savings, as a per cent of GDP, to remain at similar strong levels until 2019. This compares favourably with other developed nations such as the US (17–19 per cent), and emerging countries including Brazil (15 per cent), Russia (25 per cent) and China (50 per cent).

India’s HNWI population to double by 2020

- HNWI population in India is expected to double and total holdings by HNWI is estimated to reach USD3 trillion in 2020 which presents considerable growth opportunities for wealth management.

Robust AUM growth

- Mutual fund industry AUM recorded a CAGR of 12.05 per cent over FY07–15. India is considered one of the preferred investment destinations globally.

Notes: HNWI – High Net Worth Individual, NBFC – Non-Banking Financial Company, AUM – Assets Under Management
Growing demand

• Rising incomes are driving the demand for financial services across income brackets

• Financial inclusion drive from RBI has expanded the target market to semi-urban and rural areas

• Investment corpus in Indian insurance sector can rise to USD1 trillion by 2025

Innovation

• India benefits from a large cross-utilisation of channels to expand reach of financial services

• Product innovation is leading to healthy growth in Insurance and NBFCs

Policy support

• NRFIP aims at providing comprehensive financial services to excluded rural households by 2015

• Government has approved new banking licenses and increased the FDI limit in the insurance sector

• Jan Dhan Yojana launched by Prime Minister to increase the penetration of financial services in country

Growing penetration

• Credit, insurance and investment penetration is rising in rural areas

• HNWI participation is growing in the wealth management segment

• Lower mutual fund penetration of 5–6 per cent reflects latent growth opportunities

FINANCIAL SERVICES

SEGMENTS OF THE FINANCIAL SERVICES SECTOR

- Financial services
  - Capital markets
    - Asset management
    - Broking
    - Wealth management
    - Investment banking
  - Insurance
    - Life
    - Non-life
  - NBFCs
    - Asset finance company
    - Investment company
    - Loan company

Note: NBFC - Non Banking Financial Company

For updated information, please visit www.ibef.org
The asset management industry in India is among the fastest growing in the world.

Total AUM of the mutual fund industry clocked a CAGR of 12.05 per cent over FY07–15 to USD179.6 billion.

As of FY16 (Till June’15), 43 asset management companies were operating in the country.

Securities and Exchange Board of India (SEBI) has announced various measures aimed at increasing the penetration and strengthening distribution network of mutual funds.

As of June 30, 2015, total AUM of mutual fund industry was USD195.5 billion.

Source: AMFI, TechSci Research
Notes: AUM – Assets Under Management,
* In Indian Rupee terms,
FY16* - Till 30th June 2015
CORPORATE INVESTORS ARE BY FAR THE LARGEST INVESTOR IN MUTUAL FUNDS

Corporate investors account for around 45.9 per cent of total AUM in India, while HNWIs and retail investors account for 28.6 per cent and 22.9 per cent, respectively.

The share of corporate investors declined to 45.9 per cent in FY15 from 49 per cent in FY14, while that of HNWIs increased to 28.6 per cent in FY15 from 27 per cent in FY14.

Leading AMCs in India (as of June 2015)

<table>
<thead>
<tr>
<th>Top 5 AMCs in India</th>
<th>AUM (USD billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>HDFC Asset Management Co. Ltd.</td>
<td>25.88</td>
</tr>
<tr>
<td>ICICI Prudential Asset Management Co. Ltd.</td>
<td>24.40</td>
</tr>
<tr>
<td>Reliance Capital Asset Management Ltd.</td>
<td>22.70</td>
</tr>
<tr>
<td>Birla Sun Life Asset Management Co. Ltd</td>
<td>19.69</td>
</tr>
<tr>
<td>UTI Asset Management Company Ltd</td>
<td>14.55</td>
</tr>
</tbody>
</table>

Investor breakup (as of March 2015)

- Corporates: 45.9%
- HNWIs: 28.6%
- Retail: 22.9%
- FIIs: 1.4%
- Financial Institutions: 1.2%

Source: AMFI, TechSci Research, Money Control
Notes: HNWI - High Net Worth Individuals, AMC - Asset Management Company
BROKING: EQUITY MARKET TURNOVER INCREASED SIGNIFICANTLY IN RECENT YEARS

- Steadily rising turnover in financial markets has led to rapid expansion of the brokerage segment.
- The annual turnover value in NSE has witnessed a CAGR of 20.7 per cent between FY96 and FY15 to reach USD718 billion.
- The number of companies listed on the NSE rose from 135 in 1995 to 1,733 in March 2015.

Listed companies on major stock exchanges in Asia-Pacific countries (FY15)

<table>
<thead>
<tr>
<th>Exchange</th>
<th>Number of Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian SE</td>
<td>2,193</td>
</tr>
<tr>
<td>Hong Kong Exchange</td>
<td>1,775</td>
</tr>
<tr>
<td>Korea Exchange</td>
<td>1,934</td>
</tr>
<tr>
<td>Shanghai SE</td>
<td>1,114</td>
</tr>
<tr>
<td>Taiwan SE Group</td>
<td>881</td>
</tr>
<tr>
<td>NSE India</td>
<td>1,733</td>
</tr>
</tbody>
</table>

Source: National Stock Exchange, SEBI, TechSci Research
Notes: CAGR – Compounded Annual Growth Rate; NSE – National Stock Exchange.
**RAPID INCREASE IN BROKERAGE COMPANIES DUE TO RISING TURNOVER**

* The number of listed companies on NSE and BSE increased to 7,024 in FY14 and 8,634 in January 2015 from 6,445 companies during FY10.

* Net investment (both equity and debt) by FIIs declined to USD8.6 billion in FY14 versus USD31 billion in the previous year. However, FIIs investment in equity markets picked up again during recent months of FY14–15 on hopes of better macro-economic policies and reform measures by the new government.

* The brokerage market has become more competitive with the entry of new players and increasing efforts of existing players to gain market share.

**Companies listed on NSE and BSE**

<table>
<thead>
<tr>
<th>Year</th>
<th>FY06</th>
<th>FY07</th>
<th>FY08</th>
<th>FY09</th>
<th>FY10</th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15*</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5,850</td>
<td>6,049</td>
<td>6,268</td>
<td>6,361</td>
<td>6,445</td>
<td>6,641</td>
<td>6,779</td>
<td>6,877</td>
<td>7,024</td>
<td>8,634</td>
</tr>
</tbody>
</table>

**Registered sub-brokers**

<table>
<thead>
<tr>
<th>Year</th>
<th>FY09</th>
<th>FY10</th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14*</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>62,471</td>
<td>75,378</td>
<td>83,808</td>
<td>77,141</td>
<td>70,178</td>
<td>55,542</td>
</tr>
</tbody>
</table>


Source: SEBI, TechSci Research
The number of HNWIs in India has seen a steady rise and has grown at a CAGR of 17 per cent between 2011 and 2014. India has fourth largest ultra-high net worth households in the world according to BCG report entitled “Global Wealth 2015: Winning the Growth Game”.

High net worth households would grow at an even faster rate till 2019 growing at a CAGR of about 21.5 per cent.

Considering a minimum HNWI investment of 10–20 per cent, the size of the wealth management industry at around USD50–60 billion by 2015 end.

Advisory asset management and tax planning has one of the highest demand among wealth management services by HNWIs; this is followed by financial planning.
Organised segment of the wealth management industry is rapidly gaining ground, indicating that the sophisticated players are gaining client confidence.

Expectations of India being the third largest economy in the world by 2030 is attracting new entrants in the wealth management space, which is why it is getting bigger.

Source: Industry reports, TechSci Research
Note: Estimated
INSURANCE: THE LIFE INSURANCE SEGMENT HAS GROWN SIGNIFICANTLY IN RECENT YEARS

- The life insurance market has grown from USD10.5 billion in FY02 to USD52.14 billion in FY14
- Over FY02–14, life insurance premiums increased at a CAGR of 14.75 per cent
- Life insurance penetration grew to 3.1 per cent in FY14 from 2.2 per cent in 2001. However, it is well below the global average of 6.3, indicating ample scope for growth

Major private players in the life insurance segment (as of FY14)

<table>
<thead>
<tr>
<th>Name</th>
<th>Total premiums (USD billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>ICICI Prudential</td>
<td>2.1</td>
</tr>
<tr>
<td>HDFC Standard</td>
<td>2.0</td>
</tr>
<tr>
<td>SBI Life</td>
<td>1.8</td>
</tr>
<tr>
<td>Bajaj Allianz</td>
<td>1.0</td>
</tr>
<tr>
<td>Max Life</td>
<td>1.2</td>
</tr>
</tbody>
</table>

Life insurance segment (USD billion)

CAGR: 14.75%

Source: IRDA, Swiss Re, TechSci Research
The non-life insurance market grew from USD2.6 billion in FY02 to USD14.0 billion in FY15.

Non-life insurance penetration rose to 0.80 per cent in 2013-14 from 0.5 per cent in FY02, standing at USD3.4 billion for FY16 (June’15).

Over FY02–15, non-life insurance premiums increased at a CAGR of 13.8 per cent.

Premiums generated by private players surged at a CAGR of 37.5 per cent, while public premiums increased 9.0 per cent over FY02–15.

Insurers grew at a strong 8.5 per cent in FY15, with private premiums rising at 10.5 per cent and public premiums at 6.9 per cent in comparison to FY14.

Source: IRDA, General Insurance Council
TechSci Research
Notes: *, Till June’15
Motor insurance accounted for 39.4 per cent of the gross direct premiums earned in FY16* (up from 41 per cent in FY06), at USD1.01 billion till May’15

At USD0.71 billion (Till May’15), the Health segment seized 27.7 per cent share in gross direct premiums, higher than 23 per cent in FY14

Private players contributes around 44.11 per cent in the total revenue generated in non life insurance sector while public companies contributes around 55.88 per cent share by June’15

Major private players are ICICI Lombard, Bajaj Allianz, IFFCO Tokio, HDFC Ergo, Tata-AIG, Reliance, Cholamandalam, Royal Sundaram and other regional insurers

Source: IRDA, TechSci Research
Notes: CAGR – Compounded Annual Growth Rate,
FY16* - May 15
NBFCs are rapidly gaining prominence as intermediaries in the retail finance space.

- NBFCs finance more than 80 per cent of equipment leasing and hire purchase activities in India.
- As of March 31, 2015, there were 11,842 NBFCs registered with the Reserve Bank of India, of which 220 were deposit-accepting (NBFCs-D) and 11,622 were non deposit accepting (NBFCs-ND), while around 2094 NBFC’s registered companies certification has been cancelled (As of September 2014).
- The AUM of NBFCs in retail finance tripled during 2007–14 to reach USD 77.6 billion.
- New RBI guidelines on NBFCs with regard to capital requirements, provisioning norms and enhanced disclosure requirements are expected to benefit the sector in the long run.

Growth in AUM of retail NBFCs (in USD billion)

Source: FICCI, CRISIL, Dun and Bradstreet, ICRA, TechSci Research
Notes: AUM - Assets Under Management; NBFC - Non Banking Financial Company; P - Provisional
NOTABLE TRENDS IN THE FINANCIAL SERVICES SECTOR

Insurance sector

- New distribution channels such as bancassurance, online distribution and NBFCs have widened the reach and reduced operational costs
- The life insurance sector has witnessed the launch of innovative products such as Unit Linked Insurance Plans (ULIPs)
- Most general insurance public companies are planning to expand beyond Indian markets, especially in South-East Asia and the Middle East

Mutual fund

- India’s AUM expanded at a CAGR of 12.1 per cent over FY07–15; total AUM stood at USD195.5 billion as of 30 June 2015
- In FY09, SEBI removed the entry load to bring about more transparency in commissions, encouraging longer-term investment
- In its effort to encourage investments from smaller cities, SEBI allowed AMCs to hike expense ratio up to 0.3 per cent on the condition of generating more than 30 per cent inflow from these cities

NBFCs

- NBFCs have served the unbanked customers by pioneering into retail asset-backed lending, lending against securities and microfinance
- NBFCs aspire to emerge as a one-stop shop for all financial services
- The sector has witnessed moderate consolidation activities in recent years, a trend expected to continue in the near future
- New banking licence-related guidelines issued by RBI in early 2013 place NBFCs ahead in competition for licenses owing largely to their rural network
- RBI’s decision to ban certification of new NBFCs for one year and act as correspondents for banks bodes well for the sector. These initiatives would widen customer reach as well as enable consolidation in the industry.
FINANCIAL SERVICES

PORTER’S FIVE FORCE ANALYSIS

<table>
<thead>
<tr>
<th>Competitive Rivalry</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Competitive rivalry between big players is intense in the industry</td>
</tr>
<tr>
<td>• Financial services companies often compete on the basis of offering lower financing rates, higher deposit rates and investment services</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Threat of New Entrants</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Stringent regulatory norms prevent new entrants</td>
</tr>
<tr>
<td>• Customers prefer to invest their money with a reputed financial services company offering a wide range of services</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Substitute Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Low threat of substitutes</td>
</tr>
<tr>
<td>• Less number of substitutes available for financial products</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Bargaining Power of Suppliers</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Low bargaining power of suppliers as the industry is highly regulated by RBI</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Bargaining Power of Customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Medium bargaining power of customers. Although customers do not have much bargaining power, they can easily switch to another company based on the terms and quality of services provided</td>
</tr>
</tbody>
</table>

For updated information, please visit www.ibef.org
<table>
<thead>
<tr>
<th>Innovation</th>
<th>Mergers &amp; Acquisition</th>
<th>Stepped up IT expenditure</th>
<th>Expanding geographical presence</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Companies in the industry are introducing customised products to better serve client needs</td>
<td>• Financial services companies are strengthening their position through inorganic routes and diversifying into other businesses</td>
<td>• The explosion of mobile phones, proliferation of social media platforms, uptake of technologies such as cloud computing and rising pace of convergence and interconnectivity have led companies in the financial services industry to ramp up investment in Information Technology (IT) to better serve their end-customers</td>
<td>• Indian companies are strengthening their footprint on foreign shores, enhancing geographical exposure</td>
</tr>
<tr>
<td>• In the insurance industry, several new and existing players have introduced innovative insurance-based products, value add-ons and services. Many foreign companies have also entered the domain, including Tokio Marine, Aviva, Allianz, Lombard General, AMP, New York Life, Standard Life, AIG and Sun Life</td>
<td>• In FY14, Manappuram Finance Ltd (MFL) entered into an agreement with Jaypee Hotels for the acquisition of Milestone Home Finance Company. The transaction would broaden MFLs portfolio by including housing finance</td>
<td>• The inclusion of internet banking and core banking has made banking operations easier and user friendly. As per Gartner Inc, the insurance sector is estimated to spend about USD2.2 billion on IT products and services in 2015, up 10.4 per cent from 2014</td>
<td></td>
</tr>
</tbody>
</table>
GROSS NATIONAL SAVINGS TO CONTINUE GROWING AT A HEALTHY PACE

- Gross national savings in India stood at USD683 billion in 2013, and is expected to reach USD1,272 billion by the end of 2019.
- Gross national savings are estimated to increase from 29.1 in FY 2013-14 to 33 per cent of the GDP during the government’s 12th Five Year Plan (FY13–17).
- India’s HNWIs wealth is likely to expand at a CAGR of 19.7 per cent and reach around USD3 trillion by 2020.
- In the July budget 2014-15, government revised the cap for taxes, and brought more relief to taxpayers who can now keep more percentage of their income in tax-exempted savings, thus promoting more savings.

Gross national savings (USD billion)

Source: IMF, Reserve Bank of India, Deloitte Center for Financial Services
Note: F - Forecasts
Over 95 per cent of household savings are invested in bank deposits and only 5 per cent in other financial asset classes. Innovative and customised products are expected to shift bank deposits to these asset classes.

The average investment by retail investors in stock market in India is 2 per cent. The government aims to increase this to 10–15 per cent by 2025.

With the introduction of new products such as ULIPs, the share of private insurers in life insurance investments has risen over past few years.

The quantum of savings that Indians are making is set to present immense opportunities for financial intermediaries to move savings to more productive channels.

The Indian equity market is expanding in terms of listed companies and market cap, widening the playing field for brokerage firms.

Sophisticated products segment is growing rapidly, reflected in the steep rise in growth of derivatives trading.

With the increasing retail penetration there is immense potential to tap the untapped market. Growing financial awareness is expected to increase the fraction of population participating in this market.

Number of listed companies - NSE

Growth in turnover for derivatives segment (USD billion)

Source: National Stock Exchange, TechSci Research
Note: FY16* till 13th July
With a fast rising economy, the investable wealth of HNWI segment is rising, creating a need for wealth services.

The fraction of management services is growing, with a current estimated level of 20 per cent HNWIs who use wealth.

The HNWI population in India is estimated to double by 2020 adding to the addressable market of wealth management.

Remittances from Non-Resident Indians (NRIs) and People of Indian Origin (PIOs) – at USD70.38 billion in FY14 adds to the size of the segment.
Only 1 per cent population covered currently, suggesting that the vast market is yet to be tapped. Health insurance accounts for 1.2 per cent of total healthcare spend.

Passenger car sales are expected to grow by 8 per cent in FY16.

Rising number of passenger cars, insurance for construction activity will rise with India’s infrastructure growth plans.

Demand for agricultural and livestock insurance growing on the back of rising awareness among rural population.

Targeted at rural segment, potentially addressing two-thirds of Indian population policy incentives are driving growth.

Source: The Society of Indian Automobile Manufacturers, Economic Times.
FAVOURABLE POLICY MEASURES HAVE AIDED THE SECTOR

Budgetary Measures

- Various steps have been taken for deepening the reforms in the capital markets, including simplification of the IPO process, allowing QFIs to access the Indian bond markets
- The government has proposed simplification of procedures and prescribing uniform registration and other norms for the entry for foreign portfolio investors
- It has been proposed to allow stock exchanges to introduce a dedicated debt segment on the exchange
- Budget FY2016 announced setting up of Public Debt Management Agency (PDMA) which will bring both India’s external borrowings and domestic debt under one roof.
- The composite cap on Foreign Direct Investment (FDI) in the insurance segment has been increased to 49 per cent from 26 per cent currently
- Banks would be allowed to raise long-term funds with minimum regulations
- Government in the recent budget has increased the tax exempted saving limit for the households, revising the old tax slab promoting savings

Tax incentives

- Insurance products are covered under the EEE (exempt, exempt, exempt) method of taxation. This translates to an effective tax benefit of approximately 30 per cent on select investments (including life insurance premiums) every financial year
- Reduction in securities transaction tax from 0.125 per cent to 0.1 per cent on cash delivery transactions and from 0.017 per cent to 0.1 per cent on Equity futures
- Indian tax authorities plan to sign a bilateral advance pricing agreement with a number of companies in Japan. The agreement is aimed at avoiding conflicts with multinational companies over sharing of taxes between India and the countries where these firms are based

Source: Dun and Bradstreet, TechSci Research
Note: QFI – Qualified Foreign Investors
An Insurer is permitted to collect the following fee for granting a written acknowledgement of the receipt of notice of assignment or transfer:

- In respect of those policies that are issued in electronic form as specified by the regulations under the provisions of Section 14 (2) of the Insurance Act as modified from time to time, the fee collected shall not exceed Rs 50 (Rupees fifty only) inclusive of all applicable taxes, while the above the fee collected shall not exceed Rs 100 (Rupees Hundred Only) inclusive of all applicable taxes.

- No other fee shall be collected for rendering any other services such as, recording the fact of the transfer or assignment or any other services connected to the assignment or transfer prescribed in Section 38 of the Insurance Act as modified from time to time.

Every Life Insurer is permitted to collect the fee for registering the cancellation or change of the nomination by the holder of a policy of Life Insurance on his own life in respect to those policies that are issued in electronic form (As mentioned in Section 14 (2) of the act)

- The nomination effected by a policyholder at the inception of the policy through the proposal form and recorded by the Insurer on the face of a policy document shall be considered as a valid acknowledgement by the Insurer.

Source: IRDA, TechSci Research
Guidelines On Appointment Of Insurance Agents, 2015

- Appointment of Insurance Agent by the Insurer:
  - An applicant seeking appointment as an Insurance Agent of an Insurer shall submit an application in Form I-A to the Designated Official of the Insurer
  - The Designated Official of the insurer, on receipt of the application, shall satisfy himself that the applicant has furnished the application and complete in all aspect and has submitted PAN details along with the Agency Application Form
  - has passed the insurance examination and does not suffer from any of the disqualifications
  - has the requisite knowledge to solicit and procure insurance business; and capable of providing the necessary service to the policyholders;
  - The Designated Official shall exercise due diligence in verifying the agency application and ascertaining that the applicant does not hold agency appointment for more than one life insurer, one general insurer, one health insurer and one of each of the monoline insurers and is not in the centralised list of blacklisted agents.

Source: IRDA, TechSci Research
HUGE UNTAPPED POTENTIAL AT THE ‘BOTTOM OF THE PYRAMID’ …

* Two-thirds of India’s population lives in rural areas where financial services have made few inroads so far. Rural India, however, has seen steady rise in incomes creating an increasingly significant market for financial services

* There are several standalone networks of SHG, NGO’s and MFI’s in different parts of rural India. Cross-utilisation of these channels can facilitate faster penetration of a wider suite of financial services in rural India

* Increasing use of technology to reach rural India is the paradigm-shifting enabler. Internet kiosk based channels are expected to become the bridge that connects rural India to financial services

Notes: MFI – Micro Finance Institutions; NGO – Non Governmental Organisation; SHG – Self Help Groups

Credit

- Rural credit segment is a large market, which can be tapped by ensuring timely loans which are critical to agricultural sector
- Self Help Groups and NGOs are useful vehicles to make inroads into rural India

Investments

- Safe investment options have a potential to tap into rural household savings
- Some private players are coming up with innovative products like third-party money market mutual funds to cater to rural investment needs

Insurance

- Agricultural, livestock and weather insurance are potentially large markets in rural India
- Harnessing existing networks of MFIs, NGOs can speed up the process
- Market size to reach USD350-400 billion by 2020
India is one of the fastest growing wealth management markets in the world

The HNWI population in India is young and therefore more receptive towards sophisticated financial products

India has over 286,000 households with net worth of more than USD1 million with assets close to USD584 billion

Demographic age-wise breakup of HNWIs (2013)

- India: 73% Under 50, 17% 51-65, 10% Over 65
- APAC: 59% Under 50, 26% 51-65, 15% Over 65
- US: 35% Under 50, 26% 51-65, 39% Over 65

Source: Datamonitor, TechSci Research

Investor protection

- The regulatory environment for fiduciary duties in wealth management is evolving; players will benefit greatly from quickly adopting new investor protection measures

Brand building

- Brand building coupled with partnership based model will improve the advisory penetration. Greater focus on transparency will speed up the process

Innovation

- Investment in required technologies, imbibing state-of-the-art best practices of advisory and creating customised and innovative products will enable growth
HNWI population in India is expected to expand rapidly over the next seven years.

Total wealth holdings by HNWI in India is estimated to be USD584.5 billion and is expected to reach USD3 trillion by 2020.

### High-net-worth households in India (estimates)

<table>
<thead>
<tr>
<th>Net worth</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2015</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>USD1–5 million</td>
<td>157,000</td>
<td>183,333</td>
<td>210,000</td>
<td>315,000</td>
<td>508,127</td>
</tr>
<tr>
<td>USD5–30 million</td>
<td>36,000</td>
<td>43,000</td>
<td>50,000</td>
<td>84,000</td>
<td>13,280</td>
</tr>
<tr>
<td>Above USD30 million</td>
<td>17,000</td>
<td>21,000</td>
<td>26,000</td>
<td>40,000</td>
<td>56,000</td>
</tr>
<tr>
<td>Total wealth holdings</td>
<td>361.8</td>
<td>503.1</td>
<td>584.5</td>
<td>1,559.1</td>
<td>2,950.1</td>
</tr>
<tr>
<td>of millionaires (USD billion)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Deloitte Center for Financial Services
SUCCESS STORIES: UTI ASSET MANAGEMENT COMPANY

UTI Asset Management Company Ltd

Established in 2003, appointed by UTI Trustee Co, Pvt Ltd for managing the schemes of UTI Mutual Fund
- Divisions – Domestic mutual funds, Portfolio Management Services, Venture Capital and Private Equity Funds
- Features – Domestic schemes: 90
  - AUMs: USD15.15 billion
  - Network: 149 financial centres
- Recognition –
  - Axis Long Term Equity has won the Morningstar India Fund Awards 2013 in the Best Large Cap Equity Fund Category
  - Awarded eight “ICRA Mutual Fund Awards 2012”

Net profit (USD million)

Source: Company website, TechSci Research
Kotak Mahindra Old Mutual Life Insurance Ltd

Established in 2000, Kotak Mahindra Old Mutual Life Insurance Ltd offers life insurance products in India. It is a 74:26 joint venture between Kotak Mahindra Bank Ltd, its affiliates and Old Mutual Plc.

- Features – Number of customers covered: 547,321
  - AUMs: USD1.9 billion
  - Number of branches: 214

Net profit (USD million)

<table>
<thead>
<tr>
<th>Year</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY10</td>
<td>14.6</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY11</td>
<td></td>
<td>22.5</td>
<td></td>
<td></td>
<td></td>
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<td>FY12</td>
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<td>43.4</td>
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<td>34.9</td>
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<td>FY15</td>
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</table>

Source: Company website, TechSci Research

For updated information, please visit www.ibef.org
SUCCESS STORIES: SHRIRAM TRANSPORT FINANCE CO LTD

Shriram Transport Finance Co Ltd is India’s largest player in commercial vehicle finance, with a niche presence in financing pre-owned and small truck owners.

- Services – Truck financing, passenger vehicle financing, farm equipment financing, construction vehicle and equipment financing
- Features – Number of customers covered: 1.1 million
  - AUMs: USD8.8 billion
  - Number of branches: 719

Net profit (USD million)

Source: Company website, TechSci Research
Motilal Oswal Financial Services Limited

Established in 1987, Motilal Oswal Financial Services Limited provides various diversified financial services in India:

- Divisions – Broking and Distribution, Institutional Equities, Investment Banking, Asset Management, Wealth Management and Private Equity
- Features – Number of registered customers: 740,000
  - Business Locations: 1,743 locations
  - AUMs: USD0.68 billion
- Recognition –
  - Best Equity Broker Award – 2012 (Bloomberg UTV)
  - Best Performing Financial Advisor (CNBC TV18 Financial Advisor Awards – 2012)

Net profit (USD million)

Source: Company website, TechSci Research
Muthoot Finance Limited

Muthoot Finance Limited is the largest gold financing company in India in terms of loan portfolio. The company provides personal and business loans secured by gold jewellery.

- Divisions – Financing, Power Generation and FM Radio
- Features – Number of branches: 4,400
  - Gold loans under management: USD6 billion
  - Number of employees: 25,000

Net profit (USD million)

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY11</td>
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<tr>
<td>FY12</td>
<td>190.3</td>
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<td>129.4</td>
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<td>FY15</td>
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Source: Company website, TechSci Research
Insurance Brokers Association of India (IBAI)
Maker Bhavan No 1, 4th Floor,
Sir V T Marg, Mumbai – 400 020
India
Phone: 91 11 22846544
E-mail: ibai@ibai.org

Association of Mutual Funds in India (AMFI)
One Indiabulls Centre,
Tower 2, Wing B, 701,
841 Senapati Bapat Marg,
Elphinstone Road, Mumbai – 400 013
India
Phone: 91 11 24210093 / 24210383
Fax: 91 11 43346712
E-mail: contact@amfiindia.com

Finance Industry Development Council (FIDC)
222, Ashoka Shopping Centre,
II Floor, L T Road, Near G T Hospital
Mumbai – 400 001
India
Phone: 91 11 2267 5500
Fax: 91 11 2267 5600
E-mail: info@fidcindia.com
GLOSSARY

* **AUM**: Assets Under Management
* **BSE**: Bombay Stock Exchange
* **CAGR**: Compound Annual Growth Rate
* **FII's**: Foreign Institutional Investors
* **GDP**: Gross Domestic Product
* **HCV**: Heavy Commercial Vehicle
* **HNWIs**: High-Net-Worth Individuals
* **IRDA**: Insurance Regulatory and Development Authority
* **LIC**: Life Insurance Corporation
* **NBFCs**: Non Banking Financial Company
* **NSE**: National Stock Exchange
* **RBI**: Reserve Bank of India
* **SEBI**: Securities and Exchange Board of India
* **USD**: US Dollar
### Exchange rates (Fiscal Year)

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<tr>
<th>Year</th>
<th>INR equivalent of one USD</th>
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<td>2004–05</td>
<td>44.81</td>
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<td>2005–06</td>
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<td>2006–07</td>
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<td>2009–10</td>
<td>47.42</td>
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<td>2010–11</td>
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<tr>
<td>2011–12</td>
<td>46.88</td>
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<tr>
<td>2012–13</td>
<td>54.31</td>
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<td>2013–14</td>
<td>60.28</td>
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<tr>
<td>2014-15(Expected)</td>
<td>60.28</td>
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### Exchange rates (Calendar Year)

<table>
<thead>
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<th>Year</th>
<th>INR equivalent of one USD</th>
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<tbody>
<tr>
<td>2005</td>
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<td>2006</td>
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<td>2014</td>
<td>61.03</td>
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<tr>
<td>2015(Expected)</td>
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India Brand Equity Foundation ("IBEF") engaged TechSci to prepare this presentation and the same has been prepared by TechSci in consultation with IBEF.

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