

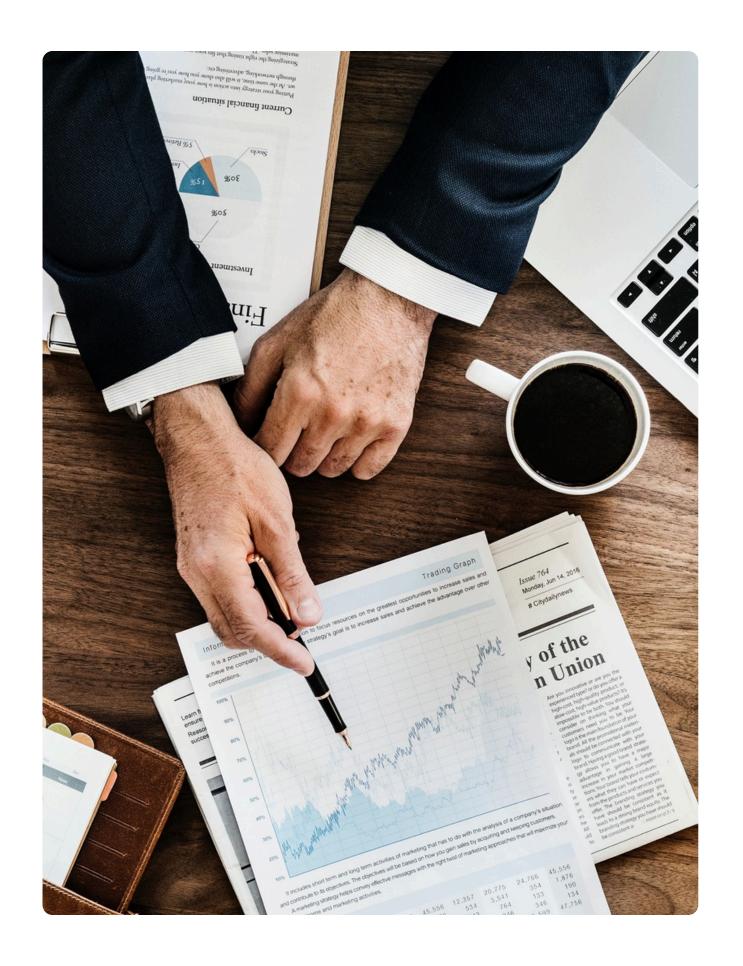
basic roots consulting

MAKING BUSINESSES BETTER

# Wealth Management Sector

Trends, Opportunities, and Growth

BRC Bytes December 2025



### **Executive Summary**

India is entering its most consequential decade of wealth creation, and wealth management is moving from a niche, relationship-led service to a scaled, technology-driven industry

#### 1. India's Wealth Is Expanding at an Unmatched Pace

- India has added more ₹1 Cr+ taxpayers, billionaires, and HNIs than any major economy in the last five years
- Financial assets with wealthy households exceed ₹240 lakh crore, creating a large serviceable opportunity for wealth managers
- Mass-affluent households now control ₹140 lakh crore in financial assets, larger than the financial asset base of several mid-sized economies

#### 2. Structural Tailwinds Are Re-Shaping the Industry

- Financialisation at scale: MF AUM grew from ₹22 lakh cr → ₹75 lakh cr (FY20–25)
- Tier-2/3 India is emerging as the next frontier B30 MF AUM share has jumped from 21%  $\rightarrow$  30%
- UPI Autopay, Account Aggregator, and a regulated onboarding stack have slashed friction and unlocked mass distribution

#### 3. New-Age Wealth Models Are Scaling Faster Than Ever

- Digital-first platforms are winning through low-cost acquisition, automation, content-led trust, and advisory-led monetization
- Operating leverage is fundamentally superior: 60–80% gross margins and 15–25% cost-to-income at scale
- Hybrid models (tech + advisors) are redefining how HNI and UHNI clients are served

#### 4. Groww: India's Poster Child of Wealthtech Scale

- 70M+ users, India's #1 platform for active equity investors
- FY24–25: ₹3,900 Cr revenue | ₹1,824 Cr profit profitability at massive scale
- Generated \$7.5 Bn+ outcome for the investors, 3X of the total investments that have gone in this space (~\$2.6Bn)

#### 5. The Next Decade Will Be Defined By:

- Al-augmented advisory, hyper-personalised portfolios, and embedded wealth
- Massive rise in family offices, alternatives, and global exposure
- A tech + trust-led model where distribution moats will be rebuilt on digital rails, not branches

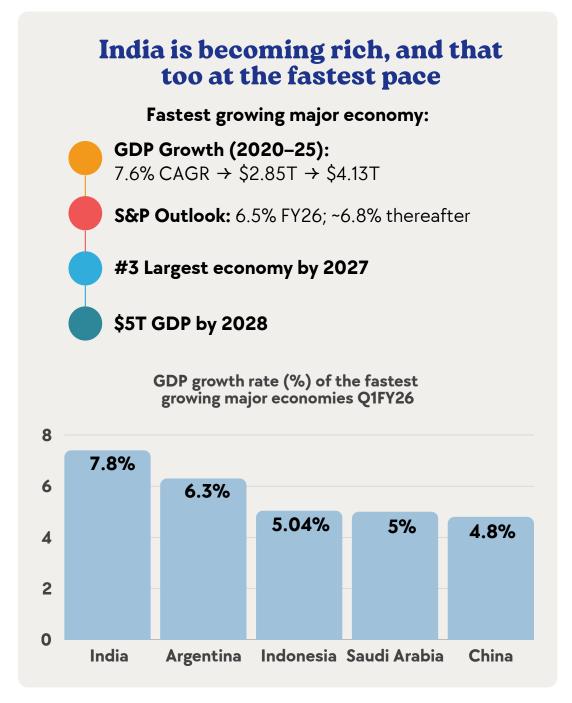
# Setting the Context

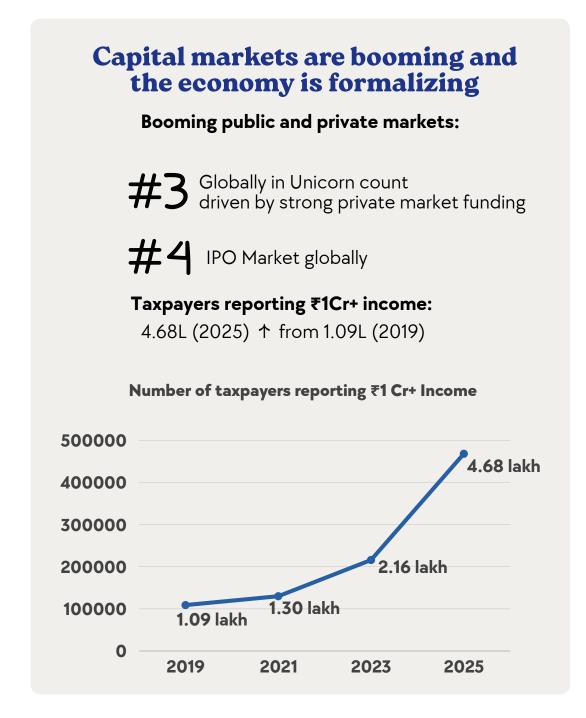
India's accelerating wealth creation is fueling a new era of opportunity for professional wealth management



# India's Economic Momentum: The Expanding Wealth Landscape

India is expanding its wealth landscape faster than any major economy, leading global growth, surging to #3 in unicorns and billionaires, and quadrupling its ₹1 crore+ taxpayer base since 2019, a combination no other large economy matches



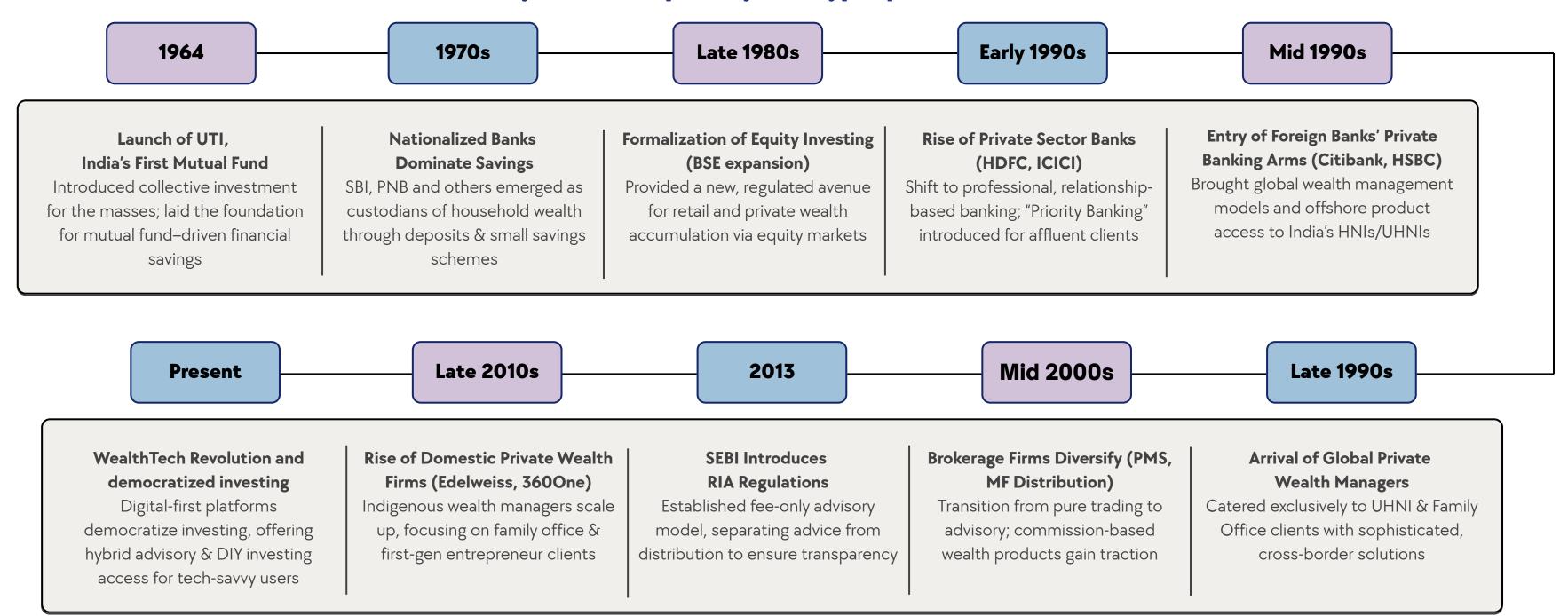




Source: PIB, IMF, Tracxn, Forbes

# The Making of India's Wealth Management Industry: A Journey Through Key Milestones

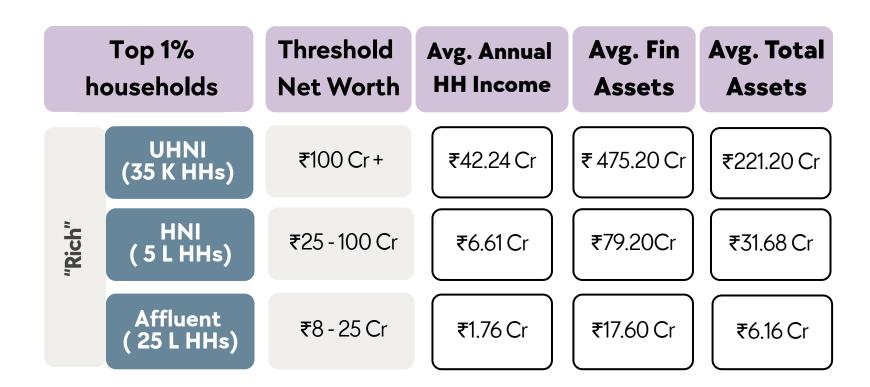
What began with mutual funds and private banks is now evolving into a tech-enabled, advisory-first industry, with the next decade poised to be defined by scale, transparency, and hyper-personalised wealth solutions

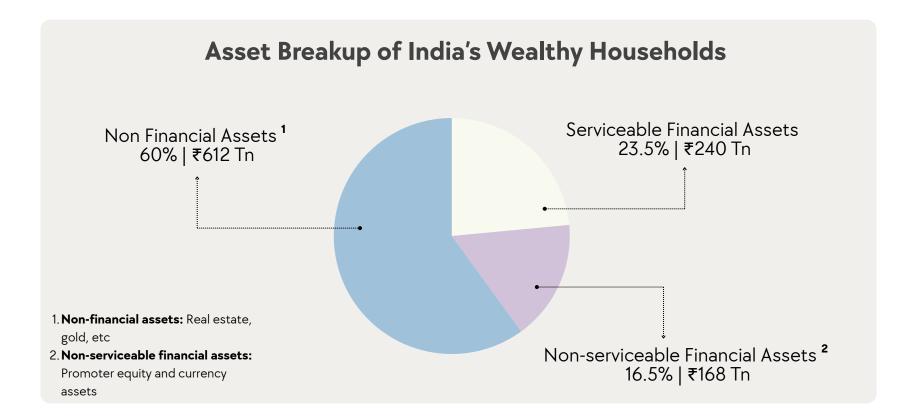


Source: Team BRC research

# Sizing India's Wealth Management Opportunity: Wealthy Households

Top 1% Indian households own 70% of the total financial assets, forming primary customer base for the wealth managers





#### The Power of the Top 1%

40% of India's total household income is earned by the top 1% of households

60% of India's total assets are owned by the top 1% households

**70%** of India's total financial assets are owned by the top 1% households

India's early wealth management industry was built around serving the **top 1%**, with private banks leading the way through priority banking, later followed by foreign and specialized wealth managers, to manage the ₹240Tn in financial assets concentrated with this elite segment

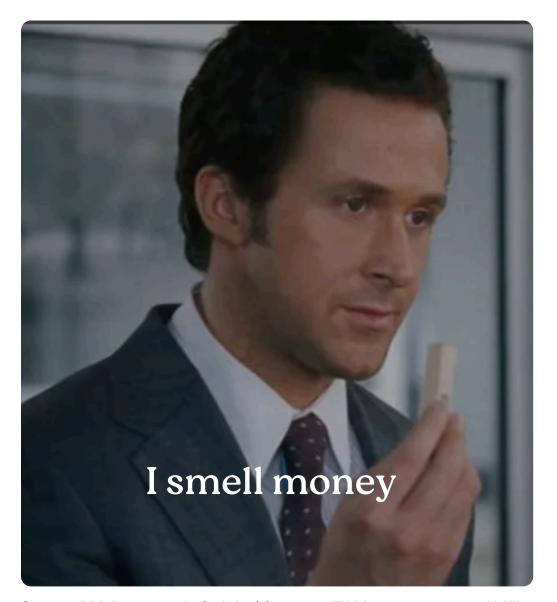
# Sizing India's Wealth Management Opportunity: The Mass Affluent & The Rest of India

The next big opportunity for wealth managers lies in serving the masses, who control ₹140 lakh crore worth of financial assets, an amount higher than the total financial assets of Mexico



#### Rise of the Mass Affluent Segment

- Traditionally, private banks and legacy wealth managers focused almost exclusively on HNI / UHNI clients
- Today, rising affluence, increased awareness among the masses and digital adoption, has drawn wealth management players downward into the mass-affluent segment, a large, underpenetrated, and increasingly sophisticated market



Mass Affluent Snapshot:		
Metric 2025 Numbers		
Households	~60 lakh	
Household Income	₹18 Lakh Cr → ₹36 Lakh Cr (by 2030)	
Financial Assets	~₹60 Lakh Cr	
Profile	Emerging professionals, entrepreneurs, digitally savvy investors	

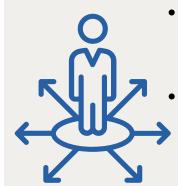
Legacy Brand (UHNI / HNI Focus)	Mass-Affluent (Extensions)
kotak° Wealth Management	cherry
G ICICI Securities	ICICI direct.com Investments at Your Fingertips
<mark>Smart √</mark> Ealth	#DFC SKY
motilal Oswal Private Wealth	mo RáSE



#### The Rest of India

- ~31.5 crore households
- Generates ₹138 lakh crores in annual income
- Holds **₹554 lakh crores total assets**
- Holds ₹80 lakh crores in financial assets

#### The Millennial Opportunity

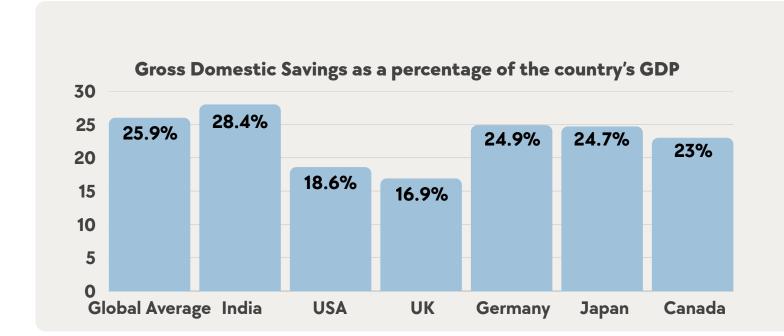


- Millennials with rising disposable incomes are becoming a key target segment
- Between FY19 to FY23 millennials formed 54% of the total new MF investors with 85+ lakh registrations contributing ₹1+ lakh crores to the total AUM

Source: RBI, Bernstein India Wealth report, EY Money in motion, AMFI

# India's Savings Shift: Financialization of Savings Fueling the Next Growth Wave

India's strong savings culture is now being converted into financial investments, driving the next phase of wealth creation



#### Leading the World: India's Exceptional Savings Rate



#### **Cultural Prudence:**

Financial security & thrift are deeply embedded values in Indian culture



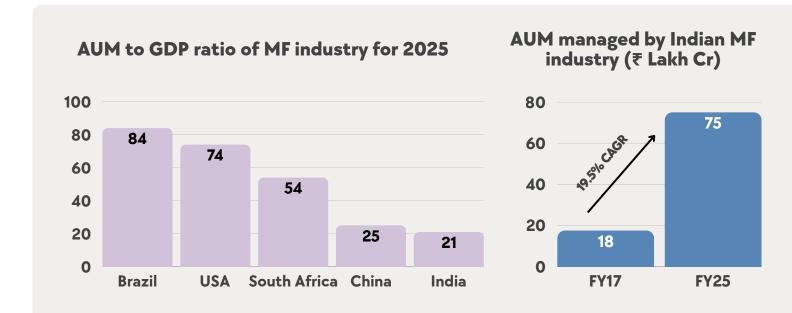
#### **Low Social Security:**

Households rely on self-funded retirement & emergencies in absence of social security schemes



#### **Shift to Financial Assets:**

For the first time in 2020–21, financial savings (11.63% of GDP) > physical savings (10.54%)



#### Mutual Fund Momentum: Powering the Financialization Wave



#### **Explosive SIP Growth:**

₹8,800 Cr (Oct 2020) → ₹26,500 Cr (Oct 2024)



#### **AUM Growth:**

19.5% CAGR (FY17-FY25) → ₹75 Lakh Cr (FY25)



#### **Future Outlook:**

16-18% CAGR → ₹150 Lakh Cr (FY30)

Source: World Bank, AMFI

### Beyond the Top 30: The Rise of India's Next Wealth Frontier

Wealth is decentralizing – Bharat's Tier 2 & 3 cities are the new engines of affluence

#### **Growth from Beyond the Top 30 Cities**

Tier 2 & 3 cities are emerging as the new growth engine for financialisation



**Urbanization & Inclusion** → Wealth creation beyond metros



**Emerging Affluent** → Young professionals, family businesses



**Investment Diversification** → Shift from gold/real estate to MFs



**Awareness Drives** → Awareness campaigns like "Mutual Funds Sahi Hai"



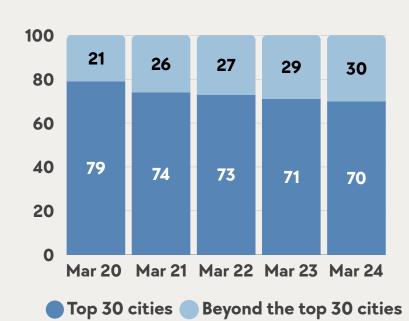
Source: RBI, AMFI

#### B30 cities MF AUM share rose from 21% (Mar'20) → 30% (Mar'24)

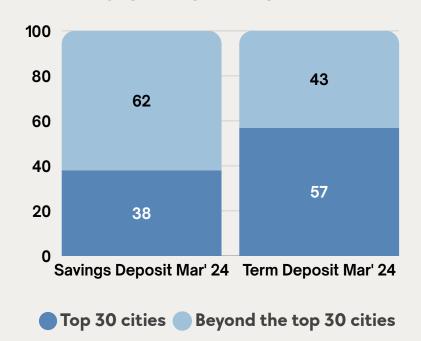
**B30 cities** already hold **62% of savings** & **43% of term deposits,** the next frontier for wealth penetration

- Government infrastructure push (smart cities, expressways) driving affluence and investable surplus
- Affluent population rising due to WFH flexibility, lower living costs, and improved quality of life
- Banks remain T30-focused, leaving B30 wealth potential underleveraged
- Significant opportunity to expand wealth management and MF distribution across B30 markets

#### Geographical split of mutual fund AUM (%)



#### Geographical split of deposits (%)



# The Rise of Managed Money: From Self Managed Savings to Professional Managed Financial Assets

With ₹120 lakh crore now under professionally managed AUM, India is witnessing its fastest-ever migration from self-managed savings to expert-managed portfolios across MF, PMS, and AIFs

India's managed assets story reflects a deepening financial culture, from accessibility (MFs) to personalization (PMS) to exclusivity (AIFs)

The numbers speak for themselves: Total Managed Asset AUM stands at an all time high of ₹ 120 Lakh Crores (Oct 2025)

Feature	Mutual Funds (MF)	Portfolio Management Services (PMS)	Alternative Investment Funds (AIF)
Min. Ticket	₹100 SIP / ₹5K Lump Sum	₹50 Lakh	₹1 Crore
Ownership	Indirect (units)	Direct (Demat)	Indirect (units)
Focus	Listed equity, debt, gold	Listed equity, debt, structured products	Unlisted assets – PE/VC, RE, hedge funds
Liquidity	High (daily)	Moderate	Low (multi-year lock-ins)
Best For	Mass & Mass- Affluent	HNIs	UHNIs & Family Offices

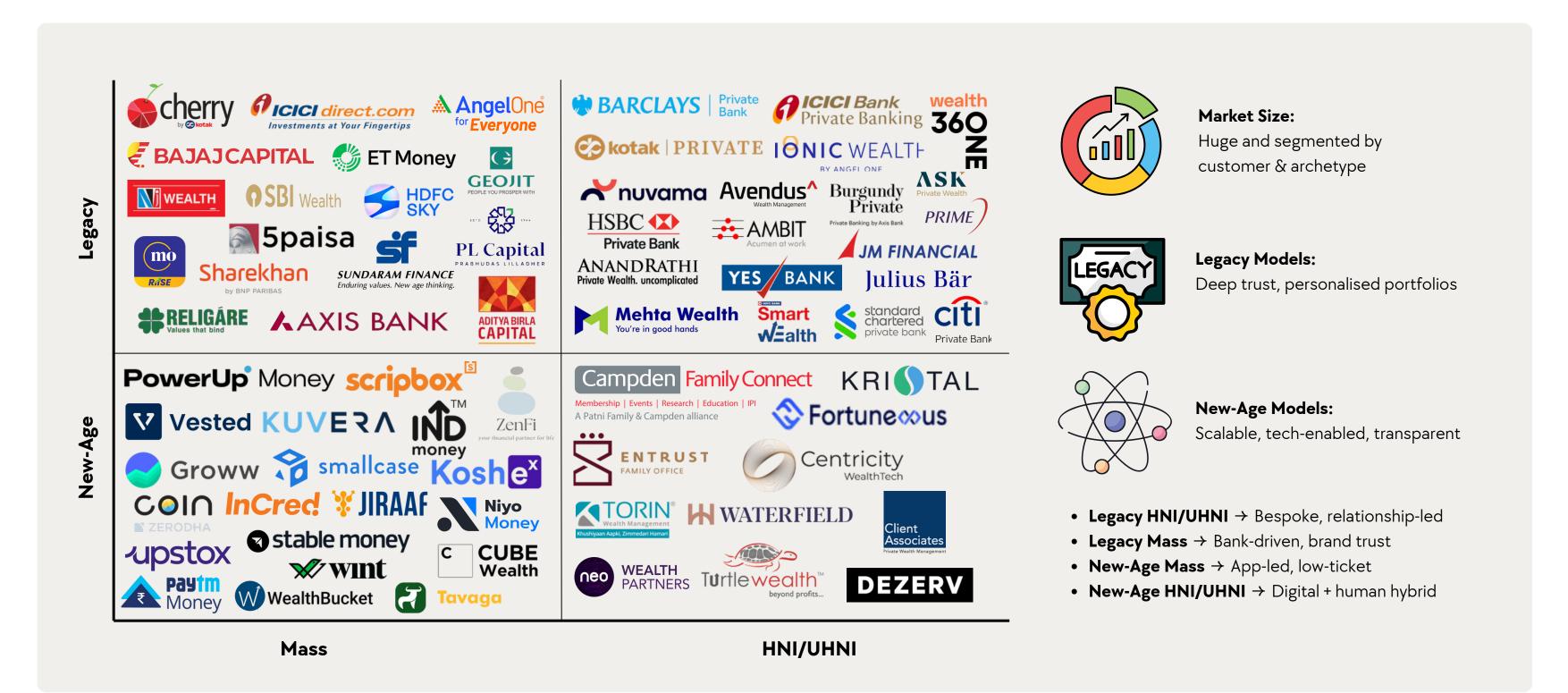
This shift reflects investor maturity, trust in expertise, risk-adjusted returns, and institutional discipline are replacing DIY investing in an increasingly complex market **Trust** in institutional asset managers What's Powering Financial awareness via This digital & education efforts Trend? Tailored products for every wallet size & risk appetite Mutual ₹22.3L Cr  $\rightarrow$  ₹75L Cr (3.3×, FY20-25) Driven by SIP culture, digital adoption, and investor education Funds **₹19.2L Cr** → **₹40L Cr** (2.1×) **PMS** HNIs seek personalization, direct exposure beyond pooled products ₹3.8L Cr  $\rightarrow$  ₹5.9L Cr (1.55×) AIFs Surge in private-market appetite among UHNIs & family offices

Source: SEBI, AMFI



# India's Wealth Management Landscape: Busy on the Surface, Underserved at Scale

The sheer scale and growth of India's wealth market means no single model dominates, trust-led legacy firms, tech-led challengers, and HNI-focused boutiques are all carving defensible niches



Source: Team BRC Research

# As business models evolve, revenue pools shift, here's how value capture expands

Wealth managers start by earning distribution commissions, but scale profitability and client stickiness by evolving into product manufacturers and full-service financial ecosystems, capturing more value across the wealth value chain



# Core Revenue Model: Distribution-Led

- Earn commissions by distributing 3rd-party products (MFs, PMS, AIFs, insurance)
- Higher commissions on alternate assets (PMS/AIF)
   drive product push towards affluent clients
- In addition to the distribution commission, some wealth managers also charge advisory fee to the clients

# ANANDRATHI Private Wealth. uncomplicated





# In-House Product Offerings (Margin Enhancement)

- After scaling, large platforms launch proprietary products to boost margins, stickiness, and value control e.g. Amazon Basics, Reliance Goodlife, Netflix Originals
- Wealth managers mirror this with in-house MFs,
   PMS, AIFs, structured notes, etc. for higher margins
- Own-label products **enhance wallet share** and **client retention**
- Create dual revenue streams: Asset management + Distribution fees







#### Client Retention Through Full-Service Ecosystems

- Leading wealth managers build a 360° financial ecosystem to deepen relationships and reduce churn
- New verticals serve as engagement levers:
  - 1. **Lending:** LAS, ESOP funding, promoter financing, short-term liquidity
- 2. **Broking & IB:** Execution, IPO access, QIP/block deals
- 3. **Institutional Equities:** Trading, research, and execution







Source: Insights from industry executives

# Case Study: From Distributor to Full-Stack Wealth Platform

Evolution from distribution-led model to diversified asset management powerhouse







Revenue: ₹3,607 Crore



Market Cap: ₹47,150 Crore

asset managers in India

**Expanding Beyond** Distribution-led Model



**Distribution-led business** 



Launch of proprietary PMS & AIF strategies



Rebranding (2022): IIFL Wealth → 360One Wealth



**Growth through** acquisitions (3 deals in 12 months)

\*Now one of the largest alternate

Aggressive acquisition strategy, 3 deals in 12 months to expand capability and reach:



Acquisition of ET Money & ET Genius (Jun'24)

**Transaction Value:** ₹365 Cr

#### **Strategic Rationale:**

- Expands into wealth-tech / mass affluent segment
- Leverages ET Money's large retail user base & product stack (MFs, advisory, lending)



Acquisition of B&K Securities (Jan'25)

Transaction Value: ₹1,884 Cr

**Entities Acquired:** B&K Securities (broking & capital markets), B&K Finserv

#### **Strategic Rationale:**

- Strengthens broking & capital markets capabilities (UHNI, HNI, retail, institutional)
- Adds execution in IPOs, block deals, equity trades



Acquisition of DBS India Wealth Business (Apr'25)

Transaction Value: ₹307 Cr

Scope: Stock broking, PMS, distribution, and residual loan portfolio

#### **Strategic Rationale:**

• Builds global collaboration for integrated onshore-offshore wealth solutions

Source: 360One Annual report, Screener

### The Rise of WealthTech: India's New Wealth Management Era

By leveraging content-led acquisition, automation, and new digital rails, WealthTechs are unlocking a consumer segment that was previously inaccessible to traditional players



#### Low-Cost, Digital-First Acquisition

WealthTechs acquire users through content, social, influencers, and community-led loops, not costly RMs or branches, slashing CAC and enabling rapid scale across Tier 2/3. A single viral reel can do what a relationship manager took months to deliver.

A single viral reel can do what a relationship manager took months to deliver



#### Scalable, Low-Ticket Advisory

They've unbundled advice from high ticket size, enabling ₹100–₹5,000 SIPs with goal-based planning, model portfolios, and DIY/hybrid advisory. Wealth advice is no longer a privilege of ₹50L+ portfolios



#### **Automation = Better Outcomes**

Automated allocation, rule-based portfolio rebalancing, tax optimisation, and nudges drive behaviour and outcomes that traditional RM models struggle to deliver consistently.

Less manual intervention and more automation through tech makes life easier



#### **Behavioural Design = Higher Stickiness**

Gamified nudges, milestone tracking, goal completion prompts, and personalised alerts reduce redemption impulses and improve SIP continuity, a core weakness in legacy models. One of the most important aspects of investing is discipline, and technology helps enable exactly that



#### **New Distribution Rails**

UPI, Account Aggregator, and upcoming **ONDC for finance** are creating an open architecture where users can compare, switch, and buy investment products at near-zero friction and cost.

Distribution moats of banks and brokers are eroding and wealthtechs are capitalising on this opportunity

Source: Insights from industry executives, Team BRC Research

# The Rise of WealthTech: Why Their Business Model Scales Faster

WealthTechs scale faster because their economics improve with every user added: Automation-driven delivery, high gross margins, and low cost-to-income ratios create exponential operating leverage



#### **Revenue Shifting From Distribution to Advisory**

WealthTechs increasingly monetise through fee-based, subscription, and hybrid advisory over pure distributor commissions - signalling a move toward transparency and long-term trust.



#### **Superior Cost-to-Income Model**

Digital models operate with ~3–5× better operating leverage than RM-led firms.

- Legacy RM-led cost-to-income: **50–65%**
- WealthTech cost-to-income: **15–25%** (at scale)



#### Churn & Retention Look Different

- Legacy firms face RM-linked churn client exits when RM leaves.
   WealthTechs build platform stickiness goals, auto-SIPs, nudges, community driving higher retention.



#### **Gross Margin Advantage**

- RM-led models: **25–35%** gross margin
- WealthTech/hybrid models: **60–80%** gross margin
- Automation & digital delivery remove human dependency and cost drag.



#### **New Distribution Rails**

UPI, Account Aggregator, and upcoming ONDC for finance are creating an open architecture where users can compare, switch, and buy investment products at near-zero friction and cost. Distribution moats of banks and brokers are eroding.















# Case Study: A Technology-Led Wealth Blueprint

Centricity is a next-gen, tech-led wealth platform built for scale, transparency, and intelligence, empowering advisors and investors alike



Strategic Pillar	Execution / Value Delivered
Built for the Digital Wealth Era	Tech-first platform designed for scale, transparency & advisory excellence from Day 1
Enhancing Value Across Stakeholders	Investors: unified visibility & insights   IFAs: digital execution + CRM   Family Offices: institutional reporting & risk analytics
Hybrid Engagement ("Advisor + App")	Tech delivers transparency & intelligence; advisors focus on judgment-led, complex decisions
Twin-Engine Growth Model	Two platforms powering scale + retention: see below
Future-Ready Wealth Infrastructure	Integrates SaaS, PaaS, and phygital advisory; innovation in APIs, BI, white-labelling & partner incubation



**AUA:** ₹10,000 Crore



Fund Raised: ₹210 Crore



**Last Valuation:** ₹1,000 Crore+

Engine	Platform	Primary User	Business Role	Advantage
Invictus	SFO Platform	UHNI / Families	AUM Expansion	Captures large family- office flows
OneDigital	IFA Platform	IFAs & Distributors	Recurring Growth	Builds partner loyalty & retention

Source: Company data

# What investors are looking for: WealthTech Investment Thesis

It's no longer about growth at all costs, it's about defensibility at all levels



#### Retention > engagement, evidence of habit (SIP/actives stickiness), not just installs:

Because wealth apps are easy to churn on price, VCs prize measurable long-term engagement (SIP continuity / active AUM per user)



#### **Regulatory readiness = lower dilution risk:**

Demonstrable compliance (SEBI/RBI/DPDP readiness, sandbox approvals) materially reduces execution risk and is a gating factor for investment



#### Distribution defensibility: proprietary channels or partnerships > purely influencer-led growth:

Investors prefer repeatable, low-fragility acquisition (platform integrations, payroll/IFAs/aggregators) rather than one-off viral funnels that can be regulated or replicated



#### Clear monetization ladder: path from low-ticket SaaS/subscription → advisory fees → proprietary products

Backers look for a roadmap to higher margin revenue (fee/advisory mix, in-house products) that defends margins as competition intensifies



### Talent & founder signal: Ops + distribution + advisory pedigree:

Wealth is trust-heavy; teams with advisor/RM credibility + product/tech founders reduce go-to-market risk

Investors aren't buying product roadmaps, they're buying repeatable economics + defensible data/tech + low-fragility distribution; if you can show all three with measurable KPIs, you'll get the term-sheet, not the excuses

Source: Team BRC Research

# India's New-Age WealthTech: VC-Funded, Founder-Led, Fast-Scaling

Senior industry executives are setting up their own shop to build the next generation of wealth platforms

### dezerv.







Founded (2021) by Sandeep Jethwani, Vaibhay Porwal & Sahil Contractor (ex-360One Wealth partners)

Founded (2021) by Nitin Jain (ex-CEO of Nuvama Wealth)

Founded (2022) by Manu Aswasthy (ex-Senior Partner, 360One Wealth)

Founded (2024) by Prateek Jindal (ex-Uni Cards & Ola Financial Services)

**AUA:** ₹13,000+ Cr

**AUA:** ₹40,000 Cr

**AUA:** ₹10,000 Cr

**AUA:** ₹3,000 Cr

Funds Raised: ₹850 Cr

Funds Raised: ₹1,160 Cr

Funds Raised: ₹210 Cr

Funds Raised: ₹60 Cr

Valuation: ₹2,600 Cr

Valuation: ₹6,000 Cr

Valuation: ₹1,000 Cr

Valuation: ₹120 Cr

Core Offering: PMS, mutual funds & fixed income, using tech to deliver alpha

Core Offering: Bespoke advisory, multifamily office services, alternatives, estate & succession planning

Core Offering: Tech-enabled distribution + high-touch advisory for UHNIs & family offices; bespoke, analytics-driven solutions

Core Offering: Wealthtech for massaffluent clients; personalized, bias-free, product-led investing









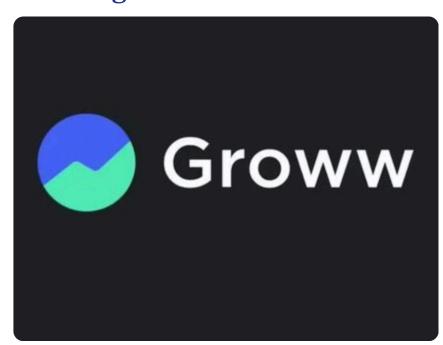




Source: Tracxn. Team BRC Research

# Case Study: India's Most Successful VC-Funded WealthTech IPO

Groww proves that India's wealthtech unlocks massive, profitable scale when distribution is rebuilt around UX, transparency, and low-cost digital rails



rote

70M registered users (largest among wealthtechs)



#1 in active equity investors, surpassing incumbents



One of India's largest MF distributors by SIP volume



FY24-25: Revenue – ₹ 3900 crores, Profit – ₹ 1824 crores



Current market cap: ₹ 1,16,000 crores (PE multiple @63X)

**Groww is the standout VC-funded success story in Indian wealthtech:** A platform that began by simplifying mutual fund investing and went on to dominate broking, achieve profitability, and ultimately deliver one of India's most anticipated tech IPOs.

Founded in 2017 by ex-Flipkart leaders, Groww built a mobile-first, jargon-free investing experience that unlocked the mass retail and first-time investor segment. Its simplicity, transparent pricing, and deep Tier 2/3 penetration created a new investing culture, monthly SIPs as a habit, not a high-touch RM-driven sale.

#### Groww: Scale and Business Model Discipline

- Built an asset-light, RM-free model with near-zero marginal servicing costs
- Achieved profitability at scale, unlike many global fintech peers
- Won trust by being product-light, transparent, and education-driven
- Became the default investing app for India's emerging affluent and new-to-market users

# Groww Demonstrated That

- India's investing TAM explodes when friction is removed simple UX, transparency, and zero paperwork unlock millions of first-time investors
- The next wave of wealth creation will be driven by technology-led platforms, not traditional RM-only distribution models
- Tech IPOs in India can be both profitable and lucrative, with early backers generating outsized returns



**Interesting fact:** Groww's total investor stake, over \$7.5 billion, is roughly 3× the total VC capital deployed into India's wealthtech sector in the past decade. In other words, even if an investor had backed every single wealthtech startup in India over the last 10 years, Groww alone would have returned 3× their entire sector-wide investment

Source: Groww DRHP, Screener

### The Listed Giants – India's Scalable Wealth Platforms

Listed wealth managers are scaling fast, with retail-led models commanding premium valuations for their predictable, annuity-style growth

	360 ONE wealth	nuvama	ANANDRATHI Private Wealth. uncomplicated	Prudent  - Money through wisdom -
AUM (₹ Cr)	5,81,498	4,30,700	91,560	1,17,897
Revenue (₹ Cr)	3,607	4,328	1,030	1,148
PAT (₹ Cr)	1,126	1,028	345	203
Market Cap (₹ Cr)	47,150	25,300	25,945	11,030
P/E Ratio	42x	24.6x	75.2x	54.33x
Client Segment	UHNI-centric, now expanding into mass- affluent segment	UHNI-focused, bespoke advisory, limited retail scaling	HNI + Mass-Affluent, retail-led advisory model	Broad-based retail acquisition engine for IFAs

#### **Key Industry Trend**

All four players are delivering 24–30% YoY AUM growth, underscoring strong structural tailwinds in India's wealth creation, financialisation of savings, and the accelerating shift toward managed money

#### Valuation Insight

#### **Retail Models Command a Premium**

Despite 360 ONE and Nuvama holding the largest AUM pools, they trade at a discount to Anand Rathi and Prudent because





Greater **cross-sell potential** across MFs, insurance, loans, alternates, deposits



Faster walletshare expansion as clients' income and investing maturity rise

Source: Annual reports and Screener



With the ecosystem maturing, innovation and regulation are now redefining the next growth phase



# The Investment Playbook Is Changing with Emerging New Trends

The new wave of products is reshaping wealth around three core themes: Access, Atomisation, and Autonomy, democratizing products and strategies once reserved for the top 1%







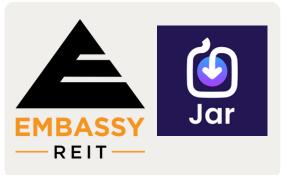


Portfolio Expertise for the Masses

Digital-First
Savings & Micro-Investing













Investors plan for life goals (home, retirement, education), not just returns Direct access to US stocks, global ETFs; hedge INR & gain global exposure

REITs turn property liquid; Digital gold enable microinvesting in gold

Access to pre-IPO & private markets once limited to UHNIs

PMS-style curated portfolios via ₹100–₹500 SIPs

Round-up investing automates daily micro-savings

#### The Shift:

From product-selling → outcome-planning

From India-only → global portfolios

From owning assets → owning units of assets

Democratizing alpha, but rising retail risk

Expert portfolios at 1/100th the entry cost

Wealth-building becomes habit-driven

Source: Insights from industry executives

The Impact:

# What Drives Success in Wealth Management?

Only returns don't win, trust, personalization, tech, and compliance do

Success in wealth management is no longer about just delivering returns, it is about earning trust, solving for complexity, and building a high-retention, high-lifetime-value business in a regulated, advisory-first environment. Following are the six most critical success factors in wealth management business:



#### 1. Trust Is the Currency - Not Returns

Wealth is emotional. Clients don't stay for performance alone - they stay for trust, discretion, governance, and conflict-free advice. Firms that lead with transparency, ethics, and unbiased product selection win long-term annuity flows.



#### 2. Segment Sharply, Serve Differently

Mass Affluent ≠ HNI ≠ UHNI. Needs, risk appetite, and value perception differ dramatically. Winning firms tailor proposition, pricing, products, and delivery models by segment instead of a one-size-fits-all playbook.



#### 3. Pricing Must Signal Value, Not Extraction

The shift toward fee-based and hybrid advisory is accelerating as clients demand transparency. Clear articulation of value — not opaque commissions — will define client stickiness and wallet-share growth.



4. Asset Allocation & Tax Alpha Matter More Than Product Alpha
Beating the market is episodic; asset allocation, tax efficiency, and risk management drive 70–80% of long-term outcomes. Firms that deliver tax alpha (harvesting, structures, family governance) become indispensable partners.



#### 5. Tech Is No Longer Support, It Is the Need

Digital onboarding, Al-led advisory, portfolio reporting, and behavioral nudges are now expected hygiene. Tech differentiates through scale, speed, hyperpersonalization, and lower cost-to-serve, not just UI.



#### 6. Talent Is the Real Moat

Top RMs and advisors carry client relationships - and portable AUM. Recruitment, incentives, succession planning, and culture determine whether firms retain the people who retain the clients.

Source: Insights from industry executives

# Case Study: The New-Age Wealth Winner

Why Dezerv Works: It embodies the "new rules" of wealth management – trust-led, product-light, tech-forward, and segment-sharp





**AUA:** ₹13,000 Crore+



Fund Raised: ₹850 Crore



**Last Valuation:** ₹2,600 Crore

Sharply Segmented Value Proposition

**Clear Value-for-Money Pricing** 

Strategic Pillar

**Built on Trust & Conflict-Free Advice** 

Asset Allocation as the Core Product

Technology as the OS, Not the Interface

Talent-Led, Founder-Led Credibility

#### **Execution Example / Impact**

"No commissions, no product push" model; earns only when clients profit → instant credibility

Focused on young HNIs — first-gen wealth creators; curated MFs, PMS, AIFs, private deals

Transparent, profit sharing-only pricing → appeals to millennial HNIs seeking clarity

Emphasis on risk control & allocation, mirrors global leaders (Vanguard, UBS)

Powers onboarding, diagnostics, nudges & rebalancing → tech that drives outcomes

Founded by ex-360One Wealth leaders → deep expertise, trusted networks, authentic brand

Dezerv, founded in 2021 by former 360One Wealth leaders, is one of India's most successful new-age wealthtech stories. Built to serve the rising class of young HNIs and first-gen wealth creators, Dezerv positions itself as a conflict-free, expert-managed investing platform focused on risk-controlled asset allocation rather than product push. Starting with a simple promise, "no commissions, only expertise." The platform scaled rapidly through trust-led advisory, transparent pricing, and a tech-first experience.

Source: Tracxn, Team BRC Research

# Regulatory Tailwinds & Guardrails Reshaping the Wealth Ecosystem

The era of light-touch regulation is over. Winners will be those who turn compliance, transparency, and data governance into a competitive advantage





#### SEBI is the Primary watch dog and regulator in the wealth management industry in India



#### SEBI – Tightening Advisory & Distribution Rulebook



#### What's Happening:

Revising IA/RA frameworks; new consultation papers on robo-advice, AI/ML disclosures & fractional-ownership platforms



#### Why It Matters:

Stricter disclosure raises barriers for new entrants, good for regulated incumbents, tough for unregulated models



#### **SEBI vs Finfluencers - Channel Under Scrutiny**



#### What's Happening:

Crackdown on unregistered 'finfluencers'; mandatory registration checks for investment promotions



#### Why It Matters:

Influencer-led product pushes must professionalize; unverified channels now carry high compliance and reputational risk



RBI regulates anything touching payments, lending, UPI, and cross-border flows

#### **Recent Direction:**

 Mandatory sandbox testing for fintech innovations, stricter oversight on UPI-linked or cross-border investment products

#### Why It Matters:

 Wealth platforms integrating payments (UPI-based investing, recurring mandates, global investing rails) must comply with RBI's security, data, and operational standards



#### IRDAI regulates Insurance-Linked Investment Products

#### What's Changing:

- Push for simpler insurance products with fewer riders and clearer return illustrations
- Transparency norms for fund management, surrender, and mortality charges in ULIPs

#### Why It Matters:

- Reduces historical opacity in insurance-led investment products
- Deters mis-selling of long lock-in "guaranteed return" policies



### DPDP Act, 2023 by MEITY dictates the regulations for data privacy of users

#### What's Happening:

 Consent-based data processing, stricter retention rules, privacy-by-design, and reliance on consent managers

#### Why It Matters:

 GenAl-led personalization and portfolio recommendations must now be compliant; strong data governance becomes a competitive differentiator

Source: Team BRC Research

# The Ancillary Players Powering India's WealthTech Infrastructure

India's wealthtech revolution isn't just brokerage apps, it's an ecosystem of API, compliance, analytics, and transaction infrastructure, which act as the invisible rails enabling scale



#### Account Aggregator (AA) Ecosystem

Account aggregators are regulated entities facilitating secure, sharing of financial data between different financial platforms.

- AA adoption ↑ 4× in 2 yrs; powers onboarding, aggregation, risk analytics
- Wealthtechs see **50–70% faster onboarding** + richer profiles









#### ↑ Market & Investment Infrastructure APIs

These are the rails powering orders, execution, and custodial

- Enables wealthtechs to go live with investing in weeks, not
- Custodians, RTAs, MF processing and market access APIs are the primary stacks





#### Payment Rails: UPI, Mandates, Auto-SIPs

The "UPI + SIP culture" is a unique India-only advantage that wealthtech players leverage.

- UPI Autopay drove SIP surge to ₹26.5K Cr/month, a 3× jump since 2020.
- NPCI + Banks form the backbone for recurring MF/PMS/AIF flows.









A regulated onboarding stack is a set of systems, and compliance processes to legally onboard a customer under regulatory guidelines.

- DPDP Act + SEBI tightening RIA/RA norms → strong tailwinds
- KYC, AML, consent, risk checks → now a competitive advantage











#### Data, Analytics & Personalisation Engines

Platforms like Smallcase Gateway, Refinitiv, Tickertape APIs, MSCI/Bloomberg data feeds power:

- Model portfolios
- Behavioral nudges
- Real-time diagnostics

These engines turn DIY investors into guided investors.

tickertape REFINITIV R Bloomberg





#### Vertical SaaS for IFAs, RMs & Advisors

These players are the "Shopify for wealth advisors. Enabling them to create their set up on existing platform seamlessly. Platforms like Centricity, WealthMagic, RedVision, AdvisorX are enabling:

- CRM for advisors
- Portfolio reporting, and compliance + record-keeping







India's wealthtech boom rests on a deep, fast-maturing infrastructure layer of AAs, RTAs, onboarding stacks, UPI rails, custodians, and vertical SaaS. These ancillary players are the real 'winners behind the winners'

### Case Study: India's Scaled Distribution Powerhouse

It cracked the "old rules" of wealth management: distribution depth, middle-India penetration, partner-first scaling, and operational efficiency at national scale





AUA + AUM: ₹2.25–2.40 Lakh Crore



SIP Book: ₹2,200+ Crore per month



19,000+ active partners across 350+ locations



MFs, PMS, AIFs, insurance, loans, global investing



Serves **2.3 million+ investors**, manages **70+ lakh SIPs** monthly







#### Nationwide IFA-Led Distribution Engine

 Built India's largest network of financial distributors, trained and certified through
 NJ Academy with a focus on Tier-2/3/4 penetration

# Platform-Led Scalability (NJ E-Wealth / EWealth A/C)

Early investments in digital onboarding, execution, portfolio reporting
 Uniform tech stack for all I

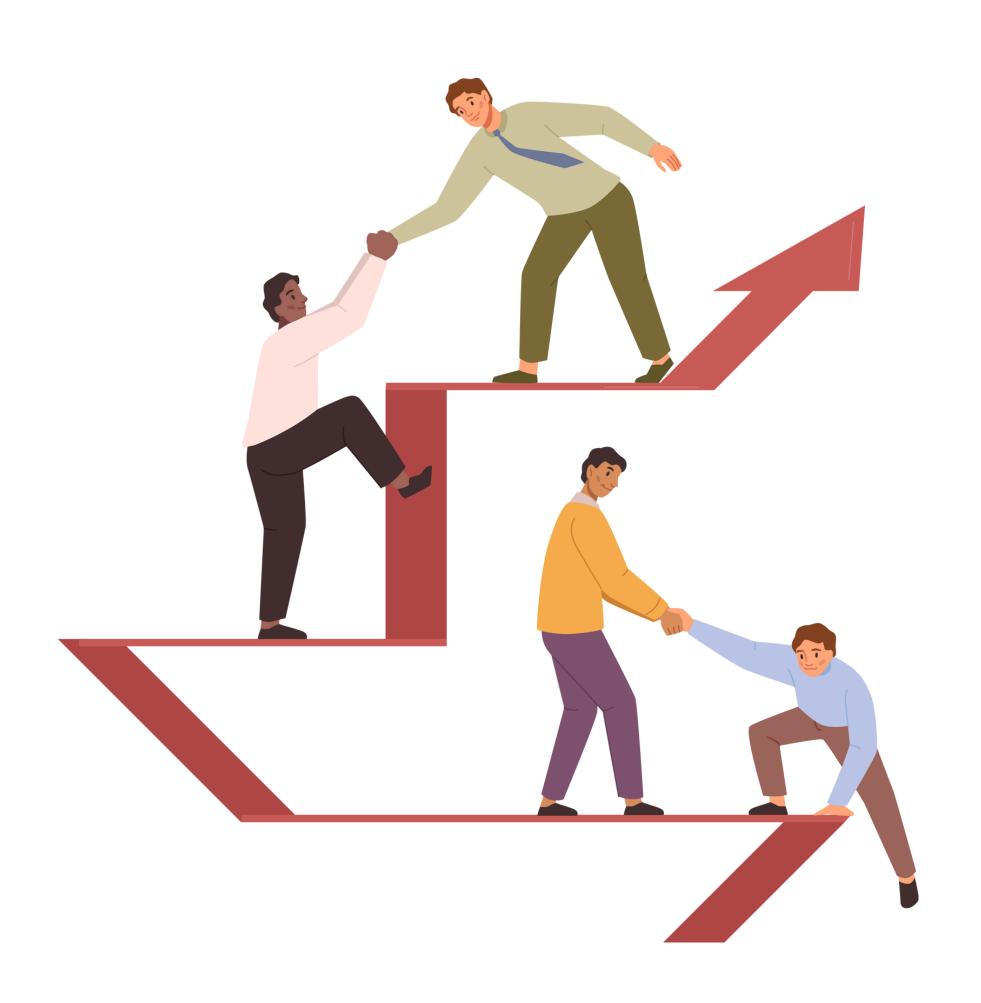
Uniform tech stack for all IFAs
 → massive operating leverage

Manufacturing +
Distribution Flywheel
(PMS + AIF + MF)

- Successful NJ PMS business
   (₹20,000 Cr+)
- NJ AIF & advisory solutions integrated into partner channels
- Launch of NJ Mutual Fund
   (2021) → completing the value
   chain

- Drives unmatched SIP flows from middle India
- Creates a sticky and hyperlocal distribution moat impossible to replicate quickly
- Enables **19,000+ advisors** to run "mini-NJ franchises"
- Zero-marginal-cost
   scalability → industry-leading
   operating efficiency
- Captures the full value chain (manufacturing + distribution)
- Improves margins and competitive moat vs pure distributors

Source: Team BRC Research



# Challenges and the Road Ahead

Trust, talent, and tech will define the next decade of India's wealth industry

# Industry Challenges & Structural Barriers

Sustainable success in India's wealth industry depends on trust, talent, compliance, and scalable unit economics, not just AUM growth

# Broken Distribution Economics



- Fragmented market chasing the same HNI pool; high CAC and servicing costs
- Product commissions compressing, pure distribution is unviable
- Profitability needs fee-based,
   RM + tech-led hybrid advisory

# Rising Compliance Costs



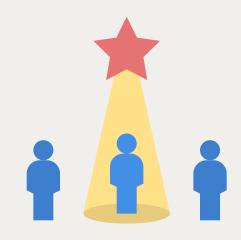
- SEBI, RBI, DPDP rules tighten advice, data & marketing norms
- Legal, compliance & audit costs now fixed
- Small firms struggle, regulation becomes a scale moat for wellcapitalized players

#### Trust Deficit & Low Financial Literacy



- Mis-selling, failed products, influencer hype erode credibility
- First-gen wealthy lack planning orientation
- Long-term trust requires education, transparency & outcome-linked advice

#### Talent as the Biggest Bottleneck



- RMs drive P&L but are easily poached; rising pay inflates costs.
- Few next-gen advisors who blend finance + tech
- The real battle is for the people who control the clients

# Margin Compression due Intense Competition



- Banks, fintechs & brokers target same wallet
- 1% AUM fee under pressure;
   clients demand transparency
- Defending margins requires exclusive products, tax alpha, and in-house innovation

Source: Insights from industry executives

### The Future of Wealth in India – What's Next?

AI + global access + trust-led scale will fuel India's next decade of wealth creation

# Advisory 2.0: Al-Augmented Advice



- Al delivers predictive, alwayson guidance; drives 3–5× RM productivity
- Al enables tax optimization, rebalancing & behavioral nudges
- "Advisors who use AI will replace those who don't"

#### Hyper-Personalisation at Scale



- Portfolios adapt to goals, risk, tax & life stage in real time
- Extends into lifestyle, succession, philanthropy & wellness
- The next winner will feel like a private banker for millions

#### Global Wealth Access Becomes Mainstream



- Shift from 95% domestic portfolios → globally diversified ones
- LRS 2.0, digital rails, and ETFs enable global exposure
- Indian investors won't just own India, they'll own the world

# Family Office & Legacy Planning Boom



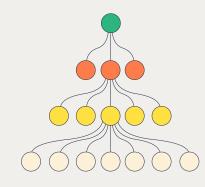
- First-gen wealth transitions to structured inheritance
- 10× rise in family offices expected, wealth professionalizes for founders & unicorn employees

# Embedded Wealth & Invisible Advice



- Wealth integrates into everyday platforms (payroll, travel, commerce)
- "Wealth-as-a-feature" emerges, investing happens passively

# Rise of New Asset Classes & Alternatives



- Retail access to private credit, VC/PE, REITs, collectibles, and tokenized assets
- ₹50–70L Cr of illiquid wealth could unlock
- Alpha moves to alternatives, regulators to tighten guardrails

Source: Team BRC Research



consulting

MAKING BUSINESSES
BETTER

# Thank You

BRC Bytes December 2025

teambrc@basicroots.in

