

B'luru HNIs, UHNIs lead in alternate investment

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High net-worth individuals (HNIs) and ultra high net-worth individuals (UHNIs) of Bengaluru, seem to have the biggest appetite for alternate investments. According to executives of Shriram Wealth Bangaloreans pitch 35-40% of their investable surplus in these instruments as compared to the national average of 30%.

Presently, India is home to over 3 million HNI and UHNI households.

"The risk-taking ability is also higher here. It's possibly the fastest growing market in wealth management, growing faster than other markets and other southern states," said Anirban Mallick, Senior Executive Director & Business Head (South & East) - client relations, of Shriram Wealth.

The company opened up an office in Bengaluru on Monday, as part of its 50:50 joint venture with South Africa-based Sanlam Group. This was part of similar exercise in other parts of the country. The venture is targeting Rs 50,000 crore in Asset Under Advice (AUA) with plans to onboard 500 wealth professionals over the next five years. Karnataka is expected



to be among the firm's fastest-growing markets.

The wealth management firm is of the belief that India is in a structural bull run for the next 5 - 15 years, hence, the confidence of investors wouldn't be shaken by the global headwinds. The HNI segment, particularly, is expected to grow at a compound annual growth rate of 13-14% till financial year 2030 in personal financial assets (stocks, bonds, mutual funds).

"I don't think we need to worry because the trajectory is positive. Even the systematic investment plan (SIP) market is growing steadily with about Rs 3 lakh crore coming into the industry every year," said Managing Director and Chief Executive Officer Vikas Satija.

The organised wealth management market is expected to grow from \$1.2 trillion to \$10 trillion in the next two decades, as per Shriram Wealth data.