

Investor Presentation

Q4 and 12M FY19

28.05.2019



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Message from the Management

Message from the Management

Dear Investors,

As one looks back, it can be said with a high degree of certainty, that FY 2018-19, was at best a mixed bag. The economy and the markets faced unprecedented challenges both from domestic and global factors. The uncertainties around Brexit, the fiercely hawkish monetary policy which the Fed pursued for more than a year, the beginnings of a tariff face-off between the US and China, the rise in oil prices, and the sudden depreciation of emerging market currencies including the Indian Rupee, were all factors which held the market's optimism to ransom from time to time. Despite all this, the Nifty posted a 15.00 % return during this period. The midcaps and small caps lost quite a lot of ground, with the Nifty Mid Cap 100 generating a - 2.65% returns.

The NDA has received a resounding mandate from the people of India. Global investors will be highly enthused with a strong political stability and we can expect massive FDI and FPI inflows in the coming years. Domestic investors have kept their faith in the equity markets despite the narrow market and deep cuts in the broad markets and have been regularly investing via SIPs. With a strong government at the center, this rising trend of financialisation of domestic savings should continue, resulting in a buoyant capital market. Also, higher government spending, consistently lower interest rates, and provision of adequate liquidity in the system, could bring back more shine into many sectors of the economy, like banking and financial services, consumption, etc.

Continued...

Message from the Management

Financial performance for FY2018-19 was disappointing. A very narrow market with deep cuts in the broad market impacted the overall average daily traded volumes. The same was reflected in our overall financial performance with a marginal decline in consolidated revenues from Rs 156.57 crore to Rs 149.20 crore. There was a significant decline in PAT for the current year to Rs 14.49 crore as against Rs 28.61 crore in the previous year. We continue to invest in our various business verticals across human resources, technology, processes et al. We are confident that the current year as against the tepid growth of FY2018-19, should see a robust growth in average traded volumes across institutional and non institutional clients. With a buoyant capital market, equity fund raising vide IPOs , QIPs and preferential issues should see a substantial pick up. Equity asset management and wealth management verticals are expected to witness a significant jump in AUMs. The currency and commodity advisory business has seen a robust growth, albeit on a small base and should show further momentum in the coming years. To summarise , all verticals of the company are poised to grow exponentially over the years with a strong, motivated leadership and with the benefit of tailwinds in our business eco system.

Thanking You,



Krishna Kumar Karwa

Managing Director



Prakash Kacholia

Managing Director

Consolidated Performance Highlights

Consolidated Performance: Key Highlights

	Revenues (Rs. in Lac)	PBT (Rs. in Lac)	PAT (Rs. in Lac)	EPS (Rs.)	BVPS (Rs.)
Q4 FY19	3,396	189	161	0.65	69
	▼ 17%	▼ 70%	▼ 66%	▼ 66%	▲ 5%
Q4 FY18	4,087	620	468	1.91	66
12M FY19	14,920	1,795	1,449	5.89	69
	▼ 5%	▼ 51%	▼ 49%	▼ 50%	▲ 5%
12M FY18	15,657	3,653	2,861	11.68	66

Consolidated Profit & Loss Statement

Particulars (Rs. in Lac)	Consolidated Q4 FY 2018-19	Consolidated Q3 FY 2018-19	Consolidated Q4 FY 2017-18	Consolidated FY 2018-19	Consolidated FY 2017-18
Revenue					
Income from Operations	3,380	3,532	4,040	14,792	15,540
Other Income	16	14	47	128	117
Total Revenue	3,396	3,546	4,087	14,920	15,657
Expenses					
Employees Benefit Expense	1,815	1,702	1,915	6,835	6,299
Finance Costs	132	179	136	615	430
Depreciation & Amortization Expense	125	123	120	460	468
Other Expenses	1,307	1,326	1,296	5386	4,807
Total Expenses	3,379	3,330	3,467	13,296	12,004
Profit Before Tax	17	216	620	1,624	3,653
Exceptional Items	(171)			(171)	
Tax Expense	40	53	150	381	788
Profit After Tax	148	163	470	1,414	2865
Share of Profit/(Loss) of Associate	13	(7)	(2)	35	(4)
Profit After Tax & Share of Profit/(Loss) of Associate	161	156	468	1,449	2,861

Business Performance

Spectrum of Businesses

Our Businesses

Institutional Client Group

Primary

IPOs

Preferential Issues

QIPs

Buybacks

Rights Issues

Secondary

Institutional Broking

Non-Institutional Client Group

Equity

Commodity

Currency

Asset Mgt

PMS

AIF

Wealth

Credit

NBFC

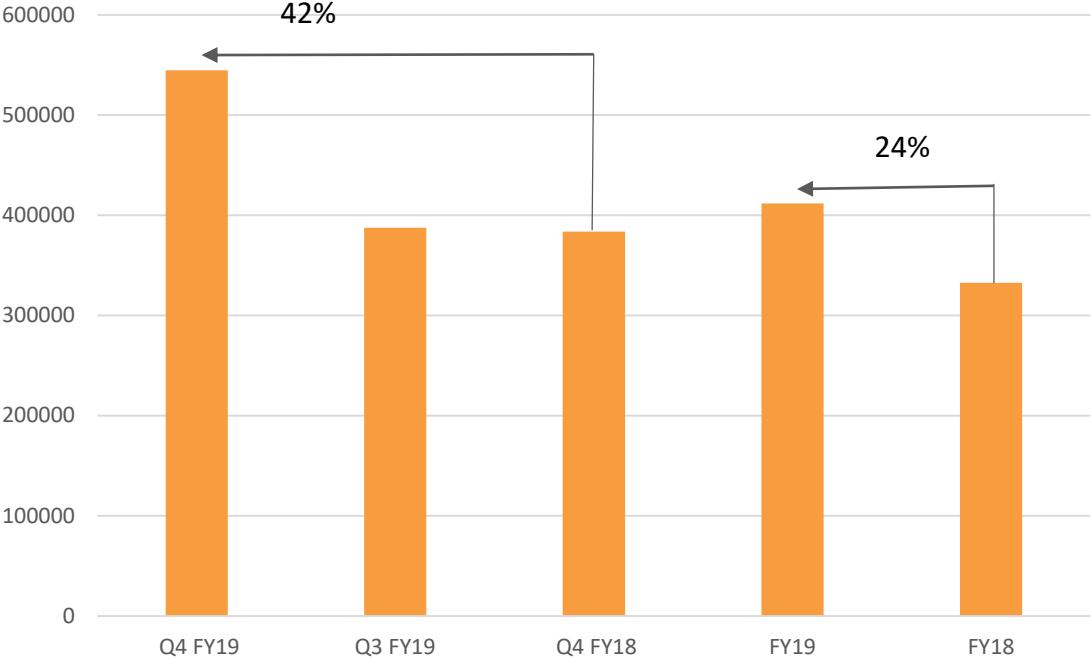
Revenue in Q4 FY19	₹ 1,659 lac
Revenue in Q4 FY18	₹ 1,827 lac
% Revenue increase	(9.21%)
Revenue in 12M FY19	₹ 7,219 lac
Revenue in 12M FY18	₹ 6,791 lac
% Revenue increase	6.31%

₹ 1,250 lac
₹ 1,456 lac
(14.17%)
₹ 5,010 lac
₹ 5,135 lac
(2.45%)

₹ 139 lac
₹ 122 lac
13.88%
₹ 619 lac
₹ 373 lac
65.86%

Equity ADTO

Combined Equity ADTO: Cash and F&O (Rs. In Lac)



Institutional Segment

Institutional Broking

Total no. of Empanelments

290*

Market Share (FY19)

Domestic MF: 2.09%

FII: 0.85%

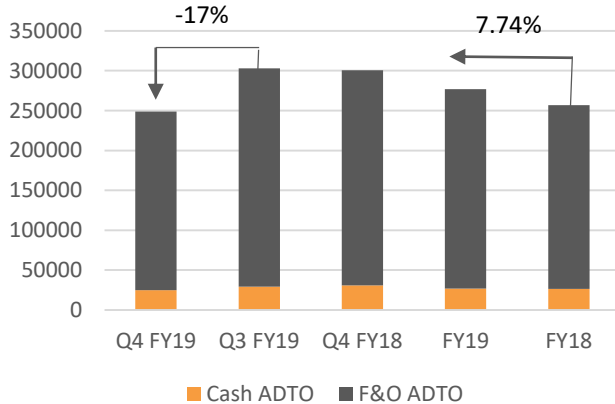
Market Share amongst FIIs (FY19)

Index Futures: 5.44%

Index Options: 0.58%

Stock Futures: 1.43%

Emkay Institutional ADTO: Cash and F&O (Rs. In Lac)



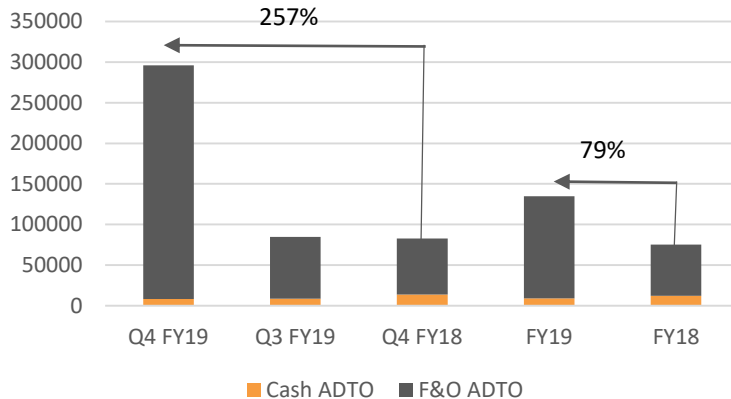
* Does not account for the Non-institutional empanelments

Non-Institutional Segment

Equity

- Total Clients as on 31st March, 2019: 1,40,965
- Total Branches: 20
- Total Franchisees: 172

Emkay Non-Institutional Broking ADTO: Cash and F&O (Rs. in Lac)



SUVEER CHAINANI
 CEO - Institutional Clients Group - Emkay Global
 talks about Emkay Alpha Portfolios & other initiatives

WATH THE VIDEO

Rahul Jain
 Senior Research Analyst - Emkay Global
 talks about IT Sector: Small to make it Big

PRAFUL BOHRA
 Senior Research Analyst - Emkay Global
 talks about Pharma Sector: Stay Selective

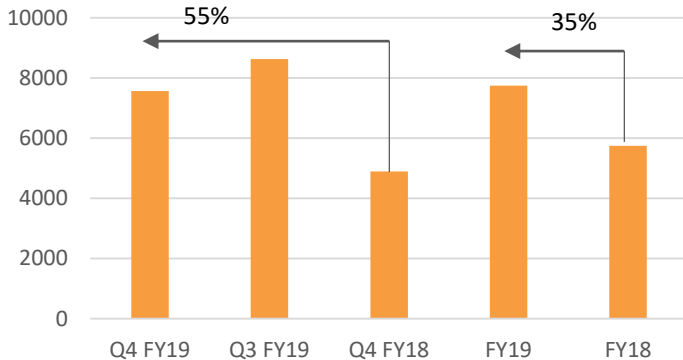
WATH THE VIDEO

Commodity & Currency

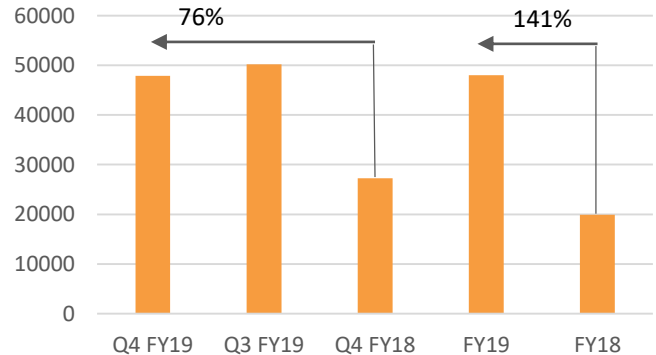
Client Services:

- › Software: Omnesys Nest by Thomson Reuters, NSE NOW
- › Call & trade through recorded lines/Online Terminal/Mobile App
- › Real time Research Advisory through Whatsapp Messages & Phone
- › Online client back office access, Electronic contract notes, SMS Facility
- › Dedicated RM as a single point of contact for all products and operational queries
- › Execution algorithms in place to enable taking advantage of smallest movement in market
- › Best practices in terms of due diligence and compliance process

Emkay Commodity ADTO (Rs. in Lac)



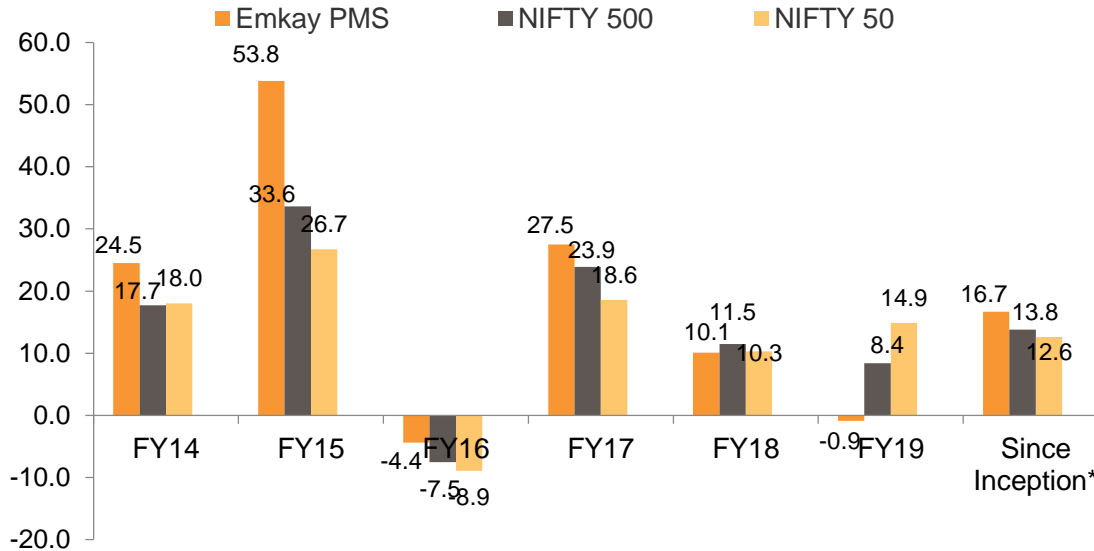
Emkay Currency ADTO (Rs. in Lac)



Asset Management - PMS

TOTAL AUM (PMS +AIF): Rs. 50,000+ LAC

PERFORMANCE OF EMKAY CAPITAL BUILDER PORTFOLIO (AS ON 31ST MARCH, 2019)



CAGR – Compounded Annualized Growth Rate. Performance <= 1 Year Absolute Returns and > 1 Year CAGR. Past performance may or may not sustain in the future. (Source: Accord Fintech Ltd.)

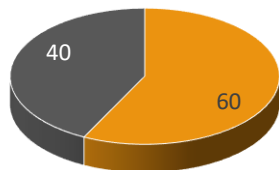
(Emkay PMS Returns (%) are Post Expenses of a Model Client in Capital Builder Scheme)

Asset Management - AIF

AUM: Rs. 31,000+ LAC

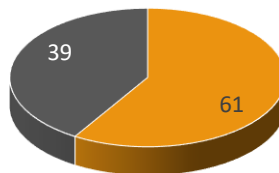
Asset Allocation (Based on 70% drawdown)

Series I



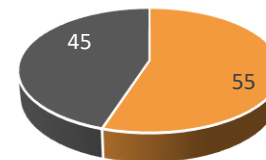
Asset Allocation (Based on 70% drawdown)

Series II



Asset Allocation (Based on 35% drawdown)

Series III



Equity Exposure Cash & Cash Equivalent Exposure

Source: EIML

Performance Analysis (As on 31st March, 2019)

Scheme Name	1 Month	3 Months	6 Months	9 Months	1 Year	Since Inception
Emkay Emerging Stars Fund - Series I	7.9	3.4	1.8	0.1	-6.3	-6.5*
Emkay Emerging Stars Fund - Series II	8.3	3.6	1.9	0.4	-6.1	-6.9**
Emkay Emerging Stars Fund - Series III	7.5	3.4	NA	NA	NA	3.9***
S&P BSE Mid-Cap	6.7	0.3	4.3	0.9	-4.4	-14.8#
S&P BSE Small-Cap	7.5	1.8	4.4	-5.6	-13.6	-24.8#

* 11th January, 2018 **28th March, 2018 ***15th October, 2018 #Data for Series I

- **16,600+** clients under MF Advisory & Distribution (as on 31st March, 2019)
- Managing INR **93,400+ Lac** under MF Advisory & Distribution (as on 31st March, 2019)
- Mutual Fund recommendations backed by strong research team.
- Understanding financial needs of clients by considering factors like risk appetite, investment time horizon, age, tax implications, etc before advising on mutual funds.
- Regular and stringent monitoring of portfolios.
- Monthly update on Mutual Fund holdings and portfolio reviews.
- Facility to view portfolio online on the website.
- Research Reports
 - » Navigator: A monthly with a roundup on economy, markets, mutual funds, PMS, Estate & Succession Planning, et al.
 - » FinSights: Economy update
 - » Product Updates



Credit

Lending Book Profile

	Gross Loan Book	Yield	COF	NIM
Q4 FY19	₹ 4,372 lac	10.22%	9.93%	6.56%
Q4 FY18	₹ 3,980 lac	11.78%	9.42%	6.23%

* Gross loan book size is deployed in Capital Market

Corporate Overview

The Journey

1995

Year of incorporation

2006

Incorporated & launched RBI approved NBFC; Commenced Commodity Broking

2012

Commenced Currency Broking

2017

Emkay Emerging Stars Fund - Series I closed successfully with commitments of Rs.200+ Cr.

1996

Commenced equity broking on BSE

2007

Launched IRDA approved insurance broking subsidiary

2014

First PIPE deal of Somany Ceramics

2018

Successful launch of EMKAY Emerging Stars Fund – Series I, II & III

1999

Commenced equity broking on NSE

2008

Crossed the landmark of 100 Crore top-line

2014

First QIP as BRLM of Dynamatic Technologies

2018

Incorporated EGFS IFSC for international financial services as a Capital market intermediary

2000

Executed first trade in Sensex Futures and Sensex Options

2008

Launched the Investment Banking Business

2015

Acted as Sole Book Running Lead Manager for QIP of MPS Limited

2019

Emkay Insurance Brokers Limited rechristened Emkay Wealth Advisory, to offer Estate and Succession Planning services

2005

Grew into a public limited company

2010

Successfully closed first QIP as co-manager of Jubilant Organosys

2016

Acted as sole manager to the Preferential Issue of INR 150 crore of Time Technoplast

2006

Successfully launched 75 Crore IPO and listed on BSE/ NSE

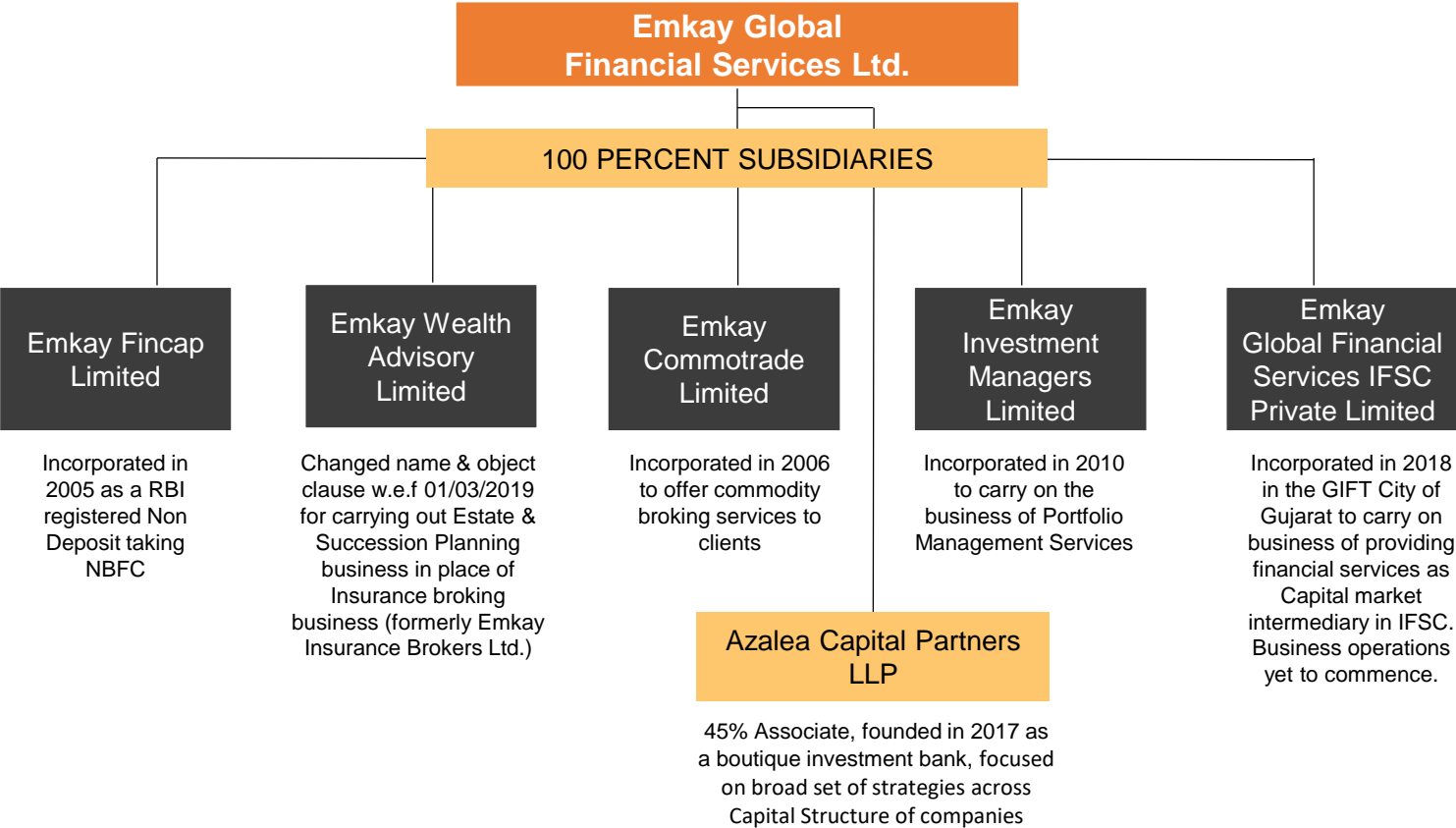
2012

Acquired own office space of 25000 sq ft. in the heart of Mumbai

2017

Tie-up with DBS Vickers Securities for co-branding & distribution of Emkay Research

Organisational Structure



The Board

Mr. Krishna Kumar Karwa	Managing Director	A rank holder Member of the ICAI; Promoter & Managing Director of EGFSL; Independent Director at West Coast Paper Mills Limited
Mr. Prakash Kacholia	Managing Director	A Member of ICAI; Promoter and Managing Director of EGFSL
Mr. Girindrachandra Vasudeo	Independent Director	A fellow member of the ICAI, the ICSI; an Associate member of the ICWAI; a law graduate from the University of Mumbai
Mr. Ravikumar Krishnamurthi	Independent Director	A solicitor in the Mumbai High Court and the Supreme Court of England; retired Partner of Mulla & Mulla Craigie Blunt & Caroe
Dr. Satish Ugrankar	Independent Director	M.S., D'ORTH (CPS) and F.C.P.S.(CPS), (Mumbai)
Mr. Sushil Kumar Saboo	Non-Executive Director	Group Advisor (Chairman's Office) for Aditya Birla Group, one of the premier business groups of India.
Mrs. Preeti Kacholia	Woman Director (Non-Executive)	Woman Director on the Board of Directors of EGFSL
Dr. Bharat Kumar Singh	Independent Director	B.E (Mech), MBA (IIM-C), Ph.D (Management Studies) Mumbai University (JBIMS)

Strong Infrastructure

- Exchange Connectivity from BSE, NSE, MSEI, NCDEX, MCX-SX and CDSL
 - » Ultralow latency 10G High speed connectivity
 - » Fast and Tick by Tick & Multicast Tick by Tick broadcast from NSE
- On boarded an additional trading platform 'Greekssoft' for our Institutional Trading Desk. Existing trading platform, equipped with 300+ 'Omnesys' terminals, was continuously upgraded for fast, powerful and versatile operations.
- **New platform:** Launched a new platform for the Wealth Management business with a unified view of wealth customer portfolios.
- **Network revamp:** Initiated a major network revamp project to relocate the internet facing services to a third-party data centre for better stability, multi-vendor connectivity and better user experience. This project is expected to be completed by December 2019.
- **Cyber security:** Initiated round-the-year measures to strengthen cyber security preparedness to protect our critical information and infrastructure from the cyber threats. These measures included training and awareness, evaluation and implementation of technology platforms to further secure our technology platforms.
- **Outlook:** Going ahead, the Company will continue to strengthen its IT management systems to build a robust Electronic Execution Services offering for the near future.

Recent Awards & Accolades

Institutional Investor

Institutional Investor Award recognizes people and firms in the financial services industry for excellence.

- Emkay Sales Team Ranked 5th in India by Institutional Investor Survey, 2017
- Emkay Research Team Ranked 10th in India by Institutional Investor Survey, 2016

ASIAMONEY

Asiamoney Brokers Poll is the largest Asia-focused equity services provider poll.

- Best Analyst Energy – Rank 3 by Asiamoney Brokers Poll, 2018
- Best Analyst Small Caps – Rank 2 by Asiamoney Brokers Poll, 2018
- Emkay Sales Team Ranked 7th in India by Asiamoney Brokers Poll, 2017

MCX

METAL & ENERGY
Trade with Trust

Emkay recognized by MCX for being the highest volume contributor in the options segment for 2019



Emkay recognized as Most Admired Service Provider in Financial Sector by CMO Asia

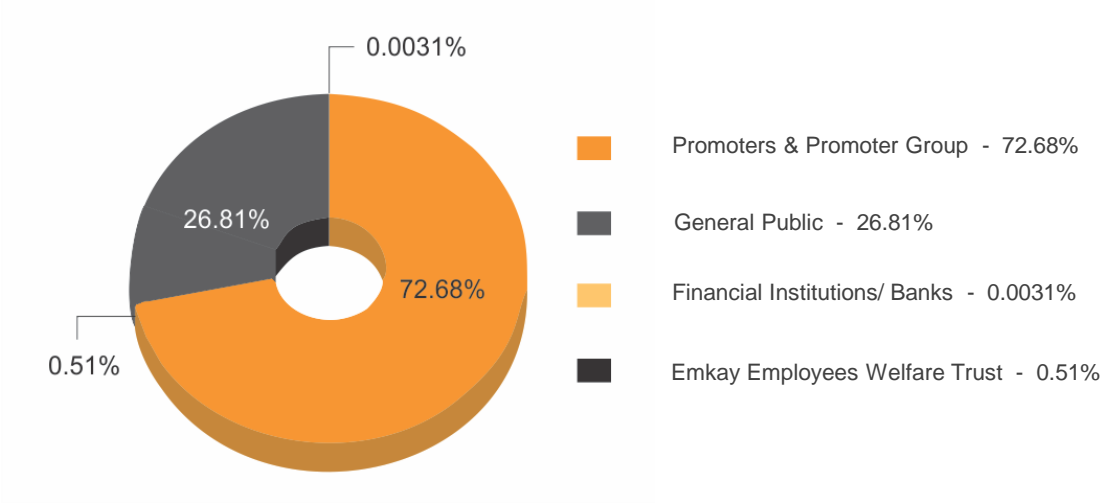


Emkay awarded as India's Most Trusted Financial Brand for the year 2016-17 by World Consulting & Research Corporation



Emkay ranked amongst the 25 fastest growing financial consultant companies in India by the CEO Magazine

Shareholding Summary



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