

PURNARTHA ADVISORY SALES PITCH

Why investment advisory?

The main reasons to opt for investment advisory by client are:

- Taking professional advice for stock investing makes sure that portfolio gives consistently better returns than the index
- Investment advisors come with strong experience of market, industry knowledge and expertise in understanding the market trends, which helps them align portfolio with market trends
- Regular rebalancing and restructuring of the portfolio makes sure that it is always aligned to market scenario to achieve high returns

Purnartha Investment Advisory

Purnartha Investment Advisors, a SEBI registered firm, is known for its investment advisory leading to wealth creation over the long run and provides comprehensive equity research and insight-backed personalized investment guidance.

Since April'09 to May'19, Purnartha yielded remarkable CAGR of 43.39% compared to NIFTY that only delivered 14.68%.

What are IIFL offerings?

IIFL has entered in referral tie up with Purnartha Investment Advisors for advisory product. We have launched **exclusive plans for IIFL clients:**

1. Min Investment 10 Lakhs, only 3 year plan available (IIFL Exclusive Plan)

Initial Advisory Fee	7.50%
Profit Sharing Above Hurdle Rate	20%
Hurdle Rate	75%

2. Min Investment 25 Lakhs, one-year plan (Purnartha Generic Plan)

	Plan A	Plan A	Plan B	Plan C	Plan D	Plan E	Plan F
Initial Advisory Fee		2.50%	2.00%	1.75%	1.50%	1.00%	0.60%
Profit Sharing Above Hurdle Rate		20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Hurdle Rate		25.00%	15.00%	12.00%	10.00%	6.33%	0.00%

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3. Min Investment 1 crore, one-year plan (IIFL Exclusive Plan)

	Rs. 1 cr to Rs. 5 crs	Rs. 5 crs to Rs. 15 cr	Above Rs. 15 cr
Initial Advisory Fee	2.25%	2.00%	1.50%
Profit Sharing Above Hurdle Rate	20%	20%	20%
Hurdle Rate	25%	25%	25%

Whom to pitch?

This is an excellent opportunity to target wide range of clients

- Clients who have DP and stock holding balance in IIFL account and have not traded in that account for long time. This advisory product helps them restructure the portfolio and achieve higher returns.
- Clients who are interested to invest in PMS but are wary about investing Rs. 25 Lacs in one go. This product gives the best alternative to PMS with significantly lower min investment of Rs. 10 lacs and no lock in period.
- Clients who are interested to build a portfolio helping them in wealth creation over a long term period using expert advice.

What about Tax Implication?

<u>Tax Type</u>	<u>Tax applicable</u>
Long-term capital gains tax	10% over and above Rs 1 lac
Short-term capital gains tax	15%

Benefits to the customer?

- Purnartha has strong track record in long term wealth creation. It has consistently outperformed index
- Best alternative to PMS with lower minimum investment and no lock in periods
- Clients have ownership of their investments

Benefits for RM?

- RMs have an easy pitch for this product and can target their existing clients and reactivate dormant clients
- IIFL gets 50% IR (upfront) of advisory fee and 50% IR (at end of the plan) of profit sharing fee above the hurdle rate
- Purnartha has SPOCs across all the locations and can readily provide support for closures if any
- Entire account opening process is digital removing intricacies of documentations
- Once client has invested through advisory product, brokerage income can be generated