

END OF YEAR INSIGHTS - 2024 - INDIA

2024 in Review: Insights from Nuvama Private's Alok Saigal on India's Private Wealth Management Transformation

Alok Saigal of Nuvama Private

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As 2024 draws to a close, India's private wealth management industry stands at the crossroads of significant evolution. Alok Saigal, President & Head of Nuvama Private, reflects on a year marked by the rapid expansion of wealth into Tier 2 and Tier 3 cities, a growing demand for offshore investments, and the rising complexity of client needs.

Reflecting on 2024, what were the most significant trends or challenges impacting your firm and India's wealth management industry? How have these influenced your strategic priorities for 2025?

Wealth is increasingly spreading into more cities PAN India, with the top 1,000 wealthy individuals now residing across 76 cities compared to just 10 a decade ago. Recognizing this shift, we expanded our footprint by establishing new offices in Goa, Kochi, Raipur, and Surat/Baroda. This strategic move has improved client accessibility, enhanced market penetration, and unlocked significant opportunities in these previously underserved regions.

The demand for offshore investment opportunities has grown significantly as clients increasingly seek to invest in offshore offerings. At the same time, we are witnessing heightened interest from investors in Dubai and Singapore looking to invest in India as it presents a compelling opportunity in light of the current global geopolitical climate, prompting NRIs to seize the potential for growth and investment.

Another prominent trend is the increasing appetite among ultra-high-net-worth individuals (UHNIs) to explore more complex and diverse investment opportunities. There is increasing interest in Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InVITs), which offer unique avenues for long-term growth. Additionally, unlisted equities are gaining traction as UHNIs seek higher returns.

In what ways has your firm enhanced its platform, product offerings, or client experience this year to better meet the evolving needs of UHNWI and HNWI clients in India?

The industry is continuously evolving, with clients seeking more complex solutions that deliver alpha returns and tech-driven, fully automated platforms providing high-quality insights and analytics. At Nuvama Private, we have made significant strides in addressing these needs.

In terms of product offerings, we offer the full spectrum of product offerings across equities, debt, alternates, and other asset classes. Our in-house Infinity offering has consistently delivered high returns, outperforming market benchmarks and reinforcing our reputation for excellence.

On the platform front, we have enhanced our digital ecosystem to deliver a superior client experience. Our digital app and revamped website now offer best-in-class insights and analytics tailored to client's needs. Furthermore, we continuously keep churning out high quality AI-driven solutions, such as our recently launched WhatsApp chat bot which delivers intelligent personalized, real-time responses, enhancing client engagement and convenience.

As digital transformation accelerates in wealth management, how are you using AI and technology to elevate advisory services and deliver personalized solutions at scale in the Indian market?

Our mobile app, a key pillar of our digital transformation, provides clients with insights and analytics across more than 25 parameters. This empowers them to make well-informed, data-driven decisions with ease.

Complementing this is our recently launched AI-driven WhatsApp chat bot, which offers intelligent, personalized, and real-time responses, significantly improving client convenience and engagement.

To support our relationship managers (RMs), we have equipped them with an AI-driven tool that enables the creation of customized proposals tailored to each client's unique needs.

What do you see as the biggest opportunity for private wealth management in India over the next year, and what strategies are you prioritizing to capture this potential?

The biggest opportunity for private wealth management in India over the next year lies in providing offshore solutions to Indian clients and, conversely, tapping into the offshore diaspora of Indian clients.

To capitalize on this opportunity, we recently established our Dubai office, supported by a strong platform. Our team includes three seasoned bankers, and we have forged tie-ups with multiple renowned banks, ensuring a robust backend. Since its launch, this initiative has already witnessed significant traction.

Additionally, we have applied for a license in Singapore, further expanding our offshore capabilities.

The growth potential in offshore investments is underscored by data showing that the amount transferred abroad by Indian HNW and Ultra High Net-Worth (UHNW) individuals grew from \$932 million in 2018-19 to \$2.45 billion in 2022-23, reflecting a compound annual growth rate of 26%.

With increasing competition in India, what are the top three priorities, key investments or initiatives you are undertaking to future-proof your business?

To future-proof our business amidst increasing competition in India, we have identified three key priorities and initiatives:

- People: We are focused on hiring seasoned professionals with extensive experience in the wealth industry, bringing in valuable expertise to enhance our client offerings. Additionally, we prioritize upskilling our in-house talent through targeted training interventions, ensuring they remain ahead of industry trends. We also adopt an opportunistic hiring approach, attracting talent from alternative segments such as corporate banking, institutional equities etc.
- Product: Our commitment lies in continuously churning out high-quality, alpha generating ideas designed to preserve and compound our clients' wealth. This relentless focus on innovation ensures that we meet evolving client expectations while maintaining a competitive edge.
- Platform: We are strengthening our PAN India presence through strategic geographic expansion, making our services more accessible to clients nationwide. Simultaneously, we are enhancing our platform capabilities by delivering high-quality portfolio reports, insights, and analytics on a real time basis, ensuring clients are empowered with the data required to make informed decisions.

Alok Saigal

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