

Like Father, like Daughter

In 1993, Anand Rathi got the membership of Bombay Stock Exchange (BSE), when it was looking for professionals to become members. Prior to that, Rathi was leading the Aditya Birla Group, as the President of Indian Rayon, which is now Aditya Birla Nuvo. After completing a great success cycle in his career, Rathi was keen to venture into entrepreneurship. Talking about starting business at a later stage, he says, "At Aditya Birla, besides textiles, I set up the cement business too. I was very enterprising and decided to start on my own. The opportunity came when I became a member of BSE."

By Punita Sabharwal

The BSE membership gave Rathi the opportunity to set up his own venture in 1994. He started an equity broking firm expanding into merchant banking, wealth management, commodity management, and insurance. From 1994-2003, the company expanded into various other divisions. Around the same time, Rathi's son-in-law, Pradeep Gupta, also became a member of National Stock Exchange (NSE). He too started a broking firm. Soon, they came together to bring it all under one umbrella of Anand Rathi Group.

In 2004, Gupta's wife and Rathi's daughter, Priti, also became a part of the company. She was instrumental in setting up the commodity business from scratch. And later, she went on to launch the currency business. Talking about her effort, Priti says, "When we saw the opportunity, we came together to set up the business." She further says, "My uncle, my father's younger brother, was in Bombay. During college, I worked as a trainee at his organisation. This was my first experience in stock broking. But things became a little slow after I got married. At that time, my husband was into textiles. So there was not much where I could add value."

On the culture shared in a family-run business by her father, Priti says, "We work

CURRENT BUSINESS SEGMENTS

- 1 *Equity broking: investment services, mutual fund, insurance, it works on a franchise model. It has over 100 branches of its own and 1,000 franchised.*
- 2 *Institutional Broking*
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- 4 *Investment Banking*
- 5 *NBFC*
- 6 *Wealth Management*
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Anand Rathi, Founder and Chairman, Anand Rathi Group

in an extremely entrepreneurial environment. That's the culture he has set. As a family, we have different ways of functioning. There are management practices which he has set up. There has been constant learning from his side. All of us have different management style."

Her father lays emphasis on constant learning "Currently I am studying at Harvard," informs Priti. Rathi has quite an open culture for everyone. "I am a huge fan of his management style. He indulges in constant learning. Being open to change, he constantly pushes us to learn whatever is new. It helps us to evolve constantly. We are very agile across the board. We also mentor women entrepreneurs through the

organisation," shares Priti.

Besides Pradeep and Priti, Rathi's son and daughter-in-law are also heading different verticals of the company. "There are professional CEOs to head different branches, each branch is led by a family member," informs Rathi. The family decides senior level recruitment, supporting CEOs in their regular working and helping make crucial decisions on marketing and clients.

With close to 2,500 people under its arm, the group now counts amongst the top financial services companies in India. In last two decades, it has grabbed half a million customers. Year 2007, also saw Citi Ventures investing in the group. However, it was later bought back by

the company. Currently, the business is completely owned, controlled and funded by the family members. On plans to take the company public, Rathi says, "We might look at taking the company public in coming days, but it depends on market conditions." On how clashes are handled in a family-run enterprise, he says, "We work entrepreneurially. There is autonomy given to everyone. That's the only way to grow."

Open to opportunities

Talking about any future opportunities it might be looking at, he adds, "In house, we are working on certain areas of fintech, if there are opportunities available we might look at it in some

point of time." Rathi has gone on to support two-three start-ups and has been involved with them personally. Sharing his role as an angel, he says, "These were people with some good professional background, and they wanted to start something. One was into steel engineering and another in HR." Though Rathi supported them but there was no structure to it. "I liked what they were doing. It was not a regular thing," he states.

Private banking of wealth management is something Rathi is betting big on. His aim is to be among the top five in whatever the group does. [Ⓔ]

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Priti Rathi Gupta, MD, Anand Rathi Group

