



Date : 9-Apr-08  
Headline : Artha Money to offer third party PF products  
Event : Press conference to announce the launch of Arthaeon Financial Services  
Location : Mumbai

The newly launched Arthaeon Financial Services said it would offer all third-party retail financial products under the brand name Artha Money. It is targeting a million customers in a year.

The company is planning to sell retail investment products such as mutual funds, gold, real estate, insurance and also offer products such as credit cards, travel cards, personal loans and home loans, said Suresh Rangarajan, Managing Director and CEO.

Artha Money has tied up with Barclays Bank for credit cards and with ICICI Bank for home loans and personal loans. For its other businesses, Arthaeon would acquire five subsidiaries, which hold regulatory licenses for equity broking, commodity trading, depository services, insurance selling, money remittance and forex management, Rangarajan said.

The availability of all products under one roof will enable consumers to "learn about personal financial products, compare between various brands and finally, execute their informed choice. Simply put, this will be a Supermarket for personal finance products, with personalized services offered by Artha Money's trained money managers. This is the first time that an Indian company is launching a holistic money management service in India.

Arthaeon's initial capital base is about Rs 200 crore. It has sold 75 per cent of its stake to a US-based private equity firm and Times Private Treaty, a subsidiary of Bennett, Coleman and Company.

Initially, the company will earn its income from distribution and brokerage fees and will not charge any fees from consumers for distribution and advisory services. But over a period of time customers too will be charged, said Rangarajan.

Artha Money will open about 50 branches this year in Tamil Nadu, Andhra Pradesh and Karnataka. The staff strength is currently 140 and will go up to 600 in a couple of quarters. The target is to break even by 2010, Rangarajan said.