

**PROTECTED MAGNIFIER -38%:  
PRODUCT SPECIFICATIONS  
(Structure Product Idea)**

**18<sup>th</sup> June 2021**

# PROTECTED MAGNIFIER -38%: PRODUCT SPECIFICATIONS (Structure Product Idea)

Product Name		Protected Magnifier – 38%	
<b>Issuer</b>	Anand Rathi Global Finance Limited		
<b>Underlying</b>	Nifty 50 Index		
<b>Capital Guarantee</b>	Principal is not protected		
<b>Tenor(days)</b>	1230 Days		
<b>Initial Fixing Level</b>	150 points contingent from closing nifty then rounded to next 100		
<b>Final Fixing Level</b>	Average of Closing NIFTY for last Thursday of 34th , 35th & 36th Month.		
<b>Nifty Performance (NP)</b>	$(\text{Final Fixing Level}/\text{Initial Fixing Level})-1$		
<b>Participation Rate (PR)</b>	760%(From 99% to 104% of Initial Fixing Level)		
<b>Decay Multiple (DM1) Knock-In Put @ 80%</b>	1.25x (below -20% till -30% fall with catch-up)		
<b>Decay Multiple (DM2) Nifty @ 70% of initial</b>	0.25x (Beyond -30% fall decay decreases)		
<b>Payoff</b>	If Final Fixing Level is at or above 104% of Initial Fixing Level		Contingent Coupon
	If Final Fixing Level is at or above 99% or below 104% of Initial Fixing Level		$(\text{NP}+1\%)*\text{PR}1$
	If Final Fixing Level is at or above 80% or below 99% of Initial Fixing Level		Principle protected
	If Final Fixing Level is below 80% of Initial Fixing Level		$\text{MAX}(-100\%,\text{MAX}((-30\%*\text{DM}1),\text{NP}*\text{DM}1))+\text{MIN}(0\%,(\text{NP}+30\%)*\text{DM}2))$

# PROTECTED MAGNIFIER - 38%: PAYOFF

(Structure Product Idea)

Nifty Values	Nifty Perf.	Product Return	Nifty IRR	Product IRR
23700	50.0%	38.0%	12.8%	10.0%
<b>21804</b>	<b>38.0%</b>	<b>38.0%</b>	<b>10.0%</b>	<b>10.0%</b>
20540	30.0%	38.0%	8.1%	10.0%
18960	20.0%	38.0%	5.6%	10.0%
17380	10.0%	38.0%	2.9%	10.0%
<b>16432</b>	<b>4.0%</b>	<b>38.0%</b>	<b>1.2%</b>	<b>10.0%</b>
16116	2.0%	22.8%	0.6%	6.3%
<b>15800</b>	<b>0.0%</b>	<b>7.6%</b>	<b>0.0%</b>	<b>2.2%</b>
<b>15642</b>	<b>-1.0%</b>	<b>0.0%</b>	<b>-0.3%</b>	<b>0.0%</b>
15582	-1.4%	0.0%	-0.4%	0.0%
14220	-10.0%	0.0%	-3.1%	0.0%
<b>12640</b>	<b>-20.0%</b>	<b>0.0%</b>	<b>-6.4%</b>	<b>0.0%</b>
12638	-20.01%	-25.0%	-6.4%	-8.2%
<b>11060</b>	<b>-30.0%</b>	<b>-37.5%</b>	<b>-10.0%</b>	<b>-13.0%</b>
10270	-35.0%	-38.8%	-12.00%	-13.54%
9480	-40.0%	-40.0%	-14.1%	-14.1%

Product IRR\* **10.03%**

Tenor – 1230 Days  
Expiry – Avg. of 34-36<sup>th</sup> Months

\*\*Standard Deviation  
**2.31%**

Target Nifty Perf.  
**4%**

## + Product Explanation

NP >= 4%	38% (Contingent Coupon)
-1% < NP < 4%	760% PR
-20% < NP < -1%	Principal Protection
-30% < NP < -20%	1.25x Decay with Catch-up
Nifty falls beyond -30%	Decay decreases to 0.25x

\*Product IRR assume to be Pre-Tax IRR

•NP: Nifty Performance

^ Initial Fixing Level is taken as 15582, adding 150 points contingent : 15732, rounded off to next 100: 15800.

\*\*Historical Standard Deviation is calculated for 1098 days daily rolling NIFTY (Working Days Only) return from 1st Jan'2001 – 31<sup>st</sup> May '2021

The information provided in this communication is reproduction of factual details. No part of information provided herein should be construed as investment advice by ARWL and/or its employee. Investor/Client must make their own investment decisions based on their own specific investment objectives and financial position. This communication does not constitute an offer or solicitation for the purchase or sale of any financial instrument/security.

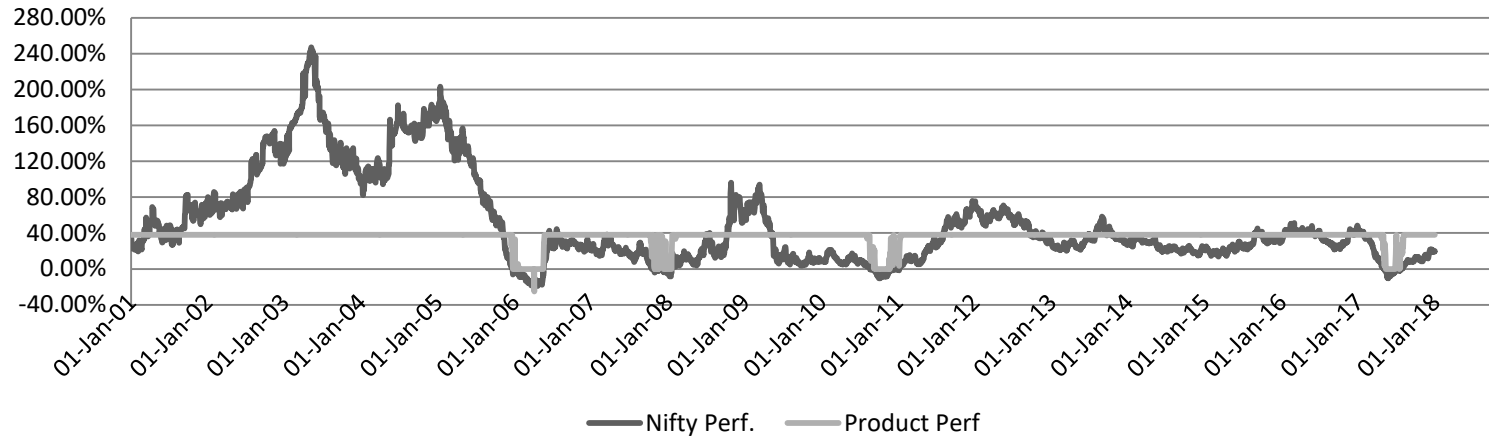
# PROTECTED MAGNIFIER-38%: PRODUCT BACK TESTING

(Structure Product Idea)



Historical 1098 Day Rolling Return (Nifty Working Days Only)

## Protected Magnifier - 38%



Protected Magnifier Probability		
Particulars	Normal	%
Total Observation	4334	
% of time Product Has Given Maximum Returns (38%)	3996	92.20%
% of time Product has given zero or positive returns	4333	99.98%
<b>Standard Deviation</b>		<b>2.31%</b>

The information provided in this communication is reproduction of factual details. No part of information provided herein should be construed as investment advice by ARWL and/or its employee. Investor/Client must make their own investment decisions based on their own specific investment objectives and financial position. This communication does not constitute an offer or solicitation for the purchase or sale of any financial instrument/security.

\*Historical probability & Standard Deviation is calculated considering coupon of 38% and 1098 Day daily rolling Nifty (Working Days Only) returns as on 31st May, 2021. Nifty Data from 1st January 2001 to 31st May, 2021.

Product Information

To know more contact



[privateclientgroup@rathi.com](mailto:privateclientgroup@rathi.com)



022 6281 7000

The Debentures and the return and/or maturity proceeds hereon, are not guaranteed or insured in any manner by the Issuer. **Market Risk** - The return of the portfolio is linked to performance of the underlying Equity Index. The fluctuations in the equity market can be significant. The value of the Debentures, prior to the Redemption and Maturity Date, may be affected by a number of factors, interest rates and time remaining to maturity. **Potential Loss of Capital and/or Interest Income** - It is possible that the prospective investor may receive zero interest over the Investment period or may even suffer significant loss of capital as defined in the payoff formula. **Credit risk** - The Debentures are unrated. The investors should do their own independent evaluation of the credit risk of the Issuer. **Liquidity Risk** - Pre-termination of the Debentures by the investor prior to the Redemption and Maturity Date is possible subject to prevailing market terms and conditions and approval of the issuer. There is no guarantee of what amount the investor would receive, if the Debentures were liquidated prior to the Redemption and Maturity Date. The Debentures, even if listed, may not be marketable or may not have a market for sale at all. **Early Termination Risk** - If the Debentures are terminated prior to the Redemption and Maturity Date, the value of the Debentures is exposed to prevailing market conditions. As a result, by terminating the Debentures prior to the Redemption and Maturity Date, the investor may receive an amount much lower than the initial amount invested. **Event Risk** - The trading on Nifty in futures & options is subject to certain event risks including but not limited to certain events such as Market Disruption, Settlement Disruption, Insolvency, Delisting, Merger and Nationalization. Calculation Agent may in such case adjust the terms at its sole discretion to reflect the new market conditions. This may even include redeeming the debentures prior to the Redemption and Maturity Date. If there is a stock split, issue of bonus shares or other event which changes the number of issued shares of the underlying in the basket or the composition of the basket, the calculation agent may adjust the contract terms, at its sole discretion, to reflect the market conditions. If Nifty cannot be observed on any observation day due to any reason, the Issuer may use the next available trading day as an observation day. **Early Redemption Risk** - Value obtained in case of early redemption will be at the discretion of the Issuer and early redemption may lead to a significant loss irrespective of Nifty levels. ARFSL / ARWL or the Issuer will not be responsible for this loss in anyway whatsoever. **Index Constitution Risk** - The Index Provider undertakes a periodic review of the scripts that comprise the Reference Index and may either drop or include new securities as per his own discretion. **Trading Risks and Conflicts** - The issuer or any of its Agents, from time to time may have long or short positions in Nifty indices, futures and options (“Reference Assets”) (and other similar assets), they may act as an underwriter or distributor of similar instruments, the returns on which or performance of which, may be at variance with or asymmetrical to those on the Debentures, and they may engage in other public and private financial transactions (including the purchase of privately placed investments or securities or other assets). The forgoing activities of the Issuer or any of its Agents and related markets (such as the foreign exchange market) may affect the value of the Debentures. In particular, the value of the Debentures could be adversely impacted by a movement in the Reference Assets, or activities in related markets, including by any acts or inactions of the Issuer or any of its Agents.

*Thank You*

This presentation has been issued by Anand Rathi Wealth Limited ('ARWL'). The information contained herein is from publicly available data or other sources believed to be reliable; ARWL however does not warrant the accuracy, reasonableness and/or completeness of any information. The information provided herein are reproduction of factual details and is the investment philosophy of ARWL, which is found on the company website and/or on other publicly accessible platforms. No part of information provided herein is customized basis any investor's requirements and no part of information should be construed as investment advice by ARWL and/or its employee. Investor/Client must make their own investment decisions based on their own specific investment objectives and financial position. This presentation does not constitute an offer or solicitation for the purchase or sale of any financial instrument or as an official confirmation of any transaction. It does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive this presentation. Investors should seek financial advice regarding the appropriateness of investing in any financial instrument discussed in this presentation and should understand that statements regarding future prospects may not be realized. ARWL and its affiliates may trade for their own accounts as market maker and/or arbitrageur in any financial instrument or in related investments mentioned in this presentation. ARWL, its affiliates, directors, officers, and employees may have a long or short position in any financial instrument or in related investments mentioned in this presentation. The recipient alone shall be fully responsible / liable for any decision taken on the basis of this material. Investors should note that income from financial instruments mentioned in this presentation, if any, may fluctuate and that each instrument's price or value may rise or fall. Past performance is not necessarily a guide to future performance. ARWL, including its affiliates, and any of its officers directors, personnel and employees, shall not liable for any loss, damage of any nature, including but not limited to direct, indirect, punitive, special, exemplary, consequential, as also any loss of profit in any way arising from the use of this material in any manner. This presentation is prepared for private circulation. No part of this material may be duplicated in whole or in part in any form and /or redistributed without the prior written consent of ARWL. This material is strictly confidential to the recipient and should not be reproduced or disseminated to anyone else. The distribution of this presentation in certain jurisdictions may be restricted by law, and persons in whose possession this presentation comes, should observe, any such restrictions.