

# Join the Rich Men's Club (Only if You Can)

Why a clutch of billionaire scions has taken to enrolling in exclusive, by-invitation groups



Shallesh Menon

Recently the scion of a business family with a two-wheeler manufacturing operation in its fold, paid a visit to an exclusive "rich men's club" in Mumbai. The next-gen businessman wanted to know how a "constitution" is drawn prior to setting up a private trust to manage his family wealth.

A "constitution," in wealth management parlance, is a set of rules and moral values all members of a traditional business family must uphold at all times. The wealthy scion wanted to get some advice from members of this elite club and also, may be, rope in a respectable name to mediate between dissenting family members.

Indian 'ultra high networth individuals' (UHNIs) are now more open to discussing familial and business-related problems with their loaded peers. And to facilitate this lateral dialogue between rich families, a host of "rich men's clubs" have sprung up in top metros, and are enrolling members from all over the country.

Entry into these exclusive clubs is by invitation only. And the key deciding factor for membership is your net worth; you must be worth at least ₹200 crore to find your name on the club rosters.

"We may not lower our net worth criterion by much... We do not want a lot of rich riff-raff in the group. We're only looking to take in best-in-class families," says Amit Patni, scion of the Patni family which once owned Patni Computers. Amit is the promoter-director

**Ultra high networth individuals are now more open to discussing familial and business problems with their loaded peers. These clubs, in a way, solve the rich man's problems**

of Campden Family Connect, the India chapter of UK-based Campden Wealth with over 1,300 rich families across the world. The local chapter has so far enrolled 15 UHNI families since its launch six months ago.

Elite clubs like Campden provide a platform for rich families to share ideas, educate themselves, chase investment ideas in packs and forge personal relationships. They hold educational events and workshops, exclusive personality meet-ups and experience-sharing sessions to gather like-minded rich people. Congregations such as these are not open for people outside their community. These clubs, in a way, are created to solve the rich man's problems, with the help of the rich.

"Ours is going to be a very closed group... our members can help each other on various issues such as investments, succession planning, governance, philanthropy and co-investing," says Aditya Gadge, promoter of Priwexus, which will open for membership from September. Priwexus has tied up with overseas private wealth networks such as Family Office Exchange and Family Office Association for facilitating cross-border idea and knowledge sharing among rich families.

A family office structure forms the basis of these clubs. A family office, in simple terms, is a firm that manages the personal wealth of a rich business family. Such families think about setting up a family office or private trust when they have stabilised their businesses and have generated personal wealth by being in business, doing a partial exit (stake sale) or selling out completely.

"Setting up a family office is a new concept among most Indian business families... Many of them are starting only now — after giving up management of their business to their children or professional managers," says Patni. "Platforms such as ours will help them on their onward journey — in terms of wealth preservation, succession planning, ideas sharing and networking."

India is home to 90 mammoth single family offices that manage private wealth in

## The Richie Rich Hangouts

### CAMPDEN FAMILY CONNECT

**GENRE** An all-round club for rich families.

**ELIGIBILITY** Established business families only; by invitation

**NET WORTH CRITERION**  
About ₹300 crore

### PRIWEXUS

**GENRE** An all-round club for rich families.

**ELIGIBILITY** Rich families, new generation wealth creators.

**NET WORTH CRITERION**  
About ₹300 crore

### WODEHOUSE INVESTMENT NETWORK

**GENRE** Focussed investment network.

**ELIGIBILITY** UHNIs looking for investment opportunities. By invitation only.

**NET WORTH CRITERION** Should be able to write big investment cheques

excess of \$100 billion, according to a study by Association of International Wealth Management of India (AIWMI). Azim Premji (Premji Invest), NR Narayana Murthy (Catamaran Ventures), SD Shibulal, Kris Gopalakrishnan, the Burmans, the Sundarams (TVS family), Ajay Piramal, Qimat Rai Gupta family and Patni brothers, among others, keep some of the largest family offices in the country. Each of these family offices is believed to have assets in the range of ₹6,000 crore to ₹15,000 crore.

"Our idea is to provide rich family members a private space for them to meet and interact," says Gadge of

**Elite clubs provide a platform for rich families to share ideas, educate themselves, chase investment ideas in packs and forge personal relationships, with events and workshops**

Priwexus, which is planning to enlist some 300 members. "There are several new generation start-up entrepreneurs who would meet our criteria... we'd like them on our rolls too," Gadge adds.

Patni's Campden is already getting membership enquiries from smaller cities and towns such as Bhopal and Ranjangaon, which is actually a village off Pune but a throbbing industrial hub. "Rich people from smaller centres do not have a lot of access or networking opportunities. They find platforms like ours helpful to interact with rich families from other cities," Patni adds.

Both Campden and Priwexus do not sell third-party products or provide advisory services on their networks. This is where Wodehouse Investment Network (WIN) stands out. An investment club floated by Wodehouse Capital, WIN showcases curated investment opportunities for their rich patrons. "We're focused on investments only," clarifies Sraboni Haralalka, co-founder & executive director at Wodehouse Capital Advisors. "We help good business ideas meet the right set of investors. Our family office portfolio has several clients with assets over \$10 million; they're always on the lookout for great investment ideas."

Entry to WIN is by invitation only. Apart from private equity/venture capital investments, the forum promotes investment (and co-investment) opportunities in focus areas such as high-end real estate, art and collectibles.

Source: <http://economictimes.indiatimes.com/news/company/corporate-trends/why-a-clutch-of-billionaire-scions-has-taken-to-enrolling-in-exclusive-by-invitation-groups/articleshow/59779608.cms>