

Helping India capitalise on its investment appeal

The investment market in India is growing and wide open for business, with L&T Mutual Fund motivated and focused on being an increasingly important player within this mix, says Kailash Kulkarni.

Kailash Kulkarni brings years of industry experience to L&T Mutual Fund.

Having previously headed sales at Kotak Mutual Fund and bringing experience from MetLife India Insurance, he was promoted from chief business officer to chief executive officer of L&T Mutual Fund in 2015.

general insurance. Today, L&T Mutual Fund, with an AUM of 24,500 crore (average asset data for the quarter ended Dec 31, 2015) stands at 13th among its peers. (This is based on information on moneycontrol.com/AMFI.)

Over the years, the fund house has introduced four funds, keeping in mind



KAILASH KULKARNI

L&T Investment Management

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The firm is part of L&T Financial Services, which deals in retail lending, infrastructure finance, mutual funds and

the changing needs of customers. Kulkarni describes what the firm offers as being “spread across the spectrum,

involving a mix and match of all different kinds of products.” More specifically, this involves 14 schemes in

equity, 12 in fixed income, and four in hybrid products.

THE COMPONENTS OF SUCCESS

Though India is attractive as an emerging economy with plenty of potential as overseas-based investors try to figure the country out, Kulkarni is keeping his business mostly within the country's border for now.

"We are focused on true-to-label, bottom-up stock-picking – fundamentals, rather than chasing momentum," adds Kulkarni.

As far as catering to customers is concerned, Kulkarni stresses that it is important for the firm and all staff to be able to keep a positive relationship with them throughout the entire engagement.

"People may say that the regulator is being a little harsh, but I don't believe so," he asserts.

"I think they want us to become more transparent, and I don't think that is a bad thing."

USING TECHNOLOGY

He also highlights e-KYC, a method of verification in India, and how keeping up with technology is the key to continuing to progress in a world where digital aggregating platforms are becoming more accessible.

"The bottleneck is our ability to reach out to the last mile [of customers] and get the conversations happening," explains Kulkarni.

"With digital and electronic becoming more accessible to the common man through Smartphones or through [tablets], I think our ability to go to the next 10 million or the next 20 million customers will be that much easier," he adds.

Technology in India, means being able to localise.

"We have more than 20 languages in India, official. Not everybody reads the English newspapers," says Kulkarni.

"We are all used to talking in English. We go and make presentations in English. Can we do it in Hindi, Marathi, Bengali, Gujarati, Tamil, Malayalam, and Punjabi?" he adds.

"If you are able to do that, you are able to connect to a far bigger base of individuals who have never seen the mutual fund world at all." ■

"Very clearly we are focused on long term performance. We are focused on true-to-label, bottom-up stock-picking – fundamentals, rather than chasing momentum."

"The only audience internationally we cater to are the non-resident Indians who can invest in India into our funds," he explains.

This highlights how Kulkarni believes that he can breed success as well as build on the firm's achievements to date by staying focused on what it can do best.

"Any company in the mutual fund space can be successful if you have both things working well: one is fund performance and the second is a good sales team," he explains.

And the same goes for both the equity and fixed income sides of the business. "Very clearly we are focused on long term performance," he says.

In today's environment, this is helped by the availability of lightning-fast communication means available in the Smartphone era.

But it also works the other way if not done well.

"In the day of social media, one wrong thing can boom out in a very negative manner," he warns.

GETTING MORE SCALE

With a climb like the one L&T Mutual Fund has pulled off so far, there are bound to be bumps in the road, but Kulkarni takes a surprisingly optimistic approach to such challenges.

Or, as he points out, opportunities are much more prevalent.