

# Indian Wealth Management Forum 2019 Video Highlights



**At the Hubbis Indian Wealth Management Forum 2019 in Mumbai on August 22nd, we asked leading industry experts - what are the opportunities and challenges for the year ahead?**

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# Who did we interview?

## [Abhijit Bhave](#)

Chief Executive Officer  
Karvy Private Wealth

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## [Satheesh Krishnamurthy](#)

Executive Vice President &  
Business Head  
- Affluent & NRI  
Axis Bank

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## [Anupam Guha](#)

Head of Private Wealth  
Management & Equity  
Advisory Group  
ICICI Securities

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## [Kailash Kulkarni](#)

Chief Executive  
- Investment Management  
L&T Mutual Fund

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## [G Pradeepkumar](#)

Chief Executive Officer  
Union Asset Management

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## [Lakshmi Iyer](#)

Chief Investment Officer (Debt)  
& Head Products  
Kotak Mahindra  
Asset Management

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## [Neha Pathak](#)

Senior Group Vice President,  
Head of Trust & Estate Planning  
Motilal Oswal Private  
Wealth Management

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## [Abhijit Joshi](#)

Founder  
Veritas Legal

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## [Tariq Aboobaker](#)

Managing Director  
Amicorp Group

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## [Shweta Shah](#)

Head, Wealth Structuring and Tax  
Edelweiss Private  
Wealth Management

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## [Rahul Gaitonde](#)

COO  
Cube Wealth

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Assistant Vice President,  
Wealth Planning Specialist  
Sanctum Wealth Management

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Director - GSAT  
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## [Philip Story](#)

SEO and Head of Distribution, EMEA  
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## [Damian Hitchen](#)

CEO Singapore  
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## [Anand Moorthy](#)

Founder & CEO  
PropsAMC

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**[Abhijit Bhaye](#)**  
**Chief Executive Officer**  
**Karvy Private Wealth**  
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India has just sent a satellite to the Moon and to Mars, so the sky is no longer the limit. It is much beyond the sky. I think these are fantastic times, and the opportunity is there because the sheer creation of wealth, in terms of number of NRIs, in terms of the wealth of NRIs is just fantastic; Whether it comes to the wealth created just in tier one cities, tier two cities, tier three cities. As far as I'm concerned, the next five years, next 10 years are going to be fantastic. Now, in terms of challenges, the biggest challenge to my mind is that, as a wealth management firm, is that if you are not completely client centric within the right essence of it. For example, at Karvy Private Wealth, we don't define the value proposition through talking about products. We define the value proposition as seen from the client's perspective; That is where we define the four Es of client experience, which are E for earnings that the client has had, E for ease, E for the exposure across asset classes and across durations, and E for the education that the client needs to achieve that. In terms of challenges, I would just say one thing. Challenges were

there, challenges will remain and whatever you can't change, you don't think too much about it. Look at yourself, be innovative, believe in kaizen, keep on improving every day and life is good.

**[Satheesh Krishnamurthy](#)**  
**Executive Vice President & Business Head**  
**- Affluent & NRI**  
**Axis Bank**  
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There are many opportunities in this industry led by the new wealth that is getting created. So, the wealth is getting created into two parts - The existing affluent customers are getting wealthier with every passing quarter; they are getting income through multiple asset classes, whether they invest in real estate in the past or gold. So, there is a lot of money that is getting created from their existing assets. So, that needs to be deployed. And there is a lot of new wealth that is getting created as entrepreneurs take strong foundational steps in our country. So, the entire gamut of products and services which consumers need to manage their wealth is really turning out to be a huge and ripe opportunity for us in this country. So, that is on the opportunity. The challenges

that confront the industry today is on the people and the talent pool that we have today. I think there is an immense (amount of) work that is required to create enough talented, knowledgeable people who can live up to the expectations of consumers today, as they expect their wealth managers to be fully, thoroughly exposed to all the financial market product and the opportunity. So, I think that people, talent build out is a big challenge. We need to put a lot of energy on that. The second big challenge is applying technology around serving the needs of the customers. There are a lot of ad hoc technology service providers, but how do you actually make sense of that to make consumer life simple? I think that's the second big challenge.

**[Anupam Guha](#)**  
**Head of Private Wealth Management & Equity Advisory Group**  
**ICICI Securities**  
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From an opportunity perspective, obviously, we all know that structurally, I think, India's in a great place, right? There's a lot of wealth creation that's happening, a lot of first-generation entrepreneurs coming in. So far,



for people like us who are in this industry, there's a big opportunity to really capture that pie. And I think, as the country's developing, there are many steps that we need to take to really capture the imagination of, you know, our investors. From creating the right platform, to giving the right advice, to really helping customers daily in their journey of wealth creation, right? I think we have many steps to take. From an opportunity perspective, that's the big piece. From a challenge perspective, I think, as all industries that are evolving, there is a shortage of talent. We transitioned from a physical mode of engagement to a quasi-digital, figital engagement. So that's the journey that I think all of us will have to look at, with the margins coming down, which is good for our investors. And I think that will help ensure that the pie growth. I think we will all have to be more cost-conscious, and really, scale will become important for all of us; some of us who are industry leaders here working in aspects so as to follow these challenges.

**[Kailash Kulkarni](#)**  
**Chief Executive**  
**- Investment Management**  
**L&T Mutual Fund**  
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The biggest challenge for the industry today is to manage the sentiment given the current environment where both on the fixed income side, as well on the equity side, you have different kinds of challenges. On the fixed income side, it's mainly the credit related issues. On the equity side, it's the markets, which haven't been performing now for what, about a year, year and a half? It's managing the sentiment. It's trying to keep the

people on track. I think those are the challenges. Unfortunately, I think a dime a dozen given the corrections in the markets. We actually feel that the markets are now much better valued and given that the growth story in India is still intact, all of a sudden they disagreed with that statement. I still believe that this is the place to be, and it's a great opportunity to make some good money over the next three to five years.

**[G Pradeepkumar](#)**  
**Chief Executive Officer**  
**Union Asset Management**  
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The market offers excellent opportunities for asset managers as of today. First of all, it's hugely under-penetrated, as of today, so there is a lot of scope for reaching out to new investors, particularly in some of the smaller towns and cities, so that's a great opportunity. As far as challenges are concerned, I would say that that itself is a challenge as well, because India is a geographically worse country: different cultures, different languages, so reaching out is not all that easy. If we can manage or put in place a distribution mechanism and a model which will allow you to reach out to a larger number of investors, I think the market offers tremendous opportunities.

**[Lakshmi Iyer](#)**  
**Chief Investment Officer (Debt)**  
**& Head Products**  
**Kotak Mahindra**  
**Asset Management**  
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I think the biggest challenge that the asset management industry is likely to face over the next few years is that of polarization, which means a good bit of consolidation



happening with the mutual fund manufacturers. On the investment side, we see a good bit of alpha generating challenges, specifically on the equity side, so how to really co-exist, active versus passive. And, of course, last but not the least, within the fixed income, how to reposition high yield funds or credit funds, and bring back the investor confidence, which is shaken a bit. I think these are the immediate concerns and the challenges the industry is likely to grapple with in the months and weeks ahead.

**[Neha Pathak](#)**

**Senior Group Vice President,  
Head of Trust & Estate Planning  
Motilal Oswal Private  
Wealth Management  
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When we are talking about the wealth management industry, specifically for the estate planning industry, the biggest challenge that we face at this point of time is the uncertainty with the HNI or the ultra HNI. The problem is that they are not sure whether they want to do the estate plan, they don't want to do the estate



plan, or where they want to go with the estate plan. There is a lack of clarity or the objective that they want to move forward with; that happens to be the biggest challenge. Plus, the tax structure, of course, happens to be dynamic in our industry. It keeps changing on any yearly basis. So, we need to be ready with a tax structure which can suit the requirements of the future generation as well as the current generation.

**[Abhijit Joshi](#)**

**Founder  
Veritas Legal  
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The opportunity, especially for India, is tremendous for two or three reasons. There is an amount of political uncertainty, there is the possibility of estate tax and this conventionally results in a fair amount of inquiry, if not mandates; that's what we are seeing. So that's the opportunity. The challenge is: I don't think the industry has as much depth as you would see in the Western world. That's a challenge that we have to meet but think both will go together and eventually we will arrive there.



**[Tariq Aboobaker](#)**  
**Managing Director  
Amicorp Group  
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Currently, I see this industry is revamping and there is a huge amount of opportunity that's going to come our way, especially, from the way I look at it, the trust business that we are in, the markets have opened up in a big way. There has been a huge amount of acceptance in the market, and people are more and more willing to move towards the trust route, which was not the case previously.

**[Shweta Shah](#)**

**Head, Wealth Structuring and Tax  
Edelweiss Private  
Wealth Management  
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This is a very nascent industry in India as compared to global industries. Globally, estate planning, wealth structuring is at a very-very large scale as compared to what India is today. So, there is a huge opportunity. As per various wealth reports, there are around two lakh-odd millionaires





in India, which is estimated to rise quite substantially in the next five years. So of course, with the growing wealth, the opportunity for this space is going to be much-much more. At the same time, I would say the challenges are the diverse culture in which India operates as compared to its global counterparts. So for example, in the US, I would say, the culture would be defined as more individualist as compared to India; you can say it's (India) still an honor culture where you still respect authority, where you still respect your patriarch. It may happen, sometimes, that the individual who deserves or who has the merit does not get the authority because he's not senior enough. So, of course, there are challenges which a family faces and therefore they may not be very open. Though that changing a bit. But, of course, that's a challenge: I think that, as a culture, India needs to become more open towards the services.

**[Rahul Gaitonde](#)**

**COO**

**Cube Wealth**

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So, the biggest opportunity we have here, of course, is the growth of what we call the “mass affluent” class. We have this group that (consists of), depending on who you count, anywhere between 45 to 70 million. These are people who have been exposed to, effectively, services around the world, meaning from social media, to what they see is “the best” in wealth management. They're going to have the same sort of expectations of similar providers in India. That actually brings us to the most immediate challenge, which is that their expectations are sky high. Someone who's used a social networking app is going to want the same sort of experience from their wealth management. So, they're going to want the same sort of smooth, frictionless service. They might want it deliverable via, say,

an app. We don't know. We don't have to provide that. But at the same time, they're going to want to retain the sort of personalized service that they've gotten to be used to from their wealth advisor, their wealth manager. Providing those two in combination is both the biggest opportunity we have, as well as the biggest challenge we're going to have to tackle.

**[Sneha Makhija](#)**

**Assistant Vice President,**

**Wealth Planning Specialist**

**Sanctum Wealth Management**

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The challenges, in a way, lead to the opportunities in the industry. The very fact that the industry is at a very nascent stage when it comes to wealth planning; people are beginning to realise the importance of it and understand that they need to do something about it, and have at least a basic plan in place is something; that they are increasingly looking at to ensure that they have a basic plan. The challenges being that the regulatory changes happen at a pace which is much faster than the (rate at which) plans are being put into action. So, the idea being you need to ensure that you go up the curve and you're always on top of what's happening with regulatory matters to ensure that you give a very evolved solution to the client. At the same time, the fact is that if you are able to provide that to the client it becomes a good source of opportunity as well to you.

**[Nirbhay Handa, IMCM](#)**

**Director - GSAT**

**Henley & Partners**

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There are many opportunities for the wealth management industry. I believe clients are increasingly

looking to diversify their wealth to jurisdictions in the European Union or in Asia, including Singapore for that matter. As a result of that, we're seeing a lot of clients who are interested in getting a residency in jurisdictions, including the UK. Also, there has been a significant interest from clients looking to set up family offices in Singapore. So, in Singapore, GIP has been of strong interest from very wealthy Indian families.

**[Philip Story](#)**  
**SEO and Head of  
Distribution, EMEA  
Investors Trust**  
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We've been looking at what clients are looking for and demanding nowadays, those mass affluent and high net worth clients. What we've seen, I suppose, in the market, from the India perspective, is that clients are now looking to diversify a lot more. They're looking at new asset classes, but they're also looking more offshore. There's obviously challenges with that, (namely) how do you get

the money offshore? What sort of partners you tie up with? So, it's making sure you get the right partner to tie up with that has the right solutions for you, but also to make sure that it's done in the right way to meet all of the regulatory requirements, as well.

**[Damian Hitchen](#)**  
**CEO Singapore  
Swissquote**  
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The opportunity in India? Well, clearly, it's a huge global market. What's been interesting is to really feel on the ground what a strong home bias there is within wealth management and investments in India. It's unparalleled in my view, in terms of what I've seen globally. That said, a number of the key players and people I've met today are talking about the fight. The resident Indians are now increasingly looking to add a little bit of international diversification to their portfolio. So, it may not be here today, but certainly there's a trend occurring underneath, and I expect that over the next three to five

years, the percentage in the AUMs from Indian domestic residents going into international markets will be significantly growing here.

**[Anand Moorthy](#)**  
**Founder & CEO  
PropsAMC**  
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I believe the real challenges in the industry are giving the right advice at the right time and the market data, which can be more transparent to the clients as to where they should invest, how they should invest, and how much they should invest. I believe the opportunity lies in how technology can change the way in which their advice is delivered. Not only that, but to do with (technology providing) very specific risk analysis (and) risk portfolio management to figure out as to what the appetite of the client is. And I think most of the wealth firms overall are trying to look at multiple platforms, practices. They don't want to change anything but are looking at how things can be easily delivered and managed. ■

