

# CRACKING THE MF CODE

Chief executive officers of the seven largest mutual fund houses discuss the prospects of the industry



LEO PURI

MD, UTI MF

*I think you will see us engage much more with companies, and most boards have welcomed this. It isn't about activism but simply taking a stand on behalf of investors to avoid the possibility of value destruction.*



MILIND BARVE

MD, HDFC MF

*In India, investors first want preservation of capital and then want to look for optimal return. That's why it is hardly a surprise that more than 55% of household savings go into bank deposits.*



NIMESH SHAH

MD & CEO, ICICI Prudential AMC

*MF distribution is a volume-driven business and not margin-driven. It is a myth that selling mutual funds is not a profitable business. If you have a three-year horizon, it is a fantastic business to be in.*



SUNDEEP SIKKA

CEO, Reliance MF

*Over the past decade or so we saw the industry coming up with a lot of exotic products. But the majority of investor flows are coming in simple, vanilla products.*



NILESH SHAH

MD, Kotak MF

*Today, the industry has 10-15 million actual investors. If we compare that with people who ought to file their returns, we would have barely scratched 10-15% of the surface. Clearly, the potential is huge.*



DINESH KHARA

MD & CEO, SBI MF

*Typically, it is always the rear-view mirror kind of an experience which people expect to see going forward as well. AMCs should engage with investors to showcase their track record but also tell them how things could change.*



A BALASUBRAMANIAN

CEO, Birla Sun Life AMC

*There was an assumption the worst was over for banking. But the worst has continued. The commodity bull run of the past 10 years has been taken away in a few months. These are things money managers have to prepare for.*