



Forward looking: Chitra Ramkrishna, managing director and CEO, NSE

Products need to be simplified

Chitra Ramkrishna, managing director and chief executive officer, National Stock Exchange, started off the conclave with her views on retail participation, role of financial technology (fintech) companies and the industry's response to it. "The challenge has always been how to increase retail participation and bring in savings into mutual funds, because 50% of savings continue to be in physical assets."

While numbers are growing—including assets under management (AUMs), folios, inflows—these are a given now. The next step is to look for trends and read signals that can change the paradigm. One of these trends is the role that fintech can play. It will change service delivery models, help scale up business and improve cost models so that accessibility increases. "Cost of acquisition

(of a customer) can be one-tenth of what it is today," she said. To build scale, and for the ultimate customer, products will have to be simplified.

Regulation will also improve. The industry should be able to give some key assurances to the investor. "If we thought that the regulatory burden has been overdone in the past 10 years, in the next 10 years, customers will demand more regulations, more governance, and more confidence. This is true for all financial products," she added.

Another significant trend is entry of retiral savings into markets. While such participation happens on a large scale in many developed markets, it has been small in India. "That pipeline is built to channelise retiral savings into the market," she said, adding that the role of these savings can be larger in the coming years.