

## MFs embrace digital expansion for next leg of growth

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The mutual fund (MF) industry has brought in a slew of web and smartphone-based innovations to help easy onboarding of customers. All major fund houses have their mobile applications that provide information about schemes and allow easy transactions without going to a branch.

Some of the mobile applications include Ipru Touch by ICICI Prudential Mutual Fund, FinGo from Aditya Birla Sun Life MF, UTI Buddy From UTI MF, Reliance Mutual Fund App and EasyApp from Axis Mutual Fund. Besides registrar and transfer agent Computer Age Management Services (Cams) has also stepped up its digital presence by launching new features.

Digital initiatives have seen reasonable traction with many new investment applications being routed through them, say industry players.

These applications help investors purchase or redeem their investments. Further, new customers can easily complete their know-your-client (KYC) formalities without paperwork.

Industry executives say going digital is the new mantra for expansion among fund houses. Smartphone and data penetration has helped fund houses reach out across the country without having to set

up branches, they add.

Sundeep Sikka, CEO of Reliance Nippon Mutual Fund, believes the process of onboarding investors must be convenient. "Customer engagement using mobile applications is on the rise. And it will keep on rising as awareness about mutual funds increases across the country. We need to sell a positive experience," says Sikka.

Retail inflows in MF schemes are setting new records. The industry is receiving about ₹5,000 crore every month through systematic investment plans (SIPs).

Mobile applications help investors alter their SIP investment and invest lump sum. They also help investors monitor account statements and scheme performance.

"The mobile-based facility is a big leap for the mutual fund industry, empowering investors and distributors. This ensures that a transaction is processed electronically, thereby making it paperless and reducing the transaction time as well as cost. This model will help distributors tap investors in remote areas," Raghav Iyengar, executive vice-president of ICICI Prudential Mutual Fund, told *Business Standard* recently.

The assets under management (AUM) of the industry are ₹20 lakh crore. The industry is aiming to reach a size of ₹94 lakh crore by 2025.