EXCLUSIVE

India's next trillion-dollar challenge isn't money, it's talent: Nuvama Private

As competition intensifies and assets under management grow, the ability to attract talent and leverage technology appears increasingly crucial for firms seeking to capitalize on India's wealth management opportunity.

By Twinkle Sparta
6 days ago

India's wealth management industry is experiencing unprecedented growth, with the manageable wealth corpus projected to reach US$2 trillion within five years, according to Amit Saxena, senior managing partner at Nuvama Wealth Management.

This expansion comes as global firms and domestic players intensify competition in India's rapidly formalizing wealth sector.

Saxena noted that India's robust economic foundation supports this trajectory. "The country as a whole continues to grow at about 10 to 12% on a nominal basis," he said in an interview, highlighting the structural tailwinds for wealth creation.

The growth surge coincides with significant industry consolidation and recent regulatory developments. The Securities and Exchange Board of India's recent categorization and standardization of mutual funds has prompted wealth managers to develop more personalized portfolio solutions.

Meanwhile, the increasing adoption of alternative investment funds and portfolio management services reflects the market's growing sophistication.

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Talent shortage emerges as critical constraint

A significant challenge has emerged alongside this expansion.

"One of the major challenges happens to be the supply of talent for the industry," Saxena stated. "Wealth managers continue to be in short supply." This shortage comes as both global and domestic firms expand their Indian operations, creating intense competition for qualified relationship managers and advisors.

Nuvama has responded with a long-term talent development strategy. "We took the initiative of hiring fresh college graduates from some of the premium institutes of India," Saxena explained. The firm placed these recruits through a five-year training program, with its first batch now transitioning to advisory roles this year.

Facing both growth and talent pressures, major players are increasingly turning to technological solutions.

Nuvama has deployed artificial intelligence to enhance advisor capabilities. "We've invested significantly in building AI modules," Saxena said. "These AI modules help our relationship managers get a client profile: his entire career journey, corporate history, even his social media engagements are presented in a 3 to 4 page profile."

The technology extends to client-facing tools as well, with clients given direct access to run portfolio analytics and generate reports independently. This move toward digital empowerment follows broader industry trends toward democratizing wealth management services.

Global-India corridor

Nuvama's strategic focus includes serving cross-border investment flows, a segment gaining prominence as Indian wealth becomes increasingly global. "My Indian client wants to go offshore and invest outside of India. I'm able to service them out of Dubai or out of Singapore," Saxena noted, outlining the first part of their international strategy.

The second component serves non-resident Indians seeking domestic opportunities. "My offshore RM then works with my domestic RM in India to service financial needs of non-resident Indians looking at investing into India market," he explained.

This expansion occurs against the backdrop of India's wealth management sector transitioning from a traditionally informal, family-oriented model to a more structured, institutional approach. As competition intensifies and assets under management grow, the ability to attract talent and leverage technology appears increasingly crucial for firms seeking to capitalize on India's wealth management opportunity.

#AMIT SAXENA #NUVAMA