

ET Wealth-PrimeInvestor.in ranking

BEST FUND MANAGERS 2024 P2



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The annual ranking features those who have excelled in balancing risk and returns.

P2





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By Sanket Dhanorkar

The stewards overseeing the burgeoning equity assets at India's mass-market mutual fund companies have had contrasting fortunes in recent years. A largely upward ride in the stock market has served as the wind in the sails for a few asset managers, even as others have been left behind. Those pursuing a value-led approach have ridden the crest of the wave, while those chasing growth and quality are nursing their wounds. To be sure, investing mavens adopting either style have had to fight different battles. The value-driven fund managers have had to dig deeper to ensure their hunt for discounts did not lead them to value traps. The growth-led fund managers have had to maintain resolve and stay true to convictions amid a testing climate. Both sets of fund managers have leaned on years of experience to guide their funds through the rapidly evolving, dynamic market environment.

In this year's Best Fund Manager rankings, investment research platform PrimeInvestor helps us identify 10 fund managers who have delivered superior outcomes on a risk-adjusted basis to investors. Managing risk has emerged as the central pillar of investment processes at fund houses in the past few years. Fund managers now champion risk mitigation, downside protection and resilience over individual stock selection. This allows the funds to deliver better investor experience across market cycles.

TOP WEALTH CREATORS OF 2024

1	RAJEEV THAKKAR PPFAS MF	2	NIKET SHAH MOTILAL OSWAL MF
FUNDS MANAGED	COMBINED AUM	FUNDS MANAGED	COMBINED AUM
2	₹92,046 crore	5	₹48,525 crore
3	SHRIDATTA BHANDWALDAR CANARA ROBECO MF	4	MANISH GUNWANI NIPPON MF, BANDHAN MF
FUNDS MANAGED	COMBINED AUM	FUNDS MANAGED	COMBINED AUM
8	₹83,012 crore	4	₹28,119 crore
5	CHANDRAPRAKASH PADIYAR TATA MF	6	DINESH BALACHANDRAN SBI MF
FUNDS MANAGED	COMBINED AUM	FUNDS MANAGED	COMBINED AUM
2	₹17,944 crore	3	₹92,064 crore
7	MITTUL KALAWADIA ICICI PRU MF	8	R. SRINIVASAN SBI MF
FUNDS MANAGED	COMBINED AUM	FUNDS MANAGED	COMBINED AUM
2	₹18,612 crore	3	₹87,334 crore
9	TAHER BADSHAH INVESCO MF	10	VINAY PAHARIA UNION MF, PGIM MF
FUNDS MANAGED	COMBINED AUM	FUNDS MANAGED	COMBINED AUM
4	₹30,632 crore	6	₹21,141 crore

Data is for funds currently managed. Actual rankings may cover funds managed previously. | All data provided by PrimeInvestor.

HOW WE RANKED THE FUND MANAGERS

The idea behind this exercise was to track fund manager performance, not scheme performance. This was possible only by following the fund manager across schemes and AMCs. A fund manager might have been managing a large-cap fund as well as a mid-cap or small-cap fund. To obtain a unified score that captured performance across fund mandates, we created virtual NAVs for each fund manager, and all metrics assessed were based on these 'virtual' NAVs.

The best fund managers were selected using the following steps:

- 1 Gating:** The first step was to create a list of fund managers eligible for the ranking.
- 2 Track record:** A single track record was created for each fund manager.
- 3 Ranking:** The fund managers were ranked on the basis of various metrics, subject to certain conditions.

Gating

All open-ended funds in the active equity category, except sub-categories like 'sector', 'thematic' and 'others', were taken in this study.

The fund management history of each of these funds for the past six years was taken into account. A six-year period was chosen to ensure the assessment of rolling three-year returns over at least three cycles, allowing for adequate number of observations and smoothening out market phases. All those who have been fund managers for at least 70 months (in one or more funds) in the past six



years were added for the ranking. No restriction was imposed on the number of breaks in fund management. As long as the cumulative break was less than two months, the manager was added to the ranking. Every fund manager, whether primary or managing a fund jointly, was ranked.

Track record

In this stage, a virtual NAV was created for each fund manager, based on the funds and the duration for which they managed the funds. Essentially, a fund manager's virtual NAV for each business day would change in line with the change in NAV of all funds he had managed in that period. The funds managed for longer periods would have had a higher influence on the NAV than the funds managed for shorter time frames.

All the data considered has been as of 31 December 2024. The fund manager record cut-off was also taken on the same date. Overall, we had 60 fund managers who met our criteria.

Returns	50%
Risk-adjusted returns	15%
Risk	35%

10%	6-year returns
10%	Average rolling 1-year returns (rolled daily)
10%	Average rolling 3-year returns (rolled daily)
10%	3-year rolling returns (rolled daily) outperformance over Nifty 50 TRI rolling returns for similar period
10%	3-year rolling returns (rolled daily) outperformance over Nifty 500 TRI
15%	Sharpe ratio
20%	Standard deviation
15%	Minimum 1-year returns

Figures represent weights assigned in overall score.

Ranking

The performance of each fund manager (as represented by the respective virtual NAVs) was used to rank the fund managers on the basis of various metrics as shown above:

- This combination of metrics ensured that the market-cap orientation of a fund would not unduly influence the manager's score.
- The consistency scores also ensured that very volatile funds were tested for

consistent returns and penalised for erratic returns.

- The Nifty 50 and Nifty 500 indices were used together to measure the ability to deliver on both upside and downside beyond their respective benchmarks. For example, the Nifty 500 tested a large-cap fund's ability to outperform in upcycles, while the Nifty 50 tested a mid- and small-cap fund's downside containment in downcycles. This also helped normalise performance due to market-cap divergences.

Final list

The final list was arrived at by taking the top 10 by rank after the following were considered:

- Where the fund managers were from the same fund house and there was an overlap in funds managed, the primary fund manager was considered.
- Where a fund manager had quit after the December 2024 cut-off date used in this exercise, the fund manager was dropped.

Disclaimer: The funds featured here are not recommendations.

Rajeev Thakkar

Age: 52 YEARS | Experience: 31 YEARS



METRIC	VALUE	RANK
6-year point-to-point CAGR (%)	23.55	9
Sharpe ratio*	1.04	1
1-year average return (%)	26.74	21
3-year average return (%)	24.59	20
Standard deviation*	19.4	3
1-month negative return (%)	25.72	1
Minimum 1-year return (%)	-28.9	5
3-year Nifty 50 TRI OP (%)	100	1
3-year Nifty 500 TRI OP (%)	100	1
Overall	1	1

*1 year, rolled over 5 years. OP is outperformance.

All ranks out of 60

PROFILE

Thakkar retains the top spot in our annual fund manager ranking. His continued run as the premier asset manager owes only partly to the market's rotation towards value in recent years. An unwavering focus on downside containment, business fundamentals and avoiding mistakes has put the flagship fund in a league of its own. While it is not always among the chart-toppers, the fund manages to edge its peers over market cycles owing to its risk-led lens. Thakkar's stance often leads him to offbeat ideas, but he shuns value traps, particularly amid the recent market frenzy. He is firmly committed to a 'buy and hold' approach, running many of his positions over several years. He uses cash tactically, choosing to preserve his wicket rather than swing the bat at every ball bowled. This has armed his fund with a sizeable war chest to deploy when the markets provide an opportunity. While assets have ballooned to nearly ₹90,000 crore, Thakkar shows comfort in manoeuvring the fund given its positioning.

FUNDS MANAGED	CONTRIBUTION
Parag Parikh Flexi Cap	54.2%
Parag Parikh ELSS Tax Saver	45.8%

QUICK TAKE

My reading of the market scenario...

The valuations for Indian stocks have been elevated for a while. The fall in stock prices in January 2025 has improved things a bit, but stocks continue to be expensive. There are pockets of undervalued stocks and pockets of exuberance. Small- and mid-cap valuations are steep, while valuations of large-cap stocks are more reasonable. Investors should moderate their return expectations over the next 1-2 years.

Biggest lessons from recent years...

One cannot depend solely on fund inflows from SIPs or otherwise to keep stock prices up all the time. Company fundamentals have to keep pace with stock prices. In the absence of earnings growth and appropriate valuations, a sharp rise in stock prices creates an environment for future losses.

Niket Shah

Age: 39 YEARS | Experience: 17 YEARS



FUNDS MANAGED	CONTRIBUTION
Motilal Oswal Midcap	72.66%
Motilal Oswal Flexi Cap	14.40%
Motilal Oswal Small Cap	3.06%
Motilal Oswal ELSS Tax Saver	2.78%
Three other funds	7.10%

METRIC	VALUE	RANK
6-year point-to-point CAGR (%)	27.56	3
Sharpe ratio*	0.97	4
1-year average return (%)	31.41	6
3-year average return (%)	30.3	4
Standard deviation*	25.51	42
1-month negative return (%)	31.41	22
Minimum 1-year return (%)	-36.15	51
3-year Nifty 50 TRI OP (%)	100	1
3-year Nifty 500 TRI OP (%)	100	1
Overall	0.81	2

*1 year, rolled over 5 years

PROFILE

Known for its concentrated portfolios, Motilal Oswal AMC has continued to back its conviction bets amid a runaway market. Fund manager Niket Shah puts faith in pursuing deeper research in a limited set of businesses, rather than adopting a 'spray and pray' approach. Shah is convinced that one needs to show conviction to buy and have patience to see the story play out. This aggressive sizing of bets in a few outperformers has contributed to a strong upside capture. He has mainly pursued structural opportunities, where growth visibility is strong and potential for surprises is low. This has kept him away from many cyclical that have been among the market's darlings in recent years, but are struggling now. Shah has sold many winners of the previous cycle. He has gradually adopted a more defensive stance, sharply raising the cash position in his mid-cap and flexi-cap strategies.

QUICK TAKE

My reading of the market scenario...

We expect mid caps and small caps to remain under pressure till the time valuation reset doesn't happen. This market correction is temporary and will improve valuations, offering investors a great long-term entry opportunity.

Biggest lessons from recent years...

- Be ahead of the curve. In our business, there are three important elements—vision to see, courage to buy, and patience to hold.
- It's very important to know what not to buy. AMC business is all about risk management
- Buying is overrated and selling is underrated. It's important to know what and when to buy, but when to sell is probably more important.
- We all make mistakes, and it's important to recognise them early to minimise losses.

PROFILE

Bhandwadar's distinct growth tilt has put him at odds with the market's preferences for value and cyclical names in recent years. However, he has stuck to his core principles, emphasising on businesses with scalability, compounding ability and capital efficiency. This has led him to steer clear of the frenzy around deep cyclicals like commodities businesses and PSU companies, diluting fund returns. Bhandwadar has remained adamant that companies showing superior execution tend to deliver more sustainable outcomes. His conviction is now playing out as investors have again started differentiating between strong and weak businesses. Companies that stand on their own legs are coming to the fore in delivering earnings growth. Bhandwadar admits he could have focused more on conviction bets instead of diversifying. Yet, his adept handling of multiple fund mandates showcases his execution skills across diverse investment arenas.

METRIC	VALUE	RANK
6-year point-to-point CAGR (%)	22.06	22
Sharpe ratio*	0.91	10
1-year average return (%)	25.88	27
3-year average return (%)	23.31	27
Standard deviation*	21.29	19
1-month negative return (%)	30.42	10
Minimum 1-year return (%)	-31.84	14
3-year Nifty 50 TRI OP (%)	100	1
3-year Nifty 500 TRI OP (%)	100	1
Overall	0.76	3

*1 year, rolled over 5 years

QUICK TAKE

My reading of the market scenario...

The market is adjusting downward as earnings normalise, with last year's excesses largely corrected. We expect earnings to align with low- to mid-teen consensus estimates by 2026-27. Valuations have started gradually falling in place in some parts of the market.

Biggest lessons from recent years...

- Easy capital availability for businesses is shortening advantages of incumbents, leading to higher competitive intensity as compared to the past. Value destruction can be faster if you don't pay close attention to this aspect.
- The integration of financial markets, shortening of business cycles and the shift of market participants towards non-institutions mean a world of higher volatility.

Shridatta Bhandwadar

Age: 44 YEARS | Experience: 17 YEARS



FUNDS MANAGED	CONTRIBUTION*
Canara Robeco Bluechip Equity	20.39%
Canara Robeco Flexi Cap	20.39%
Canara Robeco ELSS Tax Saver	14.17%
Canara Robeco Emerging Equities	14.17%
Four other funds	30.88%

* Refers to the individual fund's contribution to the fund manager's combined virtual NAV.



Manish Gunwani

Age: 52 YEARS | Experience: 29 YEARS



FUNDS MANAGED	CONTRIBUTION
Nippon India Growth	55.38%
Nippon India Flexi Cap	12.10%
Bandhan Core Equity	11.78%
Bandhan Small Cap	11.78%
Five other funds	12.41%

METRIC	VALUE	RANK
6-year point-to-point CAGR (%)	26.06	4
Sharpe ratio*	0.93	7
1-year average return (%)	32.41	4
3-year average return (%)	28.42	6
Standard deviation*	27.9	54
1-month negative return (%)	29.43	7
Minimum 1-year return (%)	-33.69	32
3-year Nifty 50 TRI OP (%)	100	1
3-year Nifty 500 TRI OP (%)	100	1
Overall	0.75	4

*1 year, rolled over 5 years

PROFILE

After successfully engineering a turnaround during his previous stint at Nippon India AMC, Gunwani has again proven his mettle at Bandhan AMC. Several equity strategies, such as Bandhan Core Equity and Bandhan Flexi Cap, have shown a visible uptick in performance under his watch. He believes that a fund manager should be a risk manager more than anything else. Drawing on his vast experience, he shapes portfolio construction while keeping it aligned with major macro policy shifts. Gunwani admits his portfolio churn has gone up in recent years, and insists the markets now demand greater agility as price discovery happens fast. He doesn't shy away from taking short-term tactical calls to capitalise on running themes in a calibrated manner. He supplements this with a top-down approach to identify sectors and themes that are poised to do well, and then drills down into stock-specific opportunities.

QUICK TAKE

My reading of the market scenario...

We believe near-term returns may be muted due to rising global uncertainties, protectionism, high valuations, and limited scope for fiscal and monetary policy stimulus in India.

Biggest lessons from recent years...

With increasing market complexity and pricing efficiency, one must be open to quickly adjusting one's views on a stock. Tracking other markets, such as interest rates and currencies, helps in forming a top-down view on equities.

PROFILE

Padiyar has steered two funds during this time frame: Tata Small Cap and Tata Large & Mid Cap. It is the small-cap fund where Padiyar's capabilities have shone, clocking strong performance in its category. A strictly bottom-up investor, he primarily targets businesses with re-rating potential, or companies that can deliver higher earnings than what the market expects and are, therefore, mispriced. Padiyar remains highly conscious of the valuations and liquidity risks in this space, carefully managing capital deployment. The small-cap fund has previously gated inflows to avoid investing at unrealistic valuations. It has also increased cash positions when market conditions warrant caution. Padiyar has also booked profits in overheated stocks, reshuffling the portfolio amid sharp re-rating in several bets. Protecting the downside is a key pillar of his approach, resulting in a strong risk-reward profile that stands out among peers.

METRIC	VALUE	RANK
6-year point-to-point CAGR (%)	23.55	12
Sharpe ratio*	0.91	11
1-year average return (%)	29.01	11
3-year average return (%)	27.48	10
Standard deviation*	24.75	39
1-month negative return (%)	30.75	12
Minimum 1-year return (%)	-33.85	36
3-year Nifty 50 TRI OP (%)	100	1
3-year Nifty 500 TRI OP (%)	100	1
Overall	0.73	5

*1 year, rolled over 5 years

QUICK TAKE

My reading of the market scenario...

The market has shifted from extreme optimism to heightened caution, driven by global uncertainties and earnings downgrades across most businesses. We believe valuations have selectively become reasonable in various segments, especially financials (banks). Additionally, we see room for earnings growth to reach healthy double digits from 2025-26 onwards.

Biggest lessons from recent years...

Indian entrepreneurs are focusing on R&D and targeting global markets, rather than being focused on the Indian market. This change in mindset is a big takeaway for me. Global investors are warming up to India. If we continue on our path of consistency, there is a high probability of India being a preferred investment destination.

Chandraprakash Padiyar

Age: 47 YEARS | Experience: 24 YEARS



FUNDS MANAGED	CONTRIBUTION
Tata Large & Mid Cap	50.00%
Tata Small Cap	50.00%

Dinesh Balachandran

Age: 44 YEARS | Experience: 22 YEARS



FUNDS MANAGED	CONTRIBUTION
SBI Contra	49.76%
SBI Long Term Equity	49.76%
SBI Flexicap	0.47%

METRIC	VALUE	RANK
6-year point-to-point CAGR (%)	23.29	14
Sharpe ratio*	0.89	12
1-year average return (%)	30.09	7
3-year average return (%)	27.76	8
Standard deviation*	26.3	45
1-month negative return (%)	32.89	41
Minimum 1-year return (%)	-32.92	22
3-year Nifty 50 TRI OP (%)	100	1
3-year Nifty 500 TRI OP (%)	100	1
Overall	0.72	6

*1 year, rolled over 5 years

PROFILE

Balachandran is another fund manager who emphasises on margin of safety in his investing pursuits. This puts him squarely in the value camp, a badge that SBI MFs equity strategies wear with conviction. He is fully aware that his contrarian stance entails diving into bets knowing that they may not be perfect businesses by standard metrics. He puts basic hygiene checks in place to minimise the risks. He is conservative in sizing his bets, cognisant of the higher uncertainty bands in such businesses. He keenly follows economic cycles to enter positions early, ensuring risk is in his favour. He also takes cash calls generously, preferring to wait for better opportunities to emerge rather than participate in an overheated market. He has pulled off this approach with flying colours in both SBI Contra and SBI Long Term Equity for the past few years.

QUICK TAKE

My reading of the market scenario...

The past few years have seen a significant amount of liquidity come into the equity market, driving up valuations across the board. Over the past few months, we have finally started seeing some of the valuation froth go out of the market. But it feels like we are still in the early-to-mid innings of this valuation reset cycle. While the long-term India story remains intact, investors need to temper down their short-term return expectations from the equity market.

Biggest lessons from recent years...

- Everything is cyclical in the market. While the amplitude of the cycle can vary across sectors, one needs to be careful about extrapolating current trends for any stock or sector.
- Resist FOMO. This sounds very simple, but is very difficult to implement.

PROFILE

Kalawadia harnesses the contrarian stance that ICICI Prudential AMC is known for. He is willing to bet against the prevailing market narratives if he thinks these are misjudged or are only transient, when others believe these to be structural. He believes in the premise that bad news provides a good price and that sharp bets on such ideas can yield big payoffs. For instance, his contrarian bet on the energy sector, anticipating a shift from excess supply to shortage, has significantly benefited his funds. This style demands that he identify and bet on sectors at the bottom of their cycles and move out at their top. Kalawadia has steered both the dividend yield fund and ELSS fund with distinction. The dividend yield has seen improved margin of out-performance since 2023, even as many other value-focused funds normalised in their performance after the Covid-19 performance spike. He believes in pursuing businesses where the dividends are sustainable.

METRIC	VALUE	RANK
6-year point-to-point CAGR (%)	20.73	28
Sharpe ratio*	0.86	14
1-year average return (%)	27.56	19
3-year average return (%)	26.86	11
Standard deviation*	24.32	37
1-month negative return (%)	32.65	38
Minimum 1-year return (%)	-31.28	12
3-year Nifty 50 TRI OP (%)	100	1
3-year Nifty 500 TRI OP (%)	100	1
Overall	0.71	7

*1 year, rolled over 5 years

QUICK TAKE

My reading of the market scenario...

High valuations, downward earnings revisions, and uncertainty in global trade practices will keep the market volatile. However, volatility benefits long-term investors. They should adopt dynamic asset allocation or consider hybrid funds that adjust allocation strategically.

Biggest lessons from recent years...

- One must avoid top-of-the-cycle or frothy-valuation stocks and sectors. They tend to either create permanent absolute losses or take away a lot of time from the compounding process, lowering long-term returns.
- Changing market-cap allocation in the portfolio is also an equally important tool, like asset allocation, to improve long-term returns.

Mittul Kalawadia

Age: 42 YEARS | Experience: 19 YEARS



FUNDS MANAGED	CONTRIBUTION
ICICI Prudential Dividend Yield Equity	64.81%
ICICI Prudential Focused Equity	17.02%
ICICI Prudential ELSS Tax Saver	10.74%
ICICI Prudential MidCap	7.42%



R. Srinivasan

Age: 54 YEARS | Experience: 31 YEARS



FUNDS MANAGED	CONTRIBUTION
SBI Focused Equity	37.79%
SBI Small Cap	37.79%
SBI Flexicap	12.31%
SBI Multicap	12.12%

METRIC	VALUE	RANK
6-year point-to-point CAGR (%)	21.28	24
Sharpe ratio*	0.83	26
1-year average return (%)	25.68	28
3-year average return (%)	24.02	23
Standard deviation*	23	29
1-month negative return (%)	32.56	36
Minimum 1-year return (%)	-32.12	15
3-year Nifty 50 TRI OP (%)	100	1
3-year Nifty 500 TRI OP (%)	97.04	30
Overall	0.66	8

*1 year, rolled over 5 years

PROFILE

As a highly risk-averse, valuation-conscious fund manager, the market excesses of the past few years, particularly in the small-cap space, have been jarring for Srinivasan. He confesses that his conservative stance makes it tough to outperform in a buoyant market. However, his emphasis remains on ensuring enough liquidity in funds and maintaining a margin of safety. Srinivasan's expertise lies particularly in identifying and nurturing small-cap companies with high growth potential. The small-cap fund has often put a lid on inflows when deployment becomes tricky. Srinivasan also does not shy away from taking cash calls when opportunities are scarce. He is comfortable not participating in the last mile of a bull run, rather than compromise on portfolio health. Both SBI Small Cap and SBI Focused Equity struggled to keep up with peers during the rally, but are now exhibiting superior resilience in the market downturn.

QUICK TAKE

My reading of the market scenario...

Our in-house asset allocation model, which applies to the Nifty, shifted to neutral in January, from a 60% underweight position against a 50:50 equity-debt benchmark. Within the market, we are negative on the lower end of the capitalisation curve due to its significant outperformance over the last few years. In terms of factors, we believe quality and growth should make a comeback this year.

Biggest lesson from recent years...

● The re-rating of value occurs when returns revert closer to the cost of equity.

PROFILE

Badshah has buttressed his credentials as a proven fund manager by building a robust investment process at Invesco MF. He leveraged the post-Covid transition to refine the fund house's investment framework. By breaking broader sectors into sub-categories, he added granularity, enabling better identification of companies with unique industry positioning. For the Invesco Contra Fund, he distinguished between early and late turnaround candidates in his search for turnaround opportunities. Badshah's funds started reflecting more conviction in the top ideas. This sharpened focus led to better outcomes. Towards late 2023, despite the apprehension around overvaluation and deceleration in earnings growth, Badshah felt confident about growth continuity and chose to remain constructive. His stance allowed him to push the growth envelope in his funds well into 2024.

METRIC	VALUE	RANK
6-year point-to-point CAGR (%)	23.33	13
Sharpe ratio*	0.87	13
1-year average return (%)	27.68	17
3-year average return (%)	24	24
Standard deviation*	24.19	36
1-month negative return (%)	30.83	13
Minimum 1-year return (%)	-34.65	44
3-year Nifty 50 TRI OP (%)	100	1
3-year Nifty 500 TRI OP (%)	99.87	22
Overall	0.65	9

*1 year, rolled over 5 years

QUICK TAKE

My reading of the market scenario...

Recent global and domestic events, and the consequent market correction have broadened the opportunity set for investors with a medium-term perspective. We expect India's earnings cycle to gather momentum towards the latter half of 2025, in turn driving investment returns.

Biggest lessons from recent years...

A structured investment framework and disciplined investment method is critical to institutional money management. There is no substitute to an open-minded and balanced approach that recognises we do not have full control over investment outcomes.

Taher Badshah

Age: 55 YEARS | Experience: 31 YEARS



FUNDS MANAGED	CONTRIBUTION
Invesco India Contra	25.11%
Invesco India Smallcap	25.11%
Invesco India Focused	17.75%
Invesco India Large & Mid Cap	12.83%
Two other funds	19.21%



Vinay Paharia

Age: 44 YEARS | Experience: 21 YEARS



FUNDS MANAGED	CONTRIBUTION
Union Flexi Cap	10.83%
Union Small Cap	10.83%
Union Value	10.83%
5 other Union MF funds	37.36%
6 other PGIM India MF funds	30.14%

METRIC	VALUE	RANK
6-year point-to-point CAGR (%)	19.41	44
Sharpe ratio*	0.81	31
1-year average return (%)	23.91	43
3-year average return (%)	22.26	37
Standard deviation*	21.25	18
1-month negative return (%)	31	15
Minimum 1-year return (%)	-29.89	8
3-year Nifty 50 TRI OP (%)	100	1
3-year Nifty 500 TRI OP (%)	71.77	43
Overall	0.64	10

*1 year, rolled over 5 years

PROFILE

Paharia is another fund manager mending investment processes in a new environment after proving capabilities in a previous stint. Following his success in turning around performance at Union AMC, early signs are pointing at an improved return profile in PGIM India's equity strategies. Adamant that the magnitude of underperformance of growth companies in recent years is an aberration, Paharia has stuck to his focus on high growth, high quality franchises. He points to a study by PGIM MF, which suggests that the companies demonstrating higher-than-average growth (in profitability) as well as quality (return on equity) tend to significantly outperform the market over three- to five-year investment horizons. Apart from introducing robust quality filters to improve stock selection, Paharia has implemented a comprehensive fair value framework for assessing value. He has taken comfort in diversifying the portfolios, choosing not to deviate substantially in sector positioning.

QUICK TAKE

My reading of the market scenario...

Currently, markets are a tale of two halves. Large-caps are attractively priced while mid- and small-caps are trading at rich valuations. High-growth and high-quality companies are reasonably priced, while low-growth and low-quality companies are in a bubble zone.

Biggest lessons from recent years...

Markets can remain irrational longer than you can stay solvent. Hence, you should not bet 'all in' against the markets, even if you think you are right. Independent thinking may underperform in the short term, but wins in the long term. History does not repeat itself, but it rhymes. Market cycles of boom and bust keep repeating with regularity and should not be forgotten by investors.