Wealth1
PMS & AIF INVESTMENTS

Issue
#6

Monthly PMS Newsletter

January 2026

PMS & AIF Intelligence for India's Discerning Investors

From the Desk of the CEO

Narender Agarwal
CEO, Wealth1

As we begin the new year, I would like to wish you a very Happy New Year. Periods of transition often bring both reflection and opportunity, and the close of 2025 offered a clear reminder of how capital cycles shape market outcomes.

Over the year, foreign investors remained net sellers, with FIIs exiting approximately ₹2.3 lakh crore from the secondary market. Even after accounting for primary issuances, net FII outflows stood at around ₹1.56 lakh crore. In contrast, domestic participation dominated the landscape, with DIIs deploying nearly ₹7.7 lakh crore into equities, supported by structurally strong and stable SIP inflows.

These dynamics played a central role in determining market leadership, liquidity concentration, and the dispersion of returns across sectors and market capitalisations. In a market where capital became more selective, returns accrued to companies where fundamental earnings strength aligned with incremental domestic flows, reinforcing the importance of disciplined bottom up stock selection.

Looking ahead to 2026, earnings growth is expected to revive into low double digits, supported by improving consumer demand and a pickup in credit growth. Domestic flows are likely to remain a steady source of support, while foreign capital could gradually re engage as valuation and growth differentials stabilise. While headline index returns may be stronger than those seen in 2025, leadership is likely to remain narrow, underscoring the value of patience, selectivity, and a long term approach to compounding wealth.

Warm Regards,

Narender Agarwal

Narender Agarwal

CEO,
Wealth1

From the Desk of the Business Head

Charmi Shah
Business Head, Wealth1

Happy New Year, everyone!

The past year was defined by sharp contrasts, with Indian equity markets touching both record highs and periods of meaningful drawdowns. While indices reached new peaks during the year, the journey was marked by volatility driven by persistent foreign outflows, currency pressure, and shifting global trade and monetary dynamics. As the year progressed, these external factors weighed on market sentiment, particularly toward the close.

What stood out amid this volatility was the resilience of domestic fundamentals. Strong consumer demand, steady government spending, and ongoing structural reforms helped anchor markets even as foreign selling intensified and the rupee came under pressure. These conditions created greater dispersion across sectors and stocks, reinforcing that market leadership was far from uniform.

Against this backdrop, we bring this edition of the newsletter to you with a focus on insight and clarity. It brings together detailed performance snapshots, fund features, and the latest PMS industry data from APMI, offering a structured view of the landscape as it stands today. Our aim is to equip investors with context, transparency, and meaningful insights to navigate markets thoughtfully across cycles.

Warm Regards,

Charmi Shah

Charmi Shah

Business Head,
Wealth1

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What Moved the Market – December 2025

December marked a month where markets were driven less by conventional equity cues and more by sharp dislocations across commodities and geopolitics. While equities grappled with year-end positioning and persistent foreign outflows, it was the behaviour of precious metals and energy markets that stood out as the clearest signal of underlying stress in the global system.

The most striking development was the breakdown in the gold–silver relationship. After months of subdued performance, silver surged aggressively, dramatically compressing the gold-to-silver ratio. From levels near 107 in April 2025, the ratio fell below 55 by early January, reflecting a sharp re-rating of silver relative to gold. In less than a year, silver effectively doubled in value when measured against gold. While gold remained resilient, holding near the $4,500 level, silver moved decisively to new highs, driven by a combination of industrial demand, supply tightness, and rising speculative interest. This divergence highlighted a shift from pure safe-haven positioning toward assets leveraged to both inflation protection and real economic usage.

Gold, by contrast, continued to act as a stabiliser rather than a momentum trade. Its ability to sustain elevated levels despite a strong dollar and volatile risk sentiment reinforced its role as a hedge against systemic risk, while silver's breakout reflected growing confidence in reflationary and supply-driven narratives. Together, the move signaled heightened uncertainty rather than outright risk appetite.

Geopolitics added to the turbulence. Escalating tensions following former U.S. President Donald Trump's aggressive rhetoric around Venezuela and renewed threats involving Greenland unsettled energy markets. These developments revived concerns around supply disruptions and strategic control over critical regions, pushing crude oil expectations higher despite uneven global demand signals. While prices remained volatile through the month, the risk premium in crude strengthened meaningfully, with markets increasingly pricing in geopolitical tail risks rather than near-term consumption trends.

For equities, these cross-currents translated into uneven leadership and rising dispersion. Currency pressure, commodity volatility, and external shocks outweighed domestic fundamentals in the short term, leading to cautious positioning toward year-end.

However, beneath the surface, the behaviour of gold, silver, and oil offered a clearer signal of how investors were recalibrating portfolios in response to a world marked by geopolitical uncertainty, supply constraints, and shifting capital flows.

December ultimately reinforced that markets were not just reacting to data, but to structural and geopolitical fault lines. As the year closed, investors were forced to confront a changing regime, one where commodities once again became central to understanding risk, inflation, and portfolio construction heading into 2026.

Key Market Changes for December 2025

Indian Equities	
Nifty 50	-0.28%
Sensex	-0.57%
Bank Nifty	-0.29%
Nifty Midcap 100	-0.92%
Nifty Smallcap 100	-0.65%

Global Equities	
S&P 500	-0.05%
Dow Jones	+0.73%
Nasdaq	-0.73%
Nikkei	+0.21%

Bond Market	
10Y G-Sec	+0.12%

Commodities*	
Gold	+2.36%
Silver	+26.97%
Crude Oil	-1.83%

*For Gold & Silver, we have taken US/OZ; and for Oil - WTI USOIL.

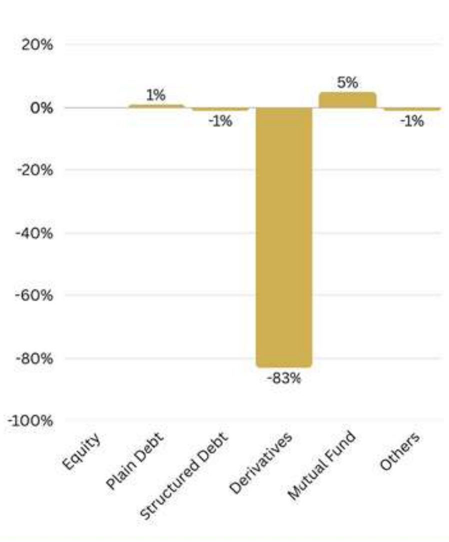
PMS Industry Snapshot

Source: APMI PMS Industry Compendium, with data as of Nov 2025

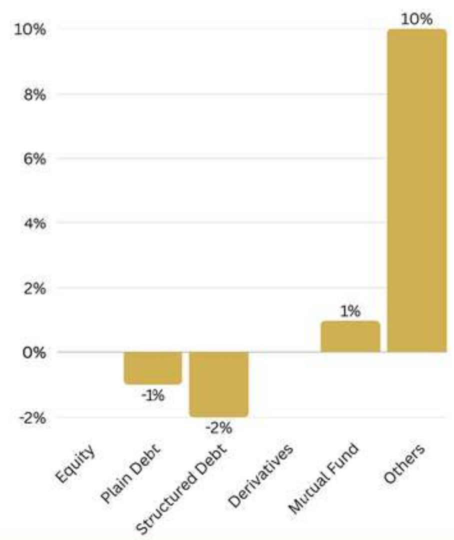
Shaping the Future of Portfolio Management in India

Total No. Of Clients	Total AUM (INR Cr)	MoM New Clients Added, (%)	MoM Growth In AUM (INR Cr), (%)
211,486	**4,108,089**	**-292 (-0.1%)**	**23,790 (0.6%)**

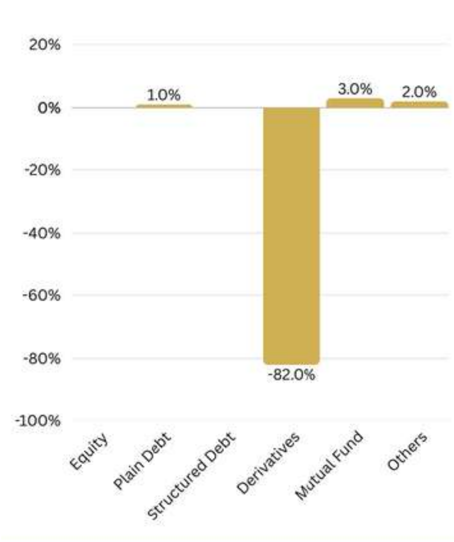
Asset category wise AUM growth, %



Discretionary
(NOV'25 vs OCT'25)

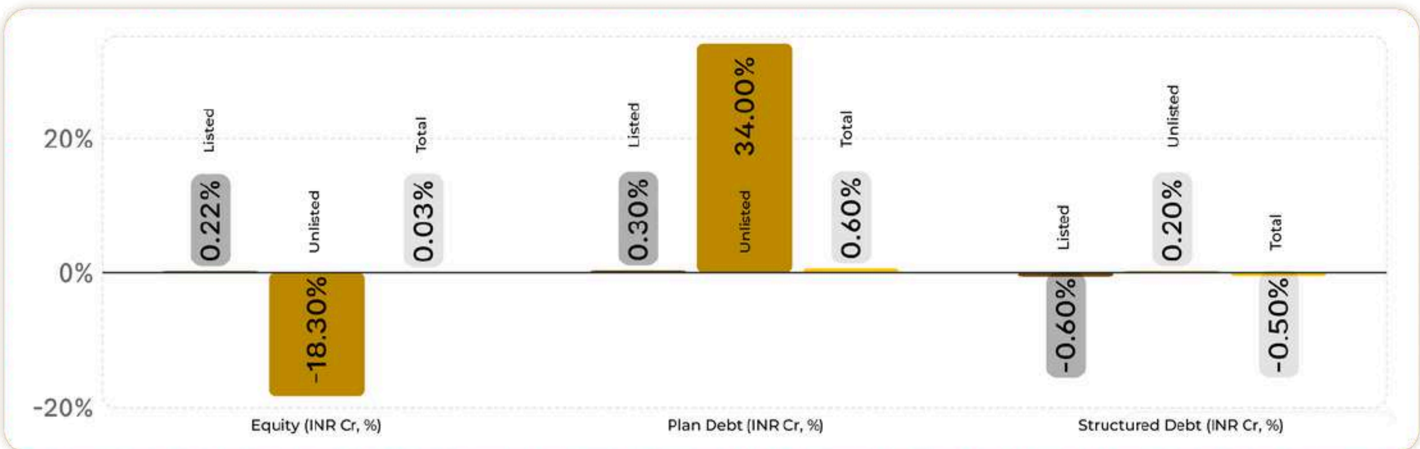


Non-Discretionary
(NOV'25 vs OCT'25)



Total (Ex Advisory & Co-Investment)
(NOV'25 vs OCT'25)

Listed v/s Unlisted Assets



All category AUMs are for Discretionary + Non-Discretionary

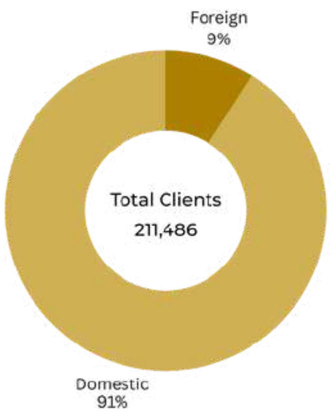
PMS Industry Snapshot

Source: APMI PMS Industry Compendium, with data as of Nov 2025

Capital Flow Momentum

Discretionary + Non Discretionary	Inflows	Outflows	Net Flows
Q1 FY26 (INR Cr)	91,966	50,347	41,619
Q2 FY26 (INR Cr)	101,589	75,877	25,712
OCT' 25 (INR Cr)	45,506	23,495	22,011
NOV' 25 (INR Cr)	28,952	19,930	9,023
MoM Growth (INR Cr)	**-16,553**	**-3,565**	**-12,989**
MoM Growth (%)	**-36%**	**-15%**	**-59%**

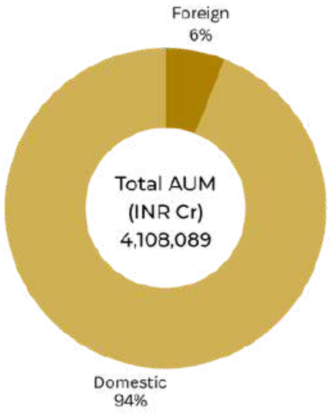
Client Category Movement



MoM(%) growth in number of clients, as on NOV'25

PF/EPFO	Corporates	Non Corporates	Total Domestic Clients
-1.4%	0.6%	-0.1%	**-0.1%**

Non residents	FPI	Corporates	Others	Total Foreign Clients
-1%	-3%	0%	0%	**-1%**

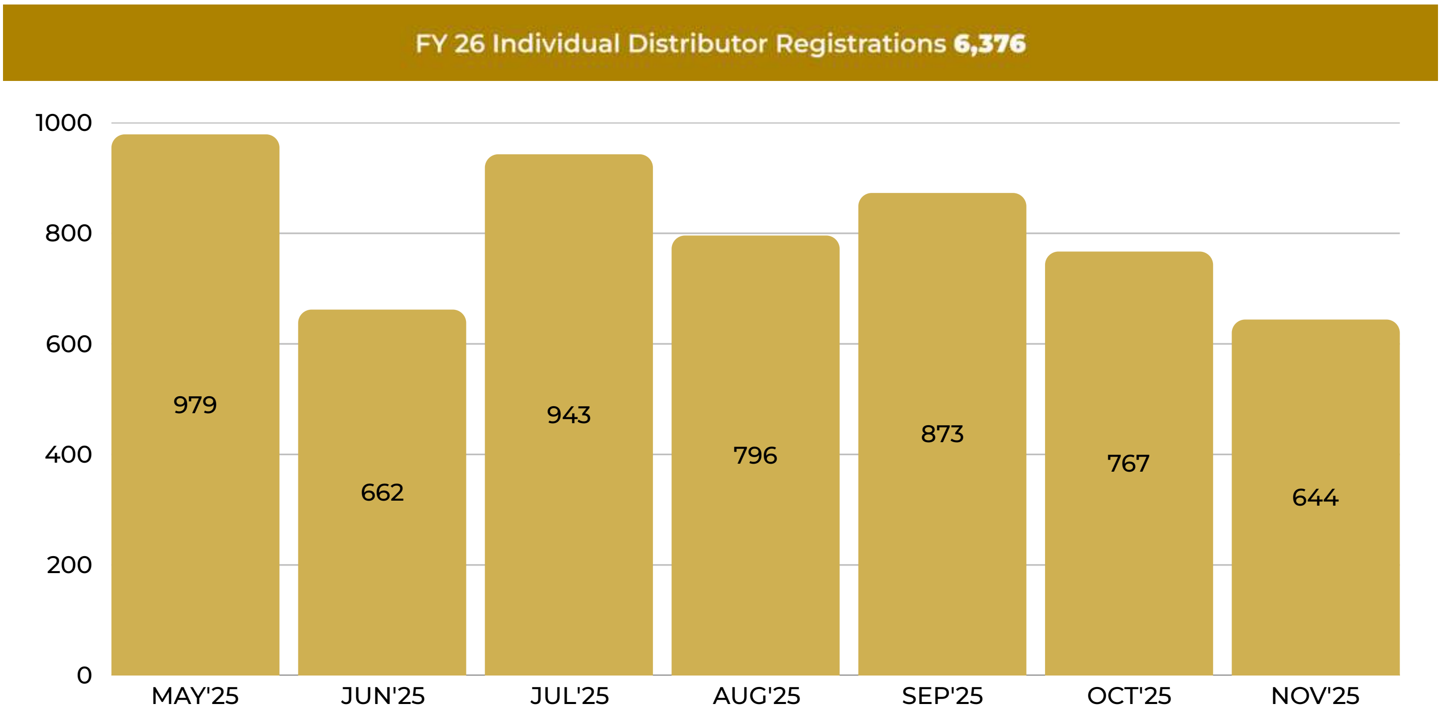


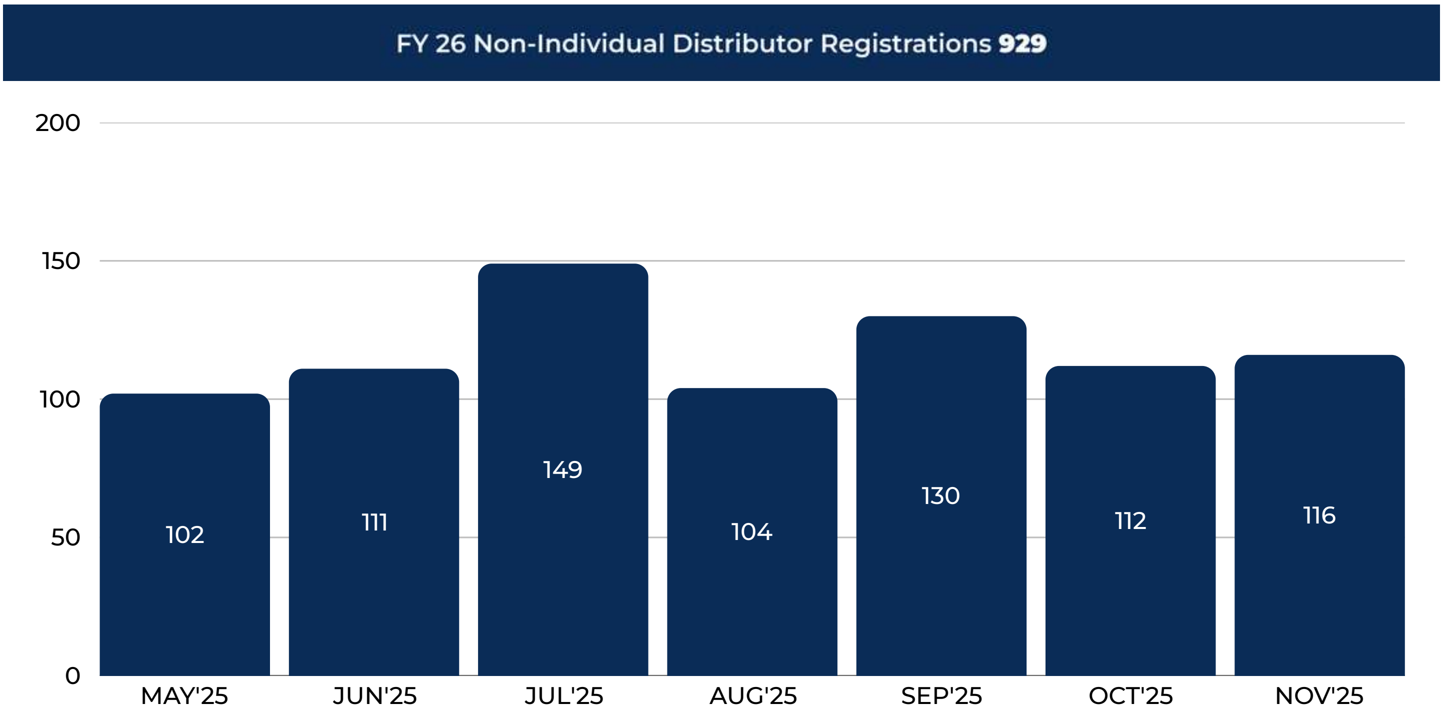
MoM(%) growth in AUM, as NOV'25

PF/EPFO	Corporates	Non Corporates	Total Domestic Client AUM
0.8%	0.4%	-1.3%	**0.6%**

Non residents	FPI	Corporates	Others	Total Foreign Client AUM
1.9%	0.3%	0%	1.4%	**0.7%**

Distributor Registration

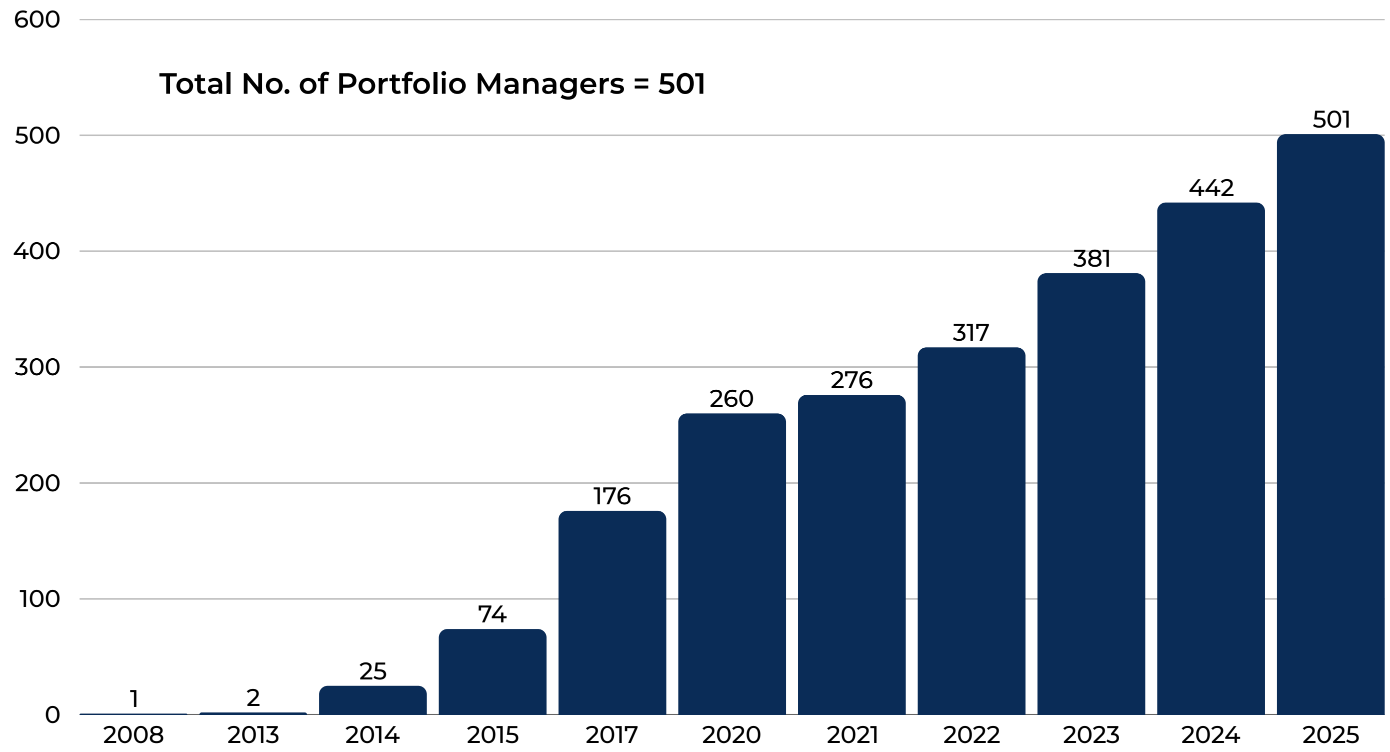




A total of 6,376 new individual distributors were registered between April’25 and November’25, taking the base from 9,219 to 15,595. On the institutional side, 929 non-individual distributors came on board, expanding the base from 1,263 to 2,192.

Source: APMI PMS Industry Compendium, with data as of Nov 2025

Growth in Portfolio Managers



Fund Feature

TCG ASSET MANAGEMENT

Fund Name
PMS - TCG Transformative Growth Portfolio

AMC Name
TCG Asset Management

Category
PMS - Open ended equity-oriented portfolio

Investment Strategy

The Portfolio aims to generate long term capital appreciation by investing in a focused portfolio which predominantly consists of mid-cap and small- cap stocks with an intent to capture non-linear growth opportunity offered by such companies.

Adopting a differentiated investment philosophy akin to private equity, the strategy involves identifying and investing in businesses at relatively early stages following rigorous and in-depth due diligence.

With a long-term investment horizon, the focus is on partnering with high-quality companies through their growth journeys. The aim is to achieve superior multiples on invested capital by capturing both exceptional earnings expansion and the potential for stock re-rating as these businesses scale and mature.

Investment Approach

The TCG Growth PMS follows a **private equity–like investment approach**, combining the **rigour of private equity** with the **liquidity of listed equity.**

The strategy applies deep, bottom-up research and extensive due diligence - similar to private equity investing, to identify high-potential companies at an early stage of their growth cycle. At the same time, by investing in publicly listed businesses, it retains the flexibility and liquidity inherent in listed equity markets. This hybrid approach enables the portfolio to pursue long-term, high-conviction opportunities with the discipline of private equity, while offering investors the transparency and liquidity advantages of public markets.

In other words, investments are typically made at relatively early stages of a company's growth journey, following extensive bottom-up research and deep due diligence. With a long-term investment orientation, the objective is to generate high multiples on invested capital by capturing both outsized earnings growth and the potential for meaningful stock re-rating as businesses scale, strengthen competitive advantages, and mature over time.

This differentiated approach allows the portfolio to participate meaningfully in India's structural growth story while maintaining flexibility, transparency, and liquidity for investors.

Transformative Growth = Discovery+Non-Linear Growth

TCG Asset Management believes that periods of transformative economic growth create powerful opportunities for discovery and non-linear value creation. As economies evolve, a significant number of both existing and emerging companies develop unique business models that can deliver disproportionate growth outcomes. These opportunities may play out episodically over medium-term cycles of three to five years, or compound steadily over extended time horizons exceeding a decade.

Many of these businesses tend to share common characteristics. They are often leaders within niche or sub-segments, beneficiaries of strong macroeconomic tailwinds, and are backed by robust, experienced leadership teams. Their operating models are mature and scalable, enabling the potential for non-linear growth in revenues, earnings, and profitability over time.

Over the past fourteen years, India's economic transformation has been significant. Between 2010 and 2024, the country's GDP expanded approximately 2.3 times, growing from USD 1.7 trillion to nearly USD 3.9 trillion. During the same period, the universe of investible listed companies expanded at a much faster pace - by approximately 4.3 times; while overall market capitalisation grew by more than six times.

Specifically, the number of listed companies within the defined investment universe increased from 187 in 2010 to 808 by 2024. Over the same timeframe, aggregate market capitalisation rose from approximately ₹3.5 lakh crore to ₹21.2 lakh crore, reflecting a 6.1x expansion. This growth underscores how capital markets have scaled

Strategy Type	Inception Date	AUM (₹ Cr)	Minimum Investment
Small Cap	11 October 2024	₹ 350 Cr	₹ 50 Lacs

more rapidly than the broader economy, creating a deeper and more diverse opportunity set for active investors.

Looking ahead, as the Indian economy advances toward a projected USD 10 trillion scale over the next decade, TCG expects the investment universe to expand substantially further, both in size and in quality, offering an even broader basket of opportunities for long-term wealth creation.

Portfolio Suitability

- **Suitable for investors seeking** outsized long-term returns and who are comfortable with market volatility
- Best aligned with investors having a **long-term investment horizon**, as return outcomes are expected to evolve over time
- **Patience** is critical to the success of this approach, for two key reasons:
  - Investment theses typically play out over a 3–5 year period
  - Market recognition and stock price re-rating can be difficult to time and unpredictable
- A sharply focused, bottom-up, high-conviction portfolio may exhibit low correlation with benchmark indices
- As a result, short- to medium-term performance **volatility** relative to benchmarks can be significant
- **Not suitable for investors who** require consistent benchmark outperformance on a quarterly, half-yearly, or annual basis

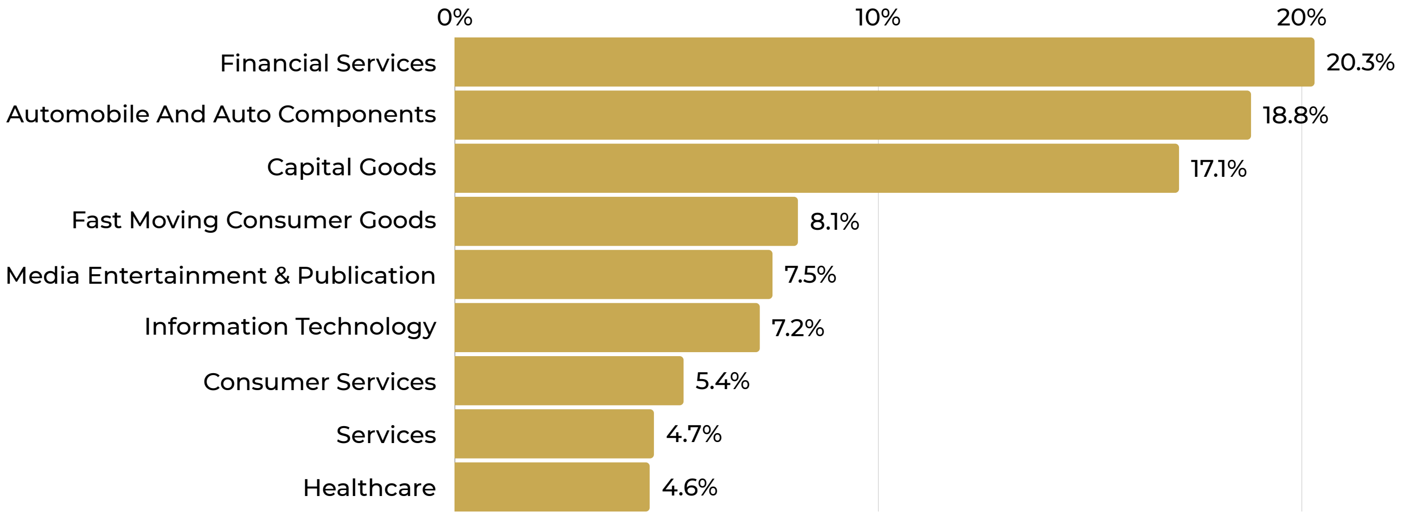
Current Portfolio Positioning

PMS Portfolio Market Cap break up - Large (%), Mid (%), Small (%) as per SEBI definition as on December 31, 2025.

Sector	Definition -ranking by Market cap	% Allocation
Large cap	Top 100 companies	--
Mid cap	101st to 250th company	5.7%
Small cap	From 251st company onwards	87.9%
Cash		6.4%

Sector Allocation (with % breakdown) – TCG TGP

PMS Portfolio sector allocation break up - as on December 31, 2025.



Note: This is as per 2nd tier sector classification from NSE Indices Industry Classification Structure.

Key Investment Themes

We are focused on ahead of curve thesis. Hence, we are always on the lookout for emerging themes/ niches leading to our potential investee companies. Some of the emerging themes which we are working on are as follows:

Performance Highlights – TCG TGP

PMS Portfolio Returns as of December 31, 2025. Upto 1Y is Absolute and >1Y is CAGR.

Returns	1M	6M	1Y	SI CAGR
Values	- 1.1%	- 4.0%	1.8%	0.6%

1. Emerging digital subscription revenue stream for news prints media
2. SaaS / License based IT products – HR, Banking, Ecommerce, Healthcare
3. Strong consumption / spend emerging from tier III / IV cities
4. Electrification of economy – consumption, electrical motor components, EV value chain, etc.
5. Mainstreaming of alternate medicine
6. Medical consumables & devices
7. Indian Engineering companies with growing global footprint
8. Defence electronics
9. Digital infra / platform companies – Capital Market, Travel, etc
10. Corporate Developments – Change of management, family settlements

Parameters	TCG Transformative Growth Portfolio	Small Cap MF	Mid Cap MF
Flexibility	Shall invest predominantly in smaller mid-cap and small-cap space	At least 65% in small-cap	At least 65% in mid-cap
AUM	Capped at INR 1,000 Cr*	Major funds: > INR 10,000 Cr, with significant large-cap allocation	Major funds: > INR 20,000 Cr, with significant large-cap allocation
Focused	Portfolio of 15–20 stocks with meaningful allocation to high-conviction ideas	Highly diluted portfolio of ~50–150 stocks; reflects market participation rather than high conviction	
Benchmark	Benchmark agnostic with insignificant overlap	Given the large number of holdings and portfolio size, significant overlap with the index	
Investible Universe	Large (for a 5% allocation in a INR 1,000 Cr portfolio, investment of INR 50 Cr is required)	Smaller (5% allocation results in ~INR 500 Cr)	Smaller (5% allocation results in ~INR 1,000 Cr)
Deployment	Gradual deployment, aligned with identification of bottom-up ideas	Immediate deployment	
Determinants of Portfolio Performance	Performance driven primarily by the fundamental outcomes of 15–20 high-conviction ideas	Performance largely correlated with broader market movements	

Why It Matters Now

Over the past year, markets have moved sideways, on account of moderating earnings growth, stretched valuations, global geopolitical headwinds, and relative attractiveness of other markets. Since early 2025, the RBI and government have acted decisively through liquidity infusion, rate cuts, tax reductions, and a GST cut to stimulate growth. The upcoming 8th Pay Commission, coupled with festive demand, should further boost consumption, economic activity, and corporate earnings.

India's recent underperformance versus global peers must be viewed against its strong post-Covid outperformance. We believe, the last year reflect a consolidation phase, making valuations more reasonable. With earnings growth expected to accelerate in the second half of FY26 and beyond, market performance should reflect improving fundamentals.

About TCG

TCG reflects the spirit of India - ambitious, aspirational, dynamic, and diverse. The group embodies free-thinking and bold vision, grounded in respect for tradition while remaining progressive and ever-evolving. With a belief in dreaming big and adapting to change, TCG mirrors a nation on the rise.

Born and built in India at a pivotal moment, TCG recognizes the country's trajectory of sustained growth and its emergence as one of the world's most compelling wealth creation opportunities. The group seeks to partner with stakeholders on this journey - focused on creating, growing, and protecting wealth over the long term.

TCG Group brings over three decades of experience and a strong track record across both traditional and new-age businesses. Its diversified portfolio spans petrochemicals, life sciences, digital and information technology, real estate, and other sectors.

With approximately 18,000 employees worldwide, the group operates on a substantial scale, supported by a combined asset base of around USD 5.11 billion. It delivers robust financial performance, with an estimated EBITDA of USD 605 million, revenues of USD 3.98 billion, and an enterprise value of approximately USD 7.16 billion (combined entity estimates).

Headquartered in New York, TCG conducts major operations across India and the United States, leveraging global perspectives with deep local expertise. Through disciplined execution and a forward-looking approach, the group continues to build enduring businesses aligned with the evolving opportunities of a rapidly changing world.

Fund Manager's Profile

Mr. Shahzad Madon

MD & CEO

Shahzad has more than 30 years of industry experience across the investment management and financial services sector. He has held varied leadership responsibilities, including heading equity research, managing equity portfolios, and growing as well as managing the PMS and Alternate Investment business. Prior to joining TCG AMC, Shahzad was the Head of Alternative Investments at Nippon Life India Asset Management, where he was instrumental in introducing multiple asset classes such as real estate, high-yield credit, venture capital, in addition to public equities. Before his tenure at Nippon India, Shahzad served as Executive Director at ICICI Prudential AMC.

Article

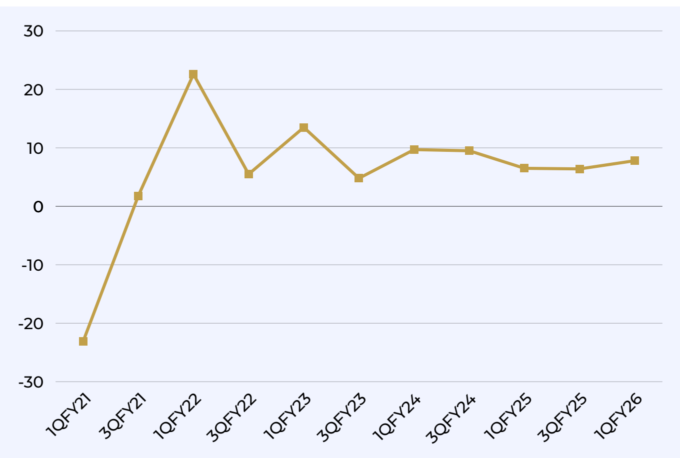
2025 in Review: India's Resilience Amid Global Crosscurrents

Executive Overview: A Year That Defied Simple Labels

2025 stands out as a year that refused to be boxed into easy narratives. India neither experienced an unblemished economic boom nor succumbed to global disruptions. Instead, the year unfolded as a test of resilience - where strong domestic fundamentals counterbalanced rising external shocks. Robust growth, subdued inflation, and reform momentum defined the core story, even as trade tensions, currency pressures, and global uncertainty left visible marks on the economy.

Growth Momentum: India at the Forefront of Global Expansion

India closed 2025 as one of the fastest-growing major economies globally. Real GDP growth surged to 8.2% in Q2 FY26, a six-quarter high, significantly outperforming market expectations and official projections. Supported by a strong 7.8% expansion in Q1, the economy recorded close to 8% growth in the first half of the fiscal year. This performance reinforced India's trajectory toward becoming the world's third-largest economy by 2030.



Source: EY & MOSPI

Sectoral contributions were broad-based. Services led the expansion, followed by manufacturing, while agriculture posted steady gains. Consumption demand improved notably after indirect tax rationalisation, lending durability to growth despite global headwinds.

Inflation Surprise: The Rare 'Goldilocks' Phase

While growth grabbed headlines, inflation delivered the biggest surprise. Retail inflation fell to a historic low of 0.25% in October 2025, before inching up modestly in November. Food price deflation played a central role, keeping overall inflation well below the RBI's 4% target. With average inflation projected near 2% for FY26, policymakers found themselves in a rare sweet spot, strong growth paired with price stability.

This benign inflation environment created policy space for both monetary and fiscal support, strengthening expectations of sustained macroeconomic stability.

Monetary Policy: RBI's Growth-Supportive Pivot

Taking advantage of easing price pressures, the Reserve Bank of India embarked on its most aggressive easing cycle from feb 2025, the repo rate was cut by a cumulative 125 basis points, bringing it down to 5.25% in December 2025. Alongside rate cuts, the RBI revised growth projections upward while maintaining confidence in inflation remaining within the tolerance band. The accommodative stance lowered borrowing costs, supported investment activity, and reinforced confidence across households and businesses.

India's GDP Growth Hits 6-Quarter High in Q2FY26

Structural Reforms Took Centre Stage

Budget 2025: Relief for the Middle Class

The Union Budget delivered meaningful income tax relief, exempting incomes up to ₹12 lakh under the new regime (₹12.75 lakh for salaried individuals after standard deductions). Improved disposable incomes, combined with low inflation and supportive monetary policy, created a favourable consumption-investment cycle.

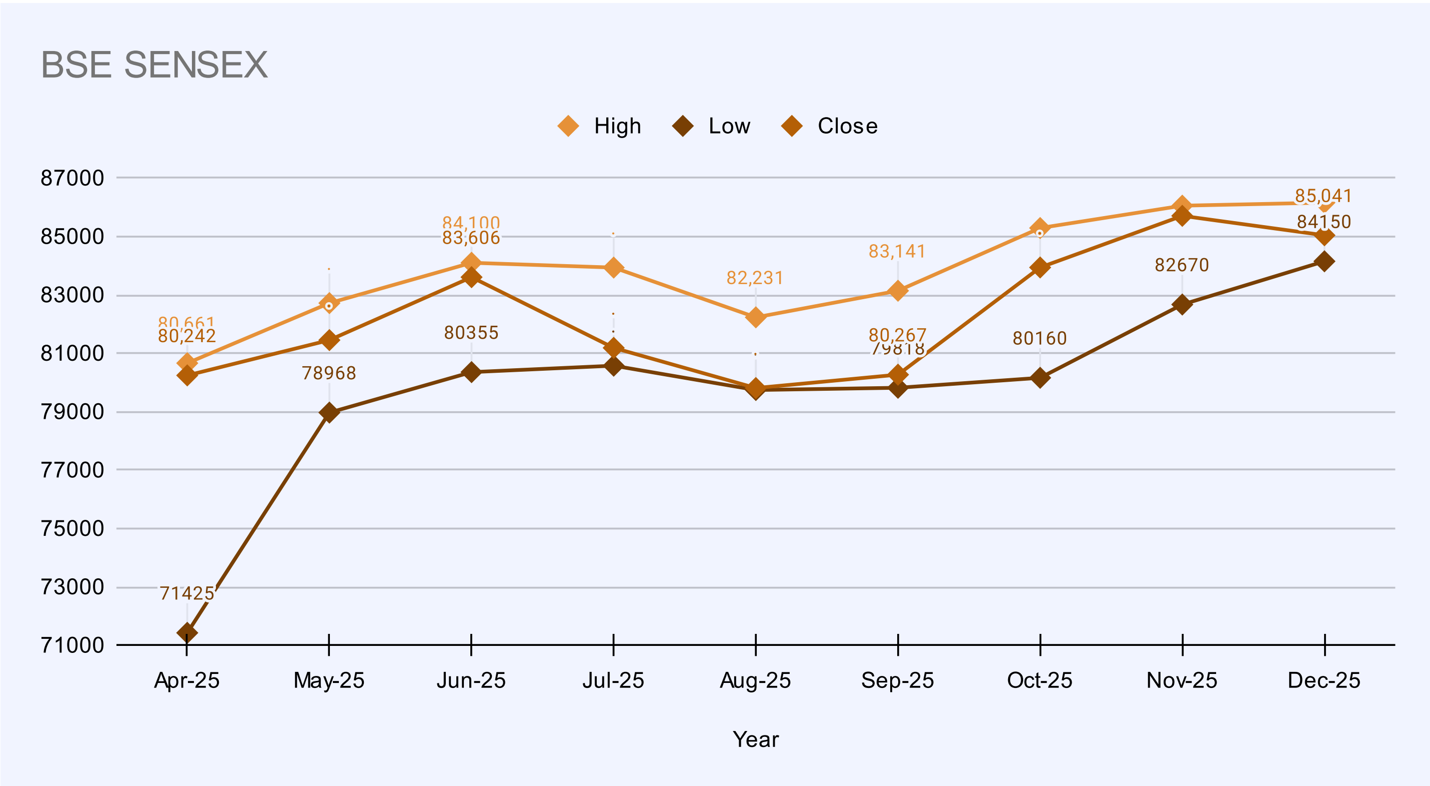
GST 2.0: Simplification with Impact

A landmark reform arrived with the rollout of GST 2.0 in September 2025. The indirect tax structure was simplified into two main slabs - 5% and 18%; while select luxury and sin goods attracted a higher rate of 40%. Life insurance premiums were exempted, and GST rates on essentials, farm equipment, and consumer goods were lowered.

The overhaul reduced compliance complexity, cut input costs, and boosted consumer demand, particularly during the festive season.

Financial Markets: Strong Highs, Softer Finish

Indian equity markets experienced a volatile but eventful year. Benchmarks scaled record highs mid-year, supported by domestic demand, reforms, and earnings resilience. However, global turbulence, triggered by renewed US tariffs, geopolitical tensions, and foreign investor outflows led to a subdued finish. Despite late-year weakness, the Nifty 50 and Sensex still posted annual gains, reflecting underlying economic strength even as sentiment weakened toward the close of the year.



Source: BSE

Trade & Diplomacy: Expansion Amid Protectionism

India doubled down on trade diplomacy in 2025, concluding and advancing multiple free trade agreements. Deals with New Zealand and Oman expanded market access, while negotiations with the UK, Israel, and other partners gained momentum. These agreements aimed to diversify export destinations and reduce reliance on a few major markets.

India's Trade Roundup Of '25
Key flashpoints reshaping India's global trade landscape

United States
Tariffs & geopolitics
- Up to 50% tariffs
- Russia-linked pressure

No breakthrough yet

Mexico
Nearshoring shock
- Up to 50% tariffs
- 75% exports hit

Exemption talks on

Russia
Energy imbalance
- Imports: $64 bn
- Exports: $5 bn

Trade growing

United Kingdom
Structural trade shift
- 99% Indian exports duty-free
- Tariffs cut on 90% lines

FTA signed

Fragmented global trade, bilateral solutions

European Union
Climate rules
- CBAM from 2026
- Steel exports down

FTA talks active

China
Complicated ties
- Trade ties improving
- WTO dispute brewing

Dependent but fraught

New Zealand
Politics vs access
- Zero-duty access
- Dairy excluded

FTA announced

Oman
Trade stabiliser
- 98% tariff lines cut
- Services & mobility boost

CEPA signed

At the same time, India faced rising protectionism. The US imposed steep tariffs on Indian exports, while Mexico announced blanket tariff hikes on non-FTA countries, posing fresh challenges for exporters.

External Pressures: Currency Stress & Capital Outflows

The Indian rupee remained under pressure throughout the year, touching record lows amid dollar strength, foreign portfolio outflows, and elevated crude prices. FIIs recorded their largest-ever annual net equity outflows from India, reflecting global risk aversion rather than domestic weakness.

While volatility remains a near-term concern, expectations of currency stabilisation and potential return of foreign flows hinge on global growth dynamics and relative market performance.

India–Russia Equation: Growth with Imbalances

Trade with Russia expanded sharply, driven largely by discounted crude oil imports. While bilateral trade volumes surged, the relationship became increasingly skewed toward energy imports, creating a significant trade imbalance. Looking ahead, India aims to rebalance ties through diversification and potential agreements with the Eurasian Economic Union.

Conclusion: Entering 2026 with Strength and Caution

In retrospect, 2025 will be remembered as a year of calibrated success. India demonstrated the capacity to grow strongly even as global conditions deteriorated. Yet unresolved trade tensions, geopolitical risks, and financial volatility mean the road ahead demands careful navigation.

Wealth1 Perspective: 2025 in Summary

From a Wealth1 lens, 2025 reaffirmed India's long-term investment case. Strong growth, disciplined inflation, structural reforms, and proactive policymaking enhanced macro stability. Short-term market volatility and external shocks created noise, but not structural damage. For investors, the year reinforced three key takeaways:

1. Domestic demand and reforms remain India's core strength.
2. Global diversification and trade strategy will be critical in a protectionist world.
3. Volatility should be viewed as an opportunity, and not risk, in a structurally strong economy.

As India steps into 2026, the foundations remain solid - positioning the economy for sustained, albeit more contested, growth ahead.

The current macroeconomic setup presents a compelling case for long-term equity investing. Strong GDP growth, easing inflation, supportive monetary policy, and structural reforms have created a favourable earnings environment for businesses, even as market volatility persists. Historically, such phases—where fundamentals are strong but sentiment is cautious due to global uncertainties—have offered attractive entry points for patient investors. Equity markets tend to discount future growth well before it becomes evident in headline data, making periods of uncertainty an opportunity rather than a risk for long-term capital.

At Wealth1, our role in this phase is distinct and solutions-driven. As a wealth management and distribution platform, we curate and recommend high-quality Portfolio Management Services (PMS) and Alternative Investment Funds (AIFs) that align with this favourable equity environment. Our focus is on partnering with proven investment managers who bring institutional-grade research, disciplined processes, and a long-term orientation.

Investors who have spent time in the markets often reach a point where the focus shifts from chasing returns to building enduring wealth. Decisions become calmer, horizons longer, and the emphasis moves to staying invested with the right managers through ups and downs. It is this maturity of approach that naturally leads many towards PMS and AIF strategies, designed for patience, discipline, and long-term outcomes.

We help investors access the right strategies across listed equities, private markets, and hybrid structures, based on their risk appetite, time horizon, and wealth objectives. In a market where India's structural growth story remains intact but short-term uncertainty persists, we believe professionally managed PMS and AIF strategies offer an effective way to participate in equity-led wealth creation, with governance, transparency, and alignment at the core. Wealth1's objective is to act as a trusted gateway, helping investors navigate complexity, allocate capital prudently, and stay invested through cycles.

> "Every year my personal portfolio underperforms my clients' portfolios because human bias creeps in... "
>
> Says Anirudh Garg

Returns & Beyond Podcast #4

Episode Overview

In this episode of Returns & Beyond, Anirudh Garg shares an in-depth look into how professional fund managers think behind the curtain - from return expectations and quant-based investing to capital preservation, cash calls, and navigating global macro uncertainty.

The conversation spans investment philosophy, portfolio construction, risk management, market cycles, cash calls, precious metals, global geopolitics, India's growth outlook, and practical advice for new and seasoned investors.

Key Themes & Insights

1. **Defining the Right Return Expectations**

- Anirudh emphasizes that most investors fail because they don't clearly define what they want from equities.
- Equity is treated as one asset class, not a shortcut to quick wealth.
- His long-term target
    - 1.5x to 2x of NIFTY
- The focus is not chasing returns blindly, but aligning expectations with market reality and risk.

2. **Quant-Based Investing at INVasset**

- INVasset tracks ~700 companies (earlier ~1500) using 170+ parameters.
- The universe selection prioritizes:
    - Liquidity
    - Market depth
    - Ability to liquidate ~95% of the portfolio within 3 days
- The model adapts across four distinct market stages:
    - Value
    - Growth
    - Quality
    - Safety

Each stage has different factor weights, sector-specific metrics, and valuation lenses.

3. **Human Judgment vs Quant Models**

- Client portfolios are almost entirely quant-driven.
- Human intervention is rare and used only when markets behave in ways historical data has never captured.

4. **Cash Calls & Capital Preservation**

- Cash calls are made when markets are:
  - Expensive
  - Exuberant
  - Structurally abnormal
- Key points:
  - Cash calls do not generate fees for INVasset
  - Most fund managers avoid them due to:
    - AUM-linked revenue models
    - Regulatory constraints (especially in mutual funds)
- Anirudh stresses that:

> ***"Preserving capital is more important than maximizing returns."***

He has seen 60–80% portfolio drawdowns in past bear markets and actively tries to protect investors from such events.

5. **Cash Calls, Safety & Precious Metals**

- Cash calls are taken to protect capital during excess valuation and market exuberance.
- September 2025 cash call was a tactical pause, not a bear-market call.
- Triggered by stretched small & mid-cap valuations and weak market breadth.
- Redeployment started once risk indicators stabilised.
- Gold & silver used only as hedges, not core investments.
- Commodities lack business fundamentals and human execution.

6. **2026 Outlook, India & Global Reset**

- Easy-liquidity driven returns are over
- Markets ahead will be selective and skill-based
- Global reset led by US–China realignment
- India faces short-term challenges but long-term fundamentals remain strong
- Small caps have seen time and price correction
- NIFTY likely to cross 30,000 before Dec 2026, barring global shocks

7. **INVasset Product Suite Explained**

Growth Fund:
Flagship, full universe, performance-linked fees

Leaders Fund:
No small caps, fixed-fee model

Prime Fund:
Excludes cyclical & old-economy stocks

- GIFT City AIF: Designed for NRIs with:
  - Significant tax efficiency
  - No GST on fees
  - Zero tax on business income
  - Easier global diversification

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PMS Performance Snapshot

As of December 2025

TOP PERFORMING FUNDS - BASED ON 1M RETURNS

AMC	Fund	AUM (Crs)	RETURNS (%)					
			1M	6M	1Y	3Y	5Y	SI
Guardian Advisors Pvt. Ltd.	Core Value	₹109.70	9.52	10.11	-7.09	8.06	23.95	14.33
Abakkus Asset Manager Pvt. Ltd.	Select Opportunities Strategy 2	₹413.06	5.67	-2.90	4.04	NA	NA	19.67
Aequitas Investment Consultancy Pvt. Ltd.	India Opportunities Product	₹4,264.64	5.07	28.15	41.81	45.37	45.18	33.13
Turtle Wealth Management Pvt. Ltd.	Growth Mantra Fund	₹124.47	4.76	14.08	8.17	18.23	13.49	14.72
Globe Capital Market Ltd	Arbitrage/Special Situation	₹263.54	4.03	6.03	7.24	16.79	20.96	14.89
Abakkus Asset Manager Pvt. Ltd.	Select Opportunities Strategy	₹316.68	4.01	9.23	14.37	14.04	NA	23.49
Alchemy Capital Management Pvt. Ltd.	WIN Strategy	₹109.21	3.59	0.15	3.15	NA	NA	15.20
Molecule Ventures Limited Liability Partnership	Growth	₹808.66	3.31	11.84	4.72	24.67	NA	27.78
Entrust Family Office Investment Advisors Pvt. Ltd.	Dividend Yield Approach	₹743.15	3.28	0.90	6.81	33.33	28.31	23.39
Consortium Securities Pvt. Ltd.	Value PMS	₹99.83	3.19	6.61	9.93	24.79	31.20	27.53

*Only those funds considered whose AUM > ₹ 50 Crs

TOP PERFORMING FUNDS - BASED ON 1Y RETURNS

AMC	Fund	AUM (Crs)	RETURNS (%)					
			1M	6M	1Y	3Y	5Y	SI
Aequitas Investment Consultancy Pvt. Ltd.	India Opportunities Product	₹4,264.64	5.07	28.15	41.81	45.37	45.18	33.13
Dwaith Advisory Pvt. Ltd.	Concentrated Growth Portfolio	₹159.70	-2.49	16.13	31.71	NA	NA	14.95
Qode Advisors LLP	All Weather	₹118.04	0.83	10.76	27.73	NA	NA	23.44
360 ONE Asset Management Limited	Large Value Strategy	₹843.12	0	-12.43	25.03	NA	NA	79.38
2point2 Capital Advisors LLP	Long Term Value Fund	₹1,791.01	0.27	-0.78	23.40	24.98	22.57	20.39
DMZ Partners Investment Management LLP	Partners Inheritors Strategy	₹649.79	-2.64	3.19	20.49	18.18	16.37	15.84
Carnelian Asset Management & Advisors Pvt. Ltd.	Compounder Strategy	₹1,241.75	-0.96	7.97	18.95	26.17	21.14	20.27
Chanakya Capital Services Pvt. Ltd.	Multi-Cap PMS	₹318.42	0.96	3.95	17.89	21.31	22.80	16.50
Fort Capital Investment Advisory Pvt. Ltd.	Dynamic	₹203.87	-0.21	7.75	17.88	NA	NA	23.55
Turtle Wealth Management Pvt. Ltd.	Wealth Mantra Fund	₹221.36	2.36	13.63	17.68	24.33	19.28	17.88

*Only those funds considered whose AUM > ₹ 100 Crs

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PMS Performance Snapshot

As of December 2025

TOP PERFORMING FUNDS - BASED ON 3Y RETURNS								
AMC	Fund	AUM (Crs)	RETURNS (%)					
			1M	6M	1Y	3Y	5Y	SI
Aequitas Investment Consultancy Pvt. Ltd.	India Opportunities Product	₹4,264.64	5.07	28.15	41.81	45.37	45.18	33.13
Wallfort Pms And Advisory Services LLP	Diversified	₹397.19	-5.82	2.10	-0.26	40.83	39.63	24.21
Stallion Asset Pvt. Ltd.	Core PMS	₹6,562.45	-3.14	1.43	-1.68	38.42	27.20	28.45
White Pine Investment Management Pvt. Ltd.	India Emerging Stars Approach	₹396.04	-2.26	-3.46	2.73	35.05	NA	36.41
Equitree Capital Advisors Pvt. Ltd.	Emerging Opportunities	₹1,122.99	-1.30	-7.93	-11.70	33.86	34.53	7.65
Entrust Family Office Investment Advisors Pvt. Ltd.	Dividend Yield Approach	₹743.15	3.28	0.90	6.81	33.33	28.31	23.39
Seers Fund Management Pvt. Ltd.	Enduring Portfolio	₹374.74	-5.26	-3.69	-12.42	32.88	39.00	22.14
Sahasrar Capital Pvt. Ltd.	Concentrated Growth Portfolio	₹1,297.26	0.27	3.15	16.00	32.43	NA	26.63
Valuequest Investment Advisors Pvt. Ltd.	Vision Fund	₹806.10	-1.94	-2.84	13.05	32.37	NA	31.23
INVasset LLP	Growth Fund	₹336.36	0.92	-5.32	-0.72	31.47	26.49	28.00

*Only those funds considered whose AUM > ₹ 200 Crs

TOP PERFORMING FUNDS - BASED ON 5Y RETURNS								
AMC	Fund	AUM (Crs)	RETURNS (%)					
			1M	6M	1Y	3Y	5Y	SI
Aequitas Investment Consultancy Pvt. Ltd.	Aequitas India Opportunities Product	₹4,264.64	5.07	28.15	41.81	45.37	45.18	33.13
Counter Cyclical Investments Pvt. Ltd.	Diversified Long Term Value	₹788.53	-1.73	-10.30	-12.55	25.11	43.86	47.03
Wallfort PMS And Advisory Services LLP	Diversified	₹397.19	-5.82	2.10	-0.26	40.83	39.63	24.21
Seers Fund Management Pvt. Ltd.	Enduring Portfolio	₹374.74	-5.26	-3.69	-12.42	32.88	39.00	22.14
Equitree Capital Advisors Pvt. Ltd.	Emerging Opportunities	₹1,122.99	-1.30	-7.93	-11.7	33.86	34.53	7.65
Janak Merchant Securities Pvt.Ltd.	Dynamic Investment Approach	₹919.19	-2.20	-2.20	1.50	24.80	34.00	19.40
Mittal Analytics Pvt. Ltd.	MAPL Value Investing Fund	₹322.66	-0.49	2.32	-1.74	24.89	33.44	30.32
Abakkus Asset Manager Pvt. Ltd.	Personalised Opportunity Specific Strategy	₹1,487.16	1.97	0.57	-1.47	19.60	32.26	39.29
Bhana Equity Advisors LLP	BEA India Growth Fund	₹487.31	-4.70	-13.31	1.35	28.33	31.73	29.71
Banyan Capital Advisors LLP	India Portfolio	₹423.52	-3.04	-4.07	-4.20	25.94	30.60	18.29

*Only those funds considered whose AUM > ₹ 250 Crs

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PMS Performance Snapshot

As of December 2025

TOP PERFORMING FUNDS - BASED ON SINCE INCEPTION RETURNS

AMC	Fund	AUM (Crs)	RETURNS (%)					
			1M	6M	1Y	3Y	5Y	SI
360 ONE Asset Management Limited	360 ONE Large Value strategy PMS	₹843.12	0	-12.43	25.03	NA	NA	79.38
Counter Cyclical Investments Pvt. Ltd.	Diversified Long Term Value	₹788.53	-1.73	-10.3	-12.55	25.11	43.86	47.03
Abakkus Asset Manager Pvt. Ltd.	Personalised Opportunity Specific Strategy	₹1,487.16	1.97	0.57	-1.47	19.60	32.26	39.29
White Pine Investment Management Pvt. Ltd.	India Emerging Stars Approach	₹396.04	-2.26	-3.46	2.73	35.05	NA	36.41
Carnelian Asset Management & Advisors Pvt. Ltd.	Shift Strategy	₹4,923.99	-1.88	-1.60	-3.52	30.16	30.52	34.03
Aequitas Investment Consultancy Pvt. Ltd.	India Opportunities Product	₹4,264.64	5.07	28.15	41.81	45.37	45.18	33.13
Unique Asset Management LLP	Strategic Fund	₹1,645.47	-1.06	-6.65	1.43	27.99	29.23	31.34
Valuequest Investment Advisors Pvt. Ltd.	Vision Fund	₹806.10	-1.94	-2.84	13.05	32.37	NA	31.23
Electrum Portfolio Managers Pvt Limited	Laureate Portfolio	₹507.65	-1.41	-3.05	-13.77	24.20	29.08	29.94
Bhana Equity Advisors LLP	BEA India Growth Fund	₹487.31	-4.70	-13.31	1.35	28.33	31.73	29.71

*Only those funds considered whose AUM > ₹ 350 Crs

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