Axis Focused 25 Growth

Manager Biography & Fund Strategy

Jinesh Gopani, head of equities and the fund manager of this fund since June 2016, exited the fund house in September this year. He was an old hand there, having been a part of it since 2009. He was the most experienced manager within the team and had a strong influence on the investment function as head of equities.

The fund house is in the process of finding Gopani’s replacement, who will take over his management responsibilities. This fund will be temporarily managed by Shreyash Devalkar, supported by comanager Hitesh Das. Following Gopan i’s departure, Devalkar has been the fund house in September this year. He was an old hand there, having been a part of it for two decades of work experience, including more than a decade of fund management experience. He joined the fund company in November 2016 and has been an integral part of the equity investment team. The appointment of Ashish Gupta as the new CIO represents a strategic move to enhance oversight and management of the investment function.

Under Shreyash Devalkar’s interim leadership, the fund’s investment approach remains unchanged, reflecting a quality-growth strategy similar to Jinesh Gopani’s. The fund house is intent on preserving the established investment style and is in search of a manager whose skills align with the fund’s traditional management approach. The strategy targets companies with a three- to five-year growth horizon, focusing on quality over valuation, which sometimes leads to investments in stocks with higher relative prices if they fulfill the quality and growth criteria. Since it’s a focused strategy, the aim is to be selective and invest in companies where the team has highest level of conviction. Hence, the priority is on companies that show promise for reliable earnings growth, backed by credible management and sound corporate governance. In fact, corporate governance is a major factor that the investment team looks at. Stock selection is grounded in meticulous bottom-up research, supplemented by top-down assessments of risk, liquidity, and volatility. Financially, the preference is for companies with minimal debt and robust balance sheets.

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The fund’s investment mandate permits it to invest in no more than 25 stocks. The portfolio is predominantly large-cap in nature with more than 75-80% of assets invested in that segment. The balance is invested in mid-cap stocks. Stock picks are based on a bottom-up strategy, rather than macroeconomic views. The fund’s investment philosophy endows the portfolio with a unique identity that is not closely tied to benchmark indexes, leading to significant differences between the fund’s holdings and its benchmark. The investment style and stock selection largely lead to a portfolio that’s purely driven by the strength and quality of the underlying stocks.

Source: Morningstar Direct