

# The Meticulous Investment Banker Who Delivers

*Through meticulous research and understanding of the industry, Vasudev Gupta, founder of niche investment firm Prosperity Wealth Management Pvt. Ltd., delivers returns by tapping into opportunities overlooked by large fund houses.*

**V**asudev Gupta is the founder of Prosperity Wealth Management Pvt. Ltd., a Chennai-based investment management firm registered with the Securities & Exchange Board of India. The company provides portfolio management services to corporates and high net-worth individuals located in India and abroad.

At 29, Vasudev is not only one of the youngest but also one of the best performing portfolio managers in the country. Since its inception in January this year, his company's flagship Prosperity Discovery fund has delivered returns that have outpaced many large fund houses by a significant margin.

## How it all began

Vasudev began his entrepreneurial journey in 2014, when he returned to India after completing his Masters from Imperial College London. He soon joined his family business in the manufacturing of industrial yarns and technical textiles. It was there that he discovered his passion for wealth management while being tasked with managing funds for his own family office. His first-hand experience of working in a manufacturing firm gave him deep insights and the knowledge required to evaluate other manufacturing entities listed on the Indian stock exchanges.

He decided to turn this insight to his advantage, assembling a team of industry veterans across different sectors to supplement his understanding of various businesses and investment opportunities. Over the last five years, he has made many successful investments in the public listed space. He is confident of replicating this success for investors in his Prosperity Discovery fund.

## Investment Philosophy

Vasudev firmly believes in the fundamental analysis and value investing methodology, which form the bedrock of Prosperity's investment philosophy as well. In addition, the company undertakes a due-diligence process that involves taking into account criteria such as the (i) financial strength of a company, (ii) vision and quality of the management, (iii) macroeconomic environment, (iv) future outlook and growth potential, (v) economic moat protecting the business, and (vi) field research.

Prosperity likes to invest in businesses that have a long runway for growth, are less leveraged, and most importantly are run by competent and trust worthy management teams.

## Future outlook

India is home to over 3 lakh high net-worth individuals (i.e. individuals with investable assets of \$ 1 million or more) and is expected to be the fourth largest private wealth market globally by 2028. In Vasudev's own words "India is at the cusp of witnessing unprecedented growth in the coming decade. We are observing significant investments in the public and private sectors. A rise in exports coupled with a robust internal demand for goods and services, fuelled by a large demography, will propel the Indian economy forward. Equity investors are well-positioned to capitalize on this growth". Prosperity Wealth Management has set its target to garner INR 100 crores of assets under management over the next three years.



**Vasudev Gupta, Founder,**  
Prosperity Wealth Management Pvt. Ltd.

## Overcoming competition

Despite many players in the wealth management industry, Vasudev is confident that niche investment firms such as Prosperity will continue outperforming large fund houses. His rationale for this belief is simple: as per data provided by the national stock exchange, merely 250 listed companies (out of the 5000+) account for more than 90% of the entire Indian stock market capitalisation. Large fund houses often find it difficult to invest beyond this 250-stock universe due to their large size and dearth of liquidity, often resulting in underwhelming returns. Niche investment firms can comfortably make investments beyond this 250 stock universe thereby tapping into a large opportunity to create wealth and significantly improve their alpha generation potential. Prosperity also maintains a concentrated portfolio of 15-20 high conviction stocks to deliver superior returns, the company believes that the marginal benefit of diversification diminishes with each additional stock after a certain point.

## Advice to investors

Vasudev's advice to investors is to always view a stock as an ownership in the company rather than just a ticker on the exchange. One should rely on deep research to understand the intrinsic worth of a business rather than focusing on short term market sentiments and price movements. Vasudev also believes that portfolio management is a job best left to the professionals as it requires significant time commitment and inclination to study and track multiple investments on a regular basis for long periods of time.