



## RAGHAV MITTAL

FOUNDER & CIO  
DHAMMA CAPITAL

### No Of Fund: 1

- DHAMMA INVESTMENT FUND

### ABOUT RAGHAV MITTAL



#### What gap did you see that led you to start Dhamma?

Most funds trade stocks for a few quarters or months, yet real (post-tax) wealth is made owning a handful of great businesses for years. I started Dhamma to fill this gap. Since Day-0, we purpose-built a firm that aligns long-term ownership with long-term capital. Dhamma draws from my global experience working with five public-market firms and studying at Columbia Business School, the birthplace of value investing.

#### What were your biggest takeaways from your lunch with late Mr. Charlie Munger?

Spending time with Mr. Munger imprinted his important ideas deeply. Two ideas that Charlie emphasized to me, “stay far away from highly competitive businesses and industries - it is a great way to avoid ruin”; and “a long horizon with

patient, grounded temperament is one of the last edges left”. We implement them at Dhamma by seeking businesses that escape competition, and designing a firm that takes a 30-year view of compounding.

#### YOUR BOOK(S) RECOMMENDATION



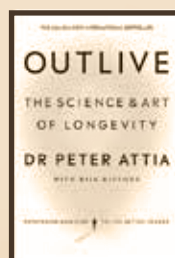
SIDDHARTHA

- Hermann Hesse



ZEN AND THE ART OF  
MOTORCYCLE MAINTENANCE

- Robert M. Pirsig



OUTLIVE: THE SCIENCE  
AND ART OF LONGEVITY

- Dr. Peter Attia

## ABOUT THE BROAD MARKET



**Are micro caps becoming a structural opportunity in India, or does the segment remain highly dependent on liquidity and market cycles?**

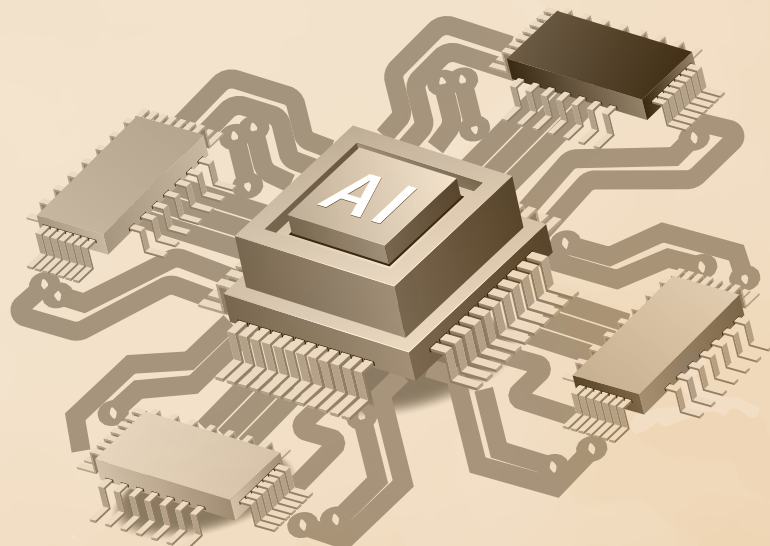
Structural. You have far more first time entrepreneurs today who start small, are hungry to grow, and can access capital for the first time through public markets. I believe in India's entrepreneurial talent, so I expect more S-curve businesses to emerge from this microcap pool. Provided you maintain your diligence standards, valuation discipline, and do not get swept up in the inevitable short-term liquidity cycles.

**What are FIIs missing about India today, and what would bring them back?**

FIIs are focused on a thin slice of India. The index is 30 or 50 businesses, some of whose best growth years are behind them. Underneath sit nearly ~2,000 businesses in the \$100M to \$3B range that compound more durably, and more predictably, than most of the world. What brings capital back is the ground work to see them v/s reading the large-cap index as a representation of the country.

**The post-COVID period created several Multibaggers. With the market now having gone through multiple corrections, could the next five years mark another wave of Multibaggers opportunities?**

Possible. Several new profit pools are accelerating, such as **semiconductors, niche manufacturing, CDMO, battery, aerospace, defence, specialty chemicals, the AI stack**. Strong sectoral growth like this often becomes the tailwind that lets a business scale 5 to 10x in a shorter span. That said, great promoters always find the right side of change, and compound even "boring" businesses handsomely.



## ABOUT THE FUNDS



### How did your fund deliver top-percentile performance since inception?

The strategy is simple. The businesses we own are growing earnings and intrinsic value at 35% a year (including in this bear market), so our portfolio has returned roughly the same. We have followed this philosophy for six years now where returns largely mirror the portfolio earnings growth in thirties. Ofcourse, judgement lies in screening businesses where such superior growth can sustain.

### What is the fund's investment process? Is it any different?

We have the privilege of spending months on the ground - immersed inside a business ecosystem - before making investment decisions. Regular interactions with customers,

former CXOs, and industry insiders who show us the Truth from different angles. We use a proprietary 300-point quality scorecard on culture, moat, customer value and business design. Given we own a concentrated 15 stock portfolio, we only need two-three good investment decisions a year!

### What is the core investable universe for your fund?

Dhamma's focus is on Quality businesses with durable moats, also reflected in portfolio's 24% ROCE. Our core universe is unique business models that might exhibit scale economies shared, toll-road characteristics, win-win ecosystem control, intellectual-property (IP) rights, multi-year switching costs, or monopolistic niche. "Good is the enemy of Great", hence my job as CIO is to maintain these high standards in our collective pursuit of excellence.



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