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Notice for the PhD Viva-Voce Examination

Mr Srikrishna Bhagawan N M (Registration Number: 1980017), PhD scholar at the School of Commerce, Finance and Accountancy, CHRIST (Deemed to be University), Bangalore will defend his PhD thesis at the public viva-voce examination on Monday, 10 June 2024 at 3.00 pm in Room No. 044, Ground Floor, R & D Block, CHRIST (Deemed to be University), Bengaluru - 560029.

Title of the Thesis	:	**Smart Beta Investing in India: Portfolio Construction, Implementation, and Evaluation**
Discipline	:	**Commerce**
External Examiner (Outside Karnataka)	:	**Dr B Senthil Arasu** Professor Department of Management Studies National Institute of Technology, Tiruchirappalli Tiruchirappalli – 620015 Tamil Nadu
External Examiner (Within Karnataka)	:	**Dr Rajendra M Inamdar** Professor and Director Department of MBA KLS Gogte Institute of Technology Belagavi Karnataka
Supervisor	:	**Dr Sathish Kumar B** Associate Professor Department of Commerce School of Commerce, Finance and Accountancy CHRIST (Deemed to be University) Bengaluru- 560029 Karnataka

The members of the Research Advisory Committee of the Scholar, the faculty members of the Department and the School, interested experts and research scholars of all the branches of research are cordially invited to attend this open viva-voce examination.

Registrar

Place: Bengaluru
Date: 03 June 2024

ABSTRACT

The smart beta strategies, having marked their footprint in the developed markets in the last few decades on the backdrop of the failure of active investing, are recently capturing emerging markets such as India. In this regard, the study attempts to analyze the performance of smart beta strategies in long-only, multifactor, and alternative indexing frameworks in India. Firstly, the study examines 1) if capitalization-weighted (CW) single and multifactor portfolios offer significant performance and, secondly, 2) if alternative weighting (AW) offers improved performance over CW at single and multifactor levels. The portfolios were constructed on size, value, profitability, investment, momentum, low-volatility, and illiquidity factors from NIFTY 500 constituents over a sample period of 21 years and tested using CAPM, FF3, FFC4, FF5 and 8-Factor models.

The CW portfolios built on market data such as Illiquid, Winner, Stable, and Size offered better performance than those built on fundamental data such as Value, Strong, and Conservative. CW Multifactor portfolios (Integrated) did not offer improved performance over CW single-factor portfolios. The market factor is the primary return driver for all the portfolios, followed by the value and size factors. The AW offered varied performance at single and multifactor levels. Against respective CW portfolios, AW improved the performance of Strong, Winner, Stable and Integrated portfolios significantly, and that of Illiquid, Value, Conservative, and Mixed portfolios insignificantly, but weakened the small portfolio. However, all the portfolios gained exposure to relevant factors under AW, even to those missing under CW. AW portfolios showed cluster performance among CW-based and non-CW-based portfolios. The study offers insights into smart beta strategies on performance and possible construction frameworks for investors and asset management firms.

Keywords: Factors, Smart-Beta, Single-Factor Portfolios, Multifactor Portfolios, Alternatively Weighted Portfolios, Factor Models.

Publications:

1. **Srikrishna Bhagawan N M**, Dr. Sathish Kumar B- "Impact of COVID-19 on NSE Sectoral Indices", Finance India, The Quarterly Journal of Finance, March 2022, Vol 1, Page-389-410.
2. **Srikrishna Bhagawan N M**, Dr. Sathish Kumar B- "Smart-Beta Strategies in India: Analysis of Performance and Exposure of BSE Strategy Indices," Finance India, The Quarterly Journal of Finance