# INVESTONOMICS

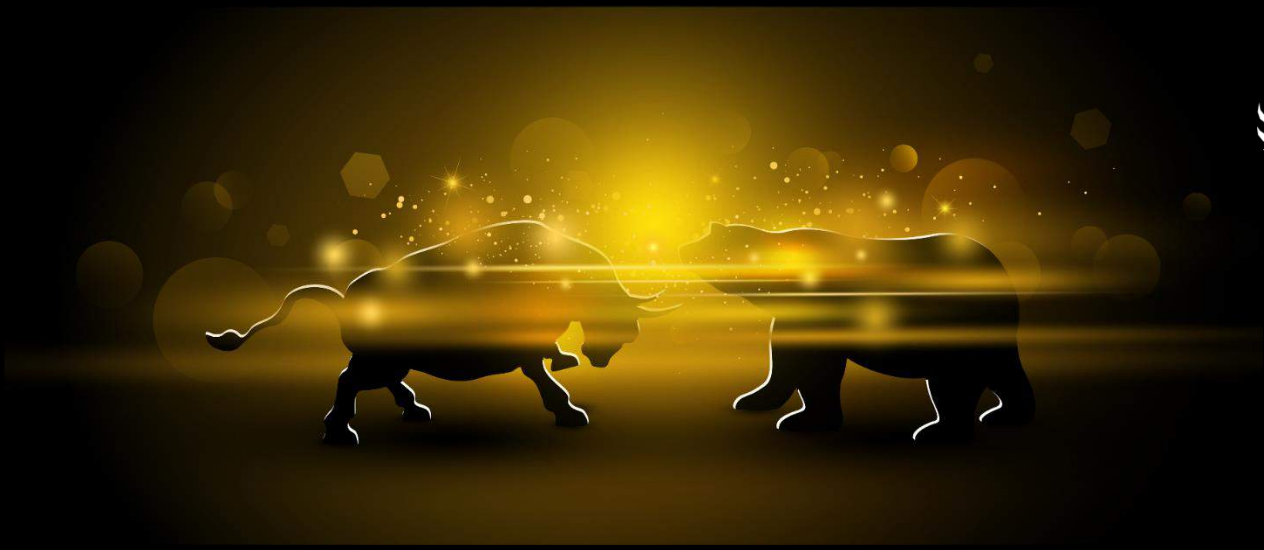
By PMS AIF WORLD

# MANIFEST WEALTH over the next 5 years

With Informed Equity Investments

PMS AIF WORLD
High Performance Investing

EDITION 15 | November 2021



# LEADING THE GROWING SPACE OF ALTERNATES

**PMS AIF World** is an alternates focused, new age investment services company, providing analytics-backed quality investing service with an endeavour and aim of assisting investors' journey of long term wealth creation and prosperity. The Investment Service Industry isn't designed to be fair; there are hundreds of products and strategies that waste time and money. So, one must practice caution while investing. We offer responsible, long term investment service. We distribute well analysed PMS and AIF products and offer investment service along with in - depth information for investors to make informed decisions not just before investing, but throughout the wealth creation journey. We are very selective in our approach, we analyze PMS AIF products across 5 Ps – People, Philosophy, Performance, Portfolio, Price, with an endeavour to ascertain the Quality, Risk, and Consistency(QRC) attributes before offering the same to investors.

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# Popular PMSs based on our QRC Framework

**Check out page nos. 15-50 to get an understanding of**

## QUALITY, RISK, AND CONSISTENCY ATTRIBUTES of 30 PMSs

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# Feb 2022 Event

# Crystal Gazing 3.0
# Richer, Happier, Wiser Investors

## PMS AIF WORLD
## SUMMIT & AWARDS
## 2022

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# 2022

## Manifest Wealth
## Knowledge backed
## Informed Approach to Investing

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# Are You INVESTING for ALPHA?

**Kamal Manocha**

Chief Strategist, PMS AIF World

Founder & CEO

Dear Investors,

Welcome to the 15th edition of Investonomics!

***Investing for Alpha is simple, but not easy!***

As an investor one's desire and expectation for Alpha from actively managed investment products is very valid and real. But, generating Alpha, might not be even simple and can be miles away from being easy.

A Money manager is not a hitman for one or two jobs – A Money Manager gets the same job done again and again for a very long time.

Not just good Money managers, even good cricketers keep doing their job again and again for a very long time. Well, it might be true of good professionals in many fields.

In this edition we will statistically look at the outperformance by fund managers of Mutual Funds (MFs) and Portfolio Management Service (PMS) space, along with outperformance of top batsmen in IPL editions to convey with data that Alpha is not common and requires a focused approach.

## Alpha in Mutual Funds

**Let's start with MFs.** MFs invest significant sums in the Indian equity markets today. Indian investors have trusted MFs over the last decade as a primary investment vehicle and stayed the course for a long time now; however, MFs have struggled to create alpha.

We are referring the latest SPIVA Scorecard results for markets around the world, whereby SPIVA research measures actively managed funds against their relevant index benchmarks worldwide. Following mentioned are the results of latest data pertaining to outperformance of Large cap biased Mutual Funds in India over S&P BSE 100 Index (Data as of June 30, 2021)

| Time Period | 1Y | 3Y | 5Y |
|---|---|---|---|
| % of MFs that outperformed | 13.79% | 13.33% | 17.28% |

*Source : https://www.spglobal.com/spdji/en/research-insights/spiva/*

Across time periods, the outperformance by MFs is limited to less than even a quarter of the universe and that's how difficult generating alpha is.

At this time, you might want to ask why do people still invest in Equity MFs? The answer is clear– Equity is the only way one can beat inflation and create wealth for the future. And Mutual funds are well regulated and offer variety of investment options. But while one may beat inflation with most Equity MFs, alpha generation over respective benchmark indices is limited. Hence selection of right schemes is very important.

## IPL 2019, 2018, and 2017

Cricket, like Investments, is about temperament, lots of practice and sound judgement.

IPL is one of the toughest sporting competitions in the world; just like money management, many talented individuals from across the world come & try to make a mark. However, outperforming the average IPL players is something only a few cricketers can achieve.

| IPL Year | Batting average of Top 20 | % of Batsmen above average |
|---|---|---|
| 2017 | 42.36 | 45% |
| 2018 | 47.81 | 55% |
| 2019 | 45.31 | 30% |

*Source: PMS AIF World Analytics*

For IPL 2017-19, we took the batting average of top 20 batsmen, and did a weighted average of their batting averages to arrive at a mean and we found that even in the top 20 cohort, it was difficult for most batsmen to outperform averages (or create alpha). If we had extended this study to all batsmen, the outperformance numbers would likely be much lower.

While we all aspire and desire for Alpha in investments, we must understand that it’s difficult to create Alpha not just in investments but in most walks of life.

# Are You INVESTING for ALPHA?

## Alpha in Portfolio Management Services

### Actions Speak louder than words. So, we present data first

| Time Period | 2Y | 3Y | 5Y | 10Y |
|---|---|---|---|---|
| No. of **Multicap PMS in Universe** | 143 | 81 | 52 | 14 |
| No. of **Multicap PMS that** have generated Alpha | 73 | 53 | 26 | 14 |
| % | 51.05% | 65.43% | 50.00% | 100.00% |

| Time Period | 2Y | 3Y | 5Y | 10Y |
|---|---|---|---|---|
| No. of **Mid & Small cap PMS** in the universe | 48 | 39 | 28 | 9 |
| No. of **Mid & Small cap PMS** that have generated Alpha | 26 | 18 | 15 | 7 |
| % | 54.17% | 46.15% | 53.57% | 77.78% |

*Source: PMS AIF World Analytics*

We are an analytics backed, and data driven platform helping investors make informed investments in ALTERNATES. As per our analytics, PMS structure is more conducive to deliver Alpha especially in the long-term also conveying the long-term nature of equity as an asset class. And though the Alpha generated by PMSs is much higher than MFs, let's understand that even in PMSs, outperformance is only limited to half the schemes. And hence, right selection is very important.

This is where *PMS AIF World* is making an impact though our *Quality, Risk and Consistency Framework* whereby, we deep dive PMSs across, People, Performance, Portfolios, Philosophy, Price and calculate a score card across Standard Deviation, Beta, Alpha, Information Ratio, Consistency Ratio, Sharpe Ratio... 9 such factors...

# Multi, Mid & Small Cap PMS strategies that have generated Alpha

| | Multicap PMS Strategies | Mid & Small Cap PMS Strategies |
|---|---|---|
| 2Y | 51.05% | 54.17% |
| 3Y | 65.43% | 46.15% |
| 5Y | 50.00% | 53.17% |
| 10Y | 100.00% | 77.78% |

| | |
|---|---|
| % of Multicap PMS Strategies that have generated +ve Alpha across 2/3/5 years | 84.62% |
| % of Mid & Small Cap PMS Strategies that have generated +ve Alpha across 2/3/5 years | 66.67% |

**Thus, it is important to make right selection and that is where comes our proprietary QRC analytics across Quality, Risk and Consistency**

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High Performance Investing

# Understanding popular PMSs based on our QRC Framework

First of its kind Mathematical Analysis

## QUALITY, RISK, AND CONSISTENCY ATTRIBUTES

# 30 Portfolio Management Services

# QRC Report Cards

**First of its Kind**
**Mathematical Analysis**

## Quality, Risk, and Consistency attributes

PMS AIF WORLD
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## A proprietary framework of evaluating Portfolio Management Services by PMS AIF World

**PMS AIF World** is transforming the space of Alternates with the power of data, analysis, audio-video content, articles, interviews, educative webinars with an aim of offering the best quality products which follow a simple approach to wealth creation along with simplistic content & analysis for an informed investing experience. At PMS AIF World, all PMS & AIF Products are listed with all possible information and data for investors to understand & compare these products from the lens of risks as well as returns.

Before venturing into the new investment, a review of where one stands is very important. As a first step, we do a portfolio review exercise called **QRC (Quality, Risk, Consistency) analysis.**

We have close to 200 PMS strategies listed on our website and each has its own trajectories and characteristics; **QRC framework helps you choose the strategies that work best for you**. This analysis deep dives into the performance of the portfolio to bring out the metrics relevant to you as an investor and helps you choose the portfolio that will best serve your investment objectives.

The QRC is our **trademarked proprietary framework** developed after extensive work with multiple data points and looking at years of performance numbers. QRC, as a framework, answers questions beyond just conventional performance numbers— we look at factors like outperformance compared to multiple indices, risk adjusted returns, consistency of returns and other such parameters to make QRC one of the **most effective ways of measuring all round portfolio performance.**

The following snapshots of **Popular 30 PMSs** (data as of 30.09.2021) give an overview of the QRC (the definitive framework developed inhouse), that will tell you what we know and what you must know before investing!

You can click here to register yourself, login, and access our entire QRC Database.

| CATEGORY | CATEGORY BENCHMARK CONSIDERED |
|---|---|
| Large Cap | Nifty 50 |
| Multi Cap | Nifty 500 |
| Mid Cap | Nifty Mid cap 100 |
| Small Cap | Nifty Small cap 100 |
| Risk free rate assumed for calculations: 3.65% | |

Disclaimer: Popular 30 Strategies have been selected based on 2 filters- AUM >200 Crores and vintage >2 years. All numbers and ratios presented are calculated referring to the monthly returns data as shared by Portfolio Management Companies as of 30.09.2021. Do not take investment decisions just referring to these numbers as these are historical and only convey performance analysis. One must see the underlying portfolio, assess risks of the underlying businesses, investment philosophy, valuations, fee structure. We do a detailed 5P analysis across People, Philosophy, Performance, Portfolio, and Price, and help our clients make informed investments. You can book a call with our experts to gain more insights.

## 1. 2Point2 Capital: Long Term Value Fund

| Category | Portfolio Manager | Date of Inception | AUM (in Cr. approx.) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| Multi Cap | Amit Mantri & Savi Jain | 19 July 2016 | 736 | 55.72% | 22.08% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty 500 | 2.40% | -7.81% | 65.08% | -5.41% | 0.77 | 17.469% | 12.83% | 2.98 | 6.91% | 0.58 | 0.60 |

**Quality:** Compared to the Multicap category Alpha (1Y) of 2.40%, this strategy has delivered -5.41% Alpha, which is why relative Alpha is -7.81%.

**Risk:** Over last 1Y, Beta is <1, implying lower sensitivity than Nifty 500. Despite that, volatility has been higher, as reflected in the 17.46% SD of this PMS versus the benchmark SD of 12.83%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 6.91% since inception and this implies that the PMS has been delivering superior performance over a longer term. This is verified with an above average Information Ratio of 0.58, which indicates that the portfolio manager has been consistent in generating sustainable excess returns in the long term, adjusted for risk vis-à-vis its benchmark.

## 2. AccuraCap: Pico Power

| Category | Portfolio Manager | Date of Inception | AUM (in Cr. approx.) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| **Small Cap** | Dr. Naresh Chand Gupta & Raman Nagpal | 10 Oct 2011 | 982.35 | 82.69% | 26.28% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty Small Cap 100 | -12.52% | 8.19% | 70.83% | -4.33% | 0.69 | 13.89% | 15.38% | 5.69 | 13.64% | 1.07 | 0.58 |

**Quality:** Compared to the Small Cap category Alpha (1Y) of -12.52%, this strategy has delivered -4.33% Alpha, which is why relative Alpha is 8.19%.

**Risk:** Over last 1Y, Beta is <1, implying lower sensitivity than Nifty Small cap 100. This is verified by the fact that the volatility is lower, as reflected in the 13.89% SD of this PMS versus the benchmark SD of 15.38%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 13.64% since inception and this implies that the PMS has been delivering superior performance over a longer term. This is verified with an excellent Information Ratio of 1.07, which indicates that the portfolio manager has been consistent in generating sustainable excess returns in the long term, adjusted for risk vis-à-vis its benchmark.

## 3. Aequitas Investment: India Opportunities Product

| Category | Portfolio Manager | Date of Inception | AUM (in Cr. approx) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| **Small Cap** | Siddhartha Bhaiya | 01 Feb 2013 | 1174 | 106.86% | 32.06% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty Small Cap 100 | -12.52% | 32.36% | 59.62% | 19.84% | 1.10 | 23.04% | 15.38% | 4.48 | 18.59% | 1.15 | 0.58 |

**Quality:** Compared to the Small cap category Alpha (1Y) of -12.52%, this strategy has delivered 19.84% Alpha, which is why relative Alpha is 32.36%.

**Risk:** Over last 1Y, Beta is >1, implying higher sensitivity than Nifty Smallcap 100. This is verified by the fact that the volatility is higher, as reflected in the 23.04% SD of this PMS versus the benchmark SD of 15.38%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 18.59% since inception and this implies that the PMS has been delivering superior performance over a longer term. This is verified with an excellent Information Ratio of 1.15, which indicates that the portfolio manager has been consistent in generating sustainable excess returns in the long term, adjusted for risk vis-à-vis its benchmark.

## 4. Alchemy Capital: Select Stock Portfolio

| Category | Portfolio Manager | Date of Inception | AUM (in Cr. approx) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| Multi Cap | Hiren Ved | 19 Dec 2008 | 3394 | 75.24% | 21.81% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty 500 | 2.40% | 11.70% | 68.18% | 14.10% | 0.77 | 11.67% | 12.83% | 6.13 | 6.26% | 0.53 | 0.60 |

**Quality:** Compared to the Multicap category Alpha (1Y) of 2.40%, this strategy has delivered 14.10% Alpha, which is why relative Alpha is 11.70%.

**Risk:** Over last 1Y, Beta is <1, implying lower sensitivity than Nifty 500. This is verified by the fact that the volatility is lower, as reflected in the 11.67% SD of this PMS versus the benchmark SD of 12.83%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 6.26% since inception and this implies that the PMS has been delivering superior performance over a longer term.

## 5. AlfAccurate Advisors: India Opportunity Plan (IOP)

| Category | Portfolio Manager | Date of Inception | AUM (in Cr. approx) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| Multi Cap | Rajesh Kothari | 23 Nov 2009 | 1123 | 59.38% | 19.89% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty 500 | 2.40% | -4.15% | 67.83% | -1.75% | 0.86 | 11.40% | 12.83% | 4.89 | 8.48% | 1.04 | 0.59 |

**Quality:** Compared to the Multicap category Alpha (1Y) of 2.40%, this strategy has delivered -1.75% Alpha, which is why relative Alpha is -4.15%.

**Risk:** Over last 1Y, Beta is <1, implying lower sensitivity than Nifty 500. This is verified by the fact that the volatility is lower, as reflected in the 11.40% SD of this PMS versus the benchmark SD of 12.83%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 8.48% since inception and this implies that the PMS has been delivering superior performance over a longer term. This is verified with an excellent Information Ratio of 1.04, which indicates that the portfolio manager has been consistent in generating sustainable excess returns in the long term, adjusted for risk vis-à-vis its benchmark.

## 6. Ambit Capital: Coffee Can Portfolio

| Category | Pportfolio Manager | Date of Inception | AUM (in Cr. approx) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| Multi Cap | Manish Jain | 06 March 2017 | 821.8 | 44.89% | 22.72% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty 500 | 2.40% | -18.65% | 70.91% | -16.25% | 0.67 | 14.20% | 12.83% | 2.90 | 7.08% | 0.53 | 0.55 |

**Quality:** Compared to the Multicap category Alpha (1Y) of 2.40%, this strategy has delivered -16.25% Alpha, which is why relative Alpha is -18.65%.

**Risk:** Over last 1Y, Beta is <1, implying lower sensitivity than Nifty 500. Despite that, volatility has been higher, as reflected in the 14.20% SD of this PMS versus the benchmark SD of 12.83%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 7.08% since inception and this implies that the PMS has been delivering superior performance over a longer term.

## 7. ASK Investment Managers: Growth Portfolio

| Category | Portfolio Manager | Date of Inception | AUM (in Cr. approx) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| Multi Cap | Chetan Thacker | 29 Jan 2001 | 3447 | 63.86% | 20.70% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty 500 | 2.40% | 0.33% | 64.26% | 2.73% | 1.03 | 16.11% | 12.83% | 3.74 | 6.47% | 0.66 | 0.55 |

**Quality:** Compared to the Multicap category Alpha (1Y) of 2.40%, this strategy has delivered 2.73% Alpha, which is why relative Alpha is 0.33%.

**Risk:** Over last 1Y, Beta is 1, implying similar sensitivity to Nifty 500. Despite that, volatility has been higher, as reflected in the 16.11% SD of this PMS versus the benchmark SD of 12.83%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 6.47% since inception and this implies that the PMS has been delivering superior performance over a longer term. This is verified with a better-than-average Information Ratio of 0.66, which indicates that the portfolio manager has been consistent in generating sustainable excess returns in the long term, adjusted for risk vis-à-vis its benchmark.

## 8. ASK Investment Managers: Indian Entrepreneurship Portfolio (IEP)

| Category | Portfolio Manager | Date of Inception | AUM (in Cr. approx) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| Multi Cap | Chetan Thacker | 25 Jan 2010 | 19658 | 65.18% | 20.19% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty 500 | 2.40% | 1.64% | 65.96% | 4.04% | 0.99 | 14.32% | 12.83% | 4.30 | 8.83% | 0.98 | 0.55 |

**Quality:** Compared to the Multicap category Alpha (1Y) of 2.40%, this strategy has delivered 4.04% Alpha, which is why relative Alpha is 1.64%.

**Risk:** Over last 1Y, Beta is 1, implying similar sensitivity to Nifty 500. Despite that, volatility has been slightly higher, as reflected in the 14.32% SD of this PMS versus the benchmark SD of 12.83%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 8.83% since inception and this implies that the PMS has been delivering superior performance over a longer term. This is verified with an excellent Information Ratio of 0.98, which indicates that the portfolio manager has been consistent in generating sustainable excess returns in the long term, adjusted for risk vis-à-vis its benchmark.

## 9. Axis AMC: Brand Equity Portfolio

| Category | Portfolio Manager/CIO | Date of Inception | AUM (in Cr. approx) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| Multi Cap | Jinesh Gopani | 27 Jan 2017 | 1525 | 53.22% | 13.11% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty 500 | 2.40% | -10.32% | 68.42% | -7.92% | 1.08 | 14.45% | 12.83% | 3.43 | -3.10% | -0.35 | 0.47 |

**Quality:** Compared to the Multicap category Alpha (1Y) of 2.40%, this strategy has delivered -7.92% Alpha, which is why relative Alpha is -10.32%.

**Risk:** Over last 1Y, Beta is 1, implying similar sensitivity to Nifty 500. Despite that, volatility has been slightly higher, as reflected in the 14.45% SD of this PMS versus the benchmark SD of 12.83%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of -3.10% since inception and this implies that the PMS has not been delivering consistent returns over a period of time. This is verified with a negative Information Ratio of -0.35, which indicates that the portfolio manager has not been consistent in generating sustainable excess returns in the long term, adjusted for risk vis-à-vis its benchmark.

## 10. Buoyant Capital: Multicap Portfolio

| Category | Portfolio Manager | Date of Inception | AUM (in Cr. approx) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| Multi Cap | Sachin Khivasara & Jigar Mistry | 01 June 2016 | 248 | 106.67% | 24.14% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty 500 | 2.40% | 43.14% | 66.15% | 45.54% | 1.07 | 17.89% | 12.83% | 5.76 | 8.09% | 0.53 | 0.62 |

**Quality:** Compared to the Multicap category Alpha (1Y) of 2.40%, this strategy has delivered 45.54% Alpha, which is why relative Alpha is 43.14%.

**Risk:** Over last 1Y, Beta is 1, implying similar sensitivity to Nifty 500. Despite that, volatility has been higher, as reflected in the 17.89% SD of this PMS versus the benchmark SD of 12.83%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 8.09% since inception and this implies that the PMS has been delivering superior performance over a longer term.

## 11. Equirus: Long Horizon Fund

| Category | Portfolio Manager | Date of Inception | AUM (in Cr. approx) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| **Small Cap** | Viraj Mehta | 20 Oct 2016 | 470.27 | 105.93% | 32.40% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty Smallcap 100 | -12.52% | 31.44% | 68.33% | 18.92% | 1.05 | 18.86% | 15.38% | 5.42 | 21.22% | 1.75 | 0.67 |

**Quality:** Compared to the Smallcap category Alpha (1Y) of -12.52%, this strategy has delivered 18.92% Alpha, which is why relative Alpha is 31.44%.

**Risk:** Over last 1Y, Beta is 1, implying similar sensitivity to Nifty Smallcap 100. Despite that, volatility has been slightly higher, as reflected in the 18.86% SD of this PMS versus the benchmark SD of 15.38%

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 21.22% since inception and this implies that the PMS has been delivering superior performance over a longer term. This is verified with an excellent Information Ratio of 1.75, which indicates that the portfolio manager has been consistent in generating sustainable excess returns in the long term, adjusted for risk vis-à-vis its benchmark.

## 12. Girik Capital: Multicap PMS

| Category | Portfolio Manager | Date of Inception | AUM (in Cr. approx) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| Multi Cap | Charandeep Singh & Varun Daga | 03 Dec 2009 | 813.2 | 58.71% | 22.10% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty 500 | 2.40% | -4.82% | 66.20% | -2.42% | 0.51 | 12.61% | 12.83% | 4.36 | 10.81% | 0.83 | 0.63 |

**Quality:** Compared to the Multicap category Alpha (1Y) of 2.40%, this strategy has delivered -2.42% Alpha, which is why relative Alpha is -4.82%.

**Risk:** Over last 1Y, Beta is <1, implying lower sensitivity than Nifty 500. Despite that, the volatility is similar, as reflected in the 12.61% SD of this PMS versus the benchmark SD of 12.83%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 10.81% since inception and this implies that the PMS has been delivering superior performance over a longer term. This is verified with a good Information Ratio of 0.83, which indicates that the portfolio manager has been consistent in generating sustainable excess returns in the long term, adjusted for risk vis-à-vis its benchmark.

## 13. IIFL AMC: Multicap PMS

| Category | Portfolio Manager | Date of Inception | AUM (in Cr. approx) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| Multi cap | Mitul Patel | 31 Dec 2014 | 3329 | 59.83% | 21.62% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty 500 | 2.40% | -3.71% | 67.07% | -1.31% | 0.80 | 11.49% | 12.83% | 4.89 | 9.07% | 1.26 | 0.66 |

**Quality:** Compared to the Multicap category Alpha (1Y) of 2.40%, this strategy has delivered -1.31% Alpha, which is why relative Alpha is -3.71%.

**Risk:** Over last 1Y, Beta is <1, implying lower sensitivity than Nifty 500. This is verified by the fact that the volatility is lower, as reflected in the 11.49% SD of this PMS versus the benchmark SD of 12.83%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 9.07% since inception and this implies that the PMS has been delivering superior performance over a longer term. This is verified with an excellent Information Ratio of 1.26, which indicates that the portfolio manager has been consistent in generating sustainable excess returns in the long term, adjusted for risk vis-à-vis its benchmark.

## 14. ITUS Capital: Fundamental Value Fund

| Category | Portfolio Manager | Date of Inception | AUM (in Cr. approx) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| Multi Cap | Naveen Chandramohan | 01 Jan 2017 | 501 | 52.24% | 26.56% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty 500 | 2.40% | -11.29% | 71.93% | -8.89% | 0.67 | 11.05% | 12.83% | 4.40 | 9.00% | 0.83 | 0.56 |

**Quality:** Compared to the Multicap category Alpha (1Y) of 2.40%, this strategy has delivered -8.89% Alpha, which is why relative Alpha is -11.29%.

**Risk:** Over last 1Y, Beta is <1, implying lower sensitivity than Nifty 500. This is verified by the fact that the volatility is lower, as reflected in the 11.05% SD of this PMS versus the benchmark SD of 12.83%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 9.00% since inception and this implies that the PMS has been delivering superior performance over a longer term. This is verified with a good Information Ratio of 0.83, which indicates that the portfolio manager has been consistent in generating sustainable excess returns in the long term, adjusted for risk vis-à-vis its benchmark.

## 15. Karma Capital: Long only Equities

| Category | Portfolio Manager | Date of Inception | AUM (in Cr. approx) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| Multi Cap | Rushabh Sheth & Nikhil Desai | 31 Dec 2006 | 4417.6 | 80.13% | 14.77% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty 500 | 2.40% | 16.59% | 61.80% | 18.99% | 0.80 | 16.42% | 12.83% | 4.66 | 3.93% | 0.26 | 0.52 |

**Quality:** Compared to the Multicap category Alpha (1Y) of 2.40%, this strategy has delivered 18.99% Alpha, which is why relative Alpha is 16.59%.

**Risk:** Over last 1Y, Beta is <1, implying lower sensitivity than Nifty 500. Despite that, volatility has been higher, as reflected in the 16.42% SD of this PMS versus the benchmark SD of 12.83%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 3.93% since inception and this implies that the PMS has been delivering marginally higher returns over a longer term. This is verified with a below-average Information Ratio of 0.26, which indicates that the portfolio manager has not been very consistent in generating sustainable excess returns in the long term, adjusted for risk vis-à-vis its benchmark.

## 16. Marcellus Investment Managers: Consistent Compounders Portfolio

| Category | Portfolio Manager | Date of Inception | AUM (in Cr. approx) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| Multi Cap | Rakshit Ranjan | 01 Dec 2018 | 5851 | 57.42% | 29.74% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| **Nifty 500** | 2.40% | -6.11% | 70.59% | -3.71% | 1.06 | 16.58% | 12.83% | 3.24 | 10.34% | 0.85 | 0.59 |

**Quality:** Compared to the Multicap category Alpha (1Y) of 2.40%, this strategy has delivered -3.71% Alpha, which is why relative Alpha is -6.11%.

**Risk:** Over last 1Y, Beta is 1, implying similar sensitivity to Nifty 500. Despite that, volatility has been higher, as reflected in the 16.58% SD of this PMS versus the benchmark SD of 12.83%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 10.34% since inception and this implies that the PMS has been delivering superior performance over a longer term. This is verified with a good Information Ratio of 0.85, which indicates that the portfolio manager has been consistent in generating sustainable excess returns in the long term, adjusted for risk vis-à-vis its benchmark.

## 17. Marcellus Investment Managers: Little Champs Portfolio

| Category | Portfolio Manager | Date of Inception | AUM (in Cr. approx) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| Midcap | Ashvin Shetty | 29 Aug 2019 | 753.3 | 58.23% | 46.08% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty Midcap 100 | -3.35% | -17.33% | 76.92% | -20.68% | 1.10 | 20.05% | 14.84% | 2.72 | 8.11% | 0.54 | 0.50 |

**Quality:** Compared to the Midcap category Alpha (1Y) of -3.35%, this strategy has delivered -20.68% Alpha, which is why relative Alpha is -17.33%.

**Risk:** Over last 1Y, Beta is >1, implying higher sensitivity than Nifty Midcap 100. This is verified by the fact that the volatility is higher, as reflected in the 20.05% SD of this PMS versus the benchmark SD of 14.84%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 8.11% since inception and this implies that the PMS has been delivering superior performance over a longer term.

## 18. Motilal Oswal AMC: Next Trillion Dollar Opportunity Portfolio (NTDOP)

| Category | Portfolio Manager | Date of Inception | AUM (in Cr. approx) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| Multi Cap | Manish Sonthalia | 03 Aug 2007 | 8955 | 56.77% | 16.56% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty 500 | 2.40% | -6.76% | 64.12% | -4.36% | 0.75 | 10.72% | 12.83% | 4.96 | 6.13% | 0.57 | 0.62 |

**Quality:** Compared to the Multicap category Alpha (1Y) of 2.40%, this strategy has delivered -4.36% Alpha, which is why relative Alpha is -6.76%.

**Risk:** Over last 1Y, Beta is <1, implying lower sensitivity than Nifty 500. This is verified by the fact that the volatility is lower, as reflected in the 10.72% SD of this PMS versus the benchmark SD of 12.83%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 6.13% since inception and this implies that the PMS has been delivering a good performance over a longer term.

## 19. MPSL: Vallum India Discovery

| Category | Portfolio Manager | Date of Inception | AUM (in Cr. approx) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| Midcap | Investment Committee | 22 Oct 2011 | 614.9 | 97.69% | 30.31% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty Midcap 100 | -3.35% | 22.14% | 69.17% | 18.79% | 0.39 | 10.99% | 14.84% | 8.56 | 14.43% | 1.28 | 0.64 |

**Quality:** Compared to the Midcap category Alpha (1Y) of -3.35%, this strategy has delivered 18.79% Alpha, which is why relative Alpha is 22.14%.

**Risk:** Over last 1Y, Beta is <1, implying lower sensitivity than Nifty Midcap 100. This is verified by the fact that the volatility is lower, as reflected in the 10.99% SD of this PMS versus the benchmark SD of 14.84%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 14.43% since inception and this implies that the PMS has been delivering superior performance over a longer term. This is verified with an excellent Information Ratio of 1.28, which indicates that the portfolio manager has been consistent in generating sustainable excess returns in the long term, adjusted for risk vis-à-vis its benchmark.

## 20. Narnolia: Multicap PMS

| Category | Portfolio Manager | Date of Inception | AUM (in Cr. approx) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| Multi Cap | Shailendra Kumar | 27 March 2012 | 276 | 62.24% | 22.09% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty 500 | 2.40% | -1.29% | 67.83% | 1.11% | 0.64 | 9.58% | 12.83% | 6.12 | 7.64% | 0.98 | 0.59 |

**Quality:** Compared to the Multicap category Alpha (1Y) of 2.40%, this strategy has delivered 1.11% Alpha, which is why relative Alpha is -1.29%.

**Risk:** Over last 1Y, Beta is <1, implying lower sensitivity than Nifty 500. This is verified by the fact that the volatility is lower, as reflected in the 9.58% SD of this PMS versus the benchmark SD of 12.83%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 7.64% since inception and this implies that the PMS has been delivering a good performance over a longer term. This is verified with an excellent Information Ratio of 0.98, which indicates that the portfolio manager has been consistent in generating sustainable excess returns in the long term, adjusted for risk vis-à-vis its benchmark.

## 21. Quest Investment Advisors: Flagship PMS

| Category | Portfolio Manager | Date of Inception | AUM (in Cr. approx) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| Multi Cap | Aniruddha Sarkar | 12 Oct 2007 | 944 | 63.94% | 18.11% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty 500 | 2.40% | 0.41% | 65.48% | 2.81% | 0.79 | 12.17% | 12.83% | 4.95 | 9.01% | 0.69 | 0.56 |

**Quality:** Compared to the Multicap category Alpha (1Y) of 2.40%, this strategy has delivered 2.81% Alpha, which is why relative Alpha is 0.41%.

**Risk:** Over last 1Y, Beta is <1, implying lower sensitivity than Nifty 500. Despite that, volatility has been similar, as reflected in the 12.17% SD of this PMS versus the benchmark SD of 12.83%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 9.01% since inception and this implies that the PMS has been delivering a good performance over a longer term. This is verified with a good Information Ratio of 0.69, which indicates that the portfolio manager has been consistent in generating sustainable excess returns in the long term, adjusted for risk vis-à-vis its benchmark.

## 22. Quest Investment Advisors: Multicap PMS

| Category | Portfolio Manager | Date of Inception | AUM (in Cr. approx) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| Multi Cap | Aniruddha Sarkar | 05 Aug 2014 | 915 | 65.45% | 17.79% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty 500 | 2.40% | 1.91% | 66.28% | 4.31% | 0.62 | 13.28% | 12.83% | 4.66 | 4.67% | 0.40 | 0.57 |

**Quality:** Compared to the Multicap category Alpha (1Y) of 2.40%, this strategy has delivered 4.31% Alpha, which is why relative Alpha is 1.91%.

**Risk:** Over last 1Y, Beta is <1, implying lower sensitivity than Nifty 500. Despite that, volatility has been similar or slightly higher, as reflected in the 13.28% SD of this PMS versus the benchmark SD of 12.83%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 4.67% since inception and this implies that the PMS has been delivering marginally higher returns over a longer term. This is verified with an average Information Ratio of 0.57, which indicates that the portfolio manager has not been very consistent in generating sustainable excess returns in the long term, adjusted for risk vis-à-vis its benchmark.

## 23. SageOne Investment Managers: Core Portfolio

| Category | Portfolio Manager | Date of Inception | AUM (in Cr. approx) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| Mid Cap | Samit Vartak | 31 March 2009 | 1800 | 95.31% | 38.11% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty Midcap 100 | -3.35% | 19.76% | 66.89% | 16.41% | 0.79 | 14.31% | 14.84% | 6.41 | 19.00% | 0.84 | 0.55 |

**Quality:** Compared to the Midcap category Alpha (1Y) of -3.35%, this strategy has delivered 16.41% Alpha, which is why relative Alpha is 19.76%.

**Risk:** Over last 1Y, Beta is <1, implying lower sensitivity than Nifty Midcap 100. Despite that, volatility has been similar, as reflected in the 14.31% SD of this PMS versus the benchmark SD of 14.84%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 19.00% since inception and this implies that the PMS has been delivering superior performance over a longer term. This is verified with a good Information Ratio of 0.84, which indicates that the portfolio manager has been consistent in generating sustainable excess returns in the long term, adjusted for risk vis-à-vis its benchmark.

## 24. SageOne Investment Managers: Smallcap Portfolio

| Category | Portfolio Manager | Date of Inception | AUM (in Cr. approx) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| **Small Cap** | Samit Vartak | 01 April 2019 | 525 | 97.90% | 48.96% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty Smallcap 100 | -12.52% | 23.40% | 76.67% | 10.88% | 0.44 | 10.88% | 15.38% | 8.67 | 27.32% | 2.13 | 0.73 |

**Quality:** Compared to the Smallcap category Alpha (1Y) of -12.52%, this strategy has delivered 10.88% Alpha, which is why relative Alpha is 23.40%.

**Risk:** Over last 1Y, Beta is <1, implying lower sensitivity than Nifty Smallcap 100. This is verified by the fact that the volatility is lower, as reflected in the 10.88% SD of this PMS versus the benchmark SD of 15.38%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 27.32% since inception and this implies that the PMS has been delivering superior performance over a longer term. This is verified with an excellent Information Ratio of 2.13, which indicates that the portfolio manager has been consistent in generating sustainable excess returns in the long term, adjusted for risk vis-à-vis its benchmark.

## 25. Sameeksha Capital: Equity Fund

| Category | Portfolio Manager | Date of Inception | AUM (in Cr. approx) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| Multi Cap | Bhavin Shah | 31 March 2016 | 630.2 | 81.49% | 25.34% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty 500 | 2.40% | 17.96% | 69.70% | 20.36% | 0.55 | 8.14% | 12.83% | 9.56 | 8.71% | 0.82 | 0.64 |

**Quality:** Compared to the Multicap category Alpha (1Y) of 2.40%, this strategy has delivered 20.36% Alpha, which is why relative Alpha is 17.96%.

**Risk:** Over last 1Y, Beta is <1, implying lower sensitivity than Nifty 500. This is verified by the fact that the volatility is lower, as reflected in the 8.14% SD of this PMS versus the benchmark SD of 12.83%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 8.71% since inception and this implies that the PMS has been delivering superior performance over a longer term. This is verified with a good Information Ratio of 0.82, which indicates that the portfolio manager has been consistent in generating sustainable excess returns in the long term, adjusted for risk vis-à-vis its benchmark.

## 26. Stallion Asset: Core Fund

| Category | Portfolio Manager | Date of Inception | AUM (in Cr. approx) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| Multi Cap | Amit Jeswani | 22 Oct 2018 | 462.81 | 64.61% | 36.36% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty 500 | 2.40% | 1.08% | 72.22% | 3.48% | 0.73 | 15.48% | 12.83% | 3.94 | 15.30% | 1.34 | 0.58 |

**Quality:** Compared to the Multicap category Alpha (1Y) of 2.40%, this strategy has delivered 3.48% Alpha, which is why relative Alpha is 1.08%.

**Risk:** Over last 1Y, Beta is <1, implying lower sensitivity than Nifty 500. Despite that, volatility has been higher, as reflected in the 15.48% SD of this PMS versus the benchmark SD of 12.83%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 15.30% since inception and this implies that the PMS has been delivering superior performance over a longer term. This is verified with an excellent Information Ratio of 1.34, which indicates that the portfolio manager has been consistent in generating sustainable excess returns in the long term, adjusted for risk vis-à-vis its benchmark.

## 27. Sundaram Alternates: Sundaram Emerging Leadership Fund (SELF)

| Category | Portfolio Manager | Date of Inception | AUM (in Cr. approx) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| Midcap | Madanagopal Ramu | 30 June 2010 | 626 | 76.91% | 20.00% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty Midcap 100 | -3.35% | 1.35% | 64.71% | -2.00% | 0.64 | 11.95% | 14.84% | 6.13 | 7.58% | 0.71 | 0.58 |

**Quality:** Compared to the Midcap category Alpha (1Y) of -3.35%, this strategy has delivered -2.00% Alpha, which is why relative Alpha is 1.35%.

**Risk:** Over last 1Y, Beta is <1, implying lower sensitivity than Nifty Midcap 100. This is verified by the fact that the volatility is lower, as reflected in the 11.95% SD of this PMS versus the benchmark SD of 14.84%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 7.58% since inception and this implies that the PMS has been delivering superior performance over a longer term. This is verified with a good Information Ratio of 0.71, which indicates that the portfolio manager has been consistent in generating sustainable excess returns in the long term, adjusted for risk vis-à-vis its benchmark.

## 28. Sundaram Alternates: Sundaram India Secular Opportunities Portfolio (SISOP)

| Category | Portfolio Manager | Date of Inception | AUM (in Cr. approx) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| Multi Cap | Madanagopal Ramu | 01 Feb 2010 | 864 | 65.44% | 19.93% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty 500 | 2.40% | 1.91% | 65.00% | 4.31% | 1.02 | 15.07% | 12.83% | 4.10 | 8.36% | 0.76 | 0.54 |

**Quality:** Compared to the Multicap category Alpha (1Y) of 2.40%, this strategy has delivered 4.31% Alpha, which is why relative Alpha is 1.91%.

**Risk:** Over last 1Y, Beta is 1, implying similar sensitivity to Nifty 500. Despite that, volatility has been higher, as reflected in the 15.07% SD of this PMS versus the benchmark SD of 12.83%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 8.36% since inception and this implies that the PMS has been delivering superior performance over a longer term. This is verified with a good Information Ratio of 0.76, which indicates that the portfolio manager has been consistent in generating sustainable excess returns in the long term, adjusted for risk vis-à-vis its benchmark.

## 29. ValueQuest Investment Advisors: Growth Portfolio

| Category | Portfolio Manager | Date of Inception | AUM (in Cr. approx) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| Multi Cap | Ravi Dharamshi | 06 Oct 2010 | 732.8 | 81.64% | 19.11% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty 500 | 2.40% | 18.11% | 66.92% | 20.51% | 0.16 | 16.20% | 12.83% | 4.81 | 8.74% | 0.59 | 0.55 |

**Quality:** Compared to the Multicap category Alpha (1Y) of 2.40%, this strategy has delivered 20.51% Alpha, which is why relative Alpha is 18.11%.

**Risk:** Over last 1Y, Beta is <1, implying lower sensitivity than Nifty 500. Despite that, volatility has been higher, as reflected in the 16.20% SD of this PMS versus the benchmark SD of 12.83%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 8.74% since inception and this implies that the PMS has been delivering superior performance over a longer term. This is verified with an above average Information Ratio of 0.59, which indicates that the portfolio manager has been consistent in generating sustainable excess returns in the long term, adjusted for risk vis-à-vis its benchmark.

## 30. White Oak Capital Management: India Pioneers Equity

| Category | Portfolio Manager | Date of Inception | AUM (in Cr. approx) | Returns (1Y) | Returns (SI) |
|---|---|---|---|---|---|
| Multi Cap | Team White Oak | 09 Apr 2019 | 5025 | 65.12% | 29.65% |

| QRC REPORT CARD | | PORTFOLIO QUALITY (Q) | | | PORTFOLIO RISK (R) | | | | PORTFOLIO CONSISTENCY (C) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Index | Category Alpha (1Y) | Relative Alpha (1Y) | % month with positive returns | Alpha (1Y) | Beta (1Y) | SD (1Y) (Fund Data) | SD (1Y) (Index) | Sharpe Ratio (1Y) | Alpha (SI) | Info Ratio (SI) | Consistency Ratio |
| Nifty 500 | 2.40% | 1.58% | 83.33% | 3.98% | 0.83 | 11.92% | 12.83% | 5.15 | 10.15% | 1.12 | 0.60 |

**Quality:** Compared to the Multicap category Alpha (1Y) of 3.98%, this strategy has delivered 20.51% Alpha, which is why relative Alpha is 18.11%.

**Risk:** Over last 1Y, Beta is <1, implying similar or marginally lower sensitivity than Nifty 500. This is verified by the fact that the volatility is almost similar, as reflected in the 11.92% SD of this PMS versus the benchmark SD of 12.83%.

**Consistency:** Compared to the category benchmark, the portfolio has delivered an Alpha of 10.15% since inception and this implies that the PMS has been delivering superior performance over a longer term. This is verified with an excellent Information Ratio of 1.12, which indicates that the portfolio manager has been consistent in generating sustainable excess returns in the long term, adjusted for risk vis-à-vis its benchmark.

# GLOSSARY

- 1 Year: Value or parameter calculated based on 1 year NAV data of the fund
- Since Inception: Value or parameter calculated based on NAV data available since inception date of the fund
- Absolute Return: The performance in terms of percentage return for the respective fund
- Annualized Return: CAGR returns for the respective fund to indicate the rate of compounding over the respective time period
- Alpha: Every fund is linked to a benchmark index. The fund's relative performance can be judged by checking how much higher returns is it generating compared to that index. This excess return that the fund produces in comparison to its benchmark index is known as Alpha.
- Beta: Beta measures the fund's volatility compared to the market as a whole
  - A Beta of 1 means that the fund's volatility is exactly same as the markets. If the market moves up/down by 20%, the fund will also move up/down by 20%
  - A Beta of more than 1 implies that the fund is relatively more volatile than the markets. If the market moves up/down by 20%, the fund will move up/down by more than 20%
  - A Beta of less than 1 implies that the fund is relatively less volatile than the markets. If the market moves up/down by 20%, the fund will move up/down by less than 20%.
- Volatility: Volatility measures the rate at which the price increases or decreases for a given set of returns. In other words, it measures the risk or uncertainty associated .
- Standard Deviation (SD) is used to check the variability of the expected return of the fund. Its value depends on a lot of factors like capital allocation towards each asset/sector in the fund, standard deviation of each investment in the fund, and so on. In other words, SD is used to measure the consistency of the fund's returns
  - A high SD might indicate that the portfolio risk is high, and return is more volatile and unstable in nature.
  - A low SD might indicate less volatility and more stability in the returns of a portfolio and is a very useful financial metric when comparing different funds.

# GLOSSARY

- Sharpe Ratio: Sharpe ratio measures the performance of an investment compared to a risk-free asset (like Fixed Deposits or Government bonds), after adjusting for its risk. In other words, it is the average return earned in excess of the risk-free return compared to the total amount of risk borne. When comparing two assets versus a common benchmark, the one with a higher Sharpe ratio provides is indicated as a favorable investment opportunity at the same level of risk.
- Information Ratio: Information ratio (IR) is a measure to check the performance of the fund manager. It shows the consistency of the fund manager in generating superior performance, adjusted for risk vis-a-vis the benchmark index. The ratio throws light on the fund manager's ability to generate sustainable excess returns or abnormally high returns over a period. When comparing funds, the fund with the higher IR indicates better risk-adjusted returns.
- Consistency Ratio: Consistency Ratio is a ratio to evaluate the funds on how consistently outperformed the respective benchmark in the given time period. For this ratio higher the value better the consistency of the fund.
- Treynor Ratio: This simply determines how much excess return did the fund generate for each unit of risk taken. It is also called reward-to-volatility ratio since it portrays how much an investor is rewarded for each unit of systematic risk that is undertaken by the fund. This excess return is over and above a risk-free investment rate.
- Risk-free Rate: The risk-free rate of return is the interest rate an investor can expect to earn on an investment that carries zero risk. The risk-free rate is a theoretical number since technically all investments carry some form of risk.
- Relative Alpha: The Relative Alpha is the difference between the fund's 1Y alpha and the average of 1Y alpha of all the funds in the same category (Large Cap, Multi Cap, Mid & Small Cap)

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## We evaluate 5 P factors across People, Philosophy, Performance, Portfolio, and Price and select best ones based on Quality, Risk and Consistency scores

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# Once in a lifetime opportunity for Wealth Creation lies over this decade

Equity markets are not in a mood to take any breather, and the rally over 2021 has surprised everyone. Even at current all time high levels, most money managers are bullish as they foresee a dramatic shift in the economy brought by many reforms over last 5-7 years coupled with low interest rates. This opens a huge wealth creation opportunity over this decade for long term investors.

India continues to remain the most sought-after economy in the emerging markets, as there is a massive room for growth and foreign institutions have taken note of the same.

While sectors such as Technology, Banking, Real Estate, and Infrastructure did play a crucial role in the recent market rally, it is worth noting that IT, which had been termed as a low growth sector, has become a defining one in the post pandemic era. In fact, Covid has helped in the emergence of economic growth drivers such as manufacturing and IT. The global demand in the IT services is majorly met by the Indian market as Indian companies have bigger and better international deals on their table. The IT services exports industry is poised to touch USD 250bn by 2025. The digital spending will be based on cloud-based services as legacy capex takes a back seat. IT companies spend 50% of their revenue on salaries while the remaining on other operating expenses. The cumulative incremental growth in salaries will be USD 120bn which will fuel growth across sectors. Moreover, the incremental revenues from the sector will help to wipe out the current account deficit.

India is surely on the cusp of a manufacturing boom where the focus has shifted to Atmanirbhar Bharat and the Production Linked Incentive Scheme. The Phased Manufacturing Plan (PMP) scheme by the government will boost local manufacturers and help them develop their art. The stakes are going to rise as the government expects the share to be at least 25% making it a $1.25 trillion sector by 2025. India is already in line to replace China as far as labor supply is concerned and outsourcing of various aspects of business. China's cost advantages have gone down as Indian companies are giving a stiff competition.

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To put it in context, India's cost competitiveness has improved over the years. Indian tax rates are the lowest on the global scale as domestic manufacturers continue to remain in search of economies of scale. Manufacturing only makes up 16% of our GDP but it has risen remarkably in the last few years.

Expansion plans have made companies to tap the finance sector where banks have a major role to play. The digital payments have grown at 43% CAGR in the last 10 years. UPI payments and Digital Payment Index have been a game changer for the financial sector. Credit growth of 13% is possible with India turning a USD 5 trillion economy.

Corporate houses have entered the deleveraging stage where debt is being wiped off the balance sheets of many. Furthermore, India's credit to GDP ratio is the lowest, leaving ample of space for a deeper penetration with a fast-paced credit cycle. The government's infrastructure push has led to designing the 100% FDI plan in road construction segment.

Reforms in the real estate sector like RERA will lead to consolidation in the industry. A favourable regulatory environment plus the government supporting the citizens with affordable housing schemes and the creation of jobs across sectors has set the tailwind for swift growth of the residential housing category.

India's growth wheel has just started to move, and the impact of the drivers mentioned above will only be seen once the wheel moves at a brisk pace. Manufacturing, IT, Banking and Real Estate are some of the sectors that are going to reward investors in the long run and the expansion of these sectors cumulatively will make the wallets of investors even fatter or as we like to put it, that the digital zeros in your portfolios and wallets are bound to increase.

We, at PMS AIF World, firmly believe that the current decade presents a life-time opportunity for wealth creation, but those investors who understand the right approach to equity investing will stand to reap the maximum benefits from the markets.

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# Once in a lifetime opportunity for Wealth Creation lies over this decade

We have been very vocal about our belief since the last 2 years and have maintained the same during the 2020 pandemic. Investors who have spent time talking to us have benefited by investing with the right & finest approach that we follow.

All of us know know that India took 50 years to touch the 1st trillion-dollar GDP mark. Today, as we stand at a 3 trillion-dollar economy, every trillion-dollar added has been very fast. Over the same period, per capita income has more than doubled and expectations are ripe about the economy touching the 6 trillion-dollar mark within this decade.

But the market cap to GDP ratio is at an all time high of 1.4x and Valuation is indeed high as the the current P/E ratio also stands inflated to a certain extent.

The question that has been ringing in the minds of investors is that 'Should you be worried about the rise in markets in 2021 at current levels of 18k+ Nifty and 60k+ Sensex?'

Foremost, this ultimately depends upon the asset allocation of an investor. But the fear of correction can be addressed by looking at the history of Nifty 50 when it was trading at a  level of 1000 around January 2002, and it touched 6000 mark within 6 years yielding a compounded return of 33%. If we are in such bull run, then markets have a long way to go. And, even if we have reached a peak, one must remember that, even from all time high levels of 6k, we are up 3 times to 18k today. So, time in market matters more than timing. There were obviously corrections in between, but, worrying or timing those would have not been as significant as missing equities.

The last 20 years has seen market correction on 18 years and double-digit corrections on for 9 years. Hence, wealth has only been created for those who have sat through all the downturns.

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The market cap to GDP ratio is at an all time high of 1.4x and it is difficult to gauge valuations at this point of time. Valuation is indeed a tricky part of investing as the current P/E ratio stands inflated to a certain extent.

Accounting for companies vary across verticals as one might look like a loss-making firm, but the product is for the future generations. Competitive advantage with respect to ease of entry and high sustainable gross margin allows for a safe investment. The future cash flows discounted to today should have significant value along with a fall in customer acquisition cost. However, just like a journey from Mumbai to Pune is filled with cautions, the investors need to be cautious about the next trillion dollars that will be amassed by the Indian economy. Yet again, timing the market would be futile as exiting a business just based on high valuation would be a caution.

Professional investors water the roses and cut their weeds, which is ideal for a long-term plan. The mortality of small and mid caps is much higher and is hence not everyone's cup of tea. It is evident from a seasoned driver that he/she does drive by only looking at the rear-view mirror which is equivalent to state that past performance is not a guarantee for future returns. While staying cautious is to not leave the party early. On the other hand, booking a loss does not increase the loss but an early exit from an investment can compound any mistake.

A fundamental framework could be difficult to identify market corrections that could take place soon, but behavioral finance has some answers to it. It is only when investors stop to worry about corrections that one nasty drive will wipe away returns. Investors who have remained invested in the market has helped them remain in good stead and realize the power of compounding.

To put things in perspective, interest rates in India have been 8% on an average over the last decade and it would be prudent to say that rates over next 5 years would be 30% to 50% lower than last decade and hence attraction of equity shall continue. With the next Samvat right around the corner, many investors believe that the current rally is poised to continue even in 2022. India has withered the recessionary phase smartly and has come out of it very quickly. Corporate earnings have a similar picture to show as it was in FY03-08, where it had a growth of 25% CAGR similar to 26% CAGR in FY20-22. Major trends from corporate capex and housing sector also show that we are rising in the economic cycle

There has been a lot of fervour and excitement among investors since Nifty crossed the 14k mark and has been traversing at an aggressive pace since then. It reflects the broader economic situation in our country and it is quite difficult to judge where it is headed. However, a brief understanding of the economic cycle helps us to gauge the market sentiment.. Economic activity will continue to grow at a brisk pace as corporate capex picks up and credit expands. Suffice to say, India is at a crucial stage in the economic cycle and hence, a broad understanding about the outlook of the economy in the next 12 months is very important.

Now that the major trends have shown the rise to complete recovery from Covid lows, there are certain economic growth drivers that will act as the fuel for a sustained growth cycle. The median age in the country will be 28 by 2022 which will lead into increased participation in the workforce. Low interest rates will help companies borrow and fund their future plans. Start-ups in India will add 1.25% to GDP growth in the long term. Growth drivers in manufacturing like Make in India will benefit domestic producers and the lesser reliance on China will also act like a catalyst.

**It is good to be with the leader but great to be with the emerging leader, but with longer term investment horizon.**

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Now that the tough times are behind us, a typical growth cycle should last for 3-5 years but a fall of 20-25% could be expected in between.

Hence, it is important to manage risk well by sticking to asset allocation, and right selection of portfolios & businesses/companies. Keeping a tab on potential risks is important.

Foreign flows might hit a brake due to concerns regarding Fed hiking its rates soon.

Another point of concern on the global front is the current situation of the Chinese economy. The Evergrande effect could spill into major economies, especially India.

Moreover, commodity inflation spiralling into core inflation and policy focus being diluted with state elections are major concerns as well.

Lastly, supply chain worries in some sectors like the chip conductor shortage has had a ripple effect in multiple segments.

For long term investors, it is going to be India's decade in terms of growth and economic prosperity. Active managers are expected to beat the benchmark index in the next three years time frame. These active managers help investors fall a little less during tough times ahead. They are the beacon of light that pave the way and caution investors or take part in active damage control.

All in all, the next Samvat has a lot of opportunities for investors who need to grasp them and ride the Indian growth story with a cautious outlook.

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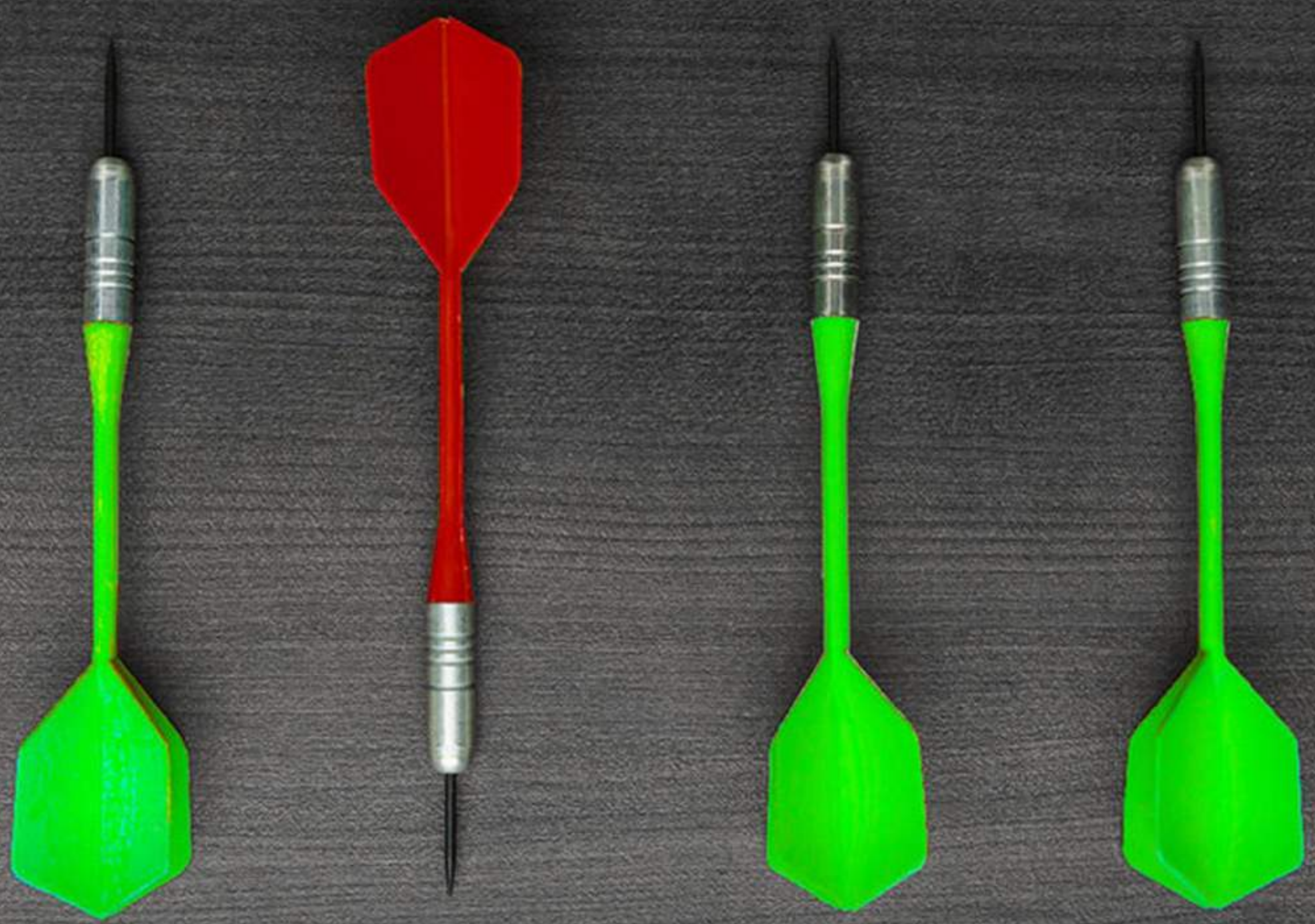
## In PMS, one investors' behavioral reactions to market movements



## DOES NOT IMPACT OTHER INVESTORS' PORTFOLIOS

# HOW DO PORTFOLIO MANAGERS CREATE WEALTH?

**PMS AIF World** interviewed investment thought leaders and tried to find out viewpoints and answers to certain questions that investors have on their minds...

Disclaimer: The views of the fund managers included are their personal views and not necessarily the views of PMS AIF World. The points of discussions here are not to be considered as advice or suggestions and readers are requested to consult their financial advisor before making any investment decisions.

# Money management is simple, but not easy!

Warren Buffet, the legendary investor was invited in a gathering of college students along with Bill Gates, where he remarked that his profession of being an investor is simple but not easy. In our multiple conversations with Indian public money managers this fact has come out more than often.

So, what do money managers do differently?

Below, we share excerpts from an interview we did with Mr. Bharat Shah— Executive Director, ASK Group. The interview was conducted by Sankalpo Manoj Pal— Business Development, PMS AIF World.

**Sankalp Pal (SP): With Nifty at 18k, what is your investment strategy?**

**Bharat Shah (BS)**: The investing philosophy is never contextual with the benchmark, if your investment philosophy is linked to the market levels then it's not a philosophy but it's a convenience mechanism. Market philosophy held ransom to the whims and fancies of market movements cannot be called a philosophy. Thus, a good philosophy evolves over time and a good philosophy stays true all levels of the market. The approach to investing remains same through most times as there are very few companies in the market that deserve your attention and even fewer that deserve your money. There are certain characteristics of good business starting with the nature of the management – the management capability can be judged by ability of management to capture the growth and execute the ideas and then capital allocation, very few good businesses have the guidance of a good manager. On the other side the quality of the business can be evaluated by a few features- the size of opportunity and the growth to capture the opportunity, the quality of the growth can be judged by how much more outcomes can be generated with similar efforts and capital gone into the businesses for a long period of time.

The above factors to a good investor create a valuation range, and here the task of a good investor is to evaluate at what price the business deserves their money. The last part of the investment philosophy is to deal with the market ups and downs and stay through the course and avoid the honey traps of the market.

Investment Philosophy means doing all these things again and again, a good investor needs to be confident yet skeptical in their philosophy. This doesn't change over time as an investor no matter where the market is. A great investor harnesses all the qualities of good business.

# Bharat Shah
## *Executive Director, ASK Group*

**SP: Bharat bhai you have been investing money as a vocation for close to 3 decades now, do you think someone newer to investing might not be able to grasp basics of investing as well as you do?**

BS: Parts of attribute can be acquired, improvised, or polished over time and then are those attributes which you either have or you don't the, the science of investing and the later typically make the art of investing.

The science of investing involves understanding businesses, understanding capability of management, insights on the size of opportunity, future growth and the concept of the economic life of the business and then discounting that to the present. The science of investing also involves making a judgement and refining the judgement. All these involve making critical decisions but most of these can be acquired or improvised over a period of time.

The art of investing on the other hand has aspects which are more intimate to the character of the person and these attribute that comprise the art of investing might not be the ones that can be acquired.

As discussed earlier investing often requires you to have contrary emotions of both faith and scepticism aggression and conservativeness and this is not an easy task to accomplish, and intellect might not be able to help here. The markets at all points in time are a mix of emotions and rationality, the nature of a good investor requires him or her to be able to apply their rationality to the emotionality of the markets, this is again a task that requires a skill which you either have or you don't.

Another important aspect of a successful investor is the self-awareness, knowing the limitations and knowing the strengths, understanding where your inclinations lay this is a skill which is essential to investment success.

A mix of intellect and the art of investor helps them go through the various up and downs, seductions, enchantments of the market. While most focus on the science of investing there's significant case for the art of investing.

**SP: We have seen lots of popular stocks becoming significant wealth creators in the last decade. While a lot of fund managers help them though the journey, many fund managers and investors would have gotten out of them much earlier, how can you explain the differences in the opinions and holding periods in these stocks?**

BS: Amongst all the things necessary for a successful investor at the pinnacle is the ability to stay the course and it is not easy at all. Despite all the skill and scientific acumen of identifying the right businesses and the winning opportunity if the temperament to stay the course is not met the investment will be a fraction of what it could be.

Staying the course is never easy, for example a rupee invested in Bajaj Fin 11 years ago is roughly Rs 100 today, however through the 11 years the rupee would have gone to Rs 4 and come down to Rs 2 and risen to Rs 8 and then back to Rs 6 and so on… during this journey its very difficult to convince yourself to stay the course and knowledge or skills are of little use to an investor in this regard, thus its very essential how you react to the emotions of the market and are able to distinguish what is transient and what is permanent to the business you invest in.

Making a sound decision once doesn't mean your work is done, you have to do the evaluation process from time to time to ensure that logic of investing in the business still holds true.

Finally, one must be cognizant how powerful compounding gets with time and the ferocious impact it can have on your portfolio. 25% in 3 years means 2x, 9 x in 8 years and close to 16x in 15 years. In this course of compounding the penalty of missing out even a couple years of compounding would be real and huge; therefore one has to honour and respect the process of compounding.

As a closing remark, markets don't lack talent and intellect, in the equation of investing rewards the art part plays a very significant and large role and is often short in supply, and the art of investing is what makes the difference when it comes to returns from investments.

**SP: Alpha v/s consistency? How do you look at the two and what's your preference amongst these?**

**BS:** Alpha and consistency are not polar opposites to each other and in fact alpha is delivered over a period of time by the consistency of thinking, approach, philosophy, discipline and skill provided that the base is set right. Tables kept for long don't turn into diamond and hence its important investors thus begin by setting the right approach.

However, what confuses many observers is the tangibility of shorter term metrices like returns, for observers to look beyond the tangible short term is difficult and requires a lot of efforts, while evaluating things like process, risk control, philosophy and underlying portfolio are often forgotten due to their amorphous nature.

Often good managers who otherwise have good control over their destiny thus end up doing things that might not be in the best of interest to their clients and organizations due to the tangibility of factors evaluated.

**SP: How should investors then evaluate performance?**

**BS:** Over the longer term there's only one way to evaluate a fund manager and that is performance, its only in the short term that observers might get the big picture wrong if they focus too much on just returns.

**SP: How have you followed your process over a very long term by ignoring noises in the market?**

**BS:** Ignoring noise in the market is about tackling market emotionality with your rationality if you tackle market emotionality with your emotionality you are heading for a dangerous situation. Ignoring noise leads to self-nourishment and is a great service to oneself as an investor.

Ignoring noise will always mean taming or subjugating it, its very unlikely that you will absolutely cut down noise and this process involves two aspects – the science and art of ignoring noise.

In the first part all the information, data, judgements and your persistent data combined together creates information, this information leads to confidence and from confidence the equanimity,

equanimity gives you the power to ignore noise and choose signals instead, however most of the these data, information, efforts and judgements might seem like an incoherent set and might not mean anything but over the years they built up to make you knowledgeable enough.

The second part is about your personality and how to deal with things that happen in the market- the ability to understand that most things in the market are transient and not permanent. One doesn't need to attain nirvana to understand this, you just need to understand enough to be indifferent to most noises in the markets, it's like sitting in front of an ocean – when the waves hit the shore the noise can be unnerving and disturbing at first but after some time you to get used to it and the noise of the waves stop bothering you…

Disclaimer: Mr. Bharat Shah is the Executive Director of ASK Group. The views expressed in this article are personal.

# Navin Agarwal
## *CEO, Motilal Oswal AMC*

### 1) How does your investment process ensure that you spot the right and wrong businesses timely?

The chances of spotting the right and wrong businesses accurately are directly proportional to expertise and get better with experience. At Motilal Oswal AMC, our endeavor is to offer focused mutual funds, PMS and AIF strategies based on our core competence of equity research and investing. We have a rich repertoire of 25 wealth creation studies of over 25 years which has helped in improving our efficiencies to spot multi baggers.

QGLP – our master framework – is the acronym for Quality, Growth, Longevity and Price. The philosophy of QGLP is defined as:

**Quality**: Quality of Business and Management
**Growth:** Growth in Earnings and sustained ROE
**Longevity**: Longevity of the competitive advantage / Economic moat of the business
**Price:** Reasonable valuation, relative to the growth prospects of the business. Buying a good business for a fair price rather than buying a fair business for a good price.

Apart from the master framework, the Wealth Creation Studies published every year by our chairman Mr. Raamdeo Agarwal have listed several Investment Frameworks – which serve as guide-posts for selection. We initially begin screening all fundamentals by each sector and subsector that includes analyzing high returns on capital, better than average growth and free cash flow generation. Then inputs from multiple external resources like industry professionals, sell side analysts and market conferences are reviewed. Our internal analysts provide extensive analysis on the industry, various annual reports, competition analysis, con-call scripts, sell side research and financial/risk modelling. We also perform ground research where our analysts interact with suppliers, distributors, dealers, customers, competition, bankers, ex-employees, and sell-side analysts. Post that begins interaction with the Investor Relations team prior to meeting with senior management/ownership of the company. To sum it up, we provide a 360-degree evaluation for which a company is analyzed comprehensively on 3 parameters namely Business, Management and Financials (including evaluation). The whole process has helped us consistently to select superior quality stocks across market cycles and avoid pitfalls in quality. Once a stock is selected, there is a comprehensive investment monitoring process to ensure that there is regular tracking in the companies which we hold in the portfolio.

To sum up everything, the consistent researching and monitoring of companies based on a pre-defined framework helps in spotting the right businesses and eliminating the wrong ones.

## 2) How do portfolio managers add value v/s buying good and well-known businesses by one's own?

Equity as an asset class is not as democratic as others investment classes like fixed deposits where every investor can generate nearly equal returns. To generate alpha over a short term might be easy but to consistently generate alpha over a benchmark for a long period of time, one requires knowledge as well as temperament. This knowledge has been acquired over time with deep understanding about the markets. This research experience differentiates portfolio managers from a normal investor.

Investing is all about the 'vision to see, courage to buy and patience to hold'. It all sounds very simple but is in fact very difficult to practice. Portfolio managers have years of experience tracking a particular sector, understanding valuation dynamics and have navigated different market cycles.

'Patience to hold' is the most difficult aspect to practice after you have got the stock right and have had the courage to buy. Portfolio managers bring the temperament required to believe in their own philosophy and 'time travel' with their stocks.

The other difficult part in long-term investing is 'when to sell?' Especially during a bull run there comes a phase where making money in equities seems very easy. However, such phases of easy money do not last very long – and as elevated valuations mean revert – classical fundamental sense prevails and bottom-up stock selection matters. Many investors have lost a lot of their wealth when the euphoria settles, and a mean reversion is seen in Price Earning's multiples. They have also paid a price in terms of opportunity cost in sticking with low quality companies. Most professional managers would have never invested in some of these questionable quality names in the first place. These are some of the major differences between a DIY investor versus a professional portfolio manager.

## 3) With Nifty at 18k, what is your investment strategy?

Investment strategy for every investor should ideally be to embrace the bull and bear markets whole heartedly since volatility is an inherent feature of equity markets. We strongly believe that timing the market does not work and we strongly advice against it.

Our strategy remains the same as it has always been. “Buy Right. Sit Tight.” We have always believed in our investment philosophy and would continue to invest in the QGLP companies based on the current market scenario to create long term wealth.

Trying to participate in a bull markets and avoiding bear market phases is almost impossible and it also belies the true potential that equity as an asset class offers. We should remember that even bull-markets are characterized by many intermittent falls. Investors try to time the market during these interim periods. However, this can lead to investors missing out on some of the most profitable days – as the best days for markets do not necessarily come during bull phases. Reiterating our thoughts in the words of Peter Lynch - “Far more money has been lost by investors trying to anticipate corrections, than lost in the corrections themselves”.

In historical terms, the corporate profit to GDP ratio seems to have bottomed out in FY20. Looking back to FY04 – the Corporate Profit to GDP was a low 4.7% which rose all the way to 8% over the next four years. Similarly, in FY22 the Corporate Profit to GDP is expected at 2.5%, which should rise in sync with the economic recovery, over the next four years.

We believe that there is also a strong case of revival in earnings growth for a large number of listed Indian corporates. The consensus FY21 Nifty EPS number (Rs.542) was revised upwards by 19% since September 20. The nascent recovery in corporate earnings growth seen during 3Q and 4Q of FY21 is likely to sustain into FY22 and beyond. The good news is that the full year estimates of FY22 have been retained at Rs 732 in-spite of a very brutal second wave of Covid infections. In terms of trailing valuation, market P/E is definitely higher than long-period average – however if one calculates the Price Earnings Growth (PEG) ratio for FY21 over FY24, it gives a more realistic picture. Higher valuations can also be explained by way of low interest rates and expected high growth rates in the coming quarters.

Finally, there is a real good reason why magic of compounding is called the eighth wonder of the world. Timing the markets would will only break this process.

## 4) What is more important to you: Alpha or Consistency in returns. Why?

We would not want to choose between alpha and consistency but would rather prefer having an alpha over a reasonably long term.

Firstly, one should remember that returns from equity as an asset class are non-linear and tend to be lumpy. Secondly, there is an aspect of investment styles and philosophy. For example – growth investors tend to lose out in periods of low economic growth. Momentum style of investing has been the most rewarding style in the last 18 months. Investment styles do have an advantage for a select time period.

That however does not guarantee consistent wealth creation.

Generating alpha consistently over longer periods, across market cycles, is a function of expertise and sticking to a defined investment philosophy.

Investors often get lucky in riding a market wave over the short term – that however is not sustainable and tends to normalize over long periods. It is also important to consider the risk-return characteristics of the portfolio. Compromising 'margin of safety' in trying to chase alpha over benchmark indices has proved to be a very risky strategy.

Investors invest in equities to get the alpha over other asset classes and not just beat the benchmark.

Our philosophy and bottom-up stock selection has helped us identify many multibagger stock ideas which have created a lot of wealth for our investors. We do not believe that a trade-off between Alpha and Consistency exists, and our experience has shown that Equity investments are instruments to create wealth over the long term.

## Prashant Khemka
### *Founder, White Oak Capital Management*

### 1) How does your investment process ensure that you spot the right and wrong businesses timely?

We have a simple yet powerful investment philosophy that outsized returns are earned over time by investing in great businesses at attractive valuations. It is a stock selection-based approach of investing in businesses rather than betting on macro.

The two critical elements of our philosophy are business and valuation. We want to invest in the companies that present most compelling combinations of these two elements. To be considered great a business should possess three attributes: (a) superior returns on incremental capital, (b) scalable, (c) well managed in terms of execution and governance.

These attributes are rooted in the fundamental value equation where value is a function of cashflows and growth. Superior return on incremental capital is a pre-requisite to sustainable free cashflow generation. Scalability is about growing the business manifold over time compared to its present size relative to the industry. When you have such potential for free cash flows and growth
you need the right management that can execute with a long-term value creation focus.

Last but not the least, governance is crucial and in fact it is the starting point of our analysis. In the absence of adequate governance, a business may be great but only for the controlling shareholders and not for minority investors as value gets siphoned for the benefit of the former. The best way to make money from such companies is by avoiding them. The team's expertise in avoiding poorly governed companies has been a major contributor to its peer group leading performance since inception.

### 2) How do portfolio managers add value v/s buying good and well-known businesses by one's own?

I can certainly talk about White Oak's edge, which is the depth and breadth of investment experience on the team. Collectively the team has over 100 years of research experience across India, US, emerging markets and frontier markets having analyzed approximately 3,000 companies globally.

Additionally, the research team's local presence on the ground in Mumbai helps us to conduct an extensive 360-degree programme of meetings and due diligence – one of the critical aspects of our investment process. This includes meeting company's senior management, customers, suppliers, competitors, ex-employees, and industry experts and others involved in the trade.

In addition to the rigorous 360-degree investment evaluation, this gives us an edge in less widely researched pockets of the Indian market including mid-cap, small-cap and off-benchmark stocks. We believe these segments of the market are extremely fertile for generating outsized returns as a result of greater inefficiencies and greater information asymmetries that exist there.

## 3) With Nifty at 18k, what is your investment strategy?

We have always believed that in the very near term the market is impossible to predict, hardly any different than a coin flip.

Over the long term, markets worldwide have tended to deliver returns that are in line with nominal GDP growth rate plus dividend yield. India's nominal GDP growth rate is expected to be low double digits going forward and similar would be our expectation for the market return in rupee terms. Irrespective of the market level, we seek to always remain invested by employing a balanced portfolio to ensure that performance is a function of stock selection capabilities of the team rather than being driven by non-stock specific macro factors such as market timing, sector, currency, or other such factor exposures.

## 4) What is more important to you: Alpha or Consistency in returns. Why?

It is important to have a well-defined process in place which ensures both consistency as well as a high magnitude of alpha. In White Oak's case for example, while a bottom stock selection philosophy allows us to generate a high magnitude of alpha (in both up and down markets), a balanced portfolio approach ensures the consistency of this alpha.

A well-diversified portfolio based on bottom-up stock selection that is balanced across cyclicals and non-cyclicals ensures that alpha does not get easily overwhelmed by non-stock specific risk factors over any reasonable medium to long time period.

PMS AIF WORLD
High Performance Investing

WE HELP YOU INVEST IN THE

# BEST PORTFOLIOS

SUITABLE FOR YOU


PMS AIF WORLD
High Performance Investing
6 CURATED PORTFOLIOS

**Fund name**: Flagship PMS

**Fund Manager**: Mr. Aniruddha Sarkar

**Investment Objective:**

To generate alpha & outperformance by investing in a diversified sector agnostic multi-cap portfolio of 20-25 listed companies in India.

**Investment Strategy:**

The fund is designed to be concentrated in few sectors at any given time and adopt the sector rotation strategy. It has 40-50% allocation into stable earnings growth companies, 20-30% into companies which can see significant P/E expansion and remaining into companies which are deep value and have been beaten down owing to temporary negativity in the sector or company. The fund avoids structurally weak themes and manages cash levels actively in the portfolio by booking profits from time to time.

**Investment Philosophy:**

The investment philosophy involves looking for companies which meets the following criteria:

1. Unquestionable management track record on ethics & execution
2. Strong leadership position (among the top 3 players) in its domain and within the industry, with strong pricing power and not a 'me too' player
3. Companies which have exponential growth potential leading to significant P/E re-rating possibility in future
4. Strong cash flows and ability to pass through difficult times owing to strong balance sheet
5. Manageable leverage in books lower than industry average
6. Valuation comfort with enough margin of safety

# QUEST INVESTMENT ADVISORS: FLAGSHIP PMS

## *PERFORMANCE : Returns Over Benchmark*

### Performance

| In % | 1 month | 3 month | 6 month | 1 year | 2 years | 3 years | 5 years | 10 years | Since Inception |
|---|---|---|---|---|---|---|---|---|---|
| Portfolio | 2.9% | 10.1% | 27.5% | 63.9% | 31.4% | 20.0% | 14.9% | 17.2% | 18.1% |
| Nifty 500 | 3.4% | 11.7% | 22.2% | 61.1% | 26.9% | 18.2% | 15.3% | 14.2% | 9.1% |

## *PORTFOLIO : Stocks / Sectors / Market Cap Allocation*

### Portfolio Holdings

| Holding | % of Net Assets |
|---|---|
| ICICI Bank | 8.26 |
| State Bank Of India | 6.47 |
| HIL Ltd | 5.60 |
| Divi's Laboratories Ltd. | 5.61 |
| Tech Mahindra Ltd. | 6.34 |
| Indian Energy Exchange Ltd | 5.19 |
| Phillips Carbon | 3.92 |
| Tata Consultancy Services Ltd | 4.90 |
| Tata Steel | 3.46 |
| Oracle Financial Services Software Ltd. | 3.89 |
| Top 10 Equity Holdings | 53.64 |

**No of Stocks:** 25

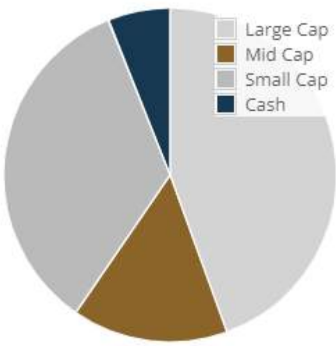
**Benchmark:** Nifty 500

**Data as of:** 30th September 2021

### Sector Allocation

| Holding | % |
|---|---|
| Materials | 6.94 |
| Cement & Cement Products | 8.43 |
| Pharma | 12.01 |
| Information Technology | 20.08 |
| Financial Services | 30.48 |

### Market Cap Allocation




| Large Cap | Mid Cap | Small Cap | Cash |
|---|---|---|---|
| 44.00% | 15.00% | 34.00% | 6.00% |

# QUEST INVESTMENT ADVISORS: MULTICAP PMS

**Fund name**: Multicap PMS

**Fund Manager**: Mr. Aniruddha Sarkar

**Investment Objective:**

To generate alpha & outperformance by investing in a diversified sector agnostic multi-cap portfolio of 25-30 listed companies in India, with a higher allocation towards mid- and small caps.

**Investment Strategy:**

The fund is designed to adopt a more bottoms-up approach in identifying companies which meet our selection parameters from any sector. It has 40-50% allocation into stable earnings growth companies, 20-30% into companies which can see significant P/E expansion and remaining into companies which are deep value and have been beaten down owing to temporary negativity in the sector or company. The fund avoids structurally weak themes and manages cash levels actively in the portfolio by booking profits from time to time.

**Investment Philosophy:**

The investment philosophy involves looking for companies which meets the following criteria:

1. Unquestionable management track record on ethics & execution
2. Strong leadership position (among the top 3 players) in its domain and within the industry, with strong pricing power and not a 'me too' player
3. Companies which have exponential growth potential leading to significant P/E re-rating possibility in future
4. Strong cash flows and ability to pass through difficult times owing to strong balance sheet
5. Manageable leverage in books lower than industry average
6. Valuation comfort with enough margin of safety

# QUEST INVESTMENT ADVISORS: MULTICAP PMS

## *PERFORMANCE : Returns Over Benchmark*

### Performance

| In % | 1 month | 3 month | 6 month | 1 year | 2 years | 3 years | 5 years | 10 years | Since Inception |
|---|---|---|---|---|---|---|---|---|---|
| Portfolio | 3.3% | 10.3% | 30.6% | 65.5% | 35.4% | 22.6% | 16.2% | - | 17.8% |
| Nifty 500 | 3.4% | 11.7% | 22.2% | 61.1% | 26.9% | 18.2% | 15.3% | - | 13.4% |

## *PORTFOLIO : Stocks / Sectors / Market Cap Allocation*

### Portfolio Holdings

| Holding | % of Net Assets |
|---|---|
| State Bank Of India | 6.45 |
| Infosys Ltd. | 5.45 |
| Divi's Laboratories Ltd. | 6.42 |
| HIL Ltd. | 5.82 |
| Phillips Carbon Black Ltd. | 5.04 |
| Tata Power Company Ltd. | 4.64 |
| Bajaj Finserv Ltd. | 3.56 |
| Tata Communications Ltd. | 4.24 |
| Steel Authority of India Limited | 4.03 |
| Oracle Financial Services Software Ltd. | 4.44 |
| Top 10 Equity Holdings | 50.09 |

**No of Stocks:** 28

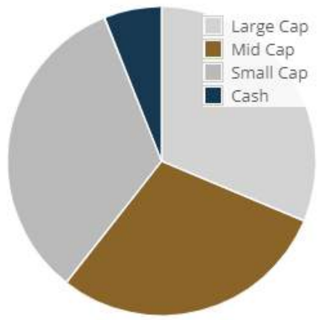
**Benchmark:** Nifty 500

**Data as of:** 30th September 2021

### Sector Allocation

| Holding | % |
|---|---|
| Chemicals | 8.14 |
| Cement & Cement Products | 10.40 |
| Pharma | 13.81 |
| Financial Services | 16.79 |
| Information Technology | 18.64 |

### Market Cap Allocation




| Large Cap | Mid Cap | Small Cap | Cash |
|---|---|---|---|
| 31.00% | 29.00% | 33.00% | 6.00% |

# SUNDARAM INDIA SECULAR OPPORTUNITIES PORTFOLIO (SISOP)

**Fund name**: SISOP

**Fund Manager**: Mr. Madanagopal Ramu

**Qualification & Experience:** Cost accountancy and Management Degree from BIM Trichy TN and 15 years of experience in Financial Markets. He has been part of Sundaram since 2010 and is currently manages more than 2000 crores of assets in equities.

**Investment Objective:**

To generate capital appreciation across market cycles by investing in a concentrated set of high conviction stocks.

**Target Investors:**

Designed for investors seeking returns through investments in a concentrated portfolio of companies with sustainable competitive advantages and reasonable valuations.

**Investment Horizon:** Above 3 years

**Benchmark:** NSE Nifty 500 Index

**Inception:** February 2010

**Investment Strategy**

- Concentrated Portfolio - Around 15 stocks.
- Invests across market caps – "Multi Cap" (skewed towards large cap).
- Long term orientation towards portfolio building i.e. >3 years.
- Invest in business with secular growth opportunities.
- Companies with growth opportunity > 15%
- Companies with ability to generate > 15% ROIC
- Companies with excellent cash flows from business

# SUNDARAM INDIA SECULAR OPPORTUNITIES PORTFOLIO (SISOP)

## 3Q Approach to Stock Selection

- Quality Business Scalable, Growing, Reinvestment opportunities, Strong Moat
- Quality Financials High ROIC, Excellent Cash Flows, Low DE
- Quality Management Visionary, Problem solving

***PERFORMANCE : Returns Over Benchmark***

Performance

| In % | 1 month | 3 month | 6 month | 1 year | 2 years | 3 years | 5 years | 10 years | Since Inception |
|---|---|---|---|---|---|---|---|---|---|
| Portfolio | 1.7% | 14.1% | 25.5% | 65.4% | 32.2% | 26.5% | 16.7% | 17.2% | 20.0% |
| Nify 500 | 3.4% | 11.7% | 22.2% | 61.1% | 26.9% | 18.2% | 15.3% | 14.2% | 11.9% |

***PORTFOLIO : Stocks / Sectors / Market Cap Allocation***

Portfolio Holdings

| Holding | % of Net Assets |
|---|---|
| MINDTREE LTD | 8.78 |
| ICICI BANK LTD | 8.50 |
| AU SMALL FINANCE BANK LTD | 8.73 |
| BAJAJ AUTO FINANCE LTD | 8.53 |
| TITAN INDUSTRIES LIMITED | 8.25 |
| Top 5 Equity Holdings | 42.79 |

**No of Stocks:** 15 | **Benchmark: Nifty** 500

**Data as of:** 30th September 2021

Sector Allocation

| Holding | % |
|---|---|
| Industrial Manufacturing | 7.70 |
| Consumer Goods | 11.40 |
| Healthcare Services | 10.20 |
| Information Technology | 16.70 |
| Financial Services | 35.10 |
| Others | 15.70 |
| Cash | 3.30 |

**Fund Name:** EOP

**Fund Manager:** Mr. Anant Jalan

**ASK Investment Philosophy:**

- Greater certainty of earnings vs mere quantum of earnings growth
- Superior and consistent quality of earnings vs mere quantum of earnings growth
- High quality at a reasonable price vs inferior quality at arithmetically "cheap" price

**Investment Objective:**

To build a concentrated portfolio of businesses across range of market capitalization (Large, Mid and Small cap), representing quality and superior long-term compounding potential

**Portfolio Construct:**

- Concentrated approach of carefully identified businesses across range of market capitalization
- Highly focused portfolio of high-quality and high-growth businesses that are positioned for outstanding compounding in the long-term
- Buy and hold approach with minimal churn
- Buying businesses with a large competitive advantage in industries with a large size of opportunity, that offer superior growth over long period of time

# ASK EMERGING OPPORTUNITIES PORTFOLIO (EOP)

## *PERFORMANCE : Returns Over Benchmark*

### Performance

| In % | 1 month | 3 month | 6 month | 1 year | 2 years | 3 years | 5 years | 10 years | Since Inception |
|---|---|---|---|---|---|---|---|---|---|
| Portfolio | 2.3% | 9.8% | 22.0% | 67.4% | 29.8% | 23.3% | - | - | 16.4% |
| BSE Midcap | 5.9% | 12.1% | 25.1% | 71.7% | 33.8% | 19.5% | - | - | 13.1% |

## *PORTFOLIO : Stocks / Sectors / Market Cap Allocation*

### Portfolio Holdings

| Holding | % of Net Assets |
|---|---|
| Bajaj Finserv Ltd. | 6.80 |
| Bajaj Finance Ltd. | 6.80 |
| Solar Industries India Ltd. | 5.20 |
| APL Apollo Tubes Ltd. | 4.90 |
| Aarti Industries Ltd. | 4.60 |
| Radico Khaitan Ltd. | 4.50 |
| PI Industries Ltd. | 4.50 |
| AAVAS Financiers Ltd. | 4.30 |
| Dixon Technologies (India) Ltd. | 4.30 |
| Dalmia Bharat Ltd. | 4.20 |
| Top 10 Equity Holdings | 50.10 |

**No of Stocks:** 25

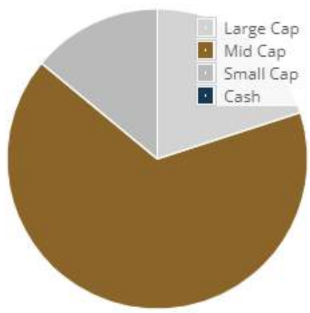
**Benchmark:** BSE Midcap

**Data as of:** 30th September 2021

### Sector Allocation

| Holding | % |
|---|---|
| NBFC | 13.30 |
| Insurance | 9.50 |
| Retail | 9.10 |
| Indusrial Consumables | 5.20 |
| Pipes | 4.90 |
| Chemical | 4.60 |
| Alcohol | 4.50 |
| Agri Chemicals | 4.50 |

### Market Cap Allocation




| Large Cap | Mid Cap | Small Cap | Cash |
|---|---|---|---|
| 20.0% | 66.0% | 14.0% | - |

Note: Inception Date of ASK IEP is 25-Jan-2010. Performance figures are net of all fees and expenses. ASK Portfolio returns are composite returns of all the Portfolios aligned to the investment approach as on Sept 30, 2021. Returns for individual client may differ depending on time of entry in the Portfolio. Past performance may or may not be sustained in future and should not be used as basis for comparison with other investments. Returns for 1 year or lesser time horizon are absolute returns, while more than 1 year are CAGR. Returns have been calculated using Time Weighted Rate of Return method (TWRR) as prescribed by the SEBI.

**Fund Name:** White Oak India Pioneers Equity

**Founder:** Mr. Prashant Khemka

**Fund Manager:** Team White Oak

**Investment Objective:**

White Oak India Pioneers Equity Portfolio is a long-only balanced investment approach of select companies agnostic to benchmark S&P BSE 500, which seeks to generate alpha through bottom-up stock selection, based on intensive fundamental research and a proprietary rigorous analytical framework. The fund looks to achieve sustained capital appreciation through superior returns over time.

**Investment Philosophy:**

The investment philosophy is, that outsized returns are earned over time by investing in great businesses at attractive values.

**Portfolio Strategy:**

The investment strategy of this fund follows strong investment values via long-only fundamental bottom-up stock selection. They have a simple yet powerful investment philosophy of investing in businesses based on stock selection, rather than being driven by macro factors.

At White Oak, they believe growth at reasonable prices. A great business is one that is well managed, scalable, and generates superior returns on incremental capital.

A disciplined analytical process along with a balanced portfolio construction delivers tangible returns with a long-term focus on alpha.

## *PERFORMANCE : Returns Over Benchmark*

### Performance

| In % | 1 month | 3 month | 6 month | 1 year | 2 years | 3 years | 5 years | 10 years | Since Inception |
|---|---|---|---|---|---|---|---|---|---|
| Portfolio | 1.3% | 10.5% | 24.0% | 65.1% | 36.1% | - | - | - | 29.6% |
| BSE 500 | 3.4% | 11.9% | 23.0% | 63.1% | 28.6% | - | - | - | 21.4% |

## *PORTFOLIO : Stocks / Sectors / Market Cap Allocation*

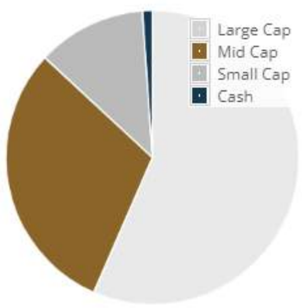
### Portfolio Holdings

| Holding | % of Net Assets |
|---|---|
| Infosys Ltd | 7.26 |
| ICICI Bank Ltd | 7.58 |
| HDFC Bank Ltd | 5.66 |
| Coforge Ltd | 4.55 |
| Axis Bank Ltd | 4.96 |
| Top 5 Equity Holdings | 30.01 |

### Sector Allocation

| Holding | % |
|---|---|
| Health Care | 8.95 |
| Materials | 9.07 |
| Consumer Disc | 12.45 |
| Information Tech | 22.00 |
| Financials | 32.36 |

Market Cap Allocation




| Large Cap | Mid Cap | Small Cap | Cash |
|---|---|---|---|
| 56.50% | 30.30% | 12.00% | 1.10% |

**No of Stocks:** 53

**Benchmark:** BSE 500

**Data as of:** 30th September 2021

# FUNDAMENTAL VALUE FUND

**Fund Name:** Fundamental Value Fund

**Fund Manager:** Mr. Naveen Chandramohan

**Investment Objective:**

The objective of the fund is to build and manage a portfolio of growth-oriented companies to compound capital by achieving an alpha of 5-8% over the index.

**Investment Philosophy:**

The pride is in the framework of portfolio construction and the adherence to basic guidelines as an investment firm. The Portfolio Manager is looking for well-managed, scalable business models, and the valuation framework within this is governed by intrinsic cash flow calculations. It prefers not to use extended forecast-based modeling for projections. The fund follows a basic checklist for businesses and risks it does not want to take in the portfolio. Finally, it's important for the portfolio manager to evaluate the net free cash flow the business generates, net of reinvestment cost of capital.

**Portfolio Strategy:**

The fund invests in a portfolio of around 20 companies. The investment style is bottom-up with an investment horizon of over 3 years. The fund invests across market capitalization with a focus on free cash flow growth. Understanding the business model and breaking down the unit economics of the business is an essential part of the due diligence done by the fund. There are businesses that the fund manager and the investment team do not understand, and such companies would never be part of the fund.

# ITUS CAPITAL FUNDAMENTAL VALUE FUND

## *PERFORMANCE : Returns Over Benchmark*

### Performance

| In % | 1 month | 3 month | 6 month | 1 year | 2 years | 3 years | 5 years | 10 years | Since Inception |
|---|---|---|---|---|---|---|---|---|---|
| Portfolio | -0.4% | 11.2% | 24.8% | 51.8% | 39.9% | 33.2% | - | - | 26.5% |
| Nifty 50 | 2.8% | 12.1% | 19.9% | 56.6% | 23.9% | 17.2% | - | - | 17.5% |

## *PORTFOLIO : Stocks / Sectors / Market Cap Allocation*

### Portfolio Holdings

| Holding | % of Net Assets |
|---|---|
| ALEMBIC PHARMACEUTICALS LIMITED | 2.20 |
| ALKEM LABORATORIES LIMITED | 4.10 |
| BALKRISHNA INDUSTRIES LIMITED | 3.50 |
| CAMS | 4.40 |
| GALAXY SURFACTANTS | 4.00 |
| HDFC ASSET MANAGEMENT COMPANY LIMITED | 3.40 |
| HDFC BANK LIMITED | 7.40 |
| HDFC LIFE INSURANCE COMPANY LTD | 3.00 |
| ICICI BANK LIMITED | 5.20 |
| ICICI LOMBARD GEN INSURANCE CO LTD | 3.60 |
| INDIAMART INTERMESH LIMITED | 2.90 |
| INDIAN ENERGY EXCHANGE LIMITED | 5.90 |
| INDOCO REMEDIES LIMITED | 3.00 |
| INFOSYS LIMITED | 5.10 |
| L AND T TECHNOLOGY SERVICES LIMITED | 6.50 |
| ORIENT ELECTRIC LIMITED | 3.10 |
| Route Mobile Ltd | 1.90 |
| SUMITOMO CHEMICAL INDIA PRIVATE LIMITED | 8.00 |
| SYNGENE INTERNATIONAL LIMITED | 6.80 |
| TATA CONSUMER PRODUCTS LIMITED | 1.80 |
| UTI AMC | 8.40 |

### Sector Allocation

| Holding | % |
|---|---|
| Auto Ancillary | 3.50 |
| Financial Infrastructure | 4.40 |
| Consumer Discretionary | 4.90 |
| Cash And Cash Equivalents | 5.80 |
| Platform | 10.70 |
| Information Technology Services | 11.60 |
| Speciality Chem - Manufacturing | 12.00 |
| Private Sector Bank | 12.60 |
| Pharma | 16.10 |
| Non Lending Financials | 18.40 |

**No of Stocks:** 22

**Benchmark:** Nifty 50

**Data as of:** 30th September 2021

PMS AIF WORLD
High Performance Investing

# TOP 10

# PMSs & AIFs

**as per our 5P Analysis**

**People, Philosophy, Performance, Portfolio, and Price**

# Top 10 Portfolio Management Services

| Company | Strategy | AUM (Cr) | 1M | 3M | 6M | 1Y | 2Y | 3Y | 5Y | 10Y | SI | Market Cap | Fund Manager | Incep-tion |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Marcellus | CCP | 5851 | 1.2% | 11.4% | 23.2% | 57.4% | 30.8% | - | - | - | 29.7% | Multi Cap | Rakshit Ranjan | Dec 2018 |
| Helios | India Rising | 387.54 | 1.4% | 11.1% | 23.0% | 54.2% | - | - | - | - | 48.5% | Multi Cap | Dinshaw irani | Mar 2020 |
| Abakkus | All Cap Approach | - | 4.6% | 12.4% | 38.3% | - | - | - | - | - | 84.2% | Multi Cap | Sunil Singhania | Oct 2020 |
| Stallion Asset | Core | 462.81 | 0.9% | 11.5% | 27.9% | 64.6% | 43.4% | - | - | - | 36.4% | Multi Cap | Amit Jeswani | Oct 2018 |
| Sage One | Core Portfolio | 1800 | 4.3% | 12.9% | 40.0% | 95.3% | 53.1% | 33.1% | 23.2% | 34.0% | 38.1% | Mid & Small | Samit Vartak | Apr 2009 |
| Girik Capital | Multicap | 813.2 | 2.1% | 11.9% | 35.0% | 58.7% | 39.7% | 26.7% | 20.0% | 23.8% | 22.1% | Multi Cap | Charandeep Singh | Dec 2009 |
| Itus Capital | Fundamental Value Fund | 501 | -0.4% | 11.2% | 24.8% | 51.8% | 39.9% | 33.2% | - | - | 26.5% | Multi Cap | Naveen Chandramohan | Jan 2017 |
| White Oak | India Pioneer | 5025 | 1.3% | 10.5% | 24.0% | 65.1% | 36.1% | - | - | - | 29.6% | Multi Cap | Team White Oak | Apr 2019 |
| Sundaram Alternates | SISOP | 864 | 1.7% | 14.1% | 25.5% | 65.4% | 32.2% | 26.5% | 16.7% | 17.2% | 20.0% | Multi Cap | Madanagopal Ramu | Feb 2010 |
| ASK IM | EOP | - | 2.3% | 9.8% | 22.0% | 67.4% | 29.8% | 23.3% | - | - | 16.4% | Mid & Small | Anant Jalan | Aug 2017 |

**DISCLAIMER**

- Data as of 30.09.2021
- Data is as per TWRR guidelines and is presented referring to data shared by AMC's
- Data above 1 year is CAGR and less than 1 year is Absolute
- This information is for a general understanding of past performance of PMS
- Past performance is not indicative of future returns
- For strategies marked ^, numbers have been taken since the formal inception post the SEBI RIA license and not SEBI PMS license
- These are popular strategies with fine past performance, not necessarily the best in respective categories

# Top 10 Alternative Investment Funds

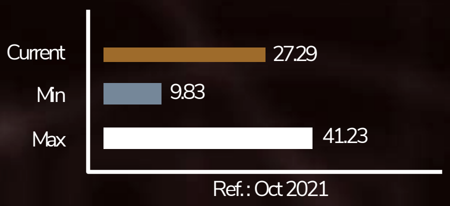
| Strategy | Category | Type | Nature | Fund Manager | Inception |
|---|---|---|---|---|---|
| ASK Emerging Opportunities Fund | CAT-3 | Equity | Close Ended | ASK Investment Managers Ltd. | July 2021 |
| Avendus Enhanced Return Fund- 1 | CAT-3 | Long Short | Open Ended | Vaibhav Sanghavi | Dec 2017 |
| Tata Equity Plus Absolute Return Fund | CAT-3 | Long Short | Open Ended | Harsh Agarwal | Mar 2020 |
| Edelweiss Alternative Equity Scheme | CAT-3 | Long Short | Open Ended | Nalin Moniz | Aug 2014 |
| ICICI Prudential Long Short Fund | CAT-3 | Long Short | Open Ended | Nandik Mallik | Aug 2018 |
| True Beacon One | CAT-3 | Long Short | Open Ended | True Beacon Investment Advisors LLP | Sep 2019 |
| WhiteSpace Alpha Debt Fund | CAT-3 | Long Short | Open Ended | Fund Management Team | Jan 2019 |
| Axis Growth Avenue Fund-1 | CAT-2 | Equity | Close Ended | Fund Management Team | Aug 2021 |
| Edelweiss Crossover | CAT-2 | Equity | Close Ended | Fund Management Team | Aug 2017 |
| Blinc Venture Fund | CAT-2 | Equity | Close Ended | Amit Ratanpal | Aug 2021 |

**DISCLAIMER**

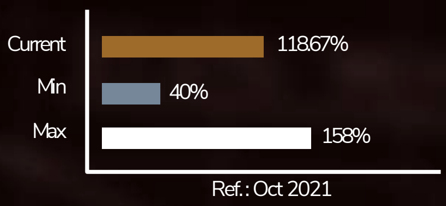
- Data as of 30.09.2021
- Data is net of expenses and gross of taxes unless indicated by marks (*and^).
- Data above 1 year is CAGR and Less than 1 year is Absolute
- AIFs are governed by private placement norms.
- This information is for a general understanding of past performance of AIFs
- Past performance is not indicative of future returns
- These are popular strategies with fine past performance, not necessary the best in respective categories

# CURRENT 10 INVESTMENT INDICATORS AND THEIR HISTORICAL MAXIMUM AND MINIMUM

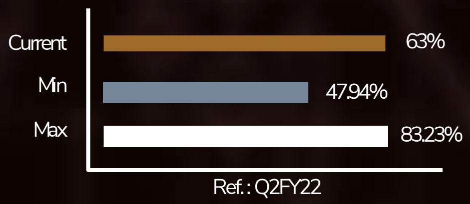
## 1 NIFTY PRICE TO EARNING RATIO



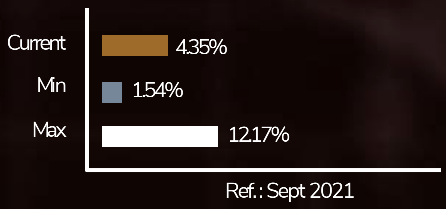

## 2 MARKET CAP TO GDP RATIO



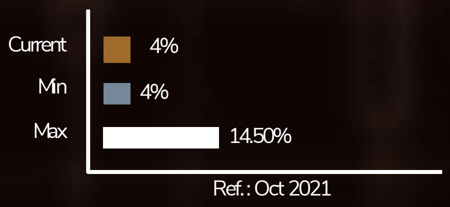

## 3 GOVERNMENT DEBT TO GDP RATIO



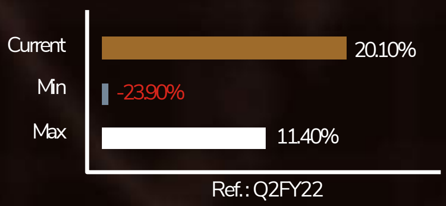

## 4 INFLATION RATE




## 5 INTEREST RATE

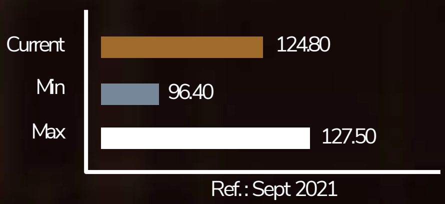



## 6 GDP ANNUAL GROWTH RATE

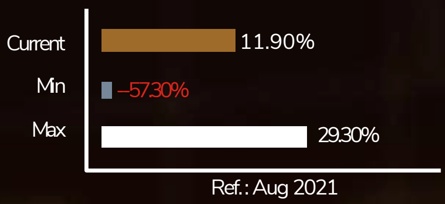



## 7 GST COLLECTIONS

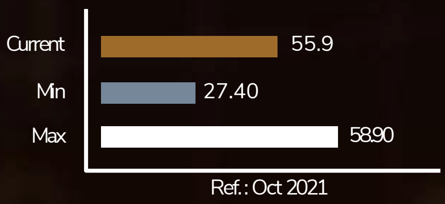

## 8 BUSINESS EXPECTATION INDEX




## 9 INDIA'S INDUSTRIAL PRODUCTION




## 10 MANUFACTURING PMI




Sources:
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Data Sources:

https://nifty-pe-ratio.com/
https://www.imf.org/
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