

## Investment Approach

**Strategy Name:** Business Opportunity Portfolio Strategy

**Investment Objective:** The investment objective of the Strategy is to achieve long term capital appreciation by primarily investing in equity & equity related across market capitalization.

**Description of types of securities:** Equity

**Types of securities selected as part of the investment approach:** Investing across high quality Indian equities in growth oriented themes across market capitalisation through a high conviction portfolio

**Allocation of portfolio across types of securities:** The strategy has the mandate to invest in Equity and Equity-related instruments across the entire market capitalization spectrum of Large cap, Midcap and Small cap companies

**Benchmark:** Nifty 500 TRI

**Investment Horizon:** Medium to Long term

## Key Features & Portfolio Attributes

1. BOP is a multi-cap strategy with a balanced mix of Large Cap, Mid Cap and Small Cap allocation
2. Newly ideated portfolio in 2018 amidst difficult market cycle, yet the portfolio has delivered alpha over its benchmark in both the CYs
3. Concentrated portfolio of 14 stocks with high earnings growth
4. Multiple portfolio changes have been done in the past 6-8 months to enhance the overall quality of the portfolio. While the economy is still going through a downturn, the portfolio has been positioned in well-chosen themes: primarily select consumer and financial services businesses which are expected to perform relatively better in a tough economic environment.

## Portfolio Actions in last 6 months

- **Companies Added:** Tata Consultancy Services
- **Companies Exited:** Tata Consumer products, Godrej Agrovert, Contrainer Corpn., Exide industries, ITC Ltd., Britannia

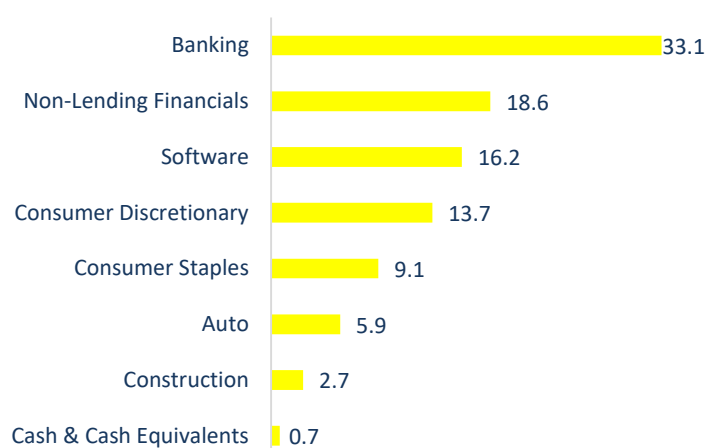
## How Buy Right : Sit Tight works

| Company            | Initial Purchase Date | Market Cap Rs. Crores (Initial Purchase Date) | Market Cap Rs. Crores (30th Nov 20) | Absolute Growth | CAGR (%) |
|--------------------|-----------------------|---|-------------------------------------|-----------------|----------|
| Bata India         | Jan-18                | 9,359   | 20,202                              | 2.2X            | 31%      |
| Hindustan Unilever | Jan-18                | 298,979                                       | 502,147                             | 1.7X            | 20%      |

Wealth creation is achieved through holding quality companies for a long period of time

## Top 10 Holdings & Sectoral Allocation

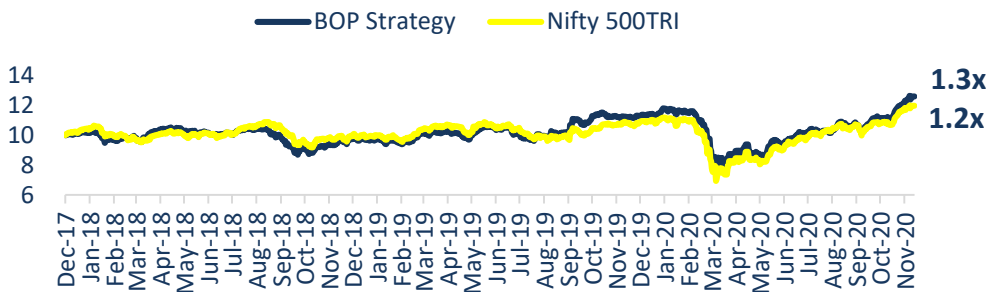
| Scrip Name                       | % Holding |
|----------------------------------|-----------|
| Max Financial Services Ltd.      | 11.6      |
| HDFC Bank Ltd.                   | 11.5      |
| Kotak Mahindra Bank Ltd.         | 11.3      |
| ICICI Bank Ltd.                  | 10.3      |
| Tata Consultancy Services Ltd.   | 9.9       |
| HDFC Life Insurance Company Ltd. | 7.0       |
| Bata India Ltd.                  | 6.9       |
| Larsen & Toubro Infotech Ltd.    | 6.3       |
| Eicher Motors Ltd.               | 5.9       |
| Hindustan Unilever Ltd.          | 5.1       |



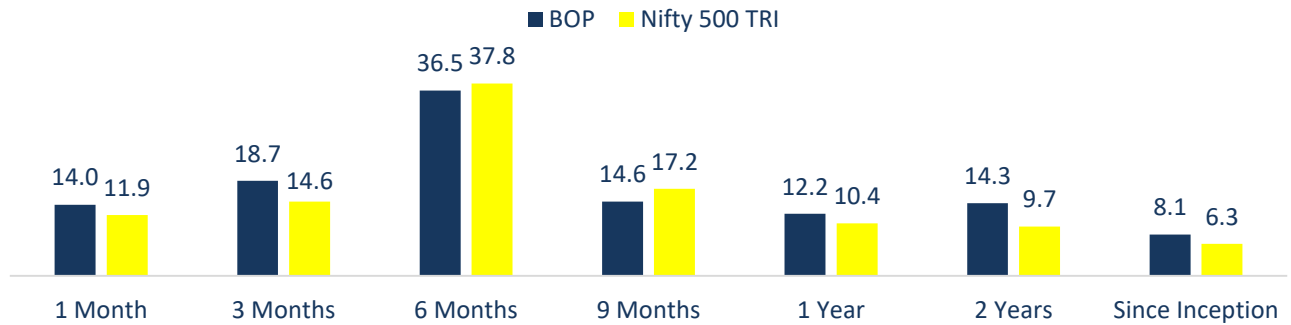
## Disclaimers and Risk Factors

BOP Strategy Inception Date: 18<sup>th</sup> Dec 2017; Data as on 30<sup>th</sup> November 2020; Data Source: MOAMC Internal Research; RFR: 7.25%; \*Earnings as of Sept 2020 quarter and market price as on 30<sup>th</sup> November 2020; Source: Capitaline and Internal Analysis; Please Note: Returns up to 1 year are absolute & over 1 year are Compounded Annualized. Returns calculated using Time Weighted Rate of Return (TWRR) at an aggregate strategy level. The performance related information is not verified by SEBI. All portfolio related holdings and sector data provided above is for model portfolio. Returns & Portfolio of client may vary vis-à-vis as compared to Investment Approach aggregate level returns due to various factors viz. timing of investment/ additional investment, timing of withdrawals, specific client mandates, variation of expenses charged & dividend income. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments.

## Performance Since Inception



BOP Strategy has delivered a CAGR of 8.1% vs. Nifty 500 TRI returns of 6.3%, an outperformance of 1.8% (CAGR) since inception (18<sup>th</sup> December 2017)



Disclaimer: Performance related information is not verified by SEBI

## Strategy Contributors (1 Year Trailing 30<sup>th</sup> Nov 2020)

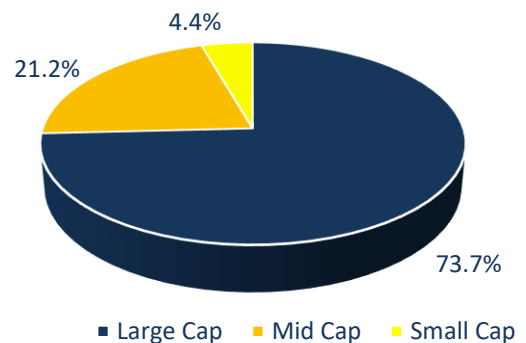
| Top 5                             | Contribution |
|-----------------------------------|--------------|
| Max Financial Services Ltd.       | 4.7%         |
| Larsen & Toubro Infotech Ltd.     | 4.0%         |
| Tata Consultancy Services Limited | 3.4%         |
| Eicher Motors Limited             | 3.2%         |
| Hindustan Unilever Limited        | 1.9%         |

| Bottom 5                         | Contribution |
|----------------------------------|--------------|
| Future Lifestyle Fashions Ltd.   | -2.8%        |
| Container Corp. Of India Limited | -1.6%        |
| Godrej Agrovet Limited           | -1.2%        |
| I T C Limited                    | -0.9%        |
| Phoenix Mills Limited            | -0.7%        |

## \*Portfolio Fundamentals

|            | TTM |
|------------|-----|
| PAT Growth | 6%  |
| RoE        | 18% |
| PE         | 33  |

## Market Capitalization



Weighted Average Market Cap Rs. 3,25,300 Crs

## Risk Ratios

| 1 Year Data        | Strategy | Benchmark |
|--------------------|----------|-----------|
| Churn Ratio        | 67.3%    | -         |
| Standard Deviation | 29.4%    | 29.3%     |
| Beta               | 0.96     | 1         |
| Sharpe Ratio       | 0.0      | 0.1       |

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