

February 2021 (Data as on 31st January 2021. Inception date – 18th February 2003)



INVESTMENT APPROACH

Strategy Name: Value Strategy

Investment Objective: The Strategy aims to benefit from the long term compounding effect on investments done in good businesses, run by great business managers for superior wealth creation.

Description of types of securities: Listed Equity Basis of selection of such types of securities as part of the investment approach: value based stock selection strategy

Allocation of portfolio across types of securities: The strategy seeks to primarily invest in Equity and Equity-related instruments of large cap companies. However, the strategy has the flexibility to invest in companies across the entire market capitalization spectrum

Benchmark: Nifty 50 TRI

Indicative tenure or investment horizon: Medium to Long term



KEY FEATURES & PORTFOLIO ATTRIBUTES

Large cap oriented portfolio with ~70% weightage

17+ years track record with annualized return of 19.7% since inception (an alpha of 2.8% over Nifty 50 TRI)

Concentrated portfolio of 24 stocks with high earnings growth

Each of the portfolio companies are market leaders in their respective segments

Index agnostic: ~70% away from benchmark Nifty 50



PORTFOLIO ACTIONS IN LAST 6 MONTHS

Companies Added: SBI Cards & Payment Services Ltd.,

HCL Technologies Ltd., Jubilant Foodworks Ltd.,

Mahindra & Mahindra Ltd., United Spirits Ltd.

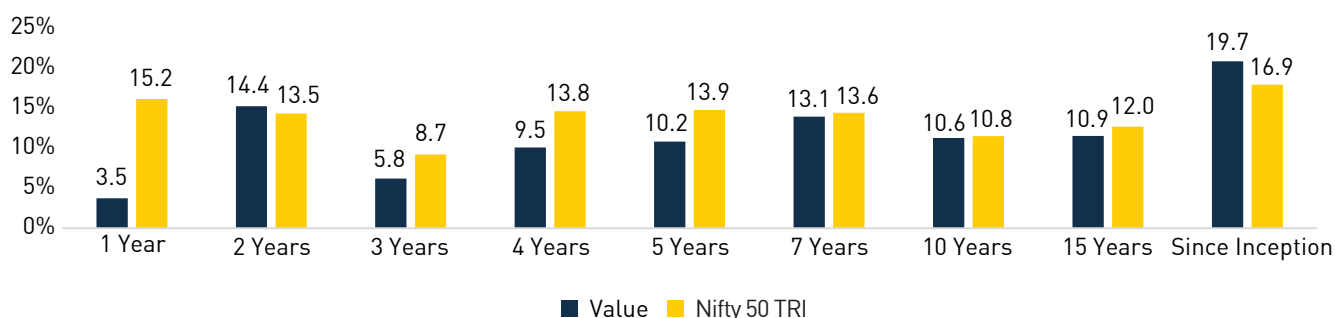
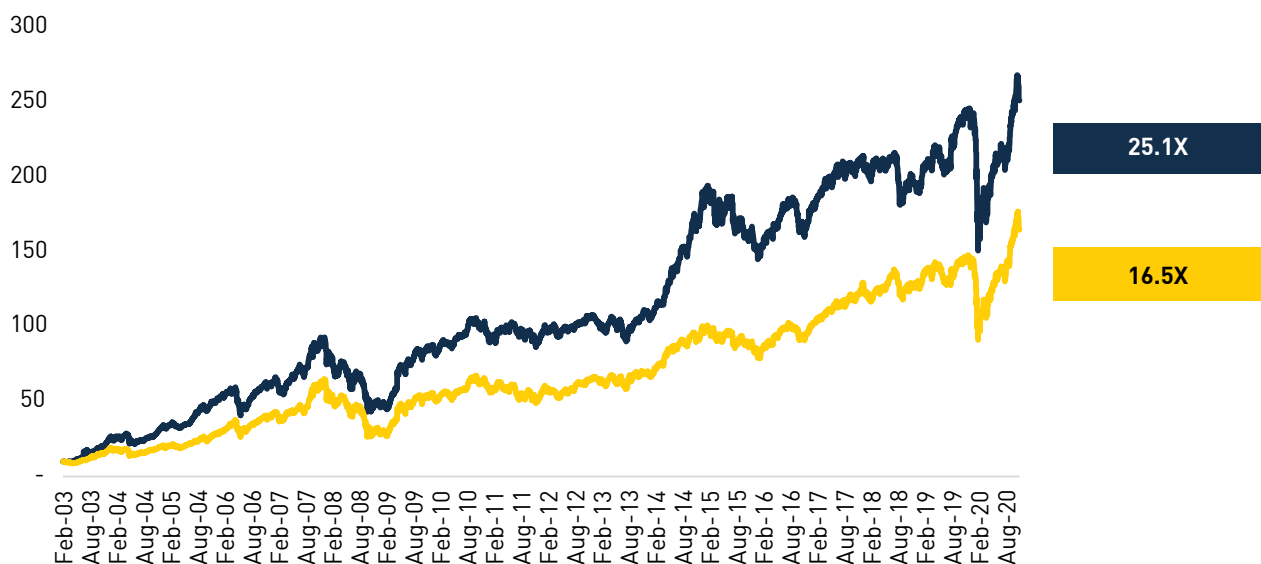
Companies Exited: ITC Ltd., Axis Bank Ltd., Bajaj Finserv Ltd.



PERFORMANCE SINCE INCEPTION

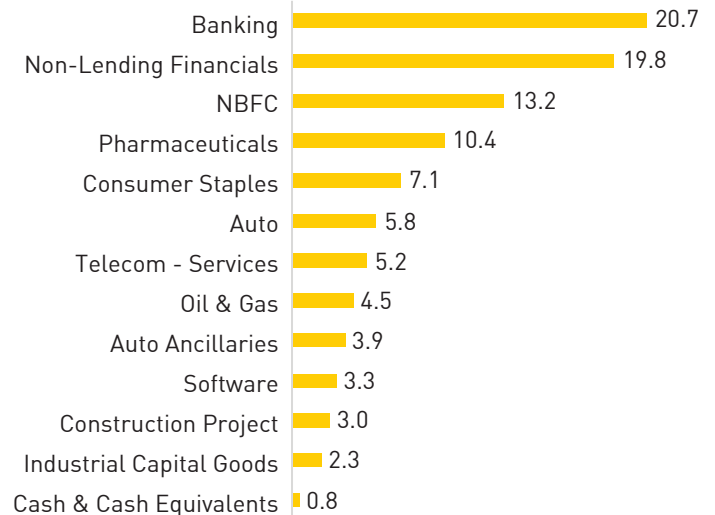
One lac invested in the strategy on 18th Feb 2003 would have grown to Rs. 25 lacs today against 16 lacs invested in Benchmark

Value Strategy Nifty 50 TRI



TOP 10 HOLDINGS & SECTORAL ALLOCATION

| Scrip Name | (%) of Holding |
|-------------------------------------|----------------|
| MAX Financial Services Ltd. | 11.9 |
| ICICI Bank Ltd. | 10.7 |
| HDFC Life Insurance Company Ltd. | 7.9 |
| Sbi Cards And Payment Services Ltd. | 7.1 |
| HDFC Bank Ltd. | 6.4 |
| Bharti Airtel Ltd. | 5.2 |
| Dr. Reddy's Laboratories Ltd. | 5.0 |
| Tube Investment of India Ltd. | 3.9 |
| Maruti Suzuki India Ltd. | 3.6 |
| LIC Housing Finance Ltd. | 3.6 |



STRATEGY CONTRIBUTORS (3 Year Trailing 31st Jan 2021)

| Top 5 | Contribution |
|------------------------------|--------------|
| HDFC Life Insurance Co. Ltd. | 6.4% |
| Max Financial Services Ltd. | 5.9% |
| Ipca Laboratories Ltd. | 5.4% |
| ICICI Bank Ltd. | 3.8% |
| HDFC Bank Ltd. | 3.3% |

| Bottom 5 | Contribution |
|-------------------------------|--------------|
| Bharat Forge Ltd. | -4.2% |
| Quess Corp Ltd. | -2.0% |
| Eicher Motors Ltd. | -1.8% |
| Bharat Petroleum Corpn. Ltd. | -1.8% |
| Sun Pharmaceutical Inds. Ltd. | -1.6% |

RISK RATIOS

| 3 Year Data | Strategy | Benchmark |
|--------------------|----------|-----------|
| Churn Ratio | 31.7% | - |
| Standard Deviation | 21.5% | 21.4% |
| Beta | 0.94 | 1 |
| Sharpe Ratio | -0.6 | 0.0 |

PORTFOLIO FUNDAMENTALS & MARKET CAP

| Market Cap | Weightage |
|--------------------|-----------|
| Large Cap | 70.53% |
| Mid Cap | 28.62% |
| Small Cap | 0.00% |
| Cash & Equivalents | 0.85% |

| | TTM |
|------------|-----|
| PAT Growth | 2% |
| RoE | 19% |
| PE | 28 |

HOW BUY RIGHT : SIT TIGHT WORKS

| Company | Initial Purchase Date | Market Cap (Initial Purchase date)* | Market Cap (31st Jan 2021)* | Absolute Growth | CAGR (%) |
|-----------------------------|-----------------------|-------------------------------------|-----------------------------|-----------------|----------|
| HDFC Bank | Jul-08 | 40,986 | 7,66,053 | 18.7X | 26% |
| HDFC Life Insurance Company | Nov-17 | 69,159 | 1,36,947 | 2.0X | 24% |
| Ipca Laboratories | May-18 | 9,208 | 23,508 | 2.6X | 41% |

*Market cap in crores

Disclaimers and Risk Factors: Value Strategy Inception Date: 18th Feb 2003; Data as on 31st January 2021; Data Source: MOAMC Internal Research; RFR: 7.25%; *Earnings as of Sept 2020 quarter and market price as on 31st January 2021; 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. The Portfolio Manager manages allocations in all client portfolios by way of a model portfolio which is in line with investment objectives of the portfolio strategy/ investment approach. Unless there are specific exclusion instructions by individual clients, all clients' portfolios are aligned to a model portfolio; which means replication and alignment of all clients' portfolios in terms of scrip and allocation. New clients entering the strategy/ investment approach as of a particular date are also aligned to the model portfolio. It must be noted that there are certain circumstances in which clients' portfolio may deviate or differ from the model portfolios to a material extent. This may happen due to factors like liquidity and free floating consideration in some stocks, organization level exposure norms and related risk management, potential exit of a stock from the model portfolio thereby precluding it from buying in new client portfolios. The reasons quoted here are indicative but not exhaustive and the portfolio manager reserves the right to deviate from model portfolio for groups of clients depending on timing of their entry, market conditions and model portfolio construct at the time of their entry. Risk factors associated with the investment approach are Equity risk, Systematic risk, Concentration risk, Model portfolio risk, Mismatch risk and Execution risk. To know more about the risk factors, please refer disclosure document at motilaloswalmf.com. Investment in securities is subject to market and other risks, and there is no assurance or guarantee that the objectives of any of the strategies of the Portfolio Management Services will be achieved. Please read Disclosure document carefully before investing.

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