

The Zen of Investing



The Value 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.

The Strategy has the investment style of buying undervalued stock & sell overvalued stocks, irrespective of Index movements.

Our investment philosophy – 'Buy Right : Sit Tight'

At Motilal Oswal Asset Management Company (MOAMC), our investment philosophy and investing style is centered on 'Buy Right: Sit Tight' principle.

Buy Right Stock Characteristics

QGLP

- **'Q'uality** denotes quality of the business and management
- **'G'rowth** denotes growth in earnings and sustained RoE
- **'L'ongevity** denotes longevity of the competitive advantage or economic moat of the business
- **'P'rice** denotes our approach of buying a good business for a fair price rather than buying a fair business for a good price

Sit Tight Approach

- **Buy and Hold:** We are strictly buy and hold investors and believe that picking the right business needs skill and holding onto these businesses to enable our investors to benefit from the entire growth cycle needs even more skill.
- **Focus:** Our portfolios are high conviction portfolios with 20 to 25 stocks being our ideal number. We believe in adequate diversification but over-diversification results in diluting returns for our investors and adding market risk

Portfolio Structure

Mode of payment	By Fund Transfer/Cheque and/or Stock Transfer
Investment Horizon	Medium to Long Term (3 Years +)
Benchmark	Nifty 50 Index
Account Activation	Next business day of Clearance of funds
Portfolio Valuation	Closing NSE market prices of the previous day
Operations	- Investments managed on individual basis - Third party custodian for funds and securities
Reporting	- Monthly Performance Statement - Transaction, Holding & Corporate Action Reports - Annual CA certified statement of the account
Servicing	- Dedicated Relationship Manager - Web access for portfolio tracking

For any PMS queries please call us on +91 22 39982602 or write to pmsquery@motilaloswal.com or visit www.motilaloswalmf.com

THINK EQUITY
THINK MOTILAL OSWAL

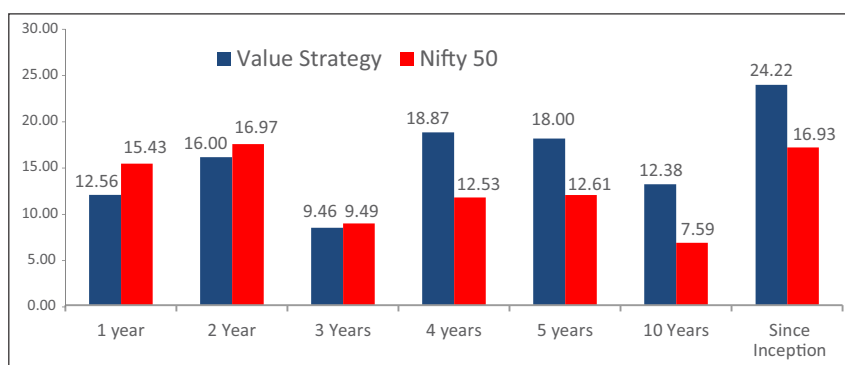
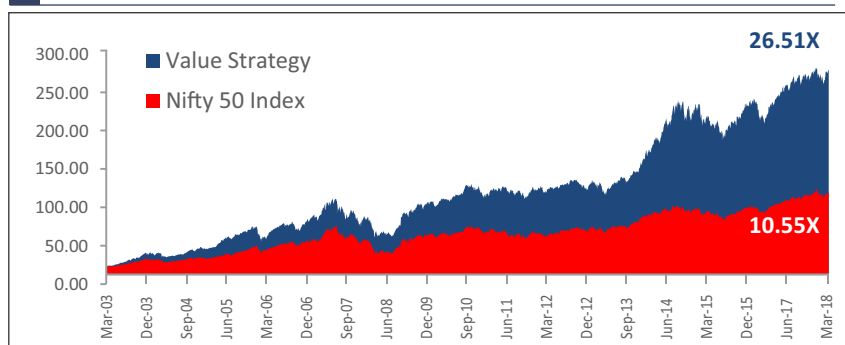
MOTILAL OSWAL
Asset Management
PORTFOLIO STRATEGY

BUY RIGHT
SIT TIGHT

Investment Objective

Value 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.

Performance



Performance Attribution Analysis (1 Year Trailing 30th April 2018)

Scrip	Contribution	Scrip	Contribution
HDFC Bank	2.57%	Qess Corp	0.50%
Kotak Mahindra Bank	2.48%	ICICI Lombard General Insurance Company	0.49%
Bharat Forge	1.76%	Bajaj Finserv	0.33%
HDFC	1.47%	Maruti Suzuki India	0.04%
AU Small Finance Bank	1.44%	Asian Paints	-0.03%
InterGlobe Aviation	1.44%	Petronet L N G	-0.07%
Eicher Motors	1.31%	ICICI Bank	-0.32%
Larsen & Toubro	0.83%	Bosch	-1.26%
Tata Consultancy Services	0.70%	Sun Pharmaceutical	-1.29%
HDFC Standard Life Insurance Company	0.65%	BPCL	-1.77%
Hero Motocorp	0.60%		

Buy Right : Sit Tight

Stock	Purchase Date	Adjusted Purchase Price	Market Rate as on 30-Apr-18	% Growth
Bosch Ltd.	Jun-03	497	19,400	3803%
Hero MotoCorp Ltd.	Jun-03	254	3,732	1371%
Eicher Motors Ltd.	Apr-12	2055	31,190	1418%
HDFC Bank Ltd.	Jul-08	201	1,945	868%
HDFC Ltd.	Jan-06	242	1,883	679%

Disclaimers and Risk Factors

Value Strategy Inception Date: 25th Mar 2003 :: Data as on 30th April 2018 :: Data Source: MOAMC Internal Research :: RFR: 7.25% ::*For December quarter Please Note: The above strategy returns are of a Model Client as on 30th April 2018. Returns of individual clients may differ depending on time of entry in the Strategy. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Returns below 1 year are absolute and above 1 year are annualized. Strategy returns shown above are post fees & expenses. The stocks forming part of the existing portfolio under Value Strategy may or may not be bought for new client. Name of the PMS Strategy does not in any manner indicate its future prospects and returns. The Company names mentioned above is only for the purpose of explaining the concept and should not be construed as recommendations from MOAMC.

Top 10 Holding & Top 5 Sectors

Scrip Names	% Holdings
HDFC Bank Ltd.	10.28
Kotak Mahindra Bank Ltd.	8.83
AU Small Finance Bank Ltd.	7.06
Bharat Forge Ltd.	6.69
Eicher Motors Ltd.	6.64
Bharat Petroleum Corporation Ltd.	6.44
Larsen & Toubro Ltd.	5.75
Bajaj Finserv Ltd.	5.67
HDFC Ltd.	5.55
Sun Pharmaceuticals Ltd.	5.11

Sectors	% Allocation
Banking & Finance	47.41
Auto & Auto Ancillaries	24.47
Oil & Gas	8.36
Engineering & Electricals	5.75
Pharmaceuticals	5.11
Cash	1.35

Market Capitalization

Market Capitalization	% Equity
Large cap	88.55
Midcap	10.01
Smallcap	-
Weighted Average Market Cap (Rs. in Crs)	154747.32

Risk Ratios

1 Year Data	Scheme	Benchmark
Standard Deviation	11.04%	10.12%
Beta	0.89	1.00
Sharpe Ratio	0.38	0.67
Upside Capture	0.91	1.00
Downside Capture	0.97	1.00

Portfolio Fundamentals

	TTM*	FY18E	FY19E
PAT Growth	13%	21%	24%
RoE	19%	19%	19%
PE	33	32	25

Ageing

No. of Scrips	Holding Period
2	Since Inception
4	> 5 Years
5	> 2 Years but < 5 Years
8	< 2 Years

The average holding period for stocks held under Value Strategy is over 4 years and 6 months.