

# BUY RIGHT : SIT TIGHT

Buying quality companies and riding their growth cycle



**THINK EQUITY**  
**THINK MOTILAL OSWAL**

**MOTILAL OSWAL**  
**ASSET MANAGEMENT**

**BUY RIGHT**  
**SIT TIGHT**

Motilal Oswal Asset Management Company (MOAMC) is one of India's fastest growing asset management companies.

With a focus on equity investing and equity investment expertise inherited from over 30 years of capital markets experience of our sponsors Motilal Oswal Securities Ltd., we have created a single investing philosophy be it Mutual Fund (MF) or Portfolio Management Services (PMS).

Like our investing philosophy, our product basket is also focused with concentrated 'buy and hold' PMS Strategies and Mutual Fund schemes in the Large Cap, Midcap and Multicap space respectively.

Our Value Strategy is one of the longest running products in PMS with a track record of 14 years. And our MF offerings come with unique features such as “Low Churn” and “Focused” portfolios.

With an investment management team of 19; we aim to be seen as an investment management house focused on wholesaling through marquee distribution platforms and strong relationships, backed by performance track record.

# BUY RIGHT SIT TIGHT

## Our Investment Philosophy

At Motilal Oswal Asset Management Company (MOAMC), our investment philosophy is centered on two critical pillars of equity investing – 'Buy Right: Sit Tight'. 'Buy Right' means buying quality companies at a reasonable price and 'Sit Tight' means staying invested in them for a long time to realise the full growth potential of the stocks.

### Process2Performance

#### Value Strategy

Inception Date: 24 Mar 2003

Delivered an annualized return of 24.64% since inception as against 17.44% by Nifty 50 Index

Delivered an annualized return of 18.80% since inception as against 6.57% by Nifty 500 Index

#### NTDOP Strategy

Inception Date: 11 Dec 2007

#### IOP Strategy

Inception Date: 11 Feb 2010

Delivered an annualized return of 17.90% since inception as against 14.14% by Nifty Free Float Midcap 100 Index

Delivered an annualized return of 18.01% since inception as against 15.26% by Nifty 50 Index

#### MOST Focused 25

Inception Date: 13 May 2013

#### MOST Focused Midcap 30

Inception Date: 24 Feb 2014

Delivered an annualized return of 27.42% since inception as against 30.19% by Nifty Free Float Midcap 100 Index

Delivered an annualized return of 30.57% since inception as against 18.64% by Nifty 500 Index

#### MOST Focused Multicap 35

Inception Date: 28 Apr 2014

#### MOST Focused Long Term

Inception Date: 21 Jan 2015

Delivered an annualized return of 22.15% since inception as against 12.12% by Nifty 500 Index

Delivered an annualized return of 15.54% since inception as against 15.67% by CRISIL Hybrid 35 + 65 - Aggressive Index

#### MOST Focused Dynamic Equity

Inception Date: 27 Sep 2016

Data as on January 31, 2018

Past performance may or may not be sustained in future.

For detailed performance tables, please refer page no. 11 to 16 for Mutual Fund Schemes and 18 to 20 for Strategies of Portfolio Management Services

# BUY RIGHT

## How do we 'Buy Right' ?

Over the last 22 years, our chairman, Raamdeo Agrawal (one of India's foremost value investors) has been analyzing the Indian equity market to come up with investing insights in the form of the Annual Motilal Oswal Wealth Creation Study. The learnings from all these studies have helped us evolve a unique and focused investing process - 'QGLP'.

Every stock we buy in our Mutual Fund Schemes or PMS Strategies is based on our QGLP parameters.



for QUALITY

'Quality' denotes quality of the business and management



for GROWTH

'Growth' denotes growth in earnings and sustained RoE



for LONGEVITY

'Longevity' denotes longevity of the competitive advantage or economic moat of the business



for PRICE

'Price' denotes our approach of buying a good business for a fair price rather than buying a fair business for a good price

### Performance of QGLP stocks

Here are a few more examples that show how QGLP stocks have fared in terms of compounded annual growth return (CAGR) over the last 20 years or since listing; whichever is later.

Company Name	CAGR %
Eicher Motors Ltd	52.03
Asian Paints Ltd	22.38
Hero Motocorp Ltd	16.80
HDFC Bank Ltd	18.52
Sun Pharma Industries Ltd	16.06

The given stocks are part of portfolio. The Stocks mentioned above are used to explain the concept and are for illustration purpose only and should not be used for development or implementation of an investment strategy. It shall not be constitute as an advice, an offer to sell/purchase or as an invitation or solicitation to do so for any securities. The statements made herein may include statements of future expectations and other forward-looking statements that are based on our current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Past performance may or may not be sustained in future. Source: Bloomberg Consensus & Internal Research

Data as on January 31, 2018

# SIT TIGHT

## How do we 'Sit Tight' ?

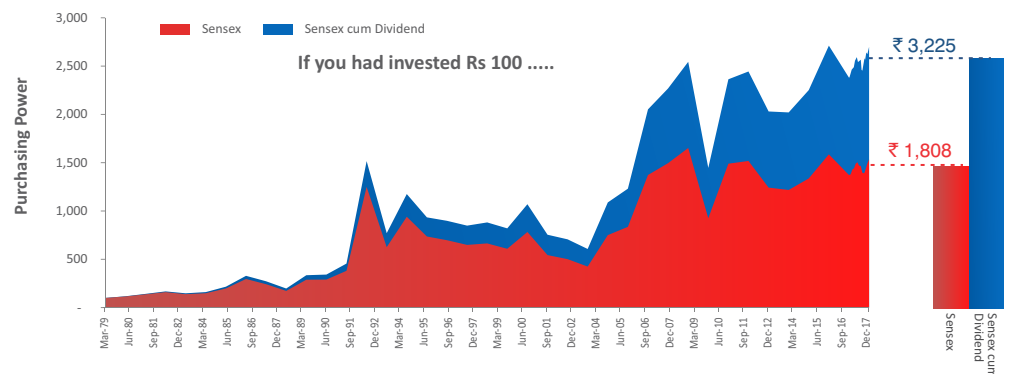
While Buying Right is all about following a process, Sitting Tight on a good buy requires Focus & Discipline.

**Buy and Hold:** We believe in focused stock portfolios and are strictly buy and hold investors and believe that while picking the right business needs skill; 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 as over-diversification results in diluting returns for our investors and adding market risk.

### Buy & Hold

If you had invested ₹ 100 in the Sensex in 1979, your investment would have multiplied to ₹ 3,225 with dividend and to ₹ 1,808 without dividend.

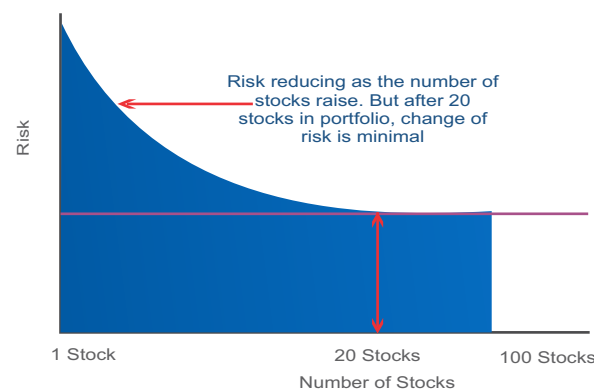


Source: Bloomberg | Data as on January 31, 2018

The graph above is used to explain the concept and is for illustration purpose only and should not be used for development or implementation of an investment strategy. It should not be construed as investment advice to any party. The above figures are inflation adjusted.

### Focused Portfolio

Diversification beyond your control becomes unmanageable and adds no value to your portfolio. Over diversification can impact the overall performance of your portfolio. As in case of most portfolios, the top 5 good quality stocks contribute 80% of overall performance of your portfolio while the rest 20% is contributed by bad quality stocks.





## Quality

*"Great companies to invest are like wonderful castles, surrounded by deep, dangerous moats where the leader inside is an honest and decent person. Preferably, the castle gets its strength from the genius inside; the moat is permanent and acts as a powerful deterrent to those considering an attack; and inside, the leader makes gold but doesn't keep it all for himself."*

$$Q = \text{Quality of business} \times \text{Quality of management}$$

There are two aspects to Q: (1) Quality of business and (2) Quality of management. The relationship between the two is multiplicative and not additive. Thus, if one of the aspects is zero, Q will be equal to zero, no matter how high the other.

Quality is a subjective concept, and yet there are several objective indicators of the same, as listed below:

### Q INDICATORS

#### Quality of Business

- Large profit pool
- Economic Moat i.e. sustained competitive advantage reflected in return ratios (RoE, RoCE) higher than cost of capital and also those of peers
- Favourable competitive structure like monopoly or oligopoly
- Secular and stable business, preferably consumer facing
- Positive demand-supply situation

#### Quality of Management

- Competence
  - Sound business strategy
  - Excellence in execution
  - Rational dividend payout policy
- Integrity
  - Honest and transparent
  - Concern for all stakeholders
- Growth mindset
  - Long-range profit outlook
  - Efficient capital allocation, including growth by acquisitions



## Growth

*"Growth creates value only when it takes place within the limits of a strong and sustainable company franchise, and these are rare."*

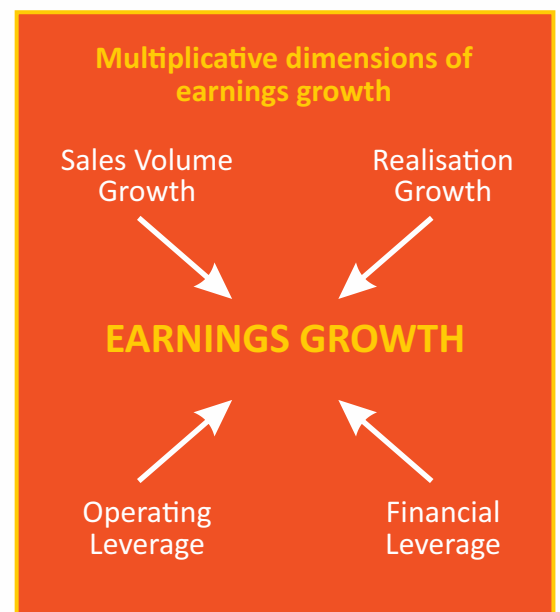
**G** = **Growth in earnings**

In investing, there are two dimensions of growth: (1) Earnings growth and (2) Valuation growth. The G of QGLP addresses earnings growth, whereas the P(rice) takes care of the Valuation growth.

Earnings growth by itself doesn't mean much. It adds value only when the company earns returns on capital higher than the cost of capital. Hence, growth is simply an amplifier: good when returns exceed the cost of capital, bad when returns are below the cost of capital, and neutral when returns equal the cost of capital.

In the final analysis, G (i.e. earnings growth in a company) is a quantitative reflection of Q (i.e. quality of business and management). G has four dimensions:

1. **Volume growth** - a function of demand growth matched by company's capacity to supply
2. **Price growth** - a function of company's pricing power, which in turn is a function of the competitive landscape
3. **Operating leverage** - a function of the company's operating cost structure. Higher the fixed cost, lower the unit cost incidence and higher the operating leverage
4. **Financial Leverage** - a function of capital structure. Higher the debt-equity, higher the financial leverage and vice versa



## Longevity

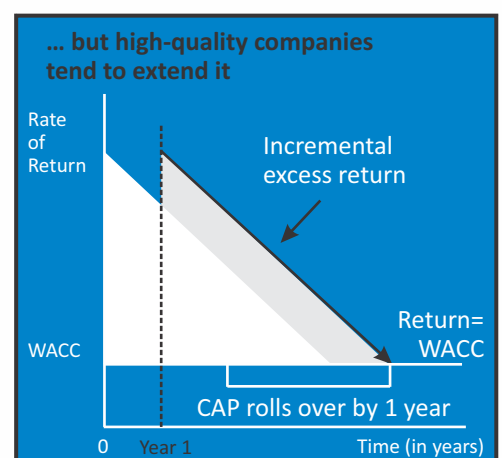
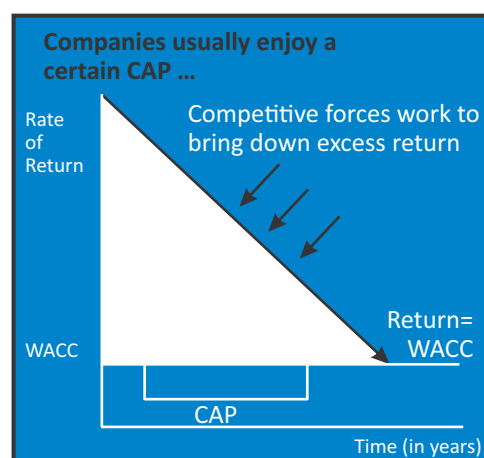
*"We like great companies with dominant positions, whose franchise is hard to duplicate and has tremendous staying power or some permanence to it."*

**L = Longevity of quality and growth**

Having established the present quality and earnings growth of the company, the next challenge to investors is assessing how long it can sustain both. In the context of longevity, competence of management is tested at two levels:

- (1) Extending CAP (i.e. Competitive Advantage Period), and
- (2) Delaying growth slowdown.

**Extending CAP:** Competitive Advantage Period (CAP) is the time during which a company generates returns on investment that exceed its cost of capital. Competition eventually drives down returns to cost of capital, and sometimes even below it. However, a company with a great business and great management keeps extending its CAP, sustaining high return both for itself and its equity investors.



WACC is the Weighted Average Cost of Capital

**Delaying growth slowdown:** Competent managements can delay growth slowdown by

- (1) new streams of organic growth, and/or
- (2) inorganic growth via judicious acquisitions.



# P

## Price

*"In the Bible, it says that love covers a multitude of sins. Well, in the investing field, price covers a multitude of mistakes. For human beings, there is no substitute for love. For investing there is no substitute for paying the right price – absolutely none."*

**P = Price (i.e. Favourable valuation)**

Growth in stock price is a multiplicative function of growth in earnings and growth in valuation. The simplest way to improve the odds of valuation growth is by ensuring favourable purchase price.

The price of a stock has to be seen in conjunction with the value it offers. Price is what we pay; value is what we get. Therefore, stock prices are attractive only when they are less than the value perceived in the stock.

A simple rule of thumb of favourable purchase price is low P/E, preferably single-digit. However, in certain situations, low P/E may not be the sole determinant of favourable price e.g. during bottom-of-the-cycle, earnings of cyclical stocks are depressed leading to high P/Es; likewise, where companies are expected to turn from loss to profit, current P/E cannot be calculated.

### Few other measures of favourable purchase price

- Discount to historical valuation bands – P/E, Price/Book
- PEG Ratio (i.e. P/E ÷ Earnings growth; the lower the better)
- Discount to DCF value (Discounted Cash Flow) or Replacement cost
- Low Payback ratio (i.e. Market cap / Expected profits of next 5 years)
- High dividend yield
- Absolute market cap relative to the size of opportunity

# MUTUAL FUNDS

**For whom:** Our equity expertise can be accessed by individual investors with an approach to long term savings through our Mutual Fund products for as low as Rs. 500 through a systematic investment plan (SIP).

**Benefits:** Our Mutual Fund Schemes pass through a rigorous investment process with an aim to deliver consistent performance. Investments in the Schemes can also be conveniently done online. As an investment house, since we have only one investment philosophy, we aim to keep life simple for us and our investors by having a focused menu of equity funds – one large cap, one midcap, one multicap, one tax saver fund and one dynamic fund.

## Our Funds

- **MOST Focused 25**  
Invests in enduring wealth creators
- **MOST Focused Midcap 30**  
Invests in emerging wealth creators
- **MOST Focused Multicap 35**  
Invests in emerging and enduring wealth creators
- **MOST Focused Long Term**  
Lock in fund that invests in wealth creators plus saves tax
- **MOST Focused Dynamic Equity**  
Invest in equity, derivatives and debt instruments

## Benefits of our Funds

### Low Churn

Reap the full growth potential of stocks

### Focused Portfolio

We do not buy more than 20-25 stocks, reducing the risk of diversification

# PORTFOLIO MANAGEMENT SERVICES

**For whom:** Our PMS products are meant for financially savvy high net worth individuals (HNIs) who wish to utilise our expertise in building a portfolio of high quality companies or who have a large portfolio of stocks but lack the bandwidth to monitor them.

**Benefits:** With our Portfolio Management Services one can build an equity portfolio in the large cap and midcap segment with highly personalized service. Also, the 'Buy Right : Sit Tight' approach results in low churn in our portfolios and makes the costing of our Portfolio Management Services very attractive.

## Our Strategies

- **Value Strategy**  
Concentrated large cap portfolio with only 15-20 stocks
- **Next Trillion Dollar Opportunity Strategy**  
Concentrated multicap portfolio with only 20-25 stocks
- **India Opportunity Portfolio Strategy**  
Concentrated midcap portfolio with only 15-20 stocks

## Benefits of our Strategies

### Low Churn

Reap the full growth potential of stocks

### Focused Portfolio

We do not buy more than 20-25 stocks, reducing the risk of diversification

### High Brand Recall

Widely accepted and distributed product

### Segregated Portfolio

Behavior of an investor won't impact the portfolio of other investors

### Track Record

One of the longest running strategies in the industry with a 14+ years track record

### Transparency

Transparency in portfolio holdings, transactions and expenses

# LARGE CAP FUND

## Motilal Oswal MOST Focused 25 Fund

**Investment Objective :** The investment objective of the Scheme is to achieve long term capital appreciation by investing in upto 25 companies with long term sustainable competitive advantage and growth potential. However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved.

**Type of Scheme:** An Open Ended Equity Scheme

**Benchmark:** Nifty 50 Index

**Entry:** Nil

**Exit Load:** 1% if redeemed on or before 1 year from the date of allotment; Nil if redeemed after 1 year from the date of allotment

### #Performance\*

	1 Year		3 Years		Since Inception	
	CAGR (%)	Current Value of Investment of ₹ 10,000	CAGR (%)	Current Value of Investment of ₹ 10,000	CAGR (%)	Current Value of Investment of ₹ 10,000
MOST Focused 25	25.88	12,588	10.19	13,381	18.01	21,864
Nifty 50 Index TRI (Benchmark)	30.46	13,046	9.11	12,989	15.26	19,557
NAV (Rs.) Per Unit (21.8644 as on 31-Jan-2018)	17.3689		16.3405		10.0000	

\*Date of inception: 13-May-2013. In case, the start/end date of the concerned period is non business date (NBD), the NAV of the previous date is considered for computation of returns. The NAV per unit shown in the table is as on the start date of the said period. Past performance may or may not be sustained in the future. Performance is for Regular Plan Growth Option. Different plans have different expense structure. This scheme is currently managed by Mr. Siddharth Bothra. He has been managing this fund since 23-Nov-2016; Mr. Gautam Sinha Roy is the Co-Fund Manager for equity component since 26-Dec-2016 and Mr. Abhiroop Mukherjee is the Fund Manager for debt component since inception. The performance of the Schemes managed by them are on page no. 12,13,14,15 and 16. The scheme has been in existence for less than 5 years."

### #Fund Manager

Name	Experience
Mr. Siddharth Bothra - Fund Manager	He has a rich experience of more than 17 years in the field of research and investments. He has been managing this fund since 23-Nov-2016
Mr. Gautam Sinha Roy - Co-Fund Manager	He has close to 14 years of experience in fund management and investment research. He has been co-managing this fund since 26-Dec-2016

### #SIP Performance\*

	1 Year		3 Year		Since Inception	
	Scheme	Nifty 50 TRI	Scheme	Nifty 50 TRI	Scheme	Nifty 50 TRI
Invested Amount	120,000		360,000		560,000	
Market Value	132,060.55	137,685.96	458,440.84	467,889.35	849,884.15	811,557.22
Returns (CAGR)%	19.07%	28.29%	16.32%	17.76%	17.95%	15.92%

Inception date: 13-May-2013.

For SIP returns, monthly investment of Rs. 10000/- invested on the 1st day of every month has been considered. Performance is for Regular Plan Growth Option. Past performance may or may not be sustained in the future.

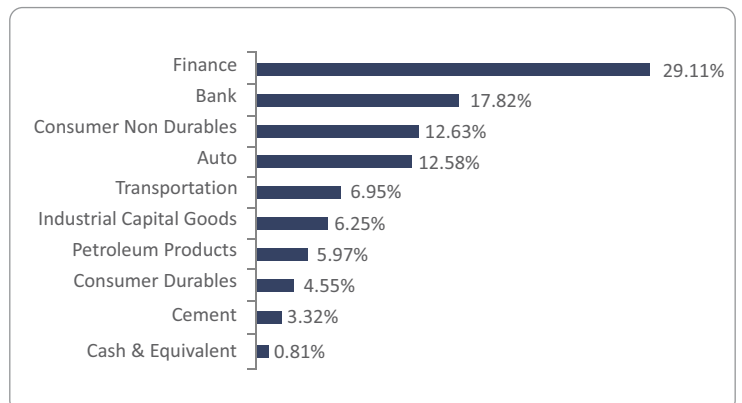
### #Top 10 Holdings\*

Sr. No.	Name of Instrument	% to Net Assets
1	HDFC Bank Ltd	9.24
2	Maruti Suzuki India Ltd	9.03
3	Housing Development Finance Corporation Ltd	8.75
4	ABB India Ltd	6.25
5	ICICI Lombard General Insurance Company Ltd	5.82
6	Container Corporation of India Ltd	5.42
7	HDFC Standard Life Insurance Company Ltd	5.32
8	United Spirits Ltd	5.07
9	Max Financial Services Ltd	4.81
10	Britannia Industries Ltd	4.77

\*Data as on January 31, 2018

#The performance of schemes of Motilal Oswal Mutual Fund is Benchmarked to the Total Return variant of respective Index chosen as Benchmark as against Price Return variant of respective Benchmark Index

### #Sector Allocation\*



Industry classification as recommended by AMFI

# MIDCAP FUND

Motilal Oswal MOST Focused Midcap 30 Fund

**Investment Objective :** The investment objective of the Scheme is to achieve long term capital appreciation by investing in a maximum of 30 quality midcap companies having long-term competitive advantages and potential for growth. However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved.

**Type of Scheme:** An Open Ended Equity Scheme

**Benchmark:** Nifty Free Float Midcap 100 Index

**Entry:** Nil

**Exit Load:** 1% if redeemed on or before 1 year from the date of allotment; Nil if redeemed after 1 year from the date of allotment

## #Performance\*

	1 Year		3 Years		Since Inception	
	CAGR (%)	Current Value of Investment of ₹ 10,000	CAGR (%)	Current Value of Investment of ₹ 10,000	CAGR (%)	Current Value of Investment of ₹ 10,000
MOST Focused Midcap 30	15.23	11,523	11.81	13,980	27.42	25,958
Nifty Free Float Midcap 100 Index TRI (Benchmark)	36.60	13,660	17.93	16,401	30.19	28,252
Nifty 50 TRI (Additional Benchmark)	30.46	13,046	9.11	12,989	17.22	18,693
NAV (Rs.) Per Unit (25.9580 as on 31-Jan-2018)	22.5271		18.5684		10.0000	

\*Date of inception: 24-Feb-2014. In case, the start/end date of the concerned period is non business date (NBD), the NAV of the previous date is considered for computation of returns. The NAV per unit shown in the table is as on the start date of the said period. Past performance may or may not be sustained in the future. Performance is for Regular Plan Growth Option. Different plans have different expense structure. This scheme is currently managed by Mr. Akash Singhania. He is the Fund Manager for equity component since 28-July-2017; ● Mr. Siddharth Bothra is the Co-Fund Manager for equity component since 28-July-2017 and Mr. Abhiroop Mukherjee is the Fund Manager for debt component since inception. The performance of the Schemes managed by them are on page no. 11,13,14,15 and 16. The scheme has been in existence for less than 5 years."

## Fund Manager

Name	Experience
Mr. Akash Singhania <i>Fund Manager</i>	He has overall 13 years of experience and more than 11 years of experience in Fund management across the tenure. He has been appointed as the Fund Manager since 28-Jul-2017
Mr. Siddharth Bothra <i>Co-Fund Manager</i>	He has a rich experience of more than 17 years in the field of research and investments. He has been co-managing this fund since 28-Jul-2017

## #SIP Performance\*

	1 Year			3 Year			Since Inception		
	Scheme	Nifty Free Float Midcap 100 Index TRI	Nifty 50 TRI^	Scheme	Nifty Free Float Midcap 100 Index TRI	Nifty 50 TRI^	Scheme	Nifty Free Float Midcap 100 Index TRI	Nifty 50 TRI^
Invested Amount	1,20,000			3,60,000			4,70,000		
Market Value	123,921.36	138,221.76	137,685.96	427,319.07	514,645.44	467,889.35	641,478.21	743,696.21	636,537.62
Returns (CAGR)%	6.09%	10.99%	28.29%	11.44%	24.60%	17.76%	15.99%	23.94%	15.59%

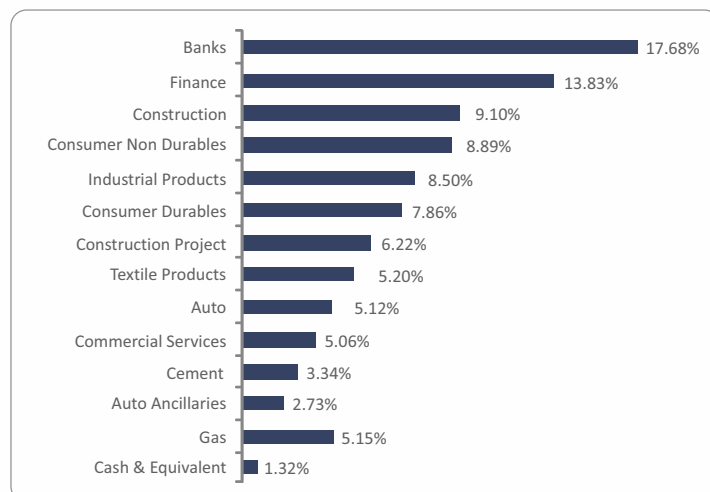
Inception date: 24-Feb-2014. ^Also represents additional benchmark For SIP returns, monthly investment of Rs. 10000/- invested on the 1st day of every month has been considered. Performance is for Regular Plan Growth Option. Past performance may or may not be sustained in the future.

## Top 10 Holdings\*

Sr. No.	Name of Instrument	% to Net Assets
1	RBL Bank Ltd	7.77
2	Voltas Ltd	6.22
3	Bajaj Finance Ltd	5.55
4	Page Industries Ltd	5.20
5	Indraprastha Gas Ltd	5.15
6	TVS Motor Company Ltd	5.12
7	DCB BANK Ltd	5.10
8	Quess Corp Ltd	5.06
9	Max Financial Services Ltd	4.95
10	Kansai Nerolac Paints Ltd	4.87

\*Data as on January 31, 2018

## Sector Allocation\*



Industry classification as recommended by AMFI

# MULTICAP FUND

## Motilal Oswal MOST Focused Multicap 35 Fund

**Investment Objective :** The investment objective of the Scheme is to achieve long term capital appreciation by primarily investing in a maximum of 35 equity & equity related instruments across sectors and market capitalization levels. However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved.

**Type of Scheme:** An Open Ended Diversified Equity Scheme

**Benchmark:** Nifty 500 Index

**Entry:** Nil

**Exit Load:** 1% if redeemed on or before 1 year from the date of allotment; Nil if redeemed after 1 year from the date of allotment

### #Performance\*

	1 Year		3 Years		Since Inception	
	CAGR (%)	Current Value of Investment of ₹ 10,000	CAGR (%)	Current Value of Investment of ₹ 10,000	CAGR (%)	Current Value of Investment of ₹ 10,000
MOST Focused Multicap 35	33.07	13,307	18.43	16,611	30.57	27,291
Nifty 500 Index TRI (Benchmark)	33.12	13,312	11.89	14,010	18.64	19,031
Nifty 50 TRI (Additional Benchmark)	30.46	13,046	9.11	12,989	15.30	17,092
NAV (Rs.) Per Unit (27.2911 as on 31-Jan-2018)	20.5084		16.4296		10.0000	

\*Date of inception: 28-Apr-2014. In case, the start/end date of the concerned period is non business date (NBD), the NAV of the previous date is considered for computation of returns. The NAV per unit shown in the table is as on the start date of the said period. Past performance may or may not be sustained in the future. Performance is for Regular Plan Growth Option. Different plans have different expense structure. This scheme is currently managed by Mr. Gautam Sinha Roy. He has been managing this fund since 5-May-2014; Mr. Siddharth Bothra is the Co-Fund Manager for equity component since 23-Nov-2016, Mr. Abhiroop Mukherjee is the Fund Manager for debt component since inception and Mr. Swapnil Mayekar for Foreign Securities since 10-Aug-2015. The performance of the Schemes managed by them are on page no. 11,12,14,15 and 16. The scheme has been in existence for less than 5 years."

### Fund Manager

Name	Experience
Mr. Gautam Sinha Roy <i>Fund Manager</i>	He has close to 14 years of experience in fund management and investment research. He has been managing this fund since 5-May-2014
Mr. Siddharth Bothra <i>Co-Fund Manager</i>	He has a rich experience of more than 17 years in the field of research and investments. He has been co-managing this fund since 23-Nov-2016

### #SIP Performance\*

	1 Year			3 Year			Since Inception		
	Scheme	Nifty 500 Index TRI	Nifty 50 TRI <sup>^</sup>	Scheme	Nifty 500 Index TRI	Nifty 50 TRI <sup>^</sup>	Scheme	Nifty 500 Index TRI	Nifty 50 TRI <sup>^</sup>
Invested Amount	120,000			360,000			450,000		
Market Value	134,488.49	137,890.38	137,685.96	501,604.27	483,697.94	467,889.35	696,488.95	628,268.29	600,475.02
Returns (CAGR)%	23.02%	28.63%	28.29%	22.74%	20.12%	17.76%	23.84%	18.01%	15.50%

Inception date: 28-Apr-2014. <sup>^</sup>Also represents additional benchmark

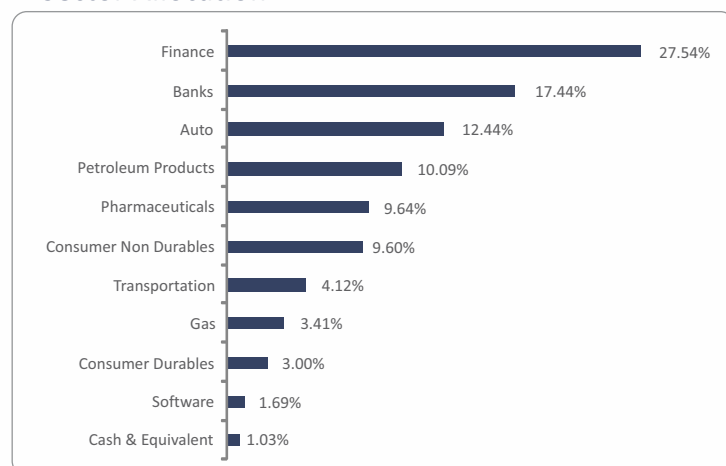
For SIP returns, monthly investment of Rs. 10000/- invested on the 1st day of every month has been considered. Performance is for Regular Plan Growth Option. Past performance may or may not be sustained in the future.

### Top 10 Holdings\*

Sr. No.	Name of Instrument	% to Net Assets
1	Housing Development Finance Corporation Ltd	9.88
2	Maruti Suzuki India Ltd	8.42
3	HDFC Bank Ltd	8.04
4	Hindustan Petroleum Corporation Ltd	5.27
5	Bharat Petroleum Corporation Ltd	4.82
6	IndusInd Bank Ltd	4.65
7	United Spirits Ltd	4.29
8	Jubilant Life Sciences Ltd	4.23
9	Interglobe Aviation Ltd	4.12
10	Eicher Motors Ltd	4.03

\*Data as on Jan 31, 2018

### Sector Allocation\*



Industry classification as recommended by AMFI

# TAX SAVER FUND

## Motilal Oswal MOST Focused Long Term Fund

**Investment Objective :** The investment objective of the Scheme is to generate long-term capital appreciation from a diversified portfolio of pre-dominantly equity and equity related instruments. However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved.

**Type of Scheme:** An open ended equity linked saving scheme with a 3 year lock-in.

**Benchmark:** Nifty 500 Index

**Entry / Exit Load:** Nil

### #Performance\*

	1 Year		3 Years		Since Inception	
	CAGR (%)	Current Value of Investment of ₹ 10,000	CAGR (%)	Current Value of Investment of ₹ 10,000	CAGR (%)	Current Value of Investment of ₹ 10,000
MOST Focused Long Term	35.76	13,576	20.84	17,647	22.15	18,336
Nifty 500 Index TRI (Benchmark)	33.12	13,312	11.89	14,010	12.12	14,144
Nifty 50 TRI (Additional Benchmark)	30.46	13,046	9.11	12,989	9.35	13,109
NAV (Rs.) Per Unit (18.3360 as on 31-Jan-2018)	13.5057		10.3905		10.0000	

"Date of inception: 21-Jan-2015. In case, the start/end date of the concerned period is non business date (NBD), the NAV of the previous date is considered for computation of returns. The NAV per unit shown in the table is as on the start date of the said period. Past performance may or may not be sustained in the future. Performance is for Regular Plan Growth Option. Different plans have different expense structure. This scheme is currently managed by Mr. Gautam Sinha Roy. He has been managing this fund since inception; Mr. Siddharth Bothra is the Co-Fund Manager for equity component since 26-Dec-2016 and Mr. Abhiroop Mukherjee is the Fund Manager for debt component since inception. The performance of the Schemes managed by them are on page no. 11,12,13,15 and 16. The scheme has been in existence for less than 5 years."

### Fund Manager

Name	Experience
Mr. Gautam Sinha Roy - <i>Fund Manager</i>	He has close to 14 years of experience in fund management and investment research. He has been managing this fund since inception
Mr. Siddharth Bothra - <i>Co-Fund Manager</i>	He has a rich experience of more than 17 years in the field of research and investments. He has been co-managing this fund since 26-Dec-2016

### #SIP Performance\*

	1 Year			Since Inception/3 Years		
	Scheme	Nifty 500 Index TRI	Nifty 50 TRI <sup>^</sup>	Scheme	Nifty 500 Index TRI	Nifty 50 TRI <sup>^</sup>
Invested Amount	120,000			360,000		
Market Value	137,231.51	137,890.38	137,685.96	525,352.92	483,844.77	467,992.45
Returns (CAGR)%	27.54%	28.63%	28.29%	26.09%	20.13%	17.76%

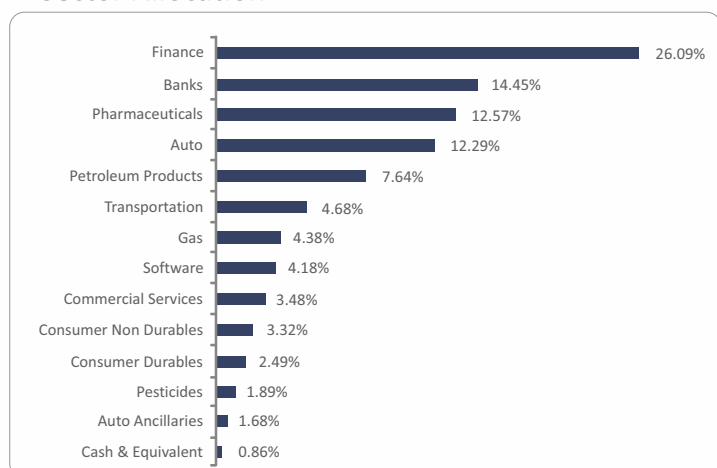
Inception date: 21-Jan-2015. <sup>^</sup>Also represents additional benchmark  
For SIP returns, monthly investment of Rs. 10000/- invested on the 1st day of every month has been considered. Performance is for Regular Plan Growth Option. Past performance may or may not be sustained in the future.

### Top 10 Holdings\*

Sr. No.	Name of Instrument	% to Net Assets
1	Housing Development Finance Corporation Ltd	9.32
2	Maruti Suzuki India Ltd	8.28
3	HDFC Bank Ltd	8.22
4	IndusInd Bank Ltd	6.24
5	Jubilant Life Sciences Ltd	5.14
6	Bharat Petroleum Corporation Ltd	5.01
7	ICICI Lombard General Insurance Company Ltd	4.71
8	Interglobe Aviation Ltd	4.68
9	Eris Lifesciences Ltd	4.52
10	Petronet LNG Ltd	4.38

\*Data as on January 31, 2018

### Sector Allocation\*



Industry classification as recommended by AMFI

# DYNAMIC FUND

## Motilal Oswal MOST Focused Dynamic Equity Fund

**Investment Objective :** The investment objective is to generate long term capital appreciation by investing in equity and equity related instruments including equity derivatives as well as debt instruments. However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved.

**Type of Scheme:** An open ended equity scheme

**Benchmark:** CRISIL Hybrid 35 + 65 - Aggressive Index

**Entry:** Nil

**Exit Load:** 1% if redeemed on or before 1 year from the date of allotment; Nil if redeemed after 1 year from the date of allotment

### Fund Manager

Name	Experience
Mr. Gautam Sinha Roy - Fund Manager	He has close to 14 years of experience in fund management and investment research. He has been managing this fund since 23-Nov-2016
Mr. Siddharth Bothra - Co-Fund Manager	He has a rich experience of more than 17 years in the field of research and investments. He has been co-managing this fund since 23-Nov-2016
Mr. Abhiroop Mukherjee - Fund Manager for Debt Component	He has 10 years of experience in Trading Fixed Income Securities viz. G-sec, T-bills, Corporate Bonds CP, CD etc. He has been managing this fund since inception

### #Performance\*

	1 Year		Since Inception	
	CAGR (%)	Current Value of Investment of ₹ 10,000	CAGR (%)	Current Value of Investment of ₹ 10,000
MOST Focused Dynamic Equity	20.36	12,036	15.54	12,145
CRISIL Hybrid 35 + 65 - Aggressive Index TRI (Benchmark)	21.04	12,104	15.67	12,164
Nifty 50 TRI (Additional Benchmark)	30.46	13,046	20.48	12,848
NAV (Rs.) Per Unit (12.1447 : as on 31-Jan-2018)	10.0900		10.0000	

Date of inception: 27-Sep-2016 In case, the start/end date of the concerned period is non business date (NBD), the NAV of the previous date is considered for computation of returns. The NAV per unit shown in the table is as on the start date of the said period. Past performance may or may not be sustained in the future. Performance is for Regular Plan Growth Option. Different plans have different expense structure. This scheme is currently managed by Mr. Gautam Sinha Roy. He has been managing this fund since 23-Nov-2016; Mr. Siddharth Bothra is the Co-Fund Manager for equity component since 23-Nov-2016 and Mr. Abhiroop Mukherjee is the Fund Manager for debt component since inception. The performance of the Schemes managed by them are on page no. 11,12,13,14 and 16. The scheme has been in existence for less than 3 years

### TOP 10 HOLDINGS (Equity Component)\*

Sr. No.	Name of Instrument	% to Net Assets
1	Housing Development Finance Corporation Ltd	8.70
2	Maruti Suzuki India Ltd	7.79
3	Lupin Ltd	5.21
4	HDFC Bank Ltd	4.71
5	Bajaj Finance Ltd	4.46
6	Jubilant Life Sciences Ltd	3.47
7	Titan Company Ltd	3.13
8	Max Financial Services Ltd	2.71
9	Eicher Motors Ltd	2.69
10	United Spirits Ltd	2.68

All the Returns shown above are of Regular Plan Growth Option

### Allocation\*

Sr. No.	Name of Instrument	% to Net Assets
1	Total Equity	64.98
2	Bonds and NCDs	24.34
3	Fixed Deposits	0.79
4	CBLO	3.41
5	Cash and Cash Equivalent (including Book Value of Futures)	31.57
6	Equity Derivatives	-25.1
	Total	100.00

\*Data as on January 31, 2018

#The performance of schemes of Motilal Oswal Mutual Fund is Benchmarked to the Total Return variant of respective Index chosen as Benchmark as against Price Return variant of respective Benchmark Index

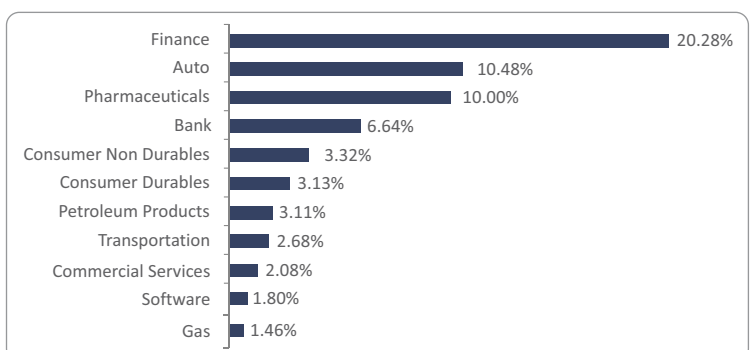
### #SIP Performance\*

	1 Year			Since Inception		
	Scheme	CRISIL Hybrid 35 + 65 - Aggressive Index TRI	Nifty 50 TRI <sup>^</sup>	Scheme	CRISIL Hybrid 35 + 65 - Aggressive Index TRI	Nifty 50 TRI <sup>^</sup>
Invested Amount	120,000			160,000		
Market Value	129,563.40	131,636.50	137,686.96	178,595.80	180,925.05	190,785.99
Returns (CAGR)%	15.04%	18.38%	28.29%	16.51%	18.58%	27.41%

<sup>^</sup> Also represents additional benchmark

Date of inception: 27-Sep-2016 For SIP returns, monthly investment of ₹ 10,000/- invested on the 1st day of every month has been considered. Performance is for Regular Plan Growth Option. Past performance may or may not be sustained in the future.

### Sector Allocation\*



Industry classification as recommended by AMFI



# OTHER FUNDS

## ■ MOST Ultra Short Term Bond Fund Performance\*

	1 Year		3 Years		Since Inception	
	CAGR (%)	Current Value of Investment of ₹ 10,000	CAGR (%)	Current Value of Investment of ₹ 10,000	CAGR (%)	Current Value of Investment of ₹ 10,000
MOST Ultra Short Term Bond Fund	5.48	10,548	6.11	11,951	6.64	13,272
CRISIL Short Term Bond Fund Index TRI (Benchmark)	5.38	10,538	7.88	12,562	8.81	14,508
CRISIL LIQUIFEX TRI (Additional Benchmark)	6.68	10,668	7.39	12,391	8.06	14,069
NAV (Rs.) Per Unit (13.2724 as on 31-Jan-2018)	12.5825		16.3405		10.0000	

"Date of inception: 6-Sep-13. In case, the start/end date of the concerned period is non business date (NBD), the NAV of the previous date is considered for computation of returns. The NAV per unit shown in the table is as on the start date of the said period. Past performance may or may not be sustained in the future. Performance is for Regular Plan Growth Option. Different plans have different expense structure. This scheme is currently managed by Mr. Abhiroop Mukherjee. He has been managing this fund since inception; The performance of the Schemes managed by him are on page no. 11 to 15. The scheme has been in existence for less than 5 years."

## ■ Motilal Oswal MOST Shares NASDAQ 100 ETF Performance\*

	1 Year		3 Years		5 Years		Since Inception	
	CAGR (%)	Current Value of Investment of ₹ 10,000	CAGR (%)	Current Value of Investment of ₹ 10,000	CAGR (%)	Current Value of Investment of ₹ 10,000	CAGR (%)	Current Value of Investment of ₹ 10,000
MOST Shares NASDAQ 100	25.43	12,543	18.87	16,796	24.37	29,753	23.28	41,933
NASDAQ 100 Index TRI (In INR) (Benchmark)	27.97	12,797	20.92	17,679	26.32	32,164	25.14	46,459
Nifty 50 TRI (Additional Benchmark)	30.46	13,046	9.11	12,989	14.19	19,415	11.37	20,909
NAV (Rs.) Per Unit ( 432.8965 as on 31-Jan-2018)	345.1358		257.7351		145.4945		103.2365	

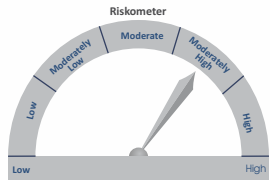
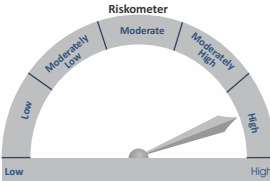
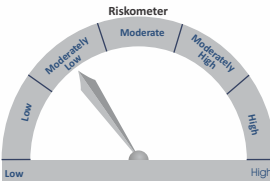
The performance of schemes of Motilal Oswal Mutual Fund is Benchmarked to the Total Return variant of respective Index chosen as Benchmark as against Price Return variant of respective Benchmark Index

"Date of inception: 29-Mar-11. In case, the start/end date of the concerned period is non business date (NBD), the NAV of the previous date is considered for computation of returns. The NAV per unit shown in the table is as on the start date of the said period. Past performance may or may not be sustained in the future. Performance is for Regular Plan Growth Option. Different plans have different expense structure. This scheme is currently managed by Mr. Swapnil Mayekar. He has been managing this fund since 10-Aug-2015". Other Scheme managed by him are on page 13.

Mr. Abhiroop Mukherjee is the fund manager of the scheme MOST Ultra Short Term Bond Fund and for the debt component of the scheme MOST Focused 25, MOST Focused Midcap 30, MOST Focused Multicap 35, MOST Focused Long Term and MOST Focused Dynamic Equity.

Mr. Swapnil Mayekar is the fund manager of the scheme Motilal Oswal MOST shares NASDAQ 100 ETF & for foreign securities of the scheme, Motilal Oswal MOST Focused Multicap 35 fund.

# PRODUCT LABEL

Name of the Scheme	This product is suitable for investors who are seeking*	
Motilal Oswal MOST Focused 25 Fund (MOST Focused 25)	<ul style="list-style-type: none"> <li>Return by investing in upto 25 companies with long term sustainable competitive advantage and growth potential</li> <li>Investment in Equity and equity related instruments subject to overall limit of 25 companies</li> </ul>	 <p>Investors understand that their principal will be at Moderately High risk</p>
Motilal Oswal MOST Focused Midcap 30 Fund (MOST Focused Midcap 30)	<ul style="list-style-type: none"> <li>Long-term capital growth</li> <li>Investment in equity and equity related instruments in a maximum of 30 quality mid-cap companies having long-term competitive advantages and potential for growth</li> </ul>	
Motilal Oswal MOST Focused Multicap 35 Fund (MOST Focused Multicap 35)	<ul style="list-style-type: none"> <li>Long-term capital growth</li> <li>Investment in a maximum of 35 equity and equity related instruments across sectors and market capitalization levels.</li> </ul>	
Motilal Oswal MOST Focused Long Term Fund (MOST Focused Long Term)	<ul style="list-style-type: none"> <li>Long-term capital growth</li> <li>Investment predominantly in equity and equity related instruments</li> </ul>	
Motilal Oswal MOST Focused Dynamic Equity Fund (MOST Focused Dynamic Equity)	<ul style="list-style-type: none"> <li>Long term capital appreciation</li> <li>Investment in equity, derivatives and debt instruments</li> </ul>	
Motilal Oswal MOST Shares NASDAQ-100 ETF (MOST Shares NASDAQ 100)	<ul style="list-style-type: none"> <li>Return that corresponds generally to the performance of the NASDAQ 100 Index, subject to tracking error</li> <li>Investment in equity securities of NASDAQ 100 Index</li> </ul>	 <p>Investors understand that their principal will be at High risk</p>
Motilal Oswal MOST Ultra Short Term Bond Fund (MOST Ultra Short Term Bond)	<ul style="list-style-type: none"> <li>Optimal returns consistent with moderate levels of risk</li> <li>Investment in debt securities and money market securities with average maturity less than equal to 12 months</li> </ul>	 <p>Investors understand that their principal will be at Moderately Low risk</p>

\*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.

# LARGE CAP STRATEGY

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.

- Concentrated large cap with only 15-20 stocks
- One of the longest running products in the industry with a 14 years track record
- The corpus under this Strategy is over Rs. 2,826 cr as on January 31, 2018

## Strategy Details

Fund Manager:	Shrey Loonker
Co - Fund Manager:	Kunal Jadhvani
Strategy Type:	Open ended
Date of Inception:	24th March 2003
Benchmark:	Nifty 50 Index
Investment Horizon:	3 Years +
Subscription:	Daily
Redemption :	Daily
Valuation Point:	Daily

## Top 10 Holdings

Sr. No.	Name of Instrument	% to Net Assets
1	HDFC Bank Ltd.	10.61
2	Bharat Petroleum Corporation Ltd.	8.19
3	Kotak Mahindra Bank Ltd.	8.09
4	Asian Paints Ltd.	6.55
5	AU Small Finance Bank Ltd.	6.43
6	Bharat Forge Ltd.	6.19
7	Larsen & Toubro Ltd.	5.81
8	HDFC	5.77
9	Eicher Motors Ltd.	5.73
10	Sun Pharmaceuticals Ltd.	5.61

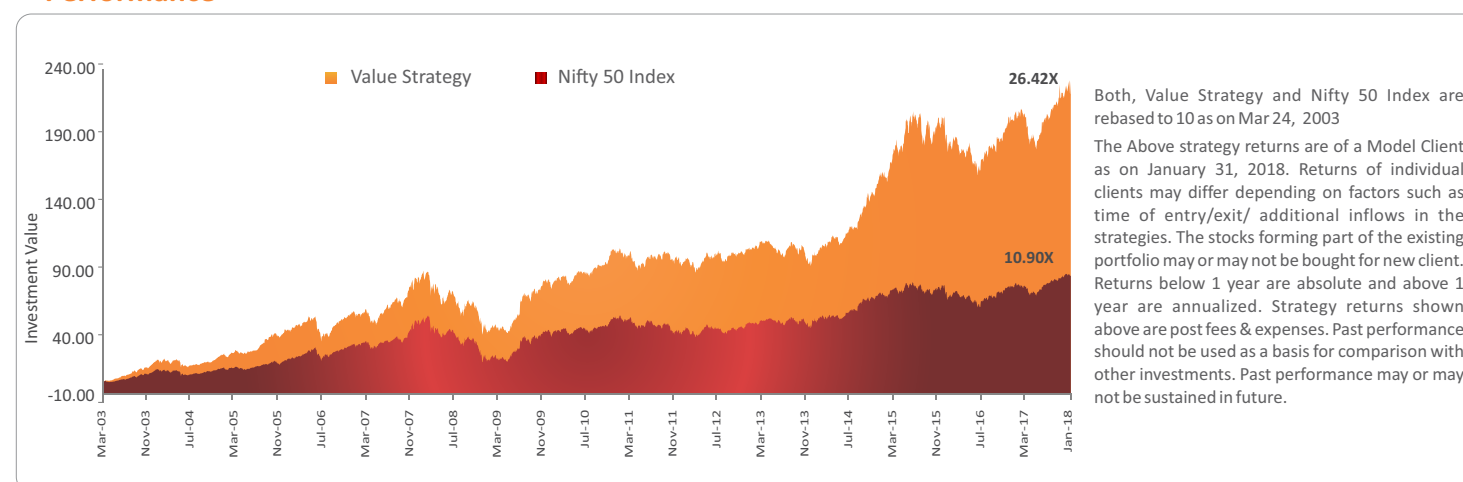
## Key Portfolio Analysis

Performance Data (Since Inception)	Value Strategy	Nifty 50 Index
Standard Deviation (%)	20.77%	22.98%
Beta	0.82	1.00

## Sector Allocation

Sr. No.	Sector Allocation	% Allocation
1	Banking & Finance	46.50
2	Auto & Auto Ancillaries	19.56
3	Oil and Gas	10.34
4	FMCG	6.55
5	Engineering & Electricals	5.81

## Performance



Data as on January 31, 2018

# MULTICAP STRATEGY

## Next Trillion Dollar Opportunity Strategy (NTDOP)

### Investment objective:

The Strategy aims to deliver superior returns by investing in stocks from sectors that can benefit from the Next Trillion Dollar GDP growth.

It aims to pre-dominantly invest in large and midcap stocks with a focus on identifying potential winners that would participate in successive phases of GDP growth.

- Concentrated multicap portfolio with only 20-25 stocks
- Focused on the 'Next Trillion Dollar Growth Opportunity'
- The corpus under this Strategy is over Rs. 7,362 cr as on January 31, 2018

### Strategy Details

Fund Manager:	Manish Sonthalia
Strategy Type:	Open ended
Date of Inception:	11th Dec 2007
Benchmark:	Nifty 500 Index
Investment Horizon:	3 Years +
Subscription:	Daily
Redemption :	Daily
Valuation Point:	Daily

### Top 10 Holdings

Sr. No.	Name of Instrument	% to Net Assets
1	Kotak Mahindra Bank Ltd.	11.64
2	Voltas Ltd.	9.50
3	Page Industries Ltd.	8.52
4	Bajaj Finance Ltd.	8.22
5	Eicher Motors Ltd.	5.86
6	Max Financial Services Ltd.	4.65
7	Bosch Ltd.	4.43
8	Godrej Industries Ltd.	4.20
9	Hindustan Petroleum Corporation Ltd.	4.08
10	City Union Bank Ltd.	4.05

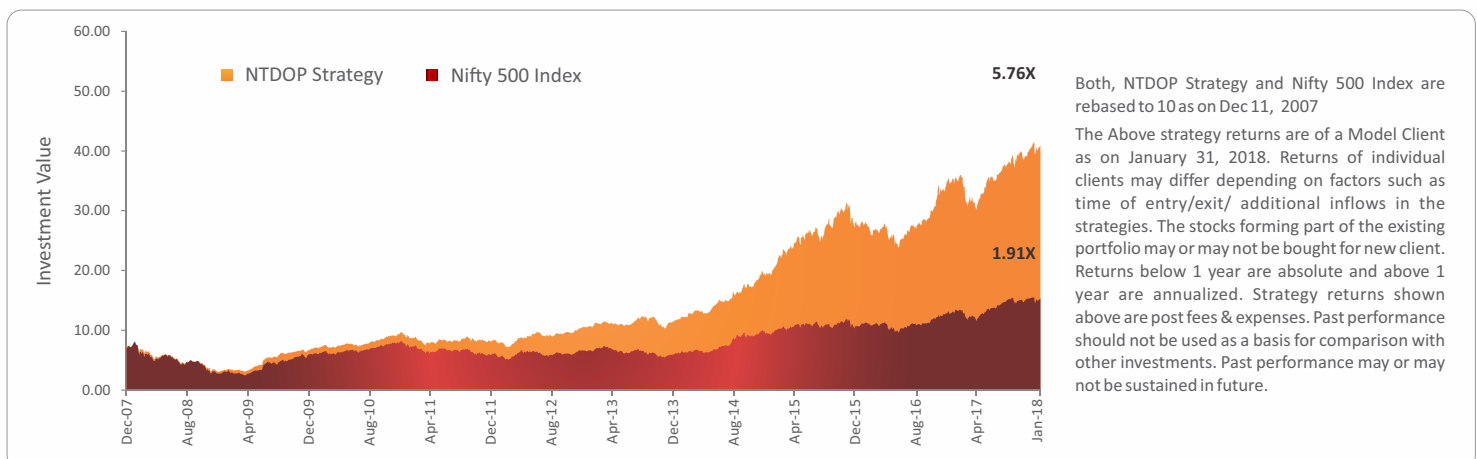
### Key Portfolio Analysis

Performance Data (Since Inception)	NTDOP Strategy	Nifty 500 Index
Standard Deviation (%)	18.02%	21.84%
Beta	0.68	1.00

### Sector Allocation

Sr. No.	Sector Allocation	% Allocation
1	Banking & Finance	32.30
2	FMCG	16.40
3	Auto & Auto Ancillaries	14.21
4	Diversified	13.70
5	Oil and Gas	6.72

### Performance



Data as on January 31, 2018

Both, NTDOP Strategy and Nifty 500 Index are rebased to 10 as on Dec 11, 2007

The Above strategy returns are of a Model Client as on January 31, 2018. Returns of individual clients may differ depending on factors such as time of entry/exit/ additional inflows in the strategies. The stocks forming part of the existing portfolio may or may not be bought for new client. Returns below 1 year are absolute and above 1 year are annualized. Strategy returns shown above are post fees & expenses. Past performance should not be used as a basis for comparison with other investments. Past performance may or may not be sustained in future.

# MIDCAP STRATEGY

## India Opportunity Portfolio Strategy (IOP)

### Investment objective:

The Strategy aims to generate long term capital appreciation by creating a focused portfolio of high growth stocks having the potential to grow more than the nominal GDP for next 5-7 years across mid and smallcap stocks; and which are available at reasonable market prices.

- Concentrated midcap portfolio with 15-20 stocks
- Three Focused themes: 'Make in India', 'Revival in Capex Cycle' & 'Third Trillion Dollar Consumption Opportunities'
- Flexibility to own best performing stocks irrespective of market capitalization
- The corpus under this Strategy is over Rs. 4,739 cr as on January 31, 2018

### Strategy Details

Fund Manager:	Manish Sonthalia
Co - Fund Manager:	Mythili Balakrishnan
Strategy Type:	Open ended
Date of Inception:	11th Feb. 2010
Benchmark:	Nifty Free Float Midcap 100
Investment Horizon:	3 Years +
Subscription:	Closed
Redemption :	Daily
Valuation Point:	Daily

### Top 10 Holdings

Sr. No.	Name of Instrument	% to Net Assets
1	Birla Corporation Ltd.	10.12
2	Development Credit Bank Ltd.	8.71
3	Qess Corp Ltd.	7.55
4	AU Small Finance Bank Ltd.	6.71
5	Aegis Logistics Ltd.	6.44
6	Gabriel India Ltd.	5.90
7	TTK Prestige Ltd.	5.27
8	Mahanagar Gas Ltd.	5.09
9	Canfin Homes Ltd.	4.88
10	Alkem Laboratories Ltd.	4.76

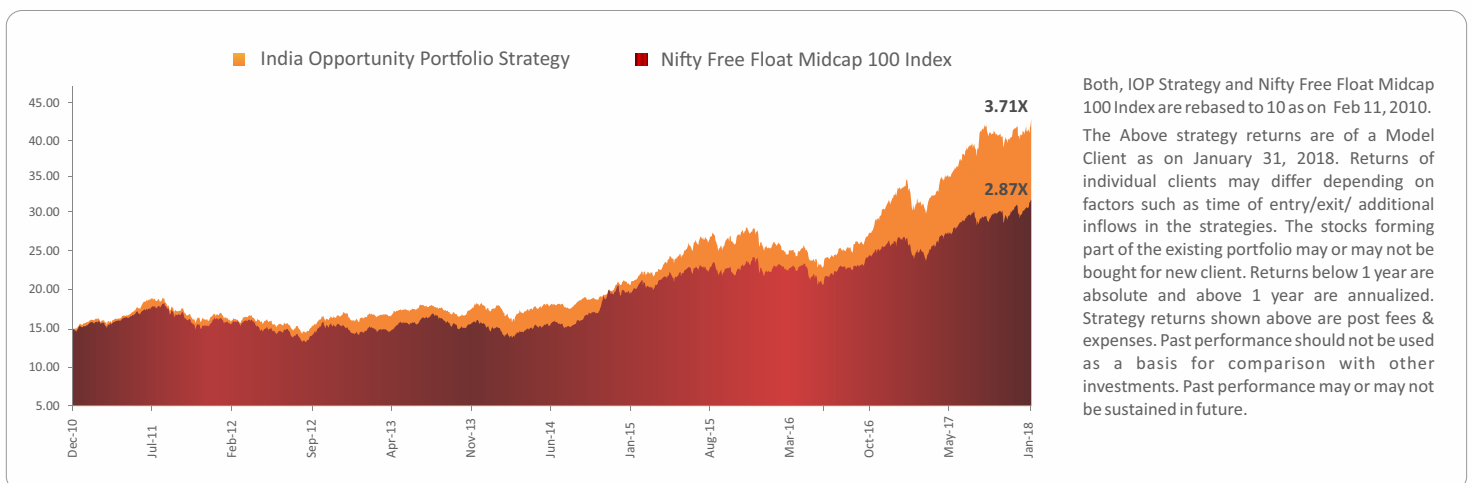
### Key Portfolio Analysis

Performance Data (Since Inception)	IOP Strategy	Nifty Free Float Midcap 100 Index
Standard Deviation (%)	15.25%	16.86%
Beta	0.74	1.00

### Sector Allocation

Sr. No.	Sector Allocation	% Allocation
1	Banking & Finance	27.27
2	Cement & Infrastructure	13.88
3	Pharmaceuticals	12.13
4	Oil and Gas	11.53
5	Consumer Durable	9.92

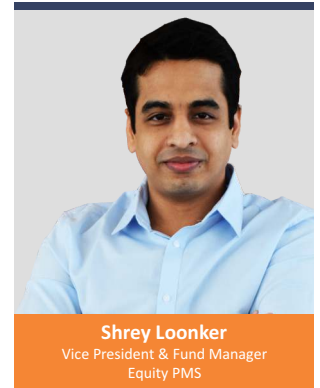
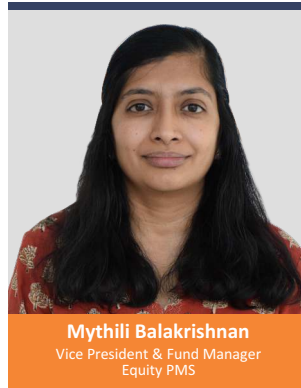
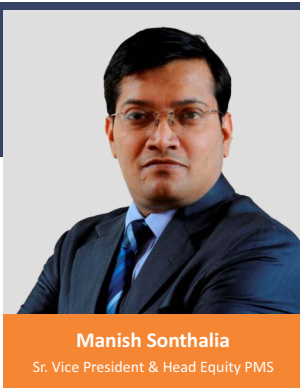
### Performance



# MANAGEMENT TEAM



## PMS Fund Manager



## MF Fund Manager



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For any Mutual Fund queries, please write to [mfservice@motilaloswal.com](mailto:mfservice@motilaloswal.com), Similarly for PMS queries, please write to [MOAMC.Customercare@motilaloswal.com](mailto:MOAMC.Customercare@motilaloswal.com) or visit [motilaloswalmf.com](http://motilaloswalmf.com)

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