



## NS INDUSTRY LEADERS ADVISORY PORTFOLIO

### Objective

Long term capital appreciation by investing in companies that are the top-3 players of their respective industries.

### Strategy

NS Industry Leaders Theme identifies companies that are leaders of their respective industry and are showing growth in value characteristics with expected higher return ratio

### Process - Fundamental Bottom Up Research

Information mining, financial modeling, investment thesis, active & rigorous tracking for changes in earnings & quality outlook.

### Benchmark - Nifty 100 Index



#### No. of Stocks

12-18 Stocks



#### Recommended Min. Time Horizon

3 Years

### Why NS Industry Leaders Advisory Portfolio?

Companies with a proven track record of industry outperformance, effective leadership & efficient management usually find themselves as the NS Industry Leaders. In an uncertain economic environment these are the best companies to buy as these companies are run by proven management & leadership team than can navigate difficult times.

### Key Features of NN Industry Leaders Advisory Portfolio

#### Investment in the leaders industries

Investment in the industry leader ensures good governance and continuous innovation in the management

#### Cap Risk:

The Investment advisory portfolio will have exposure to leaders of the segment which comprise of mostly large cap stocks

#### Benchmarking:

The Investment advisory portfolio will be benchmarked against the Nifty 100

#### The portfolio:

The portfolio will consist of 12-18 stocks to provide superior returns.

#### Growth in Value Framework:

Companies that have improving/higher return ratio are favored.

#### Bottom Up Analysis:

A rigorous bottom up research of business financials and management strategies is carried out for all portfolio companies.



## NS INDUSTRY LEADERS ADVISORY PORTFOLIO

### Stock Selection Procedure Involving 3 Broad Processes

#### MQC

1

- M - Momentum In Return Ratios The RoE, RoCE or the Free Cash flows of company must be increasing
- Q - Quality Return ratios versus its peer as well as broader stock universe.
- C - Capital Allocation Management strategy on Allocation of funds

2

#### 360 Degree Deductive Logic Framework

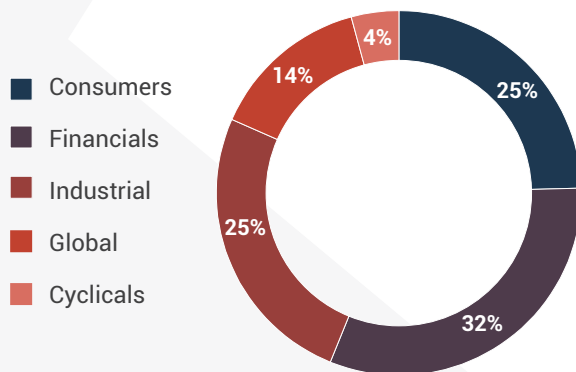
- Sustainable Valuation possible & factors impacting while identifying when market is under-pricing the company
- Outlook on the company Financials-why a company is considered trading below its intrinsic value
- Building a detailed business & financial model to realize the sources of earning & quality delta for the company.
- Management strategy in terms of its finances particularly in terms of source & deployment of capital, marketing strategy in terms of its products, segments, pricing etc.
- State of addressable market & identifying the changing dynamics of that addressable market.

3

#### Earnings & Quality: Both should be evolving in linear manner

There are three moving parts in terms of fundamental- stock price relation. These are changes in earnings, quality and valuation. Every company in its evolution passes through various stage of its progress. We prefer buying where linearity or a consistent positive delta is expected in earnings profile and the quality profile of the company. A stock before selection for portfolio should be first identified into what stage it is into.

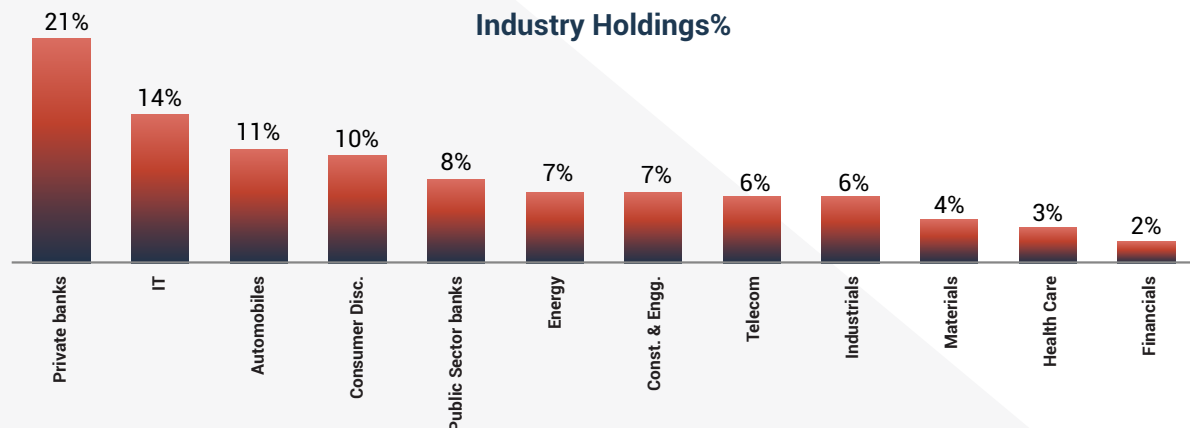
### Portfolio Composition



### Portfolio Holdings

COMPANY	%	COMPANY	%
ICICIBANK	11%	CYIENT	4%
SBIN	8%	ASTRAL	4%
HDFCBANK	8%	EICHERMOT	4%
M&M	7%	BEL	3%
RELIANCE	7%	DIVISLAB	3%
LT	7%	ZENTEC	3%
TCS	6%	KOTAKBANK	3%
BHARTIARTL	6%	TCIEXP	2%
DMART	5%	BAJFINANCE	2%
MCDOWELL-N	5%		

### Industry Holdings%



Please Note: Data as on 29th February, 2024. The securities quoted are for illustration only & are not recommendatory. The actual portfolio may differ from the above illustration

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