



NS MID & SMALL CAP THEME

OBJECTIVE

Long-term capital growth by investing in smaller but growing companies of India

STRATEGY

Active investing in NS Mid & Small Cap investment universe by identifying companies with improving fundamentals. Tactical weight allocation under the sub-classes to achieve positive return along with managing the risk.

PROCESS - Fundamental Bottom Up Research

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

WHY NS MID & SMALL CAP?

Most of the multi bagger stock today were NS Mid & Small Cap few years back. Over the last 2 years, NS Mid & Small Cap stocks have seen sharp fall owing to credit squeeze, demand slowdown and over ownership during 2017. NS Mid & Small Cap theme portfolio is not meant as core portfolio for an investor but some tactical allocation by investors in NS Mid & Small Cap theme can be highly valuable.

NS Mid & Small Cap Companies perform well in up cycles. The continuous rate cuts by the RBI will create base for next bull market to start.

Benchmark - Nifty Mid & Small 400



No. of Stocks
20-30 Stocks



Time Horizon
7 Years



Expected CAGR
18%



Top-up /Withdrawal Amt.
50,000



Large Cap Companies

- Large Cap Companies: As defined by SEBI, The Top 100 companies by market capitalization fall into the category of Large Cap Companies.
- These companies are the most liquid in nature. They have their Beta closest to 1 and run in sync with the overall market.



Mid Cap Companies

- Mid Cap Companies: SEBI defines Mid Cap Stocks as the ones who fall in 101st to 250th company by Market Capitalization.
- These stocks tend to be riskier than the large cap stocks & less risky than Small Cap stocks. They however offer more great potential than the large cap stocks



Small Cap Companies

- The 251st onward companies as per full market capitalization can be called as small cap stocks
- These stocks are the most volatile in nature. They become inconsistent during recessionary phases ,however they outperform Large & mid cap companies in Bull periods.



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KEY FEATURES OF NS MID & SMALL CAP THEME

Investment in high risk but high gain

Small Cap stocks are usually high risk high gain opportunities

Cap Risk:

The Investment advisory portfolio carries cap risk as it is exposed primarily to the small capitalization stocks.

Benchmarking:

The Investment advisory portfolio will be benchmarked against the Nifty Mid & Small Cap 400 Index.

The portfolio:

The portfolio will consist of 20-30 stocks to provide superior returns.

Growth in Value Framework

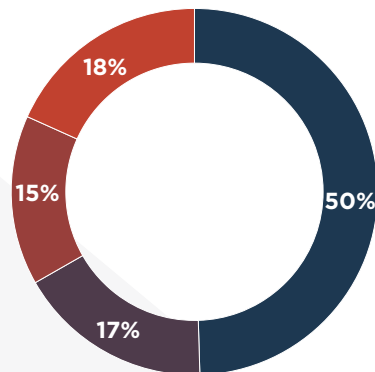
Companies that have improving/higher return ratio are favored.

Bottom Up Analysis:

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

NS Mid & Small Cap Theme

- Consumers
- Financials
- Industrial
- Global



Portfolio Holdings

COMPANY	%	COMPANY	%
CAMS	7%	BALKRISIND	5%
VMART	6%	ICICIGI	4%
ESCORTS	6%	DIXON	4%
ZYDUSWELL	6%	ISEC	4%
KNRCON	6%	SUPRAJIT	4%
LALPATHLAB	6%	MOLDTKPAC	4%
TATAELXSI	5%	SUNTV	4%
WELSPUNIND	5%	JKCEMENT	3%
NH	5%	RAMCOSYS	3%
NAZARA	5%	IDFCFIRSTB	2%
AJANTPHARM	5%	NIPPON INDIA ETF LIQ	1%

Return Profile vis a vis Benchmark

Years	NS Mid & Small Cap	Nifty Mid & Small 400
1 Year	74.3	72.9
2 Years	42.9	38.1
3 Years	15.6	14.3
4 Years	13.3	12.9
5 Years	18.5	15.0
Since Inception (1st April 2013)	28.4	18.9

Performance Attributes

	Portfolio	Benchmark
Alpha	9.57	
Beta	1.15	
R - Square	85.70	
Sharpe	1.03	0.85
Standard Deviation	27.68	22.26
Max Drawdown	-51.64	-49.98
Annual tracking Error	10.99	
Information Ratio	0.87	

Please Note: Data as on August, 2021. The 1 year is ABSOLUTE returns & 2y/3y/4y/5yr/SI figures are CAGR Returns. The above portfolio allocation will be assessed every month to ascertain sector and scrip reshuffling. Kindly contact your RM for the latest allocation.