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NS 5TX5T THEMATIC ADVISORY PORTFOLIO

OBJECTIVE

This portfolio provides a unique theme-based investing opportunity in the Indian market. As India approaches towards becoming a 5 trillion economy by GDP, the total Market Cap of Indian companies will also set to increase by 11-12% CAGR. Some of the market cap gains will come from new listings but a large part of the gains will come from select themes. This strategy focuses on themes that should form part of India's next growth engine.

STRATEGY

The portfolio will consist of 15-20 stocks to provide superior returns. 2-6 stocks from each of the chosen 4-6 Selected Themes. Maximum Weight on any stock will be 10% while maintaining sector diversity

PROCESS

Growth-in-Value Framework & Fundamental Bottom-Up Analysis. Companies with improving /higher returns ratio are favored. A rigorous bottom up research of business financials and manage-ment strategies for companies in our investment universe - Information mining, financial modeling, investment thesis, active tracking for changes in earnings & quality outlook

Benchmark - Nifty 500 Index

Minimum Investment Amt.
5,00,000

No. of Stocks
15-20 Stocks

Time Horizon
3 Years

Expected CAGR
18%

Top-up/ Withdrawal Amt.
1,00,000

Cap Exposure
Large, Mid & Small Cap Stocks

Fee Plan
2.5% p.a. of your Investment Value+GST

STOCK SELECTION PROCEDURE INVOLVING 3 BROAD PROCESSES

1 MQC

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.

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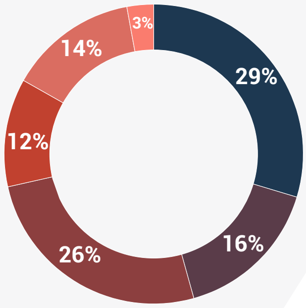
Portfolio Composition

Selected Themes for NS 5TX5T



Performance Attributes

	Portfolio	Benchmark
Alpha	7.9	
Beta	1.0	
R - Square	81.7	
Sharpe	1.0	0.7
Standard Deviation	19.5	17.5
Max Drawdown	-37.9	-38.3
Annual tracking Error	8.3	
Information Ratio	0.9	

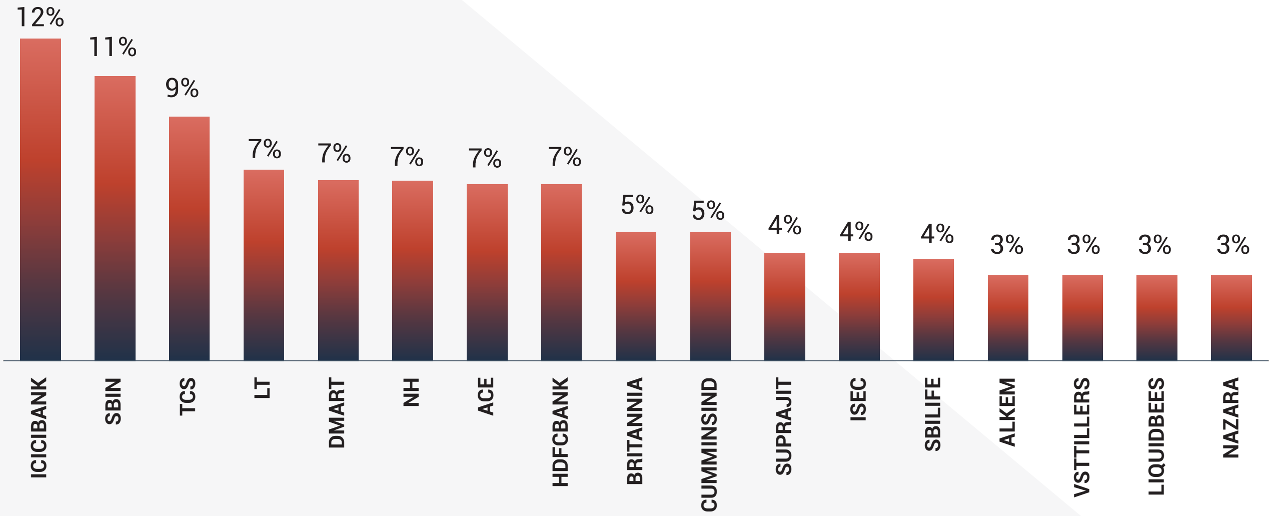
Return Profile vis a vis Benchmark

Years	NS 5TX5T	Nifty 500
1 month	0.6	0.3
3 months	-2.8	-5.8
6 months	-0.6	-1.8
1 year	-1.2	-2.3
3 Years	28.3	27.7
5 Years	15.3	10.3
Since Inception (1st April 2013)	20.4	12.5

Return Profile vis a vis Benchmark (Rolling Returns*)

Years	Average	Nifty 500
3 Month	5.24	3.48
6 Month	11.25	7.33
1 Year	24.41	15.44
2 Year	22.94	13.96
3 Year	20.93	12.16
4 Year	20.11	11.75
5 Year	19.32	11.53

Portfolio Holdings



Please Note: Data as on 31st March, 2023. The 1 year and less than one year returns are ABSOLUTE returns & rest 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.

* *Rolling return is the average annualized return on a particular date. Rolling return is used to eliminate the bias present in point-to-point return. As financial markets are volatile, rolling returns provide a clearer picture of performance than the point-to-point return.*