

**INVESTMENT ADVISORY
PORTFOLIO - EQUITY**

May 2021

Investment Advisory Portfolio - Equity



More transparent than mutual funds

Stocks reflect in your demat account, no inter-scheme holding manipulation



Invest at prevailing market price

In mutual funds the investor get day-end or next day NAV



Other Benefits

Wider choice of investment, loan against shares, no exit load etc.

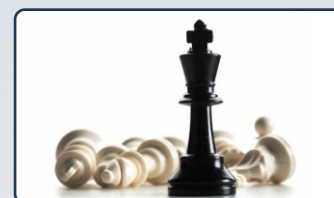
Industry Leaders Theme

Grow with the leaders of today by investing in a portfolio consisting of the top 3 players of their respective industries.

Benchmark - Nifty 100 Index

PORTFOLIO SNAPSHOT

SIP Amt. - NA | Top Up Amt. - Rs 50,000 | Time Horizon - 3 yrs | Expected CAGR - 14% | No. of Stocks - 12-18



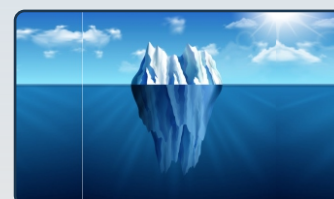
Small Cap Theme

Portfolio that invests in good quality and growing small cap companies for long term wealth creation.

Benchmark - Nifty Small Cap 100 Index

PORTFOLIO SNAPSHOT

SIP Amt. - NA | Top Up Amt. - Rs 50,000 | Time Horizon - 7 yrs. | Expected CAGR - 18% | No. of Stocks - 20-30



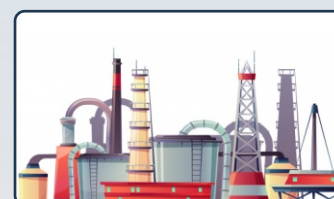
Multi Cap Theme

India's oldest running Investment advisory portfolio that invests in a diversified set of shares using the 'growth in value' philosophy.

Benchmark - Nifty 500 Index

PORTFOLIO SNAPSHOT

SIP Amt. - Rs 25,000 | Top Up Amt. - Rs 1,00,000 | Time Horizon - 5 yrs. | Expected CAGR - 15% | No. of Stocks - 20-30



New India Theme

Invest in a portfolio of winners that have contributed considerably towards a 'New India' based on value migration theme.

Benchmark - Nifty 500 Index

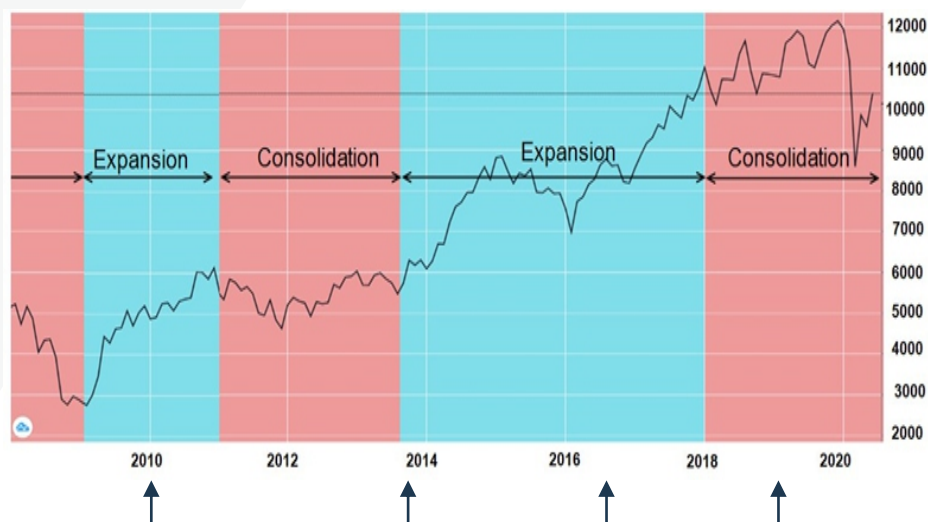
PORTFOLIO SNAPSHOT

SIP Amt. - Rs 25,000 | Top Up Amt. - Rs 1,00,000 | Time Horizon - 5 yrs. | Expected CAGR - 15% | No. of Stocks - 15-25





INDUSTRY LEADING PERFORMANCE



Narnolia Investment Advisory Portfolio Performance (April 2009 to May 2021)

	04/09 - 03/11	03/11 - 07/13	08/13 - 02/18	03/18 - 5/21
Industry Leaders	126%	-9%	196%	37.2
Small Cap	-	-	507%	30.1
Multi Cap	139%	-2%	237%	62.6
New India	-	-	277%	70.5

VS Benchmarks

Nifty 100	99%	-2%	93%	45.5
Nifty Small Cap 100	124%	-19%	227%	10.9
Nifty 500	103%	-6%	112%	42.8

*Returns are absolute %

Event Based Performance

Period	Industry Leaders	Nifty 100	Small Cap	Nifty Small Cap 100	Multi Cap	Nifty 500	New India	Nifty 500
Aug 2013 - Jan 2018	38.6	17.0	54.4	30.6	30.4	19.3	33.0	19.3
Feb 2018 - May 2021	8.2	10.3	6.4	1.5	14.3	9.8	16.2	9.8
1st Jan 2020 - 23rd March 2020	-31.7	-37.1	-31.3	-42.2	-36.5	-36.8	-32.0	-36.8
24th March 2020 - 31st May 2021	102.2	104.7	134.7	174.8	125.2	111.9	110.4	111.9
1st Jan 2020 - 31st May 2021	38.2	28.8	61.3	58.8	43.0	34.0	43.0	34.0

*Returns Greater than 1 year are CAGR returns rest are Absolute returns



INDUSTRY LEADING PERFORMANCE

Calendar Year wise Performance

Calendar Year	Industry Leaders	Nifty 100	Small Cap	Nifty Small cap 100	Multi Cap	Nifty 500	New India	Nifty 500
2010	36.3	17.9	-	-	31.1	14.1	-	-
2011	-22.7	-25.8	-	-	-21.1	-27.2	-	-
2012	44	30.6	-	-	35.8	31.8	-	-
2013	3.3	6.5	-	-	7.1	3.6	-	-
2014	68.7	33.2	91.4	55	60.3	37.8	64.8	37.8
2015	25.9	-2.4	37.9	7.2	16.3	-0.7	16.4	-0.7
2016	15.6	3.6	14.5	2.3	3.1	3.8	8.6	3.8
2017	36.9	31	67.3	57.3	34.9	35.9	39.1	35.9
2018	-8.2	1.1	-25.1	-29.1	-4.7	-3.4	-2	-3.4
2019	8	10.4	0.3	-9.5	17.8	7.7	19.5	7.7
2020	22.8	14.9	37.2	21.5	24.3	16.7	25.3	16.7
2021	12.6	12.1	17.6	30.8	15	14.8	14.2	14.8

Financial Year - wise Performance

Financial Year	Industry Leaders	Nifty 100	Small Cap	Nifty Small cap 100	Multi Cap	Nifty 500	New India	Nifty 500
2010-11	11.8	10.1	-	-	16.7	7.3	-	-
2011-12	-4.0	-9.0	-	-	-3.0	-8.7	-	-
2012-13	5.4	7.3	-	-	2.9	5.1	-	-
2013-14	25.2	18.3	-	-	22.8	17.7	-	-
2014-15	83.0	29.1	101.1	52.3	65.2	33.6	70.5	33.6
2015-16	1.8	-8.1	-0.5	-13.1	1.2	-7.5	2.5	-7.5
2016-17	43.5	20.9	71.6	43.0	29.5	23.9	35.3	23.9
2017-18	15.9	10.7	22.0	11.6	10.8	11.5	12.2	11.5
2018-19	4.5	12.5	-11.2	-14.4	5.8	8.4	9.4	8.4
2019-20	-22.3	-25.9	-29.8	-46.1	-20.2	-27.6	-11.9	-27.6
2020-21	67.5	69.6	104.8	125.7	87.3	76.0	73.9	76.0
2021-22	6.3	6.7	6.8	14.2	7.3	7.4	6.7	7.4

**Inception date for Industry Leaders and Multi cap is 1st October 2009 and for New India and Small cap is 1st April 2013 so returns are calculated accordingly and for calendar Year 2021, returns are YTD, as on 31st May 2021, for Financial year 2021-22 returns are YTD, as on 31st May 2021, not full year



INDUSTRY LEADERS THEME

OBJECTIVE

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

STRATEGY

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



Time Horizon
3 Years



Expected CAGR
14%



SIP Amt.
NA



Top-up /Withdrawal Amt.
50,000

WHY INDUSTRY LEADERS THEME?

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

KEY FEATURES OF INDUSTRY LEADERS THEME

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.



INDUSTRY LEADERS THEME

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 underpricing 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.

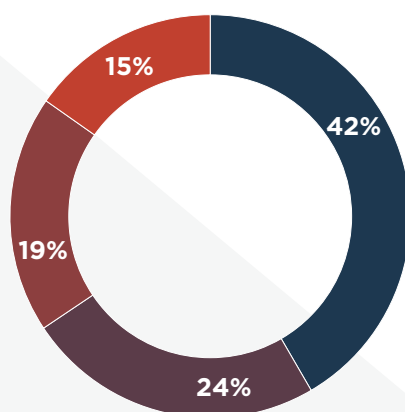
3

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.

Industry Leaders Theme

- Consumers
- Financials
- Industrial
- Global



COMPANY	%
ICICIBANK	12%
TCS	11%
RELIANCE	11%
HDFCBANK	9%
ASIANPAINT	6%
DMART	6%
APOLLOHOSP	6%
NESTLEIND	5%
KAJARIACER	5%
SUNTV	4%
LT	4%
BHARTIARTL	4%
DRREDDY	4%
AMARAJABAT	4%
MCDOWELL-N	3%
TITAN	3%
HDFCAMC	2%

Return Profile vis a vis Benchmark

	1 year	2 Years	3 Years	4 Years	5 Years	Since Inception (1st oct.2009)
Industry Leaders	65.1	19.1	12.2	12.5	17.1	19.9
Nifty 100	61.9	14.6	12.6	12.4	13.9	10.5

Please Note: Data as on May, 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.



SMALL CAP THEME

OBJECTIVE

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

STRATEGY

Active investing in 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.

BENCHMARK

Nifty Small Cap 100 Index



No. of Stocks
20-30 Stocks



Time Horizon
7 Years



Expected CAGR
18%



SIP Amt.
NA



Top-up /Withdrawal Amt.
50,000

WHY SMALL- CAP?

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

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



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.



SMALL CAP THEME

KEY FEATURES OF 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 Small Cap 100 Index.

The portfolio:

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

Growth in Value Framework

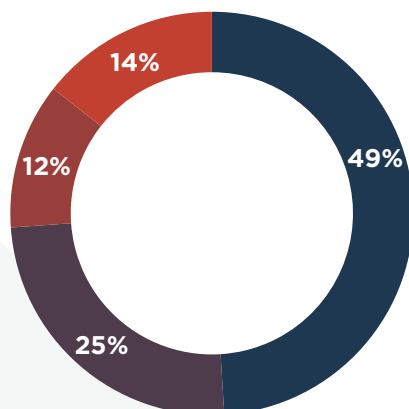
Companies that have improving/higher return ratio are favored.

Bottom Up Analysis:

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

Small Cap Theme

- Consumers
- Financials
- Industrial
- Global



COMPANY	%
TATAELXI	6%
ZYDUSWELL	6%
ESCORTS	6%
VMART	5%
BALKRISIND	5%
SUNTV	5%
CAMS	5%
APLLTD	5%
LALPATHLAB	5%
WHIRLPOOL	5%
DIXON	5%
ICICIGI	4%
MCX	4%
KNRCON	4%
WELSPUNIND	4%
CANFINHOME	4%
MASFIN	4%
SUBROS	3%
IDFCFIRSTB	3%
MOLDTKPAC	3%
AMARAJABAT	3%
RAMCOSYS	3%
NIPPON INDIA ETF LIQ	2%

Return Profile vis a vis Benchmark

	1 year	2 Years	3 years	4 Years	5 years	Since Inception (1st April 2013)
Small Cap	95.1	24.8	10.3	12.9	21.2	27.4
Nifty Small Cap 100	131.5	19.0	5.8	6.6	12.2	13.9

Please Note: Data as on May, 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.



MULTI CAP THEME

OBJECTIVE

To participate in the India growth story through investing in the Indian equity markets by building a diversified portfolio across various sectors and caps.

STRATEGY

Multicap Portfolio prefers stocks which fall under the 'Growth in Value' theme and passes through the '360-degree Deductive Reasoning Framework.

PROCESS - Fundamental Bottom Up Research

Information Mining-> Financial Modeling-> Investment Thesis-> Active & Rigorous tracking for changes in Earnings & Quality outlook.

WHY MULTI-CAP?

Multi Cap opportunity Model is meant to be a core buy and hold portfolio for investors who aim to capitalize the wealth creation opportunity in the Indian economy. This Investment advisory portfolio comprises of flexible and judicious mix of large, mid and small cap companies to have the right kind of stability to sail through tough times as well as has the right force to outperform in the long term.

The stock selection for this Investment advisory portfolio is the unique feature as it backed by rigorous bottom up research blended with the Top down Approach of understanding the changes and opportunities in the addressable market of the company.

KEY FEATURES OF MULTI CAP THEME

Investment in the Fasted growing companies of the country

India is set to become a 5 trillion dollar economy by 2025 and will create opportunities for wealth creation across investment theme- investment, consumption, credit.

Cap Risk:

Nifty 500 universe consists of stocks from all three cap: large, mid and small

Benchmarking:

The Investment advisory portfolio is benchmarked against the Nifty 500 Index

The portfolio:

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

BENCHMARK Nifty 500 Index



No. of Stocks
20-30 Stocks



Time Horizon
5 Years



Expected CAGR
15%



SIP Amt.
25,000



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



MULTI CAP THEME

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 underpricing the company
- Outlook on the company Financials-why a company is considered trading below its intrinsic value
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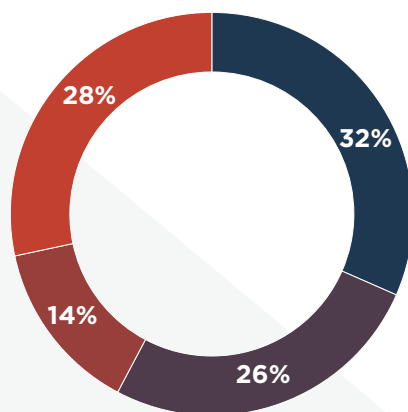
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Earnings & Quality: Both should be evolving in linear manner

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Multi Cap Theme

- Consumers
- Financials
- Industrial
- Global



COMPANY	%
INFY	11%
ICICIBANK	10%
HDFCBANK	9%
RELIANCE	8%
BRITANNIA	6%
DIXON	5%
ESCORTS	5%
TATAELXSI	5%
CAMS	4%
DRREDDY	4%
HCLTECH	4%
APLLTD	4%
APOLLOHOSP	4%
WHIRLPOOL	3%
VMART	3%
LT	3%
ISEC	3%
AMARAJABAT	3%
BHARTIARTL	3%
MCDOWELL-N	2%

Return Profile vis a vis Benchmark

	1 year	2 Years	3 years	4 Years	5 years	Since Inception (1st oct. 2009)
Multi Cap	72.0	24.3	16.8	16.2	18.3	18.8
Nifty 500	69.1	16.1	12.4	12.2	14.2	10.5

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NEW INDIA THEME

OBJECTIVE

To capitalize on the theme of 'Value Migration' by investing in companies whose business model is more aligned to newer ways of production/consumption.

STRATEGY

Value Migration theme prefers a stock which has 'Next - Gen' opportunity. The stock has 'Growth in Value' characteristic and passes the 360 degree Deductive Reasoning Framework.

PROCESS - Fundamental Bottom Up Research

Information Mining-> Financial Modeling-> Investment Thesis-> Active & Rigorous tracking for changes in Earnings& Quality outlook.

WHAT IS VALUE MIGRATION?

Value Migration is the flow of value from the outmoded business designs to new ones that are able to satisfy consumer's need. Some of the value migration we have witnessed and are currently witnessing are:

- Public sector banks to Private Sector banks
- Private full service Airlines to Private Low cost Airline
- Local Garment shops to Organized Retail/ Online Shopping
- Housing as an amenity to housing as a luxury
- LPG cylinders to Piped gas

KEY FEATURES OF NEW INDIA THEME

Investment in Value Migration within Industry

There will be a sea change in the way a product or service is consumed currently and in future. This fund will invest in companies that are leading the change

No Cap Risk:

Value migration opportunity is available across High cap companies to micro cap companies

Benchmarking:

The Investment advisory portfolio will be benchmarked against the Nifty 500

The portfolio:

The portfolio consist of 15-25 stocks to provide superior risk adjusted 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.

BENCHMARK

Nifty 500 Index



No. of Stocks
15-25 Stocks



Time Horizon
5 Years



Expected CAGR
15%



SIP Amt.
25,000



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



NEW INDIA THEME

STOCK SELECTION PROCEDURE INVOLVING 3 BROAD PROCESSES

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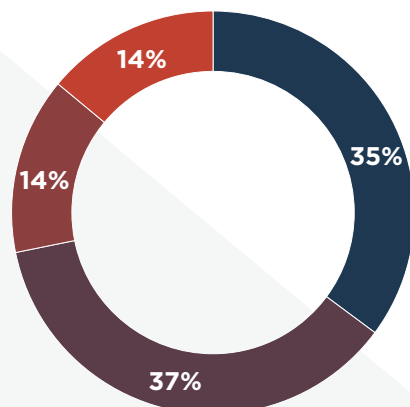
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New India Theme

- Consumers
- Financials
- Industrial
- Global



COMPANY

%

HDFCBANK	11%
ICICIBANK	10%
RELIANCE	7%
ESCORTS	7%
DIXON	6%
ISEC	6%
MINDAIND	6%
HCLTECH	6%
TECHM	5%
NESTLEIND	5%
KNRCON	4%
VMART	4%
SBILIFE	4%
MCDOWELL-N	4%
BRITANNIA	4%
CIPLA	4%
BAJFINANCE	3%
BHARTIARTL	3%
HDFCAMC	2%

Return Profile vis a vis Benchmark

	1 year	2 Years	3 years	4 Years	5 years	Since Inception (1st April 2013)
New India Theme	67.8	25.3	18.1	18.4	20.8	23.6
Nifty 500	69.1	16.1	12.4	12.2	14.2	14.2

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