

December 2021 (Data as on 30<sup>th</sup> November 2021. Inception date – 18<sup>th</sup> December 2017)



## INVESTMENT APPROACH

**Strategy Name:** Business Opportunity Portfolio Strategy

**Investment Objective:** The investment objective of the Strategy is to achieve long term capital appreciation by primarily investing in equity & equity related across market capitalization.

**Description of types of securities:** Equity Types of securities selected as part of the investment approach: Investing across high quality Indian equities in growth oriented themes across market capitalisation through a high conviction portfolio

**Allocation of portfolio across types of securities:** The strategy has the mandate to invest in Equity and Equity-related instruments across the entire market capitalization spectrum of Large cap, Midcap and Small cap companies

**Benchmark:** Nifty 500 TRI

**Indicative tenure or investment horizon:** Medium to Long term



## KEY FEATURES & PORTFOLIO ATTRIBUTES

BOP is a multi-cap strategy with a balanced mix of Large Cap, Mid Cap and Small Cap allocation

Index agnostic: Index agnostic: ~ 80% away from benchmark Nifty 500

Concentrated portfolio of 13 stocks with high earnings growth

Multiple portfolio changes have been done in the past 6-8 months to enhance the overall quality of the portfolio. While the economy is still going through a downturn, the portfolio has been positioned in well-chosen themes: primarily select consumer and financial services businesses which are expected to perform relatively better in a tough economic environment.



## PORTFOLIO ACTIONS IN LAST 6 MONTHS

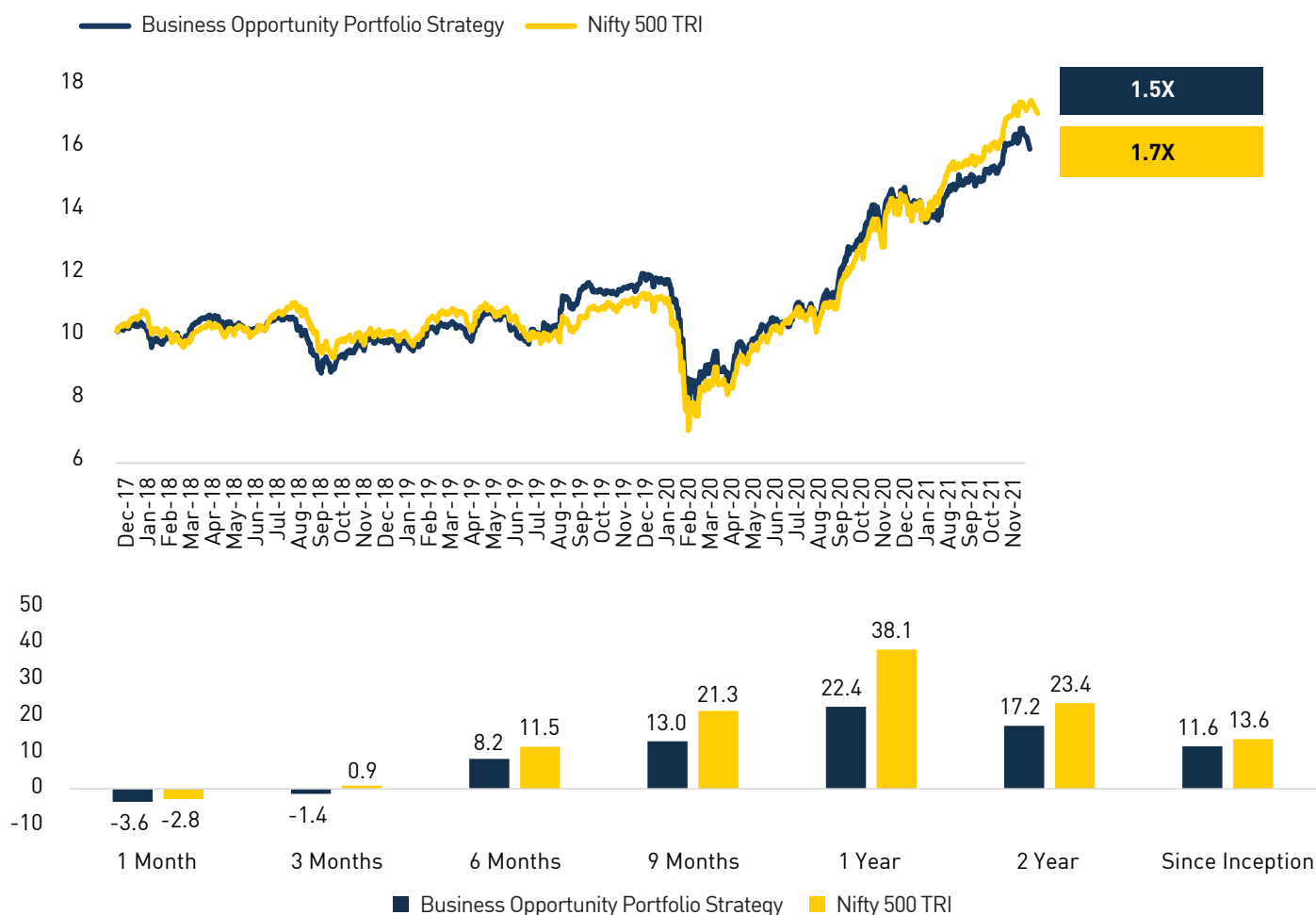
**Companies Added:** Axis Bank Ltd.

**Companies Exited:** Asian Paints Ltd., HUL Ltd.



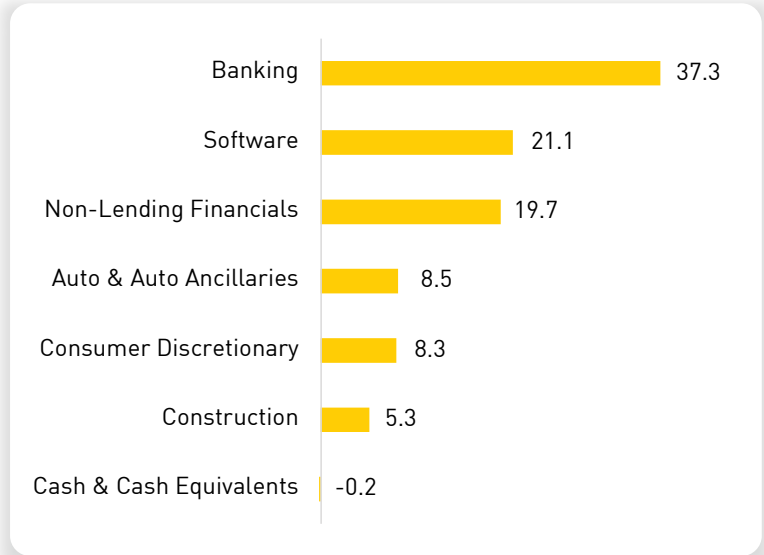
## PERFORMANCE SINCE INCEPTION

One lac invested in the strategy on 18th Dec 2017 would have grown to ₹ ~1.5 lacs today against ~1.7 lacs invested in Benchmark



## TOP 10 HOLDINGS & SECTORAL ALLOCATION

Scrip Name	(%) of Holding
Max Financial Services Ltd.	13.7
ICICI Bank Ltd.	12.8
Tata Consultancy Services Ltd.	10.6
Larsen & Toubro Infotech Ltd.	10.4
HDFC Bank Ltd.	9.7
Kotak Mahindra Bank Ltd.	9.5
HDFC Life Insurance Company Ltd.	6.0
The Phoenix Mills Ltd.	5.3
Axis Bank Ltd.	5.3
Eicher Motors Ltd.	4.4



## STRATEGY CONTRIBUTORS (3 Year Trailing 30<sup>th</sup> November 2021)

Top 5	Contribution
Larsen & Toubro Infotech Ltd.	12.9%
Max Financial Services Ltd.	12.6%
Tata Consultancy Services Ltd.	8.1%
ICICI Bank Ltd.	6.8%
Hindustan Unilever Ltd.	5.6%

Bottom 5	Contribution
Future Lifestyle Fashions Ltd.	-3.3%
Exide Industries Ltd.	-2.8%
Eveready Industries India Ltd.	-2.2%
Container Corp. Of India Ltd.	-1.7%
Godrej Agrovet Ltd.	-1.6%

## RISK RATIOS

3 Year Data	Strategy	Benchmark
Churn Ratio	34.3%	-
Standard Deviation	17.6%	17.7%
Beta	0.9	1.0
Sharpe Ratio	0.5	0.5

## PORTFOLIO FUNDAMENTALS & MARKET CAP

Market Cap	Weightage
Large Cap	73%
Mid Cap	19%
Small Cap	8%
Cash & Equivalents	0%

	TTM
PAT Growth	68%
RoE	16%
PE	57

## HOW BUY RIGHT : SIT TIGHT WORKS

Company	Initial Purchase Date	Market Cap (Initial Purchase date)*	Market Cap (31 <sup>st</sup> Oct 2021)*	Absolute Growth	CAGR (%)
Max Financial Services Ltd.	Feb-20	128,583	324,494	2.5X	66%

\*Market cap in crores

**Disclaimers and Risk Factors:** BOP Strategy Inception Date: 18th Dec 2017; Data as on 30th November 2021; Data Source: MOAMC Internal Research; RFR: 7.25%; \*Earnings as of Dec 2020 quarter and market price as on 30th November 2021; Source: Capitaline and Internal Analysis; Please Note: Returns up to 1 year are absolute & over 1 year are Compounded Annualized. Returns calculated using Time Weighted Rate of Return (TWRR) at an aggregate strategy level. The performance related information is not verified by SEBI. All portfolio related holdings and sector data provided above is for model portfolio. Returns & Portfolio of client may vary vis-à-vis as compared to Investment Approach aggregate level returns due to various factors viz. timing of investment/ additional investment, timing of withdrawals, specific client mandates, variation of expenses charged & dividend income. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. The Portfolio Manager manages allocations in all client portfolios by way of a model portfolio which is in line with investment objectives of the portfolio strategy/ investment approach. Unless there are specific exclusion instructions by individual clients, all clients' portfolios are aligned to a model portfolio; which means replication and alignment of all clients' portfolios in terms of scrip and allocation. New clients entering the strategy/ investment approach as of a particular date are also aligned to the model portfolio. It must be noted that there are certain circumstances in which clients' portfolio may deviate or differ from the model portfolios to a material extent. This may happen due to factors like liquidity and free floating consideration in some stocks, organization level exposure norms and related risk management, potential exit of a stock from the model portfolio thereby precluding it from buying in new client portfolios. The reasons quoted here are indicative but not exhaustive and the portfolio manager reserves the right to deviate from model portfolio for groups of clients depending on timing of their entry, market conditions and model portfolio construct at the time of their entry. Risk factors associated with the investment approach are Equity risk, Systematic risk, Concentration risk, Model portfolio risk, Mismatch risk and Execution risk. To know more about the risk factors, please refer disclosure document at [motilalosalmf.com](http://motilalosalmf.com). Investment in securities is subject to market and other risks, and there is no assurance or guarantee that the objectives of any of the strategies of the Portfolio Management Services will be achieved. Please read Disclosure document carefully before investing.

Our PMS services are available in direct mode, to know more, write to us at [pmsquery@motilalosalwal.com](mailto:pmsquery@motilalosalwal.com)

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