

## Investment Objective

The investment objective of the portfolio is to achieve capital appreciation over a long term by investing in a diversified portfolio.

## Key Facts

### Portfolio Manager & Experience

**Mr. Neelesh Dhamnaskar**

Total Experience: 17 yrs.

Managing this portfolio since July 09, 2022

### Investment Approach Inception Date

June 26, 2006

### Investment Universe

Equity & Equity Related Instruments (Including Equity Derivatives)\*, Money Market Instruments, Units of Liquid, Money Market & Overnight Mutual Fund Schemes, Cash & Cash Equivalents

### Indicative Asset Allocation Instruments

% Allocations

Equity & Equity Related Instruments (Including Equity Derivatives)\* 90% to 100%

Money Market Instruments, Units of Liquid, Money Market & Overnight Mutual Fund Schemes, Cash & Cash Equivalents 0% to 10%

\* The portfolio may have exposure to derivatives up to 30% of the portfolio value in accordance with guidelines issued by SEBI. The asset allocation pattern indicated above may change from time to time, keeping in view market conditions. It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary substantially depending upon the perception of market conditions of the Portfolio Manager, the intention being at all times to seek to protect the interests of the Client. Such changes in the asset allocation pattern will be for defensive considerations.

**Strategy:** Equity

**Benchmark & Rationale**  
**S&P BSE 500 TRI**  
S&P BSE 500 TRI benchmark includes the top 500 companies in the listed space in India and is a broad representation of the listed companies in India, across sectors and market capitalization range; an appropriate representative of the universe of stocks that the portfolio endeavors to invest in.

**Investment Horizon**

The portfolio is suitable for investors seeking longterm wealth creation by investing in equities with an investment horizon of 5 years and above

### Risk Factors

The portfolio invests in relatively smaller companies commonly referred to as mid cap and small cap stocks. These companies may lack operational strength, which may make them vulnerable during weaker economic cycles. Additionally, stocks of these companies usually have lower trading volumes on the exchanges, which may result into higher impact costs & longer execution time compared to large cap stocks. These companies tend to be less researched compared to large cap stocks & this may result into longer waiting period for the stock to reach their potential intrinsic value.

### Subscription

**Minimum Investment:** ₹50 Lacs

**Mode:** Funds and/or Stock Transfer

**Direct Onboarding:** We do offer direct onboarding of clients, please write to us at [pms@invesco.com](mailto:pms@invesco.com) for more details.

## Investment Strategy

The Portfolio shall invest in mid & small cap stocks that can get re-rated either because of growth in earnings, change in business environment or companies that may have been overlooked or are out of favour. While selecting stocks, the portfolio would prefer companies which exhibit scalable business model coupled with sustainable growth prospects & companies operating in niche or emerging business areas. For shortlisting opportunities, the portfolio would screen companies with good quality management, sound corporate governance, competitive advantages, attractive returns on capital employed, adequate cash flow, potential for earning growth and P/E multiple expansion. The portfolio would filter manufacturing companies based on Return on Capital Employed, Free Cash Flow & Financial Companies on the basis of Return of Equity & Return on Assets. The portfolio follows a bottom-up stock selection approach & would normally invest in 15-25 stocks, with no single stock having more than 8% exposure of the portfolio value and no single sector having more than 40% exposure of the portfolio value at time of investment.

### As on Date Performance (As on Jun 30, 2023)

In %	1 mth	3 mths	6 mths	1 year	2 yrs.	3 yrs.	5 yrs.	7 yrs.	10 yrs.	Since Inc.
<b>Investment Approach</b>	6.44	16.60	16.22	24.37	17.20	36.97	13.56	12.99	16.55	11.42
<b>S&amp;P BSE 500 TRI</b>	4.28	13.18	6.78	23.98	11.72	26.42	13.87	14.52	15.29	13.14

Since Inc.: Since Inception.

### Calendar Year Performance (As on Jun 30, 2023)

In %	YTD'23	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Investment Approach</b>	16.22	-3.76	72.13	13.04	-8.34	-13.96	33.05	2.74	0.63	62.36
<b>S&amp;P BSE 500 TRI</b>	6.78	4.77	31.63	18.41	8.98	-1.81	37.60	5.15	0.45	38.93

**Past performance may or may not be sustained in future.** Pursuant to SEBI Circular dated December 16, 2022, new benchmark has been adopted with effect from April 1, 2023 and accordingly benchmark returns are provided for new benchmarks across all periods. Returns up to 1 year are absolute & over 1 year are Compounded Annualized. **Return Calculation Method:** Time Weighted Rate of Return (TWRR). Investment Approach aggregate level return has been calculated after taking into account all applicable expenses (including applicable exit load) & charges across client portfolios. The performance related information is not verified by SEBI.

### Portfolio (As on Jun 30, 2023)

#### Top 10 Holdings

Company Name	% of Net Assets	Sector Name	% of Net Assets
Bharat Electronics Ltd.	7.5	Industrials	28.7
Dreamfolks Services Ltd.	7.2	Consumer Discretionary	17.0
Sundaram Fasteners Ltd.	6.7	Financials	16.9
KEI Industries Ltd	5.5	Materials	11.3
Tube Investments of India Ltd.	5.0	Information Technology	9.9
Craftsman Automation Ltd.	4.9	HealthCare	6.6
Home First Finance Company India Ltd.	4.3	Real Estate	3.4
Persistent Systems Ltd.	4.2	Consumer Staples	2.5
The Federal Bank Ltd.	4.0	Cash & Cash Equivalent	3.8
JK Lakshmi Cement Ltd.	3.7		
<b>Total Equity Exposure</b>	<b>96.3</b>		

#### Market Capitalization

Large Cap:	9.7%	Dividend Yield <sup>1</sup>	0.28%
Mid Cap:	31.3%	Price to Earnings <sup>1</sup> FY 23	29.91
Small Cap:	55.3%	Price to Earnings <sup>1</sup> FY 24 Estimate	25.01
Avg. Weighted Market Capitalization	₹24,944 crs.	Price to Earnings <sup>1</sup> FY 25 Estimate	20.40
Median Market Capitalization	₹14,305 crs.	2 Year EPS CAGR (FY23-FY25) Estimate <sup>2</sup>	19.26%

**Large Cap:** 1st 100 company in terms of full market capitalization. **Mid Cap:** 101<sup>st</sup> to 250<sup>th</sup> company in terms of full market capitalization. **Small Cap:** 251<sup>st</sup> company onwards in terms of full market capitalization.

#### Portfolio Fundamentals

Return on Assets <sup>1</sup> FY 24 Estimate	5.53%
Return on Equity <sup>1</sup> FY 24 Estimate	17.47%
Return on Equity <sup>1</sup> FY 25 Estimate	18.85%

**Source:** Factset, Internal.

1. Weighted Harmonic Mean. 2. EPS Growth is derived from P/E ratios. Note: Excludes companies with net loss for appropriate results for various ratios. EPS: Earnings per share.

#### Performance Attributes

Standard Deviation	4.86%
Beta:	0.84
Sharpe Ratio	0.45

Based on 3 yrs., monthly data points (Risk-free rate of 6.80% based on Overnight MIBOR)

**Disclaimer: Past performance may or may not be sustained in future.** Invesco Asset Management (India) Private Ltd. ("IAM") / "Portfolio Manager") does not offer guaranteed or assured returns. Pursuant to SEBI Circular dated December 16, 2022, new benchmark has been adopted with effect from April 1, 2023 and accordingly benchmark returns are provided for new benchmarks across all periods. Returns up to 1 year are absolute & over 1 year are Compounded Annualized. **Return Calculation Method:** Time Weighted Rate of Return (TWRR). Investment Approach aggregate level return has been calculated after taking into account all applicable expenses (including applicable exit load) & charges across client portfolios. The above returns may be subject to charging of expenses & charges at the time of closure of books of client accounts on periodic basis. The performance related information is not verified by SEBI. All portfolio data provided above is for model portfolio. Returns & Portfolio of client wise portfolio 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. The stocks referred above should not be construed as recommendations from IAM. The Portfolio may or may not have any present or future positions in these stocks or in any other portfolios offered by IAM. The performance of above stocks should not be construed as performance of the portfolio as the portfolio would be constituted of number of stocks having different weights and the individual stock held by the portfolio may or may not give positive returns. **Securities investments are subject to market risks, please read the Disclosure Document carefully before investing.**