



Quantitative Growth Fund

SEBI Registration No. – INP000005795

Contents

1 Fund Highlights

2 Strategy Overview

3 Our Investment Process

4 Past Performance

5 Correlation of Long Term Earnings with Returns

Fund Highlights (1/2)

Quantitative Growth Fund

Strategy

Emphasis on buying high quality businesses

Long/ Short

Long only strategy on Indian stocks

Securities

Equity

Market capitalization

Agnostic

Philosophy

Quantitative, objective, unbiased stock picking based on strong business fundamentals

Holding period

Long term holding period with low portfolio churn

Taxation

LTCG/ STCG as applicable

Fund Highlights (2/2)

| Scheme name | Quantitative Growth Fund |
|---|--|
| Investment objective | The objective of the scheme is to follow a systematic investing approach, while buying high quality businesses |
| Investment manager | |
| Minimum investment | 50 lakhs |
| Capital contribution | 100% upfront |
| Subscription/ Redemption windows | Subscription (at discretion of investment manager)/ Redemption (monthly) |
| Placement fee | Nil |
| Management fee | Refer Word Doc |
| Performance fee | |
| Exit load | |
| Lock-up period | Nil |
| Taxation | LTCG/ STCG as applicable |
| NAV frequency | Monthly (15 th calendar day) |

Strategy Overview



- The Quantitative Growth Fund follows a classic growth investing approach
- Our principle is to buy high quality businesses with a strong moat
- The emphasis is on identifying and capturing businesses with not so easily replaceable products and strong capital allocation skills

- The stock selection process is fully objective and automated
- It has the benefit of eliminating human errors and cognitive biases from the investment process
- This process also allows us to benefit from mispricing caused due to investors' behavioral biases

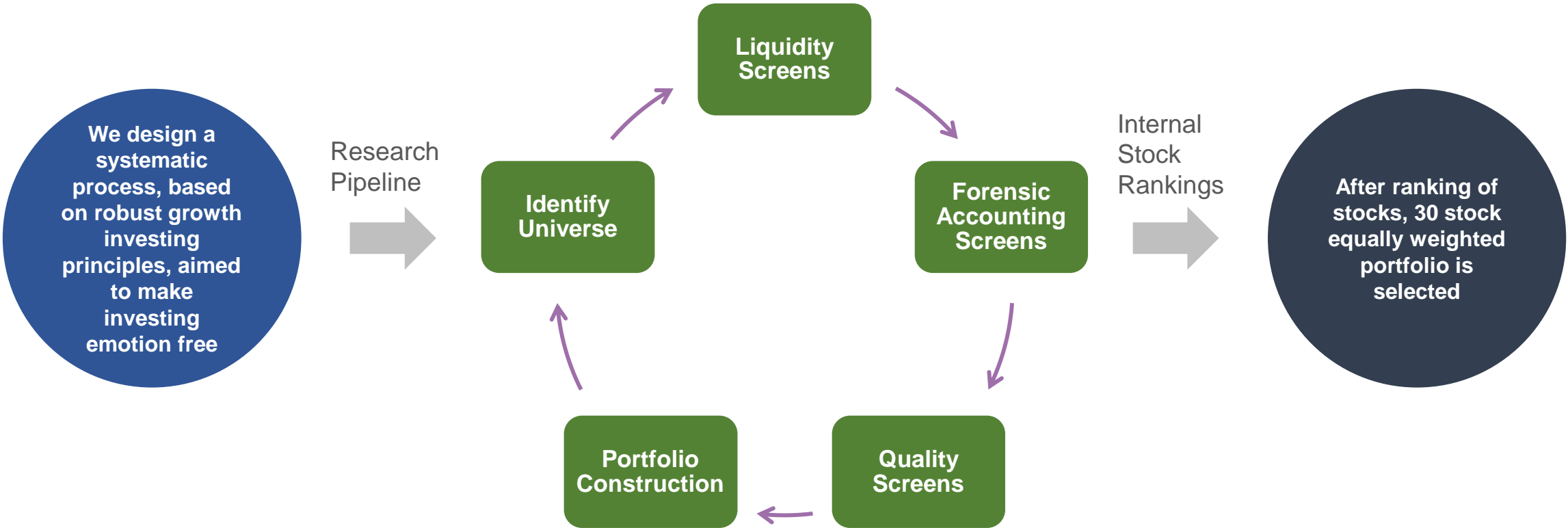
- We use a proprietary methodology to rank stocks on different fundamental factors
- Our ranking algorithm is multi-faceted to dynamically view any business from different angles in order to filter out the mediocre and sub standard businesses
- We rank businesses on capital efficiency, cash flow generation and liquidity amongst other factors

Our Investment Process (1/4)

Process Generation

In-Depth Quantitative Analysis

Portfolio Construction



Our Investment Process (2/4)

Identify Investible Universe

- Portfolio universe consists of multi-cap companies
- Diversification in large to mid cap companies
- No financial and real estate companies as the unique nature of financial companies (leverage) makes it difficult to analyze with quantitative models



Liquidity Screens

- Its far better to buy a wonderful company at a fair price than a fair company at a wonderful price
- We avoid companies below a market capitalization of Rs.500 crores due to low liquidity



Forensic Accounting Screens

- Portfolio algorithm uses statistical models to avoid firms that may incur financial distress
- It avoids companies which are at risk of financial statement manipulation
- For this it uses forensic accounting screens to avoid the value trap

Our Investment Process (3/4)

Quality Screens

- The portfolio ranks the cheapest stocks on their long term business fundamentals and current financial strength
- Long term business strength is analyzed based on FCF generation, economic returns and margin analysis
- Current financial strength is analyzed based on current profitability and stability

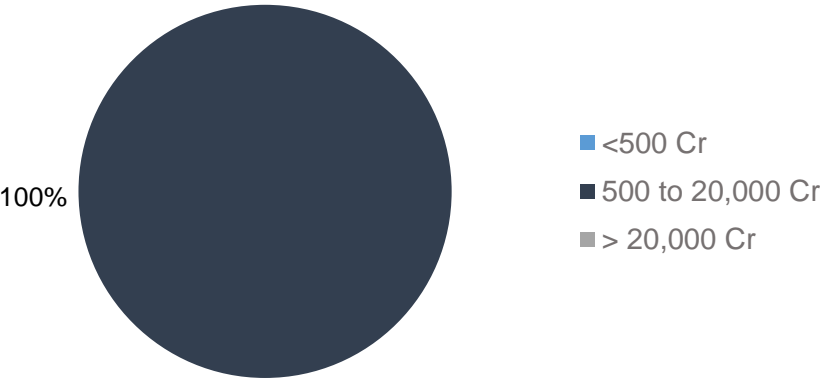


Portfolio Construction

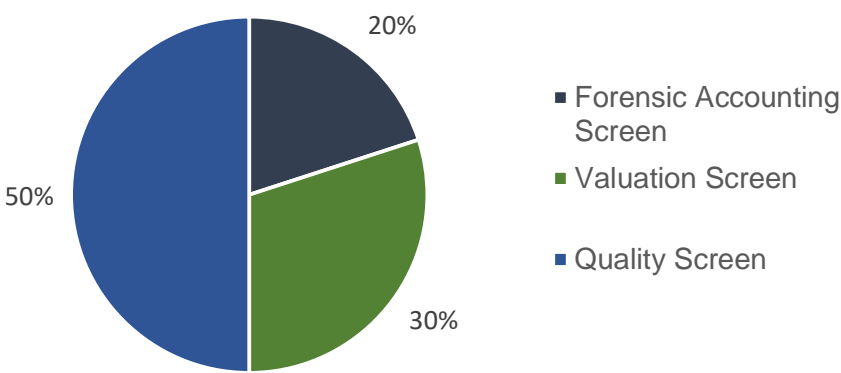
- A 30 stock equally weighted portfolio is constructed based on ranks
- The portfolio is rebalanced annually

Our Investment Process (4/4)

Market capitalization



Screening



Investment process offer many advantages

| | | |
|----------------------------|--------------------------------|------------------------------|
| Increase in Returns | Reduction in Volatility | Address Specific Risk |
| Yes | Yes | Limit Max Drawdown |

Past Performance (1/5)



Trailing returns

| Returns | 1 Year | 3 Years | 7 Years |
|------------------|--------|---------|---------|
| Absolute Returns | 80.53% | 108.71% | 259.72% |
| XIRR* | 80.53% | 27.80% | 20.04% |

•All returns are annualized. Returns as on 04th March 2024.

Risk-related parameters

| Winners | Losers | Portfolio Churn | Largest Winner |
|---------|--------|-----------------|----------------|
| 60% | 40% | 0.39x | 12.63x |

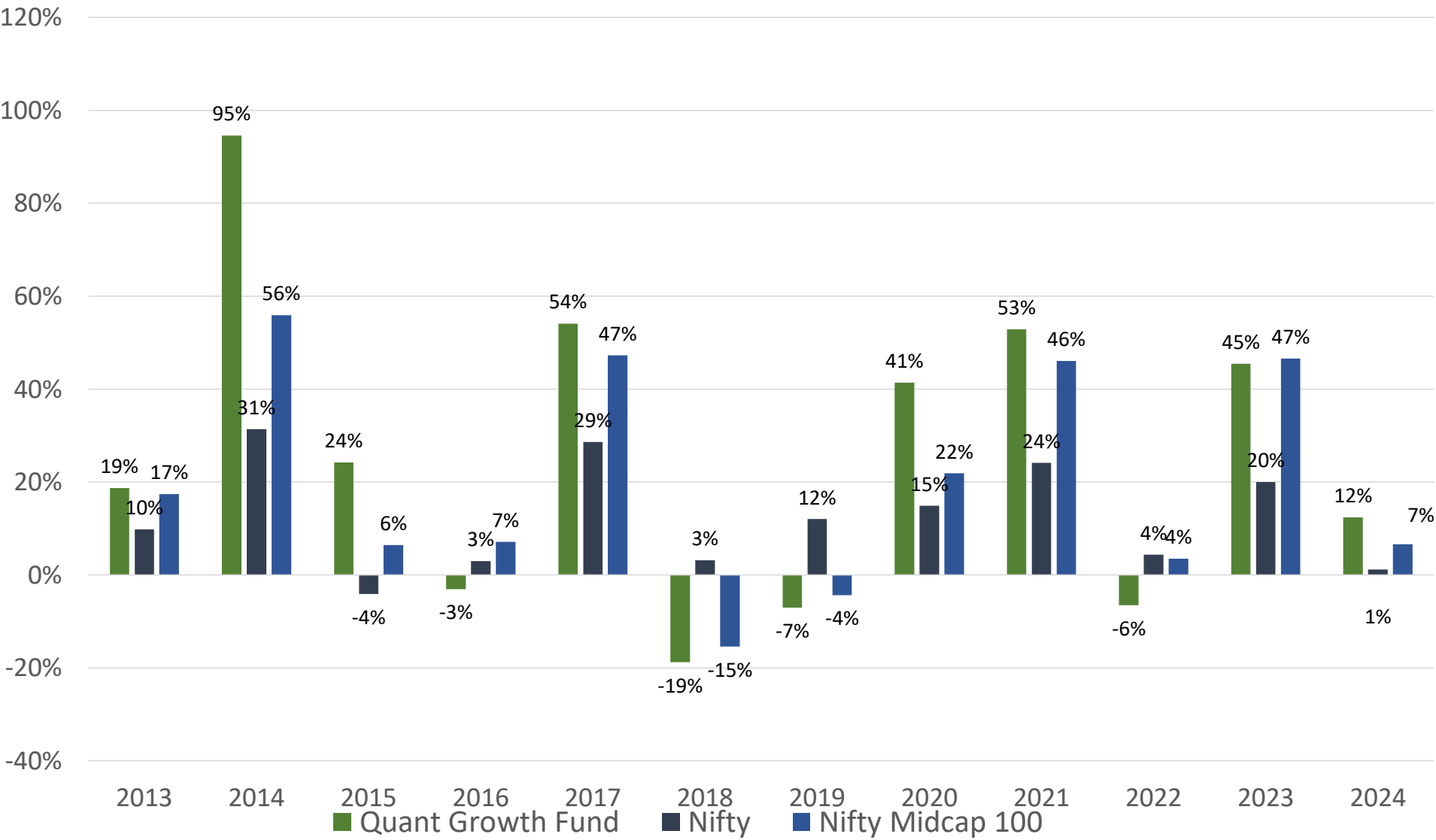
Past Performance (2/5)

Out-of-sample monthly performance based on survivorship bias free data

| Year | Jan | Feb | Mar* | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
|------|--------|---------|---------|--------|--------|--------|---------|--------|---------|--------|--------|--------|---------|
| 2013 | | | | | | | -4.30% | -6.79% | 7.71% | 8.50% | 4.47% | 4.32% | 13.61% |
| 2014 | -1.55% | 5.51% | 5.92% | 2.49% | 3.92% | 7.33% | 13.09% | 9.53% | 9.41% | 3.85% | 5.54% | 4.18% | 94.60% |
| 2015 | 5.15% | 0.46% | 4.92% | -1.30% | 6.16% | -2.22% | 10.23% | -4.20% | 1.97% | 0.21% | -1.42% | 2.82% | 24.20% |
| 2016 | -8.52% | -11.11% | 6.62% | 5.38% | -1.14% | 4.15% | 3.98% | 2.23% | 2.91% | 5.38% | -8.18% | -2.64% | -3.05% |
| 2017 | 5.14% | 2.05% | 6.30% | 3.41% | 1.20% | 2.13% | 4.89% | -0.63% | 0.41% | 10.79% | 6.10% | 2.78% | 54.12% |
| 2018 | -2.87% | 0.59% | -3.23% | 1.32% | -1.86% | -1.58% | 1.96% | 1.01% | -12.03% | -1.75% | -0.48% | -0.90% | -18.76% |
| 2019 | -7.99% | -3.17% | 8.58% | -1.80% | 2.44% | -5.71% | -11.94% | 1.21% | 6.66% | 4.95% | -1.20% | 2.79% | -7.03% |
| 2020 | 10.43% | -5.64% | -26.76% | 22.78% | -0.26% | 8.15% | 6.86% | 9.25% | 6.10% | -1.21% | 7.42% | 6.46% | 41.44% |
| 2021 | 1.87% | 5.57% | 0.39% | 10.48% | 8.12% | 5.16% | 4.78% | 0.79% | 5.28% | 1.45% | -2.01% | 2.01% | 52.93% |
| 2022 | -0.88% | -9.33% | 3.00% | 2.31% | -8.79% | -5.53% | 4.55% | 4.92% | -0.46% | -0.28% | 5.23% | -2.51% | -8.85% |
| 2023 | -2.13% | -7.61% | -2.59% | 10.26% | 6.05% | 7.69% | 3.69% | 8.70% | -0.40% | 6.72% | 4.40% | 7.55% | 49.19% |
| 2024 | 8.25% | 1.20% | 2.59% | | | | | | | | | | |

Highlighted area indicates backtested performance of the Quant Growth Fund while the other returns are actual results.

Past Performance (3/5)



* These returns are back tested results which do not represent actual performance and they are not indicative of future results.

Past Performance (4/5)

Comparison with Top Mutual Funds

| | 1 Year | 3 Year | 7 Year |
|--|---------------|---------------|---------------|
| Quant Growth Fund | 80.53% | 27.80% | 20.04% |
| Motilal Oswal Flexi Cap Fund | 47.60% | 13.51% | 12.13% |
| Aditya Birla Sun Life Small Cap | 46.58% | 20.27% | 13.93% |
| HSBC ELSS Tax Saver Fund | 40.87% | 17.89% | 14.49% |
| Sundaram Diversified Eqt Fund | 28.29% | 15.78% | 12.16% |
| ABSL Mid Cap Fund | 43.81% | 22.23% | 14.87% |

Note: Out of a universe of 2500 MF's we have handpicked the top performing for comparison

Past Performance (5/5)

Best Performing Companies

| Name of the Company | Returns | Holding Period |
|-----------------------------|---------|----------------|
| Tata Elxsi Limited | 1264% | 7 Years |
| Page Industries Limited | 587% | 5 Years |
| Sonata Software Limited | 474% | 5 Years |
| Avanti Feeds Ltd | 458% | 6 Years |
| Alkyl Amines Chemicals Ltd | 379% | 1 Years |
| Alembic Pharmaceuticals Ltd | 363% | 3 Years |
| Ajanta Pharma Ltd | 313% | 5 Years |
| Britannia Industries Ltd | 296% | 2 Years |
| Deepak Nitrite Ltd | 292% | 1 Years |
| Amara Raja Batteries Ltd | 235% | 3 Years |

Correlation of Long Term Earnings with Returns



“Over the long term, it’s hard for a stock to earn a much better return than the business which underlies it earns”

- Charlie Munger

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