



**MOTILAL OSWAL**

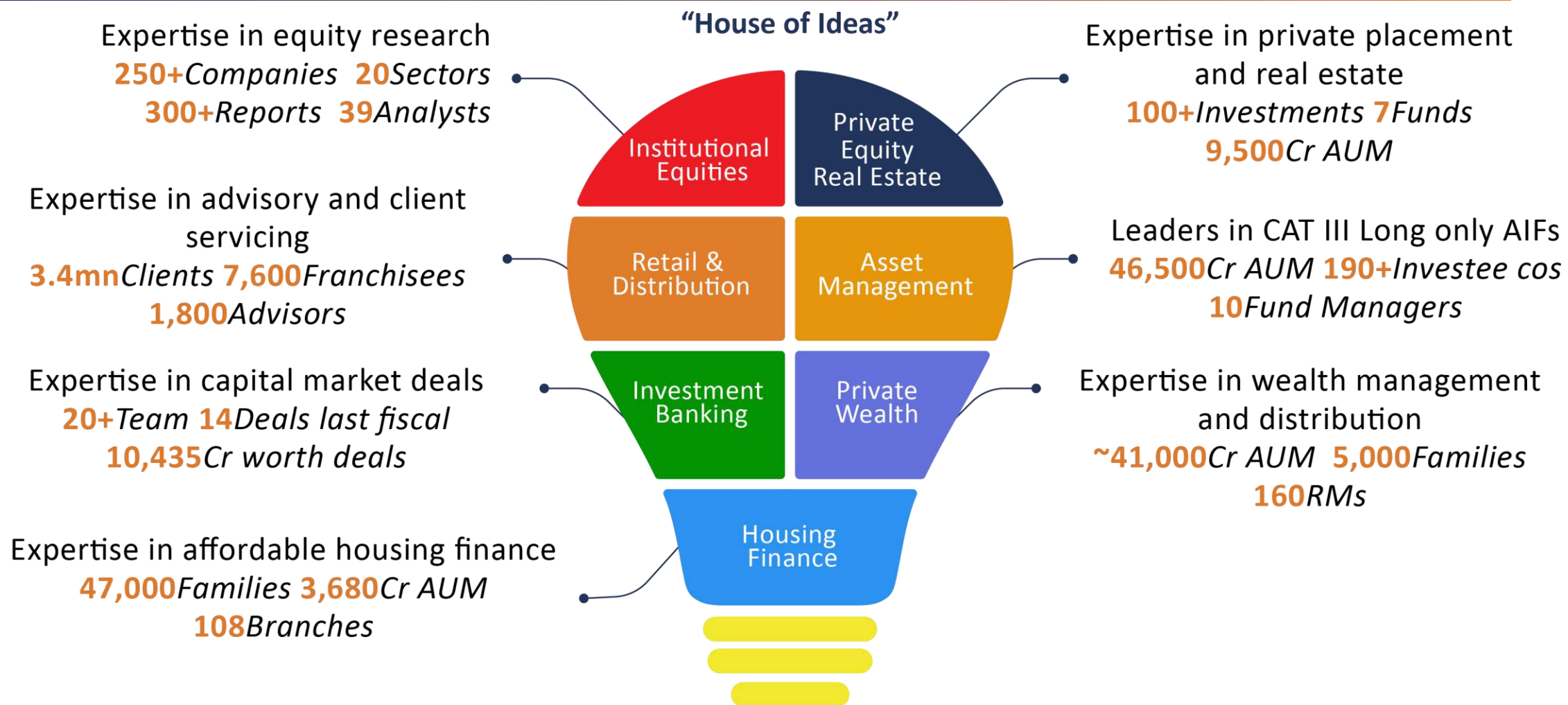
**ASSET MANAGEMENT**

**THOUGHT LEADERS IN EQUITY**

**Focused, Process Driven,  
Ideas Powerhouse**

**THINK EQUITY. THINK MOTILAL OSWAL.**

# Veritable Ecosystem in Financial Services



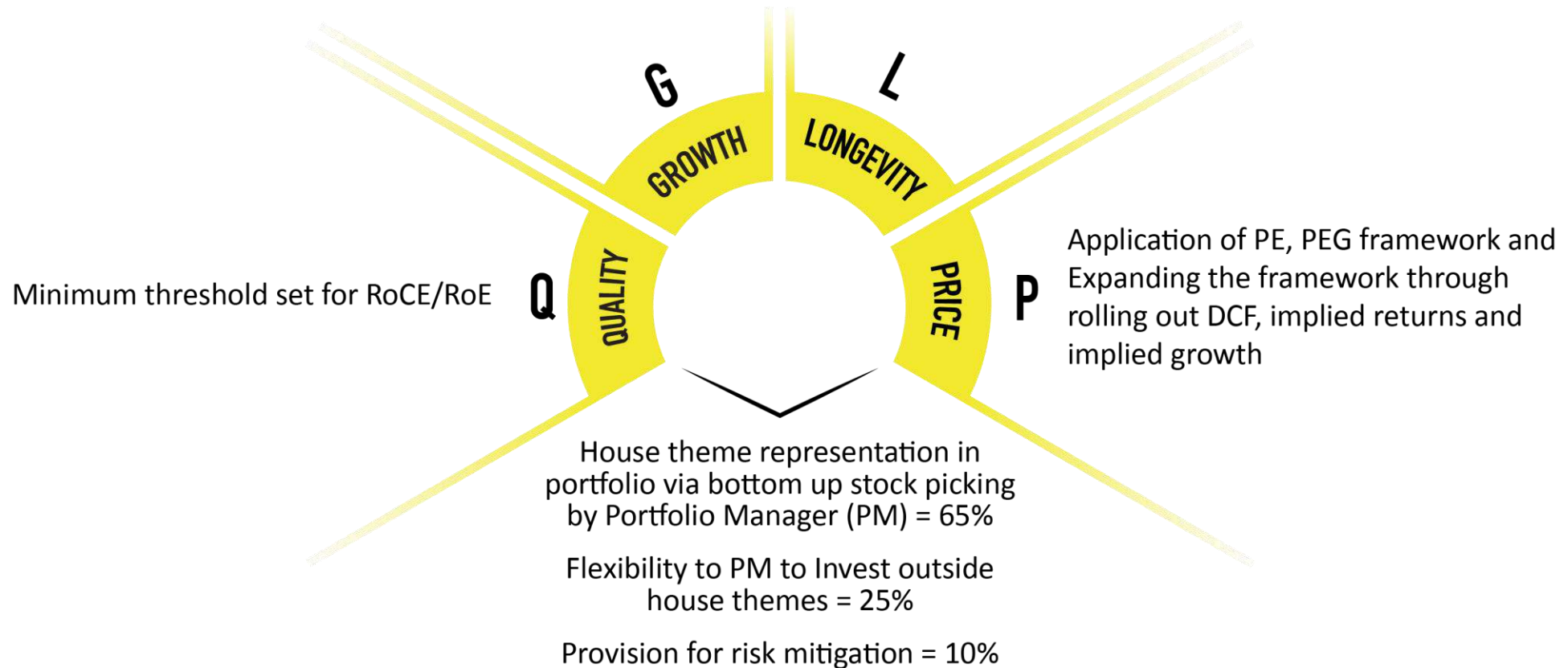
**We have established experience in arguably most segments under financial services**

Source: MOAMC Internal, Data as on 31st December 2022.

**THINK EQUITY. THINK MOTILAL OSWAL.**

# Disciplined Investing following “Q-G-L-P” Investment Process

Ensuring Longevity of Growth by investing in sustainable themes identified by the Investment team collectively



The above graph/data is used to explain the concept and is for illustration purpose only. The data mentioned herein are for general and comparison purpose only and not a complete disclosure of every material fact, and should not be used for development or implementation of an investment strategy. Past performance may or may not be sustained in future.



# Risk Management Framework for Consistency & Sustainability of Performance



## Stock Weightage & Stock Sizing

Minimum and maximum exposure limits set



## Sector Sizing

Limits on sector deviations relative to benchmark



## Diversification Strategy

Portfolio size capped up to 35 stocks



## Profit Taking / Stop Loss Framework

Proprietary framework for measuring triggers

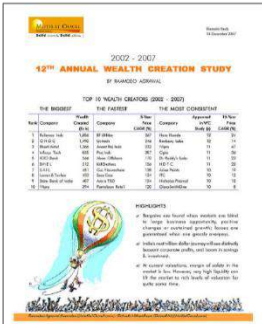


## Stringent Liquidity Framework

Ensuring efficient management for ability to take necessary action

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25+ Years of Thought Leadership – Wealth Creation Studies

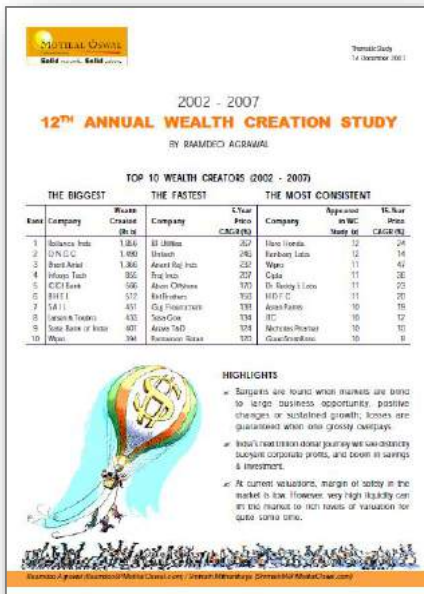


Skin in the Game



What is at stake?  
~4,000+ Cr

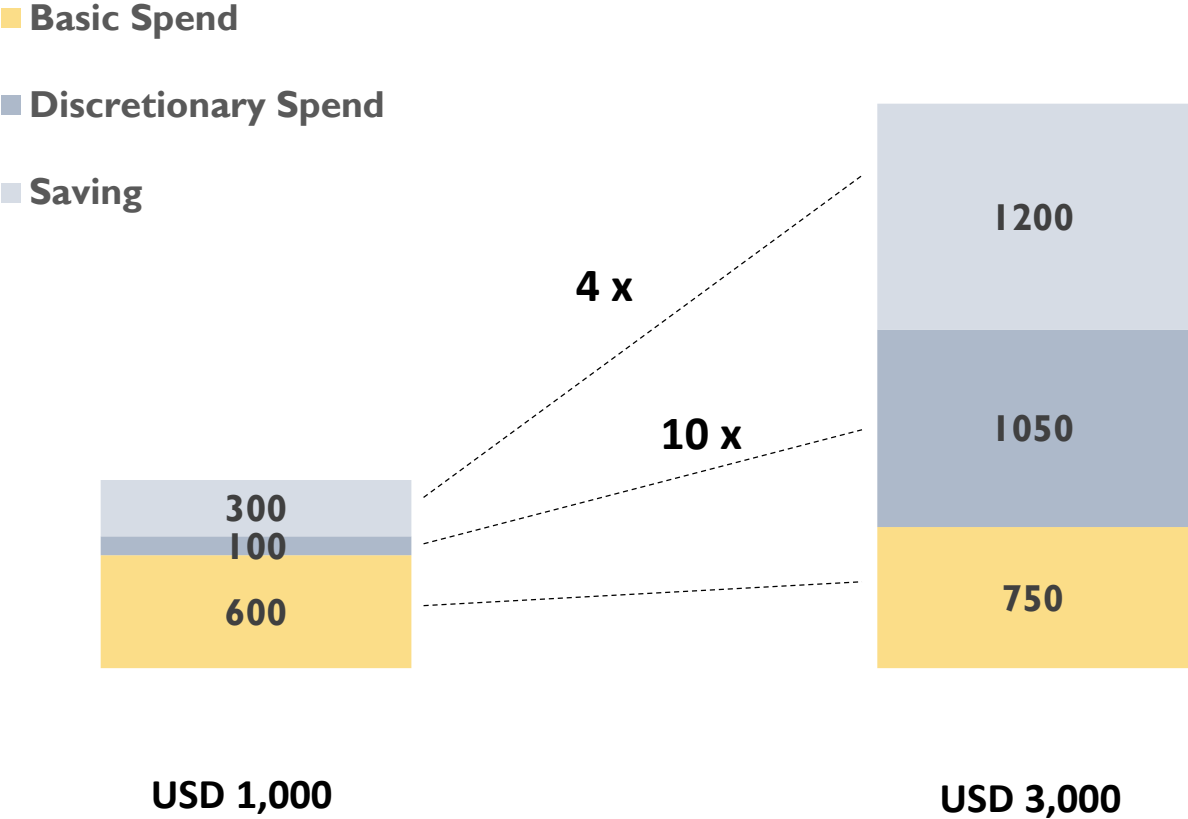
Source: MOAMC Internal, Data as on 31st December 2022.



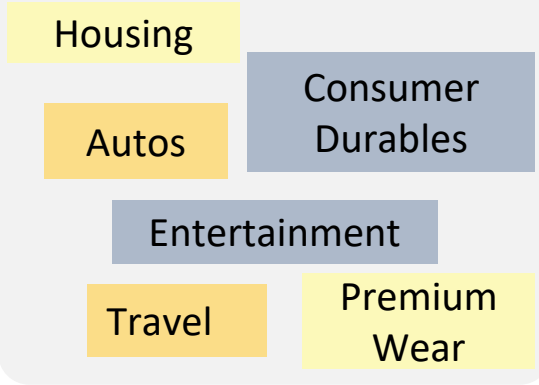
# Next Trillion Dollar Opportunities Portfolio

Linear GDP Growth = Exponential Opportunities

# NTD Framework : Linear growth, Exponential opportunities



Rise in per capita GDP leads to 10x opportunity in discretionary categories



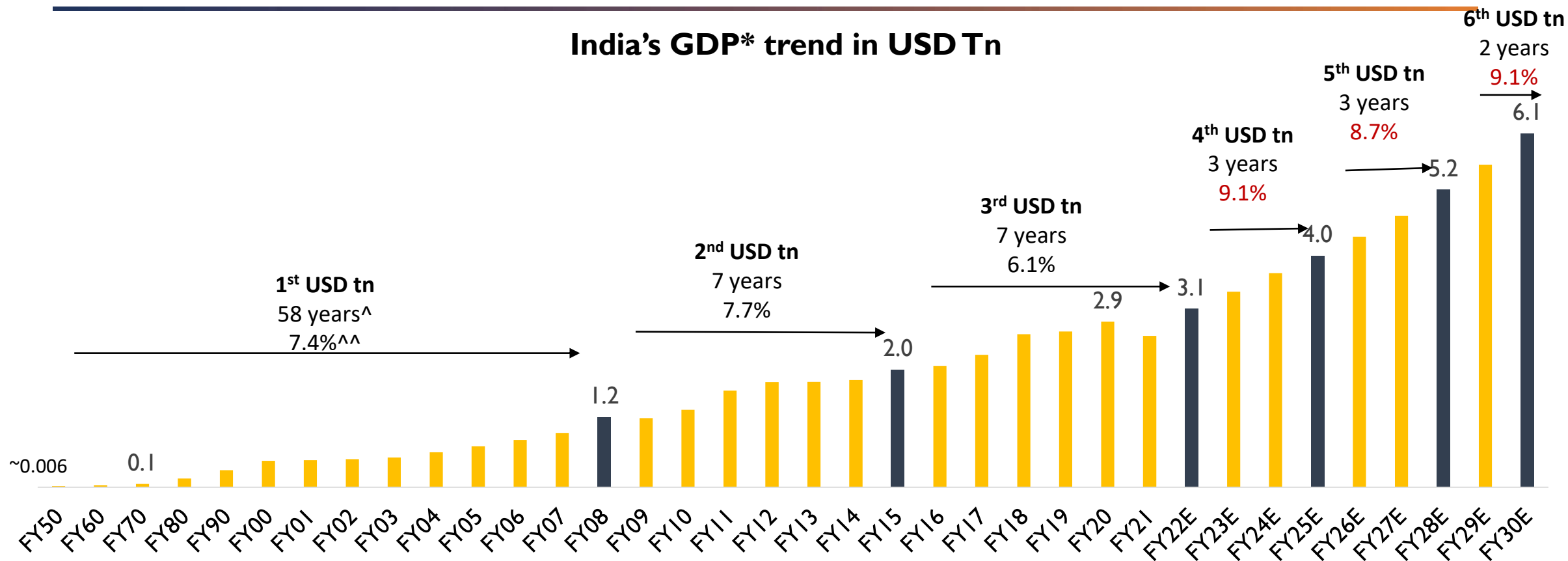
Higher savings also mean opportunities in:



Source: MOAMC Internal Research  
Disclaimer: The above graph/data is used to explain the concept and is for illustration purpose only. The data mentioned herein are for general and comparison purpose only and not a complete disclosure of every material fact. and should not used for development or implementation of an investment strategy. Past performance may or may not be sustained in future.

# India Growth Story – The Big Leap

## India's GDP\* trend in USD Tn



<sup>^</sup>Period

<sup>^^</sup>GDP growth (cagr)

Every successive trillion dollar GDP is likely to take lesser number of years

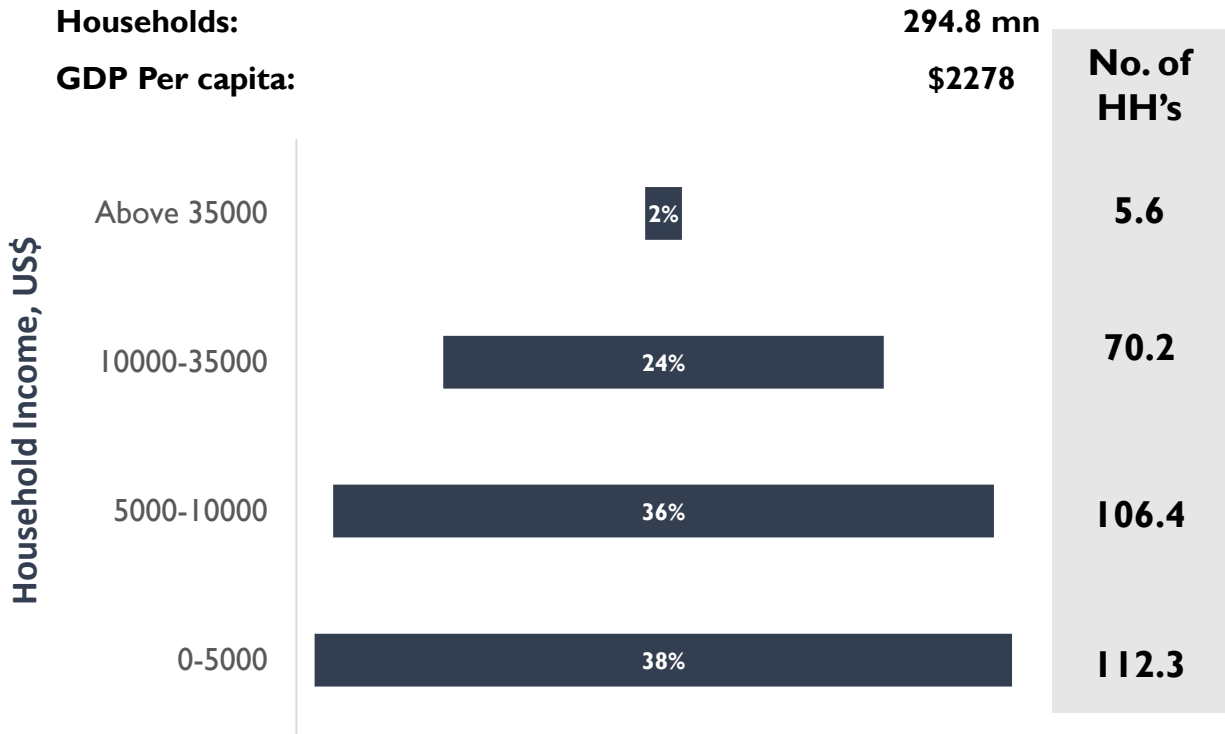
\*GDP is Nominal GDP. Source: MOAMC Internal Research

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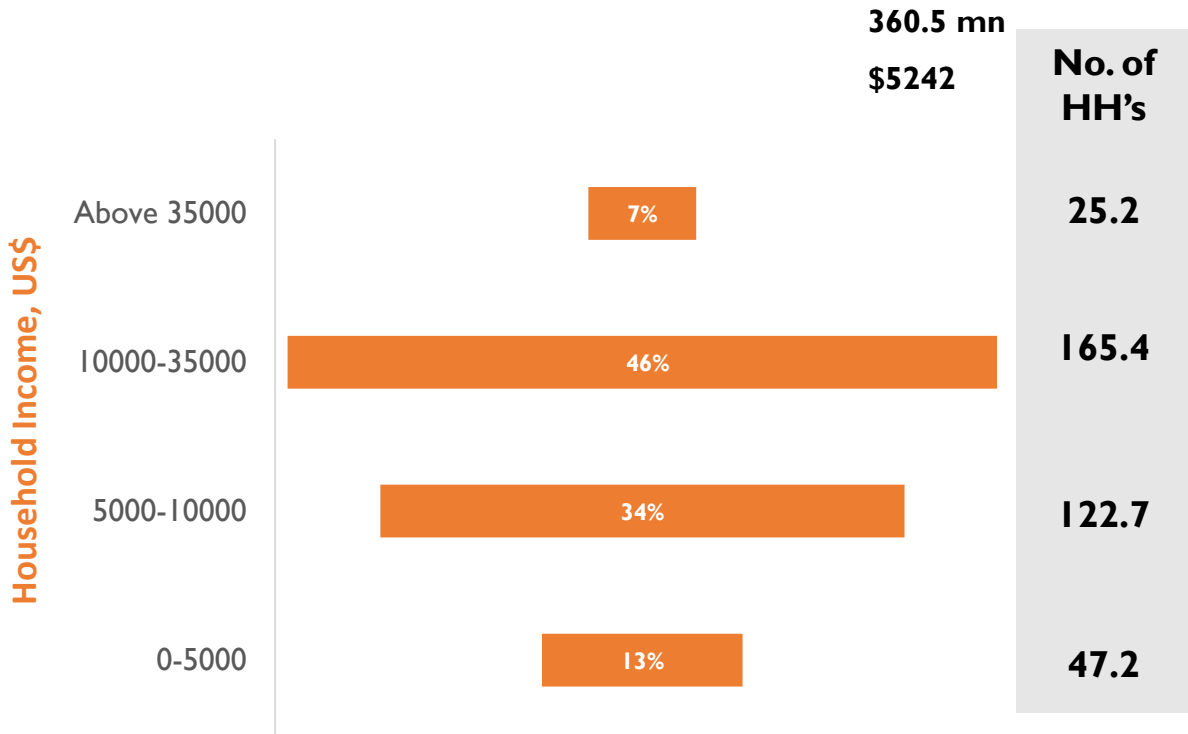


# Major shift coming in India's income pyramid : A large middle-income population

2021 Households by Income Distribution

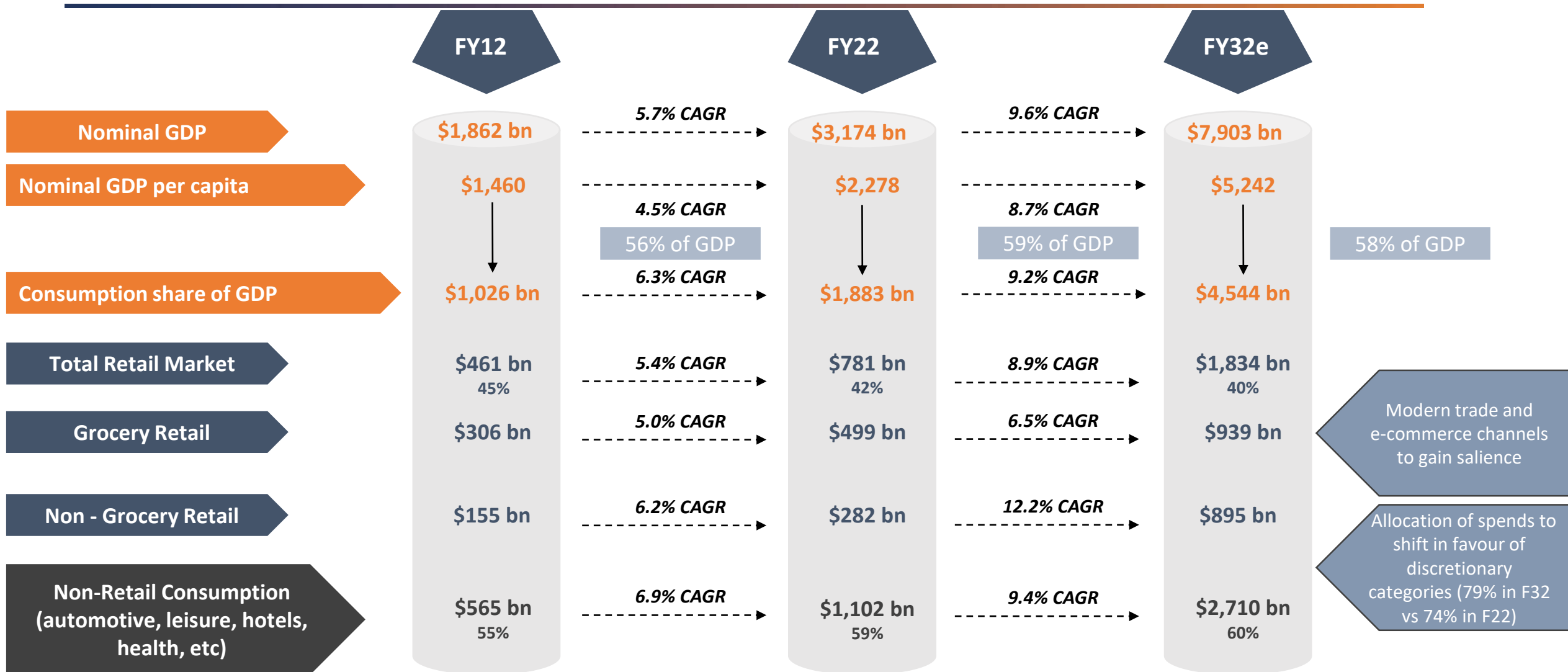


2031 Households by Income Distribution



Source: Morgan Stanley Research estimates  
The above graph is used to explain the concept and is for illustration purpose only and should not used for development or implementation of an investment strategy. Past performance may or may not be sustained in future.

# A discretionary spending boom is on the horizon



Source: Morgan Stanley Research estimates

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# Introducing NTDOP – A Portfolio to take advantage of the consumption story

**Eicher :** Leading the premiumisation in motorbikes through a strong brand (Royal Enfield)



**Maruti Suzuki:** Leader in PV market with over 40% market share

**Emami:** A niche FMCG with focus on relatively underpenetrated segments.



**Voltas:** Market leader with a strong brand, distribution moats and strong financials

**ITC:** Cigarettes major and the 2<sup>nd</sup> largest FMCG player with a potential value unlocking event



**L&T:** A play on the capex revival & infra spends; best in class metrics, a robust order book and execution momentum

**Max Fin Services:** Best in class metrics, Axis Bank as largest shareholder, secular runway & collapse of hold-co structure



**HDFC:** Is the largest NBFC engaged in the housing finance business

**Vedant Fashions:** A category leader, it is a play on the branded Indian wedding and celebration wear market



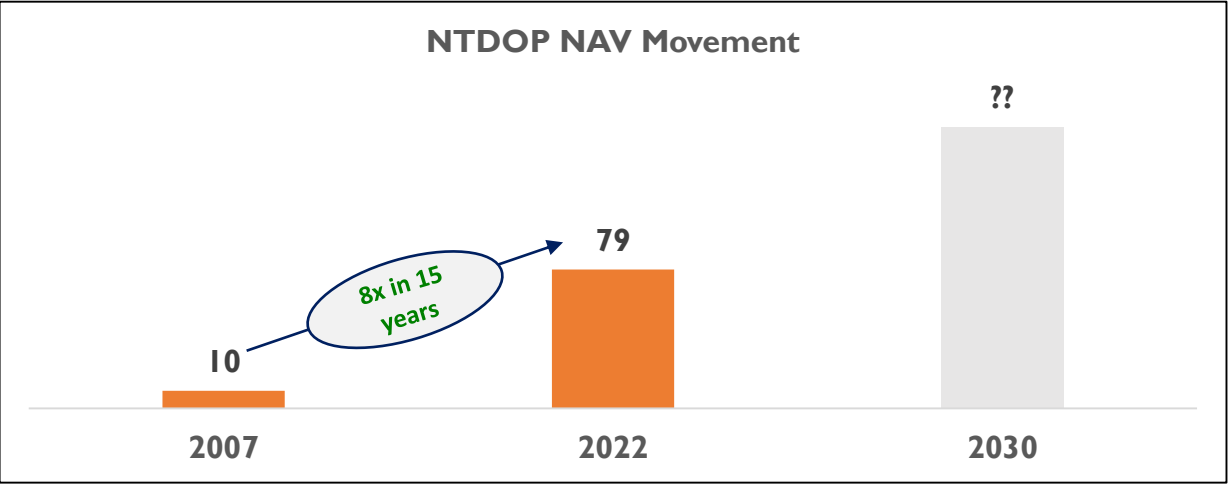
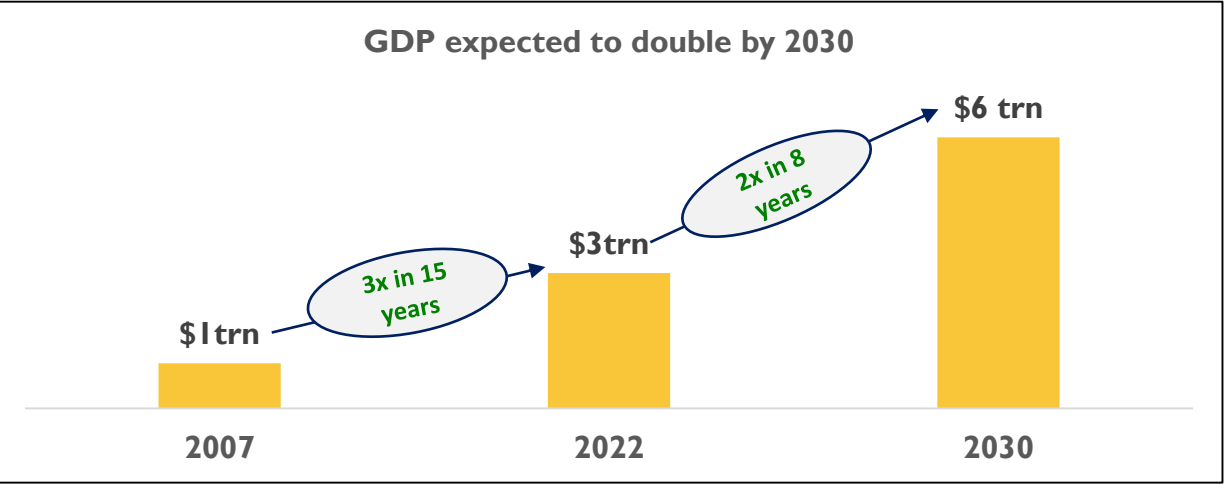
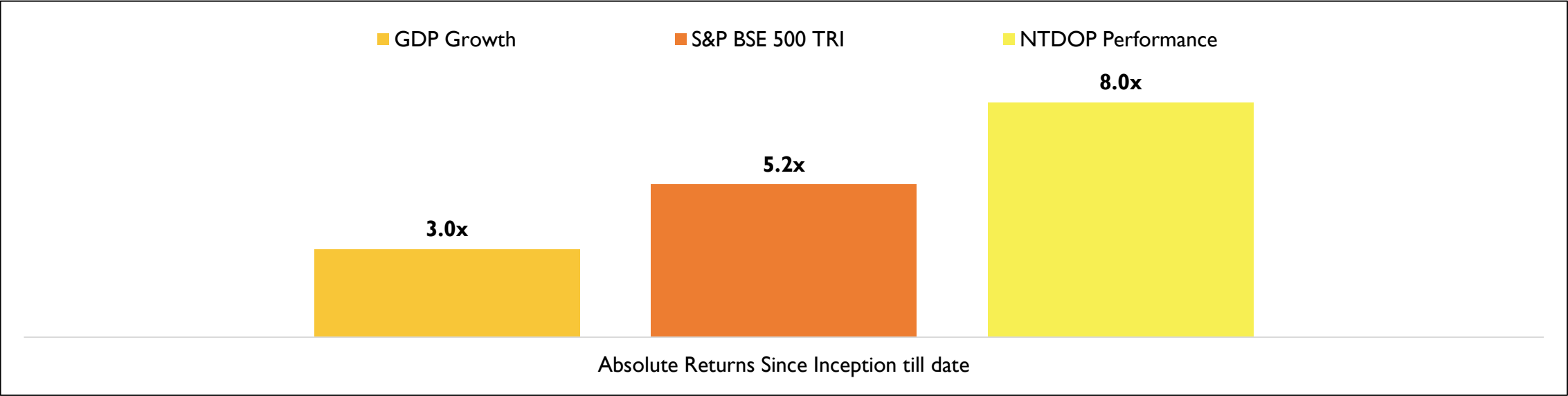
**Zomato:** A leading food delivery aggregator in India and has presence in more than 1,000 towns and cities as of FY22

**ICICI Bank:** Big beneficiary of re-rating led by change in management



**Page Industries:** Market leader in premium innerwear and leisurewear category, strong backward integration

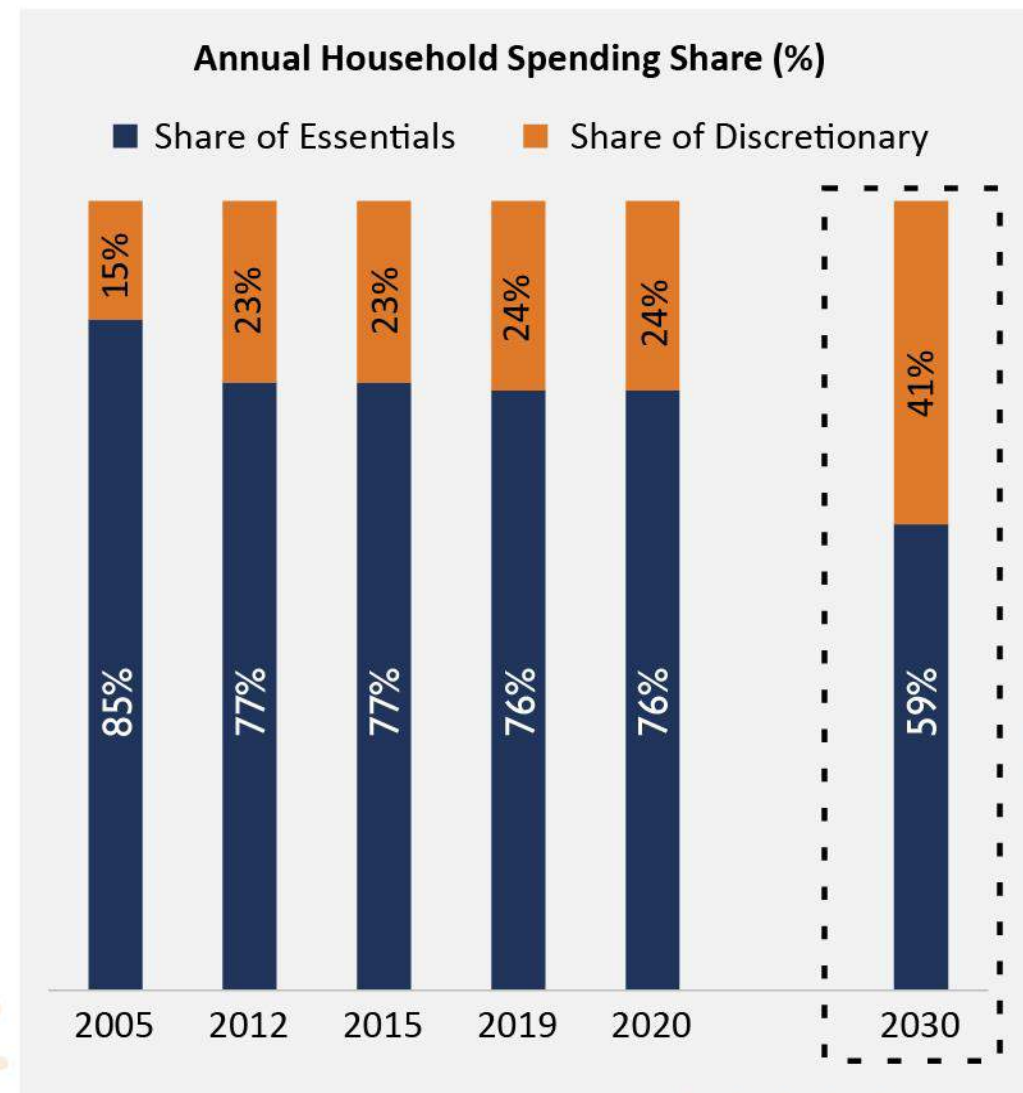
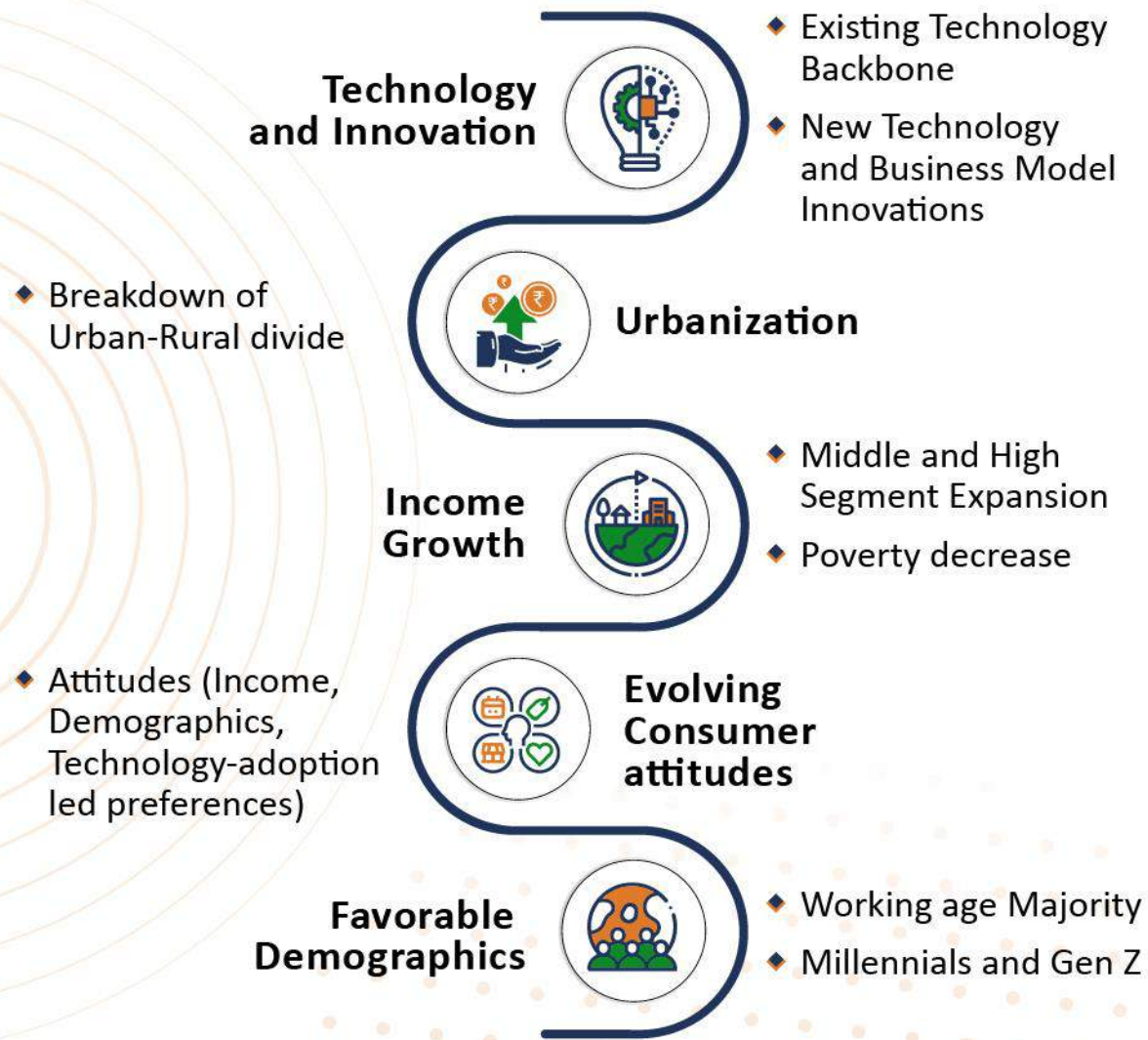
# NTDOP – 8x in last 15 years v/s 3x GDP growth in the same time period



## WHY NTDOP

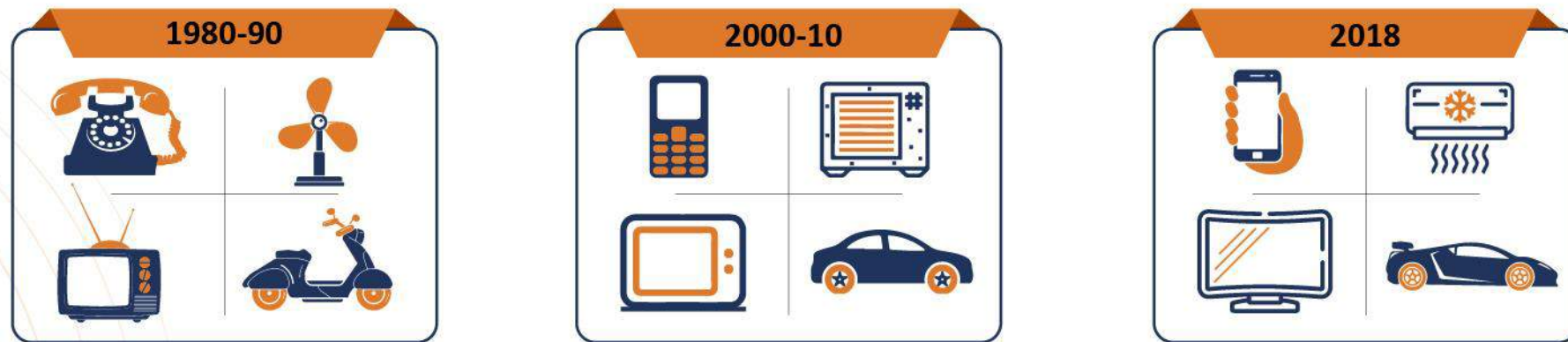


# Today's India : More Aspirational in its Consumption Pattern



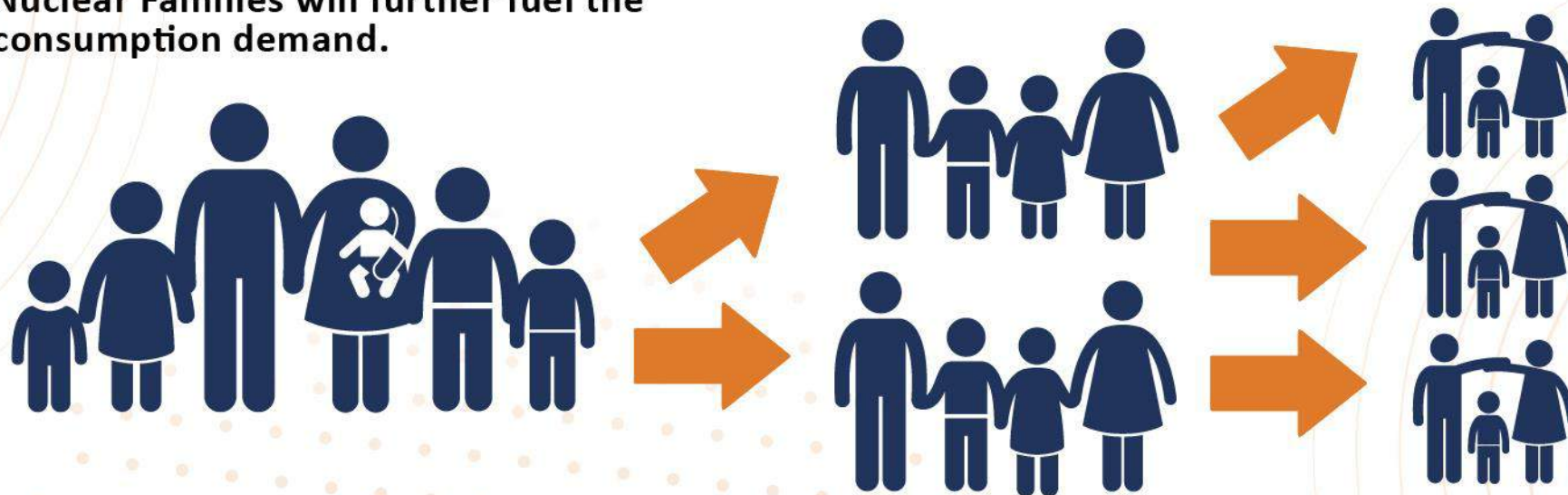
Source: InvestCorp, Sep 2021 Report

# Transition of Consumption Pattern



Changing Needs and Wants

Nuclear Families will further fuel the consumption demand.





# Transition of Consumption Pattern

Product-specific demand drivers will lead to strong growth across all consumer durables and electronics product segments.



Market Size

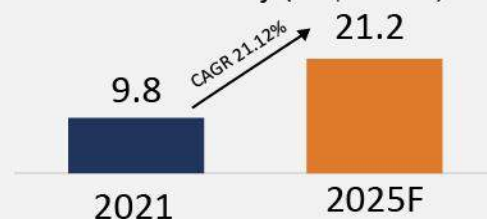


Sector Composition

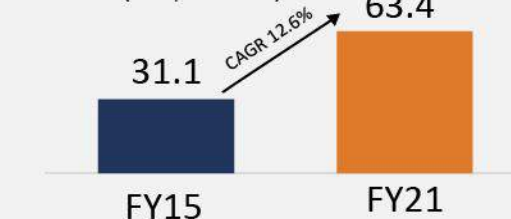


Key Trend

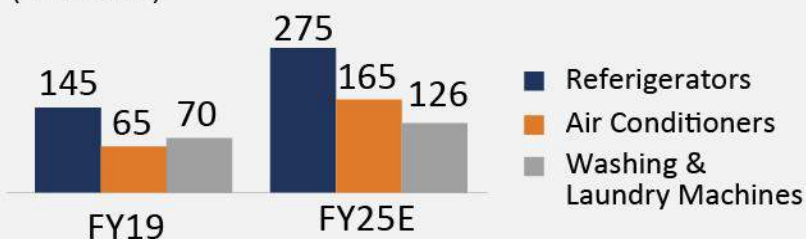
Indian Appliance and Consumer Electronics Industry (US\$ billion)



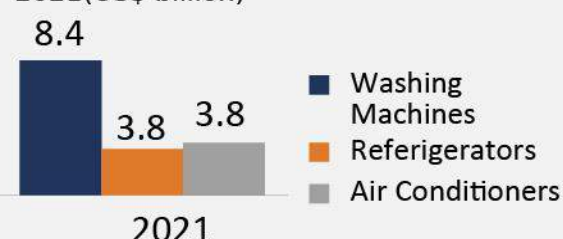
Electronics Hardware Production in India (US\$ billion)



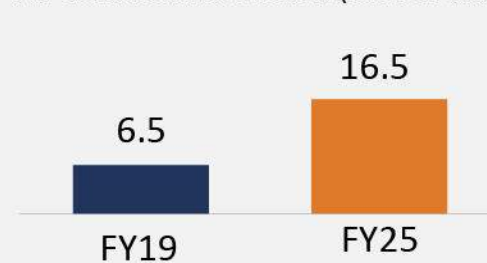
Production of Major White Goods (lakh units)



White Goods Market in India in 2021 (US\$ billion)



Air Conditioners Market (million units)



DTH Subscriber Market (million units)



Smartphones

Feature phone to smart phone: increased penetration of internet payments



Washing Machine

Shift from semi-automatic to automatic: penetration in tier 2,3 towns



Televisions

Shift to larger screen size: Internet penetration driving demand for smart TVs: Increase in demand for flat panel TVs



ACs

Shift to split ACs: new energy efficient inverter technology



Refrigerators

Penetration in tier 2,3 towns

Source: PWC- Future of consumer durables and electronics in India – the changing landscape

# Long Runway for Consumption : A \$6 trn Opportunity

**India's demographic story** has existed for decades.

Contribution to GDP

60%

Consumer Spending

\$1.5T

2020

4X

USD  
6T

2030

Middle+high Income Households

51%

It has **created value**, but there is a **long way to go**.

Consumption Weightage in NIFTY

14%

2010

22%

2020

Consumer Market Cap

\$18T

US

1/40<sup>th</sup>

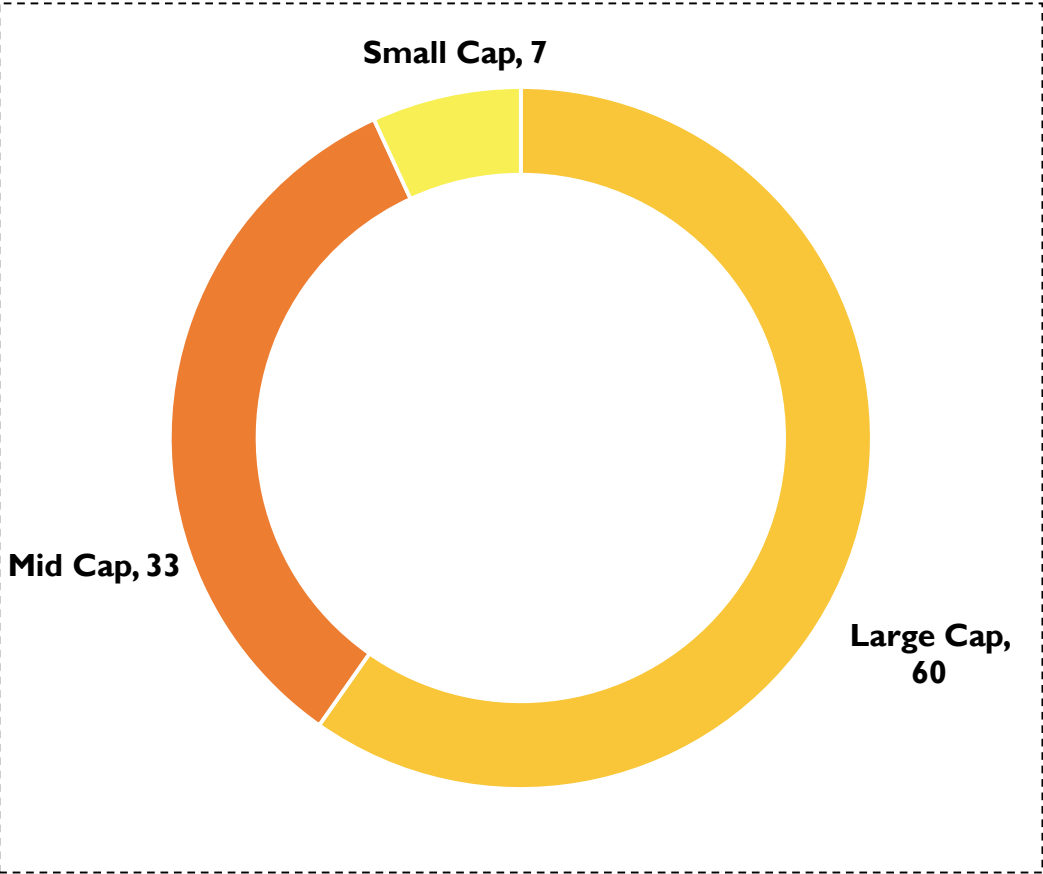
\$0.5T

India

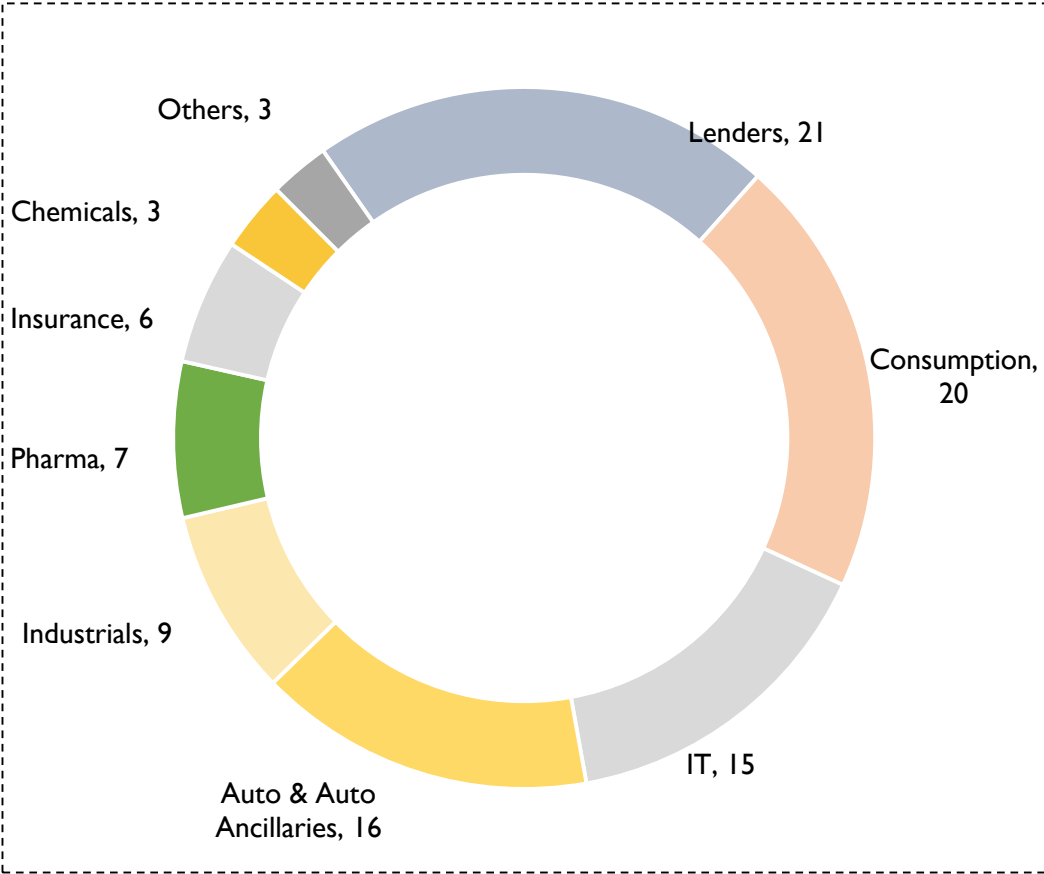
Source: Motilal Oswal Internal Research, Sixth sense ventures.

# True to Label Portfolio

Favorable Market Cap Mix



Sector Mix



Data as on May 31, 2023  
Disclaimer: The above chart is used to explain the concept and is for illustration purpose only. The stocks may or may not be part of our portfolio/ strategy/ schemes. The data mentioned herein are for general and comparison purpose only and not a complete disclosure of every material fact and should not used for development or implementation of an investment strategy. Past performance may or may not be sustained in future.



## Quality & Growth Portfolio at a Margin of Safety – Downside Protection

Major Corrections	NTDOP	Nifty 500 TRI
Global Financial Crisis (Jan-08 to Mar-09)	-58.4%	-63.4%
European Debt Crisis (Jan-11 to Dec-11)	-19.5%	-27.9%
Global Market Sell-off (Apr-15 to Feb-16)	-13.5%	-19.5%
Coronavirus Pandemic (Jan-20 to Mar-20)	-34.0%	-37.8%

- The portfolio has a downside protection while taking advantage of the stocks growth story.
- As can be seen in the table, during market falls of ~20% and above, NTDOP portfolio has outperformed its benchmark every time.

Data as on May 31, 2023

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## Quality & Growth Portfolio at a Margin of Safety – Alpha Generation

Stock Name	First Purchase Date	Alpha Over Benchmark (Absolute %)	Alpha Over Benchmark (CAGR %)
Page Industries Ltd.	Dec-07	9,119%	25.4%
Eicher Motors Ltd	Aug-10	2,724%	20.4%
Kotak Mahindra Bank Ltd.	Jun-10	605%	7.9%
Voltas Ltd.	Sep-10	-24%	-0.6%
Ipca Laboratories	Aug-10	-96%	-2.6%
Bosch Ltd.	Dec-07	-66%	-1.7%
Cummins India Ltd.	Aug-10	-62%	-1.4%
Max Financial Services	Sep-09	-93%	-1.8%
<b>Average Alpha</b>		<b>1,513%</b>	<b>5.7%</b>

- At the same time, NTDOP portfolio stocks have significantly outperformed its benchmark in the longer time periods.
- Out of the 8 stocks held since 2010, 3 have handsomely outperformed the benchmark and 5 stock have underperformed the benchmark. However, the underperformance is small in comparison to the stocks which have outperformed
- Average alpha for these 8 stocks is around 5.7% CAGR

Data as on May 31, 2023

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## Portfolio Attributes

# Portfolio Mix at Glance

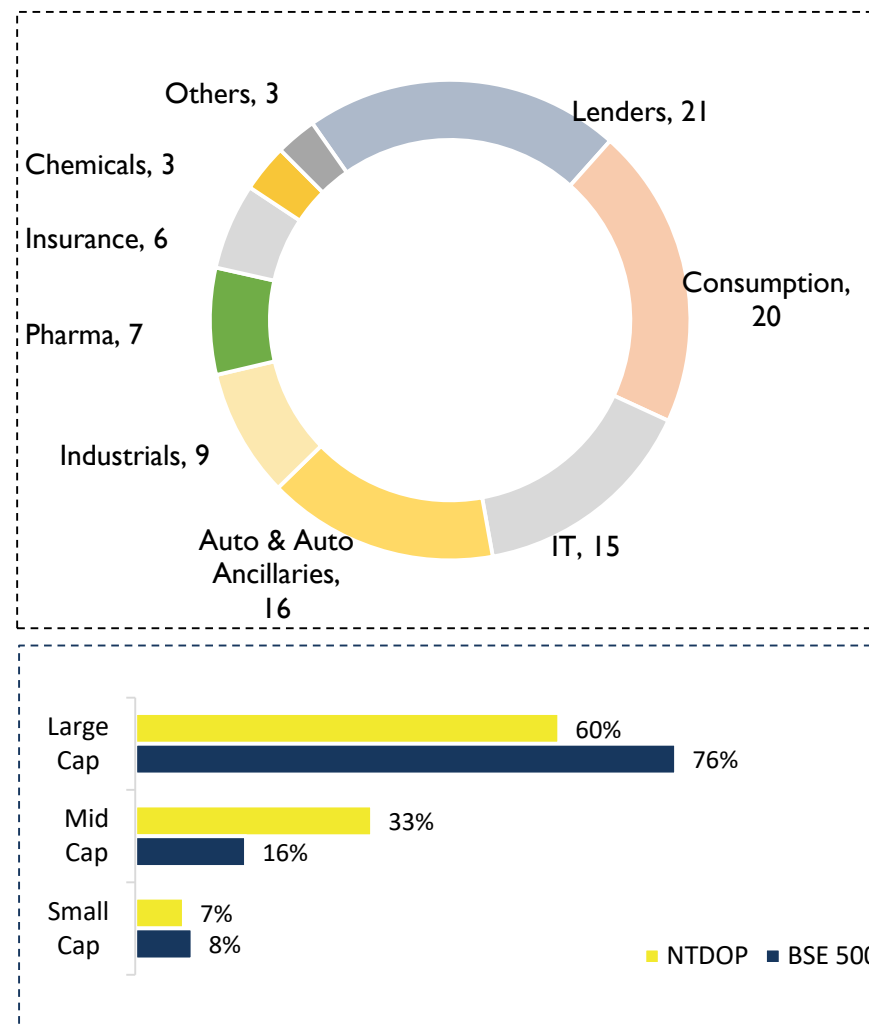
**Others**  
CONCOR

**Chemicals**  
Clean Science and Technology  
Bayer Cropscience

**Insurance**  
Max Financial Services  
Religare

**Pharma**  
Ipca Labs  
Gland Pharma  
Alkem Laboratories

**Industrials**  
Larsen & Toubro  
Birla Corp  
Bharat Electronics  
Aegis Logistics



**Lenders**  
ICICI Bank  
Kotak Mahindra Bank  
SBI

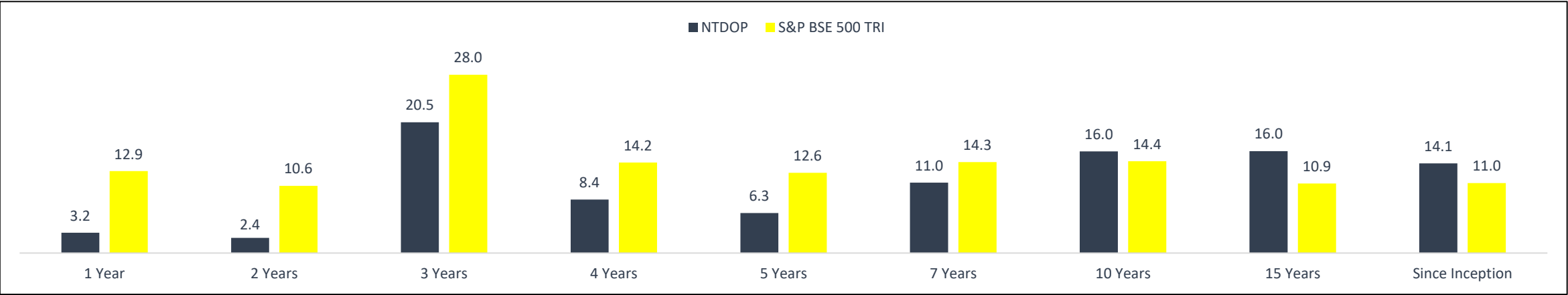
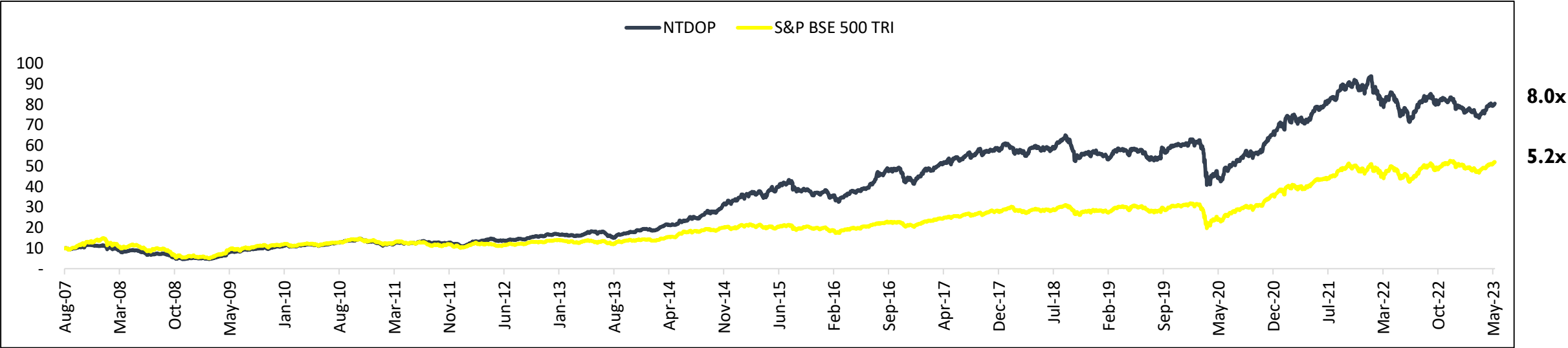
**Consumption**  
Voltas  
Page Industries  
ITC  
Emami  
Zomato  
Vedant Fashions

**IT**  
L&T Technology Services  
Tata Consultancy Services  
LTI Mindtree  
Tech Mahindra

**Auto & Auto Ancillaries**  
Eicher  
Bosch  
Bharat Forge  
Exide Industries  
Maruti Suzuki

Data as on May 31, 2023  
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# Performance at a glance



NTDOP Strategy Inception Date: 3<sup>rd</sup> Aug 2007; Data as on 31<sup>st</sup> May 2023; Data Source: MOAMC Internal Research; ; **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.

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Fund Manager

## Manish Sonthalia

- Manish has been managing the Strategy since inception and also serves as the Director of the Motilal Oswal India Fund, Mauritius.
- He has over 25 years of experience in equity research and fund management, with over 14 years with Motilal Oswal PMS.
- He has been the guiding pillar in the PMS investment process and has been managing various PMS strategies and AIFs at MOAMC.
- Manish holds various post graduate degrees including an MBA in Finance, FCA, Company Secretaryship (CS) and Cost & Works Accountancy (CWA).

**Bringing the expertise of the house to investors**

# Pioneers and Veterans of Equity Investing



**Raamdeo Agrawal**  
(Chairman, MOFSL)

- ◆ Raamdeo Agrawal is the Co-Founder of Motilal Oswal Financial Services Limited (MOFSL).
- ◆ As Chairman of Motilal Oswal Asset Management Company, he has been instrumental in evolving the investment management philosophy and framework.
- ◆ He has also authored the Art of Wealth Creation, that compiles insights from 26 years of his Annual 'Wealth Creation Studies'.
- ◆ Raamdeo Agrawal is an Associate of Institute of Chartered Accountants of India.



**Navin Agrawal**  
(MD&CEO, MOAMC)

- ◆ Mr. Navin Agarwal is the Managing Director & CEO of Motilal Oswal Asset Management Company Limited, subsidiary of MOFSL.
- ◆ He started his career as an Analyst in 1994, went on to be Head of Research and managed Portfolios till 2000.
- ◆ He joined Motilal Oswal Group in 2000 and has been instrumental in building many of the businesses of the group including Institutional Equities, Investment Banking, Home Finance among others.
- ◆ He has been a part of the Executive Board that drove business strategy and reviews for all businesses besides capital allocation of the group.



**Prateek Agrawal**  
(Executive Director, MOAMC)

- ◆ Mr. Prateek Agrawal has long distinguished experience in Asset Management Business, investment banking, advisory services and sell side research.
- ◆ Prior to joining Motilal Oswal Asset Management Company Limited, he was associated with ASK Investment Managers Private Limited as Business Head and Chief Investment Officer wherein he has provided leadership to various departments.
- ◆ In his earlier role, he worked as Head of Equity with BNP Paribas Mutual Fund & BOI AXA Mutual Fund and Head of Research in SBI Capital Market.

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Registration No. : INP 000000670 THINK EQUITY THINK MOTILAL OSWAL For any PMS queries please call us on +91 81086 22222 / 022-4054 8002 (press 2 for PMS) or write to  
pmsquery@motilaloswal.com or visit www.motilaloswalmf.com

# THANK YOU



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