

**Narnolia**<sup>®</sup>



# EQUITY PMS STRATEGY

February 2024

# About Narnolia

- ❑ Narnolia Group was founded in 1997 and it is celebrating its Silver Jubilee in 2021-22.
- ❑ **Investment Advisory Product Manufacturer** with a track record of 20 yrs of research & 11 yrs of real-time performance, not based on any hypothetical back-tested data.
- ❑ Recognized as the **'2nd Largest Registered Investment Advisor (RIA) of the Country 2020-21'** by BSE STAR & Associates.
- ❑ **Industry Leading Performance Absolutely, Relatively & Consistently: Narnolia Multi-Cap PMS Strategy Rated 4 Star, by CRISIL for 2020-21 & 2021-22 and Best PMS on 5 year Performance across all Categories: Rank 2 from IIM - Ahmedabad.**
- ❑ **Performance by Design, Not by Chance.** Research Team, truly process-driven (112 sub processes), Promoter led, Growth-in-value Philosophy, 360\*5M Research parameters (Risk Management)
- ❑ **Industry Leading Network:** > 40 National & Regional brokers, Large and Prestigious Institutions.
- ❑ Not a single complaint lodged against these products of the firm with any of the Regulators since Inception.

## Prestigious Recognitions



Narnolia Multi-Cap PMS Strategy  
Rated 4 Star, 2020-21 & 2021-22  
by CRISIL



Best PMS on 5 Year Performance  
Across All Categories - Rank 2  
On Risk Adjusted Rolling Returns  
By IIM Ahmedabad & PMS AIF World



2nd Largest Registered Investment  
Advisor (RIA) of the Country, 2020-21  
by BSE Star & Associates



Most Consistent Portfolio Manager  
of the Country 2018 & 2019  
by BSE Tefla's

# Industry Leading Performance across Cycles - Particularly during Bad Times

Narnolia PMS Performance as on 31 <sup>st</sup> Jan 2024				
Returns/Benchmark	Large Cap	Mid & Small Cap	Multi Cap	5TX5T
1 year	24.4% / 24.3%	49.3% / 33.4%	21.1% / 24.3%	31.4% / 24.3%
3 years	14.3% / 18.2%	21.0% / 21.9%	14.4% / 18.2%	16.8% / 18.2%
5 years	14.6% / 16.3%	23.3% / 18.5%	13.2% / 16.3%	17.7% / 16.3%
Since Inception	16.4% / 14.2%	20.3% / 14.3%	16.3% / 14.2%	17.0% / 13.0%
Aug 13 - Jan 18	29.1 % / 16.9 %	27.7 % / 14.8%	31.9 % / 16.9 %	23.3 % / 12.2 %
Feb 18 - Jan 24	11.1% / 13.3%	17.1% / 14.1%	8.4% / 13.3%	14.2% / 13.3%
31st-Mar-2011* to 31st-July-2013 (Consolidation)	1.5 % / 9.4%	-	4.5% / 9.4%	-
31st-July-2013* to 28th-Feb-2018 (Expansion)	27.3 % / 15.4 %	28.0 % / 12.6%	30.1% / 15.4%	22.3% / 9.9 %
28th-Feb-2018 to 31st-July-2020 (Consolidation)	3.6% / 3.6%	5.0% / 0.4%	-3.7% / 3.6%	5.0% / 3.6%
31st-July-2020 to 06th-Sep-2021 (Expansion)	49.1% / 52.4%	54.0% / 58.7%	51.3% / 52.4%	52.1% / 52.4%
06th-Sep-2021 to 31 <sup>st</sup> Jan 2024 (Consolidation)	6.5% / 11.0%	14.6% / 14.0%	6.9% / 11.0%	9.9% / 11.0%
* Inception date for Large Cap and Multi Cap is 28th Mar 2012 and for 5T x 5T and Mid & Small Cap is 4th May 2015, so returns are calculated accordingly				

For detailed peer comparison please visit the following link: <https://www.apmiindia.org/apmi/welcome.htm>. All return are calculated on TWRR basis

# Industry Leading Performance across Cycles - Particularly during Bad Times

## Calendar Year Performance

	Large Cap	Nifty 50 TRI	Mid & Small Cap	BSE 500 TRI	Multi Cap	Nifty 50 TRI	5TX5T	Nifty 50 TRI
2012	18.2	15.0	-	-	20.7	15.0	-	-
2013	5.4	8.1	-	-	9.3	8.1	-	-
2014	56.7	32.9	-	-	62.4	32.9	-	-
2015	5.8	-3.0	27.0	-1.3	16.1	-3.0	10.7	-3.8
2016	7.2	4.4	11.2	5.2	6.0	4.4	11.6	4.4
2017	43.8	30.3	43.2	37.6	37.5	30.3	43.3	30.3
2018	-0.2	4.6	-9.1	-1.8	-9.2	4.6	0.9	4.6
2019	9.0	13.5	14.3	9.0	7.0	13.5	12.6	13.5
2020	20.5	16.1	35.3	18.4	14.0	16.1	22.7	16.1
2021	26.3	25.6	34.4	31.6	32.8	25.6	32.7	25.6
2022	-5.0	5.7	-9.9	4.8	-4.1	5.7	-5.8	5.7
2023	22.7	21.3	43.8	26.5	19.3	21.3	27.2	21.3
2024	-1.5	0.02	1.9	1.9	-1.7	0.02	0.7	0.02

## Financial Year Performance

	Large Cap	Nifty 50 TRI	Mid & Small Cap	BSE 500 TRI	Multi Cap	Nifty 50 TRI	5TX5T	Nifty 50 TRI
2012-13	1.6	8.7	-		4.4	8.7	-	
2013-14	20.9	19.5	-		25.5	19.5	-	
2014-15	60.0	28.2	-		67.4	28.2	-	
2015-16	-1.3	-7.8	19.3	-5.1	3.1	-7.8	5.8	-6.1
2016-17	28.4	20.2	35.7	25.5	28.2	20.2	35.0	20.2
2017-18	16.3	11.8	18.9	13.2	14.1	11.8	20.2	11.8
2018-19	6.9	16.4	1.5	9.7	-0.1	16.4	8.9	16.4
2019-20	-17.5	-25.0	-11.4	-26.5	-25.0	-25.0	-15.6	-25.0
2020-21	62.0	72.5	74.5	78.6	64.8	72.5	65.3	72.5
2021-22	16.8	20.3	18.3	22.3	23.2	20.3	15.7	20.3
2022-23	-4.4	0.6	-6.8	-0.9	-8.1	0.6	-0.5	0.6
2023-24	27.0	26.4	51.3	36.7	25.5	26.4	31.6	26.4

## Outperformance

	Large Cap	Mid and Small Cap	Multi Cap	5T x 5T
Calendar Year Outperformance	8 out of 12	6 out of 8	7 out of 12	5 out of 8
Financial Year Outperformance	7 out of 12	5 out of 9	7 out of 12	5 out of 9

*\*\*Inception date for Large Cap and Multi Cap is 28th March 2012 and for 5T X5T and Mid & Small Cap is 4th May 2015, so returns are calculated accordingly and for calendar year 2023 returns are YTD, as on 31<sup>st</sup> Jan 2024, not full year, for Financial year 2022-23 returns are YTD, as on August 2023 not full year*

For detailed peer comparison please visit the following link: <https://www.apmiindia.org/apmi/welcome.htm>. All return are calculated on TWRR basis

# Portfolio Attributes

## Portfolio Attributes

Parameters	Large Cap	Nifty 50 TRI	Mid and Small Cap	BSE 500 TRI	Multi Cap	Nifty 50 TRI	5TX5T	Nifty 50 TRI
Beta	0.9		0.9		0.9		0.9	
R - Square	79.9		70.5		78.3		80.1	
Sharpe	1.2	1.1	1.4	1.0	1.2	1.1	1.2	1.0
Standard Deviation	13.9	13.3	15.0	14.0	14.1	13.3	13.7	13.6
Max Drawdown	-35.2	-38.3	-33.4	-38.1	-38.8	-38.3	-36.7	-38.3
Information Ratio	0.3		0.7		0.3		0.6	

Largest Research and Investment team in the country for PMS

### Promoter Led & Process Driven

112 Sub-Processes (unbiased, disciplined, Multi assets and multi strategy research framework)

### Investment Decisions

- Aligning Quality with Quant: 2600 to 80 Stocks
- Aligning Macro with Micro
- Aligning estimates with Price



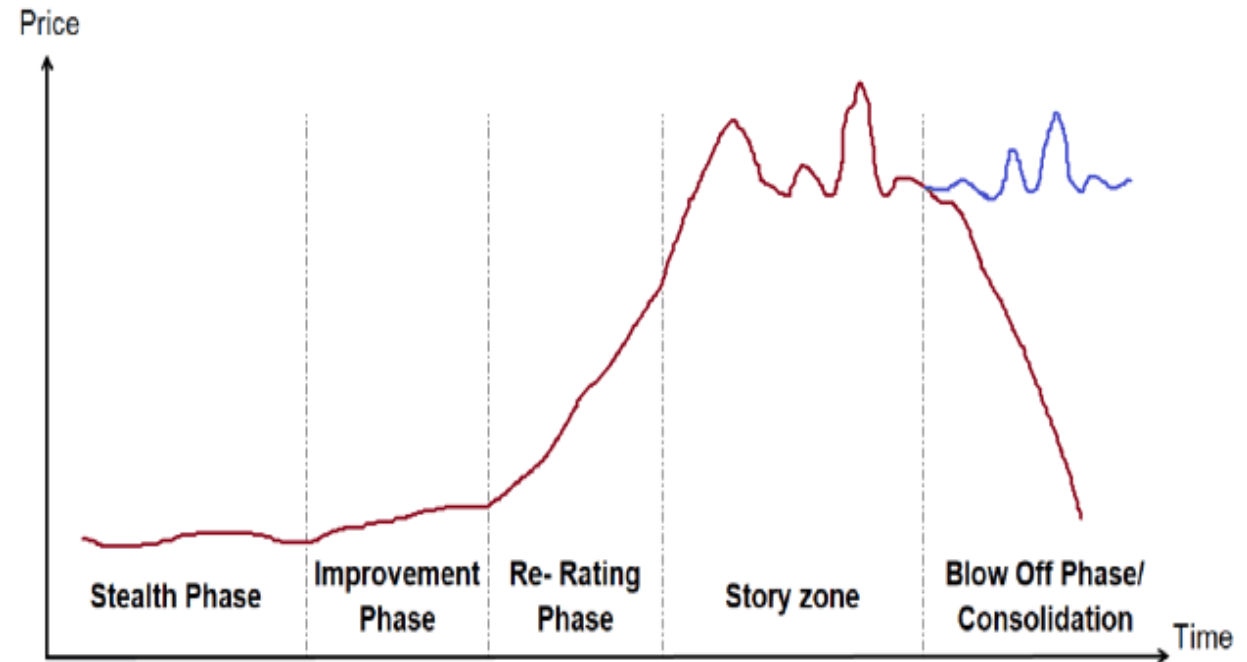
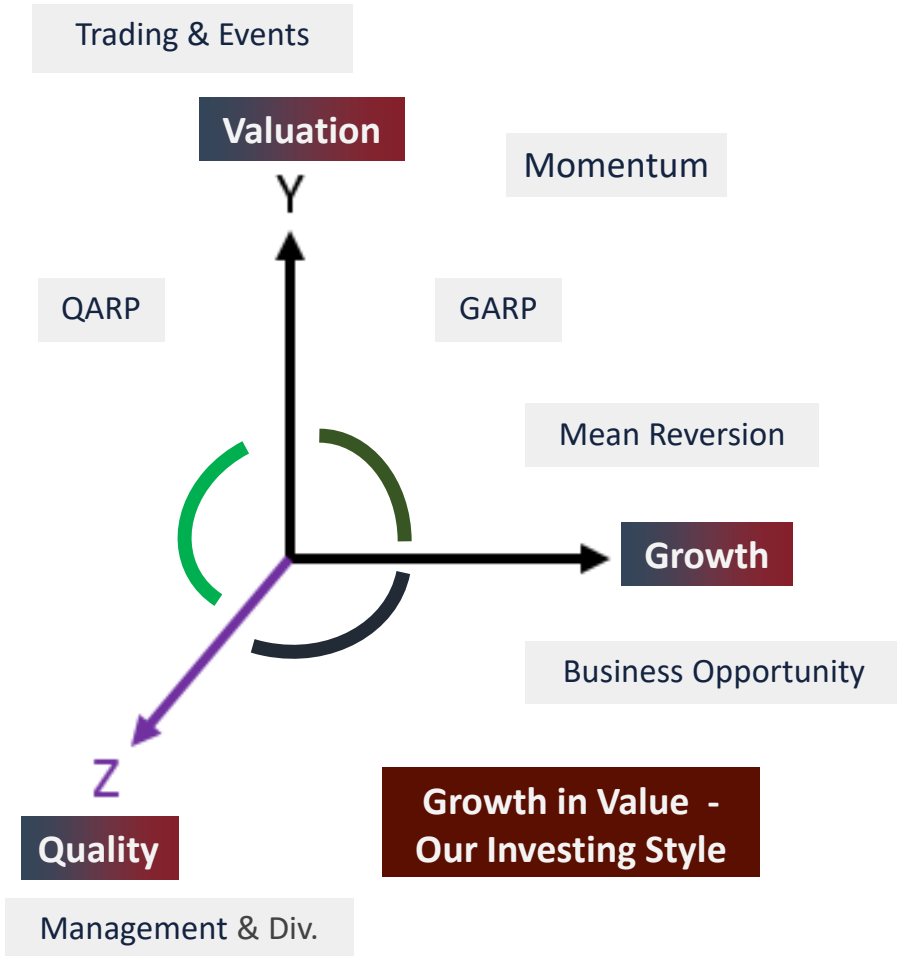
### Good Businesses

- **GROWTH in VALUE** Biased Investment philosophy or style: suits developing economy and in built low risk zone
- **PRINCIPLE of LINEARITY**

### Good Businessmen

- Past track record
- Present track record for future earnings

# Good Business: Growth in Value & Principle of Linearity



- ❖ Mid Improvement Phase to Mid Story Zone phase favors 'Growth In Value' Style of Investing.
- ❖ 2021 to 2024 should favor this style similar to 2014 -2016.



# Good Businesses - From 2600 -> 200 -> 80: Quant assisting Quality

	250	1888	2781	5.6	75	1,338	1,195	161	5329421	5329422	5329423	5329424	5329425	5329426	5329427	
250 Stk/Asset	1888 Cons/Asset	2781	5.6	75	1,338	1,195	161	5329421	5329422	5329423	5329424	5329425	5329426	5329427		
Year	2021	2021	2021	2022	2022	2023Q3	2022Q3	2024Q3	2022	2021	2020	2019	2018	2017	2016	
Whether Standalone /Consolidated	202103	202106	202109	202112	202203	202203	202203	202403	202203	202103	202003	201903	201803	201703	201603	
Managing Director									12	12	12	12	12	12	12	
Executive Director & CFO									3	3	3	3	3	3	3	
Net Sales	936	740	-	-	-	4,798	4,172	5,277	4,172	2,703	2,244	2,137	1,932	1,541	903	
Sales growth%	38.5	54.4	(100.0)	(100.0)	-	15.0	54.4	10.0	54.4	20.4	5.0	10.6	25.3	70.7	3.0	
Operating Profit	192	148	-	-	-	734	583	866	835	432	342	320	291	185	143	
Operating Profit Growth%	24.3	47.5	-	-	-	18	35	18	93.2	26.5	6.7	9.9	57.4	29.1	68.0	
Profit After tax	77	73	-	-	-	502	448	60	448	244	225	263	272	157	161	
Profit After tax Growth%	14.5	83.5	(100.0)	(100.0)	-	12	83.5	12	83.5	8.4	(14.5)	(3.2)	73.0	(2.4)	120.7	
Other Income	9	5	-	-	-	-	-	-	-	50	57	63	39	30	31	
Dividend Paid Amt	-	-	-	-	-	5	4	1	4	7	-	-	-	-	3	
NetWorth	1,868	-	-	-	-	2,809	2,312	2,868	2,312	1,868	1,624	1,414	1,158	895	72	
Minority: % figure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Debt (All Borrowings)	1	-	-	-	-	-	-	-	1	231	264	220	144	144	144	
Long term borrowings	0	-	-	-	-	-	-	-	0	182	221	212	130	130	130	
Shortterm Borrowings	1	-	-	-	-	-	-	-	1	49	43	9	14	14	14	
Gross Block	407	-	-	-	-	-	-	-	1,354	1,270	1,076	880	640	640	640	
Intangible Assets ( Part Of GB)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Capital Work In Progress	2	-	-	-	-	-	-	-	2	10	0	0	0	2	2	
Investments	490	-	-	-	-	-	-	-	490	715	645	536	597	597	597	
Working Capital	1,749	-	-	-	-	-	-	-	737	424	307	243	45	45	45	
P/B	#N/A	#N/A	#N/A	#N/A	#N/A	3.08	3.74	3.01	#N/A	3.21	1.70	2.59	3.44	2.81	2.81	
ROE%	4.3	#DIV/0!	#DIV/0!	-	-	17.9	19.4	2.1	2.6	19.4	13.1	13.9	18.6	23.5	17.6	
ROCE%	-	-	-	-	-	17.9	19.4	2.1	2.6	19.4	13.1	12.1	15.7	19.7	15.1	
2 Yr Fwd P/B	-	-	-	-	-	-	-	-	-	1.2	2.0	2.5	1.8	1.8	1.8	
GPm%	64.5	55.5	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	100.0	65.7	66.4	65.9	73.8	78.3	78.3	
EBITDA%	20.5	20.0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	20.0	16.0	15.2	15.0	15.1	12.0	12.0	
NPM%	8.2	9.9	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	10.5	10.7	9.0	10.0	12.3	14.1	10.2	
Total Asset Turnover (times)	2.0	-	-	-	-	-	-	-	1.8	1.4	1.2	1.3	1.4	1.5	1.5	
Debt / Equity	-	-	-	-	-	-	-	-	0.0	0.1	0.2	0.2	0.2	0.2	0.2	
No of Shares	28.1	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	28.1	28.1	28.1	#N/A	28.1	14.1	14.1	14.1
CMF	213.2	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	307.3	307.3	307.3	#N/A	213.2	196.4	260.3	283.7
Market Cap	5,995	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	8,641	8,641	8,641	#N/A	5,995	2,762	3,660	3,989
Dividend Yield	-	-	-	-	-	0.06	0.05	0.01	#N/A	0.12	0.00	0.00	0.00	0.00	0.00	
OPM%	20.5	20.0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	20.0	16.0	15.2	15.0	15.1	15.1	15.1	
WC to Turnover %	-	-	-	-	-	-	-	-	-	27.3	18.9	14.3	12.6	12.6	12.6	
GB+Capex to Turnover%	-	-	-	-	-	-	-	-	-	50.2	57.0	50.3	45.5	45.5	45.5	
Receivables to Turnover%	-	-	-	-	-	-	-	-	-	31.9	21.2	11.0	12.0	12.0	12.0	
Payables to Turnover%	-	-	-	-	-	-	-	-	-	35.7	36.9	26.1	28.1	28.1	28.1	
Inventory to Turnover%	-	-	-	-	-	-	-	-	-	5.5	5.5	4.4	3.7	3.7	3.7	
Net Cash from Operating Activities	-	-	-	-	-	-	-	-	298.0	394.2	247.5	247.5	156.8	156.8	156.8	
Net Cash from Investing Activities	-	-	-	-	-	-	-	-	64.9	(290.0)	(286.0)	(286.0)	(185.2)	(185.2)	(185.2)	
Net Cash from Financing Activities	-	-	-	-	-	-	-	-	(274.9)	(89.8)	7.2	49.0	49.0	49.0	49.0	
Cash+Current Investments	-	-	-	-	-	-	-	-	117	424	38	6	6	6	6	

Extensive Guide to 2600 companies' PL, BS, Holdings and Valuations over ~ 15 years

- 130000+ Research Reports
- 5000+ Concalls
- 10000+ Mgmt Interview
- 5+ Yrs Guidance History



# Good Businessmen: Past + Present Track Record (for Future Earnings)

1. Our extensive Resource Base built over the years saves us from many of the simple mistakes of investing

2. Our Financial & Business Model goes beyond mere documentation of the books to know the vital facts. We deep dive into root level revenue driver along-with detailed subsidiary financials & each line of Schedule of Assets & Liabilities.

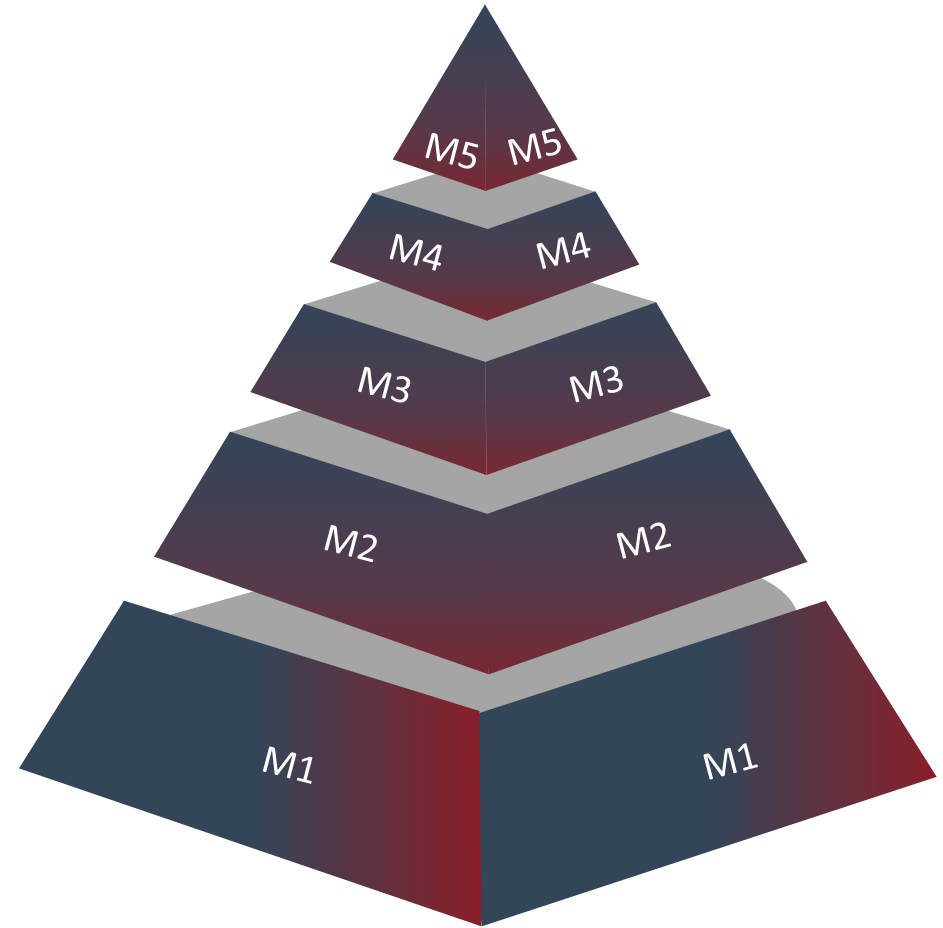
GUIDANCE FOR	MGMT NOTE
3QFY23	
REVENUE GUIDANCE	Top line guidance for FY23 is Rs 3000-3500Cr and for FY24 is Rs 4000Cr.
CAPEX	Capex spent in 9MFY23 is Rs 110Cr and guidance for FY23 is Rs 140-150Cr
CAPEX	In FY24 capex will depend on received projects or it will be near to 150Cr.
ORDER INFLOW	The company is targeting a further order inflow of about Rs.4000 -5000 for FY23.
2QFY23	
REVENUE GUIDANCE	Company has bided in a project of Rs. 3000Cr in Kerala.
ORDER INFLOW	Company is targeting order inflow of Rs.3000Cr to Rs.4000Cr for the year FY23.
MARGINS	Operating margin guidance for FY23 is 18-19%.
1QFY23	
ORDER INFLOW	Expects an order inflow of Rs 4,000-5,000Cr (minimum of Rs 3000Cr.) from road projects in FY23.
CAPITAL ALLOCATIONS	The equity investment will be Rs 305Cr in FY23, Rs 150 Cr in FY24 and Rs 105Cr in FY25.
REVENUE GUIDANCE	For FY23 Mgt. guided the revenue growth of 15% with EBITDA margins between 15-17%.
ORDER DETAILS	The appointed date for Chittoor to Thatchur project is expected in oct-22, current land availability is 50% and mgt expects same to increase to 80% in coming 30-40 days.
4QFY22	
COST ESCALATION	It has a cost escalation clause of 60% in irrigation projects.
TURNOVER	Guided turnover of Rs 3500 Crs
EBITDA M%	Guided EBITDA M% of 15-17 % in FY23.
ORDER INFLOW	Targeting order inflow of Rs 4000 Crs in FY23.
3QFY22	
INDUSTRY UPDATE	Awarding activities also remained subdued this is expected to increase in Q4.
TOPLINE	Guided topline of Rs 3100 Crs in FY22 and Rs 3500 Crs in FY23.
CAPEX	Capex for 9MFY22 stands at Rs 130 Crs and will do Rs 50 Crs capex in Q4FY22. For next year company guided capex of around Rs 150 Crs.
2QFY22	
CAPEX	Capex of Rs 150 cr for plant machinery and equipment is expected.
DEBT	Standalone debt was around Rs 100 Crs as on H1FY22 which has been repaid as of now.
REVENUE, EBITDA	Management guided Q3 to be lull led by extensive rain and some projects are still yet to start. Company guided Rs 3000 cr of revenue for FY22 and margin to be around 18-19%.
ORDER INFLOW	Expects order inflow of Rs 2000-2500 Crs for FY22.
2QFY22	
ORDER INFLOW	Expects Rs 2000-3000 cr of order inflow for FY22.
TOPLINE	Management guided topline to be around Rs 3400 cr for FY22.
MARGIN	EBITDA margin(STANDALONE) guidance stands at 17-18% for FY22.
CAPEX	Capex guidance for FY22 is Rs 140-150 cr out of which Rs 42 cr has been done in Q1FY22.

EPC Projects	State	Awrad Date	Appt Date	Project Cost	Months
Thiruvananthapuram Bypass	Tamil Nadu	14-May-15		769	24
Dindigul-Bangalore Road ( Pollachi to Coimbatore)	Tamil Nadu	25-May-16	16-Jan-17	415	24
Hubli – Hospet Section of NH - 63	Karnataka	08-Aug-16	15-Mar-17	731	36
Kanchugaranahalli to Jigani	Karnataka	07-Mar-19	01-Aug-19	135	24
Ramanathapuram and Sungam Junctions flyover	Tamil Nadu	25-Mar-19	01-Aug-19	208	24
Avinashi Road in Coimbatore City from Goldwins to Upplipalayam	Tamil Nadu	26-Aug-20	20-Dec-20	1,157	48
Cheythur – Vandavasi Polur Road including ECR link	Tamil Nadu	04-Jan-21		539	39
Chennai Kanyakumari Industrial Corridor Project, Chennai	Tamil Nadu	22-Jan-21		109	39
HGCL- Widening of Existing Service roads	Telangana	13-Sep-21		313	15
Bangalore-Mangalore Section including 6 – lane flyover at Kalladka Town	Karnataka	22-Mar-21	25-Nov-21	983	24

EPC Projects	Project Cost	Months	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23E	1QFY24E	2QFY24E	3QFY24E	4QFY24E
Hubli – Hospet Section of NH - 63	731	36	15	28	17	30	-	7	-	-	-	-
	Model Execution %		2	4	2	4	-	1	-	-	-	-
Other Road Projects	256		27	30	20	(851)	(201)	57	54	52	49	46
	Model Execution %		21	30	29	(1.781)	(21)	5	5	3	3	3
Khairatabad Zone - I	166	60	-	60	16	56	-	8	12	8	10	
	Model Execution %		-	36	6	30	-	5	7	5	6	8
Secunderabad Zone of GHMC	241	60	28	80	20	60	-	14	5	5	-	-
	Model Execution %		12	33	8	25	-	6	2	2	-	-
Avinashi Road in Coimbatore City from Goldwins to Upplipalayam	1,157	48	48	66	19	26	758	93	116	93	93	58
	Model Execution %		4	6	2	2	66	8	10	8	8	5
Cheythur – Vandavasi Polur Road including ECR link	539	39	20	57	37	75	351	27	38	49	49	49
	Model Execution %		4	10	7	14	65	5	7	9	9	9
Chennai Kanyakumari Industrial Corridor Project, Chennai	109	39						8	8	9	9	9
	Model Execution %							7	7	8	8	8
Four-laning of Bangalore-Mangalore Section including 6 -lane flyover at Kalladka Town	1,101	24						110	110	121	121	121
	Model Execution %							10	10	11	11	11
HGCL- Widening of Existing Service roads	313	15	13	100	-	200	-	22	22	25	28	28
	Model Execution %		4	32	-	64	-	7	7	8	9	9
Bangalore-Mangalore Section including 6 – lane flyover at Kalladka Town	983	24		43	22	918	-	49	69	69	88	88
	Model Execution %			4	2	93	-	5	7	7	9	9
<b>Expected in FY22</b>												
EPC 1	500	24						25	35	40	45	55
	Model Execution %							5	7	8	9	11
EPC 2	1,000	24						70	70	80	80	80
	Model Execution %							7	7	8	8	8
<b>Total (A)</b>			<b>186</b>	<b>500</b>	<b>157</b>	<b>493</b>	<b>908</b>	<b>490</b>	<b>538</b>	<b>550</b>	<b>571</b>	<b>534</b>

# Investment Decisions: M5 Research Framework that connects Macro seamlessly with Micro

- M5** **Multiples**  
Valuation Envelope Equation
- M4** **Modeled Headline Financial Numbers**  
PL, BS, CF, Schedule
- M3** **Business & Financial Moat**  
Sources of earnings quality
- M2** **Management Strategy**  
Finance, HR, Product, Pricing, Supply Chain
- M1** **Market**  
Addressable Market & it's changing dynamics



# 4 Pillars of Risk Management Framework

01

## STOCK LIMIT

Limits on Maximum weightage on single stock

02

## SECTOR LIMIT

Limits on Maximum weightage on single sector

03

## STOCK REVIEW

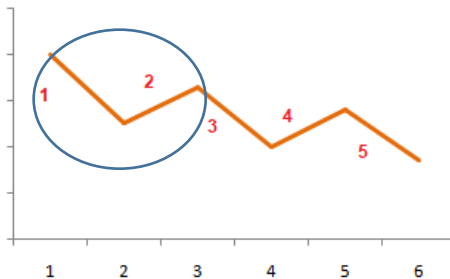
Under-performance with higher volatility on 2 consecutive market swings. If any of our portfolio stocks under performs for two consecutive swings and exhibits higher volatility, that stock gets marked for Sell/Review

04

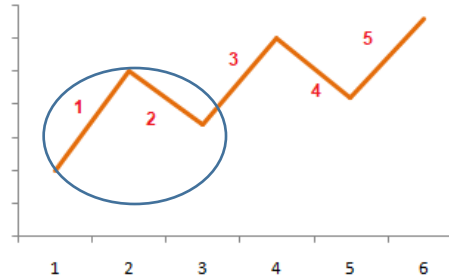
## FUNDAMENTAL QUADRANT – Q G V

With rapid changes in the economy and the business landscape, the attributes of the portfolio keeps changing in relation to that of the benchmark. Tracking these changes pro-actively keeps the fundamental hygiene of the portfolio intact.

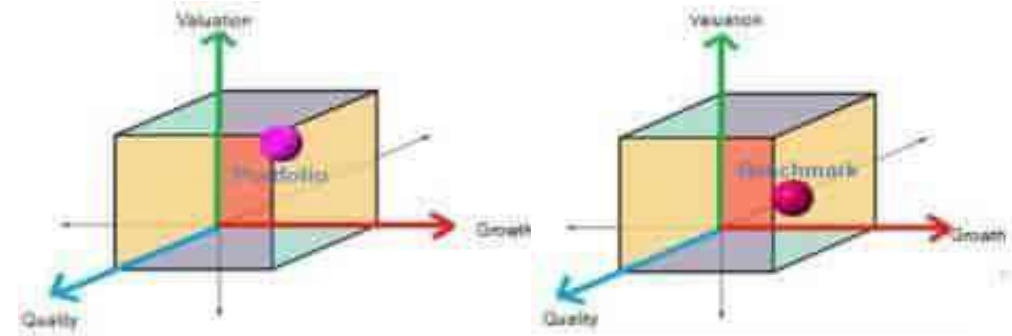
Bear Market



Bull Market



All kinds of market move in alternate swings - whether Bull, Bear or Sideways



# Selection Decisions: Strategies at a Glance

	Large Cap	Mid & Small Cap	Multi Cap	5TX5T
<b>Fundamental Attributes</b>				
<b>Growth</b>	23%+	36%+	29%+	32%+
<b>Return on Equity</b>	16%+	16%+	14.9%+	17%+
<b>Valuation Margin (Based on FY25E)</b>	High Margin of Safety 28.2%	High Margin of Safety 17.8%	Reasonable Margin of Safety 29.0%	Reasonable Margin of Safety 24.7%
<b>Portfolio Characteristics</b>				
<b>Diversification</b>	Mid	Low	High	Low
<b>Number of Stocks</b>	19 (15-25)	25 (20-30)	21 (20-30)	21 (15-25)
<b>% Assets in top 10 holdings</b>	66%	51%	61%	63%
<b>Returns Characteristics</b>				
<b>1 / 3 / 5 / SI year Return (%) - Narnolia Strategies</b>	24.4 / 14.3 / 14.6 / 16.4	49.3 / 21.0 / 23.3 / 20.3	21.1 / 14.4 / 13.2 / 16.3	31.4 / 16.8 / 17.7 / 17.0
<b>Benchmark Return (%)</b>	24.3 / 18.2 / 16.3 / 14.2	33.4 / 21.9 / 18.5 / 14.3	24.3 / 18.2 / 16.3 / 14.2	24.3 / 18.2 / 16.3 / 13.0
<b>Risk (Std. Dev)(%)</b>	13.9	15.0	14.1	13.7
<i>Please note: The returns mentioned above are CAGR returns and are as on 31<sup>st</sup> January 2024</i>				

For detailed peer comparison please visit the following link: <https://www.apmiindia.org/apmi/welcome.htm>  
All return are calculated on TWRR basis

# Top 10 Companies Holdings at a Glance

Large Cap Strategy		
Stock	Sector	Weight
HDFCBANK	Financials	8%
ICICIBANK	Financials	7%
BHARTIARTL	Industrial	7%
SBIN	Financials	7%
LT	Industrial	7%
TCS	Global	6%
RELIANCE	Industrial	6%
M&M	Consumers	6%
DMART	Consumers	5%
BAJFINANCE	Financials	5%

Mid & Small Cap Strategy		
Stock	Sector	Weight
NH	Consumers	7%
ACE	Industrial	6%
IDFCFIRSTB	Financials	6%
CANBK	Financials	5%
CAMS	Financials	5%
KAYNES	Industrial	5%
TVSMOTOR	Consumers	5%
VSTILLERS	Consumers	4%
EQUITASBNK	Financials	4%
MCX	Financials	4%

Multi Cap Portfolio		
Stock	Sector	Weight
M&M	Consumers	8%
HDFCBANK	Financials	7%
SBIN	Financials	7%
RELIANCE	Industrial	7%
LT	Industrial	7%
ICICIBANK	Financials	5%
CANFINHOME	Financials	5%
LTTS	Global	5%
UNOMINDA	Consumers	4%
GMMPFAUDLR	Industrial	4%

5TX5T Portfolio		
Stock	Sector	Weight
SBIN	Financials	10%
HDFCBANK	Financials	8%
NH	Consumers	6%
ACE	Industrial	6%
DMART	Consumers	6%
LT	Industrial	6%
ICICIBANK	Financials	6%
L&TFH	Financials	6%
LTTS	Global	5%
UNOMINDA	Consumers	5%

# Large-Cap Strategy

**Large Cap strategy** comprises of companies those are leaders in the respective industry in which they operate. 80% weightage in this scheme is to companies those are part of Nifty Large cap 100 Index. This index constituents have high correlation (0.94) with Nifty 50 Index.

Portfolio Attributes		Price Performance Vs Benchmark (CAGR) (Jan 2024)		
<b>Fundamental</b>			<b>Large Cap Portfolio</b>	<b>Nifty 50 TRI</b>
Growth	23.1%	1 Year	24.4	24.3
Return On Equity	16.7%	3 years	14.3	18.2
Valuation	28.2%	4 Years	14.3	17.4
<b>Holdings</b>		5 Years	14.6	16.3
No of Stocks	19	7 years	14.0	15.6
% Assets in top 10 holdings	66%	Since Inception (28 <sup>th</sup> March 2012)	16.4	14.2
% Assets in Next 5 holdings	21%	<i>Please Note : The 3mth/6mth/1yr are ABSOLUTE returns. 2yr/3yr/4yr/5yr/SI figures are CAGR Returns</i>		

Large Cap Return Profile vis a vis Nifty 50 TRI (Rolling Returns)		
Year	Average	Nifty 50 TRI
3 Month	4.27	3.68
6 Month	8.69	7.36
1 Year	17.73	14.72
2 Year	17.93	14.42
3 Year	17.42	13.79
4 Year	16.52	12.84
5 Year	16.31	12.96



Please Note: Data as on 31<sup>st</sup> Jan 2024. The 1 year and less than one year returns are ABSOLUTE returns & rest are CAGR returns.

\*Rolling return is the average annualized return on a particular date. Rolling return is used to eliminate the bias present in point-to-point return. As financial markets are volatile, rolling returns provide a clearer picture of performance than the point-to-point return.

*Rs.1 Cr. Invested in Large Cap Strategy at inception is worth Rs. 6.1 Cr. as on 31<sup>st</sup> Jan 2024. For the same period Rs.1 Cr. invested in Nifty 50 TRI Index is now worth Rs. 4.8 Cr.*

For detailed peer comparison please visit the following link: <https://www.apmiindia.org/apmi/welcome.htm>  
All return are calculated on TWRR basis

# Mid & Small Cap Strategy

**Mid and Small Cap** Strategy as the name suggests comprises of companies that are mostly past of the BSE 500 TRI Index. In the market cycle when the expansion phase occurs these Mid & Small Cap provide higher returns. The strategy combines high quality moat companies with high growth companies.

Portfolio Attributes	
<b>Fundamental</b>	
Growth	36.1%
Return On Equity	16.0%
Valuation	17.8%
<b>Holdings</b>	
No of Stocks	25
% Assets in top 10 holdings	51%
% Assets in Next 5 holdings	18%

Price Performance Vs Benchmark (CAGR) (Jan 2024)		
	Mid & Small Cap Portfolio	BSE 500 TRI
1 Year	49.3	33.4
3 years	21.0	21.9
4 Years	21.1	20.5
5 Years	23.3	18.5
7 Years	18.9	16.6
Since Inception (4 <sup>th</sup> May 2015)	20.3	14.3

Please Note : The 3mth/6mth/1yr are ABSOLUTE returns. 2yr/3yr/4 yr/5yr/SI figures are CAGR Returns

Mid & Small Cap Return Profile vis a vis BSE 500 TRI (Rolling Returns*)		
Year	Average	BSE 500 TRI
3 Month	4.98	3.66
6 Month	10.01	7.42
1 Year	19.70	15.58
2 Year	18.52	15.27
3 Year	17.89	14.85
4 Year	17.21	13.17
5 Year	17.42	13.53



Please Note: Data as on 31<sup>st</sup> Jan 2024. The 1 year and less than one year returns are ABSOLUTE returns & rest are CAGR returns.

\*Rolling return is the average annualized return on a particular date. Rolling return is used to eliminate the bias present in point-to-point return. As financial markets are volatile, rolling returns provide a clearer picture of performance than the point-to-point return.

*Rs.1 Crore Invested in Mid & Small Cap Strategy at inception is worth Rs 5.1 Cr. as on 31<sup>st</sup> Jan 2024 For the same period Rs.1 Cr. Invested in BSE 500 TRI Index is now worth Rs. 3.2 Cr.*

For detailed peer comparison please visit the following link: <https://www.apmiindia.org/apmi/welcome.htm>  
All return are calculated on TWRR basis



# Multi Cap Strategy

**Multi Cap** investing provides the opportunity to take an optimum investment exposure across various market capitalization of Indian listed companies along with diversified industries' representation inside the investment basket. 80% weightage in this strategy is to companies those that are a part of the Nifty 50 TRI Index.

Portfolio Attributes	
<b>Fundamental</b>	
Growth	29.9%
Return On Equity	14.9%
Valuation	29.0%
<b>Holdings</b>	
No of Stocks	21
% Assets in top 10 holdings	61%
% Assets in Next 5 holdings	20%

Price Performance Vs Benchmark (CAGR) (Jan 2024)		
	Multi-Cap	Nifty 50 TRI
1 Year	21.1	24.3
3 years	14.4	18.2
4 Years	13.9	17.4
5 Years	13.2	16.3
7 years	11.5	15.6
Since Inception (28 <sup>th</sup> March 2012)	16.3	14.2

*Please Note : The 3mth/6mth/1yr are ABSOLUTE returns. 2yr/3yr/4 yr/5yr/5I figures are CAGR Returns*

Multi Cap Return Profile vis a vis Nifty 50 TRI (Rolling Returns*)		
Year	Average	Nifty 50 TRI
3 Month	4.29	3.68
6 Month	8.79	7.36
1 Year	18.04	14.72
2 Year	18.55	14.42
3 Year	17.67	13.79
4 Year	16.09	12.84
5 Year	15.44	12.96



Please Note: Data as on 31<sup>st</sup> Jan 2024. The 1 year and less than one year returns are ABSOLUTE returns & rest are CAGR returns.

\*Rolling return is the average annualized return on a particular date. Rolling return is used to eliminate the bias present in point-to-point return. As financial markets are volatile, rolling returns provide a clearer picture of performance than the point-to-point return.

*Rs.1 crore invested in Multi Cap Strategy at inception is worth Rs. 6.0 Cr. as on 31<sup>st</sup> Jan 2024. For the same period Rs.1 Cr. Invested in Nifty 50 TRI Index is now worth Rs. 4.8 Cr.*

For detailed peer comparison please visit the following link: <https://www.apmiindia.org/apmi/welcome.htm>  
All return are calculated on TWRR basis

# 5T X 5T Strategy

**5T X 5T Strategy** provides a unique theme-based investing opportunity in the Indian market. As India approaches towards becoming a 5 trillion economy by GDP, the total Market Cap of Indian companies will also set to increase by 11-12% CAGR. Some of the market cap gains will come from new listings but a large part of the gains will come from select themes. This strategy focuses on themes that should form part of India's next growth engine.

Portfolio Attributes	
<b>Fundamental</b>	
Growth	32.6%
Return On Equity	17.7%
Valuation	24.7%
<b>Holdings</b>	
No of Stocks	21
% Assets in top 10 holdings	63%
% Assets in Next 5 holdings	21%

Price Performance Vs Benchmark (CAGR) (Jan 2024)		
	5T X 5T	Nifty 50 TRI
1 Year	31.4	24.3
3 years	16.8	18.2
4 Years	17.0	17.4
5 Years	17.7	16.3
7 Years	16.8	15.6
Since Inception (4 <sup>th</sup> May 2015)	17.0	13.0

*Please Note : The 3mth/6mth/1yr are ABSOLUTE returns. 2yr/3yr/4 yr/5yr/5I figures are CAGR Returns*

5T X 5T Return Profile vis a vis Nifty 50 TRI (Rolling Returns*)		
Year	Average	Nifty 50 TRI
3 Month	4.21	3.38
6 Month	8.47	6.88
1 Year	17.48	14.63
2 Year	16.80	14.54
3 Year	16.54	14.51
4 Year	15.47	13.13
5 Year	15.77	13.51



Please Note: Data as on 31<sup>st</sup> Jan 2024. The 1 year and less than one year returns are ABSOLUTE returns & rest are CAGR returns.

\*Rolling return is the average annualized return on a particular date. Rolling return is used to eliminate the bias present in point-to-point return. As financial markets are volatile, rolling returns provide a clearer picture of performance than the point-to-point return.

*Rs.1 Crore Invested in 5TX5T Strategy at Inception is worth Rs. 4.0 Cr. as on 31<sup>st</sup> Jan 2024. For the same period Rs.1 Cr. Invested in Nifty 50 TRI Index is now worth Rs. 2.9 Cr.*

For detailed peer comparison please visit the following link: <https://www.apmiindia.org/apmi/welcome.htm>  
All return are calculated on TWRR basis

# Key Investment People



**SHAIENDRA KUMAR**

Co-Founder & Chief Investment Officer

Shailendra Kumar is currently the Chief Investment Officer at Narnolia. He has experience of successfully managing PMS and cat III AIF. Under Shailendra's leadership Narnolia has received numerous awards including 'Most Consistent Portfolio Manager' and is considered premium investment advisory firm. Shailendra co-founded Narnolia Securities in 1997. He is known for his deep understanding of Investment theories, Stock-selection and Portfolio allocation. He has successfully developed and implemented all four major investing and trading strategies namely, value, growth, reversion and momentum. His preferred investing style is 'growth in value'. Shailendra has a strong academic orientation having authored as well as mentored numerous financial publications. He has done extensive work on corporate valuation and derivative pricing. He has written as well as guided several finance research papers. Shailendra holds a post-graduate degree in Management & Systems from Indian Institute of Technology, Delhi.



**VINEETA SHARMA**

Head of Research

Vineeta Sharma is the Head of Research at Narnolia. Vineeta has been in Equity research and investment industry for more than 16 Years. Over the years she has evolved her distinct style of growth stock investing which includes a proprietary process of fundamental analysis based on detailed financial modeling and bottom-up analysis of the company's financial and operating environment. She leads a team of 32 research Analysts covering 192 stocks across 18 industries. Under her leadership, the team has recommended 30 multi-baggers in last 30 quarters. She is known in the industry for her stock-selection and recommendation and for her grip over the accounting principles and Financial Statements. She is a qualified Chartered Accountant and holds Bachelor of Commerce (Hons.) degree from Delhi University, India.

## Investment Terms

Minimum Investment: 50,00,000 INR | Management Fee: Fixed (Option 1) & Variable Fee Structure available (Option 2)

Fixed (Option 1): Annualized 2.5% Debited Monthly | Variable (Option 2): : 1.25% Fixed + 12.5% (Above hurdle of 10% with Catch-Up) (No sharing above 27% Annualized Returns) | Exit Load: Within 1 Year - 1% of AUM on Redemption Date, 1 Year & Above: NIL; Brokerage - At Actual;

Other Charges: Statutory/Other Charges as applicable (STT/Demat/Goods & Services/Custodian Charges etc.)

Portfolio Manager: Narnolia Financial Services Ltd. | SEBI Registration No.: INP000006420

Custodian: Orbis Financial Corporations Ltd | Fund Accounting: Orbis Financial Corporations Ltd

Auditor: A Singhi & Co. | Banking Partner: Indusind Bank

Portfolio Manager: Narnolia Financial Services Ltd. | SEBI Registration No.: INP000006420

For any queries related to PMS please send us an email at [pmscare@narnolia.com](mailto:pmscare@narnolia.com)

# Narnolia<sup>®</sup>

**DISCLAIMER:** NARNOLIA FINANCIAL SERVICES LTD. is a SEBI REGISTERED PMS- INP000006420, CIN- U51909WB1995PLC072876. Registered office: Marble Arch, 2nd Floor, Office 201, 236B, AJ C Bose Road, Kolkata 700 020,033 40501500; Corporate Office: 803, A wing, Kanakia Wall Street, Chakala, Andheri East, Mumbai - 400093, Maharashtra; Phone No.: +91 22 6270 1200.

Investment in Securities Market is subject to Market risks, read all the related documents carefully before investing. Past performance may not be indicative of future results and no promise or guarantee can be given for the same. Performance related information is not verified by SEBI. For detailed disclosures & disclaimers please refer to our website at [www.narnolia.com](http://www.narnolia.com). For grievances kindly mail us at [ig@narnolia.com](mailto:ig@narnolia.com) or call us at 022-6270 1200. "Please note that performance of your portfolio may vary from that of other investors and that generated by the Investment Approach across all investors because of the timing of inflows and outflows of funds and/or differences in the portfolio composition because of restrictions and other constraints." This report is meant for sole use by the recipient and not for circulation.

The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of the Company. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Company reserves the right to make modifications and alterations to this statement as may be required from time to time. The Company or any of its affiliates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any action taken based on the above information or inadvertent error in the information contained in this report/message.