

ASK Indian Entrepreneur Portfolio

Factsheet - Nov 2023

Public

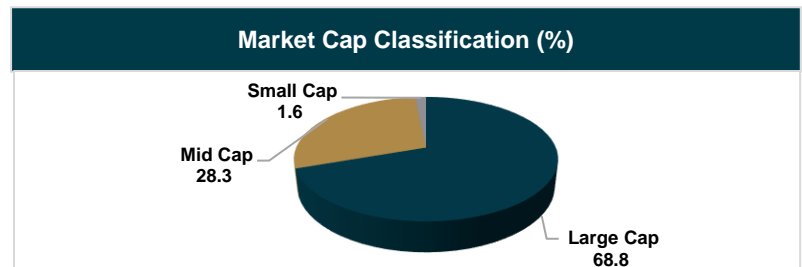
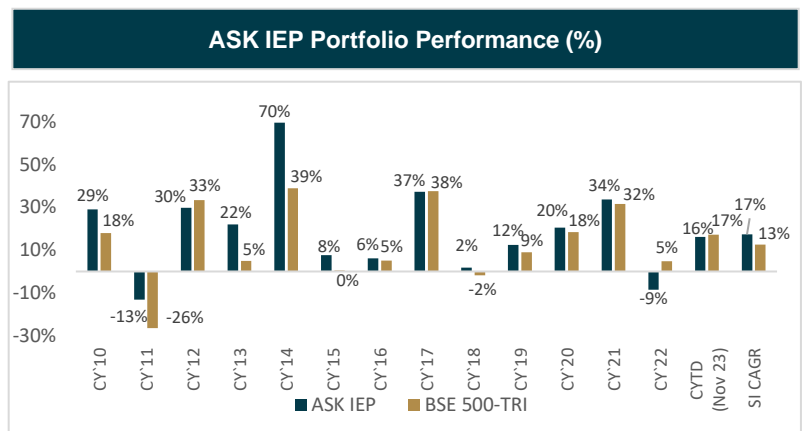
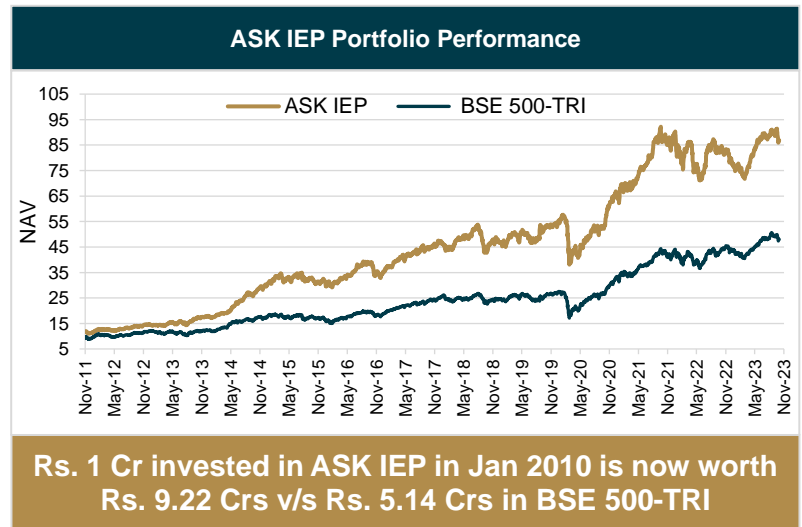
ASK Investment Managers

Investment Approach Objective: ASK Indian Entrepreneur Portfolio (ASK IEP) invests in entrepreneurially driven and/or family-owned businesses; listed on the Indian stock markets, for compounding gains over the medium to long term.

Top 10 Holdings (%)	
APL Apollo Tubes Ltd	6.2
Bajaj Finserv Ltd	6.1
Bajaj Finance Ltd	5.9
Cholamandalam Investment & Finance Co. Ltd	5.8
AU Small Finance Bank Ltd	5.8
Reliance Industries Ltd	4.9
Patanjali Foods Ltd	4.6
TCS Ltd	4.6
Astral Poly Technik Ltd	4.4
Bharti Airtel Ltd	4.3

Top Sector Weights (%)	
NBFC	11.7
Pharma	11.0
Banks	8.9
Retail	8.6
Pipes	6.2
Insurance	6.1
Telecom	6.1
Oil & Gas	4.9

ASK IEP Portfolio Metrics	
Total Assets under Management & Advisory in Rs. Crs.	19,703
Weighted Average Market Cap in Rs. Crs.	2,87,621
Median Market Cap in Rs. Crs.	93,817



ASK IEP Portfolio Update

Indian markets inched higher in the month of November on the back of broadly in line Q2FY24 result season and positive commentary from managements on festive demand. On the portfolio earnings front, Q2 FY24 portfolio revenues and profit grew by 33% YoY and 46% YoY respectively. Among the portfolio companies, Torrent Pharma and Sona Comstar reported better than estimated results while Page Industries Limited, Avenue Supermart and Havells delivered weaker than estimated numbers.

The key contributors during the month were Divis, Bharti Airtel, P I Industries while the key laggards during the month were Bajaj Finance Limited, Cholamandalam Finance and Page Industries.

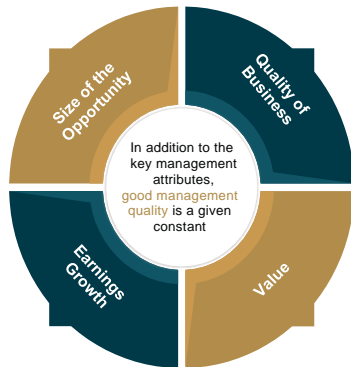
On the portfolio action front, we have trimmed weights in APL Apollo, Bajaj Finance, Divis, Havells, Avenue Supermart and added weight in Dr Reddy's. We have bought TVS Motors in the portfolio.

TVS Motors is a strong play in the 2-wheeler industry. Company has been able to increase market share driven by successful launch of new products including Jupiter, Ntorq, Raider and Apache. The growth trend should continue as the domestic rural market recovers while exports pick up next year as macro conditions improve. TVS has also emerged as the second largest player in the growing e2W market with ~25%+ share.

Note: Inception Date of ASK IEP is 25-Jan-2010. Note: Performance figures are net of all fees and expenses. ASK Portfolio returns are composite returns of all the Portfolios aligned to the investment approach as on Nov 30th, 2023. Returns for individual client may differ depending on time of entry in the Portfolio. Past performance may or may not be sustained in future and should not be used as basis for comparison with other investments. Returns for 1 year or lesser time horizon are absolute returns, while more than 1 year are CAGR. Returns have been calculated using Time Weighted Rate of Return method (TWRR) as prescribed by the SEBI. Source: Closing Price as sourced from Bloomberg. Returns for 1 year or less time period are absolute returns, while more than 1 year are CAGR. Market Cap is according to AMFI Classification which happens half yearly. Classification as on June '23. As per SEBI regulatory requirement, the benchmark for this investment approach is revised from BSE 500 to BSE 500 TRI w.e.f. 1 April 2023.

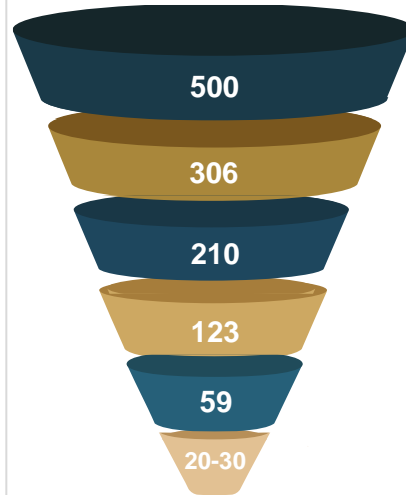
Key Investment Approach Objectives & Attributes

- Size of pond vs size of fish
- Dominance
- Resilience
- Liquidity
- Quantum
- Consistency
- Durability
- Predating (Early vs Later)
- Compounding power



- High quality of business
- (Superior RoCE)
- Strong moat, Impregnability
- Sustainability
- Key pivot of strong wealth creation
- Favorable Price-Value Gap
- Margin of safety

Investment Approach Research Methodology & Filtration



- Top 500 as per market capitalization
- Only companies > 25% promoter / family holding (except in very rare and fit cases), Universe of Entrepreneurs and/or Family Owned Business = 306 cos
- Condition of minimum PBT of INR 100 Crs (USD 16 mn)
- Subjective evaluation on management quality, their integrity, vision, past track record, execution, capital allocations and distribution skills, corporate governance standards etc.
- Quality of Business (Capital Efficiency) - Minimum ROCE of 25%
- Two more filters for selection of stocks a) Minimum 20-25% earnings growth over the next 3 to 5 years without capital dilution and b) Price-Value gap (Margin of Safety) of 20%

FY-wise Drawdown Analysis

Financial Year	Max Drawdown		FY Performance	
	ASK IEP	BSE 500-TRI	ASK IEP	BSE 500-TRI
FY 11	-18%	-20%	22%	9%
FY 12	-14%	-24%	3%	-8%
FY 13	-4%	-10%	13%	7%
FY 14	-7%	-15%	34%	19%
FY 15	-2%	-7%	73%	35%
FY 16	-15%	-19%	-5%	-6%
FY 17	-17%	-12%	25%	26%
FY 18	-5%	-11%	15%	13%
FY 19	-19%	-16%	11%	10%
FY 20	-31%	-38%	-18%	-26%
FY 21	-11%	-10%	69%	79%
FY 22	-18%	-14%	21%	22%
FY 23	-17%	-15%	-13%	-1%

ASK IEP Portfolio Cos Average Performance over last 5 years (CAGR) as on FY23

Sales	OP	PBT	ROCE*	PAT
18%	17%	18%	30%	22%

*For Banking & Financial companies, we have not considered ROCE, but have considered ROE for the above analysis. ROCE is only for FY

Risk Parameters (Since inception)

Parameter	ASK IEP	BSE 500-TRI
Beta	0.84	NA
Standard Deviation	16.0%	16.3%
Sharpe Ratio	0.59	0.32

Key Terms

Portfolio Name	ASK Indian Entrepreneur Portfolio (IEP)
Platform / Structure	PMS
Benchmark	BSE 500 TRI
Portfolio Managers	Mr. Sumit Jain (Primary Portfolio Manager) / Chetan Thacker (Co-Portfolio Manager)
Minimum Initial Investment Amount	Rs. 50 Lakhs
Minimum Add-on Investment Amount	Rs. 5 Lakhs
Fees ¹	Fixed Management Fees: 2.50% p.a.
Systematic Transfer Plan (STP) ²	Investments will be made in a staggered manner as per the instructions provided by the client. Fees as per the respective strategy (ASK Liquid / ASK Equity) will be charged for the invested amount.

Notes:

- ¹ In addition to the Management Fees, there are Recurring Expenses including Custody Fee, Account Opening Charges, Audit Fees, etc. to be payable at actuals. All fees and expenses will be subject to applicable taxes. For more details, kindly refer the Fee Schedule.
- ² Kindly refer to the STP Application Form for the detailed terms and conditions.
- Exit Charges are calculated on each tranche of inflow (initial or additional). Redemption amount is arrived at after calculation and charging of all Fees and

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