PL is one of the oldest and leading financial services providers in India.

<table>
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<th>Year Range</th>
<th>Team Strength</th>
<th>Service Vertical</th>
<th>Achievement</th>
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<tr>
<td>1944–1970</td>
<td></td>
<td>Equity Stock Broking</td>
<td>IPO Distribution Underwriting</td>
</tr>
<tr>
<td>1971–1980</td>
<td>25+</td>
<td>First branch in Pune</td>
<td>First to offer doorstep service</td>
</tr>
<tr>
<td>1971–1980</td>
<td></td>
<td></td>
<td>Institutional Equities</td>
</tr>
<tr>
<td>1981–1990</td>
<td>60+</td>
<td></td>
<td>First in India to computerize back office operations</td>
</tr>
<tr>
<td>1981–1990</td>
<td></td>
<td></td>
<td>One of the leaders in Badla Finance for the retail segment</td>
</tr>
<tr>
<td>1981–1990</td>
<td></td>
<td></td>
<td>First to become a BSE member</td>
</tr>
<tr>
<td>1991–2000</td>
<td>120+</td>
<td></td>
<td>Foreign Institutional Investor (FII) Arbitrage between NSE and BSE Franchisee setup</td>
</tr>
<tr>
<td>1991–2000</td>
<td></td>
<td></td>
<td>Empanelled with a number of FIIS &amp; DIIS</td>
</tr>
<tr>
<td>2001–2017</td>
<td>275+</td>
<td>Corporate Advisory</td>
<td>Corporate Advisory business grew manifold within 3 years</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Investment Banking</td>
<td>PMS - Corpus size grew manifold</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Margin Funding through NBFC</td>
<td>Rated amongst the best by Institutional investors for our research.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Portfolio Management Services (PMS)</td>
<td>Consistently rated amongst the best brokerage houses for its research by Asiamoney Brokers Poll</td>
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DECADES OF POWERING FINANCIAL GROWTH
FINANCIAL EXPERTISE & BEST-IN-CLASS RESEARCH
Along with a strong adherence to our founding principles of integrity, transparency and accountability.

INSTITUTIONAL BUSINESS
Institutional Equities
Investment Banking
Corporate Advisory

RETAIL BUSINESS
Broking (Equity, Derivatives, Commodities, Currency)
Wealth Management,
PMS
Bonds & Fixed Deposits

Mutual Fund
IPO Distribution
Insurance
Real Estate Advisory.

NBFC
Loan against shares & securities
Margin Funding

CORPORATE STRUCTURE
PRABHUDAS LILLADHER ADVISORY SERVICES PRIVATE LIMITED

Prabhudas Lilladher Pvt. Ltd.
Broking, Depository, PMS

Prabhudas Lilladher Financial Services Pvt Ltd
NBFC–Loan against Shares and securities

PL Capital Markets Pvt Ltd
Investment Banking

PL Commodity Markets Pvt Ltd
Commodity Trading

PL Fund Advisors Pvt Ltd
Debt Syndication

PL Distribution Company Pvt Ltd
Third party financial products & Real Estate broking
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BEST SCENARIO FOR EQUITY
SHIFT FROM PHYSICAL TO FINANCIAL ASSETS

Real Estate prices are under pressure, Gains have been limited for 3 years in a row

Gold prices have been benign, investment demand remains soft

This makes a unique opportunity to channelize savings into Equity markets

Indians have resorted to MF investing through SIP route – Rs. 70 bn / month inflows observed

Inflow in domestic funds cushions significant downsides on FIIs Sell-offs due to global risk-off events

DOMESTIC SAVINGS TO BE CHANNELIZED INTO EQUITY FUNDS

FIRST TIME IN 3 DECADES, DOMESTIC INVESTORS ARE EAGER TO BUY IF FIIS WERE TO SELL

GOLD AS AN INVESTMENT LOSES SHINE

REAL ESTATE SOFT, EXPERTS SAYING PRICE / TIME CORRECTION

No returns = few takers
Supply side looking up due to low cost housing
Most tier 2 cities have seen 25% fall in prices and few buyers
Illiquid market for exits
Wealth creation by Indian equities

BSE Sensex has delivered 15.9% CAGR from 1981 to August 2018

- **1981-1990**
  - Growth of 7 times

- **1991-2000**
  - Growth of 3.8 times

- **2001-2010**
  - Growth of 5.2 times

BSE Sensex has delivered 15.9% CAGR from 1981 to August 2018
### SOME OF THE PROMINENT MULTI-BAGGER IDEAS BY PL RESEARCH

<table>
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<th>L&amp;T FINANCE</th>
<th>INDUSIND BANK</th>
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<td>WABCO INDIA</td>
<td>YES BANK</td>
<td>DMART</td>
</tr>
<tr>
<td>BRITANNIA</td>
<td>MARUTI SUZUKI</td>
<td>JSPL</td>
</tr>
<tr>
<td>JUBILANT LIFE</td>
<td>INDRAPRASTHA GAS</td>
<td>UPL</td>
</tr>
</tbody>
</table>

Our research has initiated timely coverage on upcoming and emerging stocks over the past decade. Some of the wealth creators are niche players and many being leaders in what they do.
India has the potential to grow at least @ 7-8% over the next decade

Source: IMF
Note: GDP for 2017

India’s GDP will grow at the fastest rate among all the major economies and India will continue to attract a torrent of capital flows.
INDIA: ROBUST MACRO-ECONOMIC FUNDAMENTALS

AMONG THE FASTEST GROWING MAJOR ECONOMIES IN THE WORLD

**YoY Real GDP Growth (%)**

- FY08: 9.4%
- FY09: 6.9%
- FY10: 6.8%
- FY11: 8.9%
- FY12: 6.7%
- FY13: 6.4%
- FY14: 7.5%
- FY15: 8.0%
- FY16: 7.1%
- FY17: 6.7%
- FY18: 7.3%
- FY20E: 7.5%

Source: World Bank

**Fiscal Deficit as a % of GDP**

- FY99: 6.5%
- FY00: 5.4%
- FY01: 5.7%
- FY02: 6.2%
- FY03: 5.9%
- FY04: 4.5%
- FY05: 4.0%
- FY06: 4.1%
- FY07: 3.3%
- FY08: 2.5%
- FY09: 6.0%
- FY10: 6.5%
- FY11: 6.0%
- FY12: 4.9%
- FY13: 4.8%
- FY14: 4.6%
- FY15: 4.1%
- FY16: 3.9%
- FY17: 3.5%
- FY18: 3.5%

Source: Bloomberg, CSO

CONSUMER INFLATION UNDER FIRM CONTROL

**CPI (%)**

- Jul-15: 6.5%
- Aug-15: 5.4%
- Sep-15: 5.7%
- Oct-15: 6.2%
- Nov-15: 5.9%
- Dec-15: 4.5%
- Jan-16: 4.0%
- Feb-16: 4.1%
- Mar-16: 3.3%
- Apr-16: 2.5%
- May-16: 6.0%
- Jun-16: 6.5%
- Jul-16: 4.9%
- Aug-16: 5.8%
- Sep-16: 4.8%
- Oct-16: 4.6%
- Nov-16: 4.1%
- Dec-16: 3.9%
- Jan-17: 3.5%
- Feb-17: 3.5%
- Mar-17: 4.1%
- Apr-17: 3.9%
- May-17: 3.5%
- Jun-17: 3.5%
- Jul-17: 4.9%
- Aug-17: 4.4%
- Sep-17: 4.6%
- Oct-17: 4.2%
- Nov-17: 4.4%
- Dec-17: 4.6%
- Jan-18: 4.9%
- Feb-18: 4.2%
- Mar-18: 4.4%
- Apr-18: 4.4%
- May-18: 4.9%
- Jun-18: 4.2%

Source: Bloomberg, World Bank

**SPECTACULAR IMPROVEMENT IN CURRENT ACCOUNT DEFICIT AFTER FY13**

**CAD as a % of GDP**

- FY99: -1.0%
- FY00: -0.9%
- FY01: -0.6%
- FY02: 0.7%
- FY03: 1.2%
- FY04: 2.2%
- FY05: 0.3%
- FY06: -1.2%
- FY07: -1.1%
- FY08: -1.4%
- FY09: -1.9%
- FY10: -2.8%
- FY11: -2.8%
- FY12: -4.4%
- FY13: 4.0%
- FY14: -1.7%
- FY15: 1.3%
- FY16: -1.1%
- FY17: -1.9%
- FY18: -0.7%

Source: Bloomberg, World Bank

GOVERNMENT COMMITTED TO MEDIUM-TERM FISCAL CONSOLIDATION PLAN

- YoY Real GDP Growth (%)
- Fiscal Deficit as a % of GDP
- CPI (%)
- CAD as a % of GDP
GOVT’S COMMITMENT TO MAMMOTH INFRA SPENDING OVER THE NEXT 3-5 YEARS

ROADS
- 83,677 kms of roads to be built
- Rs. 6.92 Lakh Cr to be invested
- 14.2 Cr mandays of jobs to be generated

HOUSING
- Universal affordable housing for 2.2 Cr families
- PMAY- Urban-1.2cr units with outlay of Rs1,85,069 Cr
- PMAY - Gramin-1.02cr units with an outlay of Rs 1,26,795 Cr

RAILWAY
- Create a 3x bigger Railway which is economically viable
- Leverage Rs. 8,56,000 Cr of capex to expand the Rail infrastructure
- Focus on network decongestion through DFC and better signalling
LEVERS FOR EARNINGS GROWTH IN PLACE

OPERATING LEVERAGE
Capacity utilization of ~70% is at multi-year low.
Pickup in utilization could kick-start operating leverage

ORGANIZED PLAYERS TO GAIN MARKET SHARE
GST & demonetisation could improve compliance by unorganized players
Price gaps to narrow, giving impetus to organized sales
Organized players better placed as brand consciousness improves

COST OF CAPITAL STILL LOW
Corporate profitability boosted by higher liquidity and lower borrowing costs
Increase money multiplier to boost credit and trade
Market Outlook for 2018

Triggers for 2018:
- Earnings growth pick-up
- Buoyant tax collections leading to higher govt spending
- Good Monsoon

Risks for 2018:
- Crude Rise
- Geopolitical Tensions
- Govt resorting to populist measures
- FED Shrinking Balance Sheet
PL PMS: INVESTMENT PHILOSOPHY

BVM MATRIX

IDEA GENERATION

- MACRO THEMES
- STOCK FILTERS

BUSINESS | VALUATION | MARKET INTEREST
---|---|---
Industry | P/E vs Growth | Free Float
Business ROI | Sector / Market P/E | Institutional Interest
Management | DCF vs. Enterprise Value | Research Coverage

Great Business ↔ Undervalued Stock ↔ Price Performance

RISK CONTROL & PORTFOLIO CONSTRUCTION
PL PMS: INVESTMENT PHILOSOPHY

1. MACRO THEMES
   - Investment cycle revival
   - Beneficiaries of accommodative monetary policy
   - Domestic consumption
   - Beneficiaries of revival in external trade / services

2. STOCK FILTERS
   - Strong corporate governance
   - Addressable market opportunity
   - Medium term growth prospects
   - Strong earnings growth
   - Efficient capital utilization
   - Rising RoE & free cash flow

3. RISK CONTROL & CONSTRUCTION
   - Concentration Risk: Sector & Stock
   - Liquidity Risk
**FOCUS THEMES & KEY SECTORS**

**CONSUMPTION**

- FMCG, Auto, Financials, Pharma, OMCs, Agri-inputs, NBFCs

**INCREASED GOVERNMENT SPENDING**

- Housing, Finance, Capital Goods, Cement, Farm Equipment

**LOW INTEREST RATES**

- Infrastructure, Asset Owners, Construction, Metals, Utilities

**UNORGANIZED TO ORGANIZED**

- Home Improvement, Consumer Durables, Retails, Auto Components

**ATTRACTIVE OPPORTUNITIES**

- Turn-around Companies, Bad year in a good business, MNCs Etc.
**PL PMS: EDGE**

**SENIOR RESEARCH TEAM**
- Senior Analyst Team rated across multiple sectors
- More than 10 years of market experience

**BEST CORPORATE ACCESS**
- PL has one of the best Corporate Access in the industry
- Excellent connects with thought leaders / sector experts

**IDENTIFICATION OF THEMES**
- Early identification of Themes
- Focus on catching turn-around sectors

**EXPERIENCED FUND MANAGER**
- Mr. Ajay Bodke—Experienced Fund Manager for almost 2 decades
- Mr. Nishna Biyani—Rated Midcap Analyst and experience of a decade

**DEDICATED PMS SET-UP**
- Dedicated PMS set-up with customer centric approach
MULTI STRATEGY

INVESTMENT OBJECTIVE
To generate optimum returns by investing in growth-oriented stocks across sectors with a large cap bias.
To devise strategies that may help outperform the broader market in the long run and provide capital appreciation.

SECTORAL HOLDINGS (%)

Please Note: Sectoral holdings are of a Model Client as on 31st Aug 2018. Sectoral holdings of individual client may differ depending on time of entry in the strategy.

EQUIGROW

INVESTMENT OBJECTIVE
To generate optimum returns by investing in growth-oriented stocks across sectors with a mid cap bias.
To devise strategies that may help outperform the broader markets in the long run.

SECTORAL HOLDINGS (%)

Please Note: Sectoral holdings are of a Model Client as on 31st Aug 2018. Sectoral holdings of individual client may differ depending on time of entry in the strategy.
FORTUNE STRATEGY

INVESTMENT OBJECTIVE
The Strategy aims to generate long term capital appreciation by investing in niche businesses having market leadership and good potential to grow. Investment will be mainly targeting Mid & Small cap stocks in this strategy.

SECTORAL HOLDINGS (%)

Please Note: Sectoral holdings are of a Model Client as on 31st Aug 2018. Sectoral holdings of individual client may differ depending on time of entry in the strategy.
FORTUNE STRATEGY

- Find and invest in mid-sized businesses which depict leadership
- Open to All-Caps but focus on bottoms-up fundamental research
- Research team with sectoral expertise
- Tactically target 20% buy and rotate Strategy
- Unmatched Corporate access
- Number of stocks in portfolio capped @20–25
- Experienced professional money managers

IDENTIFY THEMES AND STOCKS AT AN EARLY STAGE TO REAP BENEFITS
CORE MEMBERS OF OUR TEAM

DILIP BHATT
DIRECTOR

With more than 28 years of experience in the financial world, he is a Chartered Accountant of immaculate repute and is amongst the top ranked Equity experts in India.

AJAY BODKE
CEO & CHIEF PORTFOLIO MANAGER

Over 20 years of experience as Senior Portfolio Manager with India’s leading Mutual Funds like IDFC MF, Standard Chartered MF & SBI MF.

NISHNA BIYANI
PORTFOLIO MANAGER

Over 11 years of experience split equally in the buy and sell side. Has managed a Corpus of Rs500m for ICICI Securities Primary Dealership (Absolute return oriented)

NUPUR PATEL
HEAD SALES & MARKETING

Over 16+ years of senior management experience in financial markets with renowned companies in the industry.
CONTACT US

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