

PRABHUDAS LILLADHER

PORTFOLIO MANAGMENT SERVICES

December 2022



The PL Edge

Prabhudas Lilladher is one India's Oldest and Most trusted Equity Advisor, since 1944. With an Industry leading inhouse research team of **45+** members and Coverage on Around **250 Stocks**, we are renowned for our research and advisory services. With an experience research & investment management team backed by our robust investment framework, we believe we have a deep EDGE in helping clients compound their wealth over the term, by benefiting from the structural growth story that India has to offer.

PL has demonstrated industry leading expertise since 1944 in the field of Equity Research & Advisory Services. We bring you the best of our research and advisory services in the form of Investible PMS Strategies, there by enabling you benefit from our Strong Investment DNA and Advisory services in the form of Products.



**Industry leading
Research DNA**



**Experienced & Diverse
Investment Team**



**Strong Management
Access**



**Robust Investment
Framework**



**Trusted
Since 1944**



**Expertise & experience
of 8 Decades**

Our PMS Offerings

	Multi-Asset Dynamic Portfolio (MADP)	Core Multicap Portfolio
ASSET	Multi-Asset	Multicap Equity
NATURE	Long-only	Long-only
STYLE	Quant based	Top Down + Bottom up Fundamental Research
STRATEGY	Dynamic Asset Allocation	Long Term Investing that balances Quality, Value & Growth aspects using DNA + VE framework
RISK PROFILE	Conservative to Moderate Investors	Moderate to Aggressive Investors
IDEAL TIME HORIZON	3 to 5 Years	3 to 5 Years



Consistent Performance For Long Term Growth Backed-up By

PL's Award Winning Research

MADP – Our Flagship Quant Offering

A Quant - based Dynamic Asset Allocation strategy for Low to Moderate Risk Investors

About Multi Asset Dynamic Portfolio (MADP):

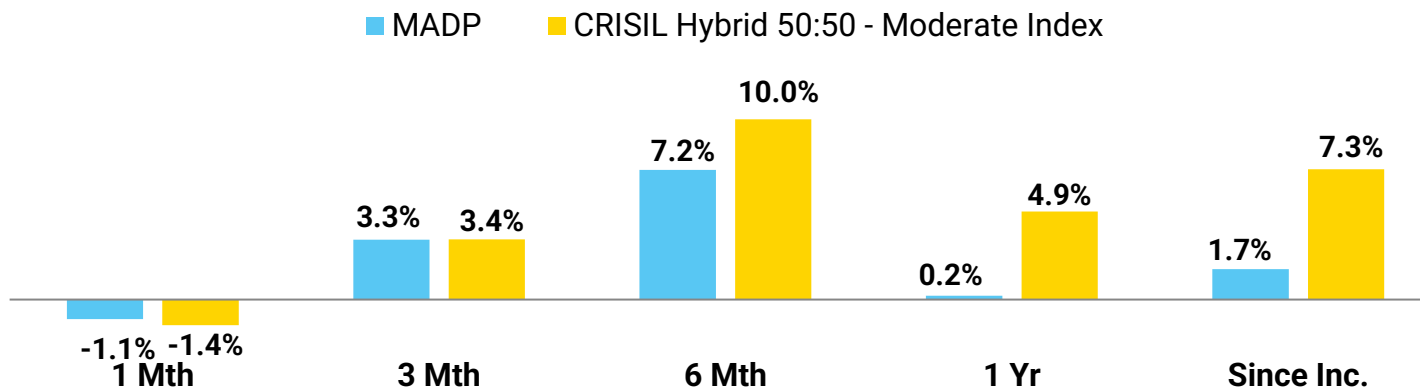
It is our endeavour to Protect Wealth in Bad Cycles and Compound Wealth in Good Cycles

Our Proprietary Quantitative Meters use over 100 Data Points to dynamically manage a diversified portfolio of fixed income, commodities, alternatives, domestic & global equity ETFs and Index Funds MADP – Our Flagship Quant Offering: A Quant - based Dynamic Asset Allocation strategy for Low to Moderate Risk Investors

Our Proprietary Quantitative Meters use over 100 Data Points to Deliver the Magic!

Fund Manager: Mr. Siddharth Vora

Performance as on 31/12/22



Investment Strategy:

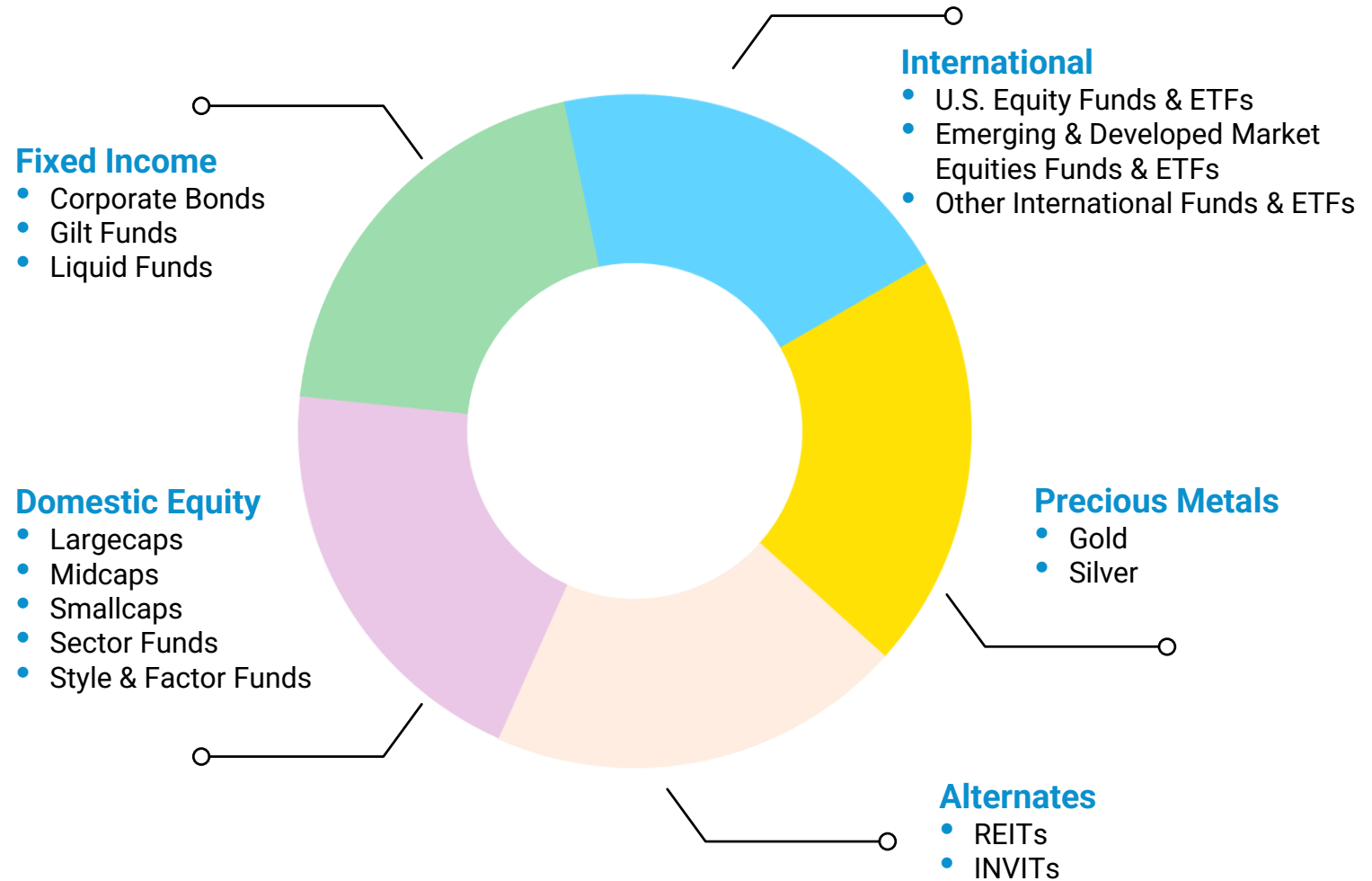
The asset allocation is done by our Proprietary Quant models. Accordingly, our Model assigns weights to asset classes as per output of the meters, purely based on data and rules, avoiding any human and emotional biases.

KEY HOLDINGS

1. Nippon India Nifty Bees
2. Bharat Bond 2025
3. Nippon India Midcap 150 ETF
4. Nippon India Gold Bees
5. Nippon India Junior Bees

- Suitable for Conservative to Moderate Investors looking for high risk-adjusted returns in the long term.
- Minimum Investment: Rs.50 Lakhs
- Fixed Fee Plan: 2.25% fixed p.a
- Hybrid Fee Plan : 1.25% fixed p.a & 15% Profit Share above 10% Hurdle Rate

MADP relies on tactical diversification across asset classes to reduce volatility, manage risk and deliver superior risk adjusted returns across market cycles



**Dynamic
Allocations
Diversified
across Asset
Classes**

Did you know that asset allocation drives more than 91% of investment returns?

**Rules-based
& Disciplined,
Data Driven
Processes**

Because then your money isn't left to the vagaries of human emotions and biases.

**High Quality &
Time Tested
Passive
Instruments**

Because its always better to invest in instruments that are proven and consistent.

**WE ELIMINATE – STOCK, STYLE AND FUND MANAGER RISKS
WITH OUR PROPRIETARY QUANT TOOLS**

Portfolio Construction and Allocation Methodology

PROPRIETARY REGIME BASED DYNAMIC MULTI-FACTOR ARCHITECTURE

Inputs : In-house Meters



Inputs : In-house Factors

Using our in-house Meters to Build Proprietary Factors



Process: Proprietary Quant Model



Output : Multi Asset Allocation Weights

Economic Growth Meter
Inflation Meter

Cyclometer
Relative Size Meter

Monetary Meter
Fund Flows Meter

Multi Asset Momentum Meter
Multi-Factor Momentum Meter
Technometer

Global RORO meter
Relative Value Meter
Sentimeter
Volatility Meter
Tactical Entry-Exit Meter

• **Macros**

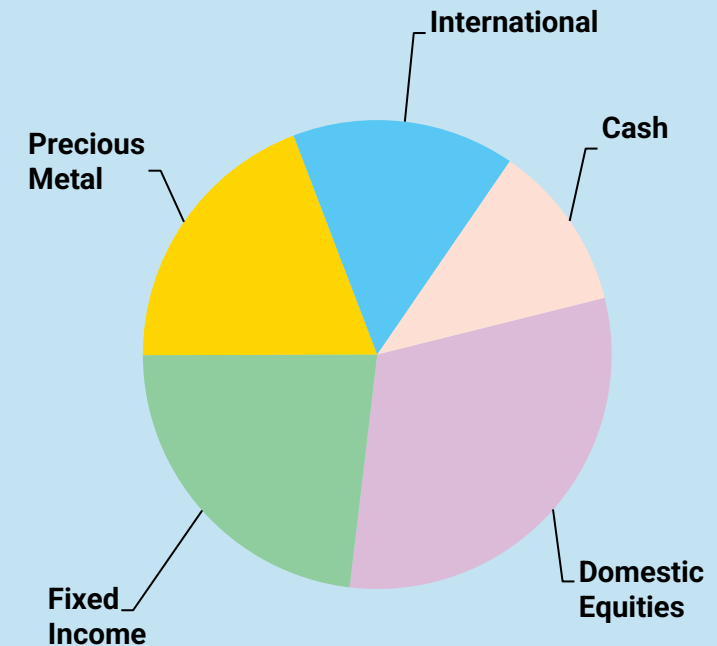
• **Value**

• **Liquidity**

• **Trend**

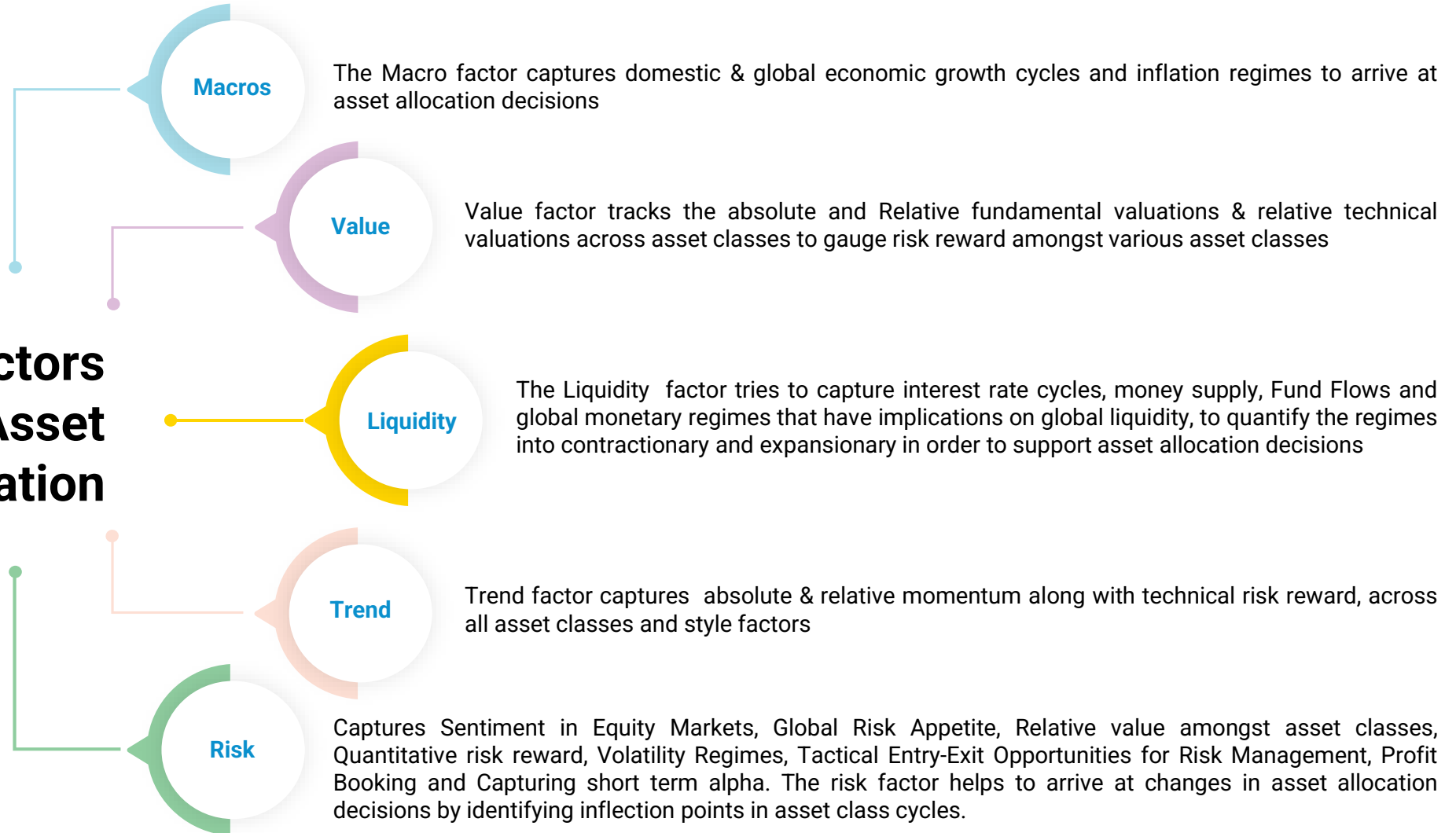
• **Risk**

- **Regime Identification**
- **Factor Optimization**
- **Dynamic weighted Multi factor scoring based on Regimes**
- **Risk Management by Capturing Tactical Signals**
- **Dynamic Allocation range for asset classes based on Regime**



Proprietary Factors for Dynamic Asset Allocation

Proprietary Factors for Dynamic Asset Allocation

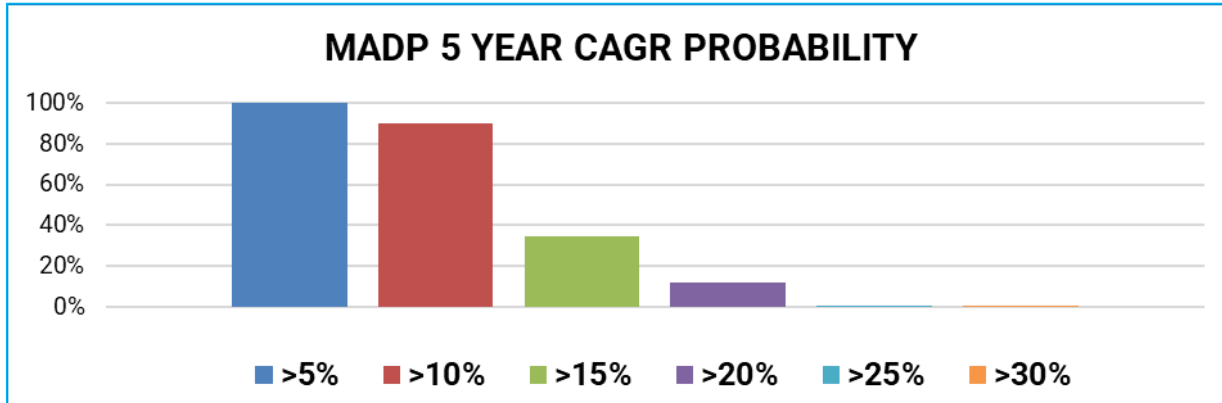
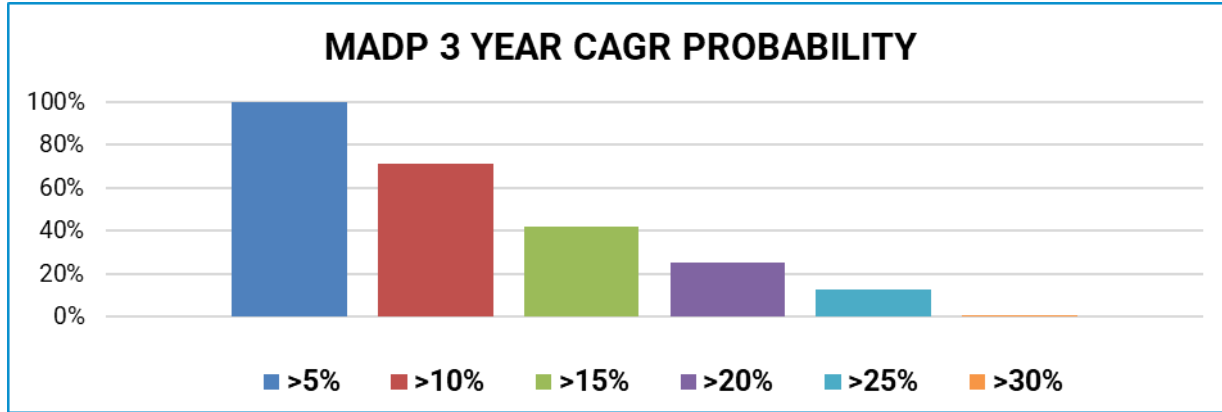
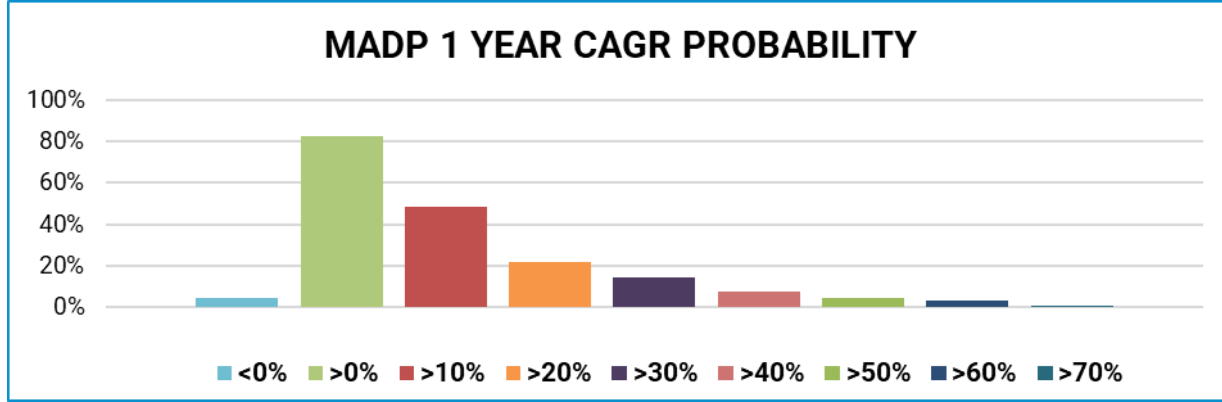


Limiting Drawdowns. Generating Alpha. Compounding Wealth.

Rolling Returns		MADP	Nifty 50	Junior BEES	Midcap 150	Smallcap 250	S&P 500	Nasdaq 100	Gold	Gilt	Corporate Bond	Liquid Funds
3 Years CAGR	Best	30.7%	26.4%	39.2%	35.0%	36.1%	30.5%	41.2%	32.5%	14.0%	11.5%	6.1%
	Worst	6.0%	-2.2%	-4.2%	-10.0%	-16.7%	-8.1%	1.3%	-8.0%	2.4%	5.7%	2.7%
	Median	13.7%	10.6%	13.1%	12.9%	9.9%	11.7%	21.6%	11.2%	8.1%	9.1%	4.5%
	Average	15.3%	10.6%	13.2%	12.9%	10.3%	12.0%	21.1%	10.9%	8.1%	9.1%	4.6%
Standard Deviation		11.3%	24.2%	15.7%	27.1%	29.2%	18.9%	22.3%	13.9%	5.4%	2.5%	0.1%
Sharpe Ratio		0.9	0.4	0.6	0.7	0.7	0.0	0.3	0.3	-0.3	-0.1	NA
5 Years CAGR	Best	22.4%	18.6%	26.7%	24.3%	25.8%	25.8%	33.2%	26.9%	11.5%	10.9%	5.9%
	Worst	6.4%	-0.7%	-0.5%	-2.1%	-7.4%	-2.5%	7.5%	-2.6%	4.1%	6.7%	3.2%
	Median	12.5%	11.0%	12.5%	11.9%	9.8%	12.8%	22.1%	8.5%	8.5%	9.3%	5.1%
	Average	13.8%	10.2%	12.7%	12.0%	9.4%	13.0%	21.4%	9.3%	8.2%	9.1%	4.8%
Standard Deviation		9.2%	20.4%	16.1%	24.0%	26.1%	18.2%	21.1%	12.3%	5.2%	2.4%	0.3%
Sharpe Ratio		0.7	0.3	0.1	0.2	0.0	0.2	0.5	0.5	0.1	0.4	NA

Data till 31st December 2022

Investment Outcomes



MADP 1 Year Returns Post Worst Return Phases

Period	Worst 1Y Returns	After 1Y
Nov 2008	-6.5%	86.6%
Jan 2016	-6.2%	17.1%
Feb 2009	-6.1%	70.4%
Feb 2016	-5.9%	17.3%
Jan 2009	-5.9%	69.2%

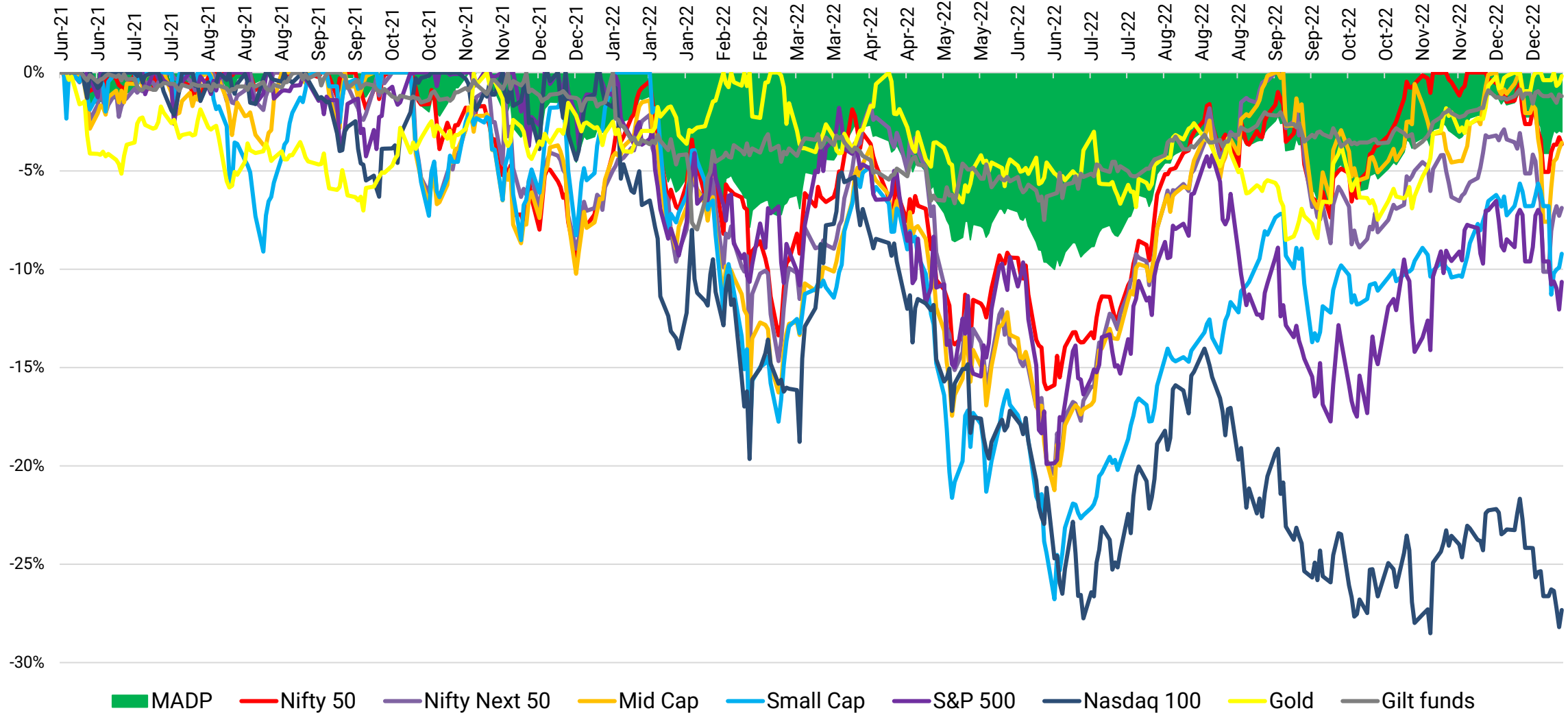
Returns Range	1 Year	3 Year
Min	-2.8%	15.8%
Max	36.7%	21.2%
Average	11.3%	18.6%
Current	0.1%	16.0%

Volatility (1 Year)	STD DEV	MADP Drawdown (1 Year)	Potential Range
Min	5.8%	Max	-10.0%
Max	11.7%	Average	-4.9%
Average	8.3%	Current	-3.0%
Current	9.0%		

Data as on 31st December 2022

Limiting Drawdowns. Generating Alpha. Compounding Wealth.

MADP vs Equity Drawdown



Data till 31st December 2022

MADP PMS Comparison with Peers

Period		Prabhudas Lilladher - MADP	Morning Star – Active Aggressive	Morning Star - Active Aggressive Plus	Morning Star - Active Balanced	Morning Star - Active Growth	First Global - Multi Asset	MADP Rank
As on 31st March 2022	1M	2.79%	2.10%	2.55%	1.33%	1.76%	2.85%	2
	3M	-1.18%	-2.30%	-1.62%	-0.93%	-1.69%	-3.08%	2
	6M	-0.22%	-2.27%	-1.97%	-0.72%	-1.73%	-1.56%	1
As on 30th April 2022	1M	-0.55%	-2.19%	-1.14%	-1.72%	-1.99%	-1.34%	1
	3M	0.82%	-3.63%	-1.98%	-2.20%	-2.98%	-3.49%	1
	6M	-1.91%	-5.42%	-3.42%	-3.11%	-4.52%	-2.86%	1
As on 31st May 2022	1M	-2.48%	-1.48%	-3.17%	-1.32%	-1.68%	-4.60%	4
	3M	-0.31%	-1.97%	-1.83%	-1.72%	-1.94%	-3.95%	1
	6M	-3.98%	-4.33%	-4.22%	-2.79%	-3.79%	-7.11%	3
As on 30th June 2022	1M	-2.62%	-4.91%	-3.77%	-2.74%	-3.97%	-2.66%	1
	3M	-5.56%	-8.70%	-7.88%	-5.67%	-7.46%	-8.40%	1
	6M	-6.68%	-10.80%	-9.38%	-6.54%	-9.03%	-11.91%	2
	1Y	-2.79%	-4.16%	-0.78%	-1.53%	-3.29%	-2.14%	4
As on 31st July 2022	1M	4.65%	7.58%	7.66%	4.56%	6.22%	5.84%	5
	3M	-0.62%	0.42%	0.32%	0.36%	0.28%	-1.73%	5
	6M	0.19%	-3.23%	-1.67%	-1.85%	-2.71%	-5.16%	1
	1Y	0.39%	1.51%	4.67%	1.92%	1.44%	-0.82%	5
As on 31st August 2022	1M	2.08%	2.10%	3.34%	1.47%	1.88%	2.68%	3
	3M	4.03%	4.46%	7.07%	3.20%	3.91%	5.62%	4
	6M	3.70%	2.39%	5.10%	1.42%	1.90%	1.43%	2
	1Y	0.81%	-0.30%	3.25%	0.49%	-0.12%	-0.10%	2
As on 30th September 2022	1M	-2.86%	-1.90%	-3.99%	-2.30%	-2.30%	-0.83%	5
	3M	3.77%	7.50%	5.46%	8.70%	3.67%	7.62%	5
	6M	-2.00%	-4.07%	-3.71%	0.13%	-2.21%	-1.43%	3
	1Y	-2.21%	-5.90%	-1.84%	-2.91%	-4.64%	-3.71%	2

Source: PMSBAZAAR, As on 31st July 2022

Core Multicap Portfolio – Our Core Equity Offering

An Equity-focused Multi-cap strategy for long term wealth creation for Moderate to High Risk Investors

About Core Multicap Portfolio:

A Multi-Cap & Multi-Style Long Only Equity strategy that aims to generate superior returns across market cycles by following a combination of Top Down & Bottom up.

Benefit by the growth of India's most promising companies across the market capitalization spectrum

Our Proprietary DNA + VE Test identifies High Quality companies with superior visible growth, available at economical valuations

Fund Manager: Mr. Siddharth Vora

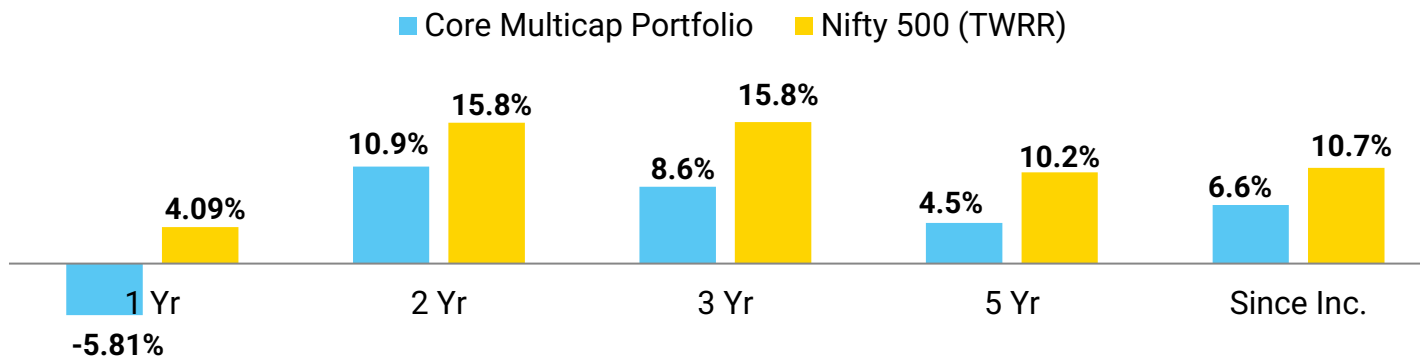
Investment Strategy:

Capture Superior Visible Growth at Economical Valuations in companies with a Strong DNA.

Portfolio comprises businesses that pass PL's proprietary **DNA + VE test**

Durable Growth Opportunity
Noticeable Right to Win
Ace Governance
+
Visible Superior Growth
Economical Valuations

Performance as on 31/12/22



KEY HOLDINGS

- Lemon Tree Hotels Ltd.
- Bharti Airtel Ltd.
- State Bank of India Ltd.
- Infosys Ltd.
- Motherson Sumi Wiring India Ltd.
- Gujarat Fluorochemicals Ltd.
- Titan Company Ltd.
- Larsen & Toubro Ltd.

- Suitable for Moderate to Aggressive Investors who seek returns in the medium term.
- Minimum Investment: Rs.50 Lakhs
- Fixed Fee Plan: 2.25% fixed p.a
- Hybrid Fee Plan : 1.25% fixed p.a & 15% Profit Share above 12% Hurdle Rate

Core Multicap Portfolio is Now Enhanced

**BALANCE IS
CREATED
NOT FOUND**

What Kind of Businesses do We Invest in ? Those with a Strong DNA

When and How much do we Invest? Based on + VE

D

Durable Growth Opportunity

- Expansion in Addressable Markets - New Markets, New Product
- Large Headroom of Category Growth - Under-penetration
- Value Migration : unorganized to organized, unbranded to branded and upgrading to downtrading, tech disruption, commodity to speciality
- Favorable regulatory changes
- Changing consumer preferences
- Structural tectonic market shifts

N

Noticeable Right To Win

- Dominance in Scale (among top 5 in the space & growing)
- Specialization/ Differentiation driving superior growth by reducing competition and aiding pricing power
- Superior Execution & Efficiency (is opm better than industry or is capex cheaper)
- Superior Capital Access/ Talent Attraction/ Technology Adoption
- Inherent Competitive Advantage - Technology, Brand, Distribution, Technical Expertise, IP, Cost Advantage, Switching Cost, Intangibles, Network Effects, Pricing Power.
- Strong Entry Barriers – Regulatory Barriers, Technological Complexity, Startup or Replacement Costs, Patents, Human Capital Requirements

A

Ace governance

- Accretive Capital Allocation & Capital Distribution & Capital Structure History
- Clean Audit record, Credit Rating History, low contingent liabilities/goodwill
- Efficient Cash Conversion
- Pledged shareholding and reason thereof
- Frequent / sizeable insider trading
- Management Depth, Succession, Board Structure

V

Visible Superior Growth:

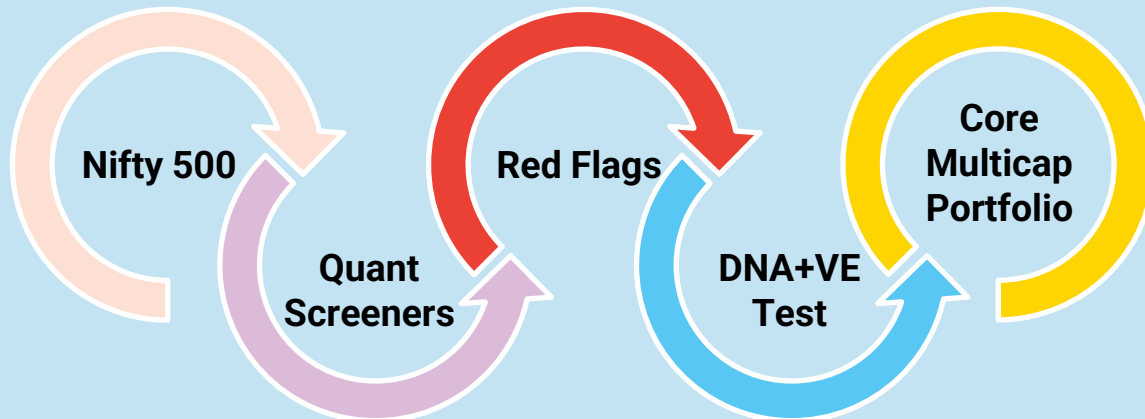
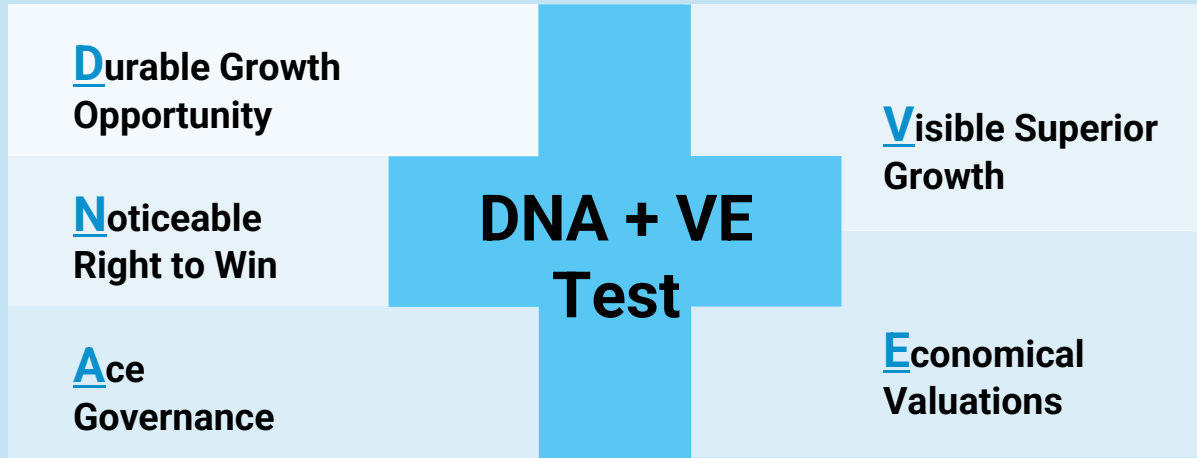
- Higher than market, economy, peers and industry growth in 1-3 year Period
- Visible Sector or Company level tailwinds or Triggers
- Productive Capex (capacity expansion, hiring, value chain enhancement, technology improvements) announcements
- Corporate Actions

E

Economical Valuations:

- Headroom for Rerating lead by improved growth trajectory or efficiency improvements
- Acceptable Relative Valuations for given level of growth, longevity, efficiency, volatility in earnings, and historic multiples
- Valuation catch up to peers due to relatively reasonable multiples vs peers
- Structural Earnings growth expansion

Investment Framework, Process and Themes



Macro Themes:

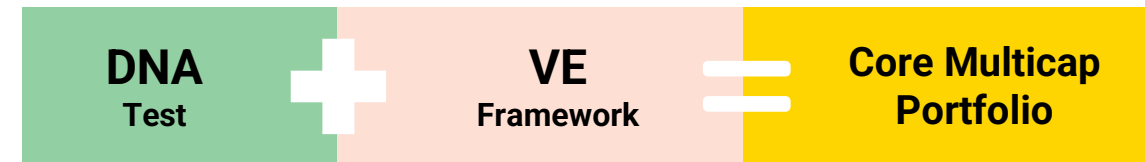
- Inflation Proofing – Play Resource Producers & Agro Commodities
- Weakening Rupee – Play Dollar linked Exporters
- Rate Hike Cycle – Preference for High CASA Financials
- Margin Compression – Invest in Companies with Pricing Power
- Growth Deceleration – Play visible Growth at Economical Valuations

After DNA Test – Portfolio Construction based on :

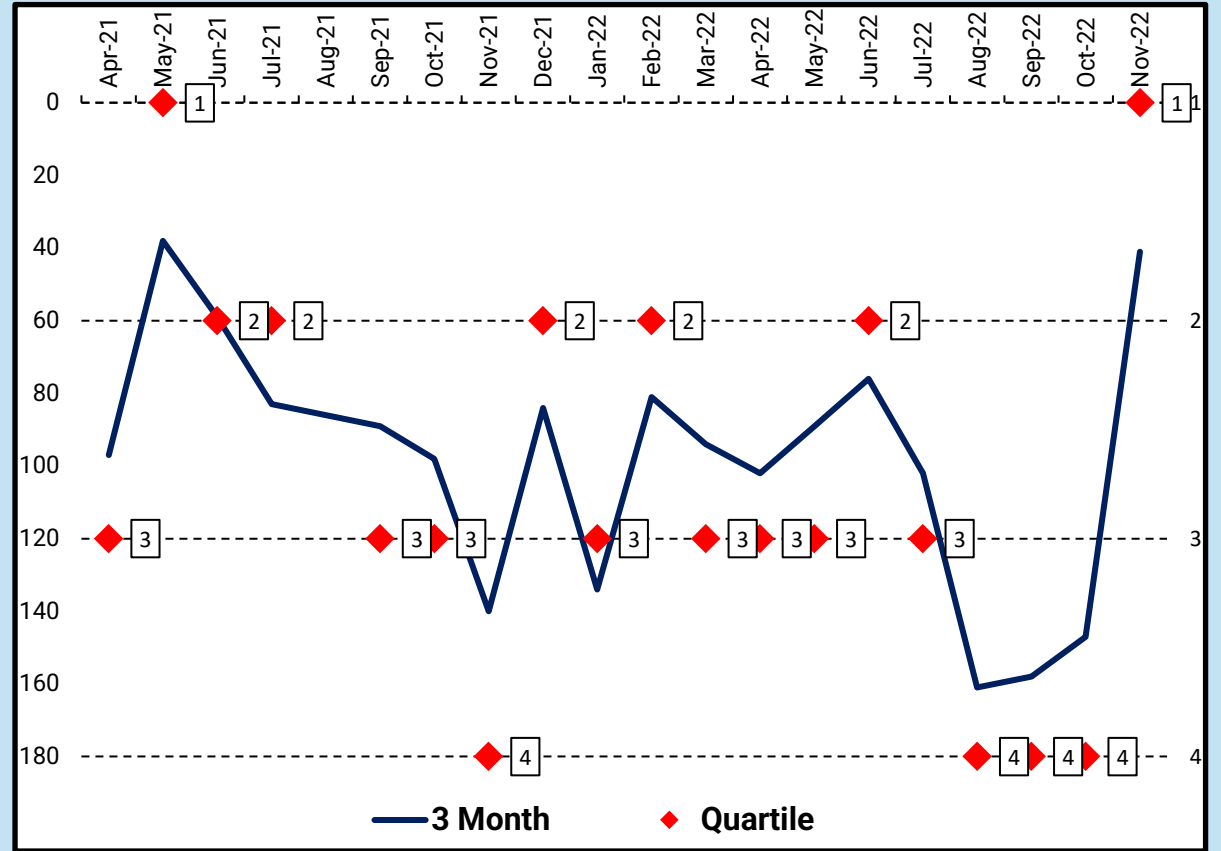
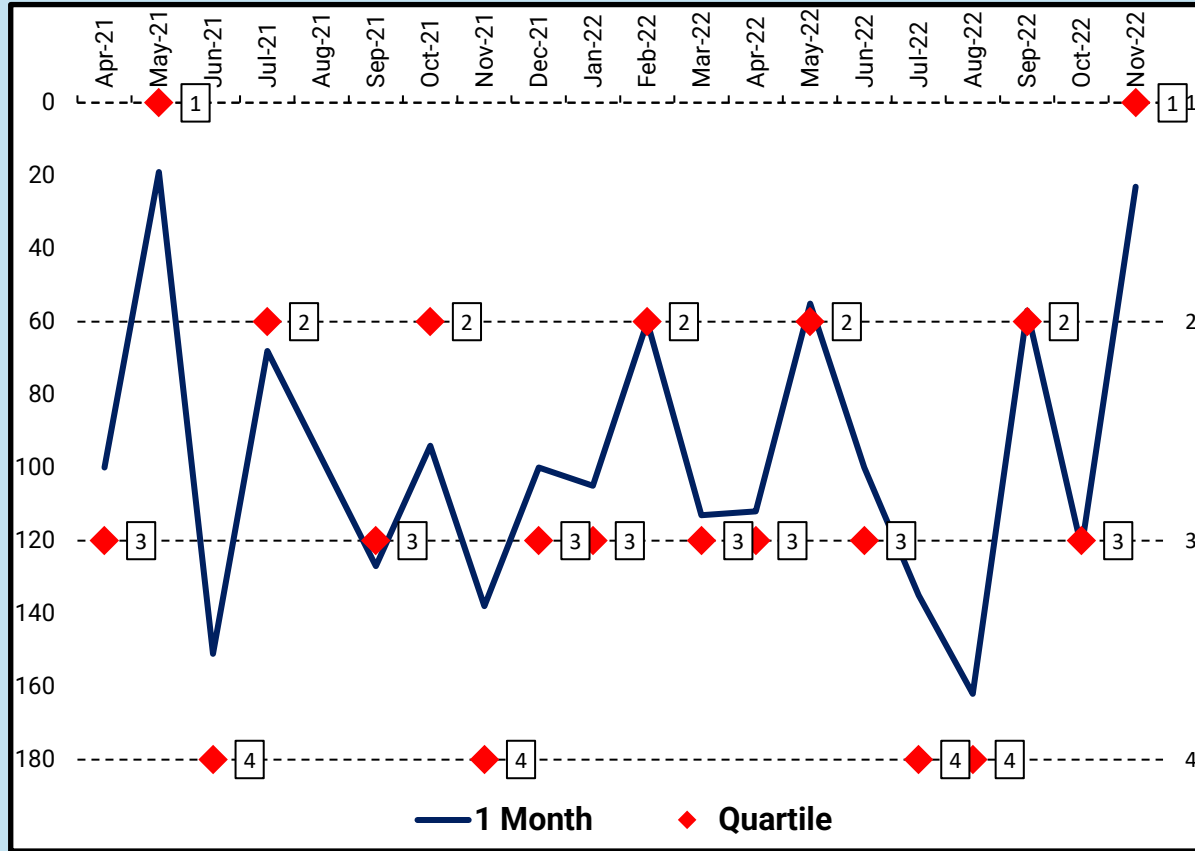
- Superior Visible Growth in 1 - 3 Year Period
- Economical Valuations Relative to Growth, Efficiency and its historical Multiples
- Right Sizing Weights based on Conviction & Shift in Style & Sector Outlook

Risk Control & Construction:

- Concentration Risk: Sector & Stock
- Liquidity Risk



Quartile Growth – 1 Month & 3 Month



Meet our Team



AMISHA VORA
CA

Head of Investment Committee
Experience- 35 years



DR PUNITA KUMAR-SINHA
CFA, IIT, Ph.D Wharton

Chairperson – PL PMS Funds Mgmt
Experience- 30 years



Siddharth Vora
CA-CFA-MSC

Head, Investment Strategy & Fund Manager
Experience- 5 years



Venil Shah
MBA

Senior Research Analyst
Experience- 10 years



Nupur Patel
MBA

Principal Officer – PMS,
Experience- 20 years



Ritika Chhabra
MSc Economics, B.Tech

Economist & Macro Analyst
Experience- 8 years

Disclaimer / Disclosures

MADP Strategy may invest substantially in equity, debt, gold and international securities.. Equity securities and equity related securities are volatile and proven to price fluctuations.

Multi Strategy and TAPS primarily invest in listed equities across market cap i.e. large cap, mid cap and small cap. Strategies may invest substantially in equity and equity related securities. The risks associated with such strategies are likely higher than a well-diversified equity investment/fund. As the strategies will be invested in a limited number of stocks, since strategies follows a concentration stock strategy, in case the chosen stock does not perform, it could adversely impact the returns of the strategy. Consequently, the value of investment may be affected. Equity securities and equity related securities are volatile and proven to price fluctuations.

Note:

The liquidity of investments made in the portfolios may be restricted by trading volumes and settlement periods. Settlement period may be extended significantly by unforeseen circumstances. The inability of the portfolios to make intended securities purchase due to settlement problems could cause the portfolios miss certain investment opportunities. Similarly, the inability to sell securities, held in the strategies portfolios may result, at times, in potential losses to the strategy, should there be a subsequent decline in the value of securities held in the strategies portfolios. Investment in Securities is subject to market risk and there is no assurance or guarantee that the objectives of the investment will be achieved, as with investment in securities, the value of portfolios may go up or down depending upon the factors and forces affecting in capital market and the portfolio manages is not responsible or liable for the losses resulting from the operations of the portfolios.

Investments in equity and equity related securities involve a degree of risk and investors should not invest in the strategy unless they can afford to take the risk of losing their investment. The returns are calculated on the basis of Time Weighted Rate of Return (TWRR unitized) method. These performance records are not verified by SEBI or any other regulatory authority. The data is only for the discretionary portfolio management services.

PORTFOLIO MANAGEMENT SERVICES

Contact Us

CORPORATE OFFICE :

Prabhudas Lilladher Pvt. Ltd.

3rd Floor, Sadhana House,
570, P. B. Marg, Behind Mahindra
Tower, Worli, Mumbai – 400 018.
India.



+91 22 6632 2350



+91 98210 97856



nupurpatel@plindia.com



www.plindia.com